



## ECONOMY REGENERATION & HOUSING COMMITTEE

Wednesday, 12 March 2025

<b>REPORT TITLE:</b>	<b>LISCARD LEVELLING UP FUND PROGRAMME</b>
<b>REPORT OF:</b>	<b>DIRECTOR OF REGENERATION AND PLACE</b>

### REPORT SUMMARY

The purpose of this report is to seek approval to progress with the Liscard Levelling Up Fund (LUF3) programme as a standalone programme and to seek authority for the Director of Regeneration & Place to enter into a Memorandum of Understanding which includes the Liscard Levelling Up Fund allocation within its scope.

If the proposals set out in this report are ultimately approved by Policy and Resources Committee this will have the effect of negating the previous resolution of Policy and Resources Committee to submit the addendum to the Simplification Pathfinder Investment Plan to the UK Government for approval and include the Liscard Levelling Up Fund programme within the Simplification Pathfinder Pilot Board's remit (20 March 2024, Minute 126, resolutions 2 and 4 refer).

This proposal directly supports the 'People Focused Regeneration' theme in the Council Plan 2023-2027 and will help to deliver the following outcomes:

- More investment secured and created to deliver regeneration in Wirral;
- More jobs created and more people in good quality, sustainable work; and
- More quality, environmentally sustainable and affordable homes.

This is a key decision due to the value of the funding allocation exceeding £500,000. The report primarily impacts on the Liscard Ward.

### RECOMMENDATION/S

The Economy, Regeneration & Housing Committee is:

1. Requested to recommend to Policy and Resources Committee that:
  - a. the Liscard Levelling Up Fund programme be progressed as a standalone programme and not incorporated into the remit of the Simplification Pathfinder Pilot Board; and
  - b. the Director of Regeneration and Place be authorised to:

- i. enter into a Memorandum of Understanding regarding the Liscard Levelling Up Fund allocation, in consultation with the Director of Law and Corporate Services;
  - ii. progress delivery of the Liscard Levelling Up Fund Programme, in line with the Grant funding provision and the Approved Project as described under paragraph 3.5 of this report; and
  - iii. implement any necessary change control process in consultation with Economy, Regeneration & Housing Committee's Chair and group spokespersons.
2. recommended to note the update regarding the Town Centre Regeneration and Public Realm Interventions and the Community Hub.

## **SUPPORTING INFORMATION**

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

- 1.1.1 Since the Policy and Resources Committee decision was made on 20 March 2024, the position on the Liscard Levelling Up Fund 3 programme has changed. This recommendation is intended to support the delivery of the LUF3 programme.

### **2.0 OTHER OPTIONS CONSIDERED**

- 2.1 The Council could decide to incorporate the LUF3 allocation into the Simplification Pilot, in accordance with the Policy and Resources Committee decision of 20 March 2024. However, it is considered that retaining the LUF3 programme as a standalone programme could provide an opportunity to extend programme timescales, which is considered to significantly reduce delivery risk.
- 2.2 Including the Liscard LUF allocation in the Pathfinder could provide an additional degree of flexibility, However, it is considered that sufficient flexibility exists within the LUF3 programme to support delivery. If the Liscard LUF 3 allocation were incorporated into the Pathfinder, there could be an opportunity to re-allocate LUF funding into the wider Pathfinder programme, should projects within the LUF3 programme not progress as planned. It is, however, considered that this risk could be managed in accordance with the Council's existing governance and assurance processes and via the LUF3 change control processes.

### **3.0 BACKGROUND INFORMATION**

#### **Simplification Pathfinder**

- 3.1 On 13 September 2023, Policy Resources Committee resolved to accept an invitation to participate in the Department For Levelling Up, Housing and Communities (DLUHC) Simplification Pilot. This pilot streamlines the delivery of 3

growth funds overseen by it, namely the Town Deal, Future High Streets Fund (FHSF) and the Council's Levelling Up Round 1 (LUF1) allocation.

- 3.2 Policy and Resources Committee on 4 October 2023 delegated the decision to the Director of Regeneration and Place to submit the Pathfinder Investment Plan in consultation with Group Leaders.
- 3.3 The Council has entered into a Memorandum of Understanding with the UK Government regarding the Simplification Pathfinder programme.

### **Levelling Up Fund 3 Programme**

- 3.4 On 20 November 2023, the UK Government announced that the Council had been successful in its application to the Levelling Up Fund for £10,788,000 for the renewal of Liscard Town Centre, against a total programme cost of £12,043,000.
- 3.5 The Council engaged in a validation exercise with the UK Government in early 2024 to review costs and provide assurance that the Liscard LUF programme was still deliverable and represented value for money. The UK Government confirmed that the project had been approved (the 'Approved Project'), subject to signing a Memorandum of Understanding (MOU), and invited the Council to incorporate the LUF3 allocation into the Simplification Pathfinder. Any proposed changes to the programme will be assessed against the 'Approved Project'.
- 3.6 At its meeting of 20 March 2024, Policy and Resources Committee approved the amendment to the Simplification Pathfinder Investment Plan, to include the Liscard Levelling Up Fund allocation. In May 2024 and before the LUF3 funding could be formally incorporated into the Simplification Pathfinder Pilot, the pre-Election period for the General Election commenced and the UK Government was unable to confirm the status of the Liscard Levelling Up Fund. Between the start of the pre-Election Period in May 2024 and the Autumn Budget Statement in October 2024, the UK Government could not confirm whether LUF funding was secured, and the funding was therefore considered to be at risk at this time. The LUF3 programme was paused to mitigate the risk of abortive spend.
- 3.7 In October 2024, the Ministry of Housing and Local Government (MHCLG) confirmed to the Council that it had secured its full Liscard Levelling Up Fund allocation and invited the Council to re-profile spend and delivery, by exception, up to March 2028 as part of a standalone programme. MHCLG has been clear that this does not reflect a formal extension to the programme but is intended to provide a realistic picture of the delivery of the programme. An update on projects is provided below.

### **Project 1: Town Centre Regeneration and Public Realm Interventions**

- 3.8 The Council has appointed Mott MacDonald to draw up RIBA 1 and RIBA 2 design options for the public realm in Liscard Town Centre. The project has been paused for a number of months while a decision on the funding position was awaited but the process has now re-commenced and public consultation on initial designs is expected in spring/summer 2025.

- 3.9 With regard to the property improvement scheme, the Council is carrying out an audit of existing properties in the town centre to help identify a strategy for property improvements which could be supported via the LUF 3 programme.
- 3.10 With regard to the Seaview Road Car Park Site, Policy & Resources Committee (11 December 2024, Minute 6 refers) has resolved to progress with a procurement process for the appointment of a development partner to deliver housing, and appoint the best performing bidder(s). The procurement process is due to commence during the first half of 2025.

### **Project 2: Community Hub**

- 3.11 The Council has commissioned Locality to work with local Community and Voluntary organisations and service delivery partners to develop a business plan for a potential community hub.

## **4.0 FINANCIAL IMPLICATIONS**

- 4.1 Liscard has been awarded £10,789,000 from the Levelling Up Fund (subject to approval of Memorandum of Understanding) against a total programme cost of £12,043,000. The Liscard Levelling Up Fund programme includes a requirement for a 10 per cent local contribution, to meet the costs of the overall programme. Policy and Resources Committee approved a bid to the Council's capital programme for £1,385,000 at its meeting of 17 January 2024 and Full Council on 26 February 2024 approved the Council's capital programme.
- 4.2 MHCLG has confirmed in writing that the Council can claim eligible spend in for the Approved Project in advance of signing the Memorandum of Understanding. The Levelling Up Fund allocation has been incorporated into the Council's capital programme as part of the Capital Monitoring Quarter 1 2024/25 (Council, 29 July 2024, Minute 16b).
- 4.3 It is considered that the opportunity to re-profile spend and delivery up to March 2028 could provide an opportunity to extend the programme and reduce delivery risk. This is considered important due to the delays in receiving confirmation of the funding.

## **5.0 LEGAL IMPLICATIONS**

- 5.1 The Liscard Levelling Up Fund will be subject to a Memorandum of Understanding with MHCLG, which would be separate to the Pathfinder Memorandum of Understanding
- 5.2 The capital budget has an allowance for £130k of legal costs, to support the delivery of the programme.
- 5.3 This Levelling Up Fund programme arises from grant funding pursuant to sections 50 of the United Kingdom Internal Market Act 2020 which gives the Secretary of State power, out of money provided by Parliament, to provide financial assistance to any person for, or in connection with, any of the following purposes—

- (a) promoting economic development in the United Kingdom or any area of the United Kingdom;
- (b) providing infrastructure at places in the United Kingdom (including infrastructure in connection with any of the other purposes mentioned in this section);
- (c) supporting cultural activities, projects and events that the Minister considers directly or indirectly benefit the United Kingdom or particular areas of the United Kingdom;
- (d) supporting activities, projects and events relating to sport that the Minister considers directly or indirectly benefit the United Kingdom or particular areas of the United Kingdom;
- (e) supporting international educational and training activities and exchanges; and
- (f) supporting educational and training activities and exchanges within the United Kingdom.

5.4 If the Council adopts the recommendation to progress the LUF3 allocation as a standalone funding stream and not include in the Pathfinder, the Terms of Reference of the Pathfinder will be reviewed and any relevant changes proposed to the Pathfinder Board for agreement.

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

6.1 The same internal monitoring processes will be followed regardless of the outcome of the decision to include LUF in the Pathfinder or progress as a standalone. Therefore, all monitoring requirements can be undertaken within the current resource available and will not require any additional resource if Liscard LUF allocation is to be treated as a stand-alone funding stream.

6.2 The Council will remain the accountable body for funds within the LUF3 programme.

## **7.0 RELEVANT RISKS**

7.1 The Council recognises that risk management is essential in good decision making and is a critical element of good governance. The Council continually develops its risk management processes to proactively and effectively manage risk.

7.2 The Council has established a Project Management Office (PMO) dedicated to the Regeneration and Place directorate. The PMO has oversight of the regeneration delivery funding will ensure that they align with the Council's corporate policy to managing risk.

7.3 A programme Risk Register has been developed, informed by individual Risk Registers for each project. The key programme-level risks include the following:

- Programme not delivered within funding timescales
- Programme does not deliver required outputs
- Programme not delivered within budget

7.4 Risks are managed and escalated via a Liscard Regeneration Board. Risks will be updated throughout the programme lifecycle through the Council's Regeneration

Programme Management Office, in order to assist the Council in identifying, controlling and managing risk.

7.5 The original Liscard Levelling Up Fund 3 allocation was required to be spent by 31 March 2026. While MHCLG has not approved an extension, there is potentially an opportunity for this to be extended to March 2028. If LUF3 is a standalone funding stream it ensures all funding allocated will be spent in the area it was intended. In addition, LUF 3 as a standalone also mitigates some risk to delivery by offering a possible extension to March 2028, which is not currently available within the provisions of the Pathfinder.

7.6 As set out in Section 2.0 of this report, if the Council does not approve the recommendation and includes the LUF3 allocation in the Pathfinder programme there is a significant risk that the Council may not be able to deploy grant funding within the spend profile timetable. This could result in clawback of funding, which could place financial pressure on the Council and could cause significant reputational damage.

## **8.0 ENGAGEMENT/CONSULTATION**

8.1 The original bid was based on the approved Liscard Neighbourhood Framework, which has been subject to extensive engagement and public consultation. The Member of Parliament for Wallasey Constituency is Dame Angela Eagle MP, who has provided a letter of support to the Liscard Levelling Up Fund programme. The Council has been working with local stakeholders, including Elected Members, community representatives and local businesses, to establish a Liscard Partnership, to support the long-term vitality and viability of Liscard Town Centre. The Council will work with the Partnership to help define the scope of the programme.

## **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 The potential impact of the Levelling Up Fund has been reviewed with regard to equality and links to the existing EIA conducted for Wirral's Economic Strategy and no material amendments have been made.

9.3 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. Any associated EIA's will be done at the earliest possible stage. The Council has an obligation under section 149 of the Equality Act 2010 and the Public Sector Equality duty (Sect 149 2011) to show due regard to the duty and show due regard to mitigate any negative impacts that may affect people with protected characteristics under the Act. The Director of Regeneration and Place recognises that this decision may have an impact on those who would wish to access certain locations by motor vehicle and other modes of transport. Where applicable details of any restrictions and alternative routes would be published and an equality impact assessment would be undertaken.

9.4 A copy of the EIA for Wirral's Economic Strategy can be viewed at:  
<https://www.wirral.gov.uk/files/equality-impact-assessment-wirral-economic-strategy-2021-2026.pdf/download?inline>

## 10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 None directly arising from this report however the regeneration schemes impacted do have climate change resilience measures and Biodiversity Net Gain proposals at the core of their designs and objectives to mitigate impacts.

## 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.

11.2 The projects within the Levelling Up Fund 3 Programme ensure that more wealth is invested and stays within the Borough. 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.

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## APPENDICES

None

## BACKGROUND PAPERS

Levelling Up Fund 2 Application – Renewal of Liscard Town Centre

## TERMS OF REFERENCE

This report is being considered by the Economy, Regeneration & Housing Committee in accordance with Section (i) of its Terms of Reference, to review major projects and any project boards having regard to capacity to deliver, corporate priorities and resources, and advise the Policy and Resources Committee as appropriate.

## SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Policy & Resources Committee (Strategic Asset Disposal Update)	11 December

Council (Capital Quarterly Monitoring Q1 24/25)	29 July 2024
LEVELLING UP FUND 3 LISCARD - INCLUSION IN SIMPLIFICATION PATHFINDER PILOT	20 March 2024
Policy & Resources Committee – 2023-24 CAPITAL MONITORING QUARTER 3	17 January 2024
Policy & Resources Committee	4 October 2023
Policy & Resources Committee Department for Levelling Up, Housing & Communities Simplification Pathfinder Pilot	13 September 2023
Economy, Regeneration & Housing Committee - Liscard Neighbourhood Framework: An Integrated Masterplan	22 November 2021