

LIVERPOOL CITY REGION COMBINED AUTHORITY

PUBLICATION: 11 JANUARY 2019

DEADLINE FOR CALL-IN: 18 JANUARY 2019

FOLLOWING THE CALL-IN PERIOD, DECISIONS INCLUDED IN THESE MINUTES MAY THEN BE IMPLEMENTED WHERE THEY HAVE NOT BEEN SUBJECT TO A CALL-IN.

*** DENOTES KEY DECISION**

At a meeting of the Liverpool City Region Combined Authority held in the Authority Chamber - No.1 Mann Island, Liverpool, L3 1BP on Friday, 11th January, 2019 the following Members were

P r e s e n t:

Metro Mayor S Rotheram
Chairperson of the Combined Authority
(in the Chair)

Mr A Hamid MBE, Councillor D Long, Councillor P Davies, Councillor I Maher, Councillor G Morgan, Councillor M Wharton (Substitute Member for Councillor R Polhill), Councillor W Simon (Substitute Member for Mayor J Anderson OBE) and Councillor L Robinson.

Deputy Portfolio Holders in attendance

Councillor N Nicholas: Transport and Air Quality
Councillor S Powell: Culture, Tourism and Visitor Economy
Councillor L Robertson-Collins: Education, Employment, Apprenticeships and Skills
Councillor G Wood: Energy and Renewables
Councillor C Thomas: Policy Resources Strategy & Delivery

Mayoral Advisors in attendance

Professor Dame Janet Beer: Further Education
Reverend Canon Dr. Ellen Loudon: Community and Voluntary Sector
Gideon Ben-Tovim OBE: Natural Environment
Barbara Spicer: Social Housing Growth
Lynn Collins: Chair of Fairness and Social Justice Advisory Board

121. APOLOGIES FOR ABSENCE

Apologies for absence were received on behalf of Mayor J Anderson OBE, Councillor R Polhill, Rt Hon J Kennedy (Portfolio Holder: Criminal Justice), Councillor I Moran (Associate Member, West Lancashire Borough Council), Councillor T O'Neill (Associate Member, Warrington Borough Council), Councillor T Hardy (Deputy Portfolio Holder: Housing and Spatial Planning), Councillor P Sinnott (Deputy Portfolio Holder: Public Service Reform & Further Devolution), Councillor E Spurrell (Deputy Portfolio Holder: Criminal Justice), Luciana Berger MP (Mayoral Advisor: Mental Health), Kate Farrell (Mayoral Advisor: Homelessness) and Sara Wilde-McKeown (Mayoral Advisor: Visitor Economy).

122. DECLARATIONS OF INTEREST

It was reported that no declarations of interest had been received.

123. MINUTES OF THE MEETING OF THE LCR COMBINED AUTHORITY HELD ON 14 DECEMBER 2018

RESOLVED – That the minutes of the meeting held on 14 December 2018 be approved as a correct record.

124. LIVERPOOL CITY REGION METRO MAYOR ANNOUNCEMENTS AND UPDATES

Metro Mayor S Rotheram provided the LCR Combined Authority with a summary of some of the key activities he had undertaken in recent weeks.

The Metro Mayor expressed his concern following the recent announcement from Jaguar Land Rover regarding further job losses. He reported that Jaguar Land Rover were one of the biggest employers in the City Region and a vital source of high-quality, high-skilled employment. He advised that along with Councillor G Morgan, Leader of Knowsley MBC, they had met with both management and workers at the Halewood plant to discuss the current situation.

The Metro Mayor explained that the Halewood plant had a number of fundamental strengths, however, there were a number of strategic economic reasons for the company's current challenges, which ranged from a slump in diesel sales, to the US-China trade war and the ongoing uncertainty surrounding Brexit. He went on to explain that the Combined Authority's role in addressing these issues was limited, however, he had offered the full assistance and support of the Combined Authority and Knowsley MBC to support the company and its workers during this difficult time. The Metro Mayor went on to highlight how the latest news from Jaguar Land Rover underlined the importance of avoiding a no-deal Brexit.

The Metro Mayor reported that both Councillor Morgan and he had been asked by the Secretary of State for Business, Energy and Industrial Strategy, Gregg Clark MP, to represent the City Region on a national task force to consider the support the national government could provide to Jaguar Land Rover. The Metro Mayor also reported that Councillor P Davies and Mayor J Anderson OBE would be working with the key stakeholders to support Cammell Laird over the coming months.

The Metro Mayor reflected upon the continued chaos and misery which passengers on Northern Rail had experienced during 2018, which had been exacerbated by the recent fare increase of 3.2%. He reported that he had recently met with the Chief Executives of both Northern Rail and Network Rail along with a delegation of local MP's to express concerns regarding their promise of incremental change during 2019, which was unacceptable.

The Metro Mayor highlighted how the chaos on Northern trains had caused huge damage to the economy of the north and to people who rely on railway travel. He also explained how he had made it clear to the management of Northern trains that if they do not improve their performance then he would be putting pressure on the Government to remove the franchise and he had also reiterated this point to Transport for the North, as had Councillor L Robinson, Portfolio Holder for Transport and Air Quality.

In conclusion, the Metro Mayor referred to his recent visit to the new Royal Liverpool Hospital, where he was accompanied by Dame Louise Ellman MP. He paid tribute to the work of Mayor J Anderson OBE and other politician's from across the political spectrum who had persuaded central Government to identify an alternative funding stream, following the collapse of Carillon. He emphasised how the development of a new hospital could improve the health and wellbeing of residents across the City Region. He paid tribute to the staff working at the Royal Liverpool hospital, who were working in some terrible conditions.

125. PORTFOLIO HOLDER UPDATE FOR EDUCATION, EMPLOYMENT, APPRENTICESHIPS AND SKILLS

Councillor I Maher, Portfolio Holder: Education, Employment, Apprenticeships and Skills provided a presentation to members of the LCR Combined which set out the following:-

- Highlighted that the programme to improve skills and access to work for residents across the City Region was ambitious and would support the growth of the City Region's economy.
- Reported the Devolution Agreement had identified a number of key aspects, such as Devolution of the Adult Education Budget, joint work on Apprenticeships and Careers and the co-commissioning of Work and Health programmes. All of which were being progressed.
- Summarised the actions arising from the Corporate Plan and brought Members attention to the work of the Apprenticeship programme. In particular emphasising why a successful apprenticeship programme was important for the City Region, to ensure that there was sufficient learning and skills opportunities to support a modern workplace and access to employment.
- Explained that there were less apprenticeship commencing across all sectors in the City Region since the introduction of the funding reforms in April 2017. However, a number of actions were being implemented to improve the number of apprenticeship starts, which

included with the introduction of travel discount for 19-24 year olds and college and training providers developing new curricula.

- Highlighted how discussions continued with Central Government to introduce flexibilities on funding for the Apprenticeship Levy and advised that to support access to Apprenticeships in the City Region an Application Portal would be launched in March 2019 and a Graduation Ceremony would also be held in March to celebrate achievements as part of National Apprenticeships Week.
- Provided an update on the progress of the devolution of the Adult Education Budget which would be devolved to the City Region from 1 August 2019 and be approximately £52 million. The funding would support a more responsive and flexible skills system for adults and seek to meet the needs of local priorities as identified in the Skills Strategy.
- The Households into Work programme was supporting households, rather than individuals, into work and focused on those who had complex barriers preventing them from accessing employment opportunities.
- Skills for Growth Action Plans had been developed to communicate the future skills requirements across a number of sectors. The Plans had been developed with key stakeholders such as employers and the LEP Sector Boards and Panels. The Plans would be reviewed by the Employment and Skills Board to ensure the completion of the actions.
- Careers provision across the City Region was fragmented along with a high number of providers involved trying to provide advice and guidance. However, there was continued work to be undertaken with schools to address this fragmentation. Engagement with Central Government was ongoing to encourage the devolution of careers information.
- Emphasised the importance of providing informative careers information to young people which was reflective of the current and future job opportunities. However, for careers information to be meaningful, consistent and to avoid the duplication of provision, lobbying of the National Schools Commissioner would be undertaken to ensure that guidance and advice was being delivered in schools.
- Reflected upon the overall unemployment figures across the City Region which highlighted that in activity levels are significantly higher than the national average, the in activity gap was not closing and it wasn't a generational issue and mental health issues were increasingly prevalent.

- Summarised the next steps which included hosting the discussions in the City Region with Government in relation to the impact of apprenticeships locally and continuing to discuss with Government the issues relating to the Apprenticeship levy and sharing the evidence gained from employers.

Councillor L Robertson-Collins, Deputy Portfolio Holder: Education, Employment, Apprenticeships and Skills welcomed the positive presentation. She expressed her concern regarding the reduction in the number of Apprenticeship starts in the City Region and attributed this in part to a reduction in investment across local government. She also sought clarity on how the Combined Authority could influence careers provision.

Councillor I Maher, reported that the development of school curriculum was beyond the influence of the Combined Authority and remained within the purview of Central Government. However, until the Combined Authority was able to influence the school curriculum there would continue to be an emphasis on the academic route which was not suited to all students. He expressed the importance of a fundamental change in the operation of workplace experience to one which was on an equal footing to that of the academic option.

Councillor P Davies, reflected upon the ineffective operation of the Apprenticeship Levy. He highlighted that the Levy should be creating a parity of esteem between the vocational and academic route, however, in reality this was not being achieved due to the complexity surrounding the operation of the Levy and it was not being used to its full potential by employers. He further highlighted that Government continued to refuse to listen to the experiences of employers, who were trying to utilise the Apprenticeship Levy, and as such was impinging upon the ability to deliver the skills agenda across the City Region. He requested that Government continue to be lobbied to review the operation of the Levy otherwise the Levy would remain unspent and not support the skills of the residents of the City Region.

Mr A Hamid MBE, reported that lobbying of central government on the matter of the Apprenticeship levy continued and further devolution surrounding its operation would be welcomed. He highlighted that there was currently a significant underspend of the levy across the City Region and the North West and a collective approach with neighbouring areas should be considered to look to address the matter. He set out the importance of ensuring that the Skills Strategy was appropriate to create an economic improvement for the City Region.

Metro Mayor S Rotheram acknowledged that Central Government's operation of the Apprenticeship Levy was not having the desired impact across the City Region. Therefore, evidence was being gathered to demonstrate the skills shortage in the City Region and that if the Levy remained unallocated the skills shortage would increase.

RESOLVED – That Councillor I Maher be thanked for his informative presentation and the content be noted.

126. STRATEGIC INVESTMENT FUND ASSURANCE FRAMEWORK

The LCR Combined Authority considered a report of the Director of Commercial Development and Investment and the Portfolio Holder for Inclusive Growth, Economic Development, Digital and Innovation which sought approval of an updated Strategic Investment Fund Assurance Framework.

Councillor P Davies, Portfolio Holder: Inclusive Growth, Economic Development, Digital and Innovation presented the updated Strategic Investment Fund Assurance Framework for approval. He highlighted that the original Framework had been approved in 2016 and that the updated version reflected how the Combined Authority was now operating and discharging its responsibilities; secondly it updated the Combined Authorities assurance practices so they were consistent with the SIF Investment Strategy and finally it incorporated the appraisal methodologies from Central Government. In conclusion, Councillor P Davies, informed the Combined Authority that the updated Assurance Framework provided a robust document in which to assess SIF funding applications.

RESOLVED – That the Liverpool City Region Combined Authority approve the updated Assurance Framework.

127. LIVERPOOL CITY REGION SINGLE INVESTMENT FUND - GROWING BUSINESS VISITS AND EVENTS (KEY DECISION)

The LCR Combined Authority considered a report of the Director of Commercial Development and Investment and the Portfolio Holder: Inclusive Growth, Economic Development, Digital and Innovation which sought approval of a Full Business Case in relation to the Growing Business Visits and Events.

Councillor P Davies, Portfolio Holder: Inclusive Growth, Economic Development, Digital and Innovation reported that the Growing Business Visits and Events Full Business Case sought to provide capacity and funding to the City Region's business tourism sector. He informed Members that the Full Business Case sought to support staffing costs for the next three years at both the Liverpool and Sefton convention bureaus and to also provide funds for the subvention of new conferences in their convention centres.

Councillor P Davies highlighted that the programme was capable of generating a value of almost £11 million to the City Region. In conclusion, he paid tribute to the work of the LCR Local Enterprise Partnership and highlighted that the significant challenge in relation to this project was ensuring it was self-sufficient at the conclusion of the three year transitional fund.

Mr A Hamid MBE, welcomed the report and stressed the importance of commercial models such as this which sought to reduce reliance on public services and which sought to attract major events to the City Region.

RESOLVED – That:-

- (i) the Full Business Case in relation to the Growing Business Visits and Events proposals be approved;
- (ii) the development by the Local Enterprise Partnership of a strategy and commercial model to sustain conference subvention in the Liverpool City Region be supported;
- (iii) a three year transitional fund to ensure subvention funds are available to attract international and national conferences in the Liverpool City Region until the strategy and commercial model is fully developed be supported; and
- (iv) the enhancement of resources of the Liverpool and Sefton Convention Bureau's by adding two full time employees on a 3 year fixed term contracts (one FTE for each bureau), to support and deliver on the above proposals be supported;
- (v) the Single Investment Fund in the sum of a maximum revenue grant of £572,833 be awarded; and
- (vi) authority be granted to the Head of Paid Service and the Director of Commercial Development and Investment to negotiate detailed terms and conditions of the indicative heads of terms ("the Heads") at Appendix 2 and the ensuing definitive grant funding agreements in consultation with the Combined Authority Monitoring Officer and Combined Authority Treasurer. Any material variations to the project as detailed in this report are to be referred back to the Combined Authority for consideration.

128. SINGLE INVESTMENT FUND - ACCESS TO HALSNEAD GARDEN VILLAGE (KEY DECISION)

The LCR Combined Authority considered the report of the Director of Commercial Development and Investment and the Portfolio Holder: Inclusive Growth, Economic Development, Digital and Innovation which sought approval of a Full Business Case in relation to the access to Halsnead Garden Village project and to award Single Investment Fund up to a maximum capital grant of £12,142,325, subject to the conditions contained in Appendix One.

Councillor P Davies, Portfolio Holder: Inclusive Growth, Economic Development, Digital and Innovation reported that Halsnead was one of the national sites to be awarded garden village status. He reported that in the

management of Knowsley Council's major projects team, the project had potential to be transformational.

Councillor G Morgan, Leader: Knowsley MBC, informed the Combined Authority that the funding was vital to kick-starting the exciting Halsnead Garden development in Knowsley. The ambition was to create a unique Garden Village which provided high quality housing and employment alongside a new country park. Halsnead would bring 1,600 high quality and distinctive new homes to the City Region Furthermore, the ambitious scheme aimed to deliver over 22 hectares of employment land for investment and create new jobs in the growth sectors such as Maritime and Logistics.

Councillor D Long, Leader: St Helens MBC, welcomed the report and reflected upon the importance of securing infrastructure to support developments such as this. He highlighted that due to the proximity of the site to St Helens he welcomed the continuing engagement between Knowsley MBC and St Helens MBC to discuss highways matters.

RESOLVED – That:-

- (i) the Full Business Case in relation to the Access to Halsnead Garden Village project and award Single Investment Fund support in the sum of a maximum capital grant of £12,142,325 subject to the conditions contained in Appendix 1 to the report be approved; and
- (ii) authority be delegated to the Head of Paid Service and the Director of Commercial Development and Investment to negotiate detailed terms of the ensuing grant funding agreement in consultation with the Combined Authority Monitoring Officer and Combined Authority Treasurer.

129. ACCEPTANCE OF EU GRANT AND EXTENSIONS TO EXISTING PROGRAMMES (KEY DECISION)

The LCR Combined Authority considered the report of the Treasurer which sought approval for the LCR Combined Authority to act as the Accountable Body for the European Regional Development Fund (ERDF) North West Local Energy Technical assistance project and also sought extensions to EU programmes as detailed in Table 3 of the report now submitted.

Councillor P Davies, Portfolio Holder: Inclusive Growth, Economic Development, Digital and Innovation informed Members that subject to approval, the LCR Local Enterprise Partnership would house the ERDF Local Energy Technical Assistance project. He also reported that the City Region was one of only five regional hubs in England who would be delivering this project which provided a great opportunity to be innovative with local energy schemes and build upon the low carbon objectives for the City Region.

Mr A Hamid MBE, Chair of the LCR Local Enterprise Partnership reported that this report was a strong example of the benefits which could be achieved through joint working between the LCR Local Enterprise Partnership and the Combined Authority.

RESOLVED – That:-

- (i) the EU grant for ERDF Local Energy Technical Assistance project outlined in Table 1 be formally accepted and the Combined Authority act as the Accountable Body for the project;
- (ii) the onward grant award of this money to the partner agency the LCR Local Enterprise Partnership as detailed in Table 2 of the report now submitted be agreed;
- (iii) the end dates of the existing EU programmes listed in Table 3 be extended due to the receipt of additional grant funding available until the end of March 2022;
- (iv) the additional EU grant outlined in Table 4 for which the Combined authority will act as the Accountable Body be formally accepted;
- (v) the onward grant awards of the additional money to relevant partner agencies listed in Table 5 be agreed; and
- (vi) authority be delegated to the Combined Authority Treasurer to sign relevant grant funding agreement letters and agree any necessary amendments to these schemes during the period of their delivery.

130. TRANSFORMING CITIES FUND: UPDATE AND PROPOSED NEXT STEPS

The LCR Combined Authority considered the report of the Director of Policy and Strategic Commissioning and the Portfolio Holder: Transport and Air Quality which provided an update on the progress of the Transforming Cities Fund programme.

Councillor L Robinson, Portfolio Holder: Transport and Air Quality, informed Members that the Liverpool City Region Combined Authority had been allocated £170million for the Transforming Cities Fund. The purpose of the Fund was to deliver investment in public and sustainable transport and to be delivered by 2023. Councillor Robinson reminded Members of the three Strategic Outline Cases which had been previously been agreed by the LCR Combined Authority and which had included:-

- Funding for the launch of a smart ticketing portal;
- New ticketing media as a successor to 'Walrus';
- Support for a new, low carbon and low emission vessel(s) to replace the ageing Mersey Ferries;

- Match funding in respect of the priority European Regional Development Fund Sustainable Urban Development (SUD) programme of green travel routes for cyclists.

Councillor Robinson further explained that four bids had been received which sought a share of the £500,000 development fund and they would be presented to a future meeting of the LCR Combined Authority for consideration. The projects were:-

- Transforming Commuter Bus Corridors;
- a Liverpool City Region Cycle and Walking Network;
- Liverpool City Region Mass Transit Options; and
- Hydrogen fuelling options study.

In conclusion, Councillor Robinson highlighted that in addition to the above projects, consideration was being given to exploring the feasibility of developing a transport link between Liverpool South Parkway train station and John Lennon Airport, introducing digital railway technology and Urban Traffic Control technology across the City Region.

Metro Mayor S Rotheram emphasised the importance that the Fund delivered innovative transport changes to the City Region.

RESOLVED – That:-

- (i) the progress to date with the development of the first tranche of Transforming Cities Fund be noted;
- (ii) commissioned ‘calls’ for the Transforming Cities Funding be delegated to the Director of Policy and Strategic Commissioning in conjunction with the Lead Portfolio Member for Transport and Air Quality in the interests of effectiveness and efficiency; and
- (iii) further updates on future commissioning rounds and on emerging schemes and priorities be provided at regular intervals.

131. LOOKING FORWARD TO YEAR OF ENVIRONMENT 2019

The LCR Combined Authority considered the report of the Director of Policy and Strategic Commissioning and the Portfolio Holder: Energy and Renewables which provided an update on the key themes and activities which were being co-ordinated across the Liverpool City Region, in support of the Year of Environment 2019.

Kirsty Pearce, Director of Policy and Strategic Commissioning, reported that Nature Connected was championing and steering the campaign at a City Region level and aligned with the clean inclusive approach of the Combined Authority.

Gideon Ben-Tovim OBE, Mayoral Advisor: Natural Environment placed on record his thanks to the Metro Mayor for supporting Year of Environment 2019. He reported that the programme involved a range of partners, including all six constituent Local Authorities, Merseytravel, Merseyside Waste Authority, LCR Local Enterprise Partnership and a host of environment and private sector bodies along with the University of Liverpool, the NHS and a wide range of community and voluntary sector organisations. Furthermore, he advised Members that a range of activities would take place during the year with the first being held in January 2019 which included a Forest School Award and referred members to www.yoe2019lcr.org.uk for further information. In conclusion, he welcomed the enthusiasm and commitment from across the City Region in support the Year of Environment 2019, which would be positive for the Combined Authority and its citizens.

RESOLVED – That:-

- (i) the Combined Authority reiterates its support for and active participation in the Liverpool City Region's Year of Environment 2019; and
- (ii) updates be received during and at the conclusion of the Year of the Environment, on the achievements, lessons and legacies arising from the Year.

132. PUBLIC QUESTION TIME

Members of the public were given the opportunity to submit questions which had been submitted in accordance with Meetings Standing Order No. 11.

Metro Mayor S Rotheram reported that one question had been received from Mr T Grant. Unfortunately Mr Grant could not be in attendance and the Metro Mayor invited the Monitoring Officer to read the following question on behalf of Mr Grant.

'Will the Liverpool City Region Metro Mayor follow the example of Greater Manchester and commit to banning fracking in the region in order to tackle the threat of climate change?'

The Metro Mayor thanked Mr Grant for his question and reported that this was a very important issue for the future of the City Region and the whole of the UK.

He reported that the city region was blessed with some unique natural assets, including the river and coastline, which give the potential to be the cleanest and greenest city region in the country.

He highlighted that the UK government had agreed a national target to reduce carbon levels by 80% by 2050 compared to 1990 levels as part of its

commitment to tackle emissions from greenhouse gases. However, the Liverpool City Region's ambition is to be zero carbon by 2040.

The Metro Mayor advised that many current work programmes by the Combined Authority would make a positive contribution to carbon reductions and in tackling climate change. These included the Mersey Tidal Power commission, supporting wind and solar power, exploiting the potential of hydrogen engines and reducing emissions from buses and ferries. Which he believed would provide the City Region with clean green energy, both electricity and gas, meaning that the City Region would not need fracking as an energy source.

However, he advised that fracking was a largely national planning matter, with the final decisions relating to applications being taken out of the hands of local communities and local elected representatives and being decided by Government appointed Inspectors.

The Metro Mayor referred to the Greater Manchester Spatial Framework which stated that fracking was unnecessary to achieve a carbon neutral city region. He advised that the Combined Authority's position will be further developed as work continued on the Spatial Development Strategy and is associated evidence based.

In conclusion, the Metro Mayor reported that he had made clear his personal opposition to fracking and that in his opinion it would not form part of any plans for the City Region.

Metro Mayor S Rotherham advised that a written response would be sent to Mr Grant within 10 working days.

133. PETITIONS AND STATEMENTS

The Metro Mayor reported that no petitions or statements had been received.

134. MINUTES OF THE TRANSPORT COMMITTEE HELD ON 13 DECEMBER 2018

RESOLVED – That the minutes of the Transport Committee held on 13 December 2018 were received and confirmed by the Liverpool City Region Combined Authority.

Minutes 121 to 134 be received as a correct record on the 1st day of February 2019.

Chairperson of the Combined Authority

(The meeting closed at 2.12 pm)