



Economy Regeneration & Housing Committee

Date:	Monday, 22 January 2024
Time:	6.00 p.m.
Venue:	Committee Room One, Birkenhead Town Hall

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This meeting will be [webcast](#)

AGENDA

- 1. WELCOME AND INTRODUCTION**
- 2. APOLOGIES**
- 3. MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST**

Members are asked to consider whether they have any disclosable pecuniary interests and/or any other relevant interest in connection with any item(s) on this agenda and, if so, to declare them and state the nature of the interest.

- 4. MINUTES (Pages 1 - 12)**

To approve the minutes of the meeting of the Economy, Regeneration

and Development Committee held on 6 December 2023, attached.

5. PUBLIC AND MEMBER QUESTIONS

Please telephone the Committee Services Officer if you have not received an acknowledgement of your question/statement by the deadline for submission.

5.1 Public Questions

Notice of question to be given in writing or by email by 12 noon, Wednesday 17 January 2024 to the Council's Monitoring Officer via this link: [Public Question Form](#) and to be dealt with in accordance with Standing Order 10.

For more information on how your personal information will be used, please see this link: [Document Data Protection Protocol for Public Speakers at Committees | Wirral Council](#)

Please telephone the Committee Services Officer if you have not received an acknowledgement of your question by the deadline for submission.

5.2 Statements and Petitions

Statements:

Notice of representations to be given in writing or by email by 12 noon, Wednesday 17 January 2024 to the Council's Monitoring Officer (committeeservices@wirral.gov.uk) and to be dealt with in accordance with Standing Order 11.

Petitions:

Petitions may be presented to the Council if provided to Democratic and Member Services no later than 10 working days before the meeting, at the discretion of the Chair. The person presenting the petition will be allowed to address the meeting briefly (not exceeding three minutes) to outline the aims of the petition. The Chair will refer the matter to another appropriate body of the Council within whose terms of reference it falls without discussion, unless a relevant item appears elsewhere on the Agenda. If a petition contains more than 5,000 signatures, it will be debated at a subsequent meeting of Council for up to 15 minutes, at the discretion of the Mayor. Please telephone the Committee Services Officer if you have not received an acknowledgement

5.3 Questions by Members

Questions by Members to be dealt with in accordance with Standing Orders 12.3 to 12.8.

SECTION A - KEY AND OTHER DECISIONS

6. WIRRAL WATERS INVESTMENT FUND – EGERTON VILLAGE (Pages 13 - 22)

The appendices to this report may not be suitable to view for people with disabilities, users of assistive technology or mobile phone devices. Please contact stephenchapman@wirral.gov.uk email if you would like these documents in an accessible format.

7. UTILISATION OF PROCURE PARTNERSHIPS FRAMEWORK - BIRKENHEAD WATERFRONT PROGRAMME, CONWAY STREET / EUROPA BOULEVARD AND GRANGE ROAD / CHARING CROSS / GRANGE ROAD WEST MOVEMENT PROJECTS (Pages 23 - 38)

The appendices to this report may not be suitable to view for people with disabilities, users of assistive technology or mobile phone devices. Please contact davidmarsh@wirral.gov.uk if you would like these documents in an accessible format.

8. BIRKENHEAD HEAT NETWORK (Pages 39 - 44)

The appendix to this report may not be suitable to view for people with disabilities, users of assistive technology or mobile phone devices. Please contact matthewbennett1@wirral.gov.uk if you would like this document in an accessible format.

SECTION B - BUDGET AND PERFORMANCE MANAGEMENT

9. 2024-25 BUDGET REPORT UPDATE (Pages 45 - 60)

SECTION C - WORK PROGRAMME / OVERVIEW AND SCRUTINY

10. WORK PROGRAMME (Pages 61 - 70)

11. EXEMPT INFORMATION - EXCLUSION OF THE PRESS AND PUBLIC

The following items contain exempt information.

RECOMMENDATION: That, under section 100 (A) (4) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following items of business on the grounds that they involve the likely disclosure of exempt information as defined by paragraph 3 of Part I of Schedule 12A (as amended) to that Act. The Public Interest test has been applied and favours exclusion.

12. WIRRAL WATERS INVESTMENT FUND - EGERTON VILLAGE - EXEMPT APPENDICES (Pages 71 - 128)

13. UTILISATION OF PROCURE PARTNERSHIPS FRAMEWORK - BIRKENHEAD WATERFRONT PROGRAMME, CONWAY STREET / EUROPA BOULEVARD AND GRANGE ROAD / CHARING CROSS /

**GRANGE ROAD WEST MOVEMENT PROJECTS - EXEMPT
APPENDIX (Pages 129 - 130)**

- 14. BIRKENHEAD HEAT NETWORK - EXEMPT APPENDIX (Pages 131
- 228)**

Terms of Reference

The terms of reference for this committee can be found at the end of this agenda.

ECONOMY REGENERATION & HOUSING COMMITTEE

Wednesday, 6 December 2023

Present: Councillor T Jones (Chair)

Councillors GJ Davies J Bird
M Skillicorn E Lamb
A Hodson E Tomeny
A Gardner H Raymond
B Kenny (for R Pitt) A Davies (for G
Wood)

42 **WELCOME AND INTRODUCTION**

The Chair opened the meeting and reminded everyone that the meeting was being webcast and a copy is retained on the Council's website for two years.

43 **APOLOGIES**

Councillor Gill Wood sent her apologies. Councillor Angela Davies substituted.

Councillor Ritchie Pitt sent his apologies. Councillor Brian Kenny substituted.

44 **MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST**

Members were asked to consider whether they had any disclosable pecuniary interests and/or any other relevant interest in connection with any items on this agenda and, if so, to declare them and state the nature of the interest.

No such declarations were made.

45 **MINUTES**

Resolved – That the minutes of the meeting held on 16 October 2023 be approved as a correct record.

46 **PUBLIC QUESTIONS**

Mr Alan Featherstone asked for the square metreage rented by all tenants at the present Birkenhead Market, including the outside market.

The Chair responded that currently, a total of 5,500 metres squared was rented by all tenants of Birkenhead Market. This was split into 4,656 metres squared in the indoor market and 644 metres squared in the outside market.

Mr Featherstone asked a supplementary question, about whether a feasibility report that showed a reduction of 50% of the square metreage for traders had been made available to councillors.

The Chair stated that Mr Featherstone would receive a written response to this question within 10 working days.

Mr Featherstone asked whether a current feasibility study document had been shared with Members of the Committee and whether that document would be made available to the market community when consultations begin.

The Director of Regeneration and Place confirmed that the document would be shared with members of the committee.

Mr Featherstone asked a supplementary question asking for clarification that the feasibility study raised in his previous question was the most recent version and not one from 3 years prior.

The Director of Regeneration and Place confirmed that it would be the most recent version of the study.

Mr Terry O'Reilly noted that market traders had been promised a state-of-the-art new market in the heart of Birkenhead town centre and asked for an explanation of how moving to a re-purposed site on the outskirts of the town centre would deliver on the promises made to the community.

The Chair responded that there were examples of other markets that have transitioned into re-purposed sites such as Altrincham and Crewe. He noted that high-level proposals to date had suggested circa £6 million of investment in the former Argos site would be required to deliver a market of similar internal quality to the House of Fraser option. He noted that the Argos option was located within walking distance of the train station, bus station, a multi-storey car park and sites allocated for housing within the local plan.

Mr Greg McTigue asked whether the committee felt it was acceptable that traders should be told about the Council's redevelopment plans 24 hours before the committee were due to make a decision on the future of the market.

The Chair responded that the agenda for the committee, including the report on the options of the market, had been published on 28 November 2023, in line with standard operating procedures. He noted that following the

publication of the report, officers and Members had met with the Birkenhead Market Tenants Association.

Mr Dave Borrill was not in attendance and the Lead Principal Lawyer read his question on his behalf. He asked whether a comprehensive retail assessment had been undertaken to evaluate the effects of moving the market into the Argos site and the impacts it would have on small businesses, businesses surrounding the market and the wider community.

The Chair responded that the work to date on the Argos site proposal was on the basis of a concept design to help understand whether the site could accommodate a similar number of units to the House of Fraser option. He noted that subject to committee approval, additional work would be developed that would reflect the wider town centre regeneration proposition.

Mr Joe Orr asked the Chair to outline how the preferred option to move the Birkenhead Market into the former Argos site would meet the expectations of customers, the community and businesses considering the market's historical significance?

The Chair noted that the Council acquired the Grange and the Pyramids shopping centre in May 2023. He stated that the work developed to date that was outlined in the committee report was a concept and subject to committee approvals. The Council was committed to building relationships with traders and the Birkenhead Market Tenants Association to ensure more enhanced engagement.

Mr Orr asked a supplementary question, querying whether the council had conducted any surveys to gauge public opinion of the local community regarding the potential move of Birkenhead Market.

The Chair stated that Mr Orr would receive a written response within 10 working days.

Mr Mike Eccles asked whether Birkenhead's key stakeholders and public opinions / concerns had been actively sought and considered before deciding on the change from a bespoke modern new market building to a repurposed, end-of-line centre unit?

The Chair responded that the Council had met with the Birkenhead Market Tenants Association in November 2023 and the traders had made it clear that the House of Fraser option was not their preferred choice. Subject to determination of the Committee, the Council would continue work to engage with traders.

Cat Lavender was not in attendance and the Lead Principal Lawyer read her question on her behalf. She asked if analysis had been undertaken on the

economic impact due to potential job losses and business closures on the Argos market proposal?

The Chair responded that this was a speculative question that he was not in a position to answer, however as part of future engagement the Council would of course work to understand trader requirements.

Mr Tommy Roberts was present, but at his request, the Lead Principal Lawyer read his question for him. He asked how the Council would support displaced traders and businesses impacted by the changes that would come from moving Birkenhead Market into the former Argos site?

Mr Roberts had a supplemental question which asked what would happen to the rest of the funding if the original grant was for £15 million and the refurbishment of the former Argos site would cost £6 million.

The Chair stated that Mr Roberts would receive a written response within 10 working days.

The Chair stated that all proposals put forward by officers for consideration by the Committee would be subject to engagement with traders.

Sarah O'Reilly was not in attendance and the Lead Principal Lawyer read her question on her behalf. She noted that having surveyed 75% of traders, 95% of those respondents stated that they rejected the proposed move to the Argos site. She also noted that the Birkenhead Market Tenants Association had undertaken a petition with over 1400 signatures and asked if the Council would engage with traders and the public in a meaningful way before any decision was made?

The Chair noted that the Council had already met with the Birkenhead Market Tenants Association as an outcome of their recent election and had also met them and other market traders in advance of the meeting of committee. He stated that the Council would continue to undertake meaningful engagement.

Mr Sean Martin asked whether the Chair would agree to postpone the approval process pending the release of the New Brighton Neighbourhood Framework and a full review of the New Brighton Masterplan?

The Chair noted that a consultation on the draft Marine Promenade Masterplan closed on 4 December 2023. Responses were currently being reviewed and would be taken into consideration when finalising the Masterplan. A report of consultation would be presented to Committee alongside the final Masterplan, to ensure that the views of all respondents to the consultation had been taken into account and considered in an open, transparent and timely manner. The publication of a Marine Promenade Masterplan was a requirement of the Local Plan. The aim of the Masterplan

was to ensure that development proposals come forward in a co-ordinated and planned way, while providing flexibility by setting out a number of potential design options for each site.

The New Brighton Neighbourhood Framework was a regeneration led document that was still being finalised. The document would cover the wider regeneration area and would also be subject to consultation. The document had already undergone 2 rounds of informal consultation and this had helped inform the Masterplan process.

Mr Martin asked a supplemental question stating that New Brighton had been let down by the Master Plan and he asked when the council would put it right.

The Chair state that Mr Martin would receive a written response with 10 working days.

47 **STATEMENTS AND PETITIONS**

Mr Alan Featherstone presented a statement in respect of agenda item 6, Birkenhead Market Options Study. The statement noted that he had attended the meeting of Council on Monday 4 December 2023 where there were some promising commitments to local businesses through the Local Plan. He was disappointed by the way that market traders were shown around the proposed Argos site, feeling that there was too much secrecy and felt that the site was too small, with a report delivered in May 2023 that showed this. He noted that Britain had a reputation as a nation of shopkeepers and asked Members of the Committee to consider voting against the recommendations in the report if they had any doubts about whether the proposed site could accommodate enough traders.

Mr Greg McTigue presented a statement on behalf of the Birkenhead Market Tenants Association. He stated that he was witnessing the demise of the traditional market in Birkenhead through under- investment, mis-management and complacency. He noted that the number of market traders had reduced significantly in recent years. He noted his disappointment in the proposed former Argos site compared to the bespoke, flagship design the market traders had been promised and stated that its location was also poor in comparison.

48 **QUESTIONS BY MEMBERS**

The Chair noted that no such questions had been submitted.

49 **BIRKENHEAD MARKET OPTIONS STUDY**

The Chair noted that an addition to the recommendations in the report had been circulated to Members of the Committee from the Director of Regeneration and Place. The additional recommendation read as follows:

“The Director of Regeneration and Place wishes to make a further recommendation as follows to the above report as a new paragraph 7. Paragraph 7 of the recommendations within the report will be numbered as Recommendation 8:

Other Options

7. Agree that in recognition of recent engagement with Birkenhead Market Traders Association the Director of Regeneration and Place be requested to undertake further feasibility work on both:

a) St John's Pavement to determine whether this is a viable option for market traders; and

b) the refurbishment of part of the existing Birkenhead Market.”

The Assistant Director for Asset Management and Investment presented the report of the Director of Regeneration and Place. The report noted that the current Birkenhead Market Hall was an aging building, operating inefficiently and the Council had been considering options to re-locate the market to an alternative market site for several years. A number of options had been considered and rejected for a variety of reasons detailed in the report, leaving the proposal to relocate the existing market to a new purpose-built market hall on the site of the former House of Fraser Store, as the current option subject to the scheme being delivered to an acceptable design and cost.

The capital cost of delivery for the House of Fraser proposal was at £31.6 million and the emerging funding gap could have had a significant impact on the Councils financial position.

The report noted that the Council acquired the Grange and the Pyramids in May 2023 and as part of the acquisition a strategic review of the vacant sites and sites that could accommodate a market offer to a similar size of the House of Fraser proposal had been undertaken. The report proposed to examine in detail an alternative permanent option in the former Argos Store located in the Grange shopping centre. However, the Council was at an early stage of engagement with new representatives for the market traders and consideration of alternative options was appropriate.

A discussion was had on the rise in costs of the House of Fraser site and the perceived slippage of the offer to traders, the need for further information on the costs involved and the housing requirements involved from grant funding received from the Liverpool City Region Combined Authority. Members requested more communication from officers on plans and noted that the original plans for the House of Fraser site were meant to be a lynchpin for the regeneration of the area. Concerns were raised as to whether the proposed move to the former Argos site would have the same impact. Members were informed that the number of stalls available at the Argos site was comparable to the House of Fraser site.

Members were informed that Councillor Helen Raymond wished to move an amendment which had been circulated to Members of the Committee.

The meeting adjourned at **19:05**

The meeting reconvened at **19:15**

A discussion was had on the need for a high-quality market, Members requested information on the number of stalls available for each option, with artist impressions of the sites. They felt that traders should be consulted more. The need for good communication was raised.

A motion was then formally put by Councillor Helen Raymond, Seconded by Councillor Ewan Tomeny:

‘At recommendation 2, Add “current” before “market proposals on the House of Fraser site be paused”.

Add 2b:

Furthermore, the Director of Regeneration and Place is requested to prepare a sufficiently detailed report for members to consider for a new new-build proposal on the House of Fraser site, which takes into account of the original aims outlined in the St Werburgh’s Quarter master plan – including a grant funded residential scheme – within the available Council-controlled budget plus any accessible commercial/third party funding.’

The motion was then put and lost (4:7)

On a motion by the Chair, seconded by Councillor Andrew Hodson to include the additional recommendation from the Director of Regeneration and Place, it was,

Resolved – That

House of Fraser Site

1.
 - a. **The work to date to progress the House of Fraser site as the currently agreed location to accommodate the Birkenhead Market (as set out in paragraph 3.7 of the report) be noted.**
 - b. **The inability for the House of Fraser site to provide the previously identified brownfield housing requirement of 89 units as referred to in paragraph 3.11 of this report be noted;**
 - c. **The increased financial envelope required to construct the Birkenhead market on the House of Fraser Site as currently designed, set out in paragraph 3.10 of this report be noted.**
2. **Further work on the developing the market proposals on the House of Fraser site be paused at this time whilst the Argos option is considered, noting the 6-month time constraint for a decision on proceeding beyond**

RIBA Stage 3 for the House of Fraser site as set out in paragraph 5.3 of this report at this time be agreed.

3. The further work that will be undertaken on the potential future use of the House of Fraser Site, for consideration by this Committee in due course in the event that a future decision not to proceed with the development of a market on the House of Fraser site is made be noted.

Argos Site

4. The limited work undertaken to date on development of the Argos site option to house a permanent market for Birkenhead as set out in Appendix 1 be noted.
5. The Director of Regeneration and Place be authorised to proceed with procurement of the RIBA stage 3 design development and appointment of a market consultant to further develop the market option.
6. The Director of Regeneration and Place will bring forward the outcome of the market feasibility and output of the market consultancy work on the Argos option to a meeting of this Committee in Spring 2024 which will include a full options appraisal on the Argos site and associated financial implications be noted.

Other Options

7. In recognition of recent engagement with Birkenhead Market Traders Association it be agreed that the Director of Regeneration and Place be requested to undertake further feasibility work on both:
 - a. St John's Pavement to determine whether this is a viable option for market traders; and
 - b. the refurbishment of part of the existing Birkenhead Market

Wirral Growth Company LLP

8. Subject to future member decisions on the developer for the market and the advanced state of work on Pasture Road as set out in paragraph 3.24 of the report, it be noted that consideration will need to be given to the future of Wirral Growth Company LLP and a report shall be brought to a future meeting of this Committee accordingly

50 CONSIDERATION OF PROPOSAL TO IMPLEMENT SELECTIVE LICENSING FOLLOWING CONSULTATION

The Principal Strategic Housing and Investment Officer presented the report of the Director of Regeneration and Place. The report set out the reasons for implementing a Selective Licencing scheme (scheme 4) in four designated areas

in the borough. There was a robust evidence base to justify the targeting of proposed areas and support for the scheme had been evidenced through feedback from a wide-ranging consultation exercise. The consultation survey showed that 84.9% of respondents either strongly agreed or agreed with selective licensing proposals compared to 10.3% who either strongly disagreed or disagreed.

The report noted that while there had been substantial improvements in property conditions, previous and current Selective Licensing schemes demonstrated that without pro-active Council intervention in these areas, vulnerable tenants would continue to live in poor quality, often hazardous housing.

Members discussed the benefits of the selective licensing scheme, the impact that some rogue landlords can have on the lives of their tenants and the costs of the scheme. Members also asked whether the service had the resources to deliver the scheme, which officers confirmed that they were confident that they did. Officers were congratulated for the level of consultation for the scheme and were thanked officers for the report.

Resolved – That it be agreed that:

- 1. Selective Licensing shall apply in Birkenhead West (LSOA E01007127 / Wirral 016B), Seacombe St Pauls (LSOA E01007273 / Wirral 008B), Bidston & St James West (LSOA E01007123 / Wirral 011D) and Egremont North (LSOA E01007218 / Wirral 002A);**
- 2. The Selective Licensing designation for the above four areas shall commence on 1st April 2024 and last until 31st March 2029;**
- 3. The selective licence fee shall be at the rate of £585; and**
- 4. Any future eligible recharges be reserved for consideration as part of the review of the next Selective Licensing Scheme which will be brought to this Committee in 2024.**

51 **2023/24 BUDGET MONITORING FOR QUARTER TWO**

The Director of Regeneration and Place presented his report which set out the financial monitoring information for the Economy Regeneration and Housing Committee as at Quarter 2 (30 September) of 2023/24. The report provided Members with an overview of budget performance, including progress on the delivery of the 2023/24 saving programme and a summary of reserves and balances, to enable the Committee to take ownership of the budgets and provide robust challenge and scrutiny to Officers on the performance of those budgets.

Resolved – That Committee noted:

- 1. The adverse revenue forecast of £1.3m as at Quarter 2;**

2. **The progress on delivery of the 2023-24 savings programme at Quarter 2;**
3. **The level of reserves at Quarter 2; and**
4. **The capital programme of £52.238m for 2023-24**

52 **NEIGHBOURHOOD FRAMEWORK & MASTERPLANS APPROVAL PROCESS**

The Head of Regeneration Delivery presented the report of the Director of Regeneration and Place. He noted that the date given in paragraph 3.9 was an error and that the follow-up reports were due to be presented to the Economy, Regeneration and Housing Committee on 4 March 2024. The report sought to set out the status of existing Neighbourhood Frameworks and Masterplans and the process and timescale for adopting those that had been recently published and subject to consultation.

The report noted that the Council had been developing its regeneration strategy for Wirral Left Bank for a number of years. The Birkenhead 2040 Framework has been endorsed by the Committee as the interim regeneration strategy for Wirral in March 2022. This document was supported by a series of more detailed Neighbourhood Frameworks setting out the regeneration objectives and strategies for specific areas. Some of these regeneration documents were completed and published in 2021. Other Neighbourhood Frameworks remained in draft as further work was carried out on delivery strategies.

Members discussed the value of being able to see all the masterplans in the borough. A member queried whether specific areas such as West Kirby needed a masterplan when they are not as in need of regeneration in the way that other areas are. Members also queried the need for employing consultants to devise questions for residents.

The Director for Regeneration and Place noted that he agreed with the Members' comments and that the scope of consultation for areas such as West Kirby should be done in consultation with local ward councillors. He felt that local officers could come up with plans for the area rather than use outside consultants.

The Head of Regeneration and Delivery stated that the work outlined in the report had helped support and inform the evidence base for the emerging Local Plan. The documents specifically helped support the housing numbers that had been attributed to the "other developable areas" or non-allocated sites in regeneration areas in the Local Plan.

The Local Plan identified 11 Regeneration Areas, and these were the focus of the Council's brownfield first housing delivery. Neighbourhood Frameworks aligned with the boundaries of the regeneration areas and set out the regeneration objectives and potential housing delivery within each area.

Many of the Regeneration areas also contained Masterplan areas. These were defined in the Local Plan in policy WS6.3. Masterplan areas were areas where significant change was expected and a co-ordinated and comprehensive approach to development was required. Masterplans were planning documents and should be in place before development in the area could be approved. Masterplans could be progressed by a developer via a Planning application, or could be developed and endorsed by the Council.

Resolved – That

- 1. The process for adopting the Neighbourhood Frameworks and Masterplans as referred to in paragraph 3.1 of the report and the engagement process as described in 3.2 to 3.7 of the report be noted; and**
- 2. The process for endorsement of the Neighbourhood Frameworks and Masterplans as referred to in paragraph 3.8 and 3.9 of the report be agreed.**

53 **WORK PROGRAMME**

The Lead Principal Lawyer presented the report of the Director of Law and Governance. Members were informed that the work programme should align with the corporate priorities of the Council, in particular the delivery of the key decisions which are within the remit of the Committee

Members queried the timescale for feasibility work on Birkenhead Market and were informed that it would not come to Committee until March 2024 at the earliest.

Members requested an update report on Mass Transit and a delivery workshop on Council House Building Options be added to the Work Programme.

Resolved – That the Economy Regeneration and Housing Committee work programme for the remainder of the 2023/24 municipal year be agreed with the inclusion of the above items.

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ECONOMY REGENERATION & HOUSING COMMITTEE

Monday, 22 January 2024

REPORT TITLE:	WIRRAL WATERS INVESTMENT FUND – EGERTON VILLAGE
REPORT OF:	DIRECTOR OF REGENERATION AND PLACE

REPORT SUMMARY

This report seeks approval to enter into a Deed of Novation of Contract in respect of the Wirral Waters Investment Fund Grant Funding Agreement (GFA) dated 23 February 2023, to enable the delivery of Egerton Village, a new high quality mixed-use development to come forward within Wirral Waters.

The Council Plan 2023-2027 Wirral Working Together, sets out the Council's vision of working together to promote fairness and opportunity for people and communities. The matters contained in this report directly support the following delivery theme of the Council Plan:

- Working together to deliver people focussed regeneration.

Through delivery of this theme, the Council is leading Wirral's place shaping agenda – creating a strong economy based on brownfield first regeneration and delivering social, people-focused regeneration that benefits Wirral as a whole.

This matter is a key decision and affects the ward of Bidston and St James.

Appendices 2 and 3 of this report are exempt from publication under paragraph 3 of part 1 of Schedule 12A of the Local Government Act 1972 (Information relating to the financial or business affairs of any particular person (including the authority holding that information) as they contain information relating to the financial and business affairs of Peel L&P Investments and Property Limited, Peel L&P Holdings (UK) Ltd, and Starship Regeneration Egerton Village Limited and the public interest in maintaining the exemption outweighs the public interest in disclosure.

RECOMMENDATION

The Economy, Regeneration and Housing Committee is recommended to authorise the Director of Regeneration and Place to approve the novation of the Grant Funding Agreement between the Council and Peel L&P Investments and Property Limited for the Egerton Village project to Starship Regeneration Egerton Village Limited with Peel L&P Holdings (UK) Ltd acting as continuing Guarantor subject to the requirements as summarised in paragraph 5.1 of this report being satisfied.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 To enable the Council to enter into a Deed of Novation of Contract in respect of the Wirral Waters Investment Fund Grant Funding Agreement dated 23 February 2023 for the Egerton Village project.
- 1.2 To enable Starship Regeneration Egerton Village Limited to progress the development which will support the priorities of the Wirral Waters Investment Fund (WWIF), Birkenhead 2040 Framework, and the Council Plan.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 Other options have been considered and have been discounted. Specifically, if the Council adopts a “do nothing” approach, as the project is reliant on securing funding to meet the identified viability gap, the development is highly unlikely to be progressed without public sector intervention. If the WWIF grant funding agreement is not novated, the project may not proceed at all.

3.0 BACKGROUND INFORMATION

- 3.1 On 5 November 2015, the Council’s Cabinet approved the creation and operation of the Wirral Waters Investment Fund This fund was established for the purpose of promoting investment and economic growth within the Wirral Waters priority regeneration area. It was set up on the basis of re-investing uplifted business rates and/or prudential borrowing against future business rates generated in the Wirral Waters Enterprise Zone which is designated until 2037. Further background information on the Council’s priorities and operation of the Wirral Waters Investment Fund is detailed in previous reports as noted under the ‘Subject History’ section of this report.
- 3.2 Egerton Village will serve existing and new businesses, residents and visitors by providing key amenity space including an appropriate hospitality offer as well as providing retail, studio and workspace accommodation. It will provide a focal point for arrival and orientation around Wirral Waters. The project will deliver approximately 14,672 sq ft of new commercial floorspace adjacent to the Hythe office building on Tower Road.
- 3.3 The development has been designed to create a new semi-public, semi-covered ‘square’ at its heart that will be used for events and other activities. To the north the largest wing will potentially accommodate a variety of arts and creative industries and students in flexible workshop, studio and education space, with the potential for part to be used as a gallery. It is proposed that there will be a new restaurant occupying a prominent waterfront westerly location on the dock edge. Complementing these offers along the Tower Road frontage will be a series of smaller, retail outlets / kiosks potentially accommodating such amenity services as convenience retail, coffee shop, newsagents etc. to enhance the neighbourhood

offer for businesses, students and the emerging residential community, complementing developments such as the significant Millar's Quay residential scheme.

- 3.4 Following completion of the Grade A Hythe office building at end of 2021, which is next to the site, there is a pressing need to deliver Egerton Village to establish a greater and appropriate amenity offer that will assist in retaining and attracting new employers into the area. It will also transform people's perception of the place whilst establishing a vital and viable base for exploring the rest of Wirral Waters and the wider Left Bank area.
- 3.5 The project is projected to leverage in private sector investment during the construction phase and generate further investment by end users in the form of fit-out and ongoing operation. Details, however, have not yet been provided by either Peel L&P Investments and Property Limited or Starship Regeneration Egerton Village Limited although such external financing will be necessary for the project to succeed because the Council grant would cover only 40% of the cost.
- 3.6 The site benefits from full planning permission (APP/18/00647). A site plan showing the extent of the boundary is included as Appendix 1 to this report.

Grant Funding Agreement background and current position

- 3.7 At its meeting of 17 March 2021, the Policy and Resources Committee approved the making of a grant from the Wirral Waters Investment Fund to Peel Land and Property Investments (Intermediate) Limited (Peel L&P) to support the development of new high quality mixed use floorspace at Egerton Village and for a conditional legal agreement be drawn up. This was further to a recommendation in this regard from Economy Regeneration and Development Committee of 4 March 2021.
- 3.8 Following a subsequent update from Peel Land and Property with regard to the named Peel subsidiary company that would undertake the development, in May 2022, the Director of Regeneration and Place approved a decision that the recipient of the Wirral Waters Investment Fund (WWIF) Grant be amended and the Director of Law and Governance be authorised to progress the legal Grant Funding agreement between the Council and Peel L&P Investments and Property Limited. On 23 February 2023, the Council entered into a Grant Funding Agreement with Peel L&P Investments and Property Limited to deliver the project with the parent company, Peel L&P Holdings (UK) Ltd as guarantor.
- 3.9 In May 2023, the Council was informed by Peel L&P Investments and Property Ltd that they are building a strategic partnership at Wirral Waters that covers Modern Methods of Construction manufacturing and development with Starship Group, based in the heart of Wirral Waters. They have proposed that the Grant Funding Agreement the Council entered into with Peel L&P Investment and Property Limited be novated to Starship Regeneration Egerton Village Limited, which would become responsible for developing the project, subject to the Council's approval to novate the WWIF grant funding agreement. Peel L&P Investments and Property Ltd have put forward to the Council that this alternative arrangement will assist Peel by allowing them to free up development capacity to bring forward other key projects in the Wirral Waters regeneration programme.

3.10 Starship Group was founded in 2020. It counts housing associations, private developers and investors among its client base and utilises Modern Methods of Construction to deliver low carbon homes and developments across the UK. The business relocated its modular construction manufacturing and assembly facility from Deeside to the former Mobil building in the Mea Park area of Wirral Waters in 2022, providing local employment opportunities, whilst in the year prior, also relocating the Group's headquarters to the Grade A Hythe office building on Tower Road, which is directly adjacent to the Egerton Village site.

4.0 FINANCIAL IMPLICATIONS

4.1 The financial implications in respect of the matters in this report are set out in detail in Appendix 2 to this report. Appendix 2 is exempt from publication under Paragraph 3 of part 1 of Schedule 12A of the Local Government Act 1972 as it contains commercially sensitive information.

5.0 LEGAL IMPLICATIONS

5.1 CBRE has advised the Council on the proposed novation and is of the opinion that novation should only be entered into if Starship can demonstrate it has adequate external funding to complete the Project (albeit conditional on the novation), has a viable business plan, and that the details of the external funding arrangements would not impair the guarantee given by the Peel Guarantor. If the Committee approves the recommendations within this report the Director of Regeneration and Place would therefore need to consider compliance with the requirements of the Subsidy Control Act 2022 in order to avoid the grant funding agreement being unlawful state subsidy. In order to achieve this the following pre-conditions for the novation of the grant would need to be considered:

- Starship Regeneration Egerton Village Ltd (Starship) entering into a long lease of the site the terms of which will enable it to complete the Project and to disclose the terms of that lease to the Council;
- Submission by Starship of a viable business plan to complete the Project;
- A guarantee by Peel L&P Holdings (UK) Limited (as Guarantor) by it being a party to the novation agreement as a guarantor of Starship's compliance with the conditions of the grant;
- Disclosure by Starship of its external funding arrangements which in the opinion of the Council are sufficient to enable it to start and complete the project and which will enable the Peel Guarantor to "step in" and complete the Project if Starship defaults and any external funder declines to do so;
- Satisfactory arrangements whereby Starship's terms with its suppliers and contractors would empower its external funders and the Peel Guarantor to step in and take over those contracts before those suppliers and contractors exercised any right to terminate those contracts on the grounds of Starship's breach of contract; and
- Other ancillary terms as may be appropriate

- 5.2 If the novation of the Grant Funding Agreement is subsequently approved, this would mean that the recipient of the Wirral Waters Investment Fund (WWIF) grant previously approved for Peel L&P Investment and Property Limited would instead be received by Starship which would take on all rights and be bound by the same obligations, outputs and conditions of the original grant funding agreement, with the Council agreeing appropriate variations owing to a revised project timescale and practical completion date. If CBRE's advice is followed Peel L&P Holdings (UK) Ltd would need to continue to act as guarantor.
- 5.3 Financial assistance is subject to the Subsidy Control Act 2022 ("the 2022 Act") which came into effect on 4 January 2023 and replaced the previous EU State Aid rules. The 2022 Act requires that a public authority must not give a subsidy unless it is of the view the subsidy is consistent with, and satisfies, the 7 principles of the Act, referred to as the "General Principles". These include that the subsidy must remedy an identified market failure or address social difficulties or distributional concerns, be proportionate and limited to what is necessary to achieve the objective and be designed to bring about a change in the beneficiary's behaviour that is conducive to achieving the objective. The latter requirement might be difficult to satisfy if the project is not considered to be financially viable since in those circumstances it is not likely that the Project will be sustainable. The exempt report in Appendix 3 by CBRE is relevant to this issue.
- 5.4 Further requirements of the 2022 Act are that the grant would have to be designed to achieve the specific policy objective (viz creation of the urban village) and the beneficial effects of achieving that objective must outweigh the negative effects on competition caused by favouring one developer (Starship) over all the other potential commercial developers of sites on the Wirral.
- 5.5 The proposed novation of the WWIF Grant Funding Agreement would give effect to the change of recipient of the grant funding to Starship. A new Subsidy Control assessment will need to be carried out by the Council to assess the policy objectives and legal basis for a potential award of subsidy to Starship. Proceeding with novation will need to be subject to the Council satisfying the requirements of the 2022 Act. Until Starship puts forward a viable business plan and sets out its external financing arrangements to meet the 60% of the cost not funded by the Council, it cannot be said that the novation of the grant funding agreement would be lawful since without that additional finance the policy objective of the subsidy will not be achieved.
- 5.6 The Council is under a fiduciary duty to the Council Taxpayer to make prudent use of the Council's resources. This duty entails that the Council must be reasonably confident that the grant will lead to a financially viable investment for Starship yielding a return sufficient to enable it to repay external loans and meet its obligations as a commercial landlord. The Council's fiduciary duty would also prevent the Council from allowing the grant to be used by Starship to pay Peel a price for the land which exceeds its market value.
- 5.7 Having regard to Starship Regeneration Egerton Village Limited's apparent lack of assets and track record (according to information publicly available from Companies House), the conditions listed at paragraph 5.1 of this report are the minimum necessary to comply with the Council's fiduciary duty. Furthermore, and in support of the conditions, Section 24 of the 2022 Act prohibits the Council from entering into a

grant funding agreement with Starship until it can demonstrate that its assets exceed in value its liabilities and that it can stay in business without the help of the Council's grant.

- 5.8 Other legal implications in respect of the matters in this report are set out in Appendix 2 to this report. Appendix 2 is exempt from publication under Paragraph 3 of part 1 of Schedule 12A of the Local Government Act 1972 as it contains commercially sensitive information.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 The administration of the grant and monitoring of expected outputs will be resourced through the existing work programmes of officers within the Council's Economic Growth Team with support from Finance officers in relation to claims and payments. Project risk and performance in relation to regeneration delivery will be monitored by the Council's Wirral Waters area programme manager. Finalising the Deed of Novation will be managed by the Council's Legal team.

7.0 RELEVANT RISKS

- 7.1 The risks related to the matters considered in this report are identified along with appropriate mitigation measures within Appendix 2 to this report. Appendix 2 is exempt from publication under Paragraph 3 of part 1 of Schedule 12A of the Local Government Act 1972 as it contains commercially sensitive information.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 This report is consistent with the principles of the Council Plan 2023-2027, Birkenhead 2040 Framework and draft Local Plan, which identifies Wirral Waters as an identified and agreed area of significant growth potential. The Council Plan and Birkenhead 2040 Framework have been informed by consultation with residents, businesses and key stakeholders.

9.0 EQUALITY IMPLICATIONS

- 9.1 The Council has a legal requirement to make sure its policies, and the way it carries out its work, do not discriminate against anyone. An Equality Impact Assessment is a tool to help council services identify steps they can take to ensure equality for anyone who might be affected by a particular policy, decision or activity.

- 9.2 The potential impact of the Egerton Village development has been reviewed regarding equality and links to the existing EIA conducted for Wirral's Economic Strategy and no amendments have been made. A copy of the EIA for Wirral's Economic Strategy 2021-2026 can be viewed at:
<https://www.wirral.gov.uk/communities-and-neighbourhoods/equality-impact-assessments/equality-impact-assessments-2021-0#overlay-context=communities-and-neighbourhoods/equality-impact-assessments/equality-impact-assessments-2021>

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

- 10.1 This project will involve the redevelopment of 0.5 acres of brownfield land. The development will be built using Modern Methods of Construction involving a panelised approach to construction. The modules are an A-frame construction and will form the fabric of the built environment. It will be BREEAM Excellent and will be distinct, innovative and cost effective in its design and in its use of modules and panels. A design competition has been held and the project has successfully been through PlacesMatter! design review process.
- 10.2 The developer aims to create the first Net Zero Carbon building at Wirral Waters, that will offset all greenhouse gases that it produces. This will be achieved through its design, selection of materiality, using renewable energy and careful procurement during the construction and operating stages. The fabrication of the building is also of modular typology which means that construction is efficient. This development will support the Cool Wirral Cool 2 strategy objective 'Leaner use of energy'.

11.0 COMMUNITY WEALTH IMPLICATIONS

- 11.1 Community Wealth Building reorganises local economies to be fairer and stops wealth flowing out of communities. Striving for a prosperous and inclusive economy where local people can get good jobs and achieve their aspirations, the Council aims to create an economy that benefits all of our residents and one which keeps money within Wirral. The Council's Community Wealth Building Strategy is a key part of how this is achieved and makes a major contribution to improving the economic, social and health outcomes of the borough.
- 11.2 This project will support Community Wealth by being delivered by a Wirral-based developer and through the creation of local employment. It is estimated that the project will create 49 full-time equivalent new jobs following practical completion but this will only occur if the Project is financially viable.
- 11.3 The project will provide engagement and training opportunities with construction students from the neighbouring Wirral Met College as well as maximising opportunities for spend with the local supply chain and the use of local construction labour. Work will continue with occupying tenants once the site is operational to promote further partnership working and create a project with lasting social value credentials.

REPORT AUTHOR: Tom Booty
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APPENDICES

- Appendix 1 Site Plan
- Appendix 2 Key Project Details
- Appendix 3 CBRE Appraisal Review Report

Appendices 2 and 3 of this report are exempt from publication under Paragraph 3 of part 1 of Schedule 12A of the Local Government Act 1972 (Information relating to the financial or business affairs of any particular person (including the authority holding that information) as they contain information relating to the financial and business affairs of Peel L&P

Investments and Property Limited, Peel L&P Holdings (UK) Ltd, and Starship Regeneration Egerton Village Limited and the public interest in maintaining the exemption outweighs the public interest in disclosure.

BACKGROUND PAPERS

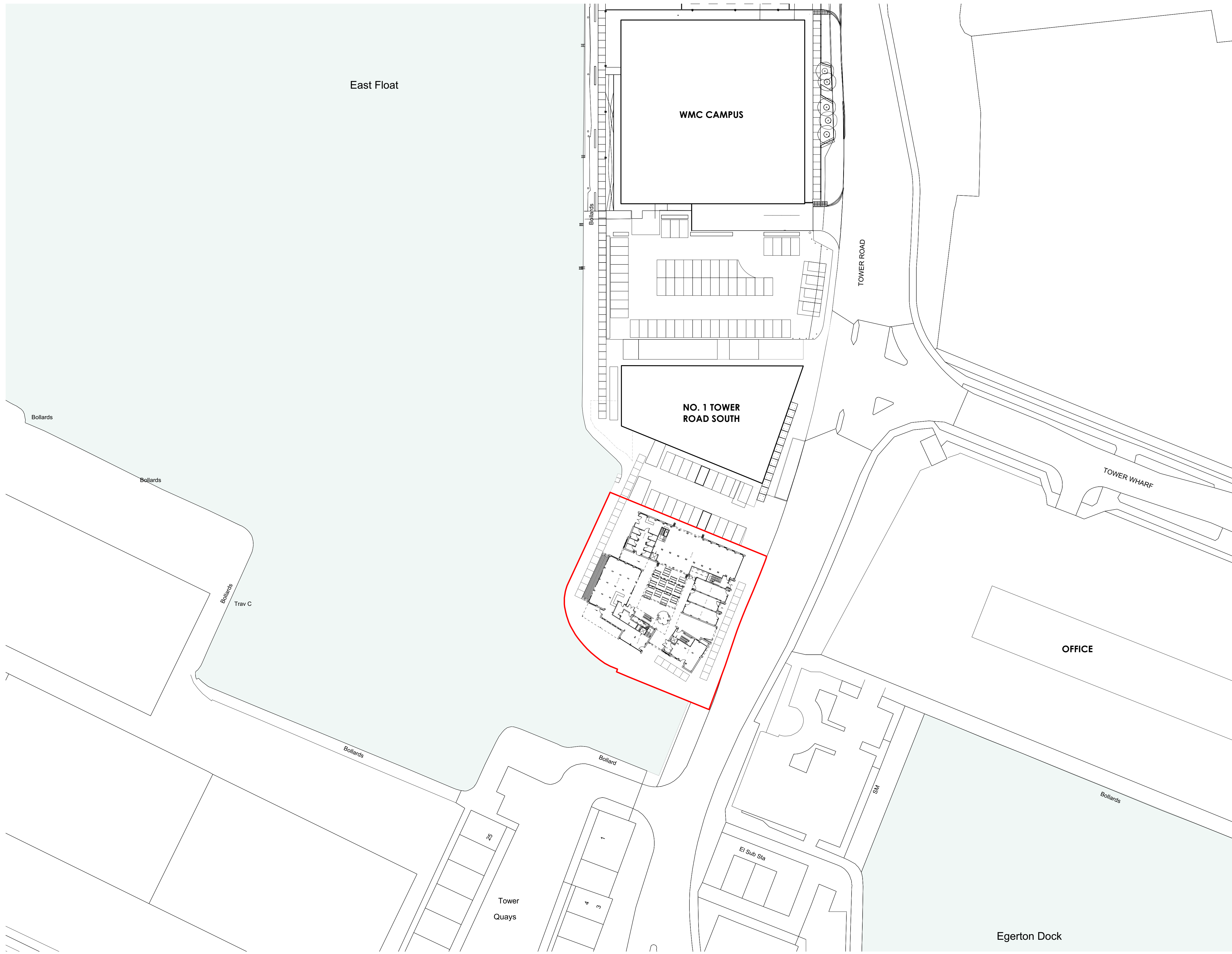
Wirral Working Together, A Council Plan for 2023-2027

TERMS OF REFERENCE

This report is being considered by the Economy, Regeneration and Housing Committee in accordance with Section 4.2 (g) of its Terms of Reference.

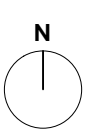
SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Economy, Regeneration and Housing Committee: Freeports and Maritime Innovation and Growth Projects	8 March 2023
Officer Decision: Wirral Waters Investment Fund - Egerton Village	29 June 2022
Policy and Resources Committee: Wirral Waters Enterprise Zone Investment Fund - Egerton Village	17 March 2021
Economy, Regeneration and Housing Committee: Wirral Waters Enterprise Zone Investment Fund - Egerton Village	4 March 2021



— APPLICATION SITE BOUNDARY

PLANNING



OMIArchitects

PROJECT	EGERTON VILLAGE				
DRAWING	PROPOSED SITE PLAN				
DATE	APR 18	DRAWN BY	AC	SCALE	1:500@A1
JOB NO.	1391	DWG. NO.	L0003		

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ECONOMY REGENERATION AND HOUSING COMMITTEE

22 JANUARY 2024



REPORT TITLE:	UTILISATION OF PROCURE PARTNERSHIPS AND PAGOBA FRAMEWORKS – BIRKENHEAD WATERFRONT PROGRAMME, CONWAY STREET / EUROPA BOULEVARD AND GRANGE ROAD / CHARING CROSS / GRANGE ROAD WEST MOVEMENT PROJECTS
REPORT OF:	DIRECTOR OF REGENERATION AND PLACE

REPORT SUMMARY

This report seeks members' endorsement of the commencement of a procurement exercise(s) via the Procure Partnerships Framework and the Pagabo Framework (or other suitable framework) to allow for the direct appointment of two separate main Tier 1 contractors that will lead to two direct awards, one to develop the design and undertake the construction works in relation to the highways, public realm and active travel schemes across the Birkenhead Waterfront Programme and the second award to immediately in early 2024 commence the construction works in Birkenhead Town Centre in relation to the Conway Street/Europa Boulevard Movement Project and Grange Road/Charing Cross/Grange Road West Movement Project.

This matter affects the ward of Birkenhead and Tranmere. This is a key decision given that the value is more than £500,000.

Appendix 4 to this report is exempt from publication pursuant to paragraph 3 of the part 1 of Schedule 12 A of the Local Government Act 1972 (Information relating to the financial or business affairs of any particular person (including the authority holding that information)) because it contains or refers to information relating to the financial and business affairs of contractors who have previously submitted bids and also contains information about intended direct awards to be conducted under the Procure Partnerships Decarbonisation Framework Agreement for the town centre projects and separately the Pagabo Framework (Framework LOT 1 £0.5million - £5million) in relation to the Waterfront project, and the public interest in maintaining the exemption outweighs the public interest in disclosure.

RECOMMENDATIONS

The Economy Regeneration and Housing Committee is recommended to approve:

1. the commencement of a procurement exercise(s) via the Procure Partnerships Framework and the Pagabo Framework (or other suitable alternative procurement framework) to allow for the direct appointment of two separate main Tier 1 contractors that will lead to two direct awards of construction contracts to develop the design and to undertake the construction works in relation to the highways, public realm and active travel

schemes across the Birkenhead Waterfront Programme and to undertake construction works in Birkenhead Town Centre in relation to the Conway Street/Europa Boulevard and Grange Road/Charing Cross/Grange Road West Movement Projects;

2. that the Director of Regeneration and Place be authorised to make direct appointments in relation to the above procurement exercises including in due course via the Pagabo framework for the Birkenhead Waterfront Programme, (where the design needs to be developed through an initial pre-construction services agreement with the contractor prior to the main construction contract) for the contracts referred to in recommendation (1) upon receipt of suitable bids from the relevant contractors; and
3. that the above recommendations be deemed urgent and therefore not subject to the procedure for re consideration.

SUPPORTING INFORMATION

1.0 REASONS FOR RECOMMENDATIONS

- 1.1 The Birkenhead Waterfront and Central Birkenhead (Town Centre) Programmes have been awarded significant funding from the Levelling Up Fund (LUF), Future High Streets Fund (FHSF), Active Travel Tranche 3 (ATF T3) and Town Deal (TD). All the Programmes are time limited. These time related pressures are exacerbated by the current high levels of inflation in construction costs and the availability of suitable contractors in a very competitive marketplace due to similar funding awards in many other authorities. Choice of the recommended procurement route and the use of a suitably qualified and experienced main contractors will bring significant benefits and efficiencies to the process, will greatly aid project certainty, ensuring that funding deadlines are met, and the Programmes are delivered as efficiently as possible.
- 1.2 The public realm and highway infrastructure projects are key projects within the Birkenhead 2040 Framework Strategy. Birkenhead Waterfront is one of the 8 spatial priorities and the immediate Woodside location contained within this area is one of the specific catalyst projects identified as it has the potential to deliver a significant quantum of residential units on brownfield land and so directly supports the Council's Local Plan targets.
- 1.3 Supporting the economy is a further priority and Birkenhead Town Centre plays a very important economic function as the home of the high street. The FHSF and ATF T3 projects directly support the revitalisation of the retail core alongside phase 1 of the new Business Commercial District, as well as enabling planned high quality residential development locally and other investments.
- 1.4 Sustainable travel is at the heart of the Birkenhead 2040 Framework and emerging Local Plan. The funding streams in this report feed into a range of schemes in these Programme areas and alongside the movement focused projects are part of a wider regeneration programme to deliver a prosperous, inclusive economy to benefit local residents.
- 1.5 The Council is already signed up to the Procure Partnerships Framework for utilisation under an existing access agreement. There are significant efficiencies in utilising the Procure Partnerships and Pagabo Frameworks to secure the appointment of suitably qualified main contractors which will allow the Council to speed up the delivery of a number of individual regeneration projects across Birkenhead Waterfront and Town Centre Programme areas.
- 1.6 A previous procurement exercise was carried out in 2023 following a report to Economy, Regeneration and Housing Committee on 23 January 2023. The approach taken under that exercise looked to award a single contract covering all elements of the work packages for Birkenhead Town Centre and the Waterfront project. The returned submissions did not provide the best financial outcome for the Council and under the terms of the Procure Partnerships Framework utilised for this tender exercise the Council is not obliged to award either contract, nor face financial penalties for not making any award. In the interests of seeking best value the intention (subject to members' approval) is to make two separate direct awards, one covering the Birkenhead Waterfront Programme and the other covering the two

Birkenhead Town Centre projects (Conway Street/Europa Boulevard Movement and Grange Road/Charing Cross/Grange Road West Movement).

- 1.7 Given the urgency to progress delivery of the schemes, a further procurement exercise has already commenced in advance of this committee cycle to facilitate, subject to this Committee endorsing the process, the award of separate direct award. Committee is also requested to authorise the Director of Regeneration and Place to make direct awards on the Town Centre construction and Waterfront contracts.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 The Council could decide to not progress with the procurement exercise(s). If members so resolved, then the process could be stopped without penalty. This is not considered to be an appropriate option given that funding has been secured and supporting regeneration and sustainable travel is in line with the Council's emerging Local Plan, the Birkenhead 2040 framework and the commitments to addressing the climate and environment emergency, improving the health of Wirral's residents and encouraging alternative modes of transport to the private car.
- 2.2 The use of open tendering has been considered but discounted due to the additional time that this process would require. The Council has already fully tested the market via the previous procurement process earlier in 2023 and the utilisation of a fully compliant frameworks to now make these awards still allows the Council to maintain an open and transparent procurement process whilst delivering the best financial outcomes for the Council and maximising the value added from the grant funding available. This approach will enable delivery to be in line with that required by funding bodies whilst striving to maintain the required programme outcomes.
- 2.3 The Council could consider other tendering methods such as a traditional full tender using "Find A Tender" but that would introduce the significant risk to the delivery of time critical infrastructure projects to the possible detriment of Birkenhead Waterfront, Town Centre, and the Council's emerging Local Plan. That process can be lengthy to accommodate advertisement of the scheme, assessment of interested parties, due diligence review, shortlisting and ultimate tendering; given the timeframes associated with this project it is not deemed feasible to utilise this route.
- 2.4 Furthermore there is considerable demand for main contractor services of this nature and these need to be secured without delay. All funding provided by ATF T3 is to be contractually committed to be spent by 31st March 2024 and it is imperative to avoid further delay and commence activity to deliver the projects.

3.0 BACKGROUND INFORMATION

- 3.1 On 27 October 2021, the Council received notification of the outcome of its submission to the first round of the Department of Levelling Up, Housing and Communities (DLUHC) LUF. This announcement set out that the Council had received its full requested allocation of £19,648,873 for a package of projects at Waterfront.
- 3.2 The Liverpool City Region Combined Authority (LCRCA) has also been successful in its application to the LUF for £37,520,000, for a package of strategic transport infrastructure projects across the City Region, including projects as part of the Central Birkenhead Gateway. The Council's allocation of the City Region LUF is

£9,700,900. The Council has also been awarded £3,850,000 of funding from the LCRCA as part of the ATF T3 to support the delivery of the Conway Street / Europa Boulevard Movement Project.

- 3.3 On 26 December 2020, the Council received notification of the outcome of its FHSF submission to the then Ministry of Housing, Communities and Local Government. This set out that Birkenhead was one of only 15 areas nationally that had received its full requested allocation. This award of £25,581,011 will support the regeneration of Birkenhead Town Centre into a diversified, mixed-use centre with a new modern market, new homes and a series of highways, connectivity and public realm projects. A successful TD bid of £3,031,380 will also fund elements of the Waterfront Programme and delivery will be designed to be seamless across this package of funding elements with the time critical appointment of the main contractors. Table 1 below sets out the existing grant funding allocations across the schemes.

Table 1

Programme	Scheme Name	Funding Source	Funding allocation
Town Centre Birkenhead	Conway St / Europa Boulevard / Claughton Rd	FHSF / ATF T3 / Private Sector Contribution	FHSF – £3,904,059 Active Travel 3 – £2,225,000 Private Sector – £1,170,000 Active Travel 3 Further Allocation – £1,625,000
	Grange Rd / Charing Cross / Grange Rd West	FHSF	£2,969,245
		Total TC	£11,893,304
Waterfront	Argyle Street	LCRCA	LUF – £9,700,900
	Woodside Area	Wirral Council	LUF – £8,805,350 WMBC Local Contribution – £1,119,407
	Hamilton Square / Hamilton Station Plaza	Town Deal	£3,031,380
		Total WF	£22,657,037

- 3.4 Having a single contractor to deliver the Waterfront and town centre Birkenhead projects was previously considered the preferred option to enable benefits from a cost and efficiency perspective to be realised. On 26 January 2023 the Economy Regeneration and Housing Committee resolved that:

(1) The Director of Regeneration and Place be authorised to commence a procurement exercise by way of a mini tendering process via the Procure Partnerships Framework for the appointment of a main contractor to develop the design and carry out the construction works in relation to the highways, public realm

and active travel schemes across the Birkenhead Waterfront Programme and in Birkenhead Town Centre via the Conway Street / Europa Boulevard and Grange Road / Charing Cross / Grange Road West Movement Projects; and

(2) the appointment of a main contractor under a pre-construction services agreement following completion of a tender submission be approved.

- 3.5 Appendix 4 to this report sets out details of the 3 contractors who submitted tenders. Appendix 4 to this report is exempt from publication pursuant to paragraph 3 of the part 1 of Schedule 12 A of the Local Government Act 1972 (Information relating to the financial or business affairs of any particular person (including the authority holding that information)) because it contains or refers to information relating to the financial and business affairs of contractors that have previously submitted bids and also contains information about intended direct awards to be conducted under the Procure Partnerships Framework Agreement (or other appropriate framework) and the public interest in maintaining the exemption outweighs the public interest in disclosure.
- 3.6 It is clear from the information set out in exempt Appendix 4 that a financially more appropriate scenario would be achieved if the Council appointed two different contractors, with one contractor to develop and deliver the Waterfront project and one contractor to deliver the two Town Centre schemes. The quality scoring was very close as would be expected from skilled, tier one contractors of a national scale.

4.0 FINANCIAL IMPLICATIONS

- 4.1 The Council has been successful in securing external funding from FHSF, LUF, ATF T3, and TD to support the delivery of the Birkenhead 2040 Framework. The current funding profile in relation to this package of projects is detailed in Table 1. The final construction contract sums will be contained within these financial profiles (subject to the outcome of the direct award processes that form the basis of this report), with undertakings to reduce construction costs if necessary and practicable at the appropriate times through value engineering considerations in particular if projects come under cost pressures during their delivery phases. The ATF T3 element must be contractually committed by March 2024, CA LUF by March 2025 (by exception) and FHSF and TD by March 2026
- 4.2 The appointment of the two main contractors for the Birkenhead Waterfront and Town Centre Programmes is subject to the current procurement exercise, tender award and negotiation as part of the contract award process, expenditure will be incurred in line with the requirements of all of the funding streams available.
- 4.3 Future revenue maintenance costs will be met from the Highway Maintenance Revenue Budget. Highways maintenance colleagues are part of the project team to ensure that work is undertaken and designed in line with the council's highway asset management principles to ensure value for money. Capital investment as part of these projects may result in reduced revenue maintenance liabilities and the value of this will be calculated going forward as part of life cycle planning as the design work and costings are developed further in 2024 in conjunction with the relevant design teams.

5.0 LEGAL IMPLICATIONS

5.1 The Public Contracts Regulations 2015 provide at Regulation 33 (8) that a framework agreement shall be performed in the following way:

“where not all the terms governing the provision of the works, services, and supplies concerned are laid down in the framework agreement, through re-opening competition amongst the economic operators which are party to the framework agreement” (i.e. a mini / further competition) or by a direct award when there are objective factors which justify the selection of particular economic operator and the awards are subject to the terms of the framework agreement.

5.2 The Council is under a duty to secure best value from any procurement and also has a fiduciary duty to Council Tax payers to use its resources prudently and efficiently

5.3 The Council has statutory duties as defined by the Highways Act 1980, Road Traffic Regulations Act 1984, Road Traffic Act 1988, Local Government Act and the Traffic Management Act 2004. All highway schemes will require technical approval by the Director of Neighbourhoods to ensure these statutory duties are complied with.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

6.1 The programmes will be managed respectively by existing staff from within the Council’s Regeneration and Place Directorate and Neighbourhoods Services Directorate, supported by the Regeneration Programme Management Office.

6.2 Existing staff resources will be used for the project development, detailed investigation, design and supervision of these schemes, supplemented by the external specialist support which is the subject of this report.

6.3 The Council has established working groups to support the Waterfront Programme delivery including a range of local stakeholders and officers from the Liverpool City Region Combined Authority, to ensure that any project dependencies or resourcing issues are addressed at the earliest opportunity. Various project teams are also set up to support the delivery of the projects in Birkenhead Town Centre and there is commonality across the teams in terms of key Council staff coordinating this combined package of works.

6.4 Future maintenance and cleansing of the completed schemes will be undertaken by the arrangements in place through Neighbourhood Services. No new highway will be created by the proposals, but some carriageway space will be re-allocated for footways and cycle tracks.

7.0 RELEVANT RISKS

7.1 The Council recognises that risk management is essential in good decision making and is a critical element of good governance. The Council continually develops its risk management processes to proactively and effectively manage risk.

7.2 The Council has established a Project Management Office (PMO) dedicated to the Regeneration and Place directorate. The PMO has oversight of all Waterfront and

Town Centre projects and will ensure that they align with the Council's corporate policy to managing risk.

- 7.3 A programme Risk Register has been developed, informed by individual Risk Registers for each project. These will be updated throughout the programme lifecycle through the Council's Regeneration Programme Management Office, in order to assist the Council in identifying, controlling and managing risk.
- 7.4 The major immediate risk is the delay in appointing two main contractors for the identified projects and the subsequent delay in delivery and external funding spend. The most time critical of the funding streams is the ATF T3 which must all be contractually committed by 31 March 2024. The recommendations within this report are framed with a view to mitigating funding timetabling risks. It is also important to ensure that any delay does not lead to the bidders withdrawing their interest in the contracts.
- 7.5 The current macro-economic picture is dictating significant increases in inflation and cost of materials which may impact the total cost of works. If cost increases do materialise, a combination of identifying potential value engineering solutions alongside seeking additional funding will be robustly explored.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 The Chair of Economy Regeneration and Housing Committee, the Chief Executive and the Monitoring Officer have been consulted as part of the process of drawing up the recommendations set out within this report.

9.0 EQUALITY IMPLICATIONS

- 9.1 The Council has a legal requirement to make sure its policies, and the way it carries out its work, do not discriminate against anyone. An Equality Impact Assessment (EIA) is a tool to help council services identify steps they can take to ensure equality for anyone who might be affected by a particular policy, decision or activity.
- 9.2 Whilst there are no equality implications arising directly from this report, the associated actions arising from the delivery may need to assess any equality issues and mitigate any negative impact that may emerge. Any associated EIA will be done at the earliest possible stage.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

- 10.1 The content and recommendations contained within this report are expected to reduce the emissions of greenhouse gases. This will include, as appropriate, infrastructure improvements to reduce car dominance and create a safer environment for road users and pedestrians, and environmental and climate considerations within the Council's Social Value strategy to be used within the procurement of future contractors.
- 10.2 Gear Change Cycling Strategy produced by Government in Summer 2020 identifies that mode shift to active transport is one of the most cost-effective ways of reducing transport emissions and that meeting the targets to double cycling and increasing walking would lead to savings of £567million annually from air quality alone and

prevent 8,300 premature deaths each year in England and provide opportunity to improve green spaces and biodiversity.

- 10.3 The Procure Partnerships and Pagabo Frameworks set out clear sustainability, environmental and innovation targets that contractors must achieve in the short term as part of carrying out works packages. Contractors on the framework have signed up to these under the framework agreement and are monitored robustly on their performance through formal monthly KPI reporting.

11.0 COMMUNITY WEALTH IMPLICATIONS

- 11.1 Community Wealth Building reorganises local economies to be fairer and stops wealth flowing out of communities. Striving for a prosperous and inclusive economy where local people can get good jobs and achieve their aspirations, the Council aims to create an economy that benefits all of our residents and one which keeps money within Wirral. The Council's Community Wealth Building Strategy is a key part of how this is achieved and makes a major contribution to improving the economic, social and health outcomes of the borough.
- 11.2 The projects will revitalise Birkenhead ensuring that more wealth is invested and stays within our Borough. These procurement exercises will support to build the wealth of our local communities where we will strive to maximise social value activity through creation of local employment/ training opportunities and local labour/spend to maximise the Wirral pound. The request for quotation evaluation criteria has a 10% built in award weighting for social value.

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APPENDICES

Appendix 1 – Waterfront Programme Combined Scheme Boundary
Appendix 2 – Conway Street / Europa Boulevard / Claughton Road Scheme Boundary
Appendix 3 – Grange Road / Charing Cross / Grange Road West Scheme Boundary
Appendix 4 – Information on the contractors who have submitted bids as part of the procurement process referred to in paragraph 1.6 of this report.

Appendix 4 is exempt from publication pursuant to paragraph 3 of the part 1 of Schedule 12 A of the Local Government Act 1972 (Information relating to the financial or business affairs of any particular person (including the authority holding that information)) because it contains or refers to information relating to the financial and business affairs of contractors that have previously submitted bids and also contains information about intended direct

awards to be conducted under the Procure Partnerships Framework Agreement and the public interest in maintaining the exemption outweighs the public interest in disclosure.

The appendix files may not be suitable to view for people with disabilities, users of assistive technology or mobile phone devices. Please contact David Marsh (davidmarsh@wirral.gov.uk) if you require documents in an accessible format.

BACKGROUND PAPERS

Council Plan 2023-2027

Birkenhead 2040 Framework

Documents relating to the bids conducted under the further competition for the Town Centre and Waterfront contracts (exempt for the reasons mentions above)

[Birkenhead 2040 Framework | www.wirral.gov.uk](http://www.wirral.gov.uk)

Wirral Council – Levelling Up Bid

Wirral Council – Future High Street Bid

Wirral Council – Town Fund Bid

Wirral Council – Active Travel Tranche 3 Fund Bid

Terms of Reference

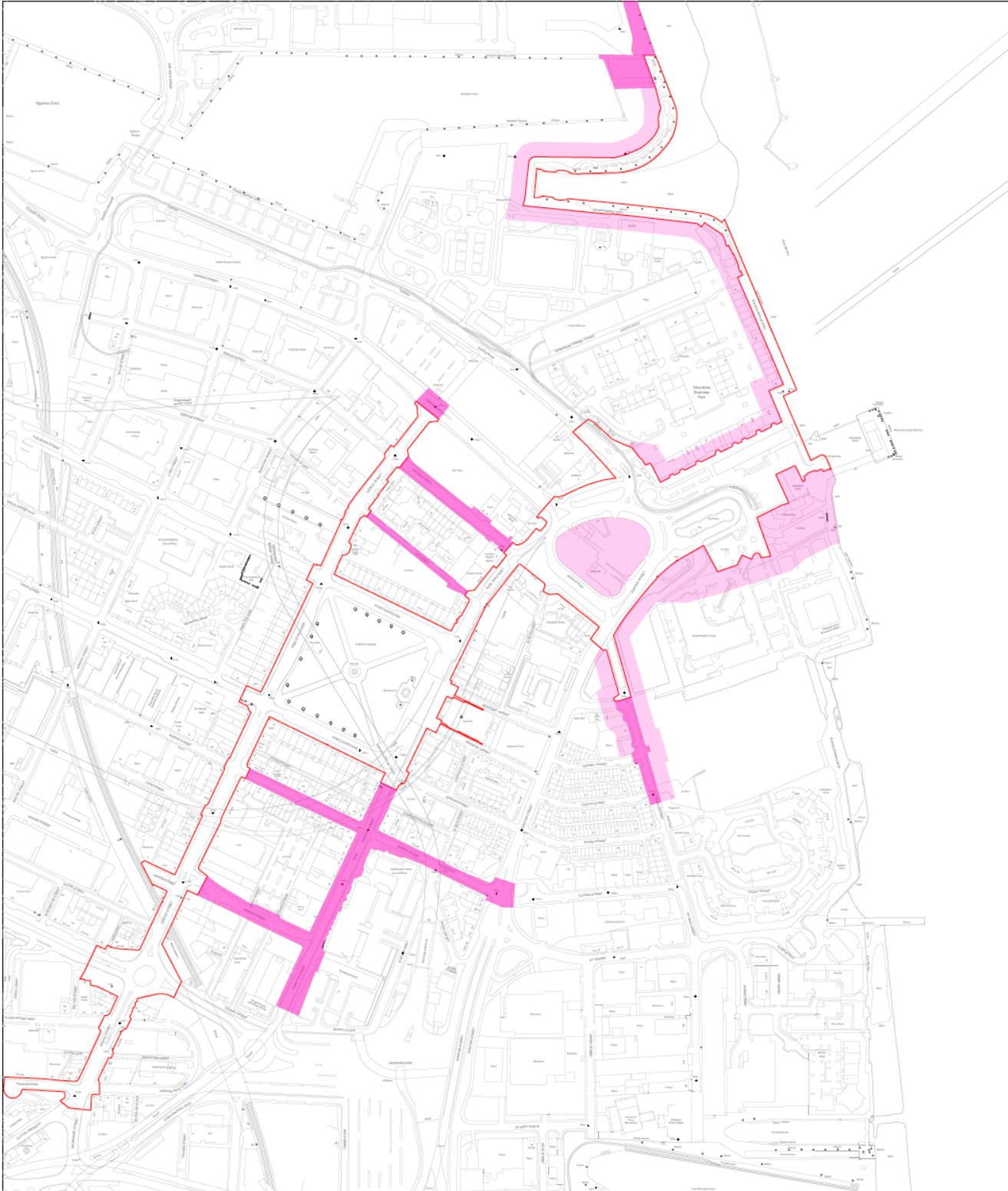
The Committee is charged by full Council to undertake responsibility for:

- (a) formulation and delivery of the Council’s strategic development objectives for planning, sustainability and transportation; and...
- (b) overseeing the progress of major projects (including major building, infrastructure or other projects....)

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Town / High Street Funds: Future High Street Fund - Regeneration & Development Committee	4 March 2021
Town / High Street Funds: Future High Street Fund - Policy & Resources Committee	17 March 2021
Levelling Up Fund - Officer Decision Notice	15 February 2022
Active Travel Tranche 3 – ERH	19 October 2022
FHSF Movement Projects – ERH	19 October 2022
FHSF Movement Projects – ECET	20 October 2022

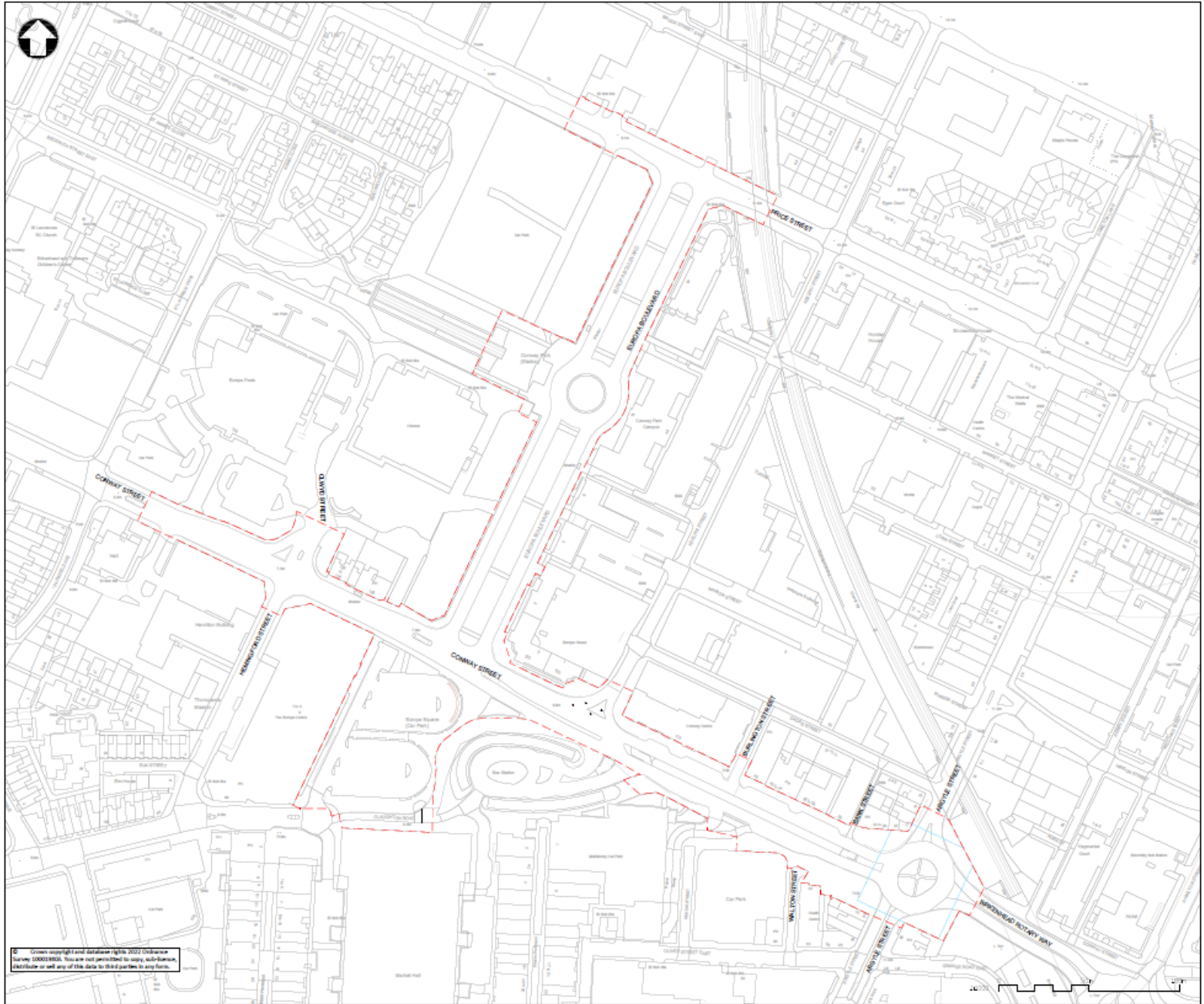
Appendix 1 – Waterfront Programme Combined Scheme Boundary & Associated Study Areas (Shaded)



<p>KEY</p> <p>----- Boundary</p> <p>----- Proposed Red Line Boundary</p> <p>----- Supporting Area Boundary</p> <p>----- Area of Immediate Influence</p>	<p>14-10-22 ML CM</p> <p>1:1750 A1 Stage 1</p> <p>3039-PLA-XXXX-DR-L-0001 SO POS</p>	<p>Client Mull Macdonald</p> <p>Project Wirral Waters</p> <p>Draw Title Red Line Boundary Proposals</p> <p>Created on 14-10-22</p> <p>Created by ML</p> <p>Approved by CM</p> <p>Scale 1:1750</p> <p>Size A1</p> <p>Workstage Stage 1</p> <p>Draw No. 3039-PLA-XXXX-DR-L-0001</p> <p>Subsity Revision SO POS</p>	<p>Planit I.E. Limited</p> <p>0-10</p> <p>0: info@planit.ie.com W: planit.ie.com</p> <p>MANCHESTER</p> <p>73-84, Graham St., Ancoats, MAN 4 6DF T: 0161 528 5281</p> <p>LEEDS</p> <p>101 Park Street, Leeds Station, Leeds, LS1 4PR T: 0113 824 6113</p> <p>LIVERPOOL</p> <p>Temple 5.13, Theban Street, Liverpool, L3 2DF T: 0151 363 1230</p> <p>LONDON</p> <p>12-14, Abchurch Lane, 4-6-8 Wharf Road, London, N1 7UX T: 0207 753 2638</p> <p>STAMFORD</p> <p>Stamford, Catherine, Stonehouse, Gloucestershire, GL10 3DF T: 01452 363 7580</p> <p>THIS DRAWING IS COPYRIGHT PROTECTED AND MAY NOT BE REPRODUCED IN WHOLE OR PART WITHOUT WRITTEN AUTHORITY FROM THE OWNERS</p> <p>NOTES:</p> <ol style="list-style-type: none"> 1. Check scale from this drawing. 2. Always work to noted dimensions. 3. All dimensions are to mid-line unless otherwise stated. 4. All setting out levels and dimensions to be agreed on site. 5. The dimensions of all works must be checked on site before being laid out. 6. This drawing must be read with the relevant specification clauses and detail drawings. 7. Order of construction and setting out to be agreed on site. <p>© Planit I.E. Limited</p>
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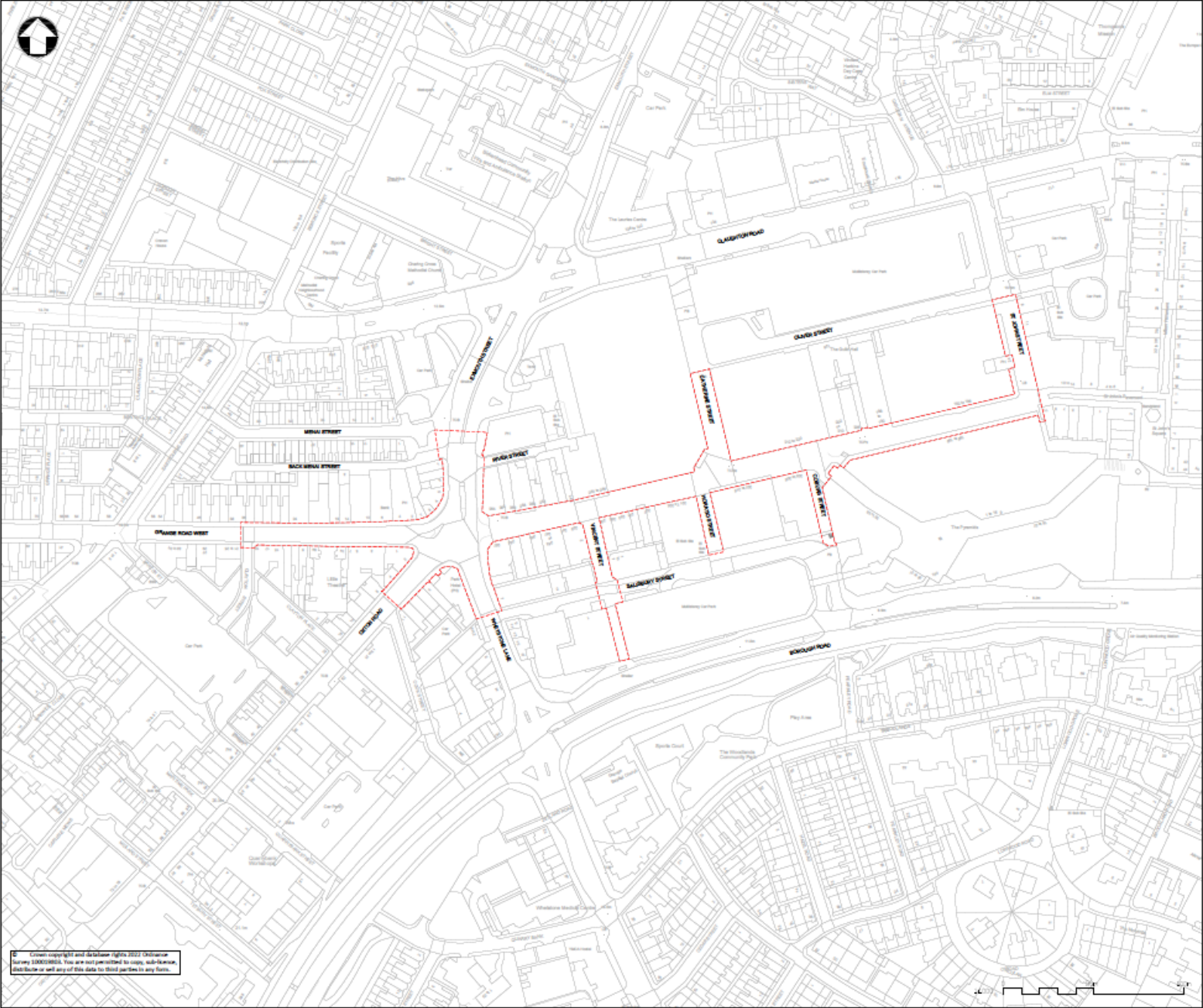
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Appendix 2 – Conway Street / Europa Boulevard / Claughton Road Scheme Boundary



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Appendix 3 - Grange Road / Charing Cross / Grange Road West Scheme Boundary



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ECONCOMY, REGENERATION AND HOUSING COMMITTEE

Monday, 22 January 2024

REPORT TITLE:	BIRKENHEAD HEAT NETWORK
REPORT OF:	DIRECTOR OF FINANCE

REPORT SUMMARY

This report summarises the findings of the Detailed Project Development Study and Outline Business Case for Birkenhead Heat Network.

The Committee is asked to note the progress that has been made in the development of the Birkenhead Heat Network project. The Committee is also asked to note the progress that has been made and endorse the ongoing work around the application to the Green Heat Network Fund in relation to the proposed network.

The report contributes to the recently refreshed Wirral Plan 2023-2027 in supporting the organisation in meeting Council priorities around regeneration and climate change.

This is not a Key Decision.

The appendix to this report is exempt from publication pursuant to paragraph 3 of part 1 of Schedule 12 A of the Local Government Act 1972 (Information relating to the financial or business affairs of any particular person (including the authority holding that information)). The public interest in maintaining the exemption outweighs the public interest in disclosure.

RECOMMENDATIONS

The Economy, Regeneration and Housing Committee is recommended to:

1. Note the work to date on the development of the Birkenhead Heat Network;
2. Note the grant funding received to date to support this work;
3. Endorse the application to the Green Heat Network Fund; and
4. Endorse the proposed project review around commercialisation options.

SUPPORTING INFORMATION

1.0 REASONS FOR RECOMMENDATIONS

- 1.1 The potential development of a Green Heat Network in Birkenhead will deliver against key priorities for the Council around both carbon reduction and regeneration.
- 1.2 Wirral's Cool 2 Climate Change Strategy 2019 includes an objective to generate and/or source all our local energy needs from zero carbon and renewable sources by around 2041 and commitment to progress heat networks.
- 1.3 Provision has been made within the draft Local Plan to support a heat network through making provision for an energy centre and mandating suitable buildings to connect to a heat network. Birkenhead Heat Network is listed as 1 of 8 catalyst projects in the Birkenhead Regeneration Framework.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 The alternative option is to cease work on the Heat Network. This would fail to deliver against the previously agreed strategies around zero carbon and renewable energy.
- 2.2 In the absence of a heat network it is likely that new developments will need to implement air source heat pumps to respond to future building regulations. The individual deployment of air source heat pumps would place a larger strain on the electricity grid than the Heat Network.

3.0 BACKGROUND INFORMATION

- 3.1 The Chancellor's 2019 Spring Statement and Future Homes Consultation sets out the commitment that fossil fuel heating will no longer be permitted in new homes from 2025. The UK Government estimates that around 18% of UK heat will need to come from heat networks by 2050 if the UK is to meet its carbon targets cost effectively. Heat Networks supply heat from a central source to consumers via a network of underground pipes carrying hot water.
- 3.2 On 15 July 2019, Wirral Council declared an Environment and Climate Emergency at a meeting of full Council, and through this committed to action to address the ecological and climate crisis. The Environment and Climate Emergency Policy recognised the importance of:
 - achieving 'net zero' carbon emissions;
 - promoting sustainable regeneration, with a brownfield first development strategy in the Local Plan;
 - managing our use of energy, water, and resources as efficiently as possible; and
 - promoting a wider shift to non-fossil fuel clean energy sources.

- 3.3 The Department for Business Energy and Industrial Strategy's (now Department for Energy Security and Net Zero (DESNZ) Heat Network Delivery Unit (HDNU) funded the Wirral Heat Mapping and Masterplanning study (2019) and Wirral Heat Network Feasibility Study (2020). The feasibility study looked at heat pump (air, ground, water, waste-water) geo-thermal, waste heat, biomass and gas Combined Heat and Power technologies as potential options. A combination of open water from docks, tunnel water from Shore Road Pumping Station and waste water from Waste Water Treatment Works was identified as the priority option to serve planned new and existing development in Birkenhead.
- 3.4 Following this HNDU and the Liverpool City Region Combined Authority (LCRCA) awarded grant funding (£230k) for the engagement of an external Project Manager and a Detailed Project Development study (DPD) and Outline business case preparation.
- 3.5 The DPD study recommends a Heat Network in Birkenhead to utilise waste heat from the Birkenhead Wastewater Treatment Works and water source heat pumps from docks. This could potentially provide 49.6 GWh/year of heat and save 256,456 tCO₂e in its lifetime compared to the alternatives of gas fired boilers for current buildings and air source heat pumps for new builds. The Outline Business Case is attached in the confidential Appendix 1. Appendix 1 to this report is exempt from publication pursuant to paragraph 3 of part 1 of Schedule 12 A of the Local Government Act 1972 (Information relating to the financial or business affairs of any particular person (including the authority holding that information)). The public interest in maintaining the exemption outweighs the public interest in disclosure.
- 3.6 It should be noted that Peel Energy has submitted a planning application for a heat network energy centre at Vittoria Studios on Duke Street. Peel Energy was engaged during the commission to understand the future aspirations of this network. For the moment, although work and discussions are ongoing, the Peel Energy application is proposed to just serve new build residential developments proposed by Peel. Therefore the Hamilton Park Regeneration Area load (for existing buildings) has been included within the Birkenhead Heat Network assessment.
- 3.7 The current heat network does not extend across the docks to the Regeneration Areas to the north. Additional funding has been received from DESNZ and LCRCA for a Seacombe and Wallasey Heat Network Feasibility study.
- 3.8 The recommended heat network will encompass primarily planned developments in the Birkenhead area, along with some existing buildings. The Hind Street development has been identified as a significant part of the potential customer base. Since the largest proportion of planned connections to the network is higher than existing sites, it is recommended that the network operates at low temperatures, increasing efficiency and enabling the integration of low-carbon heat sources
- 3.9 Options have been considered around both utilising heat from the waste water treatment works and abstracting heat from the docks. The waste water treatment works option provides greater efficiencies owing to the higher initial heat

temperatures of the water. These options for the heat network are then considered against the alternative options the most pertinent of which in this instance would be gas fired boilers for current buildings and air source heat pumps for new builds.

- 3.10 The business case demonstrates that significant savings can be made from the heat network in terms of carbon savings alongside a strong financial business case. The final solution will depend on the delivery model adopted to develop the network.

4.0 FINANCIAL IMPLICATIONS

- 4.1 The grant funding received to date has been £230k. £195k has been utilised and has funded the DPD study, Outline Business Case and external project management support. The costs of the internal officer time have been absorbed by the Council.
- 4.2 The current proposal is to procure additional consultancy services, with the remaining £35k, to develop the proposal to the stage where an application can be made to the Green Heat Network Fund for Commercialisation and Construction funding.
- 4.3 The development of the project has been grant funded to date. Future financial implications will depend upon the option ultimately chosen to deliver the project and will be reported to this Committee in due course.
- 4.4 The projected capital costs of the project are in excess of £40m. A forecast financial model has been developed as part of the business case taking into account the potential customers and baseload of the network. The forecast nominal project internal rate of return for Birkenhead Heat Network has been estimated to be 13.44%.
- 4.5 This is a comparatively high level of return which is largely driven by substantial connection revenues anticipated early in the project. This is highly dependent on the project meeting the development dates associated with the proposed Hind Street development.
- 4.6 It is highly unlikely that the Council would be able to take the financial risk associated with the development of a heat network given the upfront capital costs, uncertainty over revenues and cashflow and the limited reserves that the Council currently holds. However, as the forecast financial results demonstrate a high rate of return it is very likely to be an appealing project to the private sector. A company in receipt of funding to support heat network construction has already made approaches to the Council to operate a heat network in Birkenhead for which the Council would be a customer only.
- 4.7 Four potential delivery models have been identified which would require varying degrees of investment from the Council. These include:
- 1) Council-owned Energy Service Company (ESCo) – Public Delivery Model;
 - 2) Joint Venture with third party ESCo;
 - 3) Third Party ESCo + Concession; and
 - 4) Third Party ESCo Customer only

4.9 A recommendation around the preferred option will be brought forward as the proposed work around commercialisation is completed.

5.0 LEGAL IMPLICATIONS

5.1 There are no legal implications associated with the activity and recommendations contained in this current report. However, the next stage around commercialisation will require legal input in bringing forward a future report for members consideration.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

6.1 Delivery of this project will require staff with the appropriate experience and knowledge around the subject matter to properly support the project. These may need to be externally procured due to the specialist nature of the subject matter.

7.0 RELEVANT RISKS

7.1 The governance of the project will enable the escalation and management of risks and issues. Risks and Issues will be managed using risk and issues logs and the process will be supported by the Council's Corporate Risk Management structure and Project Management Office.

8.0 ENGAGEMENT/CONSULTATION

8.1 The Carbon Trust Stakeholder Engagement Plan Tool has been used to establish an engagement strategy. A large number of potential stakeholders, should the project proceed, have been established through a stakeholder mapping exercise. United Utilities has been consulted as part of the development of this project.

9.0 EQUALITY IMPLICATIONS

9.1 Wirral Council has a legal requirement to make sure its policies, and the way it carries out its work, do not discriminate against anyone. An Equality Impact Assessment is a tool to help council services identify steps they can take to ensure equality for anyone who might be affected by a particular policy, decision or activity.

9.2 At this time, there are no equality implications identified for the proposal.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 The development of a low carbon heat network would support previously agreed strategies around zero carbon and renewable energy.

11.0 COMMUNITY WEALTH IMPLICATIONS

11.1 There are direct community wealth implications at this stage of the project.

REPORT AUTHOR: Matthew Bennett
Director of Finance
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APPENDICES

Appendix 1: Birkenhead Heat Network Outline Business Case.

The Appendix 1 to this report is exempt from publication pursuant to paragraph 3 of part 1 of Schedule 12 A of the Local Government Act 1972 (Information relating to the financial or business affairs of any particular person (including the authority holding that information)). The public interest in maintaining the exemption outweighs the public interest in disclosure.

TERMS OF REFERENCE

This report is being considered by the Economy, Regeneration and Housing Committee in accordance with Section 4.2 (a & g) of its Terms of Reference: (a) formulation and delivery of the Council's strategic development objectives for planning, sustainability and transportation; and (g) overseeing the progress of major projects (including major building, infrastructure or other projects involving the erection or significant alteration of major permanent structures or landmarks) undertaken by the Council directly or as enabler, funder or joint enterprise partner, including but not limited to the Wirral Growth Company LLP;

BACKGROUND PAPERS

Wirral's Cool2 Climate Change Strategy 2019
The Chancellor's 2019 Spring Statement and Future Homes Consultation
Wirral Heat Mapping and Masterplanning study (2019)
Wirral Heat Network Feasibility Study (2020)



ECONOMY, REGENERATION AND HOUSING COMMITTEE

Monday, 22 January 2024

REPORT TITLE:	2024-25 BUDGET REPORT UPDATE
REPORT OF:	DIRECTOR OF FINANCE

REPORT SUMMARY

The purpose of this report is to provide an update on the budgets within the remit of the Committee in respect of forthcoming pressures and proposed savings that are being considered within the Medium Term Financial Plan.

It is also for the Committee to consider feedback and outcomes from the Budget Workshops which have been held in recent months. The workshops enabled officer and member liaison on proposed budget options, to facilitate discussion and allow direction to be obtained on further analysis required. The Budget Workshops also provided an opportunity for alternative proposals to be considered.

The Policy and Service Committees are responsible for those services being delivered under their operational headings within their annual budget envelope. The Policy and Resources Committee, in consultation with the respective Policy and Service Committees, has been charged by Council to formulate a draft Medium Term Financial Plan (MTFP) and budget to recommend to the Council.

The Council is required to set a balanced budget each year and set a Medium Term Financial Plan which considers the future pressures and savings options that will be taken forward to result in a balanced budget position.

The Council faces a challenging financial outlook due to inflationary and demand pressures alongside the previous significant reductions in Government funding and uncertainty around the future financial settlements.

The report contributes to the Wirral Plan 2023-2027 in supporting the organisation in meeting all Council priorities.

RECOMMENDATIONS

The Economy, Regeneration & Housing committee is recommended to:

1. Note the indicative pressures and proposed savings detailed in Appendix 1 and 2
2. Agree the Budget Workshop feedback and outcomes, as detailed in Appendix 3.

SUPPORTING INFORMATION

1.0 REASONS FOR RECOMMENDATIONS

- 1.1 The Council has a legal responsibility to set a balanced budget, which sets out how financial resources are to be allocated and utilised. This report highlights the external challenges impacting the 2024/25 budget setting process and proposes options to address the challenges faced.
- 1.2 Setting a budget, especially in the context of largely uncontrollable, macro-economic pressures, requires challenging decisions to ensure that a balanced position can be presented. Members are engaged in the process through the work of this Committee, the Finance Subgroup and Policy and Service Committees.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 The setting of a legal budget is a statutory requirement and therefore no other options have been considered.

3.0 BACKGROUND INFORMATION

- 3.1 The Council has a legal responsibility to set a balanced budget, which sets out how financial resources are to be allocated and utilised. To do this effectively requires engagement with staff, elected members and residents along with other stakeholders. Previous reports to the Committee have highlighted the external challenges that are impacting on the 2024/25 budget setting process and have highlighted the extent of the financial challenge faced. This report presents the culmination of the work undertaken to present options for budget formulation and to ensure the necessary preparations to facilitate a budget recommendation to Council on 26 February 2024.
- 3.2 The Policy & Resources Committee is responsible for co-ordinating processes for the development of the Budget and Policy Framework, together with decision-making on cross-cutting policies not part of the Policy Framework. The Policy and Service Committees are responsible for those services being delivered under their operational headings within their annual budget envelope. The Policy and Resources Committee, in consultation with the respective Policy and Service Committees, has been charged by Council to formulate a draft Medium Term Financial Plan (MTFP) and budget to recommend to the Council.
- 3.3 The Senior Leadership Team (SLT) has met regularly to discuss the budget setting process, budget proposals, the budget gap that the Council faces and the associated uncertainty on funding. Member engagement in the process has taken place through Budget Workshops along with the presentation on Committee reports.
- 3.4 The Budget workshops were convened to enable officer and member liaison on proposed budget options, in order to facilitate discussion and allow direction to be obtained on further analysis required. The Budget Workshops also provided an opportunity for alternative proposals to be considered.

- 3.5 The outcomes of these workshops are to be reported to meetings of those committees and to the Policy & Resources Committee as part of the decision-making process that facilitates a budget proposal to Full Council.
- 3.6 Appendix 3 to this report details the feedback and outcomes from this Committees Budget Workshop.
- 3.7 At the Policy and Resources Committee on 4 October 2023, a potential budget gap of £14.9m for 2024/25 was presented. Members will be aware that the budget gap is an ever-moving target due to a number of factors; these include:
- Ongoing Government announcements of funding, including specifically the Provisional Local Government Financial Settlement for 2024/25
 - A process of challenge and refinement within the Council to ensure that the proposals are evidence based. Addition of new pressures that continue to materialise as further local and national evidence comes to light.
 - The continuing refinement of budget assumptions including inflation.
 - The development and refinement of budget options.
- 3.8 As a result of these factors, the budget forecast presented to P&R in November 2023 was updated and a more robust position made available. An accurate appraisal was not possible at the time as the details of the financial settlement for Local Authorities was not received until late December.
- 3.9 Following budget challenge sessions with Directors and a review of the Q2 budget monitoring information, a position around the current and future pressures has been ascertained. This represents the best available information at this point in time and forms the baseline for the pressures within the Medium Term Financial Plan (MTFP) for current and future years.
- 3.10 This information will be updated periodically as a significant element of the pressures is linked to inflation. Assumptions have been made that inflation will continue to fall between now and the 24/25 financial year and that this will be reflected in pay and contract negotiations for 24/25.
- 3.11 Demographic changes have been incorporated within the pressure figures based on the current trend data and the available datasets.
- 3.12 An assessment of the in-year budget variances has necessitated the inclusion of pressures to negate existing income targets and some additional funding for service pressures. These amounts have been minimised in recognition of previously agreed savings which are still to be delivered.
- 3.13 The impact of all these changes will be considered, along with feedback from the consultation process and the budget proposals developed through the Service Committee and Policy & Resources Committee (P&R) Budget Workshop approach to present a robust position on financial matters to be considered in formulating a budget proposal to Full Council.
- 3.14 Policy & Resources Committee budget recommendations will be proposed in February 2023 in respect of the agreement of the annual Budget, setting of the

council tax requirement and related matters to the Council, which will be debated by Full Council and voted upon by a simple majority.

4.0 FINANCIAL IMPLICATIONS

- 4.1 This report is part of a programme of activity to ensure that a fully balanced, legal budget can be recommended by the Policy and Resources Committee to Full Council at its meeting of 26 February 2024.
- 4.2 The programme to develop a robust budget position, of which this report is a part, will support the Council in demonstrating compliance with CIPFA's Financial Management Code, specifically in relation to Section 4 of the FM Code which refers to the Annual Budget.
- 4.3 The FM Code requires the Council to demonstrate that the processes used satisfy the principles of good financial management, based on the following six principles:
- Organisational Leadership – demonstrating a clear strategic direction based on a vision in which financial management is embedded into organisation culture.
 - Accountability – based on Medium-Term Financial Planning, which derives the annual budget process supported by effective risk management, quality supporting data and whole life costs.
 - Financial management - undertaken with transparency at its core using consistent, meaningful and understandable data, reported frequently with evidence of periodic officer actions and elected member decision making.
 - Professional standards - Adherence to professional standards is promoted by the leadership team and is evidenced.
 - Assurance - sources of assurance are recognised as an effective tool and are mainstreamed into financial management, including political scrutiny and the results of external audit, Internal Audit and inspection.
 - Sustainability: issues around sustainability of local services are at the heart of all financial management processes and is evidenced by prudent use of public resources.
- 4.4 Delivering financial sustainability is vitally important for the Council and the budget options presented have been drawn up with this in mind, consideration is given to areas of discretionary expenditure that could be curtailed along with demonstrating savings that can be delivered from statutory components of the Council.

5.0 LEGAL IMPLICATIONS

- 5.1 The Council must set the budget in accordance with the provisions of the Local Government Finance Act 1992 and approval of a balanced budget each year is a statutory responsibility of the Council. Sections 25 to 29 of the Local Government Act 2003 impose duties on the Council in relation to how it sets and monitors its budget. These provisions require the Council to make prudent allowance for the risk and uncertainties in its budget and regularly monitor its finances during the year. The legislation leaves discretion to the Council about the allowances to be made and action to be taken.
- 5.2 The provisions of section 25, Local Government Act 2003 require that, when the Council is making the calculation of its budget requirement, it must have regard to

the report of the chief finance (s.151) officer as to the robustness of the estimates made for the purposes of the calculations and the adequacy of the proposed financial reserves.

- 5.3 It is essential, as a matter of prudence that the financial position continues to be closely monitored. In particular, Members must satisfy themselves that sufficient mechanisms are in place to ensure both that savings are delivered and that new expenditure is contained within the available resources. Accordingly, any proposals put forward must identify the realistic measures and mechanisms to produce those savings.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 There are no additional resource requirements directly from this report, however the implications for the proposals included within the 2024/25 budget and MTFP will be assessed at the time of implementation. For budget proposals that may result in reductions to the workforce, the Council have consulted with trade unions and relevant staff groups as required and in accordance with section 188(1A) of the Trade Union and Labour Relations Act (TULRCA) 1992).

7.0 RELEVANT RISKS

- 7.1 The Council's ability to close the funding gap is highly dependent on the accuracy of assumptions used for Government funding and levies from other bodies, as well as demand estimates for Council services. As the Local Government Finance Settlement only covers one year, the uncertainty around future funding over the MTFP period remains high.
- 7.2 The Council's ability to maintain a balanced budget is dependent on a proactive approach due to estimated figures being provided in the calculation for the budget, albeit the best estimates available at the time, plus any amount of internal and external factors that could impact on the budget position in year. Examples of which are new legislation, increased demand, loss of income, increased funding, decreased funding, inability to recruit to posts, etc.
- 7.3 A robust monitoring and management process for the budget is in place. If at any time during the year an adverse position is forecast, remedial action must be agreed and implemented immediately to ensure the budget can be brought back to balanced position.
- 7.4 Failure to achieve a balanced budget would lead to the Section 151 Officer issuing a Section 114 notice and potential ministerial intervention under Section 15 of the Local Government Act 1999.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 In December 2022, consultation took place in respect of the priorities and views of the public in formulating budget plans.

8.2 Statutory budget consultation will commence subject to agreement by the Committee. This will take place in January 2024 and feedback will be taken into consideration by the Policy and Resources Committee when recommending a budget to Full Council at its meeting of 13 February 2024.

8.3 The Council has engaged regularly with trade unions about the Council's financial position.

9.0 EQUALITY IMPLICATIONS

9.1 Wirral Council has a legal requirement to make sure its policies, and the way it carries out its work, do not discriminate against anyone. An Equality Impact Assessment is a tool to help council services identify steps they can take to ensure equality for anyone who might be affected by a particular policy, decision or activity.

9.2 The equality implications will be included within the individual savings proposals currently being developed and will be addressed when these are brought forward for approval.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 The environment and climate implications will be considered within the individual savings proposals currently being developed and will be addressed when these are brought forward for approval.

11.0 COMMUNITY WEALTH IMPLICATIONS

11.1 The community wealth implications will be considered within the individual savings proposals currently being developed. The budget proposals under consideration will take account of related matters across headings such as:

- **Progressive Procurement and Social Value**
How we commission and procure goods and services. Encouraging contractors to deliver more benefits for the local area, such as good jobs, apprenticeship, training & skills opportunities, real living wage, minimising their environmental impact, and greater wellbeing.
- **More local & community ownership of the economy**
Supporting more cooperatives and community businesses.
Enabling greater opportunities for local businesses.
Building on the experience of partnership working with voluntary, community and faith groups during the pandemic to further develop this sector.
- **Decent and Fair Employment**
Paying all employees a fair and reasonable wage.
- **Making wealth work for local places**

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APPENDICES

Appendix 1: Budget Pressures

Appendix 2: Potential Savings

Appendix 3: Service & Policy Committee workshop feedback

TERMS OF REFERENCE

This matter is being considered by the Policy and Resources Committee in accordance with section 1.2(b) provide a co-ordinating role across all other service committees and retain a 'whole council' view of [budget monitoring].

BACKGROUND PAPERS

CIPFA's Financial Management Code

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Policy and Resources Committee	21 November 2023
Policy and Resources Committee	4 October 2023
Policy and Resources Committee	14 June 2023
Council	27 February 2023
Policy and Resources Committee	15 February 2023
Policy and Resources Committee	17 January 2022

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APPENDIX 1 – Budget Pressures

Pressure	24/25 (£m)	25/26 (£m)	26/27 (£m)	27/28 (£m)	28/29 (£m)
Economy, Regeneration & Housing					
Service Pressures					
Europa Centre Income	0.200	0.000	0.000	0.000	0.000
Assets: Maintaining statutory maintenance and health & safety requirements	0.300	0.000	0.000	0.000	0.000
Corporate Items					
Birkenhead Commercial District	2.000	-0.500	-0.500	-0.500	-0.500
Removal of One Offs					
Recharging of staff costs where eligible grant funding is in place for Economic Growth projects	0.070	0.000	0.000	0.000	0.000
Lease income from rental of floors 4 & 5 at Marris House	0.130	0.000	0.000	0.000	0.000
One off rental income for partial leasing of Cheshire Lines office space	0.146	0.000	0.000	0.000	0.000
Recharging of staff costs where eligible grant funding is in place for Homes for Ukraine Resettlement Programme	0.600	0.000	0.000	0.000	0.000
Standing down of Wallasey Town Hall for a 12-month period	0.400	0.000	0.000	0.000	0.000
Total	3.846	-0.500	-0.500	-0.500	-0.500

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APPENDIX 2 – POTENTIAL SAVINGS

Budget Saving Proposals can be placed into the following categories:

- **Increasing Business Efficiencies:** This approach will identify efficiency measures that will result in more effective ways in which services are currently provided and may include cost reduction.
- **Increasing Income:** The Council will look to identify areas where it can raise income through fees and charges.
- **Changing how we fund or provide services:** We aim to ensure that the right service reaches the right resident when and where they need it, for the best cost. This may mean changing how we fund or provide services so that we are able to reduce costs and maintain services by becoming more efficient and by doing things differently.
- **Reducing or stopping services:** Although all efforts will be made to keep service reduction to a minimum, the scale of the financial challenge means that not all reduction proposals can be avoided.

Committee: Economy, Regeneration & Housing								
Theme	Option	Description	24/25 Saving (£m)	25/26 Saving (£m)	26/27 Saving (£m)	27/28 Saving (£m)	28/29 Saving (£m)	
Increasing Business Efficiencies	Implementation of Corporate Landlord model.	This option targets greater efficiencies through the centralisation of all functions relating to property management. Including review of asset management, repairs and maintenance and Facilities Management. Also includes incorporating options around outsourcing some / all of these functions.	-0.050	-0.250	-0.120	0.000	0.000	

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APPENDIX 3 - Service & Policy Committee workshop feedback

Budget Workshops
Subject: Economy, Regeneration and Housing
Date: 19 th October 2023
From: Bryn Griffiths, Democratic Services Officer bryngriffiths@wirral.gov.uk
To: P&R Committee

1. Background

All local authorities are required to set a balanced budget by 10th March each year.

The Regeneration and Place Directorate developed efficiency options for consideration by the Economy, Regeneration and Housing Committee Workshop to gather the below feedback was held on the 19th October 2023. Budget option recommendations were discussed during the workshop. This will inform the Policy & Resources Committee's proposals and final budget recommendation to Council.

Members were made aware that the Indicative Budget gap for 2024/25 currently stands at £14.9m.

2. Key Considerations

Members were advised that the Regeneration and Place Directorate had a target of £1.9m. It was considered that this savings target was achievable due to cross-cutting projects.

It was noted that the Regeneration and Place Directorate had the smallest revenue budget at £13.69m but the largest capital budget.

Table 1: Future Year Savings – Regeneration and Place

2024/25
Total Savings: £1.9m

Table 2: 2024/25 Assumed Growth for the Committee

Description	Amount	Rationale
Europa Centre Income	£0.20m	Reduced Income from business closures
Property – Plan Preventative Maintenance and Health and Safety requirements	£0.30m	Indicative amount – assumed additional funding required to ensure statutory compliance within the new corporate landlord model
Reinstatement of one-off savings from 2023-24:		
Recharging of staff costs for	£0.07m	To be reviewed depending on grants

economic growth projects		available
Rental income from Marris House	£0.13m	Part of Birkenhead Commercial District budget
Rental income from space in Cheshire Lines	£0.15m	Part of Birkenhead Commercial District budget
Recharging of staff costs to grant for Ukraine resettlement programme	£0.60m	To be reviewed depending on grants available
Stand down of Wallasey Town Hall	£0.4m	Agreed for one year only
Total	£1.85m	

Table 3: Summary of Budget Options for the Committee 2024/25

Description	24/25 £'000	RAG Rating (Impact)	RAG Rating (delivery)	Commentary	One off Costs £'000
Implementation of Corporate Landlord Model	50	GREEN	AMBER	Centralisation of all functions relating to property management. Including review of asset management, R&M, PPM and Facilities management. Incorporating options around outsourcing some/all of these functions. Budgeted costs (22/23) of R&M and Cleaning £4.2m. Indicative target of 10% at this stage. New officer commences post in November 2023 to take this forward.	
Asset Disposal Programme	-	Green	Amber	Cost of estate (22/23) excluding above £11m p.a. Detailed analysis required of buildings to be disposed of and retained.	
Housing grant / capitalisation off-set TBC	-				
Planning Policy – TBC	-				

Savings rejected by the Committee

No savings outlined in the table above were rejected by the Committee.

List of Savings and Pressures to be considered further

As no savings were rejected by the Committee, all savings outlined in the table above will be put forward for consideration.

3. Members questions

Q: Regarding the Asset Disposal Programme, could further information be provided on the cost of the estate which was quoted as £11m, if the whole budget for the Regeneration and Place directorate is around £13.6m, it looks like a lot of that total is spent on maintaining the estate?

A: Currently the estate isn't all sat within the Regeneration budget, it's split across directorate budgets. This will be centralised in the future, meaning the Regeneration budget will grow. Understand that it sounds odd to talk about £11m cost of assets as well as £4.2m in Repairs and Maintenance and Cleaning when this is higher than the current overall budget of the Regeneration and Place Directorate.

Q: What income would be lost from selling assets that generate income?

A: This is part of the reason that there was no saving listed in that schedule yet. Officers were working through those figures to see how the loss of income is offset against the reduction in running costs.

Q: It was noted that Wilkos closing had left an empty unit in Birkenhead, and there were other leases coming up for renewal at the Pyramids shopping centre. How confident were officers regarding maintaining income from the shopping centre?

A: It was noted that the service was collating the first six months of performance on the Pyramids rental income, but that officers were not able to share this information yet. The Director of Regeneration and Place stated he was confident regarding the renewals that were coming up. Once the information was ready, the Economy, Regeneration and Place Committee would be the first to know.

Q: Is there an expectation that business income from the Pyramids will start to increase or is it likely to go the other way?

A: There is a risk that the town centre could decline in the way a lot of Northern town centres have. The proposal to acquire the Pyramids was bold and ambitious. It has put the Council into a stewards position and as such the Council wants to get the town centre performing well for residents as well as for long term sustainability. It was noted that the retail sector was contracting and the Council was looking into ways to attract people to the town centre with alternate uses for the units it has.

Q: The car park for the Pyramids closes at a similar time to most of the shops, this restricts it's use for those wishing to visit shops and premises nearby that stay open later. Would it be possible to extend the car park opening hours? This could have the benefit of allowing eateries to stay open longer attracting more custom.

A: That's not something that has been raised previously and officers will look into the relationship between the car park opening hours and the effect it was having on retailers.

Q: Could the large former Wilko site or other large retail units be split into smaller units to attract more businesses to the area?

A: This is something that officers have been looking into and work was ongoing on the viability of similar plans.

4. What would Members like to see investment in if there was more money available than forecast?

A Member stated that if there was more money available than predicted, they would like to see further investment in carbon reduction, including use of heat pumps, investment in renewable energy and any other options that could reduce our carbon footprint. It was explained that carbon reduction principles were being considered in every aspect of the regeneration plans that the Council would seek whatever funding was available from the government for carbon reduction.

5. Member Comments

A Member stated that there was a lack of clarity on whether Policy & Resources Committee or Economy, Regeneration and Housing Committee was the responsible committee for items related to the Corporate Landlord model. It was suggested that further information would be brought to the committee either through a budget report or via a workshop when it was available.

A Member noted that members of public frequently feedback to Members a sense of despondency about central Birkenhead and the changes to the Pyramids over the years. There was a sense that there was nothing to draw people to the area. It was noted that the officers were having discussions on this subject and looking at ways to increase overall activity in the area to help raise good lease income.



ECONOMY REGENERATION AND HOUSING COMMITTEE

MONDAY 22 JANUARY 2024

REPORT TITLE:	ECONOMY REGENERATION AND HOUSING WORK PROGRAMME
REPORT OF:	DIRECTOR OF LAW AND GOVERNANCE

REPORT SUMMARY

The Economy Regeneration and Housing Committee, in co-operation with the other Policy and Service Committees, is responsible for proposing and delivering an annual committee work programme. This work programme should align with the corporate priorities of the Council, in particular the delivery of the key decisions which are within the remit of the Committee.

It is envisaged that the work programme will be formed from a combination of key decisions, standing items and requested officer reports. This report provides the Committee with an opportunity to plan and regularly review its work across the municipal year. The work programme for the Economy Regeneration and Housing Committee is attached as Appendix 1 to this report.

RECOMMENDATION

The Economy Regeneration and Housing Committee is recommended to note and comment on the proposed Economy Regeneration and Housing Committee work programme for the remainder of the 2023/24 municipal year.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 To ensure Members of the Economy, Regeneration and Housing Committee have the opportunity to contribute to the delivery of the annual work programme.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 A number of workplan formats were explored, with the current framework open to amendment to match the requirements of the Committee.

3.0 BACKGROUND INFORMATION

- 3.1 The work programme should align with the priorities of the Council and its partners. The programme will be informed by:

- The Council Plan
- The Council's transformation programme
- The Council's Forward Plan
- Service performance information
- Risk management information
- Public or service user feedback
- Referrals from Council

Terms of Reference

The Economy Regeneration and Housing Committee is responsible for the Council's adult social care and preventative and community based services. This includes the commissioning and quality standards of adult social care services, incorporating responsibility for all of the services, from protection to residential care, that help people live fulfilling lives and stay as independent as possible as well as overseeing the protection of vulnerable adults. The Economy Regeneration and Housing Committee is also responsible for the promotion of the health and wellbeing of the people in the Borough. The Committee is charged by full Council to undertake responsibility for:

- (a) formulation and delivery of the Council's strategic development objectives for planning, sustainability and transportation;
- (b) developing and recommending those plans and strategies which together comprise the Local Plan;
- (c) developing and adopting or recommending (if reserved to Council) other spatial planning documents, including but not limited to
 - (i) supplementary planning documents (SPD) and planning policy advice notes;
 - (ii) Master Plans and development briefs;
 - (iii) The Infrastructure Delivery Plan; and
 - (iv) [The Community Infrastructure Levy (CIL) when applicable];

- (d) economic development, including but not limited to infrastructure, enterprise, skills and seeking, securing and managing external funds to achieve that, directly or in partnership with joint ventures and external companies or bodies as well as with the Combined Authority and government bodies;
- (e) the Council's functions and partnerships regarding the promotion of economic growth and the establishment and development of business;
- (f) the promotion and development of the economic factors in the area, such as seeking to ensure sufficient and appropriate employment sites, investment, adult skills, apprenticeship schemes, productivity, development sites and so forth;
- (g) overseeing the progress of major projects (including major building, infrastructure or other projects involving the erection or significant alteration of major permanent structures or landmarks) undertaken by the Council directly or as enabler, funder or joint enterprise partner, including but not limited to the Wirral Growth Company LLP;
- (h) the Authority's role and functions in relation to strategic and private sector housing policies and as the housing authority, including but not limited to
 - (i) the Council's Housing Strategy;
 - (ii) homelessness and the allocation of housing;
 - (iii) private sector housing, including taking action to remedy overcrowding, disrepair, unfitness and statutory nuisances; to promote fire safety in private sector housing and the Council's functions in relation to houses in multiple occupation;
 - (iv) licensing schemes;
 - (v) tenancy relations and the provision of housing advice;
 - (vi) relationship with Registered Providers of housing;
 - (vii) housing loans and grants;
 - (viii) housing related support services;
 - (ix) policies and actions with a view to reducing and eliminating street homelessness to ensure that appropriate action is taken; and
 - (x) analysis, development and overview of housing policies in terms of spatial planning to inform the Local Plan and planning policies;
- (i) reviewing major projects and any project boards having regard to capacity to deliver, corporate priorities and resources, and advise the Policy and Resources Committee as appropriate;
- (j) providing a view of performance, budget monitoring and risk management in relation to the Committee's functions; and
- (k) undertaking the development and implementation of policy in relation to the Committee's functions, incorporating the assessment of outcomes, review of effectiveness and formulation of recommendations to the Council, partners and other bodies, which shall include any decision relating to the above functions.

4.0 FINANCIAL IMPLICATIONS

4.1 This report is for information and planning purposes only, therefore there are no direct financial implication arising. However, there may be financial implications arising as a result of work programme items.

5.0 LEGAL IMPLICATIONS

5.1 There are no direct legal implications arising from this report. However, there may be legal implications arising as a result of work programme items.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

6.1 There are no direct implications to Staffing, ICT or Assets.

7.0 RELEVANT RISKS

7.1 The Committee's ability to undertake its responsibility to provide strategic direction to the operation of the Council, make decisions on policies, co-ordinate spend, and maintain a strategic overview of outcomes, performance, risk management and budgets may be compromised if it does not have the opportunity to plan and regularly review its work across the municipal year.

8.0 ENGAGEMENT/CONSULTATION

8.1 Not applicable.

9.0 EQUALITY IMPLICATIONS

9.1 Wirral Council has a legal requirement to make sure its policies, and the way it carries out its work, do not discriminate against anyone. An Equality Impact Assessment is a tool to help council services identify steps they can take to ensure equality for anyone who might be affected by a particular policy, decision or activity.

This report is for information to Members and there are no direct equality implications.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 This report is for information to Members and there are no direct environment and climate implications.

11.0 COMMUNITY WEALTH IMPLICATIONS

11.1 This report is for information to Members and there are no direct community wealth implications.

REPORT AUTHOR: Bryn Griffiths, Senior Democratic Services Officer
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email: bryngriffiths@wirral.gov.uk

APPENDICES

Committee Work Plan

BACKGROUND PAPERS

Wirral Council Constitution

Forward Plan

The Council's transformation programme

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Economy, Regeneration and Housing Committee	26 January 2021
	4 March 2021
	8 June 2021
	26 July 2021
	29 September 2021
	26 October 2021
	22 November 2021
	26 January 2022
	9 March 2022
	13 June 2022
	20 July 2022
	20 September 2022
	7 December 2022
	26 January 2023
	8 March 2023
	20 June 2023
	17 July 2023
	18 September 2023
	16 October 2023
	6 December 2023

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ECONOMY, REGENERATION AND HOUSING COMMITTEE

WORK PROGRAMME 2023/24

KEY DECISIONS January 2024

Item	Description	Committee Meeting	Lead Departmental Officer
Birkenhead Heat Network	The report summarises the findings of the Detailed Project Development Study and Outline Business Case for Birkenhead Heat Network.	January 2024	Matthew Bennet /Emma Hopkins
Utilisation of Procure Partnerships Framework – Birkenhead Waterfront Programme, Conway Street / Europa Boulevard and Grange Road / Charing Cross / Grange Road West Movement Projects	This report seeks members' endorsement of the commencement of a procurement exercise(s) via the Procure Partnerships Framework (or other suitable framework) to allow for the direct appointment of two separate main Tier 1 contractors that will lead to two direct awards, one to develop the design and undertake the construction works in relation to the highways, public realm and active travel schemes across the Birkenhead Waterfront Programme and the second award to undertake the construction works in Birkenhead Town Centre in relation to the Conway Street/Europa Boulevard Movement Project and Grange Road/Charing Cross/Grange Road West Movement Project.	January 2024	David Marsh
Wirral Waters		January	Stephen

Investment Fund Egerton Village Grant Novation		2024	Chapman / Thomas Booty
Maritime Knowledge Hub	TBC	March 2024	David Hughes/Marcus Shaw
Housing Report (Motion from Dec Council)	Request for report providing info and making recommendations to address: 1. the needs of all people on the Wirral who are homeless, rough sleeping or in temporary accommodation; 2. availability and planned construction of new council housing and socially rented homes on Wirral with secure tenures and affordable rents; and 3. protections available to social housing stock from the right to buy and right to acquire schemes.	March 2024	Lisa Newman
Masterplan and Neighborhood Framework		March 2024	Kath Lawless / Thomas Booty
Market Options Feedback		March 2024	
St Werburghs		June 2024	
Future of Wirral Growth Company LLP		June 2024	David Hughes / Marcus Shaw

NON- KEY DECISIONS AND UPDATE REPORTS

Item	Lead Departmental Officer	Timescale	Wirral Plan Priority
Birkenhead Heat Network	Matthew Bennet /Emma Hopkins	January 2024	Inclusive Economy
2024-25 Budget Update	Mark Lightburn	January 2024	Inclusive Economy
Consultation Methods	David Hughes	March 2024	Inclusive

- Request for a standard consultation method for active travel.			Economy
Masterplan and Neighborhood Framework	Kath Lawless / Thomas Booty	March 2024	Inclusive Economy
Devonshire and Hoylake Neighborhood Forums	Kath Lawless / John Entwistle	March 2024	Inclusive Economy
Mass Transit Update (request from Cllr Tomeny at December ERH)	Julie Barnes	June 2024	Inclusive Economy

STANDING ITEMS AND MONITORING REPORTS

Item	Reporting Frequency	Lead Departmental Officer
Financial Monitoring Report	Quarterly	Shaer Halewood
Regen Committee Work Programme Update	Every Cycle	Committee Team
Homelessness	TBC	Lisa Newman

WORK PROGRAMME ACTIVITIES OUTSIDE COMMITTEE

Item	Format	Timescale	Lead Officer	Progress
Working Groups/ Sub Committees				
Birkenhead Design Guide	Workshop	January / February 2024	David Ball	Ongoing
Active Travel Working Group	Workshops	Ongoing	Julie Barnes	Ongoing
Regeneration Working Group	Workshops	Ongoing	Matthew Neal	Ongoing
Update on consultation process for Active Travel Projects	Workshop / Briefing Paper	TBC	Cathy Palmer	Ongoing
Housing Delivery Workshop – Including Council House Building Options.	Briefing Paper / Workshop	TBC	David Hughes / Lisa Newman	Ongoing

Project Delivery Plan	Workshop	December / January 2023/24	David Hughes	TBC
Briefing on Energy Efficiency of Wirral's Housing Stock (requested via a motion at Council in March 2023)	Briefing Paper	TBC	Lisa Newman?	
Briefing on Mersey Tidal Power. (Was requested via a motion at Council in December 2023 – see below)	Workshop	TBC	Dave Hughes	
Establish a Task and Finish Group to examine the potential benefits and risks of Mersey Tidal Power to Wirral and liaise with Liverpool City Region Combined Authority (requested via a motion at Council in December 2023)	Task and Finish Group	TBC	Dave Hughes	

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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Economy, Regeneration and Housing Committee – Terms of Reference

The Economy, Regeneration and Housing Committee has responsibility for developing and delivering a vision for Wirral as a place. It is responsible for developing and determining or recommending all planning policies, including the Local Plan, and infrastructure planning. It is also responsible for promoting regeneration, economic development and associated activities, including the tourism, culture and visitor economy, and for removing barriers to growth. It is also responsible for taking a strategic approach to the Council's various housing functions, including issues concerning social rented and affordable housing, homelessness, allocations and standards of housing.

The Committee is charged by full Council to undertake responsibility for:

- (a) formulation and delivery of the Council's strategic development objectives for planning, sustainability and transportation;
- (b) developing and recommending those plans and strategies which together comprise the Local Plan;
- (c) developing and adopting or recommending (if reserved to Council) other spatial planning documents, including but not limited to
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- (d) economic development, including but not limited to infrastructure, enterprise, skills and seeking, securing and managing external funds to achieve that, directly or in partnership with joint ventures and external companies or bodies as well as with the Combined Authority and government bodies;
- (e) the Council's functions and partnerships regarding the promotion of economic growth and the establishment and development of business;
- (f) the promotion and development of the economic factors in the area, such as seeking to ensure sufficient and appropriate employment sites, investment, adult skills, apprenticeship schemes, productivity, development sites and so forth;
- (g) overseeing the progress of major projects (including major building, infrastructure or other projects involving the erection or significant alteration of major permanent structures or landmarks) undertaken by the Council directly or as enabler, funder or joint enterprise partner, including but not limited to the Wirral Growth Company LLP;
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 - (iv) licensing schemes;

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 - (viii) housing related support services;
 - (ix) policies and actions with a view to reducing and eliminating street homelessness to ensure that appropriate action is taken; and
 - (x) analysis, development and overview of housing policies in terms of spatial planning to inform the Local Plan and planning policies;
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- (i) reviewing major projects and any project boards having regard to capacity to deliver, corporate priorities and resources, and advise the Policy and Resources Committee as appropriate;
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 - (k) undertaking the development and implementation of policy in relation to the Committee's functions, incorporating the assessment of outcomes, review of effectiveness and formulation of recommendations to the Council, partners and other bodies, which shall include any decision relating to the above functions.