



Ministry of Housing,
Communities &
Local Government

**Ministry of Housing, Communities & Local
Government**

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Leigh-Anne Stradeski
Chair, Birkenhead Town Deal Board
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15 July 2021

Paul Satoor
Chief Executive, Wirral Metropolitan Borough
Council
paulsatoor@wirral.gov.uk

Dear Ms Stradeski and Mr Satoor,

Birkenhead Town Deal

In September 2019, the Government announced the initial 101 places invited to develop Town Deal proposals as part of the £3.6 billion Towns Fund.

Birkenhead was included in this initial 101 places and we were pleased to receive Birkenhead's Town Investment Plan in December. We are grateful for your hard work, and that of your team and Town Deal Board, in developing this set of project proposals to deliver long-term and sustainable economic growth in Birkenhead.

I am delighted to be offering you a Town Deal for Birkenhead to a value of up to £25 million. The draft Heads of Terms for this deal are attached to this letter. A list of the projects that we are content to support within this funding envelope is also attached, with conditions as appropriate; it is for Birkenhead to choose which projects to proceed with.

I understand that you will need to secure the agreement of the Town Deal Board to take up this offer. I would therefore request that you do so and return to us the signed Heads of Terms as confirmation by 5 August 2021. My officials are of course on hand to answer any questions you may have.

This is an exciting opportunity to come together to drive long-term economic and productivity growth in Birkenhead, particularly as we meet the challenges presented by Covid-19. I look forward to working with you to make Birkenhead's plans a reality.

Yours sincerely,

RT HON ROBERT JENRICK MP

Heads of Terms offer for Birkenhead

Introduction

Situated opposite the Liverpool Waterfront, Birkenhead is a superbly located town that is well-connected by sustainable transport. Tracing most of its development to the industrial revolution, Birkenhead endures as a town of industry with its main specialisms resting within some niche manufacturing sectors. Nevertheless, Birkenhead faces several key challenges: a high town centre vacancy rate, a high percentage of businesses in the at-risk sector and low educational attainment.

Government will work with Wirral Metropolitan Borough Council and its Town Deal Board to support the delivery of a Town Deal, with the goal of ensuring all Birkenhead residents have a share in the town's success.

The commitment

This document lays out the Heads of Terms offer to Birkenhead, under the Towns Fund. This is not a contractually binding document and the offer is subject to various conditions being met. The Heads of Terms will act as a Memorandum of Understanding for the future development and delivery of Birkenhead's Town Investment Plan and project proposals. It sets out joint expectations as Birkenhead enters the business case development phase.

Government will provide up to **a total of £25 million from the Towns Fund**, which will be used to enable Birkenhead to become a thriving urban community on the left bank of the River Mersey. Chosen as a home by families and entrepreneurs alike, and drawn by the unique and historic waterfront environment and iconic design, it will be a place of creativity, innovation and fun. Birkenhead has the connectivity of city-living but is in harmony with nature. It will become a place with room to breathe and space to grow.

Birkenhead has proposed a range of projects that will contribute towards achieving this vision. These include:

- Dock Branch Park
- Transport Visitor Attraction
- Waterfront & Connectivity
- Education Engagement Network
- Wellbeing & Opportunity Centre
- Egerton Village
- Egerton House
- Start Yard
- Future Yard
- Argyle Street Creative
- EXPO Village
- Sustainability Central

Birkenhead will need to prioritise these projects within the funding envelope being offered. Funding for individual projects will be subject to successfully completing Phase 2 of the Towns Fund process. This includes detailed project development and business case assurance at local level.

Process, governance and assurance

Local partners will work with government to demonstrate the feasibility, viability and value for money of their projects by developing and submitting the Town Deal Summary Document, including (as per the Further Guidance and Stage two guidance: business case development):

- A list of agreed projects
- Details of business case assurance processes followed for each project
- An update on actions taken in relation to the Heads of Terms key conditions and requirements
- A Delivery Plan (including details of the team, working arrangements and agreements with stakeholders)
- A Monitoring and Evaluation Plan
- Confirmation of funding arrangements and financial profiles for each project
- Undertaking Public Sector Equalities Duty analysis
- Approval from the Town Deal Board and Lead Council

Birkenhead should conduct project assurance in line with agreed routes for each individual project and should provide further detail on how engagement fed into project prioritisation.

If the priority projects identified for funding do not progress, MHCLG cannot guarantee that funding can be assigned to alternative projects or that if it is those will be to the same value. This may result in an overall reduction in the amount of funding received.

Within two months of accepting this offer, Birkenhead should confirm in writing details of projects being taken forward and a plan for addressing key conditions relating to those projects and the overall Town Investment Plan. This should be sent to towns.fund@communities.gov.uk, copied to the town lead.

Birkenhead must then complete business cases for the projects being taken forward and submit the Summary Document within 12 months of the deal being agreed. MHCLG will then provide the agreed funding up to the maximum amount of **£25m** for those projects, provided that all conditions are met.

Signed:

Chair of the Town Deal Board

Chief Executive of lead Council

MHCLG Secretary of State / Minister

Date

ANNEX TO THE HEADS OF TERMS: PROJECTS WITHIN SCOPE OF THE TOWN DEAL

The Town Deal offer is a maximum of **£25 million** of MHCLG funding in total.

Within this maximum amount, Birkenhead may take forward projects selected from those listed below.

This funding will be subject to successfully completing Phase 2 of the Towns Fund process as set out in the Towns Fund Further Guidance, including detailed project development and business case assurance at local level. It is also dependent on final spending profiles, including the RDEL/CDEL split being provided, and the further project-specific conditions set out below being met.

Project	Funding offer limit	Match	Expected outputs and outcomes	Conditions	Fast track (Y/N)
<p>Dock Branch Park The Dock Branch Park (DBP) will help to improve pedestrian and cycling connectivity between Wirral Waters, Hind Street's new low carbon urban neighbourhood of 1,000 plus homes, and the regenerated Birkenhead Town Centre</p>	£13.2m	£16.7m	<ul style="list-style-type: none"> • New public space – 20 450 sqm • New cycle and walking path- 1km • Remediation of abandoned railway line – 1km • Upgraded historic asset – 1km • Number of visitors to arts, cultural and heritage events and venues – 1.6m pa • Apprenticeship opportunities – 20 pa 	<ul style="list-style-type: none"> • N/A 	N
<p>Transport Visitor Attraction The investment from Towns Deal will fund the build costs, fit-out costs, and an allocation for moving and preparing the collection for this major visitor attraction.</p>	£5.8m	£3.697m	<ul style="list-style-type: none"> • Additional visitors per annum - 150 000 to 200 000 pa • Work placements per annum - 6 • Internships per annum – 2 • Remediation of abandoned railway line – 1km 	<ul style="list-style-type: none"> • Provide a more detailed delivery plan that covers risks, interdependencies and mitigation measures; operational and management plans, including sources of revenue funding. • Provide further detail on the impact of this project through inclusion of a broader range of outcomes. 	N

<p>Waterfront & Connectivity</p> <p>The investment from Town Deal will fund project development costs, build costs and refurbishment costs of 3 key waterfront anchor heritage assets and transformational highway/public realms improvements</p>	£10.0m	£11.625m	<ul style="list-style-type: none"> • New or upgraded road infrastructure – 12, 145 sqm • New or upgraded cycle or walking paths – 2740 m • Wider cycling infrastructure - new cycling parking – 30 • Delivery of 2 new and 2 upgraded public spaces – 13765 m • Upgraded/protected museum, arts venues, prominent landmarks, historical buildings - 6 • Number of new learners assisted (school visits) – 12,500 pa 	<ul style="list-style-type: none"> • N/A 	N
<p>Education Engagement Network</p> <p>The projects will consist of a hub and spoke model, where the central hub will exist as both a physical base and a digital platform, bringing together education, advice, guidance, and specialist services</p>	£1.9m	£3.85m	<ul style="list-style-type: none"> • Refurbished space across the spokes – 3074 sqm • Additional delivery to 16-18 year old care leavers – 60 • Additional adult learners from vulnerable groups - 550 • Progression of participating 16-18 year olds to full-time delivery for those that would otherwise be NEET – 40% • Progression of participating adult learners to vocational courses -20% • Number of new learners assisted- 610 pa 	<ul style="list-style-type: none"> • Provide a more detailed delivery plan that covers risks, interdependencies and mitigation measures; operational and management plans. • Provide further details of planned stakeholder engagement of potential users of the service 	Y

<p>Wellbeing & Opportunity Centre The project is to create a Wellbeing and Opportunity Centre in the town centre of Birkenhead delivered through a collaboration between three NHS Foundation Trust's and Open-Door Charity</p>	£3.53m	£3.39m	<ul style="list-style-type: none"> • New community spaces – 2 • Remediation of dilapidated site – 2100sqm • Empowerment/counselling support interventions – 12,000 in the next 5 years • New public spaces – 2 • New jobs – 35 FTE • Visitors to cultural programme – 50,000 pa • New learners assisted - 14,700 over 5 years 	• N/A	N
<p>Egerton Village The project in Wirral Waters Enterprise Zone will deliver studio and workspace for artists, educational arts accommodation, localised and independent ancillary retail space, a waterside restaurant / café / bistro, and semi-enclosed events space.</p>	£1.75m	£4m	<ul style="list-style-type: none"> • Delivery of quality new, highly sustainable commercial, arts, educational and studio space in gateway location - 1500sqm • New community hub aligning to local inclusive growth – 1 • Delivery of new public space – 1 • Number of start-ups and/or scaleups utilising business incubation, acceleration and co-working spaces – 20 pa • Number of visitors to arts, cultural and heritage events and venues – 5000 pa 	• N/A	Y
<p>Egerton House Renovation of 1,500 sqm of a</p>	£0.23m	£3.55m	<ul style="list-style-type: none"> • Delivery of quality commercial 	• N/A	N

dilapidated building into modern affordable workspace within a dynamic environment suitable for businesses in the Creative and Digital sector.			<ul style="list-style-type: none"> space in key location – 1400sqm • Increase in the amount of shared workspace and innovation facilities • 40 businesses within physical location • Support for enterprise and business productivity and growth - 400 additional businesses supported remotely • Repurposing a historic building in a prominent location - 1 • 		
Start Yard Renovation of 1,500 sqm of a dilapidated building into modern affordable workspace within a dynamic environment suitable for businesses in the Creative and Digital sect	£0.23m	£0.390m	<ul style="list-style-type: none"> • Delivery of quality commercial space in key location – 1500sqm • Increase in the amount of shared workspace and innovation facilities – 40 businesses • New community hub – 1 • FTEs supported – 200 • Number of visitors to arts, cultural and heritage events and venues – 5000 pa 	• N/A	N
Future Yard The creation of 1315 sqm of new workspace and 1750 sqm of	£1.6m	£0.733m	<ul style="list-style-type: none"> • Delivery of quality commercial space in key 	• N/A	N

<p>outdoor event space for use by the community.</p>			<p>location-1315 sq m</p> <ul style="list-style-type: none"> • New community outdoor space through remediation of abandoned site - 1750 sqm • Support for enterprise and business productivity and growth – 115 businesses pa • Direct employment by Future Yard CIC – 15 • Number of visitors to arts, cultural and heritage events and venues – 12000pa • Number of start-ups and/or scaleups utilising business incubation, acceleration and co-working spaces – 115 pa • Number of new learners assisted - 1315 		
<p>Argyle Street Creative The project will involve the acquisition and redevelopment of a vacant property to create over 1200 sqm of new and improved space for ‘makers’ including creative, cultural and community space, operated by Make CIC</p>	<p>£1.63m</p>	<p>£0.3m</p>	<ul style="list-style-type: none"> • Delivery of quality commercial space in key location – 1200sqm • FTEs supported – 250 FTEs • Support for enterprise and business productivity and growth - 24 Businesses (1 in 10 grow and expand beyond the hub per annum) 	<ul style="list-style-type: none"> • Provide further detail on the need for this intervention, including clarification on the term “makers”. • Provide a more detailed delivery plan that covers risks, interdependencies and mitigation measures. • Provide further detail on what support will be provided to businesses. 	<p>N</p>

			<ul style="list-style-type: none"> • Perceptions of the place by businesses - Improved opportunities • Number of start-ups and/or scaleups utilising business incubation, acceleration and co-working spaces - 24 pa • Land Value Uplift in immediate area – c.20% 		
<p>EXPO Village The EXPO Village would provide a three year 'laboratory' for testing a rolling programme to showcase new innovative methods of building homes i.e. Prototyping/ testing new modular homes, demonstrating/ testing new technologies and developing future skills / training programmes including self-build programmes.</p>	£2.5m	£5.6m	<ul style="list-style-type: none"> • Remediation, infrastructure provision and long term development of an abandoned site - 2.5 acres • Increase in capacity and accessibility to new or improved skills facilities - 5000 interactions pa • Increase in the amount of shared innovation facilities – 12000 sqm • Number of enterprises utilising high quality, affordable and sustainable commercial spaces – 15 • % of learners gaining relevant experience/being 'job ready' (as assessed by employers) - 100 pa 	<ul style="list-style-type: none"> • Provide evidence of market demand. • Provide further details of ongoing and planned stakeholder engagement. • Provide a more detailed delivery plan that covers risks, interdependencies and mitigation measures; operational and management plans, including sources of match funding. 	N

<p>Sustainability Central</p> <p>Sustainability Central will provide a prominent, physical hub and focal point to co-ordinate activities for a number of prominent organisations in the low carbon sector within Birkenhead.</p>	£1.75m	£0.75m	<ul style="list-style-type: none"> • Increase in the amount (and diversity) of high quality, affordable floor space. – 700sqm • Increase in capacity and accessibility to new skills facilities - 5000 interactions through events p.a. • Scheme to support enterprise and business productivity and growth – 70 FTEs • Number of enterprises utilising high quality, affordable and sustainable commercial spaces – 10 • Number of start-ups and/or scaleups utilising business incubation, acceleration and co-working spaces – 5 	<ul style="list-style-type: none"> • Provide evidence of market demand. • Provide further details of ongoing and planned stakeholder engagement. • Provide a more detailed delivery plan that covers risks, interdependencies and mitigation measures; operational and management plans, including sources of match funding. 	N
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General conditions

There are also the following requirements for the process and governance:

- **TIP Improvements:** Provide further detail on how engagement fed into project prioritisation.
- **Assurance:** The business cases for each project will be taken through Wirral Metropolitan Borough Council, in line with local assurance processes.
- **Public Sector Equalities Duty (PSED) and other assessments:** Wirral Metropolitan Borough Council will undertake programme-wide level impact assessment, relevant project-level impact assessment to meet their Public Sector Equalities Duty as well as carry out relevant Environmental Impact Assessments.

If the priority projects identified for funding do not progress, MHCLG cannot guarantee that funding can be assigned to alternative projects or that if it is those will be to the same value. This may result in an overall reduction in the amount of funding received.

Within two months of accepting this offer, Birkenhead should provide the following information to towns.fund@communities.gov.uk, copied to the town lead (annex a in business case guidance):

- Details of the projects being taken forward (including for each project the capital/revenue split and the financial profile)
- Overall capital/revenue split and financial profile for the Town Deal
- A plan for addressing key conditions relating to those projects and the overall Town Investment Plan.

Birkenhead must complete business cases for the projects being taken forward and submit the Town Deal Summary Document within 12 months of accepting this offer. Business cases should follow the Lead Council's usual assurance processes and be undertaken in partnership with the Town Deal Board.

If the town wishes to alter the projects being developed, change them for other projects, or otherwise depart from the conditions placed on the projects above, they will inform the Towns Hub as soon as possible setting out clear justifications and evidence. A form for requesting such changes is in the business case guidance.