



Economy Regeneration & Development Committee

Date:	Monday, 26 July 2021
Time:	6.00 p.m.
Venue:	Palace Suite - Floral Pavilion

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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 - 6)**

To approve the minutes of the meeting of the Economy, Regeneration and Development Committee held on 8 June 2021, attached.

- 5. PUBLIC AND MEMBER QUESTIONS**

- 5.1 Public Questions**

Notice of question to be given in writing or by email by 12 noon, Wednesday 21 July 2021 to the Council's Monitoring Officer (committeeservices@wirral.gov.uk) and to be dealt with in accordance with Standing Order 10.

- 5.2 Statements and Petitions**

Notice of representations to be given in writing or by email by

12 noon, Wednesday 21 July 2021 to the Council's Monitoring Officer (committeeservices@wirral.gov.uk) and to be dealt with in accordance with Standing Order 11.1.

Petitions may be presented to the Committee. The person presenting the petition will be allowed to address the meeting briefly (not exceeding one minute) 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. Please give notice of petitions to committeeservices@wirral.gov.uk in advance of the meeting.

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 GROWTH COMPANY: BIRKENHEAD PHASE 1 FINAL SITE DEVELOPMENT PLAN (Pages 7 - 16)**
- 7. WIRRAL GROWTH COMPANY - GOVERNANCE ARRANGEMENTS (Pages 17 - 22)**

SECTION B - WORK PROGRAMME / OVERVIEW AND SCRUTINY

- 8. WORK PROGRAMME UPDATE (Pages 23 - 30)**
- 9. 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.

- 10. WIRRAL GROWTH COMPANY: BIRKENHEAD PHASE 1 FINAL SITE DEVELOPMENT PLAN EXEMPT APPENDICES (Pages 31 - 226)**
- 11. HOYLAKE GOLF RESORT, DEVELOPMENT AGREEMENT (Pages 227 - 236)**

ECONOMY REGENERATION & DEVELOPMENT COMMITTEE

Tuesday, 8 June 2021

Present: Councillor T Jones (Chair)

Councillors K Greaney D Mitchell
G Wood P Martin
D Burgess-Joyce E Gleaves
A Gardner A Hodson
C Povall T Smith

1 WELCOME AND INTRODUCTION

The Chair welcomed attendees and viewers to the meeting and reminded everyone that the meeting was webcast and retained on the Council's website.

2 APOLOGIES

There were no apologies for absence.

3 MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST

Councillor Tony Jones declared another interest as a Board Member of the Wirral Growth Company in relation to the Birkenhead Temporary Market item (Minute 7) although he reminded Members that the item has been requested to be withdrawn by officers

4 MINUTES

Resolved - that the minutes of the meeting of the Economic, Regeneration and Development Committee held on 4 March 2021 be agreed as a true record.

5 PUBLIC AND MEMBER QUESTIONS

There were no questions, statements or petitions from the public or Members.

6 ACTIVE TRAVEL FUNDING

This report sought approval for the Active Travel Fund Tranche 1 and 2 and Capability Fund Programmes for 2021/22 and to allocate the funds to priorities and projects as outlined in the report.

Chief Regeneration Officer Sally Shah presented the report and highlighted that delegated authority was requested as there was no finalised programme to date and formal consultation had not yet taken place. She explained that Tranche 1 funding was awarded as part of the Covid response and two schemes had progressed but difficulties in supply of building materials had developed and a delay had been required. Tranche 2 was in the form of a proposed programme and consultation was to take place with Members in the relevant Wards and then with the public. The initial list of proposed schemes was attached to the report and had been informed by the criteria for the funding and by previous consultations with Wirral.

Members discussed the consultation methods and were concerned at some schemes appearing on the list in the report and suggested that two of these - the Crescent and proposed cycle way through Wallasey and New Brighton – be formally deferred until consultation took place.

Resolved (by assent) – That Policy and Resources Committee:

- (1) Authorise the Director of Regeneration and Place to accept the grant funding of £1,153,380 allocated to Wirral Council by Liverpool City Region Combined Authority for the Active Travel Fund Tranche 1 and 2 Programmes and accept the Local Authority Active Travel Capability Fund Programme indicative allocation of £286,000**
- (2) Approve the proposed Active Travel Fund Tranche 1 and 2 Programmes and the Active Travel Capability Fund Programme (“the Programmes”) as set out in Appendices 1, 2 and 3 of this report.**
- (3) Authorise the Director of Regeneration and Place, in consultation with the Liverpool City Region Combined Authority and the Chair and Spokespersons of the Economy, Regeneration and Development Committee to amend the Programmes if required having due regard to any issues that may arise during design or consultation stages of projects.**
- (4) Note that the above authority and approvals are subject to the schemes at the Crescent and proposed cycle way through Wallasey and New Brighton being deferred until a consultation process has taken place.**

7 BIRKENHEAD TEMPORARY MARKET

The Chair announced that the Director of Regeneration and Place has requested permission to withdraw this report to allow further consultation and examination of options to take place.

Members discussed the progress of the scheme.

Resolved – that the Birkenhead Temporary Market item be withdrawn and deferred to a future meeting.

8 2021/22 BUDGET MONITORING AND 22/23 BUDGET PROCESS

Councillor Tony Jones declared an interest in this item as a Board Member of the Wirral Growth Company.

The Director of Regeneration and Place Alan Evans presented this report which highlighted the processes for monitoring the 2021/22 budget and the budget setting process for 2022/23. The Committee was accountable for ensuring that the committee budget remained within the relevant envelope and was to take collective responsibility via the Policy and Resources Committee to ensure that the whole Council budget remained in balance at all times, by agreeing mitigating actions to bring the budget back in line, should a deficit be forecast.

One of the key documents required to enable the Council to receive approval for exceptional financial support was a balanced five-year Medium Term Financial Plan (MTFP). This document was prepared by Officers and required committee oversight and approval, and whether any proposals within it should be taken forward into business cases and brought to workshops and a further report to Committee.

In answer to Members questions, it was emphasised that any income which was deferred because of delayed schemes would not be lost but would be realised in a different financial year.

Resolved (by assent) - That

- (1) the content of the report and the current forecast position of savings for 2021/22 and the ongoing work being undertaken to mitigate any under-achievement be noted.**
- (2) the current proposals within this report from the Medium Term Financial Plan from 2022/23 – 2025/26 and the Director of Regeneration and Place be included to develop them into full business cases, where appropriate, for inclusion in the 2022/23 budget proposals to Policy and Resources Committee at its October meeting for approval.**
- (3) a series of budget workshops be convened to identify any alternative savings/income/reductions in pressures to ensure that a full suite of costed and deliverable proposals can be recommended to the Policy and Resources Committee at its October meeting for approval.**
- (4) the Zero-Based Budgeting project within the budget workshops be commenced to contribute to the overall savings target of £170k in 2021/22.**

9 **2020/21 REVENUE AND CAPITAL OUTTURN REPORT**

Senior Finance Business Partner Karen Page introduced this report which provided a summary of the year-end revenue outturn and capital position for the Committee as at the end of March 2021 for the 2020/21 financial year.

The Council's response to the Covid-19 pandemic continued to present financial risk due to uncertainty and fluidity in the external environment, and due to movement of staff to deliver the emergency response which had delayed work on schemes.

The overall financial position for the Council remained challenging, and a number of actions were instigated during the year to mitigate the overall position including limiting spending to essential areas of service delivery only, with Corporate Directors supported to mitigate the risk of overspending.

For the Committee, there was an adverse position of £0.514 million, but this was partly mitigated by revenue.

Resolved - That

(1) the adverse year-end outturn of £0.514m be noted.

(2) the impact of funding and expenditure as a direct consequence of Covid-19 be noted.

(3) the Capital Programme Report be noted.

10 **APPOINTMENT OF MEMBERS TO ACTIVE TRAVEL WORKING GROUP**

Lead Principal Lawyer Matthew Neal presented this report which was to enable the Committee to review the continuing need for advisory groups and to appoint Members to serve on those that are to be retained in 2021/2022.

The report followed on from a report in March 2021 when the Active Travel Members Working Group had been established comprising 8 Members. There was also an Active Travel Forum which was outward facing and open to any individual with an interest. The Group was to interact with the Forum and route recommendations to this Committee for consideration.

Members queried the benefits of any recommended active travel schemes if they conflicted with economic schemes but were reminded that the Committee would make a final decision, taking account any recommendations from the Active Travel Working Group. It was noted that there was some cross-over with the Environment, Climate Emergency and Transport Committee regarding active travel schemes.

Councillor Tony Jones proposed amendments that the membership be drawn from this Committee and the Environment, Climate Emergency and Transport Committee; that the Chair be appointed Chair of the Active Travel Working

Group; and that authority be delegated to the Director of Law and Governance to make consequential amendments to the terms of reference of the Active Travel Working Group.

This was seconded by Councillor Dave Mitchell

The amendments were agreed by assent.

Resolved –

- (1) that the membership of the Active Travel Working Group be drawn from the Chair and Spokespersons of the Economy, Regeneration and Development Committee and that additionally the Chair and Spokespersons of the Environment, Climate Emergency and Transport Committee be invited to become members of the Group;**
- (2) That the Chair of the Economy, Regeneration and Development Committee be appointed as Chair of the Active Travel Working Group; and That authority be delegated to the Director of Law and Governance to make consequential amendments to the terms of reference of the Active Travel Working Group.**

11 ECONOMY, REGENERATION AND DEVELOPMENT COMMITTEE WORK PROGRAMME UPDATE

Resolved –

That The Economy, Regeneration and Development Committee is invited to agree or otherwise determine the content of the Economy, Regeneration and Development Committee work programme which is proposed in this report for the remainder of the 2021/22 municipal year.

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ECONOMY, REGENERATION AND DEVELOPMENT COMMITTEE

26th July 2021

REPORT TITLE	WIRRAL GROWTH COMPANY: BIRKENHEAD PHASE 1: FINAL SITE DEVELOPMENT PLAN.
REPORT OF	DIRECTOR OF REGENERATION AND PLACE

REPORT SUMMARY

The purpose of this report is to seek Member endorsement to the formal Site Development Plan (SDP) for Phase 1 of Birkenhead Town Centre. The plan has been developed by the Wirral Growth Company (WGC) as part of the Partnership Agreement that the Council and MUSE Developments entered into on 19th March 2019. The draft indicative SDP was contained in the Partnership Business Plan and approved by Cabinet on 24th February 2020. Now that WGC has obtained planning permission for Phase 1 of the scheme it is the appropriate time to bring the formal SDP for approval to both partners of the WGC, in accordance with the processes set out in the Partnership Agreement. The proposed SDP (which can be found at Appendix 1 to this report) was approved by the Wirral Growth Company Board at its meeting on 1st July 2021.

Approval of the formal SDP is one of the conditions of the Option Agreement that is in place between the Council and the Wirral Growth Company regarding, amongst others, Milton Pavements. Once the final conditions regarding funding and construction contracts are in place, Milton Pavements will be drawn down by way of long leases to the funder and construction of the first two office buildings will commence.

Town Centre regeneration is a long-standing priority of the Wirral Council Plan 2025 and is reflected through the requirement to deliver inclusive economic growth, working for a prosperous inclusive economy where local people can get good jobs and achieve their potential.

The matter affects all wards.

This is a key decision owing to the significance in terms of the effect on communities living or working in an area comprising two or more wards within the Borough, as well as being in excess of £500,000 in monetary value.

EXEMPT INFORMATION

The Appendices to this report contain exempt information as defined in Schedule 12A of the Local Government Act 1972.

It is in the public interest to exclude the press and public during consideration of these items under Paragraph 3 of Schedule 12A of the Local Government Act 1972 as they contain commercially sensitive information.

Recommendation

It is recommended that the Economic, Regeneration and Development Committee:

- (1) Request that Policy and Resources Committee approves the Formal Site Development Plan for Birkenhead Commercial District Phase 1.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 The implementation of the SDP will directly support the regeneration of Birkenhead which has been a long-term priority for the Council. It supports the Council's ambitions around sustainable development and the generation of a prosperous inclusive economy where people can get good jobs and achieve their aspirations regardless of their background or where they live.
- 1.2 Specifically the delivery of Phase 1 of the plan will result in the construction of circa 150,000 sq.ft (13,900 sq.m) of Grade 'A' office accommodation in two buildings referred to as A1 and A2 with associated quality public realm. The larger of the two buildings A1 measuring 89,591 sq.ft (8,323 sq.m) will be occupied by Council employees while the second building A2 measuring 58,176 sq.ft (5,405 sq.m) will be let on the open market to commercial occupiers.
- 1.3 Through taking the head lease on the first two office buildings and relocating up to 800 administrative staff into the Birkenhead Commercial District the Council will intervene to unlock and drive forward the regeneration of Birkenhead Town Centre.
- 1.4 The draft indicative SDP was approved by Cabinet as part of the approval of the Partnership Business Plan on 24th February 2020. Now that planning permission has been granted, the next stage under the Partnership Agreement is for the formal SDP to be approved. Then any remaining conditions need to be satisfied by the WGC, such as having construction contracts in place, before the option contained in the Supplemental Option Agreement for Milton Pavements will be triggered and the long leases granted to the funder, then leased back to the Council, and construction can commence.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 The Council could choose not to approve the formal SDP. This would then halt the progress of the development of the Birkenhead Commercial District and incur the legal and financial consequences set out at paragraph 5.2. This option is not recommended.

3.0 BACKGROUND INFORMATION

- 3.1 The Wirral Growth Company plans for Birkenhead Town Centre form a key part of the Council's ambitions for the Borough as set out in the Birkenhead 2040 Framework. The creation of a new commercial district in the heart of the town will act as a catalyst for further investment by Wirral Growth Company helping to drive business confidence and make Birkenhead a location to invest in.

- 3.2 Specifically the SDP meets the following 4 Council Objectives (as defined in the Partnership Agreement):
- (i) Secures Local Economic Growth,
 - (ii) Makes a positive contribution towards the delivery of the Council's Asset Transformation Programme,
 - (iii) Contributes to ensuring that businesses encouraged to invest in the Wirral have access to property that meets their needs and delivers business rate growth and;
 - (iv) Better utilises the Council's assets to drive socio-economic change to secure a sustainable future for the benefit of the community.
- 3.3 The full SDP is appended to this report but in summary the key elements of the plan are as follows:

Proposed Development.

- 3.4 Phase 1 of the SDP will see the construction of two office buildings (A1 and A2) on the former site of Milton Pavements which has now been demolished and cleared. The larger of the two offices A1 (Measuring 89,591 sq.ft) will be occupied by the Council while Building A2 (58,175 sq.ft) will be let on the open market to commercial tenants. The new buildings will be Wired score gold rated, constructed to Building Research Establishment Environmental Assessment Method (BREEAM) Excellent standard and have been designed to secure an EPC rating of A. The offices will sit within a high-quality public realm that will provide new pedestrian routes through Birkenhead. A new primary sub-station will also be constructed on Council owned land to the rear of Europa Pools to future proof the power supply within the master plan area.

Planning

- 3.5 Following an extensive public consultation exercise held over the Summer and Autumn of 2019 the Growth Company submitted a hybrid planning application for the first Phase SDP on 19th August 2020. The application included outline consent for a mix of uses over the wider master plan area covering 27.4 acres together with a detailed consent for the development of the two office blocks A1/A2 along with a request to construct a new primary sub-station on Council owned land to the rear of Europa Pools.
- 3.6 The planning application was unanimously approved by the Planning Committee on 29th April 2021 and a Section 106 agreement has now been concluded allowing a planning approval decision notice to be issued to the Wirral Growth Company.

Social Value

- 3.7 When the Council entered into the Joint Venture Partnership with MUSE it was on the basis that the Wirral Growth Company must deliver a social value plan that ensures that the benefits of regeneration are made available to as many of the Borough's residents as possible. As part of the Phase 1 SDP the Wirral Growth Company has developed a Social Value Plan that will ensure that they and their sub-contractors meet their environmental and social obligations including the creation of job opportunities within Wirral for those furthest away from work including those with health conditions and/or disabilities.
- 3.8 The Wirral Growth Company has engaged with Council Officers to ensure that the plan:
- Aligns with the Council's own environmental policies and plans;
 - Aligns with the Council's employment and skills policies;
 - Targets the Council's focus groups such as care leavers, young offenders and young mums;
- 3.9 The detailed Social Value Plan can be found at Appendix 2 to this report.

Programme

- 3.10 A full project programme can be found within the SDP appended to this report. The key milestones for the delivery of the Phase 1 works are as follows:

Planning Consent Judicial Review Period	August 2021
Discharge of planning pre-commencement conditions	End of August 2021
Contractor Mobilisation	Early October 2021
Start on Site	Early October 2021
Completion of Phase 1 Office Blocks (A1/A2)	October 2023

4.0 FINANCIAL IMPLICATIONS

- 4.1 There are a number of financial matters connected with the delivery of the Site Development Plan. As these are commercially sensitive a detailed financial summary can be found at Appendix 3 of this report.

5.0 LEGAL IMPLICATIONS

- 5.1 A full report on the documents produced by the Council's external legal advisers which the Council will enter in to once the SDP is approved and the funder is in place (the agreement for lease, the leases) is annexed at Appendix 4.
- 5.2 For Phase 1 of Birkenhead Commercial District, if the Draft Formal SDP is not approved (upon first presentation), it is a Deadlock Matter which is then escalated to the Senior Officers of the Joint V Partners (Council and Muse) for resolution.

If it is not resolved, on three successive occasions then it shall be a Deadlock Event, which triggers the termination of the Wirral Growth Company. Milestone 4 of the Partnership Agreement will be breached if the Council fail to approve an SDP for Phase 1 of Birkenhead Commercial District within 18 months (plus time for planning processes and other processes which may introduce delay). If this occurs, it will trigger the winding up of the Wirral Growth Company and in such an event either a Milestone Payment or a Sites Costs payment will become payable by the Council to the Wirral Growth Company under the terms of the Partnership Agreement.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

6.1 The Council's monitoring and support for the WGC project will be met using existing staff resources from Regeneration, Assets and ICT.

7.0 RELEVANT RISKS

7.1 The governance of the programme enables for the escalation and management of risks and issues which is controlled through the use of risk and issues logs. The process is supported by the Council's Corporate and Regeneration Risk Management structures.

7.2 An extract of the highest risks for the project are listed below. The risk register is reviewed and updated as part of the monthly Office Quarter meeting that has been established to oversee the successful delivery of the SDP Phase 1.

Risk	Mitigating Action	Impact Score	Impact
The office buildings A1/A2 are not constructed to the agreed brief and specification.	The project is being managed to Royal Institute of British Architects (RIBA) protocols and the Council is receiving technical support from Avison Young Consultants to ensure that the scheme is constructed in compliance with agreed plans and specifications.	5	Low
Market uncertainty, especially post Covid, impacts on the demand for office accommodation offered at Building A2 leading to financial implications for the Council.	The Council has commissioned a lettings and marketing strategy to ensure that potential commercial occupiers are made aware of the A2 offer. Occupier interest is already being registered in advance of the construction works commencing.	8	Medium
There is a lack of long-term investor	The Wirral Growth Company undertook a soft market testing	3	Low

appetite for the new office development.	exercise to raise awareness of the investment potential of the scheme. This has led to Canada Life coming forward as forward funder of the project, subject to appropriate legal agreements being signed off.		
Unexpected or unforeseen issues result in a cost increase to the scheme.	The Wirral Growth Company has negotiated a fixed price contract with Morgan Sindall to deliver Phase 1 of the SDP.	4	Low
Risk of reputational damage to the Council for the late delivery of the project.	The contract negotiated with Morgan Sindall has appropriate compensation clauses to ensure that there is a focus to deliver the scheme on time and to budget.	4	Low

8.0 ENGAGEMENT/CONSULTATION

- 8.1 The development of the SDP has been informed by an extensive consultation exercise completed over the last 2 years. This included holding two reach out events in The Pyramids Shopping Centre. The first, which took place in May/June 2019 was on the basis of a 'Your Town, Your Say' session and this was followed up by a 'You Said, We Listened' event in October/November 2019 to allow the public's feedback and ideas to be incorporated into the emerging plan. Further consultation events were held with key stakeholders including Wirral Chamber of Commerce, Birkenhead Sixth College and Mars Pension Fund, owners of the Pyramids Shopping Centre, as well as design reviews with the Places Matter team.
- 8.2 A briefing presentation was also made to Members of the Council's Strategic Planning Sub-Committee on 6th February 2021 to allow Members the opportunity to thoroughly interrogate the plans as they were being finalised.
- 8.3 This work culminated in a further comprehensive update of the submission on 25th February 2021 following officer and Member engagement including a statement of conformity for the Environmental Statement to include matters relating to Design, Heritage, Noise and Vibration and a Design Code to demonstrate the projects conformity to key elements of the National Planning Policy Framework.

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 (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. An EIA has been produced and concludes that due to the nature of the project there are no adverse impacts identified for any protected groups. The project aims to foster and deliver a regenerated Town Centre that is highly accessible, inter-generational in nature and open to all members of the community.

- 9.2 An EIA has been produced in support of the SDP Phase 1 Birkenhead Town Centre project and this can be found at:

<https://www.wirral.gov.uk/communities-and-neighbourhoods/equality-impact-assessments>

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

- 10.1 The Regeneration of Birkenhead Commercial District supports the objectives of the Wirral Cool2 Climate Change Strategy, in promoting sustainable living and building design and will contribute to Wirral being net carbon neutral by 2041. The project is inherently sustainable in that it has strong environmental credentials in being a brownfield location in Birkenhead Town Centre and benefiting from sitting adjacent to Birkenhead Central bus station and Conway Park railway station. The development will be firmly integrated into the existing and improved cycle and pedestrian networks and will incorporate an upgraded public realm that will incorporate rain gardens and Sustainable Urban Drainage Systems (SUDS). The offices will be constructed to BREEAM Excellent standard, which is the world's leading sustainability assessment method for measuring commercial buildings and will achieve an EPC A rating. The WGC has also given a commitment to exclude the use of fossil fuels as a power source for buildings A1/A2.

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APPENDICES

Appendix 1 – SDP Phase 1: Birkenhead Town Centre

Appendix 1 contains exempt information as defined in Schedule 12A of the Local Government Act 1972.

Appendix 2 Social Value Plan Appendix 2 contains exempt information as defined in Schedule 12A of the Local Government Act 1972.

Appendix 3 – Financial Summary Appendix 3 contains exempt information as defined in Schedule 12A of the Local Government Act 1972.

Appendix 4 - Legal Report.

Appendix 4 contains exempt information as defined in Schedule 12A of the Local Government Act 1972.

BACKGROUND PAPERS

Partnership Agreement made between Council and MUSE Developments dated 19th March 2019 (Exempt)

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Cabinet Decision to approve the preferred bidder (MUSE) to form the Joint Venture Company.	28th February 2018
Council Decision to approve the start of consultation for the Master planning of Birkenhead.	26th November 2018
Council Decision to approve the full Business Case for Birkenhead Commercial District.	24th February 2020
Council Decision to approve the design and delivery of the new offices and for Director of Law and Governance and Director of Regeneration to negotiate and enter into appropriate agreements to allow project to be delivered.	27th July 2020

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ECONOMY, REGENERATION AND DEVELOPMENT COMMITTEE

26 July 2021

REPORT TITLE:	WIRRAL GROWTH COMPANY - GOVERNANCE ARRANGEMENTS
REPORT OF:	DIRECTOR OF LAW AND GOVERNANCE

REPORT SUMMARY

The purpose of this report is to recommend the arrangements by which the Council is represented on the Board of the Wirral Growth Company Limited Liability Partnership.

The matter affects all Wards within the Borough and is not a Key Decision.

RECOMMENDATIONS

That Economy, Regeneration and Development Committee:

- (1) approves that the officers holding the post for the time being of Assistant Director Finance and Investment and the Director of Children Families and Education continue to be the Council's officer appointments to the Board of the Wirral Growth Company Limited Liability Partnership and that those persons (and their successors) remain so appointed until they resign, are removed by subsequent decision or until they cease to hold such post as officer of the Council; and
- (2) nominates 2 members to be appointed to fill the remaining 2 vacancies on the Board of the Wirral Growth Company Limited Liability Partnership.

SUPPORTING INFORMATION

1.0 REASON FOR RECOMMENDATIONS

- 1.1 To ensure that the business of the Wirral Growth Company Limited Liability Partnership (Wirral Growth Company) and its relationship with the Council be established on a proper footing so that its business can be despatched expeditiously but in accordance with the Council's Constitution.
- 1.2 To ensure that appropriate corporate oversight is given to the plans, strategies and proposals of the Wirral Growth Company.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 An alternative option would be to not appoint members to the Board of the Wirral Growth Company but to nominate a further 2 officers. This would be permitted by the Shareholder Agreement and would avoid the scope for conflicts of interests arising from Councillors being members of the Wirral Growth Company Board. Whilst this is not currently the recommendation it is something that could be considered upon further work being carried out in order to investigate the options for appointing to the 2 vacancies which to date have been member appointments.

3.0 BACKGROUND INFORMATION

- 3.1 On 19th June 2017 the Cabinet agreed to establish a joint venture company to lead the regeneration of key sites within the Borough.
- 3.2 On 28th February 2018 the Cabinet decided to award a works concession to Muse Development Ltd (Muse) after the conclusion of a competitive dialogue tendering process. The decision included the formation of a joint venture in the form of a Limited Liability Partnership (LLP) with Muse, which is a separate legal entity from both the Council and Muse, the business of which is governed by a partnership agreement. The Wirral Growth Company is a joint venture controlled in equal parts by the Council and by its private sector partner, Muse.
- 3.3 The board of the Wirral Growth Company is responsible for the management of the LLP accordance with the business plans to be approved by the Council and Muse. The Wirral Growth Company Board comprises of four representatives of the Council (currently 2 officers and 2 members) and four representatives of Muse.
- 3.4 Since the recent May 2021 local government election, Councillor Tony Jones is the current sole Council Member representative and given his position as Chair of this Committee there is an inherent potential for a conflict of interest in terms of both roles. Committee is requested to consider the matter of which members should be appointed to serve as the Council's two member representatives on the Wirral Growth Company. This Committee is also requested to endorse the current officer appointees who comprise the Council's Assistant Director Finance and Investment and the Director of Children Families and Education.
- 3.5 In looking at the governance of the Wirral Growth Company, regard should be had to the Council's Code of Corporate Governance on Council Interests in Companies, set

out in Part 5(8) of the Constitution, which has a number of parallels with, and refers to, the ownership of Limited Liability Partnerships (“LLPs”). The Code suggests that a LLP will be run by its board members, who will participate directly in the activities of the LLP which will then be answerable to the partners in accordance with a partnership agreement. This level of operation and relationship and the accompanying conflict of interests that may arise means that officers are better placed to fulfil this role. Notwithstanding the current recommendations within this report, it is suggested that the role of elected Members as members of the Wirral Growth Company should be reviewed in the light of the move to the committee system and what that means for both the Council and the Wirral Growth Company.

3.6 Members who are appointed onto the Wirral Growth Company Board would not be able to vote on Local Plan issues. Members of the Local Plan Sub-Committee should therefore not be appointed onto the Board.

3.7 The Council has commissioned 4Ps to undertake a stage review of the operation of Wirral Growth Company and the issues outlined in this report may form a part of a review of the role of elected members as Board members.

4.0 FINANCIAL IMPLICATIONS

4.1 There are no significant financial implications arising from the proposals set out within this report.

5.0 LEGAL IMPLICATIONS

5.1 A LLP is a separate corporate entity which, in this case, is made up of two corporate members namely Muse and the Council. The corporate members then appoint Representatives to form the Board. The duties owed by the Representatives are governed by the Partnership Agreement between the LLP’s members but are similar to those duties owed by company directors. Because of the degree of control the Representatives are able to exercise over the conduct of the LLP’s business, they owe fiduciary duties to the LLP which override the duties owed by those representatives to their appointing corporate member.

5.2 Wirral Growth Company Joint Venture (JV) Agreement provides that a Representative shall owe a duty to the LLP to act in the way they consider, in good faith, would be most likely to promote the success of the LLP for the benefit of the JV Partners as a whole and in furtherance of the Partnership JV Objectives, the Business Plans and this Agreement. Duties of Representatives are exclusively to the LLP but they must withdraw from Board Meetings if a decision has to be made that may conflict with the interests of those of the Partner that appointed them. This creates a potential conflict of interest which will need to be monitored, with advice from the Director of Law and Governance.

5.3 All decisions by Council representatives at meetings of the Wirral Growth Company must be in accordance with the Council’s budget and comply with the Council’s legal duties to carry out any necessary prior consultation with representatives of any service users and local tax payers to obtain value for money and to comply with the Public Sector Equality Duty.

- 5.4 It is relevant to note that the Terms of Reference of this Committee include “The Council’s functions and partnerships regarding the promotion of economic growth and the establishment and development of business”.
- 5.5 As a partnership, the Wirral Growth Company is not bound by the rules pertaining to local authority ownership of a company. Conversely, it does not have the benefit of the financial and legal freedoms of a local authority interest company and must, instead, abide by the full set of limitations imposed by local government law on its powers and functions, including that it may not operate for a commercial purpose.
- 5.6 The name of Wirral Growth Company is not an accurate one given that it is in fact a LLP. The concept was, and remains, to bring together Council assets and community planning with the development and financing expertise of a private sector body as a partnership established to create economic generation and new and sustainable homes and businesses focussed purely on and for Wirral.

6.0 RESOURCE IMPLICATIONS: ICT, STAFFING & ASSETS

- 6.1 The need for Council appointees to serve on the Board of the Wirral Growth Company and attend joint meetings with Muse creates a demand for staff resources particularly in terms of officers with financial, economic and legal expertise and in terms of the need for the Council to advise and support the councillor appointees.

7.0 RELEVANT RISKS

- 7.1 A balance has to be struck between the need for the Council to act in a commercial and expeditious fashion in relation to the business of the Wirral Growth Company and for the decision making to be transparent with democratic accountability. The proposals within this report aid in striking that balance and will enable the Council to comply with its duty to follow good governance processes.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 Consultation has taken place with the Chair and Spokespersons of this Committee in terms of the contents of this report.

9.0 EQUALITY IMPLICATIONS

- 9.1 The Council is not aware of any significant equality and diversity implications arising from the proposals set out within this report.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

- 10.1 There are no significant environment or climate change implications arising from the proposals within this report.

11.0 COMMUNITY WEALTH IMPLICATIONS

- 11.1 The recommendations contained within this report are expected to have no impact in terms of Community Wealth.

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BACKGROUND PAPERS

Joint Venture Option Agreement (Exempt)
Wirral Growth Company Y1-3 Partnership Business Plan approved (Exempt)
Background working papers as referred to in the Partnership Business Plan (Exempt)
Partnership Agreement (Exempt)

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Cabinet -Draft BCD Business Case and Staff Relocation	26/11/18
Leader Decision -Wirral Growth Company LLP Proposed Governance Arrangements	19/03/19
Leader Decision -Wirral Growth Company	3/09/19
Leader Decision -Directorship of Wirral Growth Company	9/01/20
Cabinet - Wirral Growth Company	24/02/20
Cabinet – Lease for New Offices in BCD	27/07/20

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ECONOMY REGENERATION AND DEVELOPMENT COMMITTEE

Monday 26 July 2021

REPORT TITLE:	ECONOMY REGENERATION AND DEVELOPMENT COMMITTEE WORK PROGRAMME UPDATE
REPORT OF:	DIRECTOR OF LAW AND GOVENANCE

REPORT SUMMARY

The Economy, Regeneration and Development 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 Development Committee is attached as Appendix 1 to this report.

RECOMMENDATION/S

The Economy, Regeneration and Development Committee are invited to agree or otherwise determine the content of the Economy, Regeneration and Development Committee work programme which is proposed in this report for the remainder of the 2021/22 municipal year.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 To ensure Members of the Economy, Regeneration and Development 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 Development 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 and transport 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.

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

- (a) development and delivery of the Council's strategic 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) 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;

(i) providing a view of performance, budget monitoring and risk management in relation to the Committee's functions; and

(j) 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. However, there may be implications arising as a result of work programme items.

REPORT AUTHOR: **Anna Perret**
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APPENDICES

Appendix 1 Work Programme update

BACKGROUND PAPERS

Council Constitution

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Economy, Regeneration and Development Committee	26th October 2020

ECONOMY, REGENERATION AND DEVELOPMENT COMMITTEE

WORK PROGRAMME 2020/21

July 2021

Item	Key Decision Yes/No	Lead Officer	P&R referral Yes/No
Wirral Growth Company: Birkenhead Phase 1 Final Site Development Plan"	Yes	Sally Shah (Ray Squire)	Yes
WGC Governance Report	No	Phil McCourt (Matthew Neal)	no
Hoylake Golf Resort Update	No	Phil McCourt (Matthew Neal)	No
Work Programme Update	No	Anna Perrett	

Key decisions – to be scheduled

Item	Key Decision	Lead Departmental Officer	Wirral Plan Priority
Hind Street – approval of HoT for DM and conditional land sale agreement	Yes	Alan Evans	'Inclusive Economy'
Birkenhead Temporary Market	Yes	Alan Evans	'Inclusive Economy'

Application for Financial Assistance	Yes	Alan Evans	'Inclusive Economy'
Wirral Waters Enterprise Zone Investment Fund	Yes	Alan Evans	'Inclusive Economy'
Liverpool City Region Economic Initiatives and Funding	Yes	Alan Evans	'Inclusive Economy'
European Structural and Investment Funds (ESIF) Programme for England (2014-2020)	Yes	Alan Evans	'Inclusive Economy'
Liverpool City Region Combined Authority Devolution Funding	Yes	Alan Evans	'Inclusive Economy'
Birkenhead Town Centre Masterplan	Yes	Alan Evans	'Inclusive Economy'
Hind Street Regeneration Strategy	Yes	Alan Evans	'Inclusive Economy'
Hind Street Movement Strategy	Yes	Alan Evans	'Inclusive Economy'
Temporary Market, Birkenhead	Yes	Alan Evans	'Inclusive Economy'
Appointment of Preferred Developer to Deliver the New Ferry Regeneration Masterplan and Authority to Commence a Compulsory Purchase Order	Yes	Alan Evans	'Inclusive Economy'
Covid-19 Economic Recovery Plan	Yes	Alan Evans	'Inclusive Economy'
Enterprise Zone	Yes	Alan Evans	'Inclusive Economy'
Spatial Framework for the Borough	Yes	Alan Evans	'Inclusive Economy'
Wirral Growth Company - Final Site Development Plan for Birkenhead	Yes	Alan Evans	'Inclusive Economy'
Wirral Growth Company Final Site Development Plans for Moreton and Bromborough	Yes	Alan Evans	'Inclusive Economy'
Wirral Growth Company - Birkenhead Offices Funding Agreement	Yes	Alan Evans	'Inclusive Economy'
Investment Plan	Yes	Alan Evans	'Inclusive Economy'

Department for Transport Active Travel Allocation	Yes	Alan Evans	'Inclusive Economy'
Sustainable Urban Development Work Package 7	Yes	Alan Evans	'Inclusive Economy'
Mass Transit	Yes	Alan Evans	'Inclusive Economy'
Liverpool City Region Cycling Walking Investment Plan - Birkenhead to New Brighton	Yes	Alan Evans	'Inclusive Economy'
Report on transport schemes including SUD work package 7 – acceptance of funding	Yes	Alan Evans	'Inclusive Economy'
Investment Plan	Yes	Alan Evans	'Inclusive Economy'
Birkenhead Heat Network	Yes	Alan Evans	'Inclusive Economy'
Future High Streets Fund Movement Projects	Yes	Alan Evans	'Inclusive Economy'
Dock Branch Park Masterplan	Yes	Alan Evans	'Inclusive Economy'
Dock Branch Park - Appointment of Technical Team	Yes	Alan Evans	'Inclusive Economy'
Parking strategy	Yes	Alan Evans	'Inclusive Economy'
Local Development Scheme	Yes	Alan Evans	'Inclusive Economy'
Spatial Framework for the Borough	Yes	Alan Evans	'Inclusive Economy'
Tower Road South Development	Yes	Alan Evans	'Inclusive Economy'
Wirral Waters Connectivity (7) - Duke Street (Phase 2)	Yes	Alan Evans	'Inclusive Economy'
Wirral International Business Park Connections - A41 Carlett Park	Yes	Alan Evans	'Inclusive Economy'

A41 Phase 1 Business Case (PART EXEMPT)	Yes	Alan Evans	'Inclusive Economy'
Liverpool City Region Cycling Walking Investment Plan - Birkenhead to New Brighton	Yes	David Ball	'Inclusive Economy'
Birkenhead Town Centre Masterplan (EXEMPT)	Yes	David Ball	'Inclusive Economy'
Preferred Developer to Deliver the New Ferry Regeneration (PART EXEMPT)	Yes	Alan Evans	'Inclusive Economy'

STANDING ITEMS AND MONITORING REPORTS

Item	Reporting Frequency	Lead Departmental Officer
Financial Monitoring Report	TBC	Shaer Halewood
Regen Committee Work Programme Update	TBC	Committee Team
Public questions	Each meeting	

WORK PROGRAMME ACTIVITIES OUTSIDE COMMITTEE

Item	Format	Timescale	Lead Officer	Progress
Working Groups/ Sub Committees				
Task and Finish Reviews				
-	-	--		-
Spotlight Sessions and Workshops				
Eureka!	Workshop	TBC	Bev Staniford	In Progress

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