



ECONOMY REGENERATION & HOUSING COMMITTEE

Tuesday, 16 July 2024

REPORT TITLE:	RE-ALLOCATION OF TRANSPORT SHED TOWN DEAL GRANT FUNDING
REPORT OF:	DIRECTOR OF REGENERATION AND PLACE

REPORT SUMMARY

The Transport Shed was a project involving the creation of a facility to exhibit the transport collection of National Museum Liverpool (NML). The project has been found to be undeliverable for the £6.35m budget in the timeframes required.

This report outlines an alternative proposal of a comprehensive redevelopment and expansion of the existing Wirral Transport Museum. The aim would be to greatly enhance the existing heritage visitor attraction, meet the outputs of the funding grant and ensure that the building is sustainable and fit for purpose for generations to come.

This report proposes allocating £4,500,000 to this expansion, with any funds remaining on the original allocation made available to other regeneration projects.

This report is a key decision and affects Birkenhead and Tranmere Ward.

RECOMMENDATION/S

The Economy, Regeneration and Housing Committee is recommended to approve;

1. The Full Business Case attached as exempt Appendix 1 of this report; and
2. The re-allocation of £4,500,000 by way of grant funding to Big Heritage CIC for the delivery of the expansion and renovation of Wirral Transport Museum as set out in the Full Business Case; and
3. That the Director of Law and Corporate Services be authorised finalise any associated grant agreement with Big Heritage CIC

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 The Transport Shed is undeliverable for the £6.35m budget in the timeframes required for the grant.
- 1.2 The expansion of the Wirral Transport Museum will provide similar outputs to the Transport Shed proposal and this would encompass the following advantages:
 - Big Heritage as the new operators of the Wirral Transport Museum has the capacity and expertise to deliver this project. It has an extensive background in running sustainable business models for museum and visitor attraction across the region. It has prepared a business plan to support the development of the museum and secured the backing of the Heritage Lottery Fund with £230,000 to contribute to project development costs;
 - This Town Deal funding would enable the expansion and renovation of the building to facilitate more of the current collection being on display in addition to space dedicated to attracting families and young children, creating an attraction that appeals to a wide demographic; and
 - Numerous heritage visitor attractions can be linked within Birkenhead into a single effective package. These attractions are the International Battle of the Atlantic Centre (a new attraction due to replace the U-boat story), The Grasshopper (a working example of a giant steam pump used to clear water from the Mersey Railway Tunnel) and the Wirral Transport Museum.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 Project funds could be reallocated to other Town Deal projects or projects within the Simplification Pathfinder Pilot. This option was discounted. The revised project at the Wirral Transport Museum has very similar outputs to the original Transport Shed project, therefore it is considered that the reallocation is the most appropriate approach in order to deliver the agreed outputs. In addition, without investment, the existing museum will remain as it is, facing challenges related to financial sustainability and its capacity to attract new visitors. This would result in Birkenhead lacking a museum capable of showcasing its full transport heritage, and the existing collection will not fulfil its potential.
- 2.2 An option considered originally in 2018 was to purchase the adjacent building to develop and expand the transport museum into it. This option was discounted in 2018 as being financially unviable, and again in 2024 for the same reasons.

3.0 BACKGROUND INFORMATION

- 3.1 The Transport Shed project was one of 12 projects that forms part of the Town Deal programme. The project involved the creation of a facility to be located in Dock

Branch Neighbourhood to exhibit the transport collection of National Museum Liverpool (NML).

- 3.2 The feasibility work revealed a number of delivery challenges and had clearly demonstrated that the costs to build the new facility in this location exceeded the budget. Several alternative options have been considered with the NML team for the Transport Shed location, but delivery challenges have been encountered due to third party land ownership and cost inflation. A joint project with NML is undeliverable for the £6.35m budget in the timeframes required.
- 3.3 The proposal is that £4.5m of the £6.35m Towns Deal budget is allocated towards a project that will deliver similar outputs to the Transport Shed. The option would see the Wirral Transport Museum expanded onto the adjacent car park in a double storey extension. This could be delivered for £4.5m, with no land ownership challenges attached to this option.
- 3.4 The Wirral Transport Museum, following a decision by the Tourism, Communities, Culture & Leisure Committee in March 2023, is now operated by Big Heritage CIC. This asset transfer had the full support of The Merseyside Tramway Preservation Society, with their board unanimously agreeing to support the proposal.
- 3.5 The Full Business Case (FBC) has been updated to reflect the changes detailed in this proposal (see exempt Appendix 1). The FBC gives a clear indication that the new proposal meets the outputs needed to satisfy the grant providers. The FBC sets out that the museum space is to increase to 4,000 sq m, with the area renewed and extended to be approximately 2,500 sq m. Big Heritage is confident that these measures can achieve an annual footfall of 100,000 visitors and attract 200 annual school class visits. The FBC sets out that 10 jobs are to be created by Year 1 rising to 18 jobs by Year 5, with a minimum of 40 temporary jobs created during construction process. In addition to this Big Heritage has set an ambition to have at least one apprentice post per year, and that volunteer roles are safeguarded and created with a target of 15-20 volunteers from Year 1. Appendix 1 was submitted confidentially for commercial reasons and is therefore exempt from publication by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.
- 3.6 The expansion and reinterpretation of the Wirral Transport Museum collection will highlight the value of regional transport history. If revamped to modern standards and properly marketed, the museum has the potential to attract a large number of families and enthusiasts. Furthermore, the new re-development of the museum will not occur in isolation but will be part of Birkenhead's broader regeneration initiative outlined in the 2040 Framework. This framework provides a forward-thinking plan to modernise the town's-built environment in accordance with contemporary needs. This substantial investment programme, grounded in the town's heritage, aims to tailor development to the specific requirements of each neighbourhood.

4.0 FINANCIAL IMPLICATIONS

- 4.1 From the £6,350,431 Towns Fund allocation for Transport Shed, £456,109.90 has been spent on feasibility and design work (March 2024). If £4,500,000 is allocated to the Wirral Transport Museum, then this leaves £1,394,321.10 available for

reallocation to other projects. The process of reallocation will be considered by the Pathfinder Simplification Board in due course.

- 4.2 If the proposals within this report are approved, a Grant Funding Agreement will need to be put into place with Big Heritage, as the proposal sees the grant funding change from being Council led to third party delivery.
- 4.3 The Department for Levelling Up, Housing & Communities (DLUHC) has confirmed that as the Council is now part of the Simplification Pathfinder Pilot programme and the sum in question falls below the £5million threshold, that no further approval is required from DLUHC for the reallocation of funds. In addition, DLUHC have confirmed that the £456,109.90 incurred on feasibility and design work as part of the original proposal is not subject to clawback.
- 4.4 There is no impact on the capital programme and no virement is required.
- 4.5 Big Heritage is currently in receipt of a grant from Central Government (Levelling Up Fund for the creation of a new attraction at Woodside called The Battle of the Atlantic Centre) and therefore have already been through the Council's financial due diligence process.

5.0 LEGAL IMPLICATIONS

- 5.1 To protect the interests of the Council and to ensure that the grant recipients utilise the grant funding as agreed, the Council will enter into a grant funding agreement with Big Heritage CIC following the approval of the full business case.
- 5.2 The flow of funds from the Council to Big Heritage will need to comply with the regime applicable to state subsidy and project proposers will be responsible for ensuring that they comply with State Subsidy Control obligations. Any offer of financial assistance to project proposers will be subject to the Subsidy Control regime.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 Due to the project shifting from primarily a Council led project to delivery via Third Party this should free up resources within the Council's Regeneration Delivery Team, and therefore this proposal should not have any negative impacts on Council resources or staffing.

7.0 RELEVANT RISKS

- 7.1 The grant funding needs to be delivered by March 2026. There is a risk that planning permission and other delays may cause the funding deadline to slip. This risk will sit with Big Heritage to manage, however the Council will monitor this to ensure that delays are kept to a minimum and that milestones are set and adhered to.
- 7.2 There is a risk relating of the financial stability of Big Heritage CIC, in that they do not fulfil their obligations to deliver on the outputs of this fund. This is mitigated against as the terms of the lease include reversion of the asset back to the Council or to a similar CIC if that situation occurs. If the Museum did revert back to the Council, the

Council would then be responsible for its repair and maintenance again. However, the lease contains details that Big Heritage should carry out all necessary repairs and maintenance, with checks in place to ensure it meets these requirements. The Council has undertaken due diligence on Big Heritage and have entered into a grant agreement with them as part of levelling up funding grant agreement for the transformation for the U-boat Museum at Woodside.

- 7.3 There is a risk that the redesign for the museum does not match the stakeholder expectations, and as such could lead to reputational damage to the Council. However, mitigation is in place with Big Heritage CIC being a local organisation which has delivered similar tourist attractions in the region and are therefore familiar with the area and local stakeholders. As part of the planning application process, local residents consultation will be undertaken. Design plans will be displayed in the entrance to the museum with comment slips for visitors to provide feedback on designs and plans. In addition, a working group is setup within the council, with members of Museum Service within The Council providing advice and guidance on the direction of development.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 The Museums Service Strategy consultation included comments such as “the Priory, Williamson and Transport Museum are jewels in the crown of the borough and should be cherished and looked after for future generations”. This proposal seeks to ensure that the Museum is here for future generations.
- 8.2 The Town Deal Board and the Council Leader have been consulted on this proposal. The viewpoints acknowledged that although the unfeasibility of a new museum with NML’s collection is a not the outcome that was envisioned, it is a positive that the funds will be going towards creating an enhanced heritage attraction within Central Birkenhead.
- 8.3 The Heritage Champion for Wirral Council would welcome the additional financial support to the Museum, which would complement the investment already secured into many other heritage attractions in Birkenhead, including the Birkenhead Priory, Hamilton Square and the ambition to achieve UNESCO World Heritage Status at Birkenhead Park.

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 they can take to ensure equality for anyone who might be affected by a particular policy, decision or activity.
- 9.2. The project has conducted an equality impact statement, see appendix 2.
- 9.3 An overarching equality impact assessment has also been completed in regard to The Local Plan. This report makes no material changes at this stage, the document can be viewed here:

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

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

- 10.1 The implications of changing the proposal from constructing a new building to an extension onto an existing building is likely to decrease the environmental impacts of the project.
- 10.2 The reimagined facility is also committed to working towards a carbon-neutral future, incorporating alternative energy sources and actively reducing its carbon footprint.

11.0 COMMUNITY WEALTH IMPLICATIONS

- 11.1 The Museum will lead to creation of local employment. As a CIC all profits made by Big Heritage will be either reinvested into the Museum itself or into other Birkenhead attractions.
- 11.2 The Museum contributes to the wider visitor attractions of Birkenhead. One of the key objectives of The Birkenhead Framework 2040 is to ensure all our communities share more fully in the wealth we generate and in the economic assets that the Council house. Creating a new and improved museum seeks to improve conditions, create jobs and higher skill levels and to ultimately improve the community wealth of all that live and work in the area.

REPORT AUTHOR: **Luke Bithell**
 (Regeneration Project Manager)
 email: lukebithell@wirral.gov.uk

APPENDICES

Appendix 1: Full Business Case (Exempt)
Appendix 2: Equality Impact Assessment
Appendix 3: Wirral Transport Museum (Building Plan)

Appendix 1 was submitted confidentially for commercial reasons and is therefore exempt from publication by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

The appendix files may not be suitable to view for people with disabilities, users of assistive technology or mobile phone devices. Please contact Luke Bithell (lukebithell@wirral.gov.uk) if you would like this document in an accessible format.

BACKGROUND PAPERS

Birkenhead Framework 2040
Museums Service Strategy consultation
Big Heritage Woodside Proposal
Wirral Plan (2021-2026)
Wirral Transport Museum Full Business Case

Officer Decision Notice: A TOWN DEAL FOR BIRKENHEAD – APPROVAL OF FULL BUSINESS CASES

TERMS OF REFERENCE

This report is being considered by the Economy, Regeneration and Housing Committee in accordance with Section C of its Terms of Reference in, “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”.

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
TOURISM, COMMUNITIES, CULTURE & LEISURE COMMITTEE : ASSET TRANSFER OF WIRRAL TRANSPORT MUSEUM	9 March 2023