

LIVERPOOL CITY REGION COMBINED AUTHORITY

PUBLICATION: 8 MARCH 2019

DEADLINE FOR CALL-IN: 15 MARCH 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, 8th March, 2019 the following Members were

P r e s e n t:

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

Mayor J Anderson OBE, Mr A Hamid MBE, Councillor D Long, Councillor P Davies, Councillor I Maher, Councillor G Morgan, Councillor R Polhill, Rt Hon J Kennedy and Councillor L Robinson.

Deputy Portfolio Holders in attendance:

Councillor T Hardy: Housing and Spatial Planning
Councillor C Thomas: Policy, Resources, Strategy and Delivery
Councillor P Sinnott: Public Service Reform and Further Devolution
Councillor S Powell: Culture, Tourism and Visitor Economy

Mayoral Advisors in attendance:

Gideon Ben-Tovim OBE: Natural Environment
Barbara Spicer: Social Housing Growth
Kate Farell: Homelessness

146. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor T O'Neill (Associate Member), Councillor I Moran (Associate Member), Councillor N Nicholas (Deputy Portfolio Holder: Transport and Air Quality), Councillor K Groucutt (Deputy Portfolio Holder: Inclusive Growth, Economic Development, Digital and Innovation), Councillor L Robertson-Collins (Deputy Portfolio Holder: Education, Employment, Apprenticeships and Skills), Councillor E Spurrell (Deputy Portfolio Holder: Criminal Justice), Councillor G Wood (Deputy Portfolio Holder: Energy and Renewables), Professor Dame J Beer (Mayoral Advisor: Further Education), L Berger MP (Mayoral Advisor: Mental Health), Reverend Canon Dr E Loudon (Mayoral Advisor: Community and Voluntary Sector), S Wilde-McKeown (Mayoral Advisor: Visitor Economy) and L Collins (Chair of FASJAB).

147. DECLARATIONS OF INTEREST

The following Declaration of Interest was reported:-

Personal Interest

Member	Agenda Item	Nature of Interest
Councillor P Davies	7 – Liverpool City Region Strategic Investment Fund – Merseyreach	Director of Chrysalis Fund
	Item 9 – Establishment of a new Liverpool City Region Urban Development Fund	Director of Chrysalis Fund

148. MINUTES OF THE MEETING OF THE LCR COMBINED AUTHORITY HELD ON 1 FEBRUARY 2019

RESOLVED – That the minutes of the meeting held on 1 February 2019 be approved as a correct record.

149. LIVERPOOL CITY REGION METRO MAYOR ANNOUNCEMENTS AND UPDATES

Metro Mayor S Rotheram informed the LCR Combined Authority that today was International Woman's Day which provided an opportunity to celebrate the contribution women make to our society, reflecting upon the progress that that has made in the battle for equality and pledging to bring about meaningful change.

Metro Mayor S Rotheram reported on a number of actions which the Combined Authority was undertaking to improve gender equality, which included:-

- Appointing Deputy Portfolio Holders to ensure that women's voices have a say in the decision-making process of the Combined Authority;
- Funded school programmes to help get young girls into tech and supported digital training for women;
- Through the Fair Employment Charter are fighting in work poverty and insecure working conditions, which disproportionately affects women.

The Metro Mayor explained that the first Liverpool City Region Women in Politics stakeholder group had been held the previous night and had been led by Councillor Carla Thomas, his Deputy Portfolio Holder. The meeting had brought together women Councillors and leading activists from all the main political parties. The stakeholder group would work together to promote female political leadership and inspire the next generation of female leaders.

The Metro Mayor thanked Edge Hill University, the Institute of Public Policy Research, Blackburne House and the Trade Union Congress, for their support to help identify the barriers women face in progressing to positions of leadership and for developing a range of actions to address them. He also reported that the Combined Authority had formed a new partnership with the LEP to improve women's

representation across the city region's businesses. This scheme would provide young women with mentors and role models from the world of business, with the ultimate aim of increasing women's presence in the boardroom.

The Metro Mayor reported that the local UNISON branch had organised a range of activities celebrating International Women's Day, which were being held outside the Authority Chamber and encouraged those present to drop by.

The Metro Mayor informed Members that this week was National Apprenticeships Week. To mark the week, the Combined Authority had launched its apprenticeship portal called "Be More". The aim of the portal was to make finding and taking up apprenticeships much easier for those living in the City Region.

Metro Mayor S Rotheram referenced how improving the quality and scope of apprenticeship provision was a cause close to his heart and was delighted that the Combined Authority was taking yet another step to achieving parity of esteem between the academic and technical routes to employment.

The Metro Mayor explained that the apprenticeship portal was the first of its kind in the country, which was a fulfilment of a key manifesto pledge of his and a further example of how the Liverpool City Region was leading the way to improving the apprenticeship offer.

Metro Mayor S Rotheram informed Members that he was delighted to welcome the co-location of Homes England staff to the Combined Authority, which was the first arrangement of its kind in the country. He went on to explain how Homes England had recently announced nearly £10million investment for Festival Gardens in Liverpool and how by being physically based together this would facilitate even closer joint working and present opportunities for further projects across the whole City Region.

The Metro Mayor reported that earlier this month that both he and Mayor J Anderson OBE had attended a summit of local Leaders who held talks with government ministers to discuss plans to tackle the national air pollution crisis and called for the introduction of vehicle upgrade or scrappage scheme.

Metro Mayor S Rotheram reflected on what was a huge issue the City Region and the country with nationally, toxic air leading to around 40,000 premature deaths every year and increases the risk of asthma, cancer and dementia, with more deprived areas suffering disproportionately.

The Metro Mayor reported that Councillor L Robinson was chairing a City Region taskforce on air quality which drew together and co-ordinated activity across the City Region and acknowledged how all political Leaders would need to take greater action on this in the months ahead.

Metro Mayor S Rotheram reported that he had attended the opening of the impressive St Winefride's health, social care and nursing campus at Hugh Baird College following £4million investment from the Combined Authority.

The Metro Mayor reported that on 22 February 2019 he was delighted, along with Councillor D Long to formally open the fantastic new and improved facilities at Newton-le-Williows station interchange, following a £19 million investment from the Combined Authority.

He highlighted how both of these projects provided an example of devolution at its very best, by responding to local needs investing in our communities and giving greater opportunities to local people.

In conclusion, the Metro Mayor invited Mr A Hamid MBE, Chair of the LEP Board to say a few words regarding the work of the LEP in supporting women in business.

Mr A Hamid MBE, Chair of the LEP Board, informed the Combined Authority that the LEP Board took gender equality seriously and celebrated the success of women across the City Region. In recognition of this a mentoring programme was to be developed to support women in the business community and to address the gender gap. Furthermore, an Equality and Diversity champion would be appointed at the next LEP Board meeting along with a recruitment campaign for three LEP Board Members.

150. EXTERNAL AUDIT PLAN 2018/19

The LCR Combined Authority considered the report of the External Auditors, Mazars, which set out the external audit plan of work for 2018/19. Gareth Hitchmough, Mazars, informed Members that this was the first year Mazars had been appointed as the External Auditors for the Combined Authority. He provided Members with an overview of the key responsibilities of the work of the external Auditors and highlighted four key areas of risk which included:-

- Management override of control;
- Revenue recognition;
- Property, plant and equipment valuation;
- Defined benefit liability valuation.

Two of the risk areas identified, Management override of control and Revenue recognition were identified as a risk for all public bodies. The remaining two risks, Property, plant and equipment valuation and defined benefit liability valuation were specific to the Combined Authority. In relation to the Value for Money risks, the Combined Authority was reminded that the previous external auditors, KPMG, had qualified this as a 4 due to the quoracy issues associated with the Audit and Governance Committee and the Overview and Scrutiny Committee.

In conclusion, Members attention was drawn to sections 7 and 8 of the external audit, which confirmed the Auditors independence and concept of materiality.

Councillor D Long, referred to the quoracy issues faced by the Audit and Governance Committee and the Overview and Scrutiny Committee and highlighted how, by Government setting a two-thirds quorum for both Committee's this had presented a challenge for all Combined Authorities to regularly secure quorate meetings and stressed that this was a matter for the Government to address.

RESOLVED – That:-

- (i) the External Audit Plan of work for 2018/19 proposed by the appointed External Auditors be approved; and
- (ii) further updates be provided as appropriate.

151. COMBINED AUTHORITY APPOINTMENTS

The LCR Combined Authority considered a report, which sought approval of the appointment of Councillor K Groucutt as St Helens MBC nominated substitute to the Liverpool City Region Combined Authority.

RESOLVED – That Councillor K Groucutt be appointed as St Helens MBC nominated substitute to the Liverpool City Region Combined Authority.

152. LIVERPOOL CITY REGION STRATEGIC INVESTMENT FUND - MERSEY REACH (KEY DECISION)

The LCR Combined Authority considered a report from the Director of Commercial Development and Investment and the Portfolio Holder: Inclusive Growth, Economic Development, Digital and Innovation which sought approval to amend the terms and amount of finance provided by the Strategic Investment Fund to support the Mersey Reach project.

Mark Bousfield, Director of Commercial Development and Investment informed Members that the Mersey Reach site was located by Dunningsbridge Road and the area was to be converted into a light industrial unit with space for a petrol station and coffee shop. The project sponsor was requesting a change in the way the funding was to be provided to support the project, from a grant arrangement, as previously agreed at a meeting of the LCR Combined Authority on 4 July 2017, to a loan agreement. This change in the funding mechanism would enable the Combined Authority to recoup its investment in the project with interest.

RESOLVED – That:-

- (i) the decision made by the Combined Authority at its meeting on 4 July 2017 be rescinded in relation to the Mersey Reach SIF application (Minute 40, resolution iii) which was as follows:

“RESOLVED – That the Full Business Case in relation to the Mersey Reach project and the award of Single Investment Fund grant support in the maximum sum of £1,144,662 be approved.”

- (ii) the replacement of the previously approved grant with a repayable, commercial loan to the maximum value of £4,512,500 be approved. This loan will be made to Chancerygate (Aintree) Ltd (“the Borrower”) and will be a 50% share of a £9,025,000 loan to be made jointly with the Chrysalis Fund; and
- (iii) authority be granted to the Head of Paid Service and the Director of Commercial Development and Investment to finalise negotiations of detailed terms of the loan funding and associated agreements in consultation with the Combined Authority Monitoring Officer and the Combined Authority Treasurer.

153. LIVERPOOL CITY REGION SINGLE INVESTMENT FUND SKILLS CAPITAL - EVERTON LEARNING AND SKILLS CENTRE

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 to a change request for the Skills Capital Everton Learning and Skills Centre.

Mark Bousfield, Director of Commercial Development and Investment, reported that at the meeting of the LCR Combined Authority held on 18 August 2017 approval was granted for the Everton Learning and Skills Centre. However, the project could no longer proceed at this site due to the withdrawal of Everton Children's Centre from the project proposals. Therefore, the applicant had requested that the grant allocation be used to support a similar project proposal at a new site, the Granby Adult Learning Centre and Granby Children's Centre. He concluded that the learner outputs would remain unchanged.

RESOLVED – That the allocation of the full grant for use at an alternative site in Granby Children's Centre be approved, subject to confirmation by independent appraiser that the project's performance and value for money are equivalent to those generated by the original site.

154. ESTABLISHMENT OF A NEW LIVERPOOL CITY REGION URBAN DEVELOPMENT FUND

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 provided an update on the establishment of a new Urban Development Fund (UDF), which had been approved by the Combined Authority in March 2018.

Mark Bousfield, Director of Commercial Development and Investment, informed Members that the report sought approval to accept an award of funding of £25,000,000 from the Ministry for Housing, Communities and Local Government. The fund would be primarily used to support small to medium business, research and development and low carbon investments.

Councillor P Davies, Portfolio Holder: Inclusive Growth, Economic Development, Digital and Innovation, welcomed the funding application noted how it would be valuable funding stream for small to medium businesses, research and development and low carbon investments. However, he emphasised the importance of ensuring the funding was publicised widely to invite good quality submissions to maximise the use of the funds.

RESOLVED – That:

- (i) the application to MHCLG for ESIF funding of £25 million, including the provision of £1.4m match funding from the Combined Authority, was submitted on 1 February 2019;
- (ii) subject to approval of the application, the award of funding of £25,000,000 of European Regional Development Fund (ERDF) monies from MHCLG for the establishment of the proposed UDF be accepted;

- (iii) delegated authority be granted to the Head of Paid Service to negotiate the terms and enter into the ensuing Grant Funding Agreement in consultation with the Combined Authority Monitoring Officer and Combined Authority Treasurer;
- (iv) delegated authority be granted to the Head of Paid Service to consult the necessary procurement for the services of a Fund Advisor, as per the requirements of Article 16 Commission Regulation (EU) 651/2014; and
- (v) the proposed use of £1.4m in match funding to be deployed be noted.

155. ADULT EDUCATION BUDGET ASSURANCE FRAMEWORK

The LCR Combined Authority considered a report of the Director of Policy and Strategic Commissioning and the Portfolio Holder for Education, Employment, Apprenticeships and Skills which sought approval for an assurance framework for the Adult Education Budget, which was based on the recently updated Strategic Investment Fund (SIF) assurance framework.

Councillor I Maher, Portfolio Holder: Education, Employment, Apprenticeships and Skills, reported that the Assurance Framework would set out how the Adult Education Budget would be governed, work commissioned and evaluated to support the devolution of the Adult Education Budget to the Liverpool City Region from 1 August 2019. In conclusion, Councillor Maher confirmed that a report would be presented to the next meeting of the LCR Combined Authority detailing the outcome of the commissioning process.

RESOLVED – That the Adult Education Budget assurance framework as detailed in Appendix One to the report now submitted be approved.

156. ALLOCATING FUNDS TO SUPPORT THE MAINTENANCE OF THE KEY ROUTE NETWORK IN 2019/20

The LCR Combined Authority considered a report of the Director of Policy and Strategic Commissioning and the Portfolio Holder: Transport and Air Quality which sought approval on the allocation of funds to support the maintenance of the Key Route Network in 2019/20.

Councillor L Robinson, Portfolio Holder: Transport and Air Quality drew Members attention to Appendix 5, column 2a, which proposed that the Key Route Network funding be allocated based on 25% of fund by need and 75% by Key Route Network length.

RESOLVED – That:-

- (i) the disbursement of the pre-agreed £3million allocation to support structural maintenance on the Key Route Network in 2019/20 to the Combined Authority's Treasurer, as per Option 2a in the table in Appendix Five to this report be agreed;
- (ii) the key findings issues arising from the Highways Infrastructure Asset Management Plan (HIAMP) the Key Route Network, in particular the very significant maintenance backlog, affecting Liverpool most acutely,

and the importance of preventative maintenance life cycle planning regime in providing best value-for-money be acknowledged; and

- (iii) a report setting out the wider policy and funding implications arising from the evidence base that has been developed in respect of the Key Route Network be presented to a future meeting.

157. PUBLIC QUESTION TIME

Metro Mayor S Rotheram, reported that no public questions had been received.

158. PETITIONS AND STATEMENTS

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

159. MINUTES OF THE TRANSPORT COMMITTEE HELD ON 31 JANUARY 2019

RESOLVED – That the minutes of the Transport Committee held on 31 January 2019 were received and confirmed by the Liverpool City Region Combined Authority.

Minutes 146 to 159 be received as a correct record on the 12th day of April 2019.

Chairperson of the Combined Authority

(The meeting closed at 1.26 pm)