



## Response to the New Development Corporation Competition Outline Business Case for the Wirral Regeneration Partnership

Working Draft for Discussion

7 March 2025

10 March 2025

**Our Ref: Wirral Updated Business Case**

Direct phone: +44 161 455 6513

Dear Sir / Madam,

We have the pleasure in enclosing for your review a copy of the Updated Wirral Regeneration Partnership Business Case (“the **Document**”), prepared under the MCF3, Lot 2 call-off contract dated 01 February 2023 (“the **Contract**”) and our letter dated 19 September 2024 in connection with the Project.

In line with the Contract, you have requested our assistance in the following areas:

- Preparation of an updated business case for submission to MHCLG to reflect the Wirral Regeneration Partnership governance arrangement and the associated revenue proposal.

The Document reflects the outcome of our work in these areas.

For the purposes of this Document, we have assumed that the documents or other information disclosed to us are reliable and complete and therefore have not been verified.

The Executive Summary Section is not intended to be exhaustive but highlights the most significant matters that have come to our attention. It should, therefore, be read in conjunction with the whole report and the appendices thereto.

This is a working draft Document issued for discussion purposes only. Our work is incomplete and remains subject to our internal review procedures. Accordingly, any subsequent deliverable may reflect substantially different contents, views and conclusions dependent upon our further work and consideration of the issues involved.

This document is a working document, which will be further refined and finalised to reflect feedback as the proposal is reported through your internal governance processes ahead of issue to MHCLG for consideration in response to Wirral Council’s invitation to submit a regeneration governance proposal as part of the New Development Corporation competition.

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# 1. Executive Summary

# 1. Executive Summary

## Enhanced delivery capacity is required to support the Wirral Regeneration Partnership governance arrangement to accelerate the Birkenhead 2040 regeneration delivery programme

In 2021, Wirral Council (**Council**) approved the Birkenhead 2040 Framework (**Birkenhead 2040**), an ambitious vision for the future of Wirral's primary town. The Framework seeks to transform Birkenhead, driving investment and delivering over 21,000 new homes and 900,000 sqm of new commercial floorspace.

The regeneration programme detailed in the framework was the subject of a 2019 bid by Wirral Council to DLUHC (now MHCLG) for revenue support to explore new regeneration delivery models. In 2021, Wirral Council was selected as one of six locations and awarded revenue support to develop a business case.

Since this time, the Council has continued to engage with MHCLG on the evolving proposals and have been invited to issue a business case for the Wirral Regeneration Partnership Governance proposals and associated revenue requirements.

The regeneration vision and programme is comprehensive and complex – it requires a bespoke governance arrangement alongside increased resource capacity to manage the delivery of regeneration at the pace and scale required.

**Strategic Case** - The regeneration programme currently includes over c.100 projects located within the Birkenhead 2040 Framework area. The scope of the programme has been refined to include a subset of five neighbourhoods to improve focus and deliverability.

The Council has developed a One-Place, One-Plan approach to provide comprehensive delivery, managing interactions between strategy and policy, enablers, projects and delivery stakeholders.

The One-Place, One-Plan approach is designed to address key opportunities and challenges arising from a programme of this scale, including:

- **Delivery:** the Framework has over £2bn of potential regeneration projects,

requiring extensive delivery support to maintain the pace of delivery and manage key interfaces between projects and stakeholders

- **Resource, Capacity & Funding:** the programme requires significant funding and investment, resources and expertise, and land assembly powers to deliver it, and
- **Governance & Decision Making:** a refreshed governance structure is required to accelerate key decisions and encourage investment into the area.

The Objectives reflect the need to address these challenges and opportunities.

**Economic Case** - The preferred option arrived at after analysis against the Critical Success Factors (CSFs) and an outcomes appraisal is a lighter-touch approach in which the Council will administer the programme through their in-house regeneration directorate, however, there will be additional post added to the WRP's governance structure in addition to funded roles within the delivery team.

**Commercial Case** - The proposed additional roles to be included within the regeneration delivery team will be procured through typical Council recruitment processes and additional members to the WRP will see this as an extension of their current role within the Council.

The Council will remain as the accountable body for the regeneration programme; however, certain delivery routes could be employed to provide a greater level of risk transfer between parties.

**Financial Case** - The additional resourcing requirement generates a revenue ask of £5.6m over 5 years.

The total capital ask of this business case is £350m.

**Management Case** - The governance structure will include a new seat on the WRP and have an updated terms of reference to provide a greater level of scrutiny and challenge on the progress of the regeneration programme.

## 2. Strategic Case



## 2. Strategic Case | Introduction

### The Strategic Case is comprised of seven key components

#### Introduction

The strategic case details the strategic rationale for an updated governance structure to accelerate the delivery of the Birkenhead 2040 regeneration framework. This case is structured as follows:

- **Background & Context:** Introduces Birkenhead and its transformational regeneration programme, setting out the vision for the future of the town
- **Programme & Progress:** Details the work already carried out and the milestones achieved by the Council, including funding secured
- **Case for Change:** Summarises the existing arrangements and details the factors driving the need for intervention
- **Strategic Objectives:** Details the key spending objectives
- **Strategic Fit:** Summarises the alignment between the objectives and key supporting policies and strategies
- **Benefits:** Outlines the likely benefits of intervention, and
- **Key risks, dependencies & constraints:** Details the risks, dependencies and constraints that apply to intervention.

Figure 2.1 Hamilton Square, Birkenhead



## 2. Strategic Case | Background & Context

### Birkenhead 2040 sets out the vision for the future of Birkenhead and its regeneration

#### Birkenhead Context

Located on the left bank of the Mersey, Birkenhead is the primary town and urban area on the Wirral Peninsula and is part of the Liverpool City Region. The riverfront forms its centre stage, connecting Liverpool and Birkenhead to the world.

It has a track record of innovation and urban transformation. A new wave of pioneering intervention, development and innovation is now required to address a significant period of economic decline since the 1970s that has left Birkenhead grappling with the challenges of former industrial centres, including long-term under investment and regeneration support, coupled with health deprivation and high levels of economic inactivity. This is manifested in a range of health and wellbeing metrics, including a worsening life expectancy in recent years (77 years for males and 81.5 years for females) and one in three Wirral residents living in the 20% most deprived areas in England.<sup>1</sup>

Spatially, industrial decline and lack of investment has left Birkenhead with a legacy of vacant or underutilised land, low density development and aging 1960s highway infrastructure which limits pedestrian movement around the town centre. The retail core is no longer fit for purpose, with significant voids, attracting a limited audience within core hours. The waterfront, one of Birkenhead's most significant assets, is inconsistent and does not provide connected routes for pedestrians.

#### Birkenhead 2040 Framework and Local Plan

Wirral Council (**The Council**) endorsed and approved the Birkenhead 2040 Framework in March 2022 (**Birkenhead 2040**). This document sets out a vision for the future of Birkenhead and sets out a programme of regeneration projects and placemaking activity necessary to deliver the transformation of the town.

The framework originally set out proposals for nine new neighbourhoods and eight catalyst projects to drive change. It brings together a series of projects that are already subject to proposals and development agreements, and in

other areas sets a strategic approach to future development.

Work to develop the framework has been on-going since 2019 with the Council securing a range of funding for early phase projects, via Future High Street Fund, Sustainable Transport Settlement, Towns Fund and Levelling Up Fund, demonstrating the support and momentum already achieved.

The Framework also seeks to address the requirements of a growing population, through the delivery of over 20,000 new homes contributing to the 1.5 million housing national target set by MHCLG and 900,000 sqm of new commercial floorspace. It seeks to create a sustainable, future proofed environment that fosters creativity and builds upon existing skills and heritage to maximise social value.

Birkenhead 2040 will deliver urban regeneration and contribute to the Local Plan's brownfield first housing strategy. The outlined regeneration programme could deliver up to 13,000 new homes, with a minimum of 9,642 new homes being identified in the Local Plan.

#### 2025 Business Case Update

The previous 2022 Business Case submission put forward the rationale for the establishment of a locally-led urban development corporation (LLUDC) to enable the accelerated delivery of Wirral's 2040 vision across separate neighbourhoods. However, there have been many changes across the previous two years including a new government, council leadership changes, team changes and project progress which has rendered the proposition of a development corporation as an ineffective route to delivery acceleration.

Therefore, this submission will put forward an alternative team structure and governance arrangement to enable delivery. This approach will also prioritise, emphasise and leverage the benefits of partnerships with the private sector.

## 2. Strategic Case | Programme Neighbourhoods

This business case will focus on five neighbourhoods with mixed use

### Programme Neighbourhoods

Within the Birkenhead 2040 framework five neighbourhoods will be the focus for the Business Plan and Delivery programme due to the significance and connectivity between sites.

Figure 2.2: Included Programme Neighbourhoods



Table 2.1: Programme Neighbourhoods

NEIGHBOURHOOD	USE
Hind Street	Residential
Wirral Waters (inc. Liscard and Seacombe)	Commercial & Residential
Central Birkenhead	Mixed use – Commercial and residential including town centre uses and improved connectivity
Waterfront	Mixed use – Residential, commercial and public realm
Dock Branch	Mixed use – Residential and public realm / active travel route

Eight catalyst projects were previously identified to address barriers created by historic infrastructure, connectivity and enhancing a sense of place within each neighbourhood (see Figure 2.3 on subsequent page). This has now been refined and focused to five neighbourhoods to be included within the regeneration programme to improve the achievability of delivery. The majority of projects are challenging to deliver and have significant viability challenges that require public funding to bring the development forward.

## 2. Strategic Case | Background & Context

### Progress has been made against the plan, with a significant pipeline to deliver

#### Progress to date

A number of projects have either been recently completed or are currently on-site. Recent milestones include:

- Millers Quay Housing, where 500 highly sustainable waterside apartments were completed.
- £51m investment from LCRC and Homes England to kick-start the regeneration of Hind Street into a community of over 1,500 homes.
- Birkenhead Town Centre office space opening, comprising of over 140,000 sqft of space.
- Completed the purchase of The Grange and The Pyramids shopping centres.
- At Wirral Waters, the Wirral Met College campus, the Hythe office building, Redbridge Quay housing scheme and streetscape improvements to Tower Road have been delivered.
- Completion of Seacombe's Ferry Landing Stage, adjacent to Eureka! Science and Discovery Centre.
- Peel Land and Property have secured planning permission for up to 13,000 new homes and a million sq. ft. of mixed-use floor space in Wirral Waters.
- Secured funding from Towns Fund, CRSTS, Levelling Up and Future High Street Projects.

There are also several infrastructure projects which impact multiple neighbourhood-based programmes. These projects will deliver environment and access improvements in and around the neighbourhoods through the removal of aged highway infrastructure, public realm improvements, cycling and walking route upgrades and creation and highway and junction improvements

#### Future Pipeline

Feasibility works is also underway to explore the new Wirral Mass Transit system, connecting communities in the neighbourhoods with new residential, leisure and employment opportunities, and a District Heating Network scheme, designed to facilitate the transition to a net zero carbon economy. There are also ambitions to embed improvements to education and health provisions in a 'neighbourhood approach' to regeneration, driven through collaboration with the NHS and Department for Education.

The timeframes for the eight programmes and cross-cutting infrastructure investments vary, with some dictated by secured funding requirements (e.g. Future High Street funding to be spent by March '25, Levelling-up funding had to be spent by March '24, Brownfield Land funding required to start on site by March '25, and Towns Deal funding to be spent by March '26). These funding requirements 'layer-up' to deliver the momentum that is beginning to build within each of the programme areas.

The Council is continuing to work with funding partners and stakeholders to build propositions for the next wave of neighbourhood programme delivery. This three-to-five-year pipeline focuses on projects within Wirral Waters, Hind Street, Dock Branch and Waterfront. These schemes focus on delivery of significant housing numbers, supporting the aspirations of the draft Local Plan.

Whilst the feasibility and masterplanning for the three-to-five-year pipeline is already underway, the five-to-ten-year pipeline needs to begin feasibility stage to maintain momentum. In addition to significant housing development, the five-to-ten-year pipeline includes feasibility for the Mass Transit system, Heating Network, digital investments, active transport projects and education infrastructure.

It is noted that a Tranche 3 of the programme is also envisaged, capturing those future projects and programmes that have not been defined or developed at this stage. Although not captured within the Council's current delivery plan, the regeneration team will be required to manage the identification and delivery of these projects and programmes in the future.

## 2. Strategic Case | Case for Change

### Overview of the key drivers for change

#### Overview

This section details the case for change. Table 2.3 summarises the challenges and opportunities, and how these are addressed by the proposed resourcing profile.

Table 2.2: Key challenges and opportunities

THEME	CHALLENGE / OPPORTUNITY	HOW IT IS ADDRESSED
<b>Delivery</b>		
Delivery: Delivering at Scale	The Council's capital programme works borough wide, with Birkenhead 2040 being a part of the broader programme. The Council's broader remit limits the dedicated focus required to deliver a programme of this scale.	The scale of regeneration and housing delivery requires a larger team and resource designed to deliver at the pace and momentum required.
Interdependencies & Sequencing	Given the scale of Birkenhead 2040, there are significant interdependencies and physical interfaces that need managing, including housing and commercial developments, transport infrastructure and digitally enabled infrastructure.	A defined and place-specific focus is required to enable better plan sequencing and ensure that interdependencies are understood and properly mapped and managed.
Delivering social outcomes for all in Birkenhead	The Council has a Borough wide economic strategy designed to deliver a wide spectrum of economic development initiatives. However, the needs and challenges faced by those in Birkenhead are significant, requiring dedicated focus to deliver meaningful social outcomes and address key issues that go beyond physical infrastructure.	Creation of a refreshed governance arrangement will allow investment and sectoral opportunities associated with the regeneration programme to be targeted and for emerging opportunities to be identified and responded to within the specific context of Birkenhead.
<b>Resource, Capacity &amp; Funding</b>		
Funding & Investment	Due to past challenges in prioritising funding allocations, the Council has, on occasion, returned funds. To prevent this from recurring, a clearly defined and transparent system for prioritising funding uses should be established. This will ensure that allocated resources are utilised effectively and strategically.	As part of this work a business plan will be provided to understand the clear delivery path and requirements for funding to prevent previous occasions of funding clawback occurring.
Resource and expertise	The Council has a skilled team, but it is under resourced and does not have access to the range of expertise and capacity necessary to deliver the programme.	A dedicated highly skilled core team supported by specialist suppliers is required to ensure the focus remains on the delivery of the strategic vision and removes competing demands with other non-statutory services.
Collaboration between the Regeneration and Transport Teams	At present there is a need for greater collaboration between the regeneration and transport teams regarding the regeneration programme.	Having highways/transport presence on the regeneration partnership board will provide that oversight and expertise regarding the statutory proceedings prior to delivery to enable that understanding and collaboration across teams.



## 2. Strategic Case | Case for Change

### Overview of the key drivers for change

Table 2.2: Key challenges and opportunities (cont.)

THEME	CHALLENGE / OPPORTUNITY	HOW IT IS ADDRESSED
<b>Governance</b>		
Governance and decision making	Decision making takes place as part of Wirral Council governance structure. There is a lack of delegation of decision-making powers provisioned for the regeneration delivery team, meaning many decisions are resorted to committees and other governance structure creating large delays across the programme.	Including representatives from the regeneration delivery team on the WRP could expedite decision-making and address potential roadblocks more effectively. This direct representation would provide a clear channel for communicating on-the-ground insights and challenges, facilitating prompt resolution.
Risk Management	Risk management is driven by Council governance arrangements and risk management processes, which tends to cause delays in the recognition and mitigation of risks. The scale of risks associated with programme of this scale and complexity are in excess of the Council's usual risk profile.	Appropriate risk management and monitoring processes that reflect the scale of the programme risks are required, with greater focus on this aspect rather than programme successes during WRP meetings.
Engagement & Partnership	The nature and extent of Birkenhead 2040 results in significant engagement interfaces and partnerships that must be managed.	Partnership and engagement is key to delivering a complex regeneration programme of this scale. The proposed team will need to manage the interface between the public sector, internal Council interfaces, and the private sector, providing a single point of contact when regarding the regeneration programme.

## 2. Strategic Case | Case for Change

### A One-Place, One-Plan approach is required to deliver the Birkenhead 2040 objectives

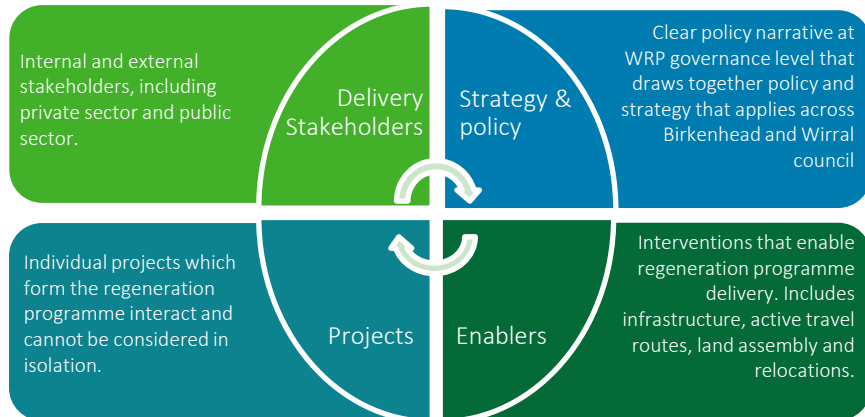
#### One-Place, One-Plan

The regeneration programme currently includes five neighbourhoods across the first five years. Over time, this scope is likely to expand as projects are delivered, creating further development and investment opportunities. The scope of the programme is of an unprecedented scale for Birkenhead, as it will be for many towns and Local Authorities across the UK.

To unlock the full scope of regeneration benefits through comprehensive development, a single business plan is required that can deliver regeneration against a single vision and set of priorities in order to avoid piecemeal delivery.

The need for a One-Place, One-Plan approach is a key driver for the establishment of a new governance arrangement. The One-Place, One-Plan approach provides a comprehensive approach to delivery, managing interactions between strategy and policy, enablers, projects and delivery stakeholders (see Figure 2.3).

Figure 2.3: One-Place, One-Plan approach to delivery



There are three considerations that inform the One-Place, One-Plan approach; delivery, resourcing/capacity and funding, and place leadership (see Figure 2.4).

Figure 2.4: One-Place, One-Plan key considerations

One-Place, One-Plan		
1. Delivery	2. Resourcing, Capacity and funding	3. Place Leadership
Delivery at scale	Funding and investment	Governance and decision making
Address programme Interdependencies and Sequencing	Resources and expertise	Local Authority Risk Management
Delivering social outcomes for all in Birkenhead	Land Assembly & enabling works	Engagement and Partnership

#### Scale of Delivery

With over £2bn of potential regeneration projects in the pipeline, the programme represents one of the largest and most exciting regeneration projects in the UK. Regeneration has already started, with phase 1 projects now on site.

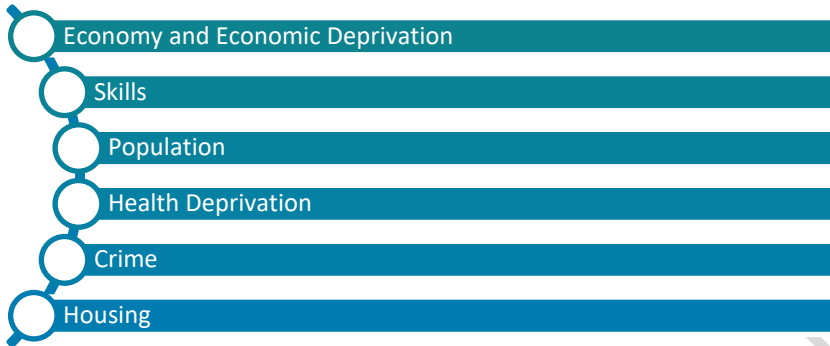
## 2. Strategic Case | Case for Change

### Birkenhead faces significant economic and social deprivation

#### Delivering social outcomes for all in Birkenhead

The Wirral, and specifically Birkenhead, faces significant economic and social deprivation, with key challenges across a number of areas illustrated below:

Figure 2.5: Areas of Birkenhead's economic and social deprivation



The underlying requirement is to improve the lives of those living and working within the region. This requires a dedicated focus on improving social outcomes to address the following issues:

- **Economic deprivation:** Wirral's GDP was estimated at £6.6bn in 2021 and has the lowest job density in the LCR at 0.62. At Borough level, Wirral is ranked as the 77th most deprived district in England (out of a total of 317) with one in four children living in poverty in Birkenhead and Tranmere<sup>2</sup>. It is reported that 35.6% of the Borough's population live within the 20% most deprived areas of the country.<sup>1</sup>

Wirral as a whole has one of the highest employment rates (74.2%) in the LCR, however, it has a large economically inactive population with 24% against the England average of 21%<sup>3</sup>. There is a 3.4% unemployment rate in the borough (2024), which has been steadily decreasing since 2011.<sup>1</sup>

- **Skills:** Wirral's higher education participation rate is relatively low at 5.94% compared to 6.4% for the LCR<sup>3</sup>. The Employer Skills Survey for the Liverpool City Region indicates that 54% of vacancies in the area are considered as hard-to-fill, with 11,915 skill-shortage vacancies (2022).<sup>4</sup>
- **Population:** The population size across the Wirral has increased slightly (0.1%) from 319,800 in 2011 to 320,200 in 2021.<sup>4</sup> Wirral has a high proportion of older people and has projections for the 70+ age range to increase significantly over the next 20 years. However, it is expected that the population of those under 30 will decrease over the same time period.<sup>1</sup>
- **Health Deprivation:** In-line with trends across the North West, life expectancy in Wirral is lower than the England average for men and women.<sup>3</sup> The impacts of health deprivation start at a young age, with 23.5% of Year 6 children recorded as overweight in Wirral, compared to 21.8% in England.<sup>3</sup> Preventable circulatory mortality is also higher across Wirral with 31.8 per 100,000 population, compared to 28.2 for England.<sup>3</sup>
- **Crime:** The overall crime rate is higher in Wirral than the average across England. Deprived wards, such as Birkenhead have higher rates of anti-social behaviour and crime (per 1,000 population).<sup>6</sup>
- **Housing:** The average house price in Wirral was £221,000 in September 2024, which is a 3.9% rise since the previous year.<sup>7</sup> There are 4,955 vacant dwellings (3.3%), this is higher than the national vacancy rate of 2.5% which suggests there are surplus vacant properties within the borough.<sup>8</sup>

The factors described above establish that there is an unequivocal need for further intervention in the Wirral and Birkenhead to address fundamental inequalities.



## 2. Strategic Case | Case for Change

### Dedicated funding and resources are required to deliver the Regeneration Programme

#### One-Place, One-Plan: Resourcing, Capacity and Funding

##### Land Assembly and Enabling Works

The current portfolio of regeneration programme projects involve a complex network of land titles and landowners. While there has been consideration of land assembly strategy (LAS) for later phases of the programme, a strategy has been prepared for the phase 2 housing delivery sites which has started to estimate the costs associated with land assembly and business relocation at this scale.

This is not the full extent of land assembly required to deliver the programme and further work will be required to estimate the costs and strategy required to take this forward into further phases. While land assembly remains a valuable tool, the Council's recent strategic acquisitions, such as the Pyramids and Grange shopping centres, have significantly reduced the immediate need for large-scale land assembly initiatives.

##### Funding and Investment

To secure funding, Wirral Council has had to take a reactive response to funding opportunities, identifying and accelerating projects that meet certain criteria. Wirral Council is now required to deliver these projects within a set funding window.

This means that short term regeneration activity has taken place across multiple sites and has not delivered concentrated activity in any one location in Birkenhead or the Left Bank.

Looking forward, funding has been secured until 2026 subject to the Pathfinder Programme. The post-2026 approach will be the focus of this business case, and it is expected that delivery will be tuned more carefully to funding and investment opportunities as the programme develops. The regeneration team and WRP will take a proactive approach to engaging with a wide range of

markets to ensure the programme is being properly developed.

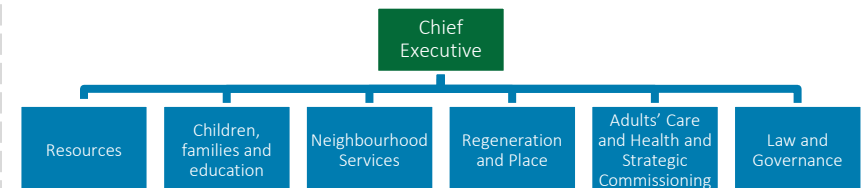
The governance arrangement will have the ability to prioritise the projects and seek funding for non-spatial focused programme roll out that will benefit the wider regeneration area. This could include digital infrastructure and digital enablement, as well as shorter term programmes designed to accelerate start-up growth, curate programmes of events and placemaking and support use of active travel routes. Some of these measures will be delivered in conjunction with Wirral Council's economic growth team.

Delivery will now be based primarily on public-private partnerships, working alongside developers such as ION, Peel, Muse and other delivery partners to be sourced. The funding strategy will shift from acquiring land to securing and utilising a combination of equity investments, grants, and loans to drive project delivery.

##### Resources and Expertise

The regeneration programme is of a scale that few local authorities will have the in-house capacity and capability to deliver. Under current arrangements, the regeneration programme is primarily led by the regeneration directorate, under the regeneration director (see Figure 2.7, overleaf). The scale of programme, funding requirements and service interactions mean that it requires resource input and coordination across the directorates.

Figure 2.6: Wirral Council Directorate Structure



## 2. Strategic Case | Case for Change

### Dedicated funding and resources are required to deliver the Regeneration Programme

#### One-Place, One-Plan: Resourcing, Capacity and Funding

##### Resources and Expertise (cont.)

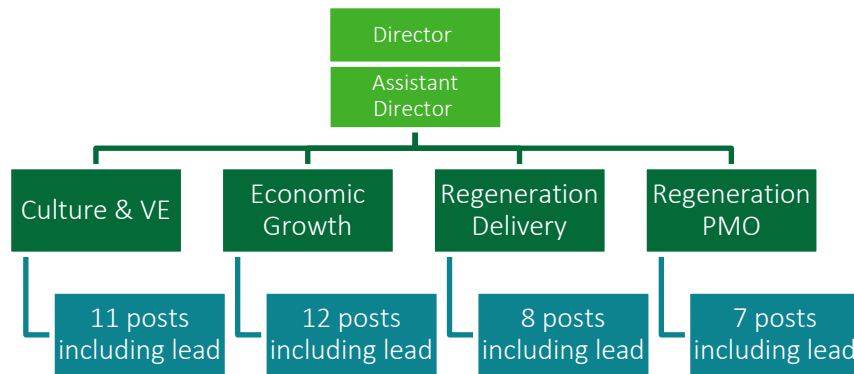
The regeneration programme and Birkenhead 2040 document is under the remit of Wirral Council and is a workstream contained within the regeneration directorate.

The Regeneration and Place Directorate is led by the Regeneration and Place Director. Its remit and coverage is borough wide and includes Culture, Visitor Economy, Economic Growth, Regeneration Delivery and Regeneration PMO teams, as indicated in Figure 2.8.

In addition to the delivery of regeneration projects and strategy, the team also has an economic development function, working to identify economic growth opportunities, jobs and skills development and supporting businesses.

The following figure illustrates the current structure of the Regeneration function.

Figure 2.7: Regeneration Function Structure



The following table outlines the resourcing plan for the regeneration programme and includes additional interim staff and vacant roles that are required to deliver.

While there has been an increase in officer level capacity, a range of Wirral Council functions, including legal, property, procurement and finance need to be bolstered in order to maintain momentum as project delivery ramps up.

Dedicated officer support will ensure that the focus remains on the delivery of the strategic vision and removes competing demands with other non-statutory services to ensure that funding can be spent within the required window.

Identified resourcing pressures within Wirral Council will be directly addressed by the additional posts across the regeneration delivery team itself and the enabling functions.

Table 2.3: Resourcing Model

ROLE	# ADDITIONAL RESOURCES
Head of 2040 Regeneration	1
Delivery Manager	1
Development Manager	1
Graduate Support	2
Transport Officer	1
Planning Delivery Management Officer	1
Procurement Officer	1
Finance Officer	1
Housing Officer	1
Development Surveyor	1
Communications Officer	1
<b>Grand Total</b>	<b>12</b>

## 2. Strategic Case | Case for Change

### Dedicated funding and resources are required to deliver the Regeneration Programme

#### One-Place, One-Plan: Resourcing, Capacity and Funding

##### Resources and Expertise (cont.)

The approach seeks to bolster resources dedicated to the regeneration programme, both in the delivery team and in the enabling services provided elsewhere in WMBC. This will allow a strategic and comprehensive approach to be taken with clear responsibilities and stakeholders.

Resourcing as part of an effective delivery model is essential to balance the demand requirements to meet the timescales of the regeneration programme, as well as developing the appropriate accompanying skill sets to process and make informed decisions in a timely and efficient manner.

Having a dedicated resource will avoid a piecemeal approach to delivery which has the potential to remain reactive to funding opportunities and private sector interest, instead of the optimum scenario which will address enabling issues to accelerate delivery across the Birkenhead 2040 area.

Further discussion on the staffing and commissioning arrangements are detailed within the management case.

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## 2. Strategic Case | Case for Change

### The proposed governance arrangement should provide scrutiny and focus on priorities

#### One-Place, One-Plan: Place Leadership

##### Governance and Decision Making

Implementing a revised governance structure for the Wirral Regeneration Partnership (WRP) aims to address the identified collaboration challenges between different council department teams when working on regeneration projects. The key change to the WRP's governance structure would be the inclusion of SLT representation through the Chief Executive Officer (CEO). This strategic addition aims to cultivate a more collaborative environment, fostering open dialogue for addressing challenges and resolving issues constructively.

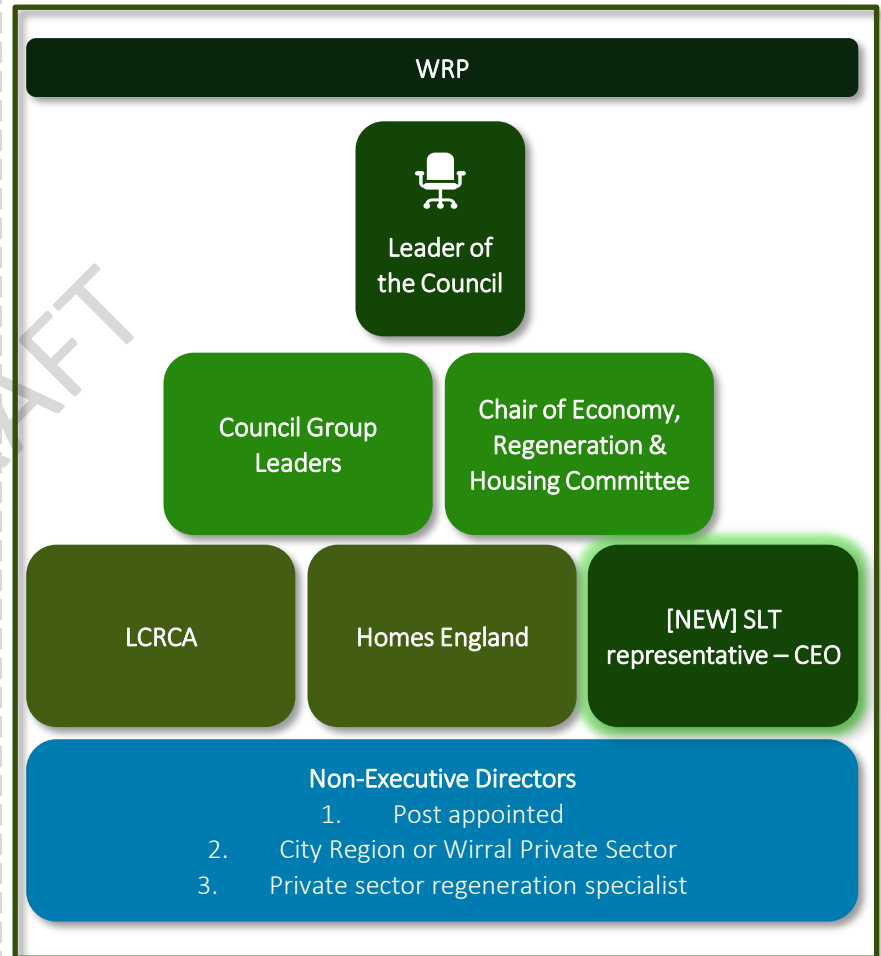
##### Role of the WRP

Alongside the additional seat to the WRP's board, the role of the WRP is also expected to expand. The board's primary responsibility will be to provide rigorous scrutiny and constructive challenge regarding the regeneration programme's progress. This role should be approached with a focus on accountability and objective assessment rather than as a platform for showcasing achievements.

The WRP will also be expected to take responsibility and ownership of the business plan and will therefore be held accountable for the achievement of key delivery milestones.

Going forward the WRP should have a forward view focus on risks, interdependencies and prioritisation in line with the business plan.

Figure 2.8: WRP Governance



## 2. Strategic Case | Case for Change

### There are significant interfaces between public and private bodies and stakeholders

#### One-Place, One-Plan: Place Leadership

##### Engagement and Partnership

Partnership and engagement is key to delivery of a complex regeneration programme of this scale. The refreshed governance arrangement will provide three functions of engagement and partnership with stakeholders and other parties:

- **Public sector:** Including City Region, MHCLG, LCR Freeport (see below) and other services
- **Internal (Wirral):** Channel for engagement with the regeneration programme for Members, officers and community organisations
- **Private Sector and external:** Contact routes for the private sectors investors, developers and other parties interested in the regeneration programme.

For these groups, the creation of an integrated approach at officer level to deliver the different programmes for people across service and place will streamline communications and ensure clarity around partnership relationships.

The refreshed governance arrangement will convene public sector parties with interest in the regeneration programme. This includes LCRC, MHCLG and Homes England. Each will also continue to engage with Wirral Council, but the refreshed WRP arrangements and enhanced capacity will allow focus on the regeneration programme.

There will be a single point of contact for all public sector engagement that will be focussed on the transformation of Birkenhead at a strategic level and the impacts on people, place and public services.

Furthermore, management of external communications and updates from the refreshed governance arrangement will ensure that local people and interest groups remain up to date on progress and projects via a single source.

DRAFT

## 2. Strategic Case | Case for Change

### There are significant interfaces between public and private bodies and stakeholders

#### One-Place, One-Plan: Place Leadership

##### Engagement and Partnership (cont.)

On-going engagement and partnership with the private sector will be important to the successful delivery of the vision for Birkenhead. WMBC already has some existing well-established relationships within the private sector, notably its partnership with Magenta. This business case proposes prioritising private sector partnerships as a key driver for accelerating the programme's delivery.

The refreshed governance arrangement and enhanced delivery team will demonstrate externally the level of commitment and scale of ambition that the Council and its partners have in the programme and highlight it as one of the most significant regeneration programmes in the UK, directly contributing to levelling up, placemaking, housing delivery and economic growth objectives.

Importantly, the governance arrangement will manage the interface with the LCR's Freeport status and powers, maximising opportunities including:

- Creating opportunities for training to support the supply chain for new employment opportunities arising from the Freeport, and
- Engaging with stakeholders to identify enabling infrastructure and service requirements, ensuring projects and programmes are appropriate to support the Freeport's operations, e.g. delivering hotel offerings, enabling digital infrastructure, driving healthcare opportunities and investment, and delivery of housing.

A single point of contact for external investors, developers and funders will provide a clear route to engage with the opportunities. At present, the relationships between the roles of LCRCA, HE, Wirral Council, individual delivery models (Wirral Growth Company and Wirral Waters etc) and developers have the potential to be unclear.

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## 2. Strategic Case | Strategic Objectives

This business case has seven strategic objectives to achieve

### Development of the Strategic Objectives

The Strategic Objectives (**Objectives**) define the ‘why we need to do something’. The Objectives form a critical part of the evaluation of the longlist options, with each needing to meet the Objectives to be viable. The Objectives target the challenges, opportunities and needs identified.

The Objectives for this OBC were developed in collaboration with the Council Working Group. The Objectives of this OBC are focused on improving the delivery of Birkenhead 2040. The Objectives identified are summarised in Table 2.4.

Table 2.4: Strategic Objectives

#	OBJECTIVE
1	Provide a <u>local programme governance arrangement</u> for Birkenhead 2040 that: <ul style="list-style-type: none"> <li>• <u>Manages</u> and <u>escalates risk</u></li> <li>• <u>Challenges</u> the <u>Officer Group</u></li> <li>• Seeks to <u>accelerate development</u> and <u>infrastructure delivery</u></li> </ul>
2	<u>Support sufficient capacity</u> within the Council to effectively manage and coordinate cross-Council matters related to the Regeneration Programme
3	Increase the <u>profile and brand</u> of the Borough to help drive investment into the area and interaction with the private sector
4	<u>Foster collaboration between the public and private sectors</u> to accelerate project delivery, establishing <u>a forum for ongoing dialogue</u> and joint problem-solving
5	Develop a <u>thriving diverse community</u> that is proud to live and work in Birkenhead and the wider region
6	<u>Prioritise economic growth</u> as a means to <u>reduce the socio-economic disparities</u> between <u>Birkenhead</u> and other areas <u>within the UK</u>
7	<u>Contribute to Wirral Council's Net Zero</u> target through the delivery of this Programme

### Outcomes



**Brownfield Housing Delivery Figures**



**Amount of Commercial Space Delivered**



**Town Centre Employment Figures**



**Amount of Private Sector Investment**



**Increased Residential Population**



**Council Tax and Rates Income**



**Positive Improvements across a range of Sustainability Measures**

## 2. Strategic Case | Strategic Alignment

### Alignment to key strategies and policies

#### Strategic Alignment

This section outlines key national, regional and local strategies and policies that align with the Strategic Objectives.

Table 2.5: Strategic Alignment

STRATEGY	SUMMARY OF RELEVANT SECTION OF IDENTIFIED STRATEGY	ALIGNMENT TO OBJECTIVES						
<b>Growth Plan 2022</b>	Aims to drive growth across the UK, including expanding the supply side of the economy. Includes accelerated development sites to deliver growth and housing and wider support for local growth.	1	2	3	4	5	6	7
<b>Levelling up and Regeneration Act</b>	Aims to drive local growth, empower local leaders to regenerate their areas and ensure everyone can share in the United Kingdom's successes. It supports the principle of councils being able to set up locally led urban development corporations for the purpose of supporting regeneration projects.	1	2	3	4	5	6	7
<b>LCRCA Corporate Plan</b>	Sets out the long-term vision for the Liverpool City Region, centered around a fairer city region, a stronger city region, a cleaner city region, a connected city region and a vibrant city region.	1	2	3	4	5	6	7
<b>Our Housing Ambitions for the Liverpool City Region 2019-2024</b>	The strategy focuses on accelerating the delivery of homes. The region's current and emerging Local Plans propose delivery of over 20,000 homes over the next five years. It recognises that regenerating neighbourhoods in the region will require a multi-agency approach aligning the ambitions of local authorities with housing associations and other stakeholders.	1	2	3	4	5	6	7
<b>LCR Local Transport Plan</b>	The Local Transport Plan outlines the plans for transport across the Liverpool City Region up to 2040. The plan aims to provide a blueprint for making the transport network more integrated, sustainable and accessible to all.	1	2	3	4	5	6	7
<b>Wirral Active Travel Strategy</b>	The Active Travel Strategy sets out the ambition to put walking cycling and greenspaces at the centre of Wirral through more effective investment in better active travel infrastructure.	1	2	3	4	5	6	7



## 2. Strategic Case | Strategic Alignment

### Alignment to key strategies and policies

#### Strategic Alignment (cont.)

Table 2.5: Strategic Alignment (cont.)

STRATEGY	SUMMARY OF RELEVANT SECTION OF IDENTIFIED STRATEGY	ALIGNMENT TO OBJECTIVES						
<b>Devolution White Paper</b>	Devolution powers to be given back to local communities from Whitehall through new powers for mayors across strategic planning – providing them with the ability to guide infrastructure and development projects.	1	2	3	4	5	6	7
<b>Liverpool City Region – Plan for Prosperity</b>	Aligned to LCR’s Corporate Plan, it focuses on a framework for the type of economy LCR wants to achieve for the region. It seeks to cement the region as a place for pioneers and innovative approaches. It also acknowledges the role of the maritime sector.	1	2	3	4	5	6	7
<b>Wirral Local Plan 2021 to 2037 (Issues and Options Consultation)</b>	Identifies eleven regeneration areas which will be the focus of strategic growth in the borough. The Council’s preferred option is for urban intensification to locate all new housing and employment within existing urban areas and on brownfield sites.	1	2	3	4	5	6	7
<b>Levelling Up for Recovery</b>	Prioritisation of new, high-quality segregated walking and cycling routes in some for the City’s most deprived areas, supported by complementary investment.	1	2	3	4	5	6	7
<b>LCR Digital Strategy</b>	Recognises the role of digital in the City Region economy and service delivery, prioritising further action and improvement including digital sector development, infrastructure and connectivity, cross sector digitization, digital skills, digital inclusion and Tech for Good and a Smart City Region.	1	2	3	4	5	6	7
<b>Skills Strategy</b>	Sets out a vision for an outstanding and effective skills system for the City Region that meets the needs of employers and communities, driving aspiration and creating a competitive city region. Its targets include improving attainment in English, Maths, digital and work readiness, improving productivity and fewer skills shortages, reducing local recruitment difficulties, employers investing more in the skills of their workforces and simplifying the skills system.	1	2	3	4	5	6	7
<b>Mersey Dee Alliance</b>	In addition to Wirral’s role within the Liverpool City Region, Wirral and Birkenhead also form part of the Mersey Dee Alliance (MDA), a partnership established to recognise the shared economic, social and environmental interests across this cross-border economic geography. The MDA area offers a distinctive spread of urban, industrial, residential and rural economies that are functionally connected.	1	2	3	4	5	6	7
<b>Wirral Economic Strategy 2021 - 2026</b>	The Economic Strategy recognises the Wirral’s strengths with the continued growth of the port and maritime industry with significant economic opportunities for expansion of supply chains, logistics growth, and enhanced skills and innovation provided by the continued growth of the port industry, including the Freeport designation. The Economic Strategy recognises opportunities for new growth and innovation in the maritime sector, growing demand for industry and office space, full fibre digital roll-out, opportunities to improve energy efficiency, growing walking and cycling routes, and providing a range of high-quality mixed tenure housing.	1	2	3	4	5	6	7

## 2. Strategic Case | Benefits

### A number of anticipated benefits have been identified

**Benefit Identification** - The tables below identifies the desired outcomes and benefits of this business case.

Table 2.6: Outcomes and Benefit Identification

Outcomes
Brownfield Housing delivery numbers
Amount of commercial space delivered
Town centre employment Figures
Amount of private sector investment
Increased residential population
Council Tax and rates income increases
Positive improvement across a range of sustainability measures

#### BENEFITS

##### **Regeneration Programme Delivery Benefits**

- Improved health outcomes, including access to healthy foods
- Improved digital connectivity
- Increased local employment
- Improved environmental performance of the built environment
- Reduction in welfare costs
- Reduced crime rate and anti-social behaviour
- Delivery of inclusive, safe environments, attracting increased footfall
- Improved public amenity
- Increased community engagement
- Improved housing stock
- Increased investment into the area
- Increased business rate and council tax revenue
- Increased expenditure
- Increased visitor numbers

##### **Programme Governance Benefits**

- Improved efficiency of investment spending
- Time savings to deliver projects (accelerated and coordinated delivery)
- Greater market interest in developing projects
- Improved efficiency, reducing barriers for private sector involvement
- Reduced time to manage physical and inter-agency interfaces
- Improved delivery capacity and capability
- Increased access to public and private funding sources
- Increased access to skilled resources and improved staff retention

## 2. Strategic Case | Key Risks, Dependencies and Constraints

### The preferred option must mitigate against key business, service and external risks

#### Risks

Identifying, mitigating and managing key risks is crucial to successful delivery, since the key risks are likely to be that the project will not deliver its intended outcomes and benefits within the anticipated timescales and spend.

The following table outlines the key risks identified together with high level countermeasures and mitigation strategies. Risks are categorised as:

- *Business Risks*: These risks remain with the Council and cannot be transferred by the Council, including political and reputational risks
- *Service Risks*: Risks that fall within the design, build, financing and operational phases of the project and may be shared with the other parties, and
- *External Risks*: Non-systemic risks affecting all society and are not connected directly with the proposal. These risks are inherently unpredictable and random in nature. They include technological disruption, legislation, general inflation and catastrophic risks.

The detailed risk assessment of the preferred option is contained in the management case.

Table 2.7: Key risks

TYPE	DESCRIPTION	MITIGATION STRATEGY
Business	Birkenhead 2040 is a nationally significant regeneration project that has attracted considerable attention and interest. The Wirral Council Independent Assurance Panel was appointed to provide delivery assurance for the programme.	Continue to actively engage with the Wirral Council Independent Assurance Panel to ensure key concerns are addressed and reputational / political risks are mitigated through successful delivery of the programme.
Service	The proposed delivery function as detailed in this business case will require additional staff to bolster the Council's capabilities. The current labour market is tight, with employers facing heavy competition for talent, especially across Councils.	Labour shortages will be mitigated. Additional staff to be targeted with an opportunity to work on a best-in-class, unique opportunity to work on one of the UK's largest regeneration schemes. Additional posts will also assist in retaining existing talent.
Service	Construction of early phases and land assembly activities have commenced in many areas. There is a risk to these operations should the ownership / accountability change based on the proposed delivery function.	Delivery of the preferred way forward is to consider the impact of a change of ownership / accountability on the current developments and operations. Key operational personnel and advisers are to be engaged where required to determine the approach on individual projects as required.
External	The global economy has previously experienced periods of high inflation. There is always uncertainty around inflation rates and potential impacts on project costs.	Affordability is to be considered within the context of a high inflation environment. Commercial mechanisms will also be considered to mitigate the impact of on-going high inflation.

## 2. Strategic Case | Key Risks, Dependencies and Constraints

The preferred option must mitigate against key business, service and external risks

### Constraints and Dependencies

This section outlines the constraints and dependencies of the project. Constraints are the external conditions and agreed parameters within which the project is being delivered, over which the project has little or no control. Dependencies are items outside the scope of the project upon which the ultimate success of the project is dependent.

The following table outlines the constraints and dependencies identified.

Table 2.8: Constraints and dependencies

TYPE	DESCRIPTION
Dependency	Wirral Council decision making processes will need to be completed in order to progress the proposal.
Dependency	The proposed delivery function will require integration between teams such as the PMO, Delivery and Highways teams. The success of the programme is heavily dependent on the collaboration between each of the respective teams.
Constraint	For the purposes of this business case, the programme assumes that Government funding committed to projects in Birkenhead via the FHSF, LUF, Transforming Cities Fund and other funding packages will be spent in-line with the agreed funding drawdown or variations agreed at the time of writing.
Constraint	The delivery function will need to attract staff to ensure that the delivery capacity is in place to deliver on its objectives. This will have to be done in the context of current capacity and talent attraction challenges in the local government sector as well ensuring that the proposed delivery function does not negatively impact the on-going operations of Wirral Council and its existing teams.

# 3. Economic Case

### 3. Economic Case | Introduction

Establishment of a refreshed governance arrangement accompanied by additional resource is the preferred approach

#### Introduction

The economic case develops from the strategic case and considers the best approaches that could be taken to the construction and development of the most appropriate delivery model for Birkenhead.

The economic case is structured as follows:

- **Critical Success Factors:** details the attributes that a successful option must have to meet the objectives, forming the evaluation criteria of the longlist options
- **Options Longlist:** details the range of possible options that can be used to deliver against the objectives and which can then be assessed against the CSFs. This section also evaluates each of the longlist options to arrive at the short-list
- **Options Shortlist:** identifies and details the shortlisted options for further analysis, and
- **Outcomes appraisal:** analyses and appraises each of the shortlist options against the outcomes identified to select a preferred option to be taken forward and considered in the commercial, financial and management cases.

Figure 3.1: Birkenhead Waterfront



### 3. Economic Case | Critical Success Factors

## Attributes that a successful option must have to meet the objectives

### Critical Success Factors

The Critical Success Factors (CSFs) are the attributes that a successful option must have, if it is to achieve successful delivery of its objectives. The CSFs and the objectives form the basis of the criteria to assess the list of options and identify the preferred route forward. Table 3.1 details the CSFs developed and applied to the list of options.

Table 3.1: Critical Success Factors

CSF	DETAILS
Strategic Alignment	The option provides a holistic fit and synergy with other strategies, programmes and projects
Business Needs	The option: <ul style="list-style-type: none"> <li>Establishes a set of <b><i>efficient decision-making processes</i></b>, enabling accelerated infrastructure and development delivery where appropriate</li> <li>Attracts required <b><i>skills and capacity</i></b> to support large-scale regeneration delivery</li> <li>Retains <b><i>local accountability</i></b></li> <li>Ring-fences / <b><i>manages risk</i></b> from the Regeneration Programme</li> </ul>
Capacity & Capability	The option is able to be <b><i>delivered</i></b> in the current / expected <b><i>legislative environment</i></b>
Value for Money	The option <b><i>maximises socio-economic benefits</i></b> and drives external and internal investment into the area
Affordability	The <b><i>option does not create substantial revenue funding uplift</i></b> for the parties involved
Achievability	The <b><i>option does not create significant resourcing or delivery risks</i></b> for the parties involved

### 3. Economic Case | Options List

The potential options for delivery are detailed below

#### Options Longlist

The options list was developed to include a range of options, including a business-as-usual 'Do Nothing' option that maintains the status quo, through to the establishment of the Locally Led Urban Development Corporation (LLUDC). Table 3.2 outlines the options identified, including the Do Nothing option.

The options have been assessed under RAG scoring methodology, with **red** meaning the option does not meeting the CSF and is not acceptable, **amber** meaning the option meets the CSF but is less attractive and **green** meaning the option meets the CSF. A qualitative economic assessment of the shortlist options is considered further in this section.

Table 3.2: Longlist options

OPTION	DESCRIPTION
Business as usual	1 Do Nothing The Council will continue to administer the programme through their in-house regeneration directorate underneath the current governance of the Wirral Regeneration Partnership.
Standard Development Delivery Models	2 Strategic Partnership A Strategic Partnership model will see the Council enter into one or more non-legally binding partnership structures with private sector partners. A strategic partnership can take many forms and is not limited to a single project but is created with a longer-term purpose.
	3 Separate development company A separate Development Company ('Dev Co') would be a subsidiary into which the development pipeline can be transferred for the purposes of bringing various sites to market and for partnering with developers. The aim is to provide a single focus for securing the regeneration of Birkenhead.
	4 Local authority sponsored company The vehicle would be fully owned by a single body (e.g. Wirral Borough Council) and may be established as an arms-length body. The vehicle may have its own identity and may sometimes resemble an outsourced capability providing core local authority services but with a separate governance structure that allows access to appropriate expertise at executive and board level.
	5 Corporate Joint Venture A more legally binding JV structure designed to combine land, debt and equity in a corporate vehicle. This would involve one or more public sector bodies coming together with a third-party private developer to create a new stand-alone entity that shares the profit and loss from a development opportunity. All parties share in the risks and returns of development. Typically, a public sector body would contribute its land as equity with the private body providing finance and development skills.



### 3. Economic Case | Options Longlist

## Twelve longlist options have been identified for consideration

### Options Longlist (cont.)

Table 3.2: Longlist options

	OPTION	DESCRIPTION
Development Corporations (see Appendix F for a detailed comparison of each)	6	LA Urban Regeneration Company Based on the Urban Development Corporation model (see below) and established to oversee the regeneration programme.
	7	Mayoral Development Corporation Development Corporation established under powers available to the Combined Authority. The powers that can be conferred upon an MDC include the provision or facilitation of new infrastructure, Able to use CPO powers and planning powers (including plan-making and development management) subject to agreement. The MDC can also act as a CIL charging authority.
	8	New Town Development Corporation Development Corporation set up using New Town Development Corporation powers. They operate whereby the Secretary of State approves their plans and uses a special development order to grant planning consent. They are established and governed via the regulation set by the New Towns Act 1981. Local authority consent is not required; however, the Secretary of State is required to consult locally.
	9	Locally led New Town Development Corporation Using the above powers but locally led (political involvement). The Secretary of State appoints an oversight authority which then appoints DC Members (Chair, Deputy and up to 11 members). This approach ensures local members and those with knowledge of the locality are part of the governance structure.
	10	Urban Development Corporation Development Corporation set up using statutory powers. UDCs may exercise development management functions but not plan-making and are governed by the Local Government, Planning and Land Act 1980. The Board is selected by the Secretary of State and the vehicle is under central rather than local control.
	11	Locally led Urban Development Corporation (LLUDC) A variation on the above – it is locally led, meaning that the governance is driven by the local authority rather than via the Secretary of State. Local consent is not formally required, but local authorities are likely to be the promoter and driver of this model being established and will have more control of board membership and selection.
Dedicated team & Refreshed Governance	12	Updated WRP Governance Arrangement and ring-fenced funded team Through a lighter-touch approach the Council will administer the programme through their in-house regeneration directorate, however, there will be an additional post added to the WRP's governance structure in addition to funded roles within the delivery team.  The terms of reference of the existing WRP will be updated to expand the board's role to provide scrutiny and challenge on the progress of the regeneration programme.

# 3. Economic Case | Options Longlist

## Results of the longlist assessment

### Longlist Appraisal

Table 3.3 details the result and supporting rationale for the longlist assessment. Four options are taken forward for further shortlist analysis, including the Do Nothing, an Urban Regeneration Company option and two variations of the LLUDC.

Table 3.3: Longlist option appraisal

CSFS	DO NOTHING	STRATEGIC PARTNERSHIP	SEPARATE DEVELOPMENT COMPANY
Alignment to Objectives	<ul style="list-style-type: none"> <li>Retains the status quo</li> <li>No additional capacity to accelerate delivery and does not include a clear delivery governance structure</li> </ul>	<ul style="list-style-type: none"> <li>Retains current decision making issues</li> <li>Does not target long-term socio-economic benefits or inequality</li> <li>Does not provide the requisite powers to accelerate delivery</li> </ul>	<ul style="list-style-type: none"> <li>Focuses on development, as opposed to broader socio-economic matters</li> <li>Does not provide the requisite powers to accelerate delivery</li> </ul>
Strategic Alignment	<ul style="list-style-type: none"> <li>Retains the status quo with the Council leading the development with a local focus</li> </ul>	<ul style="list-style-type: none"> <li>Greater involvement of key stakeholders, however little change from the status quo</li> </ul>	<ul style="list-style-type: none"> <li>Provides a means to engage with partners / developers to bring forward targeted projects</li> </ul>
Business Needs	<ul style="list-style-type: none"> <li>Committee structured Council decision making process which can hamper accelerated infrastructure delivery</li> <li>Difficulty providing a mechanism to support delivery of hyper-local interventions</li> <li>Does not provide a dedicated, responsible governance structure appropriate for delivery at pace</li> </ul>	<ul style="list-style-type: none"> <li><i>See Do Nothing</i></li> <li>Additional partner involvement may improve capability and capacity, however risks an elongated decision making process</li> </ul>	<ul style="list-style-type: none"> <li>Potential to reduce decision making process where decisions are delegated to the vehicle</li> <li>Ultimately, planning / land assembly and other decisions cannot be delegated, creating a further decision making interface within the Council</li> <li>Relationship with Council and other parties needs to be carefully defined, especially where land is transferred</li> </ul>
Capacity & Capability	<ul style="list-style-type: none"> <li>Deliverable within the current legislative environment</li> </ul>	<ul style="list-style-type: none"> <li>Deliverable within the current legislative environment</li> </ul>	<ul style="list-style-type: none"> <li>Deliverable within the current legislative environment</li> </ul>
Value for Money	<ul style="list-style-type: none"> <li>No change to incentivise external investment into the area</li> <li>Council's focus is broad, with opportunities to link other programmes to improve outcomes</li> </ul>	<ul style="list-style-type: none"> <li>Selection of appropriate partners can leverage their interest and drive inward investment</li> <li>Greater focus / connection with community needs</li> </ul>	<ul style="list-style-type: none"> <li>Role of the company needs to be defined to ensure a focus on outcomes as well as financial returns</li> <li>Typically more appropriate for land sales / developments as opposed to outcome based investment</li> </ul>
Affordability	<ul style="list-style-type: none"> <li>The Council has resource funded posts that are due to expire in March 2026</li> </ul>	<ul style="list-style-type: none"> <li><i>See Do Nothing, noting additional Council resources may be required to manage the partnership</i></li> </ul>	<ul style="list-style-type: none"> <li><i>See Do Nothing, noting additional Council resources may be required to manage the company</i></li> </ul>
Achievability	<ul style="list-style-type: none"> <li>Delivered in-line with the current Council operations</li> </ul>	<ul style="list-style-type: none"> <li>Deliverable within the Council's current capabilities</li> </ul>	<ul style="list-style-type: none"> <li>Potentially requires additional development specific expertise</li> </ul>
<b>Outcome</b>	<b>Taken forward for comparison</b>	<b>Eliminated</b>	<b>Eliminated</b>

# 3. Economic Case | Options Longlist

## Results of the longlist assessment

### Longlist Appraisal (cont.)

Table 3.3: Longlist option appraisal

CSFS	LOCAL AUTHORITY SPONSORED COMPANY	CORPORATE JOINT VENTURE	LA URBAN REGENERATION COMPANY
Alignment to Objectives	<ul style="list-style-type: none"> <li>Does not target long-term socio-economic benefits or inequality</li> <li>Does not provide the requisite powers to accelerate delivery</li> </ul>	<ul style="list-style-type: none"> <li>Does not provide the requisite powers to accelerate delivery</li> <li>Does not deliver socio-economic benefits related to inequality, focusing on development</li> </ul>	<ul style="list-style-type: none"> <li>Does not provide the requisite powers to accelerate delivery</li> <li>Local focus, with ability to target specific needs and address key socio-economic issues</li> </ul>
Strategic Alignment	<ul style="list-style-type: none"> <li>Provides a means to engage with partners / developers to bring forward targeted projects with greater local input</li> <li>Establishes an accountable Council owned vehicle</li> </ul>	<ul style="list-style-type: none"> <li>Focus areas of the JV can be defined upfront to align with key policies and strategies, however these will be influenced by the private sector partner's own objectives and priorities</li> </ul>	<ul style="list-style-type: none"> <li>Local focus regeneration, aligning with key local priorities</li> <li>Provides a means to engage further and target local communities and design the programme to meet their needs</li> </ul>
Business Needs	<ul style="list-style-type: none"> <li>Potential to reduce decision making process where decisions are delegated to the vehicle</li> <li>Ultimately, planning / land assembly and other decisions cannot be delegated, creating a further decision making interface within the Council</li> </ul>	<ul style="list-style-type: none"> <li>Governance arrangements designed with private sector partner, indented to streamline decisions and accelerate development</li> <li>Attracts private sector skills and capabilities</li> <li>No CPO powers</li> </ul>	<ul style="list-style-type: none"> <li>Establishes local accountability and responsibility</li> <li>Enables hyper-local interventions</li> <li>Does not provide CPO powers</li> <li>Creates a decision making interface with the Council</li> </ul>
Capacity & Capability	<ul style="list-style-type: none"> <li>Deliverable within the current legislative environment however does not provide capacity or resources.</li> </ul>	<ul style="list-style-type: none"> <li>Deliverable within the current legislative environment</li> </ul>	<ul style="list-style-type: none"> <li>Deliverable within the current legislative environment</li> </ul>
Value for Money	<ul style="list-style-type: none"> <li>The purpose of the company will be defined in its articles / governance documents to ensure a focus on outcome for Birkenhead</li> <li>Typically more appropriate for land sales / developments as opposed to outcome based investment</li> </ul>	<ul style="list-style-type: none"> <li>Involvement of the private sector may focus on financial returns as oppose to socio-economic outcomes for the region</li> <li>Private sector partner may attract additional inward investment</li> </ul>	<ul style="list-style-type: none"> <li>Greater focus on local community needs</li> <li>Ability to tailor interventions to meet needs and get the local community involved in shaping their place</li> </ul>
Affordability	<ul style="list-style-type: none"> <li><i>See Do Nothing, noting additional Council resources may be required to operate and manage the company</i></li> </ul>	<ul style="list-style-type: none"> <li>Leverages private sector resources to deliver and reduce the need for public funding</li> </ul>	<ul style="list-style-type: none"> <li><i>See Do Nothing, noting additional Council resources may be required to operate and manage the company</i></li> </ul>
Achievability	<ul style="list-style-type: none"> <li>Potentially requires additional development specific expertise</li> </ul>	<ul style="list-style-type: none"> <li>Multiple private sector partners are involved across the programme and therefore unsuitable for whole programme governance</li> </ul>	<ul style="list-style-type: none"> <li>Potentially requires additional capabilities to manage the company</li> </ul>
<b>Outcome</b>	<b>Eliminated</b>	<b>Eliminated</b>	<b>Shortlisted</b>

# 3. Economic Case | Options Longlist

## Results of the longlist assessment

### Longlist Appraisal (cont.)

Table 3.3: Longlist option appraisal

CSFS	MAYORAL DEVELOPMENT CORPORATION	NEW TOWN DEVELOPMENT CORPORATION (NTDC)	LOCALLY LED NTDC
Alignment to Objectives	<ul style="list-style-type: none"> <li>Creates an accountable delivery function</li> <li>Ability to accelerate delivery</li> <li>Function to manage all stakeholders</li> <li>Development focused</li> </ul>	<ul style="list-style-type: none"> <li>Creates an accountable delivery function but with limited Ability to accelerate delivery</li> <li>Function to manage all stakeholders</li> <li>Focus on new towns as opposed to delivering against socio-economic needs</li> </ul>	<ul style="list-style-type: none"> <li>Creates a locally accountable delivery function</li> <li>Greater local oversight and control compared to NTDC.</li> <li>Ability to accelerate delivery</li> <li>Function to manage all stakeholders</li> </ul>
Strategic Alignment	<ul style="list-style-type: none"> <li>Enables a locally focused approach, with buy-in from key stakeholders</li> <li>Entity will be owned and controlled by the LCRCA, does not align with the Council's priorities</li> </ul>	<ul style="list-style-type: none"> <li>Centrally appointed governance structure does not align with key strategies and policies to provide local authorities with greater power and autonomy</li> <li>New town model not relevant to programme needs.</li> </ul>	<ul style="list-style-type: none"> <li>Although powers are derived from the Secretary of State, increased involvement of local councils to provide direction</li> <li>New town model not relevant to programme needs.</li> </ul>
Business Needs	<ul style="list-style-type: none"> <li>Range of powers available (including planning and CPO)</li> <li>Creates a dedicated, accountable body with efficient decision-making powers</li> <li>Ring-fences risk from the Council, but delegates control to a body that is controlled by LCRCA</li> </ul>	<ul style="list-style-type: none"> <li>Does not align with business needs, noting this is not a new town rather a regeneration of Birkenhead</li> <li>Likely to attract additional skills and capabilities</li> <li>Does not retain local accountability, with control by the Secretary of State</li> </ul>	<ul style="list-style-type: none"> <li>Does not align with business needs, noting this is not a new town rather a regeneration of Birkenhead</li> <li>Creates local accountability</li> <li>Likely to attract additional skills and capabilities</li> <li>Potential for land assembly powers</li> </ul>
Capacity & Capability	<ul style="list-style-type: none"> <li>Legislative instrument is available</li> <li>Requires constituent local authority consents to establish</li> <li>LCRCA is the establishing body, with control of vehicle moving from the LA to LCRCA. MDC model has not been used by LCRCA to date.</li> </ul>	<ul style="list-style-type: none"> <li>This can be delivered in the current legislative environment</li> <li>Requires the Secretary of State to establish and provide CPO powers</li> <li>Unlikely to be established for the Birkenhead programme given urban focus.</li> </ul>	<ul style="list-style-type: none"> <li>This can be delivered in the current legislative environment</li> <li>Requires the Secretary of State to establish and provide CPO powers</li> <li>Unlikely to be established for the Birkenhead programme given urban focus</li> </ul>
Value for Money	<ul style="list-style-type: none"> <li>Broad powers enable the MDC to focus on key outcomes / socio-economic benefits, beyond development</li> </ul>	<ul style="list-style-type: none"> <li>Risks a detached approach, without sufficient input by local communities</li> <li>Approach may not target community requirements / needs</li> </ul>	<ul style="list-style-type: none"> <li>Local council inputs / representation allow focused efforts in priority areas</li> </ul>
Affordability	<ul style="list-style-type: none"> <li>Requires additional resources, noting funding would be sourced via LCRCA.</li> </ul>	<ul style="list-style-type: none"> <li>Requires additional resources, noting funding required from central government</li> </ul>	<ul style="list-style-type: none"> <li>Requires additional resources, noting funding required from central government</li> </ul>
Achievability	<ul style="list-style-type: none"> <li>Requires additional capabilities, however it can leverage resources contributed by other local authorities. CA has not indicated that MDC set up is a priority</li> </ul>	<ul style="list-style-type: none"> <li>Central government required to provide resources, noting lack of Council control</li> </ul>	<ul style="list-style-type: none"> <li>Requires additional capabilities to manage the delivery vehicle</li> <li>Unlikely to be applied to Birkenhead due to New Town Focus</li> </ul>
<b>Outcome</b>	<b>Eliminated</b>	<b>Eliminated</b>	<b>Eliminated</b>

# 3. Economic Case | Options Longlist

## Results of the longlist assessment

### Longlist Appraisal (cont.)

Table 3.3: Longlist option appraisal

CSFS	URBAN DEVELOPMENT CORPORATION	LOCALLY LED URBAN DEVELOPMENT CORPORATION	UPDATED WRP GOVERNANCE ARRANGEMENT AND RING-FENCED FUNDED TEAM
Alignment to Objectives	<ul style="list-style-type: none"> <li>Creates an accountable delivery function</li> <li>Ability to accelerate delivery</li> <li>Provides the interface to manage stakeholders and key interfaces</li> <li>Limits local control and influence.</li> </ul>	<ul style="list-style-type: none"> <li>Same as UDC, within an increased focus on local issues and delivery against socio-economic outcomes and inequalities</li> <li>Unique model, attracting additional resources, talent and investment.</li> </ul>	<ul style="list-style-type: none"> <li>This option strongly supports the strategic objectives. By providing the necessary resources to expedite the regeneration programme, it positions Birkenhead as a thriving and diverse location for both living and working</li> </ul>
Strategic Alignment	<ul style="list-style-type: none"> <li>Centrally appointed governance structure does not align with key strategies and policies to provide local authorities greater power and autonomy</li> </ul>	<ul style="list-style-type: none"> <li>Locally driven model enables the targeting of key policies and strategies.</li> </ul>	<ul style="list-style-type: none"> <li>This option would see the programme remain within the Council's remit and therefore could provide synergies across other strategies, programmes and projects.</li> </ul>
Business Needs	<ul style="list-style-type: none"> <li>Does not retain local accountability, with control by the Secretary of State</li> <li>Ability to accelerate delivery with key decision making powers delegated to the UDC</li> <li>Ring-fences the Council's direct delivery risk, however, it may introduce additional reputational and community risks</li> </ul>	<ul style="list-style-type: none"> <li>Establishes another layer of governance to original structure</li> <li>Creates local accountability, with a dedicated team charged with accelerating delivery</li> <li>Unique delivery model, attracting talent</li> <li>Allows for a range of powers, however these are not all required for delivery here.</li> </ul>	<ul style="list-style-type: none"> <li>This option would see the introduction of a new post into the WRP to provide efficient coverage of the programme from a cross-departmental perspective</li> </ul>
Capacity & Capability	<ul style="list-style-type: none"> <li>There are few recent precedents for this type of model</li> <li>Requires the Secretary of State to establish and provide CPO powers</li> </ul>	<ul style="list-style-type: none"> <li>While the Levelling Up and Regeneration Act lays the groundwork for the creation of LLUDCs, the specific regulations governing their establishment are still under development. Draft regulations are anticipated in early 2025, but it's important to note that this timeline is provisional and may be subject to delays.</li> </ul>	<ul style="list-style-type: none"> <li>There would be no requirement for further legislation to deliver this option</li> </ul>
Value for Money	<ul style="list-style-type: none"> <li>Risks a detached approach, without sufficient input by local communities (i.e. not One-Place, One Plan)</li> </ul>	<ul style="list-style-type: none"> <li>Creates a local focus whilst attracting inward investment, driving socio-economic benefits and outcomes</li> <li>An LLUDC would maximise socio-economic benefits and drive external and internal investment into the area</li> </ul>	<ul style="list-style-type: none"> <li>This option leverages the Council's deep understanding of local neighbourhoods by empowering them to lead this place-based programme. Their intimate knowledge and commitment to the area will be instrumental in maximising the potential socio-economic benefits of accelerating the regeneration initiative</li> </ul>
Affordability	<ul style="list-style-type: none"> <li>Requires additional resources, noting funding required from central government</li> </ul>	<ul style="list-style-type: none"> <li>Requires a large investment to establish an LLUDC team</li> </ul>	<ul style="list-style-type: none"> <li>Requires additional resources, noting funding required from government sources</li> </ul>
Achievability	<ul style="list-style-type: none"> <li>Central government required to provide resources, noting lack of Council control and this is likely to secure internal approval.</li> </ul>	<ul style="list-style-type: none"> <li>Transferring staff and programme delivery responsibility to the new delivery vehicle presents potential significant risks</li> </ul>	<ul style="list-style-type: none"> <li>No transfer of resources, requirement to fill posts in a competitive job market</li> </ul>
<b>Outcome</b>	<b>Eliminated</b>	<b>Shortlisted</b>	<b>Shortlisted</b>

### 3. Economic Case | Options Shortlist

## Overview of shortlist options

### Shortlist Options

Following longlist assessment, the four options in Table 3.4 were selected to proceed to shortlist analysis.

Table 3.4: Shortlist Options

	OPTIONS	DESCRIPTION
Business As usual	<b>Option 1:</b> Do nothing	<ul style="list-style-type: none"> <li>No change to current delivery arrangements.</li> <li>Council led and managed.</li> <li>Scale and complexity make this unworkable given the other issues the Council is going through on its improvement journey.</li> </ul>
	<b>Option 6:</b> Urban Regeneration Company	<ul style="list-style-type: none"> <li>Builds a new team outside the Council to oversee programme delivery.</li> <li>Planning and CPO powers stay with the Council and an 'enhanced' commissioning and procurement function is built to support the work of the delivery team.</li> </ul>
Development Corporations	<b>Option 11:</b> Locally led Urban Development Corporation	<ul style="list-style-type: none"> <li>No development control powers.</li> <li>LLUDC is the accountable body.</li> <li>Land assembly and disposal powers are available, as are planning powers.</li> <li>Works in partnership and commissions some services from Local Authority.</li> <li>New entity with decision making powers, with separate team and funding.</li> </ul>
	<b>Option 12:</b> Updated WRP Governance Arrangement and ring-fenced funded team	<ul style="list-style-type: none"> <li>Council will administer the programme through their in-house regeneration directorate.</li> <li>There will be additional post added to the WRP's governance structure.</li> <li>Extra funded roles within the delivery team.</li> </ul>
Dedicated team & Refreshed Governance		

## 3. Economic Case | Economic Appraisal

### Evaluation of the shortlist options against the outcomes identified

#### Qualitative Appraisal

This section appraises each of the shortlisted options against their ability to deliver against the outcomes identified in the Strategic Case.

Table 3.5: Qualitative Appraisal

Shortlist Outcome Appraisal	Option 1: Do Nothing	Option 6: Urban Regeneration Corporation	Option 11: Locally-Led Urban Development Corporation	Option 12: Updated WRP Governance Arrangement and ring-fenced funded team
<p><b>1. Increased Brownfield Housing Delivery Numbers</b></p> <p>National housing delivery is intended to meet the needs of the masses, as opposed to specific areas. As noted in the Strategic Case, Wirral faces unique inequalities and specific demands requiring a tailored approach. This intended outcome increases where projects and programmes are designed to target the specific housing needs of the local community.</p>	<p>Opting for Option 1 maintains the Council's existing delivery pace, which presents the lowest probability of achieving a significant increase in brownfield housing figures.</p>	<p>The formation of a dedicated team would likely result in a more concentrated effort and, therefore, an increased likelihood of successfully accelerating housing figures.</p>	<p>Compared to Option 6, Option 11 could benefit from a greater degree of delegated decision-making power. This approach has the potential to expedite project delivery, resulting in a more efficient and potentially faster regeneration process.</p>	<p>Option 12, unlike the development corporation model, would not be subject to the same stringent statutory establishment processes. This streamlined approach would enable accelerated project delivery from the outset, minimising administrative burdens.</p>
<p><b>2. Increased Amount of Commercial Space Delivered</b></p> <p>To build upon Wirral's achievements in delivering successful commercial workspaces, prioritising the accelerated development of office space is recommended. This approach will further entice businesses to relocate to Wirral, fostering an environment conducive to investment, growth, and the establishment of businesses operating out of the area.</p>	<p>Wirral Council has had recent success with the opening of office space within the town centre. However, BAU operations are unlikely to attract further businesses to the area.</p>	<p>The formation of a dedicated team would likely result in a more concentrated effort and, therefore, an increased likelihood of successfully accelerating commercial space provision.</p>	<p>As detailed above. However, the inherent complexities of establishing and resourcing a development corporation could introduce delays in project timelines and potentially hinder the overall pace of regeneration.</p>	<p>As detailed above, with the additional detail that Option 12 not only bypasses the potential statutory processes but also the requirement to recruit a large number of additional posts required for the establishment of a development corporation.</p>
<p><b>3. Improved Town Centre Employment Figures</b></p> <p>Local employment opportunities where developers are required to leverage local skills and develop training programmes to upskill residents and address skill-gaps.</p>	<p>Choosing Option 1 would limit Wirral's ability to position itself as a prime business location, consequently reducing the likelihood of significantly improving employment figures and opportunities for upskilling.</p>	<p>Option 6 would likely improve employment figures to a greater extent than Option 1, due to the proactive and dedicated nature of the approach and by attracting new businesses to Wirral.</p>	<p>Option 11, with the establishment of an LLUDC, could attract significant interest from new businesses. This appeal stems from the unique status of an LLUDC, potentially positioning the area as a pioneering example.</p>	<p>Option 12's strong emphasis on area regeneration is expected to attract new businesses seeking to capitalise on the revitalised environment. Furthermore, this option prioritises the upskilling of the regeneration team themselves.</p>

### 3. Economic Case | Economic Appraisal

## Evaluation of the shortlist options against the outcomes identified

### Qualitative Appraisal

This section appraises each of the shortlisted options against their ability to deliver against the outcomes identified in the Strategic Case.

Table 3.5: Qualitative Appraisal

Shortlist Outcome Appraisal	Option 1: Do Nothing	Option 6: Urban Regeneration Corporation	Option 11: Locally-Led Urban Development Corporation	Option 12: Updated WRP Governance Arrangement and ring-fenced funded team
<p><b>4. Increased Private Sector Investment</b> A single point of accountability reduces the number of interfaces private sector parties need to deal with when engaging in delivery. This streamlined approach is likely to attract a broader array of private sector partners and greater investment.</p>	Maintaining the Council's current operational approach will likely discourage further private sector investment due to the absence of a streamlined and unified investment strategy.	Option 6 would create a dedicated team to be responsible for the delivery of the regeneration programme, potentially streamlining private sector engagement.	Under Option 11, the LLUDC would serve as a central point of contact and coordination for all regeneration activities. This streamlined and unified approach would likely foster greater private sector interest and confidence, making investment more attractive.	A strengthened regeneration delivery team would proactively lead private sector engagement efforts. This dedicated focus would ensure consistent and effective communication channels between the council and potential investors, significantly enhancing the likelihood of securing investment.
<p><b>5. Increased Residential Population</b> The preferred option aims to position Wirral as a vibrant and enticing place to live and work, attracting new residents and driving population growth, which is otherwise forecasted to stagnate.</p>	Option 1 would not effectively position Wirral as a highly desirable location to live and work, especially given its anticipated role as the focal point of a major regeneration programme. This lack of proactive positioning makes it less likely to attract new residents.	Option 6 presents a significantly more proactive and engaged approach to implementing the regeneration programme compared to Option 1. This strategy would showcase Wirral as a highly desirable location to live and work, driven by increased investment and the presence of a high-profile regeneration initiative. This comprehensive approach has the potential to significantly bolster the residential population.	Like Option 6, Option 11 offers a significantly more proactive and engaged approach to the regeneration programme. This strategy has the potential to elevate Wirral's profile, showcasing it as a highly desirable location to live and work. This, in turn, could attract new residents and contribute to an increase in Wirral's residential population.	Similar to Options 6 and 11, Option 12 represents a dedicated approach to regeneration, signifying the focus on investment into the area and therefore may encourage and promote Wirral as a vibrant place to live.  Option 12 also leverages the Council's deep understanding of local neighbourhoods by empowering them to lead this place-based programme, showcasing the dedication and commitment to the area which in turn may drive population growth.



### 3. Economic Case | Economic Appraisal

#### Evaluation of the shortlist options against the outcomes identified

##### Qualitative Appraisal

This section appraises each of the shortlisted options against their ability to deliver against the outcomes identified in the Strategic Case.

Table 3.5: Qualitative Appraisal

Shortlist Outcome Appraisal	Option 1: Do Nothing	Option 6: Urban Regeneration Corporation	Option 11: Locally-Led Urban Development Corporation	Option 12: Updated WRP Governance Arrangement and ring-fenced funded team
<p><b>6. Increased Council Tax and Rates Income</b> Increased profile and brand of the regeneration programme is likely to extend to the projects delivered within its remit. As the profile expands and attracts new businesses and residents, increased council tax revenue and business rate revenue can be expected.</p>	<p>Option 1 is unlikely to increase council tax and rates income as new businesses and residents are less likely to be attracted to the area due to the lack of a proactive approach.</p>	<p>As Option 6 is expected to generate stronger investor confidence and interest, it has the potential to attract more businesses and residents to the area. This influx would translate into a larger tax base, ultimately boosting council tax and rates income.</p>	<p>As Option 11 is also expected to generate strong investor confidence and interest, it has the potential to attract more businesses and residents to the area due to the unique nature of the LLUDC. This influx would translate into a larger tax base, ultimately boosting council tax and rates income.</p>	<p>Option 12 is also expected to generate strong investor interest; it has the potential to attract more businesses and residents to the area due to the dedicated and well-versed local team driving delivery. This potential influx in residents and businesses would translate into a larger tax base, ultimately boosting council tax and rates income.</p>
<p><b>7. Positive Improvements across a range of sustainability measures</b> The preferred option should prioritise environmental responsibility and integrate robust sustainability measures. This approach will support Wirral Council in achieving its Net Zero targets.</p>	<p>Under Option 1, the council's approach to sustainability would remain unchanged, resulting in no acceleration of projects that could further contribute to environmental goals, such as those promoting active travel.</p>	<p>Option 6 has the potential to elevate the focus on sustainability measures, as the development corporation could prioritise and integrate these measures as fundamental components within its operational framework and project requirements.</p>	<p>Option 11 also has the potential to elevate the focus on sustainability measures, as the development corporation could prioritise and integrate these measures as fundamental components within its operational framework and project requirements.</p>	<p>Option 12 offers a strong framework for prioritising sustainability measures. As a Council-led programme, both the Council and the WRP are responsible for programme delivery and would be held directly accountable for achieving defined sustainability targets.</p>

### 3. Economic Case | Risks and Uncertainty

The scale of the benefits and outcomes could be impacted by unquantified risks

#### Risk and Uncertainty of Benefits

In addition to the incremental economic outcomes identified, there are significant unquantified risks and uncertainties which could impact the expected public or social value for money expected from each of the options. These uncertainties need to be considered in the selection of a preferred option.

To help assess these uncertainties, this section identifies a range of key drivers underlying the benefits identified. These are the external trends or factors which could impact the scale of benefits arising under each option.

#### Negative publicity

A number of benefits rely on the increased profile and improved brand that comes along with a market-leading regeneration programme. Where implementation risk is not appropriately managed, the public perception may be negative with clear accountability falling on the Council and the WRP.

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### 3. Economic Case | Preferred Way Forward

#### Option 12 has been identified as the preferred way forward

The following table summarises the economic appraisal, identifying Option 12 as the preferred way forward, being the option that optimises expected outcomes with the intended acceleration, speed and efficiency.

Table 3.6: Preferred Way Forward

BENEFITS	Do Nothing	Option 6	Option 11	Option 12
<i>Outcomes</i>				
Increased Brownfield Housing Delivery Numbers	Low Likelihood	Moderate Likelihood	Moderate Likelihood	Greater Likelihood
Increased Amount of Commercial Space Delivered	Low Likelihood	Moderate Likelihood	Moderate Likelihood	Greater Likelihood
Improved Town Centre Employment Figures	Low Likelihood	Moderate Likelihood	Greater Likelihood	Greater Likelihood
Increased Private Sector Investment	Low Likelihood	Moderate Likelihood	Greater Likelihood	Greater Likelihood
Increased Residential Population	Low Likelihood	Moderate Likelihood	Greater Likelihood	Moderate Likelihood
Increased Council Tax and Rates Income	Low Likelihood	Moderate Likelihood	Greater Likelihood	Greater Likelihood
Positive Improvements across a range of sustainability measures	Low Likelihood	Greater Likelihood	Greater Likelihood	Greater Likelihood

# 4. Commercial Case

# 4. Commercial Case | Introduction

## The commercial approach of the regeneration programme

### Introduction

The commercial case details the commercial delivery strategy for the refreshed governance arrangements & delivery team.

- **Establishment of the refreshed governance arrangements:** This section considers the relevant resourcing and risk transfer requirements at each stage, with details of the governance structure contained in the Management Case
- **Delivery Routes for Projects:** this section provides potential delivery options for individual projects following the establishment of the governance arrangement, noting approval and funding for each individual project will be sought separately, and
- **Market Engagement:** detailing the market engagement to date and the approach to future market engagement.

Details of the governance arrangements and board structures referenced within the Commercial Case are detailed further in the Management Case.

Figure 4.1: Dock Branch Park



## 4. Commercial Case | Establishment of the governance arrangements

### Approach to delivering the proposed governance arrangements

This section details what is required to establish the new governance arrangements. The management case provides further detail of the governance structures and route to implementation.

#### Governance Arrangements

##### Establishment

As the WRP is already established it will continue to do so under its current operations, not as a separate legal entity. There will be suggested additions to membership, roles and responsibilities as part of this proposal. Further information regarding the governance structure can be viewed in the management case.

##### Resourcing

The WRP currently has membership from the Council, LCRCA, HE and NEDs. However, the suggested addition of the Chief Executive of WMBC will be required to be resourced.

Leveraging existing Council employees/chairs for this initiative streamlines the recruitment process. As their participation forms an extension of their current roles, no additional funding will be required.

##### Risk Transfer

The WRP is not a separate legal entity, accordingly risk of delivery of the underlying projects remains with the Council and governed by the Council's contracts with third parties.

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## 4. Commercial Case | Delivering the Regeneration Programme

### Approach to delivering and resourcing the regeneration programme

#### Delivering the Regeneration Programme

This section focuses on the delivery strategy to establish and resource the regeneration programme and also details the relevant risk transfer, accounting, specialist advice considerations.

The management case provides further detail of the governance structures and route to implementation.

#### Resourcing

A number of options for resourcing the regeneration programme have been considered, reflecting models from the current state (Business-as-Usual), models benchmarked off existing Mayoral Development Corporations (e.g. the Stockport MDC model) and project-based models, reflecting the resources currently required to deliver live projects within the programme.

Following engagement with key stakeholders, the following resourcing model was considered the optimal resourcing structure. This model is one that adds additional capacity to not only the regeneration delivery team but the enabling functions alongside the core team, reflecting the maturity of the Wirral regeneration programme. Accordingly, additional roles have been added to manage live projects and support delivery. This model is flexible subject to programme demands. Additional contractors / consultants can also be brought on as a project cost. Where relevant, it is assumed Council staff will transfer to their comparable roles. Roles not listed below remain with the Council, including the Economic Development service. Table 4.1 summaries the roles and number of resources within this option. It is assumed that there will be an additional full time Regeneration Delivery Manager to manage the five neighbourhoods alongside an additional Development Manager.

Table 4.1: Resourcing Model

ROLE	# ADDITIONAL RESOURCES
Head of 2040 Regeneration	1
Delivery Manager	1
Development Manager	1
Graduate Support	2
Transport Officer	1
Planning Delivery Management Officer	1
Procurement Officer	1
Finance Officer	1
Housing Officer	1
Development Surveyor	1
Communications Officer	1
<b>Grand Total</b>	<b>12</b>

## 4. Commercial Case | Delivering the Regeneration Programme

### Approach to delivering and resourcing the regeneration programme

#### Delivering the Regeneration Programme

##### Resourcing (cont.)

- *Additional Identified Posts:* The Director of Regeneration will be responsible for securing additional delivery support and resources as required. At this stage, it is anticipated that the Director of Regeneration will engage recruitment firms to identify suitable resources to be engaged as employees.

##### Risk Transfer

There will be no risk transfer for the employment contracts of the additional posts recruited as they will be employed and under the remit of the Council. Accordingly, risk of delivery of the underlying projects remains with the Council and governed by the Council's contracts with third parties.

However, there will be a different approach to financing, leveraging, where possible, public/private sector partnerships to facilitate the use of grants, loans and equity. This could potentially provide a level of risk transfer between parties where project specific delivery routes could be utilised.

##### Accounting Treatment

Capital and revenue costs associated with the regeneration programme will remain with Wirral Council. The Council will be the accountable body for the programme and funding.

The financial impacts of the delivery method selected, and the consequent accounting impact will be reviewed before any commitments are made where this relates to public sector landholdings.

##### Specialist Advice and Consultant Support

A number of specialist advisory services may be required, including:

- Development advisory, informing the approach to engagement with key stakeholders
- Culture, brand and meanwhile use curation
- Legal advice
- Highways and Infrastructure

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## 4. Commercial Case | Delivery Routes for Individual Projects

### Potential Delivery Routes to be employed on a project-by-project basis

#### Commercial Delivery Strategy

This section outlines the key commercial delivery strategy consideration.

#### Delivery Routes

In the effort to emphasise the importance of partnerships with the private sector, this section outlines high level options for the delivery of individual projects and programmes under the Framework. Land Ownership and Strategic Infrastructure will be critical to determining the most appropriate delivery mechanisms for each project. Typically, capital is deployed to 'place make' – investment in infrastructure / public realm and movement will be required ahead of development / return unless a forward funding model can be established.

Despite considerable progress, accelerated delivery is crucial, particularly given the incorporation of the Town Centre and Waterfront projects. Delivery comes in many forms – on the one hand there is a need for highly structured 'vehicles' that can deliver large-scale physical development projects. On the other hand, the programme includes for many and various smaller scale interventions to support business incubation and growth. Below potential approaches that could be taken to deliver the programme in partnership:

- *Master Developer:* Suitable for multi-phase development projects, a master developer will be appointed to oversee the delivery of the project. The master developer will need to contract with WMBC. A master developer will be responsible for delivery of infrastructure, plots and could directly deliver development. They will also be responsible for securing the equity / debt to support the programme and trade / hold assets as appropriate
- *Masterplan Led Development Programme:* Given the nature of the programme which is heavily reliant on third-party land assembly (which once acquired will be consolidated) there is the option of WMBC overseeing

a 'planning led' delivery process. The Council will oversee and monitor the masterplan in each neighbourhood and individual projects will be promoted and delivered on a more traditional basis by development partners. The challenge to this approach will be delivery of enabling infrastructure. This will be provided by WMBC as part of its role and remit

- *Corporate Joint Venture:* Corporate JV's have been established in other locations to take forward multi-site development programmes. A Corporate JV is made up of a number of shareholder partners. In the context of the Framework, this form of structure might be used, for example, in a town centre context. A Corporate Joint Venture will be able to borrow provide equity to deliver projects. It could also receive (subject to the appropriate rules being followed) public sector funding to support investment in the project(s)
- *Sponsorship and Collaboration:* WMBC will have a promotional and custodian role across the whole programme. In that context it will often 'sponsor' projects without necessarily being involved in the direct delivery of the project. This may include WMBC acting as the 'agent' for a Government department, e.g. BEIS or MHCLG, to oversee a local programme initiative. It could also act in a similar capacity working in partnership with LCR or the Council to sponsor or commission local delivery. This could also stretch into areas such as culture, event coordination and meanwhile use curation, and
- *Pilot Projects:* Setting up and delivering pilot programmes. This approach is suitable for projects that seek to advance elements of the Council's Improvement Journey alongside more mainstream delivery programmes. Examples include waste management, energy efficiency schemes, and digital pathway projects, all of which will contribute to net zero elements of the plan.

## 4. Commercial Case | Delivery Routes for Individual Projects

### Long-term commercial delivery considerations

#### Commercial Delivery Strategy

##### Risk Allocation for Projects

The following table provides an indicative risk allocation for projects delivered by the regeneration delivery team. It is noted that each project is unique and will require further consideration of risk allocations prior to entering contractual arrangements with third parties.

Table 4.2: Indicative Risk Allocations

Risk Category	Proposed Allocation	
	Stakeholders	Delivery Partner
Site enabling and infrastructure works		✓
Planning risk	✓	✓
Design risk	✓	✓
Construction and development risk Infrastructure/service works Landscaping works		✓
Commercial Estate management - operating risk		✓
Fit out risk		✓
Financing risk		✓
Legislative risk		✓
Other project risks	✓	✓

##### Key Contractual Arrangements

The Council will be required to manage a number of different contracts across different phases of development. These include contracts for professional

services (legal, design, finance etc.), contractors, development partners, operators, as well as formal contracts put in place with occupiers. The Council's contract management approach will encompass the following guiding principles:

- Ensure contracts are clear and understood by all parties
- Clear accountability, roles and responsibilities
- Establish strong governance arrangements to manage risk and provide strategic oversight
- Adopt a differentiated approach based on risk
- Accept that change will happen and plan for it
- Clear performance measurement and regular reporting using KPIs to incentivise good performance
- Drive continued improvement, value for money and capture innovation
- Understand that successful delivery at the sites will be best achieved through integrated teams, and
- Adopt and encourage professional commercial behaviours.

Where legally possible, the Council will seek to include targets within contracts to measure and deliver against the benefits identified, including:

- skills training
- apprenticeships
- employment of local people
- access for local suppliers, and
- provision of a living wages for workers.

## 4. Commercial Case | Market Engagement

### Market engagement is critical to increase the level of private sector involvement

#### Market Engagement

The Council has undertaken a suite of stakeholder and public consultation exercises both centred around the Birkenhead 2040 Framework and Local Plan production to communicate the scale and potential benefits of large-scale comprehensive regeneration in Birkenhead.

The regeneration programme has been subject to market engagement and stakeholder engagement both at site specific and programme wide scales. To date this has been managed by the Council's Regeneration Team, under the instruction of the Director of Regeneration. Project officers working within this team have carried out soft market testing (SMT) exercises as part of the production of Neighbourhood Development Framework (NDF) documents, such as Dock Branch Park, and the first tranche of NDF's, which are most progressed in terms of production and have been subject to public consultation exercises.

The Council has also closely engaged with Liverpool City Region Combined Authority (LCRCA) and Homes England. Wirral Council continue to collaborate at programme and project level. The WRP has provided strategic level engagement.

The Council has also engaged with MHCLG with regards to the strategic programme. The production of this OBC has been informed a programme of stakeholder consultation which is detailed in the Strategic Case and Management Case. This has included internal stakeholders, LCRCA, Homes England and public sector representatives at intervals through the production process.

#### Pre-governance arrangement market engagement

Throughout the transition period it will be essential to ensure regular updates and consistent messaging are provided to stakeholders as the delivery arrangements for the regeneration programme are defined and put into place.

Stakeholder engagement will be managed through a stakeholder and market engagement plan. This will be prepared following the submission of the OBC and will be cognisant of the key programme milestones.

The stakeholder and market engagement plan will include:

- Key milestones that will need to be communicated to the market and stakeholders to ensure awareness of progress and provide certainty over operational and governance issues concerning the regeneration programme delivery
- Opportunities for parties to comment and feedback on the OBC proposals and business plan
- How the role of the WRP will be communicated to different parties
- How the governance will engage with stakeholders over time
- The interaction between existing delivery arrangements and the programme governance in the transition period, and
- An approach to SMT during the transition

#### Post-governance arrangement establishment engagement

Following establishment of the refreshed governance arrangements, the WRP will become primarily responsible for the delivery plan. SMT will be carried out on a site-by-site basis though the programme and will include SMT to understand developer appetite for all sites within the later tranches. This will be particularly relevant for the more complex and long-term sites. With a long-term view on delivery, the Head of 2040 Regeneration will be able to begin to have these conversations throughout the programme rather than at a point where they are ready to commence procurement.

# 5. Finance Case

## 5. Finance Case | Introduction

### Funding is required to establish and operate the delivery team and project costs

#### Introduction

The financial case details the key cost drivers for the additional resources proposed within the regeneration team and the capital ask for the overall regeneration programme across the five neighbourhoods. This section will include the key assumptions and resulting funding ask.

This OBC and financial case focuses on the costs and funding requirements to establish the proposed delivery structures, alongside the funding for the programme costs. The financial case is structured as follows:

- **Methodology & Assumptions:** Introduces the approach to developing the costs, including resourcing and other costs, and general assumptions used in developing the cost model. The resourcing structure is discussed further in the Commercial and Management Cases.
- **Preferred Option Cashflow:** Details the forecast annual costs for establishing and operating the new resourcing structure.
- **Funding Requirement:** Summarises the total costs and the funding requirement to bring forward the regeneration programme. This section also details the funding from other sources and illustrates the impact of capitalising costs to reduce this OBC's funding ask.

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## 5. Finance Case | Methodology & Assumptions

### Resources are a key cost element to this proposal

#### Methodology & Resourcing Assumptions

A cashflow model has been developed to forecast the costs of the resourcing model, informing the funding ask in this OBC. The cashflow model focuses on the investment required to fund the resourcing model as opposed to the total funding required across the programme. The total project costs will be provided as an additional overall ask.

#### *WRP Board Additions*

It is assumed that the two additional posts included within the WRP will result in no additional cost/funding ask. The inclusion of the additional member will not necessitate further recruitment or funding as their participation in the WRP aligns with their existing role within the Council.

#### *Regeneration Delivery Team Resourcing*

As noted in the Commercial Case, the current regeneration delivery team with additional capacity across a multitude of other departments was considered the optimal resourcing model. Table 5.1 summaries the roles and number of resources within this option.

Table 5.1: Additional Resources Required

ROLE	# ADDITIONAL RESOURCES (FTE)
Head of 2040 Regeneration	1
Delivery Manager	1
Development Manager	1
Graduate Support	2
Transport Officer	1
Planning Delivery Management Officer	1
Procurement Officer	1
Finance Officer	1
Housing Officer	1
Development Surveyor	1
Communications Officer	1
<b>Grand Total</b>	<b>12</b>

# 5. Finance Case | Methodology & Assumptions

## Overview of other assumptions informing the financial analysis

### Other Cost Assumptions

The following summarises the non-resourcing cost assumptions that inform the financial analysis

- **Grading:** For the enabling functions an average grading of EP010 has been applied, this is based on the assumption that some roles will necessitate a higher grading and others a lower grading. As a result, it has been agreed that utilising an average grade is reasonable at this stage where specific gradings are unknown.
- **Legal Costs:** An allocation of £250k per year for legal commissioning has been assumed.

### General Assumptions

This section outlines the general assumptions informing the financial analysis. These include:

- **Inflation:** Costs are provided in nominal terms, including the forecast impact of inflation. Inflation has been assumed at a flat 3% per annum.
- **Timing:** The funding ask is for the first five years of the proposed resourcing model.
- **VAT:** Analysis considers the impact to the public sector as a whole and only incorporates costs that result in a real flow of cash. Accordingly, indirect tax such as VAT has been excluded as this will be a circular flow of funds between government departments.
- **CDEL / RDEL:** Costs incurred as a result of staff spending time on capital projects can be capitalised, provided that time can be linked to bringing a specific, separately identifiable asset into working condition or substantially enhancing the working life of an existing asset. Capitalisation treatment and assumptions are not confirmed at this stage.

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## 5. Finance Case | Preferred Option Cashflow

The additional resourcing requirement generates a revenue ask of £5.6m over 5 years

### Resourcing Cashflow

Table 5.2 details the assumed costs over a 5-year operating period.

- Total revenue costs are £5.6m, including both labour costs and legal commissioning.
- A total of £5.6m is required to establish and operate the preferred resourcing model over 5 years.

Table 5.2: Forecast Resourcing Model Cashflow – 5 year (£ nominal)

	Total	FY25	FY26	FY27	FY28	FY29
<b>Revenue Expenditure</b>						
Additional Labour Costs for New Posts (RDEL)	<b>4.17m</b>	0.79	0.81	0.83	0.86	0.88
Legal Commissioning	<b>1.41m</b>	0.27	0.27	0.28	0.29	0.30
<b>Total Revenue Expenditure</b>	<b>5.58m</b>	<b>1.05</b>	<b>1.08</b>	<b>1.11</b>	<b>1.15</b>	<b>1.18</b>
<b>Revenue costs associated with existing posts</b>	<b>7.95m</b>	1.50	1.54	1.59	1.64	1.68

*\*Totals may vary slightly due to rounding*

‘Total Revenue Expenditure’ is the additional revenue ask of this business case for the additional regeneration team posts identified on page 54.

‘Revenue costs associated with existing posts’ refers to projected revenue costs for current posts over the next five years in a business-as-usual scenario. This figure includes existing posts in the regeneration team as well as five 0.5 FTE posts in enabling services that provide support to the regeneration programme. It should be noted that some senior roles include an proportion of activity outside the regeneration programme remit.



## 5. Finance Case | Capital Requirement – Programme Costs

A total of £350m is required for programme costs across the five neighbourhoods

### Programme Costs

Table 5.3 below depicts the total indicative capital requirement for the Regeneration Programme across the individual neighbourhoods, based upon expected costs provided by the regeneration delivery team. It is expected that the capital ask will be £350m across a 10-year timeline.

The figures presented below represent future funding requirements and exclude any private sector investment or public sector committed funding. Capital funding will be sourced from a range of sources including LCRCA single settlement funding, HE and MHCLG programmes. It is expected that the Regeneration Programme will also leverage significant private sector investment

Table 5.3: Forecast Programme Costs

Future Funding Ask											
Neighbourhood	FY25-26	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	FY31-32	FY32-33	FY33-34	FY34-35	Total*
Hind Street	-	£8m		£50m				-	-	-	£58m
Wirral Waters**	-	£10m	£10m	£10m	£10m	£10m	£10m	£10m	-	-	£70m
Town Centre inc. St Werburghs & Europa	£50m			£100m				-	-	-	£150m
Dock Branch	-	-	£39m		£3m			-	-	-	£42m
Waterfront	£5m		£25m			-	-	-	-	-	£30m
*Indicative figures presented here represent future funding requirements and are subject to further feasibility work and refinement. ** includes Hotel California and Hind Street North											£350m

### Total Funding requirement

This business case has a total revenue funding ask of £5.6m over 5 years to enhance the capacity of the regeneration delivery team.

The capital requirements that the enhanced team will need to manage and drawdown to deliver the programme are currently estimated to be £350m over 10 years. As stated previously, the Regeneration Programme is expected to attract and leverage private sector investment to bolster the development and delivery of the respective neighbourhoods.

# 6. Management Case

## 6. Management Case | Introduction

### The Council will establish governance arrangements to support the acceleration of the Regeneration Programme

#### Introduction

The purpose of the management case is to focus on the steps required to achieve the successful implementation of the refreshed governance arrangements and delivery team.

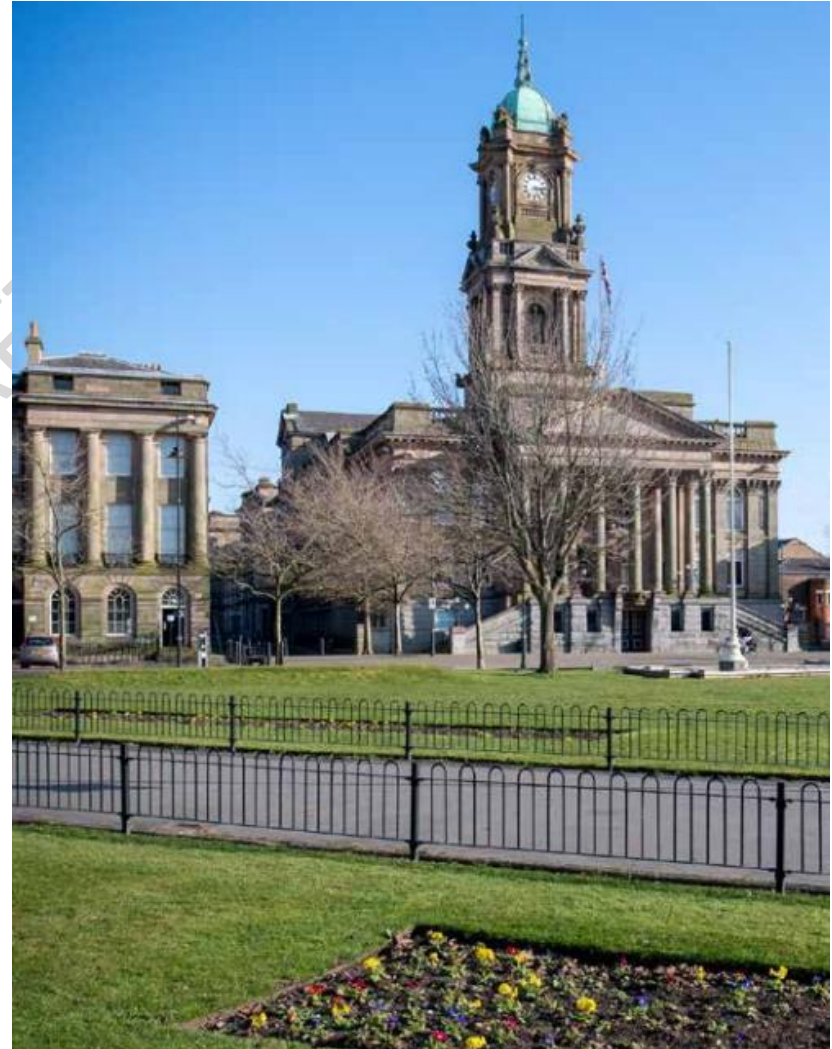
Acknowledging the steps required to establish a refreshed governance arrangement, the case addresses both the short term and long-term stages for implementation, as follows:

- *Now*: The governance arrangements and implementation programme for the current period until 2025.
- *Phase 1 (2025-26)*: The governance arrangements and implementation programme from 2025 to 2026.
- *Phase 2 (2026-2029)*: Birkenhead governance arrangements, remit and working arrangements.

The case focuses on the following key aspects that will be crucial to the successful establishment of the refreshed governance arrangement, and subsequent operation to ensure delivery of the Birkenhead 2040. This includes:

- The programme management framework being deployed
- The delivery plan
- The approach to reporting and monitoring progress
- Key risk and how they will be mitigated
- The approach to benefits realisation, and
- How assurance and evaluation will be embedded within the organisation.

Figure 6.1: Birkenhead Town Hall



## 6. Management Case | Managing the Governance Arrangements

There will be distinct phases in the transition to the refreshed governance arrangement

### Overview: Governance, Project Management and Change Management

This section details the governance arrangements that will be implemented, including:

- The existing arrangements (current).
- The interim governance arrangements (2025-2026).
- The final governance arrangements (2026-2029).

#### Existing Arrangements

The regeneration programme is currently managed by the Wirral Council Regeneration team. The regeneration team leadership are acting as the project team overseeing the proposals for the refreshed governance arrangements as the steering group. The sponsoring officer is Rebecca Lowry. This group has been meeting regularly to discuss progress on the development of this proposal.

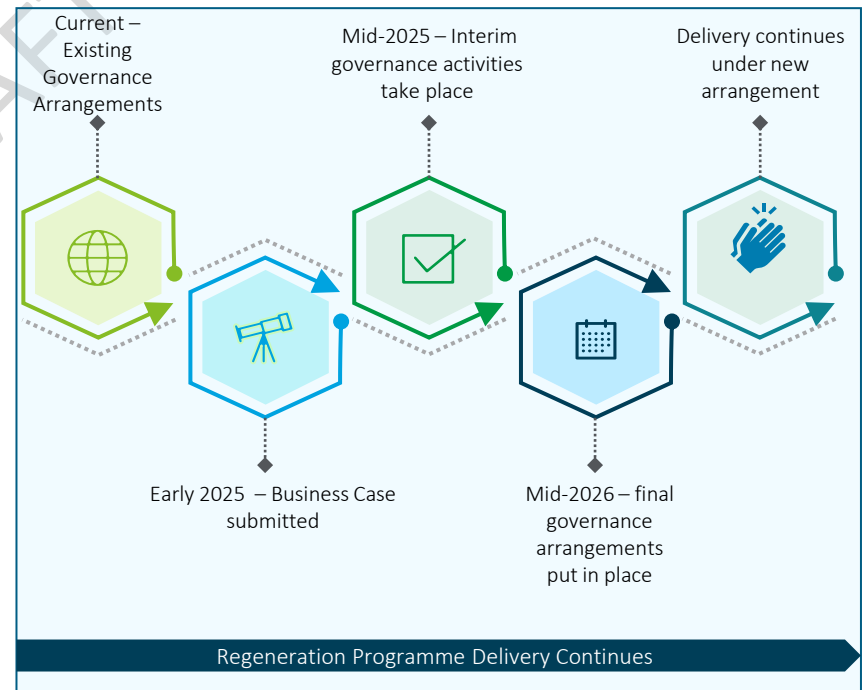
The Steering Group's work takes place in the context of Wirral Council's existing Local Authority governance framework. Further details of the current Regeneration Programme's resourcing and structure is contained in the commercial case.

#### Interim Governance Arrangements (Phase 1)

The interim governance arrangements cover the period from April 2025 until the establishment of the final governance arrangements.

Phase 1 will be designed to transition from the current arrangements to the refreshed governance structure detailed in the following section. A broad timeline of the activity in Phase 1 is shown in Figure 6.2, with a summary of the governance arrangements in each stage to follow.

Figure 6.2: Timescales



## 6. Management Case | Managing the New Governance Arrangements

### The Transition Board will provide interim governance arrangements

#### Phase 1 (2025-2026)

##### Purpose

Commencing from April 2025, the activities for implementation of the refreshed governance arrangements will begin, this will include the following activities:

- Oversee engagement with MHCLG following submission of the business case
- Identify the required skills, capabilities and personnel required
- Begin recruitment activities for posts to be filled
- Oversee the implementation of the required governance arrangements and development of its articles of association

All formal decision-making functions will be retained by the Council, as the accountable body for the regeneration programme.

##### Resourcing & Funding

The WRP will continue to be primarily resourced from the Council, using current Regeneration personnel. The WRP will also work with key partners and organisations to secure additional resources as required. The WRP and its activities will be funded by the Council and the representatives on the Board (i.e. HE and LCRCA).

##### Structure & Membership

The Board's membership will continue to have senior membership from MHCLG and Wirral Council will continue to be represented via Council Group Leaders and relevant committee chairs.

The external sector representation on the WRP Board will continue due to the potential for them to provide specific stakeholder support for proposals or act

as a project champion. Private sector organisations with significant Wirral or Birkenhead footprint are preferable due to their local knowledge.

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## 6. Management Case | Managing the New Governance Arrangements

The refreshed governance arrangements will see the inclusion of two further members.

### Phase 2 Final Governance Arrangements (2026-2029)

#### Purpose

From Mid-2026, the final governance arrangements will come into effect. This board will operate under the new governance arrangements.

The final governance structure will have enhanced accountability and will have the following additional roles and responsibilities added to the terms of reference:

- 1) Role – Provide scrutiny and challenge to the regeneration programme
- 2) Responsibility – Take on responsibility and ownership of the business plan

The focus of the WRP's meetings has been shifted away from project showcasing and should now concentrate on the following key points:

- Forward view focus and progress since the previous meeting rather than project showcases
- Arising Risks
- Reporting on relevant Council Decisions and making recommendations for Committee decision making
- Interdependencies
- Prioritisation in line with the Business Plan – utilising the business plan to determine what they are

#### Resourcing & Funding

The Council will remain the accountable body for funding and the regeneration programme. The Council and other partners will continue to fund the delivery of the programme.

#### Structure & Membership

The WRP will continue to include membership from key organisations, including Homes England and LCRCA. Membership will be extended to:

- Council SLT representation in the form of the Chief Executive Officer (CEO). This will provide a link back to the Council while it retains accountable body status for the programme.

Figure 6.3 overleaf illustrates the refreshed membership of the WRP.

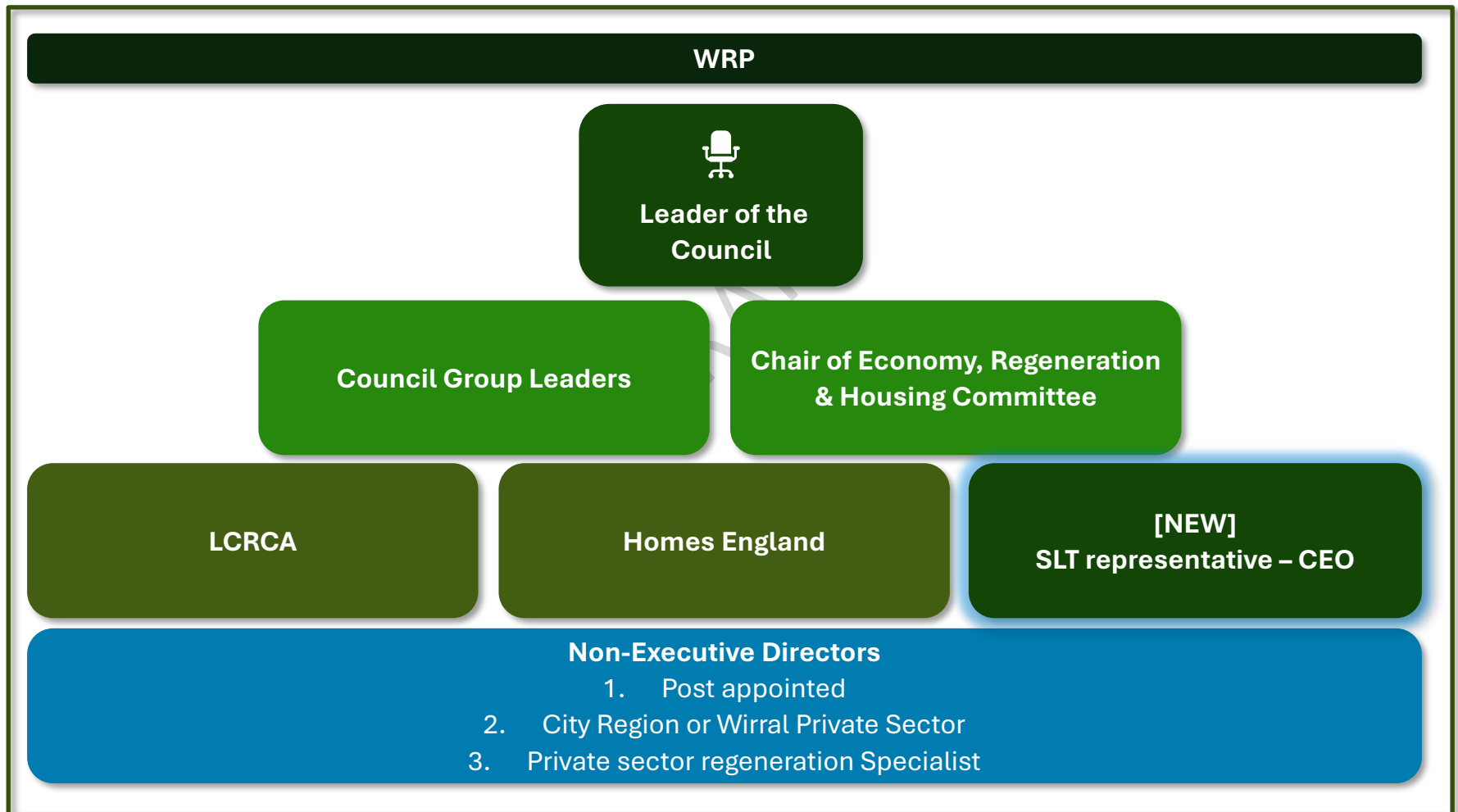
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## 6. Management Case | Managing the New Governance Arrangements

The refreshed governance arrangements will see the inclusion of two further members

Phase 2 Final Governance Arrangements (2026-2029) cont.

Figure 6.3: Refreshed Governance Arrangement



## 6. Management Case | Resources and Functions

### Overview of the Regeneration Team structure

#### Resources and functions

The regeneration delivery team for this programme will remain under the remit of the Regeneration AD at WMBC, which is the current working arrangement and can be viewed in Figure 6.4.

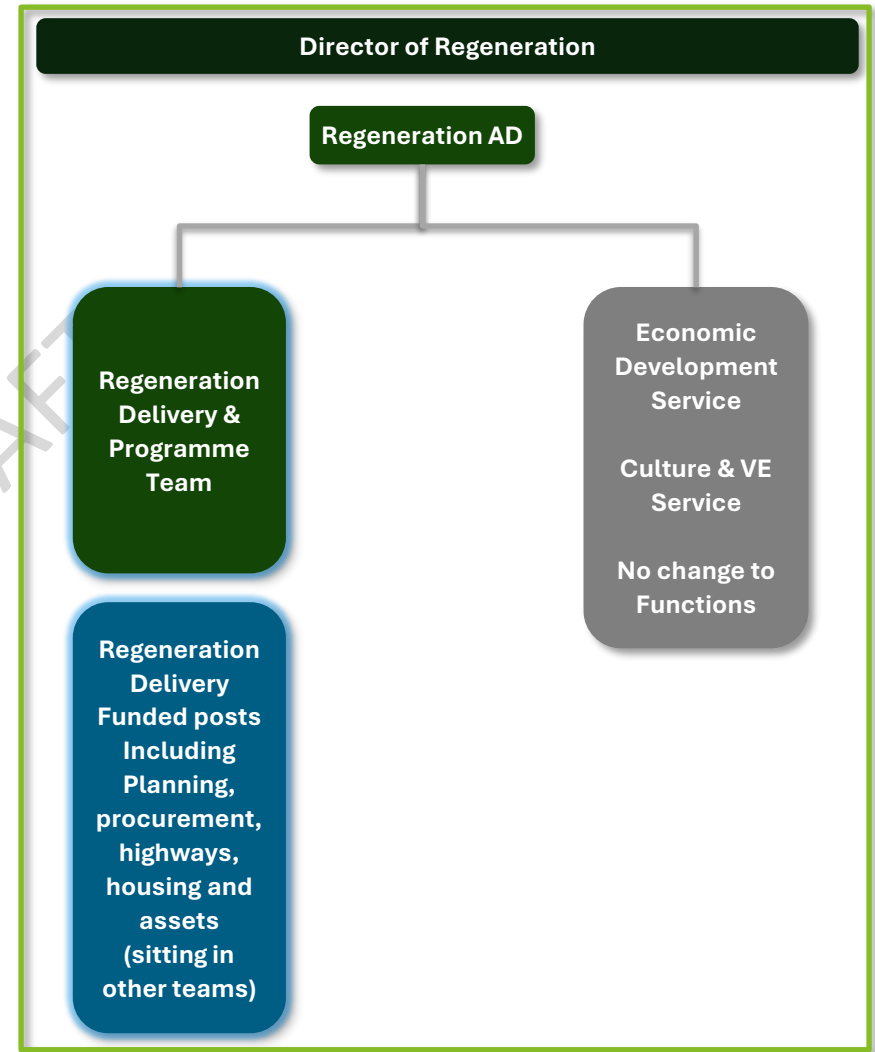
The difference between the current working arrangements and those to be implemented is that there will be funded posts within the regeneration delivery team (as can be viewed in Figure 6.5).

It is expected that the funded post will cover the areas of planning, procurement and highways. However, funded posts will still remain within their respective departments and not be seconded to the 'regeneration delivery team'.

There will be two separate approaches to resourcing:

1. **Additional resources** – increasing levels of resource to improve capacity and deliverability across the regeneration teams.
2. **Upskilling programmes** – an upskilling programme to train up existing resource, reducing the reliance upon recruitment processes.

Figure 6.4: Proposed Regeneration Structure





## 6. Management Case | Resources and Functions

### Overview of the resourcing requirements to support delivery of Birkenhead 2040

#### Resources and functions

##### Additional Resource

The regeneration programme will be supported by resources comprised of permanent staff, contractors and secondees from other public sector organisations. The proposed resourcing structure is shown in Figure 6.5.

The proposed additional post include:

- A new Head of 2040 Regeneration, who will be oversee the delivery team and sit beneath the Regeneration AD.
- It is assumed that there will be three full time Regeneration Delivery Managers will be required, which is an increase of one from the current structure.
- There is also to be an additional post for Development Management.
- Two new graduate positions to train and develop the next generation of regeneration delivery/development managers.
- An additional Transport Officer to provide a Highways perspective across the Regeneration Programme.
- An additional Planning Delivery Management Officer.
- A Procurement role to aid the programme requirements.
- A Finance Officer to ensure the financial sustainability off the programme.
- A Development Surveyor Role.
- A Communications Officer.

This model is intended to be flexible subject to programme demands. Additional contractors / consultants can also be brought on as a project cost.

Table 6.1, located on the following page, provides a detailed justification for the necessity of each proposed additional role.

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## 6. Management Case | Resources and Functions

### The proposed additional 10 FTE have their own individual justification for inclusion

#### Additional Resource Justification

The need for each proposed additional role, along with the specific issue their inclusion addresses, is outlined below.

Table 6.1: Additional Role Justifications

Additional Role	Justification
<b>Head of 2040 Regeneration</b>	The current responsibilities of the AD Chief Regeneration Officer extend beyond regeneration delivery to encompass placemaking, cultural initiatives, and the visitor economy, in addition to economic growth and regeneration PMO functions. The AD's wide-ranging responsibilities, spanning numerous workstreams and projects, require careful balancing. To optimise the current dynamic, the recruitment of a dedicated Head of Regeneration is proposed. This role will provide focused leadership and expertise to the regeneration programme.
<b>Additional Regeneration Delivery Manager</b>	The existing Delivery Managers are currently stretched managing such a large-scale area and programme. Adding an additional DM will enable greater focus on the five neighbourhoods and enhance overall programme effectiveness.
<b>Development Manager</b>	The regeneration team currently lacks a dedicated Development Manager, representing a significant resource gap. To address this, the creation of a Development Manager position within the team is essential.
<b>Graduate positions</b>	By offering graduate roles, the Council can cultivate the next generation of regeneration development and delivery managers, potentially fostering lifelong careers in the field. This approach ensures a pipeline of skilled professionals while demonstrating a commitment to professional development.
<b>Transport Officer</b>	There is a requirement for greater collaboration between the highways and regeneration delivery teams, stemming from a disconnect between the groups. Integrating a transport officer within the regeneration team can bridge this gap and provide essential oversight and coordination.
<b>Planning Delivery Management Officer</b>	To bolster the Birkenhead regeneration programme's effectiveness and accelerate its progress, dedicating additional resources, particularly in planning delivery, is crucial. This will increase capacity and expedite the programme's timeline.
<b>Procurement Officer</b>	The procurement officer will ensure that procurement activities that supports the project's overall objectives and timelines are met.
<b>Finance Officer</b>	The finance officer's core role will be to ensure the financial sustainability and success of the Regeneration Programme.
<b>Development Surveyor Role</b>	Having a dedicated development surveyor as part of the regeneration delivery team would ensure that the necessary strategic advice and expertise is always on hand to unlock the full potential of the land and assets.
<b>Communications Officer</b>	A dedicated communications and engagement role is critical to having a successful and inclusive programme that is well presented in the community.

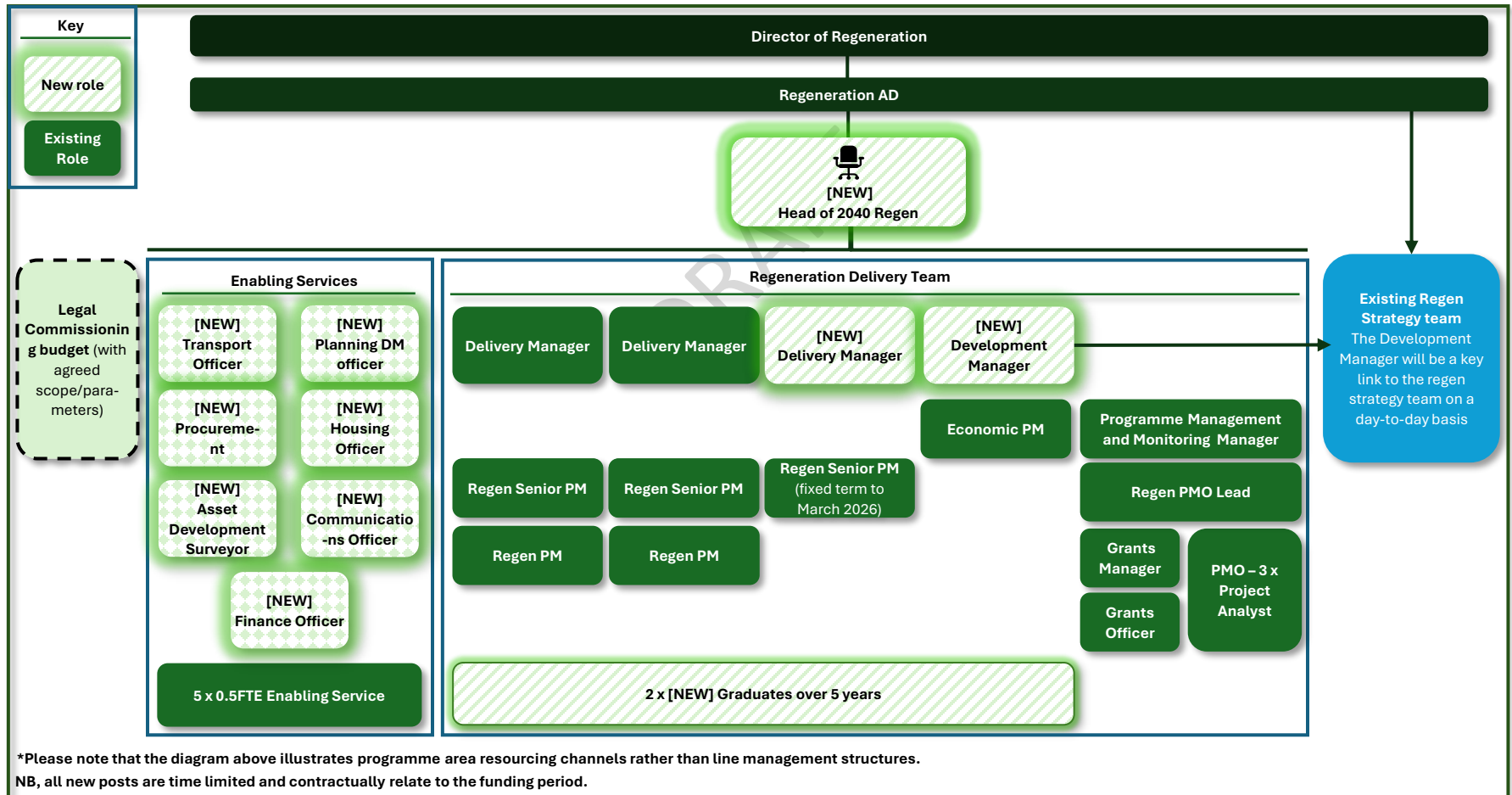
# 6. Management Case | Resources and Functions

## Proposed additional posts for the Regeneration Programme

### Additional Resource

The diagram for the proposed additional resource can be viewed below. It should be noted that a proportion of activity carried out by the current team (at senior level including Regeneration AD and Director of Regeneration) will be BAU in nature and cover a wider Wirral area.

Figure 6.5: Proposed Regeneration Team Structure



## 6. Management Case | Resources and Functions

### Overview of the resourcing requirements to support delivery of Birkenhead 2040

#### Resources and functions

##### Upskilling Programmes

To address potential recruitment challenges and ensure access to necessary expertise, the Council will seek to create an upskilling programme for the Delivery Regeneration Team and enabling services.

This initiative offers a sustainable, long-term solution by cultivating the necessary skills internally and a legacy for commissioning spend made by the Council for its teams.

Figure 6.6: Upskilling opportunities



It is expected that the Regeneration Delivery team will be supported with appropriate training and development programmes, equipping employees to perform their roles effectively and to the best of their abilities.

The Council will be positioned as a leader by not only investing in additional resources but also by empowering existing staff with expanded expertise and tools, enabling them to become specialists in their respective areas.

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## 6. Management Case | Resources and Functions

### Interface with new and existing organisations within the red-line area

#### Key Governance Interfaces

The regeneration programme will be required to manage interfaces with a number of different organisations and bodies. In order to manage these interfaces and optimise benefits, the following principles will be applied:

- *Board Representation*: significant interfacing organisations will be granted board representation as detailed above through the NED seats.
- *Cooperation*: the regeneration programme and governance arrangement will optimise benefits for the region where it cooperates with interfacing organisations. As far as reasonably practicable, the regeneration programme will ensure its cooperation with these bodies to meet its objectives, and
- *Transparency*: the regeneration programme will be open and transparent in its operations, ensuring open lines of communication to support interfacing projects and organisations.

Two key interfacing projects include the establishment of the Liverpool Freeport and the Government Investment Zones.

#### Liverpool City Region Freeport

This OBC recognises LCRCA's work to establish the Liverpool City Region Freeport, which was fully approved on 10 January 2023. The Director of Regeneration will work with the Freeport to optimise benefits, noting their significant interests in the Wirral Waters area.

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## 6. Management Case | Stakeholder Engagement

### Key stakeholders will be continually engaged throughout the process

#### Stakeholder Engagement

Stakeholder engagement has taken place throughout business case production. The following groups will continue to be engaged on the proposals.

Table 6.2: Key stakeholders to continue to engage

Group	Stakeholders	Engagement on the proposals	Formal governance role
Internal Stakeholders	Wirral Council Officers	On-going, regular dialogue with Wirral Council teams	Wirral Director Roles within the Executive Team
	Wirral Council SLT	On-going, regular dialogue with Wirral Council teams	As above, represented through appointments to Boards
	Wirral Council Members	On-going engagement through the transition stage.	Wirral Director Roles within the Non-Executive Team
Delivery and Governance stakeholders	Homes England	Regular dialogue and ongoing engagement. At project level, the regeneration team continues to work with HE	Membership as part of final governance structure.
	Liverpool City Region CA	Regular dialogue and ongoing engagement.	Membership as part of final governance structure.
Project Teams	Regeneration Programme Consultants	Continue support from various consultants in the development and finalisation of the proposal and OBC.	No on-going formal governance roles, however the regeneration programme will have access to consultants as required

## 6. Management Case | Delivery Plan

### High level programme for establishing the refreshed governance arrangement

#### Delivery Programme

Table 6.3 provides a high-level delivery programme and key next steps for the project. Following approval of the business case, the Council will seek to appoint the additional members of the Board and recruit the additional posts added to the delivery team.

Table 6.3: High level Delivery Programme

Activity / Milestone	START	END
On-going engagement with key stakeholders on proposal	-	Q1 2025
Legal input on governance arrangements and OBC submission	-	Q1 2025
Draft the revised Terms of Reference for the WRP	Q1 2025	Q1 2025
OBC Submission	Q1 2025	
Appoint additional members of the Board, who are already identified as members in the Council	Q2 2025	Q2 2025
Begin recruitment process to identify and employ additional regeneration delivery posts	Q2 2025	Q3 2025
Governance arrangement and regeneration programme team established	Q4 2025	-

## 6. Management Case | Benefits Realisation

### A systematic process for measuring benefits will be developed and implemented

#### Benefits realisation

The strategic and economic cases detail the benefits that the Council will be responsible for delivering. These include qualitative and quantitative benefits. Tracking of benefits associated with the programme governance arrangements will be formalised through the governance structure and will be a focus for the Regeneration Executive team. This will be an organisational and governance level, rather than project level monitoring which will take place and will inform the organisational level monitoring requirements.

The Senior Responsible Officer (SRO) will take ultimate responsibility for tracking and delivering the benefits.

The benefits strategy will be designed to ensure a systematic process for the identification, evaluation, management and reporting of benefits. The proposed framework for benefits management will adopt the following principles:

- monetary and non-monetary benefits will be documented in a benefits register, and
- Benefits will be measured regularly and reported to the WRP.

The benefits register will set out:

- A description of the benefit and associated KPIs used to measure the benefit
- Actions and timing to enable the measurement of the benefits, and
- Responsibility for delivering and reporting on the benefit.

A summary of the themes included in the benefits register is set out in the economic case.

Interventions by stakeholders supporting the delivery of site-specific arrangements will be subject to a separate approvals process, with benefits measured and managed through a site-specific benefits realisation framework.

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## 6. Management Case | Risk Management

The Council has considered a broad range of risks and developed appropriate mitigations

### Risk Management Strategy

The Risk Management Strategy for the proposed will focus on the organisational and operational risks and at programme level, rather than the project level risks associated with the programme.

Risk management will be reviewed through the programme governance structure.

Risk Management will be considered at the following management levels:

- Operational risks, to be considered as part of the corporate approach to risk management
- Programme level risks to be addressed through engagement with PMO, consultant teams and reported to the executive team, and
- Within development teams for each of the individual sites forming the programme. This will be informed by the corporate level approach to risk and is not the focus of this business case.

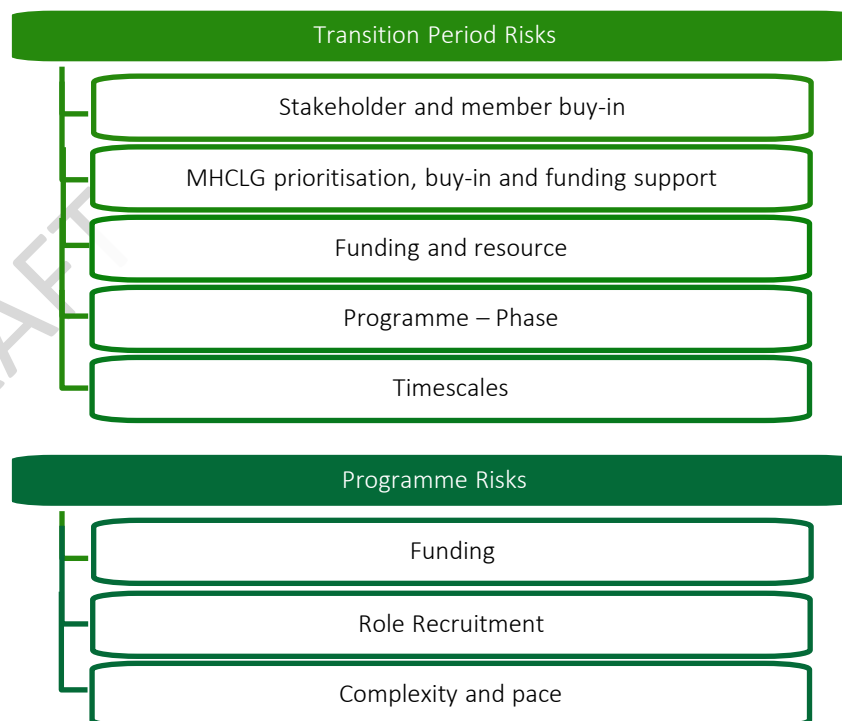
The refreshed governance structure requires the legitimacy to be able to provide scrutiny and challenge to the regeneration programme. It is suggested that the refreshed terms of reference for the WRP includes these aspects and allow the regular meetings to be a forum to highlight potential upcoming risks that may impact delivery and therefore need to be brought to the attention of the board.

A risk framework is in place which focusses on organisational, and programme level risks. The risks have mitigating actions and will be considered at regular intervals by the WRP.

### Key Risk Areas

Figure 6.7 illustrates the key risks areas.

Figure 6.7: Key risk areas



## 6. Management Case | Post-project Evaluation

The Council has considered a broad range of risks and developed appropriate mitigations

### Risk Register

Table 6.4 outlines the risk analysis captured within the risk register, including consideration of the impact and likelihood of each risk raised.

Table 6.4: Key risk register outputs

#	Risk Type	Description	Inherent Likelihood	Inherent Impact	Initial Risk Level	Mitigations / controls in place	Residual Likelihood	Residual Impact	Residual Risk Level
1	Rep.	Birkenhead 2040 is a nationally significant regeneration project that has attracted considerable attention and interest. The Wirral Council Independent Assurance Panel was appointed to provide delivery assurance for the programme. An on-going reputational risk for the successful delivery remains	Medium	Medium	Medium	Continue to actively engage with the Wirral Council Independent Assurance Panel to ensure key concerns are addressed and reputational / political risks are mitigated through successful delivery of the programme.	Low	Low	Low
2	Opp.	The current labour market is tight, with employers facing heavy competition for talent, as a result it may be difficult to fill additional posts suggested for the delivery team.	Medium	Medium	Medium	Labour shortages will be mitigated, leveraging recruitment from current Regeneration staff employed by the Council and backed up by implementing upskilling programmes for existing members of staff. Additional staff to be targeted with an opportunity to work on a best-in-class, unique opportunity to work on one of the UK's largest regeneration schemes.	Low	Medium	Low-Med
3	Opp.	Construction of early phases and land assembly activities have commenced in many areas. There is a risk to these operations during the change from the current to the new governance arrangements.	Low	Medium	Low-Med	Key operational personnel and advisers are to be engaged where required to determine the approach on individual projects as required.	Low	Low	Low
4	Fin.	The global economy is experiencing a period of high inflation.	High	Medium	Med-High	Affordability is to be considered within the context of a high inflation environment. Commercial mechanisms will also be considered to mitigate the impact of on-going high inflation.	Medium	Medium	Medium

## 7.1 | Sources

Reference	Source Name	Link
1	<i>State of the Borough: Summary, Public Health Intelligence Team October 2024</i>	<a href="#">State of the Borough: Summary</a>
2	<i>Wirral Indices of Deprivation</i>	<a href="#">Wirral Indices of Deprivation - Wirral Intelligence Service</a>
3	<i>Local Indicators for Wirral – Office for National Statistics</i>	<a href="#">Local indicators for Wirral (E08000015) – ONS</a>
4	<i>Explore Education Statistics - Vacancies in the LCR</i>	<a href="#">Explore Education Statistics Step 6: Explore data - Create your own tables</a>
5	<i>Wirral Population Change</i>	<a href="#">Wirral population change, Census 2021 – ONS</a>
6	<i>Wirral Crime Figures</i>	<a href="#">Your area   Police.uk</a>
7	<i>Housing Prices in Wirral – Office for National Statistics</i>	<a href="#">Housing prices in Wirral</a>
8	<i>Housing – Wirral Intelligence Service</i>	<a href="#">Housing - Wirral Intelligence Service</a>



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