



## **POLICY AND RESOURCES COMMITTEE**

**Wednesday 22<sup>nd</sup> March 2023**

<b>REPORT TITLE:</b>	<b>FUTURE HIGH STREET PROGRAMME – EUROPA RESIDENTIAL PHASE 1, BIRKENHEAD</b>
<b>REPORT OF:</b>	<b>DIRECTOR OF LAW AND GOVERNANCE</b>

### **REPORT SUMMARY**

On 26 December 2020, the Council received notification of the outcome of two submissions it had made to the Ministry of Housing, Communities and Local Government (MHCLG) Future High Street Fund (FHSF). This announcement set out that Birkenhead had received its full requested allocation of £24.6m.

This report sets out the activities undertaken to develop one element of the Birkenhead Future High Street programme, namely the Europa Residential scheme. Committee is asked to delegate the decision to appoint a delivery partner to the Director of Regeneration and Place.

Town centre regeneration is a long-standing priority for the Council and is reflected in the Wirral Council Plan 2021 – 26, through the requirement to deliver inclusive economic growth, working for a prosperous, inclusive economy where local people can get good jobs and achieve their aspirations.

This matter affects the ward of Birkenhead and Tranmere.

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 in the Borough, as well as being in excess of £500,000 in monetary value.

### **EXEMPT INFORMATION**

Appendix 2 of the referred report contains 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 under Paragraph 3 'Information relating to the financial or business affairs of any particular person (including the authority holding the information).'

The associated Report of the Director of Regeneration and Place and the full Minutes of the Economy, Regeneration and Housing Committee meeting on 8 March 2023 are appended to this report.

## **RECOMMENDATION/S**

Policy and Resources Committee is recommended to authorise the Director of Regeneration to:

1. progress the appointment of a delivery partner for the Europa Residential Phase 1 project further to the on-going mini-tendering process via the Homes England Housing Delivery Partner Dynamic Purchasing System in consultation with the Director of Law and Governance; and
2. pursue and accept other avenues of funding and proceed to award of contract in the event that a suitably appraised and acceptable bid exceeds the Future High Street Fund allocation for this project.

## **SUPPORTING INFORMATION**

### **1.0 REASON/S FOR RECOMMENDATION/S**

- 1.1 The Future High Street Fund (FHSF) is time limited to March 2024 and will support the Council by enabling access to significant funding to support the regeneration of Birkenhead including that of private sector investment.
- 1.2 The deadline for outline scheme proposals to be submitted to the Council from shortlisted prospective delivery partners (i.e. developers) is 10<sup>th</sup> March 2023. The earliest opportunity for Committee to consider these proposals and make a decision is likely to be circa June 2023 due to the upcoming elections and associated pre-election period. This timescale is likely to seriously compromise the ability to appoint a delivery partner, secure planning consent, achieve a start on site and defray FHSF deficit funding (should this be required) by 31<sup>st</sup> March 2024.

### **2.0 OTHER OPTIONS CONSIDERED**

- 2.1 Other options have been considered and are included within the minutes of the Economy, Regeneration and Housing Committee and the appended report.

## **BACKGROUND INFORMATION**

### **3.0 Overview of Birkenhead Future High Street Fund**

- 3.1 The Birkenhead FHSF application outlined that the high street is blighted by vacant shop frontages, with the market also hosting considerable empty units; both experiencing a reduction in footfall. There is little or no diversity in terms of office, leisure and residential uses and outside of trading hours the core is largely deserted. There is little in the way of green space and infrastructure, with low quality and dated public realm and vehicle dominated, over engineered roads which provide a poor-quality pedestrian/cycle environment and have a poor road safety record.
- 3.2 To seek to resolve these challenges, the Birkenhead Future High Street Fund application identified five objectives:
  - An improved retail core and market;
  - A diversified and mixed-use town centre;
  - A walkable and sustainably connected centre;
  - An attractor of visitors; and
  - An investable proposition.
- 3.3 Alongside Wirral Growth Company investment, the Birkenhead application set out a vision for a diversified, mixed-use town centre with an improved retail core/market. This included the demolition of the old market and a smaller more modern and sustainable new build.
- 3.4 In addition a series of highways and connectivity projects would address the over-engineered highway routes around the town centre and simplify and enhance pedestrian and cycle access at key gateway entry points to the retail core and improve road safety. These include Conway Street/Europa Boulevard, Charing

Cross/Grange Road West and Birkenhead Central Gyratory. The high street itself would also see enhanced public realm improvements on Grange Road.

- 3.5 Accelerated residential development on Europa Boulevard will provide new homes and bring added diversification in the town centre, increasing and enhancing its catchment. This will also contribute to the maturing of the local housing market making later phases of development more viable and support early brownfield residential delivery which is critical to the Council's emerging Local Plan.
- 3.6 The FHSF submission by the Council envisaged this important town centre site being developed as an exemplar residential scheme of the highest design quality with a particular focus on larger family homes. In order to guide investment and to clarify the Council's aspirations for this site the 'Birkenhead Exemplar Housing Design Feasibility Study' has been produced. The objectives of the feasibility study are;
- To provide Architectural and viability information relating to high quality family dwellings to enable the Whole Plan Viability Assessment to be completed;
  - To provide a comparative design and viability study for the Europa Phase 1 residential project in Birkenhead Town Centre;
  - To provide evidence of viability and developer appetite to deliver high quality non-standard high density family dwellings in Birkenhead;
  - To test emerging Local Plan design and parking, and open space related policies;
  - To set out innovative exemplars and design principles for delivering high-quality, high-density family dwellings in Birkenhead to inform the Birkenhead Design Guide;
- 3.7 The positive outcome from the feasibility study has triggered the next stage in the delivery process, namely the procurement of a delivery partner. To this end the Council has employed best practice in this field and has utilised the Homes England Housing Delivery Partner Dynamic Purchasing System (DPS). An initial Expression of Interest was sent to approximately 30 housing developers registered on the Dynamic Purchasing System. From this long-list a short-list of prospective developers has been drawn up and have been invited to submit their detailed proposals for this site. The deadline for submissions is 10<sup>th</sup> March 2023.
- 3.8 Shortlisted developers have been invited to prepare submissions which address the following objectives;
- To secure scheme proposals that balance high standards of design quality with the best land value offer achievable;
  - For its selected Delivery Partner to build out its consented scheme in the shortest timeframe possible (and which, in any event, cannot exceed 31 months);
  - The site developed as an exemplar residential scheme of the highest design quality with a particular focus on larger family homes;
  - Facilitate a high quality, mixed tenure development of housing;
  - Achieve a minimum of 189 residential units within the development;
  - The development must be able to demonstrate that it has adopted, and applied, the principles set out in the Birkenhead Exemplar Housing Design Study;

- The development should adhere to Building for Healthy Life standards;
- A minimum of 10% of the total number of homes developed should be affordable;
- The project must promote sustainability and embrace the Council's emerging Wirral Climate Change strategy.
- Development which is distinctive and respects the local identity;
- Promote high quality standards of planning and urban design; create a modern and attractive place to live;
- Provide a safe, secure and pleasant environment; minimising opportunities for anti-social behaviour;
- Provide housing which is accessible and adaptable by observing Barrier Free and Housing for Varying Needs principles;
- To bring forward proposals that meet the housing needs of the area (which may entail a mix of tenure types across the development);
- Be in accordance with the emerging Birkenhead Town Centre masterplan and
- Recognises aspirations, affordability and value for money.

3.9 'Preferred Developer' status for this project will be awarded on the assessment of the following criteria;

- Scheme plans and house type details;
- Design quality;
- Planning and management;
- Marketing & disposal strategy;
- Project risks and programme;
- Financial appraisal;
- Resources and expertise;
- Social value contribution;
- Price.

## **4.0 FINANCIAL IMPLICATIONS**

4.1 The Council has been awarded £24,589,011 from the government's Future High Street Programme towards a package of projects for Birkenhead Town Centre. Of this sum, the Europa Residential Project currently has an allocation and has received upfront payments as set out in the exempt Appendix 2 of the referred report. The grant funding agreement sets out a Section 31 non-ring-fenced grant transfer with yearly up-front payments. These upfront funds will be utilised to progress detailed project design and delivery. The balance of funding will be paid once prior funding has been defrayed.

## **5.0 LEGAL IMPLICATIONS**

5.1 In accordance with 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 and 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, which includes decisions 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, £500,000, The value of the land is considered to be in excess of £500,000 and the appointment of a development partner will involve the development and onward transfer of the land in accordance with the objectives set out in paragraph 3.8 of this report.
- 5.3 As part of the matter of business that was the subject of the report to Economy, Regeneration and Housing Committee falls under that responsibility reserved to the Policy and Resources Committee, the Economy, Regeneration and Housing 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 appended report.

## **6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS**

- 6.1 Resource implications are covered in the original report submitted to the Committee.

## **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 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 that they can take to ensure equality for everyone who might be affected by a particular policy, decision or activity.
- 9.2 A copy of the EIA for Wirral's Economic Strategy were provided in the original report submitted to the Committee.

## 10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 Environment and climate implications were covered in the original report submitted to the Committee.

## 11.0 COMMUNITY WEALTH IMPLICATIONS

11.1 Community Wealth implications are covered in the original report submitted to the Committee.

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## APPENDICES

Appendix 1 Minute Extract

Appendix 2 Full Report

## BACKGROUND PAPERS

MHCLG Future High Streets Fund Call for Proposals, December 2018  
<https://www.gov.uk/government/publications/future-high-streets-fund-call-for-proposals>

MHCLG Future High Streets Fund Business Case Guidance, 2019 (Copy available on request)

MHCLG Future High Street Fund Announcement, December 2020  
<https://www.gov.uk/government/news/830-million-funding-boost-for-high-streets>

## TERMS OF REFERENCE

This is a referral report to be considered by the Policy and Resources Committee in accordance with Section B(iv) of its Terms of Reference.

## SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Economy Regeneration and Housing Committee	8 March 2023