



POLICY AND RESOURCES COMMITTEE

Wednesday, 20 March 2024

REPORT TITLE:	LEVELLING UP FUND 3 LISCARD - INCLUSION IN SIMPLIFICATION PATHFINDER PILOT
REPORT OF:	DIRECTOR OF REGENERATION AND PLACE

REPORT SUMMARY

The purpose of this report is to seek approval for the amendment of the Department for Levelling Up, Housing and Communities (DLUHC) Simplification Pathfinder Investment Plan, to include the Liscard Levelling Up Fund allocation, and to seek authority for the Director of Regeneration & Place to enter into a Memorandum of Understanding which includes the Liscard Levelling Up Fund allocation within its scope.

This report was intended to be taken to the Council’s Economy, Regeneration and Housing Committee, with recommendations given to a subsequent Policy & Resources Committee. Due to the timetabling of the Council Committees, the next Economy, Regeneration and Housing Committee is on 27 March 2024 and the following Policy & Resources Committee is on 12 June 2024. To prevent delays to programme delivery, the Director of Regeneration & Place has consulted with the Economy, Regeneration and Housing Committee Chair and Party Spokes prior to this Committee.

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

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

This is a key decision due to the value of the funding allocation exceeding £500,000.

The report primarily impacts on the Liscard Ward.

RECOMMENDATION/S

Policy and Resources Committee is recommended to:

1. Approve the addendum to the Simplification Pathfinder Investment Plan included in Appendix 1 to this report;

2. Authorise the Director of Regeneration and Place to enter into a Memorandum of Understanding which includes the Liscard Levelling Up Fund allocation within its scope, in consultation with the Director of Law and Corporate Services;
3. Approve the renaming of the Birkenhead Wallasey and New Ferry Simplification Pathfinder Pilot Board to the Simplification Pathfinder Pilot Board; and
4. Approve the inclusion of the Liscard Levelling Up Fund programme within the Simplification Pathfinder Pilot Board's remit.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 To secure approval to incorporate the Liscard Levelling Up Fund allocation into the DLUHC Simplification Pilot programme. The benefits of the pilot to the Council over the current, separate funding arrangements are important and multiple, including greater levels of flexibility in terms of spend and outputs across the programme. It will simplify the change control process and increase the level of local decision making, to support programme delivery.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 The Council could decide to not incorporate the Liscard Levelling Up Fund allocation in the Simplification Pilot. In December 2023, DLUHC approved the Council's Simplification Pathfinder Investment Plan, which streamlines the current Town Deal, Future High Streets and Levelling Up Fund 1 programmes. DLUHC has since invited the Council to incorporate the Liscard Levelling Up Fund allocation into the Investment Plan. Excluding the Liscard Levelling Up Fund allocation from the Simplification Pathfinder could undermine programme delivery and would add an administrative burden as officers would be required to monitor the LUF3 funding separately to the rest of the Pathfinder, in addition to reducing flexibility within the Liscard programme.

3.0 BACKGROUND INFORMATION

Simplification Pathfinder

- 3.1 On 13 September 2023, this Committee resolved to accept an invitation to participate in the DLUHC Simplification Pilot. This pilot streamlines the delivery of 3 growth funds overseen by it, namely Town Deal, Future High Streets Fund (FHSF) and the Council's Levelling Up Round 1 (LUF1) allocation.
- 3.2 This Committee on 4 October 2023 delegated the decision to the Director of Regeneration and Place to submit the Pathfinder Investment Plan in consultation with Group Leaders. The Director of Regeneration and Place subsequently approved via an officer decision notice to:
- submit the Simplification Pathfinder Investment Plan to the Department for Levelling up, Housing and Communities on 27 October 2023; and
 - agree the principles of the governance of the Simplification Pilot.
- 3.3 Under the Pathfinder scheme, the Council will have more flexibility from DLUHC to manage future change control of projects within its Investment Plan and will only need to seek future approval from DLUHC if making a material change which is defined as moving at least £5 million to a different intervention theme or moving at least £5 million between projects in the same intervention theme.
- 3.4 On 8 December 2023, DLUHC approved the Council's submitted Investment Plan and at the time of writing, the Council was expecting to receive a Memorandum of Understanding from DLUHC regarding the Simplification Pathfinder.

- 3.5 The Council will remain the accountable body for funds within the Simplification Pilot. At its meeting of 21 November 2023, this Committee approved the indicative Birkenhead, Wallasey and New Ferry Simplification Pathfinder Pilot Board Membership, subject to this including ex-officio Members from the Conservative and Liberal Democratic groups, and that membership of the board should also be extended to Liscard Ward Members should that become appropriate.
- 3.6 On 13 December 2023 this Committee subsequently approved the establishment of the Wirral Regeneration Partnership and associated hierarchy comprising membership and terms of reference, and authorised the Director of Law and Governance be authorised to proceed with the necessary memorandum of understanding to establish appropriate legal and governance structures for the Wirral Regeneration Partnership. The Wirral Regeneration Partnership will form part of the overall governance structure, including the Simplification Pathfinder Pilot Board.

Levelling Up Fund 3 – Renewal of Liscard Town Centre

- 3.7 On 20 November 2023, the UK Government announced that the Council has been successful in its application to the Levelling Up Fund for £10,788,000 for the renewal of Liscard Town Centre, against a total programme cost of £12,043,000. The Council had originally submitted a bid under Round 2 of the Levelling Up Fund and was informed in January 2023 that its bid had been unsuccessful. As part of the third round of Levelling Up Fund, the Government moved away from the competitive approach of Rounds 1 and 2, and awarded funding to high-quality bids that were submitted in Round 2.
- 3.8 The original bid comprised two interlinked projects to catalyse change.

Project 1- Town centre regeneration and public realm interventions involved the following:

- a. Shop frontage upgrades and public realm improvements on Liscard Way;
- b. Public realm improvements at the Greenfield Way/Liscard Way entrance to the high street, known as 'Mother Redcap Place';
- c. Reconfiguration of Wallasey and Seaview Road junction to improve traffic flows and enable cycling and pedestrian travel; and
- d. Unlocking high quality residential development in Liscard Village by addressing its viability gap and creating new public realm to encourage alternative pedestrian footfall and accessibility from/to the core town centre

Project 2 - Community Hub involved the demolition and replacement of the derelict community centre with a new hub, as part of a wider Liscard Village residential development.

- 3.9 The Council submitted a validation checklist to DLUHC on 2 February 2024 to confirm that the Liscard Levelling Up Fund programme can be delivered by March 2026, signed by the Council's s.151 officer. As part of the validation checklist, the impact of cost inflation on the programme since its submission in August 2022

has been considered and it remains the case that a high-quality public realm scheme could be delivered, including key gateway enhancements and junction remodelling to the north of Liscard Way, within a reduced funding envelope for Project 1c (Reconfiguration of Wallasey and Seaview Road junction to improve traffic flows and enable cycling and pedestrian travel). The funding shortfall across the programme has therefore been removed from Project 1c, and has been used to supplement the remainder of the programme to ensure delivery. In addition, options are being reviewed for a community hub including enhancing existing community facilities, subject to further stakeholder engagement.

Policy Fit and Identified Need

- 3.10 The Council's draft Local Plan designates Liscard as a Regeneration Area, in recognition of its important role as mixed-use retail centre. In support of the Local Plan, the Council has an approved Neighbourhood Framework in place for Liscard on which the Levelling Up Fund bid has been based¹.
- 3.11 The bid set out the challenges Liscard currently faces. According to the 2019 Index of Multiple Deprivation, 70% of Liscard Ward's residents live in the most deprived 20% of England's neighbourhoods, and anti-social behaviour is a key issue. According to police data the rate of reported anti-social behaviour incidents in the town centre (04/2021 to 03/2022) was 31 per 1000 residents (the national average was 20.3 and median was 14).
- 3.12 In addition to the above, the one-way gyratory which encircles the town centre creates a barrier to pedestrian movements and is dominated by cars. Physical barriers at both ends of Liscard Way obscure its importance and are detrimental to the centre's appearance. The high street is pedestrianised but in need of enhancement and renewal while pedestrian routes serving this area are poorly defined and uninviting. Poor quality shopfronts and incoherent signage detract from the appearance.
- 3.13 The bid also highlighted that Liscard needs new good quality housing provision. 35% of dwellings were built before 1900 (the national level is 15.4%) and just 5% were built post-2000. From the IMD Living Environment domain (quality of housing and local environment), all of Liscard Ward's residents are in the most deprived 30% of neighbourhoods and 78.5% are in the most deprived 10%. Data from Energy Performance Certificates (covering homes bought, built or retrofitted since 2008) shows homes in Liscard Ward are less energy efficient than nationally.

4.0 FINANCIAL IMPLICATIONS

- 4.1 Liscard has been awarded £10,789,000 from the Levelling Up Fund (subject to approval of Memorandum of Understanding) against a total programme cost of £12,043,000. The Liscard Levelling Up Fund 3 programme includes a requirement for a 10 per cent local contribution, to meet the costs of the overall programme. This Committee approved a bid to the Council's capital programme for £1,385,000 at its

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meeting of 17 January 2024 and Full Council on 26 February 2024 approved the Council's capital programme. The capital budget has an allowance for £130k of legal costs, to support the delivery of the programme.

- 4.2 All Levelling Up Funding needs to be spent by 31 March 2026.
- 4.3 The Investment Plan requires approval from the Council's Section 151 officer prior to submission. As such they have reviewed the content of this report and the Investment Plan.

5.0 LEGAL IMPLICATIONS

- 5.1 It is proposed that a single Memorandum of Understanding (MOU) with Government, will replace the agreements in place for the three funding streams. It is understood that the Liscard Levelling Up Fund will be subject to an addendum to the MOU, to avoid time delays for the rest of the Pathfinder programme nationally.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 DLUHC expect there will be operational efficiencies arising from the combined governance of the pilot, as it seeks to test an approach that reduces local administrative burdens whilst still providing DLUHC with required level of delivery data and assurance. A 3 monthly summary update (in the form of RAG reporting) focusing on spend and progress will be required, followed by 6-monthly detailed reports on spend and progress, including (but not limited to) forecast underspends, a plan for delivering uncommitted funding, projected delivery of portfolio-level outputs and outcomes, and changes to projects below the change request threshold.
- 6.2 In addition to monitoring, DLUHC will also conduct separate assurance activity, including local authority assurance reviews. These reviews will focus on the assurance processes that local authorities have in place and will follow a similar model as is currently used across the 3 separate funds.
- 6.3 The Council will remain the accountable body for funds within the Simplification Pilot.

7.0 RELEVANT RISKS

- 7.1 The Council recognises that risk management is essential in good decision making and is a critical element of good governance. The Council continually develops its risk management processes to proactively and effectively manage risk.
- 7.2 The Council has an established a Project Management Office (PMO) dedicated to the Regeneration and Place directorate. The PMO has oversight of the Simplification Pathfinder and will ensure that they align with the Council's corporate policy to managing risk.
- 7.3 A programme Risk Register has been developed, informed by individual Risk Registers for each project. These will be updated throughout the programme lifecycle through the Council's Regeneration Programme Management Office, in order to assist the Council in identifying, controlling and managing risk.

- 7.4 There is a requirement for all funding provided by the Levelling Up Fund to be spent by 31 March 2026 and the Council has put mitigation measures in place to provide greater certainty with regard to delivery timescales and budget management. Table 1 highlights key programme risks.

Table 1– Key Programme Risks

Risk	Proposed Mitigation
Programme is not delivered by March 2026	Procurement options are being reviewed with the Corporate Procurement Service to identify the most effective routes to delivery. Any Tender specification(s) will be drafted with clear milestones and completion dates.
Outputs of scheme are poor quality	Any tender for materials and workmanship to conform to British Standards or Codes of Practice. Programme will be subject to project management throughout to ensure quality outputs.
Cost increases to the scheme	Contingency has been built into the programme, and the programme has been reviewed in January 2024 to project cost increases to the programme
Insufficient internal resources to deliver programme	Match funding from the Council was approved by Full Council on 26 February 2024. The costs included an allowance for project management support and the Council will review whether utilising in-house resource or external project management support is the most effective. Further information can be viewed in the Resource Request paper under Agenda Item 7 to this Committee.

8.0 ENGAGEMENT/CONSULTATION

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

9.0 EQUALITY IMPLICATIONS

- 9.1 Wirral Council has a legal requirement to make sure its policies, and the way it carries out its work, do not discriminate against anyone. An Equality Impact Assessment is a tool to help council services identify steps they can take to ensure equality for anyone who might be affected by a particular policy, decision or activity.
- 9.2 The potential impact of the Levelling Up Fund has been reviewed with regard to equality and links to the existing EIA conducted for Wirral's Economic Strategy and no material amendments have been made.

- 9.3 Whilst there are no equality implications arising from this report, the associated actions arising from the delivery may need to assess any equality issues and mitigate any negative impact that may emerge. Any associated EIA's will be done at the earliest possible stage. The Council has an obligation under section 149 of the Equality Act 2010 and the Public Sector Equality duty (Sect 149 2011) to show due regard to the duty and show due regard to mitigate any negative impacts that may affect people with protected characteristics under the Act. The Director of Regeneration and Place recognises that this decision may have an impact on those who would wish to access certain locations by motor vehicle and other modes of transport. Where applicable details of any restrictions and alternative routes would be published and an equality impact assessment would be undertaken.
- 9.4 A copy of the EIA for Wirral's Economic Strategy can be viewed at:
<https://www.wirral.gov.uk/files/equality-impact-assessment-wirral-economic-strategy-2021-2026.pdf/download?inline>

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

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

11.0 COMMUNITY WEALTH IMPLICATIONS

- 11.1 Community Wealth Building reorganises local economies to be fairer and stops wealth flowing out of communities. Striving for a prosperous and inclusive economy where local people can get good jobs and achieve their aspirations, the Council's aims to create an economy that benefits all of our residents and one which keeps money within Wirral. The Council's Community Wealth Building Strategy is a key part of how this is achieved and makes a major contribution to improving the economic, social and health outcomes of the borough.
- 11.2 The projects within the Investment Plan ensure that more wealth is invested and stays within the Borough. Future procurement exercises will build the wealth of our local communities where we will strive to maximise social value activity through creation of local employment/ training opportunities and local labour/spend to maximise the Wirral pound.

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APPENDICES

Appendix 1 - Simplification Pathfinder Investment Plan – Liscard Levelling Up Fund Programme

BACKGROUND PAPERS

Levelling Up Fund 2 Application – Renewal of Liscard Town Centre

TERMS OF REFERENCE

This report is being considered by the Policy and Resources Committee in accordance with sections (a) and (b) of its Terms of Reference.

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Policy & Resources Committee – 2023-24 CAPITAL MONITORING QUARTER 3	17 January 2024
Policy & Resources Committee (Item 88 refers) - Future Regeneration Partnerships for Wirral	13 December 2023
Policy & Resources Committee – Birkenhead, Wallasey and New Ferry Simplification Pathfinder Pilot Board	21 November 2023
Policy & Resources Committee – Department for Levelling Up Housing and Communities Simplification Pathfinder Investment Plan	8 November 2023
Officer Decision Notice of the Director of Regeneration & Place - Department for Levelling Up, Housing & Communities Simplification Pathfinder Pilot Investment Plan	27 October 2023
Policy & Resources Committee (Item 54 refers)	
Policy & Resources Committee (Item 44 refers) - Department for Levelling Up, Housing & Communities Simplification Pathfinder Pilot	4 October 2023
	13 September 2023
Economy, Regeneration & Housing Committee - Liscard Neighbourhood Framework: An Integrated Masterplan	22 November 2021