



POLICY AND RESOURCES COMMITTEE

Wednesday, 17 March 2021

REPORT TITLE:	MARITIME KNOWLEDGE HUB
REPORT OF:	DIRECTOR OF LAW AND GOVERNANCE

REPORT SUMMARY

This report provides for consideration the final recommendations of the Economy Regeneration and Development Committee in respect to the Maritime Knowledge Hub. The Report recommends that the Policy and Resource Committee authorise the Director of Regeneration and Place in consultation with the Director of Law and Governance and the Director of Resources, to finalise the Heads of Terms substantially in accordance with the draft Heads of Terms attached as an appendix to this report.

The Economy, Regeneration and Development committee also ask Policy and Resource Committee to consider recommendations to finalise agreements for the Council to enter into a conditional Forward Funding Agreement, Agreement for Lease and Lease, based on the finalised heads of terms, with Peel Land and Property (Intermediate) Ltd. And to accept the terms of the Grant Funding Agreement, subject to successful award, from Liverpool City Region Combined Authority and Ministry of Communities, Housing and Local Government in respect of the pre-test and trial Maritime Accelerator Project and to commence necessary procurement exercises to enable the delivery of the Accelerator.

The full report was presented to the Economy, Regeneration and Development Committee on the 4 March and is attached as an appendix to this report.

RECOMMENDATION/S

That Economy Regeneration and Development Committee request that Policy and Resources Committee approve the following recommendations:

1. Authorise the Director of Regeneration and Place in consultation with the Director of Law and Governance and the Director of Resources, to finalise the Heads of Terms substantially in accordance with the draft Heads of Terms attached as an appendix to this report.
2. Approve the Full Business Case for Maritime Knowledge Hub.

3. Authorise the Director of Law and Governance in consultation with the Director of Regeneration and Place and the Director of Resources, to finalise agreements for the Council to enter into a conditional Forward Funding Agreement, Agreement for Lease and Lease, based on the finalised heads of terms, with Peel Land and Property (Intermediate) Ltd.
4. Authorise the Director of Regeneration and Place in consultation with the Director of Law and Governance and the Director of Resources to accept the terms of the Grant Funding Agreement, subject to successful award, from Liverpool City Region Combined Authority and Ministry of Communities, Housing and Local Government in respect of the pre-test and trial Maritime Accelerator Project and to commence necessary procurement exercises to enable the delivery of the Accelerator.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 This matter is being referred to Policy & Resources Committee because the Economy Regeneration and Development Committee is recommending authorisation of the Director of Regeneration and Place in consultation with the Director of Law and Governance and the Director of Resources, to finalise the Heads of Terms substantially in accordance with the draft Heads of Terms attached as an appendix to this report. In accordance with the Council's Constitution regarding land and property including major acquisition and disposals, which includes reserved decision making concerning any purchase, sale or transfer of a value in excess of, or likely to exceed, £100,000 is reserved to Policy & Resources Committee

2.0 OTHER OPTIONS CONSIDERED

- 2.1 Do Nothing: The Council takes no action and does not participate in the project. This would result in the scheme not progressing due to the viability gap. Not developing the site and refurbishing the listed building would be detrimental to the wider Wirral Waters scheme.
- 2.2 Direct Delivery by the Council: This has not been an option as the land upon which this development will take place is in the ownership of Peel Holdings Land and Property (UK) Limited and they are unwilling to dispose of the freehold interest. This option would require significant Council resource to project manage the build and also add significant risk to the Council in terms of cost overruns which would be the Council's responsibility.
- 2.3 Alternative leasehold structure: Other leasehold arrangements have been considered and in particular consideration was given to a 30 year strip out lease. Advice secured from Lambert Smith Hampton, the Council's retained property advisor, indicates that where the occupational income is relatively complex (e.g. more than 5 tenants) and there is a significant chance that throughout the investment period, the income may not match that of the liabilities within the headlease, Public Works Loan Board finance should be considered strongly. Taking the above issues into account officers have identified that this would therefore not be a viable option to pursue.

3.0 BACKGROUND INFORMATION

- 3.1 The Maritime Knowledge Hub is a catalytic project that will support wider development within Wirral Waters. It will create a world class centre of excellence for maritime business growth and sector development. It will bring together the region's key maritime assets in business, research, education and training to address challenges around innovation and skills within a refurbished and new build high profile centre. The Wirral Plan 2025 Vision sets out the Council's vision to secure the best possible future for our residents, defined by the community prosperity we create and supported by our excellent people and services. The Maritime Knowledge Hub (MKH) project directly supports the following key themes within that plan.

- Prosperous, inclusive economy where local people can get good jobs and achieve their aspirations; and
- Brighter futures for our young people and families – regardless of their background or where they live.

4.0 FINANCIAL IMPLICATIONS

4.1 The financial implications are detailed within the report submitted to Economy Regeneration and Development Committee on the 4 March 2021.

5.0 LEGAL IMPLICATIONS

5.1 The Legal implications are detailed within the report submitted to Economy Regeneration and Development Committee on 4 March 2021.

5.2 the Policy & Resources Committee is charged by full Council to provide a co-ordinating role across all other service committees and retain a 'whole-council' view of performance, budget monitoring and risk management. In particular, this includes specific responsibility for a decision regarding land and property including major acquisition and disposals, which includes reserved decision making concerning any purchase, sale or transfer of a value in excess of, or likely to exceed, £100,000;

As part of the matter of business that was the subject of the report to Economy, Regeneration and Development Committee falls under that responsibility reserved to the Policy and Resources Committee, the Economy, Regeneration and Development Committee's proposed resolution is presented as a recommendation.

5.3 As the decision in this matter is the subject of a recommendation from another Committee, the Policy and Resources Committee must take into account the resolution of that Committee and give due regard to the guidance and comments made by its members. The Policy and Resources Committee must not, however, consider itself bound by that Committee's recommendations or otherwise fetter its discretion; its Members must come to their own decision. In doing so, the Committee must satisfy itself that it has been provided with all relevant information or a suitable précis to enable it to comply with its duties and make a lawful decision.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

6.1 The resource implications are detailed within the report submitted to Economy Regeneration and Development Committee 4 March 2021.

7.0 RELEVANT RISKS

7.1 The resource implications are detailed within the report submitted to Economy Regeneration and Development Committee on the 4 March 2021.

7.0 ENGAGEMENT/CONSULTATION

8.1 The Engagement/Consultation implications are detailed within the report submitted to Economy Regeneration and Development Committee on the 4 March 2021.

8.0 EQUALITY IMPLICATIONS

9.1 The Equality implications are detailed within the report submitted to Economy Regeneration and Development Committee on the 4 March 2021.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 The Environment and Climate implications are detailed within the report submitted to Economy Regeneration and Development Committee 4 March 2021.

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APPENDICES

Appendix 1 Minute Extract
Appendix 2 Committee Report

BACKGROUND PAPERS

Gyron Demand Study 2016
GVA market report August 2018
SQW Demand Study February 2020

SUBJECT HISTORY (last 3 years)

Council Meeting	Date