



POLICY AND RESOURCES COMMITTEE

WEDNESDAY 1 DECEMBER 2021

REPORT TITLE:	TOWN DEAL ACCEPTANCE OF GRANT
REPORT OF:	DIRECTOR OF LAW AND GOVERNANCE

REPORT SUMMARY

On 22 November 2021, Members of the Economy Regeneration and Development committee considered a report on Town Deal Acceptance of Grant.

On 15 July 2021, the Council received notification of the outcome of a submission it had made to the Ministry of Housing, Communities and Local Government (now renamed Department for Levelling Up, Housing and Communities - DLUHC) Town Deal Programme. This announcement set out that the Council had been invited to enter into a Town Deal for Birkenhead, up to a value of £25,000,000 (the Grant Funding). This 'in principle' award is offered subject to the successful completion and approval of businesses cases for the projects included in the bid submission. Both the Council and DLUHC have agreed the Heads of Terms. This report sets out the next steps. Committee is asked to delegate a number of decisions to the Director of Regeneration and Place in terms of accepting the grant and commencing activity to develop and deliver the Town Deal for Birkenhead. Town centre regeneration is a long-standing priority for the Council

The associated Report of the Director of Regeneration and Place is appended and the full minute of the Economy, Regeneration and Development Committee of 22 November 2021 will be circulated to Members of the Committee in advance of this meeting.

RECOMMENDATION/S

The Policy and Resources Committee is asked to consider the request from the Economy, Regeneration and Development Committee to approve the following:

1. Note the content of the report and the announcement from Government regarding the Town Deal funding award in relation to Birkenhead;
2. Note the re-profiling of the funding allocation for projects as set out in paragraph 3.8 of this report;

3. Authorise the Director of Regeneration and Place to accept the offer and funding from DLUHC, via a grant made under Section 31 of the Local Government Act 2003;
4. Authorise the Director of Regeneration and Place to progress delivery of the Town Deal Programme, in line with the Section 31 Grant and the Town Investment Plan, and to implement a change control process (if required);
5. Authorise the Director of Regeneration and Place to allocate the Town Deal predevelopment funding of £1,250,000 (5% of the total award) on receipt;
6. Authorise the Director of Resources as S151 Officer to review and approve business cases, in consultation with the Director of Regeneration and Place, and submit the results to DLUHC in order to release the remaining funds; and
7. Authorise the Director of Law and Governance in consultation with the Director of Regeneration and Place and the Director of Resources to enter into any necessary agreements or other legal documentation to implement the above recommendations

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 A Town Deal for Birkenhead will enable access to significant funding to support the regeneration of Birkenhead.
- 1.2 The Birkenhead Town Deal Board have identified a number of interventions that will help the regeneration of Birkenhead. These interventions were included in the Town Investment Plan which was approved by DLUHC and resulted in a grant funding offer. The funding provides the Council with the opportunity to support the projects identified by the Board and help to regenerate Birkenhead.
- 1.3 At its meeting on 26th January 2021 the Economy, Regeneration and Development Committee approved the Town Investment Plan and its submission to DLUHC for the funding. The Committee also delegated authority to the Director of Regeneration and Place, in consultation with the Chair and Committee Spokespersons, to accept the Heads of Terms. The Heads of Terms were accepted on 5 August 2021.
- 1.4 The Heads of Terms reflect the proposals set out in the Town Investment Plan and how the funding can be allocated.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 Other options have been considered as reported within the minutes of the Economy, Regeneration and Development Committee and appended report.

3.0 BACKGROUND INFORMATION

- 3.1 Background information is set out within the appended report.

4.0 FINANCIAL IMPLICATIONS

- 4.1 The Town Deal award of £25,000,000 has not yet been received by the Council. DLUHC will release the bulk of the funding following the approval by the S151 Officer of the business cases. The £1,250,000 (5%) early draw down for predevelopment funds will not be required to be paid back should the business case fail to reach the approval stage. The pre-development funds must be spent by March 2022.
- 4.2 At its announcement of the Town Deal programme in November 2019, MHCLG (now DLUHC) provide the Council with a capacity grant of £173,029 to cover cost of progressing the Town Deal programme and the preparation of the Town Investment Plan. A further award of £40,000 was made in March 2020 to support the development of business cases. Of this total sum (£213,029) £131,104 is remaining. It is intended that £90,000 be used to

cover the costs of appointing a consultant to develop the businesses cases for the 10 projects.

- 4.3 Financial monitoring arrangements will need to be agreed and established to ensure appropriate and timely financial and performance reporting is produced for both internal and external use during the lifetime of the Town Deal.
- 4.4 Should the business cases be approved then the projects will be required to be developed and delivered prior to 2026. Where funding has been secured for a Council led project, the funding can be used to cover staff costs attributed to the development and delivery of these projects. DLUHC have confirmed that up to 5% of Town Deal grant can be used to cover revenue costs. However, given the scale of the Town Deal programme, input will be required from officers across the Council including regeneration and place, finance, and legal services. Therefore 1% (£250,000) of the Town Deal grant has been allocated to Programme Management Costs and this funding will be used to cover existing staff costs and for the appointment of a fixed term post to facilitate project development and monitoring.
- 4.5 In accordance with the Council's Constitution any amendment to the Capital Programme requested by a committee or officer in excess of £100,000; is reserved to Policy & Resources Committee

5.0 LEGAL IMPLICATIONS

- 5.1 In accordance with the Part 3B of Constitution (Committee Terms of Reference), the Policy and Resources Committee has two main areas of responsibility, which is to provide strategic direction to the operation of the Council, including making decisions on policies and co-ordinating spend not reserved to full Council, and to maintain a strategic overview of outcomes, performance, risk management and budgets.
- 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 any amendment to the Capital Programme requested by a committee or officer in excess of £100,000;
- 5.3 As part of the matter of business that was the subject of the report to Economy, Regeneration and Development Committee that responsibility is reserved to the Policy and Resources Committee. The Economy Regeneration and Development Committee's resolution is presented as a recommendation.
- 5.4 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.

5.5 Other legal considerations are as set out in the annexed report(s).

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

6.1 This report is for information only and does not contain any direct resource implications.

7.0 RELEVANT RISKS

7.1 The relevant risks are covered in the original report submitted to the Committee.

8.0 ENGAGEMENT/CONSULTATION

8.1 Engagement and Consultation were covered in the original report submitted to the Committee.

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. Whilst there are no equality implications arising 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.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 DLUHC in its guidance on Towns Fund sets out that proposals must be guided by sustainability – economic, environmental, and social. The Government has committed to a legally binding target to achieve net zero greenhouse gas emissions by 2050; clean growth represents a huge opportunity for the UK economy and is a core principle of the Towns Fund. The current situation creates an opportunity to speed up the process of restructuring our industry, commerce and communities towards a greener future.

10.2 As the projects are developed, they will further support the Government's ambitions for clean growth. Proposals will include, as appropriate, energy efficient buildings within new developments; 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. Proposals are expected to reduce emissions of Greenhouse Gases.

- 10.3 The Council's existing commitment ensures that redevelopment opportunities in and around Wirral Waters and Birkenhead take account of the climate crisis and is identified as part of work on the Cool (2014-19) strategy. This is reflected in the Cool 2 strategy endorsed by Council which seeks to make the area 'Sustainability Central' - an exemplar of the transition to a 'zero carbon' 'climate ready' place. Securing Town Deal funding provides the opportunity to make progress against this ambition.

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's 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 within the Town Deal programme for Birkenhead will revitalise the town ensuring that more wealth is invested and stays within our Borough. Several of the projects are being developed by local community interest companies which will help build a more resilient local community and support community organisations. Future procurement exercises will 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.
- 11.3 A further requirement of the Town Deal programme which also aligns with both the Council's Community Wealth Building Strategy and 'Cool 2' Strategy is that projects are green and sustainable, ensuring that our environment is protected.

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APPENDICES

Appendix 1 Town Deal Full Report

BACKGROUND PAPERS

DLUHC Stage 2 guidance and FAQs

DLUHC Town Deal Heads of Terms offer letter dated 15th July 2021 (available on request)

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Economy Regeneration and Development Committee	22nd November 2021
Economy Regeneration & Development Committee – Birkenhead Town Deal funding request	26 January 2021
Director of Regeneration & Place - Delegated key decision report – Town Deal Accelerated Grant	4th November 2020