

REPORT TO: Executive Board
DATE: 24 May 2012
REPORTING OFFICER: Chief Executive
SUBJECT: Liverpool City Region Deal
PORTFOLIO: The Leader
WARDS: Borough-wide

1.0 PURPOSE OF THE REPORT

1.1 The purpose of this report is to provide an update to the Executive Board on the development of the Liverpool City Region deal and the likely timescale for its negotiation and agreement.

2.0 RECOMMENDATION: That the Board

- 1) welcome the progress on agreeing a Liverpool City Region Deal with Government;**
- 2) consider the asks and offers to Government as currently drafted;**
- 3) note the timescales to negotiate and agree a City Deal; and**
- 4) that the Chief Executive, in conjunction with the Leader, be given delegated powers to conclude a City Deal with Government on behalf of the Council.**

3.0 SUPPORTING INFORMATION

3.1 The Government published 'Unlocking growth in cities' in December 2011 which encouraged core cities and their surrounding economic areas to agree a bespoke set of Deals.

These would identify additional powers devolved to local areas in return for additional performance.

The additional powers and responsibilities are designed to remove blockages in a range of different areas and to deliver significant and transformational change.

In return the City Region will commit to deliver a range enabling actions in support of the 'asks'.

3.2 Liverpool City Council agreed a specific City Council deal with Government in January which contained additional responsibilities and some funding, along with a recommendation to the City Council to adopt a Mayoral governance

system. This specific 'Mayoral' City Deal should be seen alongside the wider City Region deal, with all partners and Local Authorities (including Liverpool) playing a full part in the wider City Region deal.

3.3 The LCR Local Enterprise Partnership Board have considered the draft City Region Deal at its last two meetings in March and April. The LEP confirmed the approach to focus on a smaller number of more specific deals with Government.

PROGRESS TO DATE

3.4 A series of LCR discussions have been taking place with Government colleagues over recent weeks to progress detailed "asks" of Government and "offers" from the City Region.

The proposed list of "asks" and "offers" is attached as **Appendix One** and is still in the process of being refined through negotiation with Government.

3.5 In particular attention is drawn to the following elements that are likely to be part of the final set of asks:

- **International Trade Exposition** - Liverpool Vision will be leading on an International Trade Exposition and will bring a report on this implementation plan to the LEP Board in due course
- **Superport** 3MG features as part of the superport strategy, which is designed to create many new jobs and business opportunities.
- **Transport** - The City Region will need to demonstrate to the Department for Transport that the issues around transport governance will be settled ahead of delegation of further powers and funding. A single strategic transport body for the LCR is proposed. This has long been an ambition of Halton.
- **Knowledge Economy and Science** - The further development and expansion of Daresbury features at the heart of this ask.
- **Low Carbon Economy** - The low carbon ask has been refocused around removing unnecessary regulations and facilitating investments. The opportunities within this sector are particularly strong within this City Region
- **Skills** - A bid for £30m Employer Ownership funding, to give employers more control over skills investments, has been submitted
- **Business Investment Hub** for the City Region, led by the private sector
- **Funding** - Delegation of control over European funding to the City Region and other funding streams currently controlled by Government.
- In parallel, there are plans to submit a City Region Regional Growth Fund programme bid.

3.6 Executive Board are asked to review the asks and offers as summarised in Appendix One and offer comments.

PROCESS

3.7 The asks of and offers to Government, have now been submitted to Cabinet Office. They have also been subject to a challenge session with Greg Clark (Minister for Cities) and Lord Shipley, in mid May.

3.8 After revisions have been made, the document will then be submitted to an Adhoc Ministerial Group (comprising relevant Secretaries of State and chaired by the Deputy Prime Minister) in late June/early July for Cabinet Office to then negotiate with Government departments on the City Region's behalf.

3.9 Once agreed, the document will then be approved by a formal Cabinet Committee, it is hoped that this will be done before the Summer recess.

4.0 POLICY IMPLICATIONS

4.1 The City Deal is at the heart of the Government's localism agenda, passing power to local communities and devolving budgets from central to local government.

5.0 OTHER IMPLICATIONS

5.1 The City Deal will help the LCR and Halton to deliver a number of strategic priorities, at Daresbury, 3MG and the Mersey Gateway Bridge. However, there is an expectation on the part of Government that if Government invest the LCR and Halton will deliver.

6. IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children and Young People in Halton

No specific implications are identified

6.2 Employment, Learning and Skills in Halton

The City Region Deal will support new skills opportunities and bring new employment opportunities in Halton and the LCR.

6.3 A Healthy Halton

Increased employment and skills training will help support a Healthier Halton

6.4 A Safer Halton

Increased employment and skills training will help support a Safer Halton

6.5 Halton's Urban Renewal

The development of Daresbury, 3MG and the Mersey Gateway Bridge will support the urban renewal of Halton

7. RISK ANALYSIS

7.1 There is an expectation on the part of Government that if Government invest the LCR and Halton will deliver. Government have made it clear they will seek to recover their investment if the LCR do not deliver on their promises.

8. EQUALITY AND DIVERSITY ISSUES

8.1 There are no specific equality and diversity issues identified in this report.

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

None under the meaning of the Act.

APPENDIX 1 – LIVERPOOL CITY REGION DEAL