



**LIVERPOOL
CITY REGION**
COMBINED AUTHORITY

MEETING OF THE LIVERPOOL CITY REGION COMBINED AUTHORITY

To: The Members of the Liverpool City Region
Combined Authority

Dear Member,

You are requested to attend a meeting of the Liverpool City Region Combined Authority to be held on **Friday, 15th December, 2023** at **1.00 pm** at the Authority Chamber, No. 1 Mann Island, Liverpool.

Members of the public are encouraged to view the meeting via the webcast but for anyone who would like to attend in person, please contact Democratic Services on 07803 630124 or email democratic.services@liverpoolcityregion-ca.gov.uk, in advance of the meeting. Please note that there is limited capacity in the Chamber and seating will be allocated on a first come, first served basis.

If you have any queries regarding this meeting, please contact Jonathan Vali on telephone number 07741 599203.

Yours faithfully

Chief Executive

WEBCASTING NOTICE

This meeting will be filmed by the Combined Authority for live and/or subsequent broadcast on the Combined Authority's website. The whole of the meeting will be filmed, except where there are confidential or exempt items.

If you do not wish to have your image captured or if you have any queries regarding the webcasting of the meeting please contact the Democratic Services Officer on the above number or email democratic.services@liverpoolcityregion-ca.gov.uk.

A Fair Processing Notice is available on the Combined Authority's website at <https://www.liverpoolcityregion-ca.gov.uk/wp-content/uploads/Fair-Processing-Notice-CA-Meeting-Video-Recording.pdf>.

LIVERPOOL CITY REGION COMBINED AUTHORITY

AGENDA

1 APOLOGIES FOR ABSENCE

2 DECLARATIONS OF INTEREST

**3 MINUTES OF THE MEETING OF THE LCR COMBINED AUTHORITY
HELD ON 3 NOVEMBER 2023**

(Pages 1 - 6)

**4 LIVERPOOL CITY REGION MAYOR ANNOUNCEMENTS AND
UPDATES**

To receive updates from the Liverpool City Region Mayor.

PUBLIC ENGAGEMENT

5 PUBLIC QUESTION TIME

Members of the public will be given the opportunity to ask questions which have been submitted in accordance with Meetings Standing Orders No. 11. A period of 30 minutes will be allocated for this item. Copies of valid questions will be circulated at the meeting.

Members of the public who wish to submit questions are asked to contact Democratic Services either by:

Email: democratic.services@liverpoolcityregion-ca.gov.uk

Telephone: 0151 330 1330

In writing: Democratic Services, LCR Combined Authority, PO Box 1976, No. 1 Mann Island, Liverpool, L3 1BP.

A proforma will be supplied for the submission of public questions which for this meeting must be returned by 5.00pm on Monday, 11 December 2023.

6 PETITIONS AND STATEMENTS

Members of the public who wish to submit a single position or statement in accordance with Meetings Standing Orders No. 11 are asked to contact Democratic Services either by:

Email: democratic.services@liverpoolcityregion-ca.gov.uk

Telephone: 0151 330 1330

In writing: Democratic Services, LCR Combined Authority, PO Box 1976,
No. 1 Mann Island, Liverpool, L3 1BP.

The single petition or statement for this meeting must be returned by
5.00pm on Monday, 11 December 2023.

DECISIONS

7 ZERO EMISSION BUS REGIONAL AREA BID

To consider a report of the Executive Director for Place and the Portfolio Holder for Transport

(Pages 7 - 38)

8 FINANCIAL PERFORMANCE REPORT

To consider a report of the Executive Director for Corporate Services and the Portfolio Holder for Policy, Reform & Resources

(Pages 39 - 76)

9 ECONOMIC OPPORTUNITIES FRAMEWORK

To consider a report of the Executive Director for Investment & Delivery and the Portfolio Holder for Economic Development & Business

(Pages 77 - 146)

10 CITY REGION SUSTAINABLE TRANSPORT SETTLEMENT UPDATE

To consider a report of the Executive Director for Place and the Portfolio Holder for Transport

(Pages 147 - 176)

11 STRATEGIC INVESTMENT FUND - YOUNG PERSONS GUARANTEE

To consider a report of the Executive Director for Investment & Delivery and the Portfolio Holder for Employment, Education and Skills.

(Pages 177 - 208)

12 TRANSPORT FEES AND CHARGES 2024/25

To consider a report of the Executive Director for Place and the Portfolio Holder for Transport

(Pages 209 - 224)

13 LCR LIFE SCIENCE INVESTMENT ZONE

To consider a report of the Executive Director for Investment & Delivery and the Portfolio Holders for Digital & Innovation

(Pages 225 - 236)

14 LIVERPOOL CITY REGION ROAD SAFETY STRATEGY ANNUAL REPORT 2023

To consider a report of the Executive Director for Place and the Portfolio Holder for Transport

(Pages 237 - 262)

15 CHANGES TO THE CONSTITUTION

To consider a report of the Monitoring Officer and the Portfolio Holder for Policy, Reform & Resources.

(Pages 263 - 342)

MINUTES

16 MINUTES OF THE OVERVIEW AND SCRUTINY COMMITTEE HELD ON 25 OCTOBER 2023

(Pages 343 - 346)

17 MINUTES OF THE TRANSPORT COMMITTEE HELD ON 23 NOVEMBER 2023

(Pages 347 - 360)

Agenda Item 3

LIVERPOOL CITY REGION COMBINED AUTHORITY

At a meeting of the Liverpool City Region Combined Authority held in the Authority Chamber - No.1 Mann Island, Liverpool, L3 1BP on Friday, 3rd November, 2023 the following Members were

P r e s e n t:

Mayor Steve Rotheram
Chairperson of the Combined Authority
(in the Chair)

Councillor Ian Maher, Sefton Council
Councillor Graham Morgan, Knowsley Council
Councillor Liam Robinson, Liverpool City Council
Councillor Paul Stuart, Wirral Council
Councillor Mike Wharton, Halton Council
Councillor Seve Gomez-Aspron MBE, St Helens Metropolitan Borough Council (In place of Councillor David Baines)

Emily Spurrell, Merseyside Police and Crime Commissioner and Portfolio Holder:
Criminal Justice (Non-Voting Member)
David Meyerowitz, Business & Enterprise Board (Non-Voting)
David Meyerowitz, Business & Enterprise Board (Non-Voting Member)

Councillor Angela Ball, Deputy Portfolio Holder: Digital and Innovation
Councillor Carla Thomas, Deputy Portfolio Holder: Policy, Reform and Resources

Councillor Yvonne Gagen, West Lancashire Borough Council

ACT OF REMEMBRANCE

The Mayor invited all those who could to stand for a minute's silence in remembrance of all those who had fallen in conflict, as this would be the last meeting before the 11th November.

200 APOLOGIES FOR ABSENCE

Apologies for absence were received on behalf of:

Combined Authority Member
Councillor David Baines

Associate Member
Councillor Russ Bowden

Deputy Portfolio Holder
Councillor Helen Avis
Councillor Kate Groucutt
Councillor Trish Hardy
Councillor Shelly Long
Councillor Gill Wood

201 DECLARATIONS OF INTEREST

No declarations of interest were made.

202 MINUTES OF THE MEETING OF THE COMBINED AUTHORITY HELD ON 6 OCTOBER 2023

RESOLVED – That the Minutes of the meeting of the Combined Authority held on 6 October 2023 were agreed as a correct record.

203 LIVERPOOL CITY REGION METRO MAYOR ANNOUNCEMENTS AND UPDATES

Mayor Steve Rotheram provided Members with an update on his recent activities and key developments since the last meeting of the Combined Authority.

The Mayor began by paying tribute to the late Bill Kenwright, long-time Chairman of Everton Football Club, who had sadly passed away the previous week. The Mayor referred to having met Bill many times and him being a kind, funny, welcoming and warm-hearted. He also highlighted Bill's love for theatre but also his passion for Everton.

The Mayor reported that he had recently attended, along with Cllr Robinson, the Eurovision evaluation conference at which it was revealed that the event had provided a £54.8m boost to the City Region economy with local restaurants, bars, accommodation, shops and transportation all benefitting from the 473,000 visitor to the events, with 175,000 hotel rooms sold in the City Centre in May 2023. The Mayor paid tribute to the Leaders for supporting the bid to host the event and the funding provided by the Combined Authority that made the event such a success.

The Mayor highlighted a recent visit to Washington DC for the Bloomberg CityLab 2023 event at which city and regional mayors from across the world gather to share best practice, paid for by the former Mayor of New York, Mike Bloomberg. The theme of event this year was Artificial Intelligence (AI), that present both a danger if left unfettered but that could also provide opportunities to better humanity. There was potential for the City Region to take advantage of these opportunities with the local focus on health and life sciences and the LCR Connect and Innovation/ Investment Zones and the Mayor would be discussing this with stakeholders.

The Mayor highlighted the success for the campaign by Metro Mayors, Leader, Trade Unions and sections of the press to stop the proposed closure of rail ticket offices, of which 20 were in the City Region. He nevertheless cautioned that the proposals may return under a different guise.

The Mayor provided an update on a number of significant local initiatives and reported on visits he had undertaken within the City Region, including:-

- a visit to Welsh Street with Cllr Robinson to see 300 new homes delivered in public-private partnership;

Liverpool City Region Combined Authority - Friday, 3 November 2023

- a planned visit with Cllr Baines to a Brownfield Land Fund development on Rutland Street, St Helens being led by social landlord, Torus;
- visits to Southport to speak at a Mental Health Matters conference and to 'Adaptive Comms' who were a company involved in the LCR Connects scheme;
- a visit to Seqirus in Halewood, Knowsley to hear about their work in dangerous illness protection;
- a visit to Wirral Dean Mosque to meet with community leaders to talk about the humanitarian situation in Gaza, following a recent visit to King David High School where he had held a roundtable discussion with members of the Jewish community following the horrendous terrorist attacks in Israel. The Mayor expressed his sympathy to all those suffering in these terrible events;
- a visit to Runcorn's Energy Recovery Facility to learn about proposals to capture up to 900,000 tonnes of CO2 each year and help develop a world leading industry in the UK.

The Mayor also referred to the absence of Cllr Gill Wood, Deputy Portfolio Holder for Net Zero and Air Quality due to ill health. On behalf of the Combined Authority he wished her a speedy recovery.

204 PUBLIC QUESTION TIME

There were no public questions submitted.

205 PETITIONS AND STATEMENTS

There were no petitions or statements submitted.

206 THE LIVERPOOL CITY REGION SPATIAL DEVELOPMENT STRATEGY ENGAGEMENT PROPOSALS

The Combined Authority considered a report of the Executive Director - Policy, Strategy and Government Relations and the Portfolio Holder for Housing and Spatial Framework that summarised progress with the development of the Liverpool City Region Spatial Development Strategy and detailed proposals for the next phase of public engagement.

The Portfolio Holder, Cllr Morgan, stressed the importance of the Strategy for the City Region as it would help shape the LCR for the next 15 years by linking together each Local Plan and was central to the devolution deal. The Strategy would embed local ambitions around net zero and active travel as well as protections for the natural and build heritage. The development of the Strategy demonstrated the maturity of the relationships of partners locally and would help build the case for more devolution to the City Region. The Portfolio Holder encouraged engagement with the consultation process that would start later in the month before the Combined Authority would, late next year, be invited to consider any changes proposed as part of that exercise.

RESOLVED – That, in relation to the Liverpool City Region Spatial Development Strategy:

- (a) a 12-week engagement process to be held between November 2023 and February 2024 be approved; and
- (b) authority be delegated to the Executive Director for Policy, Strategy and Government Relations in consultation with the Portfolio Holder for Housing and Spatial Planning, to sign off the 'engagement draft' proposed for the engagement (including, the Spatial Strategy for the City Region; the Spatial Strategy Policy; the Strategic Priority Policies; and the Development Principles; along with the associated questions and background draft).

207 STRATEGIC INVESTMENT FUND (SIF) QUARTERLY UPDATE

The Combined Authority considered a report of the Executive Director for Investment and Delivery and the Portfolio Holder for Economic Development and Business Support that provided a quarterly update on the Strategic Investment Fund (SIF) and sought the approval of the Combined Authority to process material changes to previously agreed SIF Projects.

The Portfolio Holder, Cllr Wharton, gave an overview of the key activity and progress in the last quarter as delivery accelerated as well as highlighting proposed changes to previously agreed projects.

RESOLVED – That, in relation to the Liverpool City Region Strategic Investment Fund (SIF) Quarterly Update:

- (a) the update on the performance of the SIF and its funding sources be noted; and
- (b) an extension of time to achieve the Project Targets Completion Date and the Financial Completion Date and a reprofile of the funding for the Liverpool City Region Production Fund be approved; and
- (c) the use of up to £150,000 of SIF Gainshare Capital be approved on a repayable basis to enable pre-development activities to be carried out at Port Weston, Runcorn as part of the Liverpool City Region Freeport programme.

208 SUBMISSION OF LEVI BID FOR ELECTRIC VEHICLE CHARGING INFRASTRUCTURE

The Combined Authority considered a report of the Executive Director for Place and the Portfolio Holder for Transport that summarised progress on securing an indicative award of £9,647,000 of LEVI capital funding to the Combined Authority to support the delivery of electric vehicle charging infrastructure across the City Region.

The Portfolio Holder, Cllr Robinson, highlighted that while the Combined Authority was taking action to reduce fossil fuel reliance in the public transport network, addressing the issue with private vehicles was also needed and that this included infrastructure to allow people to opt for electric alternatives. Given that 40% of housing across the City Region was traditional terraced housing, the LEVI bid would help ensure the funding allocated would provide innovative solutions for home charging or access to alternatives, like car clubs.

RESOLVED – That, in relation to the Local Electric Vehicle Infrastructure (LEVI) Fund:

- (a) the indicative award of £9,647,000 of LEVI funding to the Combined Authority to support the delivery of electric vehicle charging infrastructure across the City Region be welcomed;
- (b) the need to submit a detailed application to draw down the majority of the capital funding to the Office for Zero Emissions Vehicles (OZEV) by the deadline of 30th November 2023 be noted;
- (c) authority be delegated to the Executive Director for Place to submit the finalised Stage 2 application to OZEV ahead of the above deadline; and
- (d) authority be delegated to the Executive Director for Corporate Services in consultation with the Chief Legal Officer and Executive Director for Place to accept the capital funding once awarded.

209 MINUTES OF THE LCR OVERVIEW AND SCRUTINY COMMITTEE HELD ON 6 SEPTEMBER 2023

RESOLVED – That the draft Minutes of the LCR Overview and Scrutiny Committee meeting held on 6 September 2023 be noted.

210 MINUTES OF THE LCR TRANSPORT COMMITTEE HELD ON 21 SEPTEMBER 2023

RESOLVED – That the draft Minutes of the LCR Transport Committee meeting held on 21 September 2023 be noted.

The meeting closed at 1.25 pm

Minutes 200 to 210 received as a correct record on the 15th day of December 2023.

Chairperson of the Combined Authority

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Report Title	Zero Emission Bus Regional Area Bid
Portfolio Holder	Portfolio Holder for Transport
Summary of report	This report informs the Combined Authority of the launch of phase two of the Zero Emission Bus Regional Areas (ZEBRA 2) scheme by the Department of Transport (DfT) and seeks approval for the submission of a bid and for a funding contribution in the event that the bid is successful.
Is this report exempt?	No
Is this a Key Decision	Yes, financial impact
Is the report urgent	No
Is this decision to be exempt from call in	Yes see paragraphs 3.1.6 and 4.8.4
Local Authorities affected	All Local Authorities
Impact and implications of this report	
Financial impact	Yes see paragraph 4.1
Delegation (s) sought	Yes, see recommendation 2.1 (c) & (d)
Supporting the Corporate Plan	A Fairer City Region ✓ A Stronger City Region ✓ A Cleaner City Region ✓ A Connected City Region ✓ A Vibrant City Region ✓
Climate Change Implications	Yes, see paragraph 4.3
Equality and Diversity implications	Yes, see paragraph 4.4
Social Value implications	Yes, see paragraph 4.5
Human Resources implications	Yes, see paragraph 4.6
Physical Assets implications	Yes, see paragraph 4.7
Information Technology implications	No
Legal implications	Yes, see paragraph 4.8
Risk and Mitigation	Yes, see paragraph 4.9

Privacy implications	No
Communication and consultation implications	Yes, see paragraph 4.10
Contact Officer(s)	Matt Goggins, Assistant Director: Bus, Patrick Warner, Lead Officer - Bus Decarbonisation
Appendices	Yes 1 Equality Impact Assessment (EqIA)
Background Documents	No
Related Documents	1. Taking Forward Bus Reform in the Liverpool City Region, Report of the Executive Director - Place and the Portfolio Holder for Transport and the Portfolio Holder for Policy, Reform and Resources, 6 October 2023 2. Liverpool City Region Bus Service Improvement Plan 3. Liverpool City Region Climate Action Plan. 4. Liverpool City Region Plan for Prosperity

Liverpool City Region Combined Authority

Friday, 15 December 2023

Report of the Executive Director - Place and the Portfolio Holder for Transport

Zero Emission Bus Regional Area Bid

1. PURPOSE OF REPORT

- 1.1. This report informs the Combined Authority of the launch of phase two of the Zero Emission Bus Regional Areas (ZEBRA 2) scheme by the Department of Transport (DfT) and seeks approval for the submission of a bid and for a funding contribution in the event that the bid is successful.

2. RECOMMENDATIONS

- 2.1. It is recommended that the Liverpool City Region Combined Authority:
 - (a) approves the submission of the Combined Authority's application to the ZEBRA 2 funding scheme for an estimated sum of £31 million to enable the funding of up to 58 electric buses and related infrastructure;
 - (b) in the event of the application being successful, agrees to match fund the ZEBRA 2 contribution for fleet and infrastructure to a maximum value of £20.8 million; and
 - (c) in the event of the application being successful, delegates authority to the Executive Director- Place to commence a competitive tendering process for the purchase of increased grid connection, depot charging infrastructure buses and any associated requirements to support the delivery of ZEBRA 2.

3. BACKGROUND

3.1. THE ZEBRA 2 SCHEME

- 3.1.1 The scheme is set up to support Local Transport Authorities (LTAs) and bus operators to decarbonise their fleet.
- 3.1.2 £129m of capital funding is available nationally through the scheme, split across two years. £25m of this funding is ringfenced for rural LTAs and after that, priority is given to LTAs that have not received ZEBRA funding previously. To be eligible to apply, LTAs must have an Enhanced Partnership in place or be actively pursuing franchising. Both battery electric and hydrogen proposals will be accepted but must demonstrate value for money.
- 3.1.3 The fund will pay up to 75 per cent of the cost difference between a Zero Emission Bus (ZEB) and a standard conventional diesel bus equivalent of the same total passenger capacity and up to 75 per cent of the capital expenditure incurred for infrastructure such as grid connections and charging units.

- 1.1.4 As required by DfT, the Combined Authority has already registered its intention to submit a bid. The deadline for the submission of applications is 4pm on Friday 15 December 2023. The assessment of bids is expected to be completed by the end of March 2024 and successful applicants will have until 31 January 2025 to place orders for ZEBs. 58 areas have submitted expressions of interest in relation to ZEBRA 2 so it is highly likely that the value of bids will significantly exceed the funding that is available. The Combined Authority has therefore proposed a realistic and scalable bid based on the level of available funding and competition from other authorities.
- 1.1.5 The DfT requirements are for a commitment that, if the bid is successful, that the ZEBs are operated within the Liverpool City Region for a minimum period of 5 years. Letters of support have been obtained from Stagecoach to complement the bid, however due to the timescales associated with the future implementation of bus franchising, Stagecoach are unable to provide assurances for that period. As the preferred option is that the ZEBs will be owned by the Combined Authority and leased to the operator, this report provides the assurance to operate the ZEBs in the City Region for a minimum of 5 years.
- 1.1.6 As the deadline for submission of the bid is 15 December 2023, which falls on the same day as the Combined Authority decision, exemption from call-in has been agreed with the Chair of the Overview and Scrutiny Committee.

3.2 THE CASE FOR DECARBONISATION

- 3.2.1 An overwhelming 67 per cent of the carbon emissions from transport in the Liverpool City Region are from cars. Transport is also the main source of poor air quality across the city region, through emissions of nitrous oxides from petrol and diesel engines. The whole of the Liverpool City Council area has been declared as an Air Quality Management Area whilst Halton, Sefton and St Helens contain localised hotspots. To reduce the environmental impact, LTA's need to encourage people out of cars and to walk, wheel and use public transport. Integral to this is creating a London-style public transport system that is quicker, cheaper and more reliable.
- 3.2.2 As part of reaching net zero in the transport sector by 2040, the average person needs to reduce the number of car trips they make per year by 48 to 72. Investment in public transport, including public bus systems and active travel will be at the heart of achieving this change. The Combined Authority is already working to deliver a London-style system that is affordable, frequent and safe for everyone. Evidence that is supporting the new Local Transport Plan for the city region is highlighting the scale of modal shift that is needed to decarbonise the city region by 2040:

Estimates for achieving net zero by 2040 from transport

Current projections indicate that only 63%-75% of the car fleet will be Zero Emission Vehicles and that decarbonisation requires increased uptake and/or modal shift:-

- a) Levels of car trips reduced by between 7% and 19% relative to pre-COVID levels of demand.*
- b) Bus trips will likely need to increase by 60%-85%*
- c) Rail trips will likely need to increase by between 71%-74%*
- d) Cycling and walking trips will need to increase by between 8%-36%*

3.2.3 All six of the local authorities in the Liverpool City Region have declared a climate emergency and are all taking targeted local action to reduce their impact on the climate and adapt to the challenges faced because of climate change.

3.2.4 Decarbonising bus fleets brings improvements to local air quality through removing diesel emissions and particulates from communities, longer term savings over the life of the bus and improved passenger experience. Members are reminded that the creation of high quality bus lanes and bus priorities through the reallocation of road space is vital to support this aim. The benefit of zero emission buses will clearly be negated if these are delayed or obstructed by general traffic and fail to offer a competitive advantage. To achieve the vision for bus, buses must not only be zero emission but bus services must be more punctual, convenient and attractive than using a private vehicle or taking a taxi.

3.3 BUS REFORM IN THE LIVERPOOL CITY REGION

3.3.1 On 6 October 2023 the Combined Authority recommended that the Mayor make a Franchising Scheme under the Bus Services Act 2017. This decision confirmed the intention for the City Region's bus network to be brought back under public control and become responsible for specifying what bus services are provided and determining the routes, timetables and fares.

3.3.2 Measures to implement the proposed Franchising Scheme include considerable investment in fleet and depots and securing government funding to support this is a key priority. Should the ZEBRA 2 bid be successful then Government funding received would help to deliver ZEBs into the franchising scheme. 58 buses would make up around 7% of the total fleet requirement for franchising.

3.4 PROPOSED PROJECT AND COMBINED AUTHORITY MATCH FUNDING REQUIREMENT

3.4.1 The Combined Authority intends to apply for funding to procure a fleet of electric buses. The model developed would see assets owned by the Combined Authority and leased to Stagecoach at a diesel-equivalent market rate to operate until a franchise contract is in place for the routes identified to take the ZEBs.

- 3.4.2 The bid proposes that the Combined Authority will provide any shortfall between any grant funding received from DfT and the cost of fleet, connections and infrastructure. Stagecoach will fund their own project management costs and will be responsible for lease payments on fleet and ongoing electricity usage until such time as services are franchised.
- 3.4.3 A scalable bid has been drafted for the procurement of up to 58 zero emission electric double deck buses. It is proposed that these will operate along service 17 and 19 Liverpool-Kirkby which requires a peak vehicle requirement (PVR) of 21 vehicles plus three spares and in the case of a scaled-up bid – also along service 14 Liverpool-Kirkby and service 20/21 Liverpool-Tower Hill/Northwood which requires a PVR of 31 vehicles plus three spares. These routes are important as they both serve the city centre and also major trip generators, including the football stadia, major hospitals and employment sites where they have the potential to improve the quality of the public transport offer and support the modal shift needed. The routes also operate along important parts of the Green Bus Route in development on the 10 bus route from Liverpool-St Helens. The infrastructure being provided on the most congested approaches to/from the 10 route also directly benefit the 17 and 19 bus services. Wasteful idling and stop-start conditions from fossil fuelled vehicles will be obviated, especially in the city centre and main approaches. All buses will be based out of Gilmoor Bus Depot, located on East Lancashire Road in Liverpool, which would need an improved grid connection and depot charging infrastructure installed.
- 3.4.4 Total vehicle costs based on indicative quotes received from manufacturers would be £11.1 million for 24 double deck buses or £26.9 million for 58 vehicles. Grid connection charges based on indicative quotes would be £2.5 million, with a further £1.8 million required for charging infrastructure at the depot. Based on the funding assumptions set out in 3.1.3 – a 24 bus project would require a £9.04 million contribution from the Combined Authority and a 58 bus project would need £20.8 million. This funding would be funded from the Bus Franchising Transition budget as match funding for the scheme. Any lease payments received from Stagecoach would subsequently return to that budget. The funding requirements of ZEBRA 2 dictates that other Government grant cannot be used towards the local contribution required.
- 3.4.5 Stagecoach's involvement in the project was secured following a call for expressions of interest sent out to all bus operators in the City Region and a Memorandum of Understanding (MoU) has been drawn up between Stagecoach and the Combined Authority which sets out the terms of engagement with the project, including a mechanism for the transfer of assets as part of bus franchising transition.
- 3.4.6 An alternative approach which would involve Stagecoach procuring the buses and making the capital investment has been discussed with the operator but is not the preferred way forward for this bid. This is due to the fact that the approach to franchising would require the Combined Authority to still purchase the buses from Stagecoach in the future as part of the fleet strategy. In this case, the Combined Authority would not have control of the specification of the vehicles such as the passenger information systems, branding, safety features and accessibility features.

3.4.7 The Combined Authority does not qualify to bid to the ringfenced rural funding provided under ZEBRA 2 as to do so at least one of the local authority districts or combined authority members must be classified as ‘Mainly Rural’, ‘Largely Rural’ or ‘Urban with Significant Rural’ under the Rural Urban Classification and Rural Urban Classifications (2011). All areas within the City Region are classed as ‘Predominantly Urban’.

4. IMPACT AND IMPLICATIONS

4.1 Financial

4.1.1 Under the ZEBRA 2 scheme DfT will fund up to 75 per cent of the cost difference between a ZEB and a standard conventional diesel bus equivalent of the same total passenger capacity. They will also fund up to 75 per cent of the capital expenditure incurred for infrastructure and grid connections required to operate the ZEB fleet.

4.1.2 As set out in Table One below, should the Combined Authority’s bid be successful then the maximum amount of Combined Authority contribution that would be required is £20.8 million. This covers the purchase of 58 buses, charging infrastructure and a grid connection at the Gillmoss Depot. The ZEBRA 2 bid is scalable and can be reduced depending on the funding that is available. A reduced scale bid / award for 24 buses would require a Combined Authority contribution of £9.04 million, inclusive also of charging infrastructure and the grid connection at the Gillmoss Depot.

4.1.3 It is proposed that the Bus Franchising Transition budget is used to fund the Combined Authority contribution

Table One Breakdown of Funding Requirement (£’000)

	Core 58 bus bid	Scaled back 24 bus bid
Application total	£31,269	£14,676
DfT grant calculation	£9,039	£5,637
LCRCA funding requirement	£20,795	£9,039

4.2 Supporting the Corporate Plan

4.2.1 A Fairer City Region – 30% of households in the City Region do not have access to a car and so rely heavily on public transport services.

4.2.2 A Stronger City Region – the development of ZEB technology as set out in the Combined Authority’s vision for Bus will bring new skills and training opportunities.

4.2.3 A Cleaner City Region – around one third of the City Region’s carbon emissions come from transport and if the City Region is to reach net zero in the transport sector by 2040, the average person needs to reduce the number of car trips per year by 48 - 72.

4.2.4 A Connected City Region- the Corporate Plan commits to connecting City Region communities to opportunity both physically and digitally, which a modern, integrated public transport system helps to deliver.

4.2.5 A Vibrant City Region – the bus network enables people to access the regions cultural offer and nighttime economy.

4.3 Climate Change

4.3.1 Evidence shows that around a third of the City Region’s carbon emissions come from the transport sector, mainly through the use of cars. For the City Region to meet its objective of being net zero carbon by 2040 or sooner, emissions from the transport sector must be reduced.

4.3.2 The provision of an integrated public transport system that is efficient, reliable and affordable is critical to this as it provides a realistic choice for people to meet their transport needs. This is recognised in the Five-Year Climate Action Plan, approved by the Combined Authority in July 2023. Evidence underpinning the Climate Action Plan shows that modal shift away from the car to public transport and active travel has to be significant to meet net zero objectives.

4.3.3 Officers consider that bus decarbonisation and investment in publicly owned fleet and infrastructure as part of the wider delivery of an integrated public transport network, will be key to help meet net zero and climate change objectives by offering an attractive alternative to the car, as recognised in the *Five-Year Climate Action Plan*.

4.4 Equality and Diversity

4.4.1 An Equality Impact Assessment (EqIA) has been developed specifically to support the ZEBRA 2 application process and delivery of the project. The ZEBRA 2 funding would help the Combined Authority to deliver its ambitions for a Franchising Scheme, for which a separate EqIA was undertaken and which concluded that the proposed franchising scheme had a positive impact across all protected characteristics.

4.5 Social Value

4.5.1 Social Value captures the difference an organisation or project can make to the community or communities it operates in, it considers the impact of the ‘triple bottom line’ and supports organisations or projects to make decisions which consider this wider definition of value in order to increase equality, improve wellbeing and increase environmental sustainability.

4.5.2 As a strategic body for the Liverpool City Region, the Combined Authority has an opportunity and responsibility to tackle the challenges faced across the City Region and deliver real benefits for our people and places. To achieve this, officers are committed to maximising Social Value by putting it at the heart of everything they do.

4.5.3 Social value is already embedded into the purchasing decisions that are made make and any contract entered into to purchase fleet or infrastructure will have a considerable social value element to it.

4.6 Human Resources

4.6.1 Resources are already in place to manage bus decarbonisation fleet and depot projects and no further impact on human resources impact is identified at this point. Any required Project Management resources for the project would be drawn from the Mayoral Project Development team.

4.7 Physical Assets

4.7.1 The report to the Combined Authority of 6 October 2023, recognised that under a franchising scheme, there may be significant direct asset management implications for the Combined Authority, principally related to the ownership of bus fleets and bus depots and that in order to stimulate competition for franchised contracts, the Combined Authority may need to provide bus depots for use to any operators who secure a contract to run franchised services. The intention would be for the Combined Authority to work with incumbent operators to acquire existing depots. However, it may be advantageous to develop new build depots in some cases. It is expected that existing depots would require a level of refurbishment including the installation of new on-site fuelling / charging infrastructure to meet decarbonisation aspirations.

4.7.2 With the adoption of Franchising now approved, increasing public ownership of fleet and building asset ownership transfer mechanisms into funding agreements and partnership projects, is vital.

4.8 Legal

4.8.1 Legal officers at the Combined Authority have been a key part of developing the bid to date and ensuring its compliance with all subsidy control requirements.

4.8.2 Any future procurement will be led by the Combined Authority's procurement team and will be compliant with all necessary procurement regulations.

4.8.3 An MoU will be agreed by the Combined Authority and Stagecoach to cover collaboration on the bid, sharing of information, agreement around the ownership and transfer of assets, and drafting of a Grant Funding Agreement to be entered into if the ZEBRA 2 bid is successful.

4.8.4 This report has been approved as exempt from call in by the Chair of the Overview and Scrutiny Committee, as the submission date for the ZEBRA 2 application is the same date as this meeting, leaving no time for call-in.

4.9 Risks and Mitigation

4.9.1 With the lack of advice from DfT on the preferred size of applications a scalable bid has been developed which can be reduced from the core case.

4.9.2 It has been identified that there could be a three year wait on the required grid connection and although there is no date by which buses need to be on the road stipulated by DfT, alternative power supply options are being considered.

4.9.3 If the application is successful then a project team with responsibility to develop and maintain a risk and opportunities register, will be established.

4.10 Communication and Consultation

4.10.1 If the application is successful then a project team with responsibility to develop and deliver a Communication and Engagement Strategy, will be established.

5. CONCLUSION

5.1. Climate change is the greatest threat to the way of life that the communities in the City Region face and only through investment in public transport, including a decarbonised bus system will the Region achieve the net zero targets that are needed to deliver to help prevent climate catastrophe.

5.2. If successful, this bid would secure around 7% of the total fleet requirement for bus franchising, ensuring that they are zero emission.

RICHARD MCGUCKIN
Executive Director - Place

CLLR LIAM ROBINSON
Portfolio Holder for Transport

Appendices:

1 Equality Impact Assessment (EqIA)

Background Documents:

None

Related Documents

1. Taking Forward Bus Reform in the Liverpool City Region, Report of the Executive Director - Place and the Portfolio Holder for Transport and the Portfolio Holder for Policy, Reform and Resources, 6 October 2023
2. Liverpool City Region Bus Service Improvement Plan
3. Liverpool City Region Climate Action Plan.
4. Liverpool City Region Plan for Prosperity

Liverpool City Region Combined Authority Equality Impact Assessment – ZEBRA 2

Introduction

An Equality Impact Assessment (EIA) is an evidence-based tool that helps us to put Equality, Diversity and Inclusion at the heart of all of our projects, policies or services. As a public sector organisation we are required to comply with the Public Sector Equality Duty as set out in s149 of the Equality Act 2010. This means that we need to carry out equality analysis of new projects, policies or services and changes to existing projects, policies or services. The analysis should identify what positive or negative equality impacts the project, policy or service may have and if mitigating actions are needed, what these would be.

You should start the Equality Impact Assessment at the beginning of the process and continue to develop it throughout. Once an EIA has been drafted, it is recommended to engage with the Liverpool City Region Combined Authority Equality Panels for expert feedback and recommendations on equality impacts Equality Panel Engagement Document Template.docx (see the Equality Panels Guidance for more information Engaging with Equality Panels Guidance.docx)

There is detailed guidance available LCRCA EIA Guidance_final.docx (sharepoint.com) to support you to complete an EIA. We also have a Community of Practice, made up of Equality Champions who can provide advice and feedback throughout the process. You can contact them by emailing equality.champions@liverpoolcityregion-ca.gov.uk.

In order to be marked completed, Equality Impact Assessments must be signed off by a Head of Service or Assistant Director. Once completed, all EIAs are to be sent to the Equality Champions to be stored, equality.champions@liverpoolcityregion-ca.gov.uk.

Proposal Information

Title of project, policy or service: ZEBRA Bid December 2023	
The proposal is a: <input type="checkbox"/> Policy or strategy <input checked="" type="checkbox"/> Project <input type="checkbox"/> Programme <input type="checkbox"/> Funding decision <input type="checkbox"/> Commissioned Service <input type="checkbox"/> Internal service or change <input type="checkbox"/> Other [please state]	
The proposal is: <input checked="" type="checkbox"/> New <input type="checkbox"/> A review of an existing proposal <input type="checkbox"/> A change to an existing proposal	
Does this proposal require a Combined Authority or Committee decision? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Directorate: Place	Head of Service: Matt Goggins
Service Area: Bus	Lead Officer: Laura Needham
Date the EIA process started: 01/09/2023	

SECTION 1: What do we want to do?

What are the aims and objective of this proposal?

Use the box below to provide a short, clear summary of the proposal. Include the purpose and intended aims and outcomes. Remember to use plain English (<http://www.plainenglish.co.uk/>) and avoid any jargon and acronyms. Equality Impact Assessments are read by a wide range of people including decision-makers and the wider general public.

Liverpool City Region Combined Authority's ZEBRA bid is a proposal to fund the procurement of 58 zero emission buses and associated infrastructure, to be run on the following routes:

- 17 Liverpool-Kirkby and 19 Kirkby-Liverpool – 21 PVR buses plus 3 spares
- 14 Liverpool-Kirkby and 20/21 Liverpool-Tower Hill/Northwood – 31 PVR buses plus 3 spares

The total for LCRCA's submission is 58 PVR buses. This would allow for every single bus on these routes running to be a zero-emission vehicle, whereas at present, the fleets running on these routes are entirely diesel powered.

This submission will support the delivery of LCRCA's Vision for Bus. The objectives of the Vision for Bus that this bid will deliver on are:

- To introduce one brand for the LCR's bus network linked to a wider transport brand and identity.
- To phase in zero-emission electric and hydrogen powered buses and phase out diesel engines from the bus fleet.
- To introduce real-time on-board passenger information, added to phone charging and Wi-Fi as standard features of buses in the LCR.
- For bus interiors, layout and features to be decided in conjunction with bus users.
- High quality, digital, real-time passenger information.

Who will the proposal have the potential to affect?

- The LCRCA Workforce Businesses Partner Organisations
 Residents / Service Users / Beneficiaries / Customers

Additional Comments

N/A

Will the proposal have an equality impact?

Could the proposal have any impact, positive or negative, on people with protected characteristics? If you are unsure the EIA guidance sets out an overview of protected characteristics.

<input checked="" type="checkbox"/> Yes – Please complete the remaining sections	<input type="checkbox"/> No – If you are certain there will be no Equality impact, the remaining sections do not need to be completed. Please state why no EIA is required below, sign and send this form to equality.champions@liverpoolcityregion-ca.gov.uk
<p><i>State reasons no Equality Impact Assessment is required.</i></p>	
<p>Signed Officer responsible for Assessment: Signed Head of Service/Assistant Director: Date:</p>	

SECTION 2: Fact finding – What information do we have or need?

Use this section to set out the data, evidence and intelligence you will use to understand the Equality Impact of the proposal. The EIA guidance sets out how you can access evidence and complete engagement activity. The evidence and intelligence you will need should be proportionate to the impact of the proposal.

What data sources have you used and considered in developing the Equality Impact Assessment?

Use the table below to detail what data sources you have used (e.g. Census data). You don't need to say what the data has told you about any potential impacts, you will do this in the next section. There is a useful source of data and intelligence available here [Census 2021 results - Census 2021](#). Evidence relating to the City Region can also be found on the [LCRCA Evidence Hub](#).

Protected Characteristic	Data Sources Used
All protected characteristics	Office for National Statistics, Census 2021 Liverpool City Region Combined Authority, Big Bus Debate 2018 Liverpool City Region Combined Authority, Bus Services Improvement Plan 2022
Age (Young people)	Office for National Statistics, Census 2021 Liverpool City Region Combined Authority, Bus Services Improvement Plan 2022

	National Transport Survey 2021
Age (Older people)	Office for National Statistics, Census 2021 Department for Transport, Concessionary Travel 2022 (BUS08) Lloyds Bank Consumer Digital Index 2021
Disability	English Indices of Deprivation 2019 Office for National Statistics, Census 2021 Department for Transport, Bus Back Better LCRCA O&S Committee, Review into Air Quality across the Liverpool City Region LCRCA, Bus Reform Assessment Department for Transport, Concessionary Travel 2022 (BUS08)
Sex	Office for National Statistics, Census 2021 Public Health England – Physical activity profile, LA Health Profiles, 2017-20 National Transport Survey 2012 (Table BUS9901c) National Transport Survey 2021 (NTS0601a)
Sexual orientation	Office for National Statistics, Census 2021
Pregnancy / maternity	Office for National Statistics, Conceptions in England and Wales 2021 Live births in England and Wales: birth rates down to local authority areas 2021 Pregnancy and commuting on public transport, Journal of Transport & Health, Vol 24, March 2022
Gender reassignment	Office for National Statistics, Census 2021
Race	Office for National Statistics, Census 2021
Religion or Belief	Office for National Statistics, Census 2021
Marriage & Civil Partnership	Office for National Statistics, Census 2021
Socio-economic status	Office for National Statistics, Census 2021 Office for National Statistics, Small Area Income Estimates, 2019/20 MHCLG Index of Multiple Deprivation 2019 National Transport Survey 2021 (NTS0705) Ofcom Technology Tracker CATI Omnibus Survey, 2021

How have you involved communities and groups that could be affected?

Use the box below to set out how you have, or will, engage with people who could be affected by the proposal. This can include previous engagement exercises for example statutory consultation.

LCRCA's Vision for Bus has been presented to the Combined Authority's Equality Panels (Race, Gender, LGBTQIA+, and Disability) for feedback on making the proposals inclusive and advice on engaging local communities. We plan to continue this dialogue with the Equality Panels throughout the project.

LCRCA's latest specification for its bus fleet has been designed in collaboration with community organisations in order to ensure that is accessible.

Are there any gaps in the evidence base?

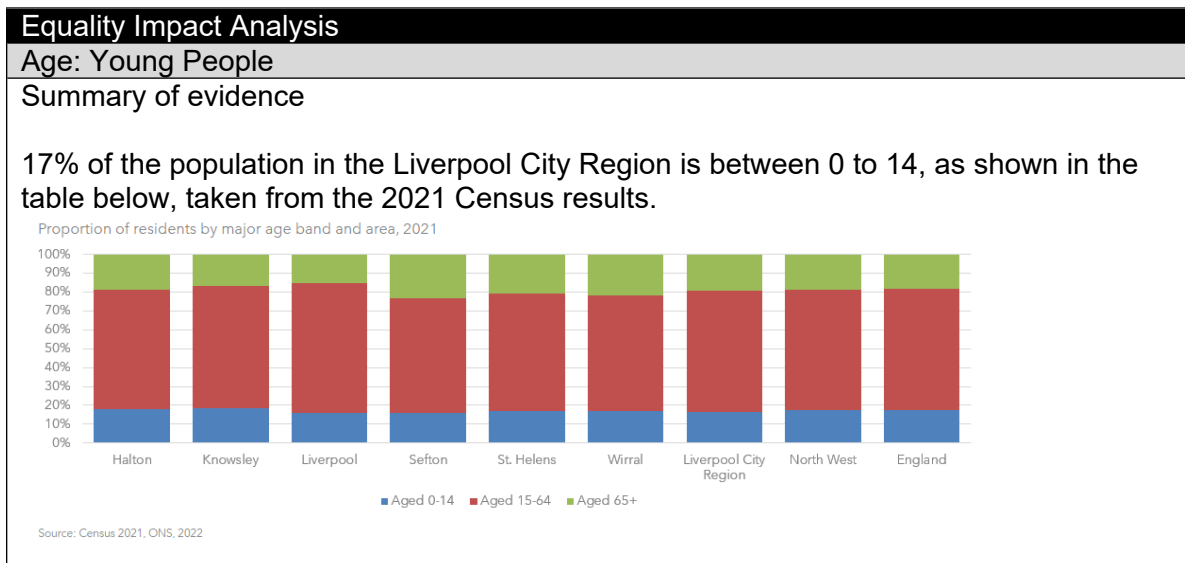
Based on the data you have and the engagement you have completed are there any gaps in the evidence base? Use the box below to set out any information you do not have. This doesn't mean that you can't complete the assessment without the information, but you should include how you will get this information as an action in Section 4.

There are gaps in data for marriage & civil partnership and pregnancy/maternity. There is lots of information and studies on bus use around age, disability and socio-economic status, however there are gaps in research around characteristics such as race, sexuality, religion, etc.

SECTION 3: What impact could the proposal have?

Does the proposal have any impacts on people based on their protected characteristics?

Use the table below to set out the potential impacts for each of the protected characteristics. There is a description of each protected characteristic in the Guidance. Where available include any charts, maps or data tables that help demonstrate the potential impacts. Where there is an adverse impact you should set out how this could be mitigated. Mitigations should have a follow-on action in Section 4. Consider how people who share a protected characteristic may experience a project or service in different ways, for example someone with a physical impairment will have a different experience to someone with a sensory impairment. You should also think about intersectionality; the way in which inequality can compound when people have multiple protected characteristics (e.g., a young woman, a black gay man). There is more information on intersectionality in the [LCRCA EIA Guidance final.docx \(sharepoint.com\)](#).

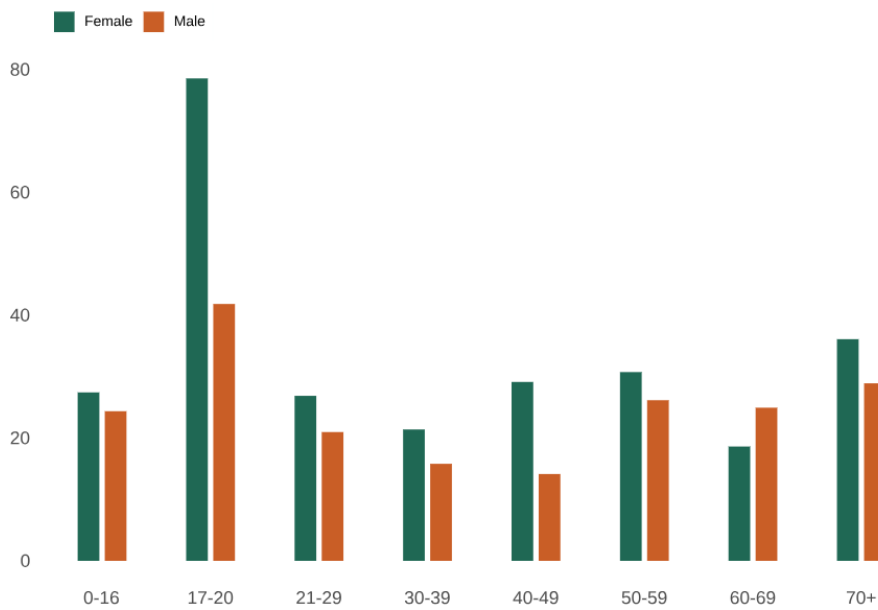


According to the Combined Authority’s Bus Services Improvement Plan, 2% of the LCR’s bus network are school services, which provide access to education for children and young people. Furthermore, 19% of the LCR’s population are school-children or in full-time education.

Nationally, those aged 17 to 20 make the most of their journeys by public transport modes (National Transport Survey, 2021). The most local bus trips per year were made by people within the 17 to 20 age group, especially by young women.

Chart 25: Local bus trips per person per year, by age and sex, England, 2021

[NTS0601](#)



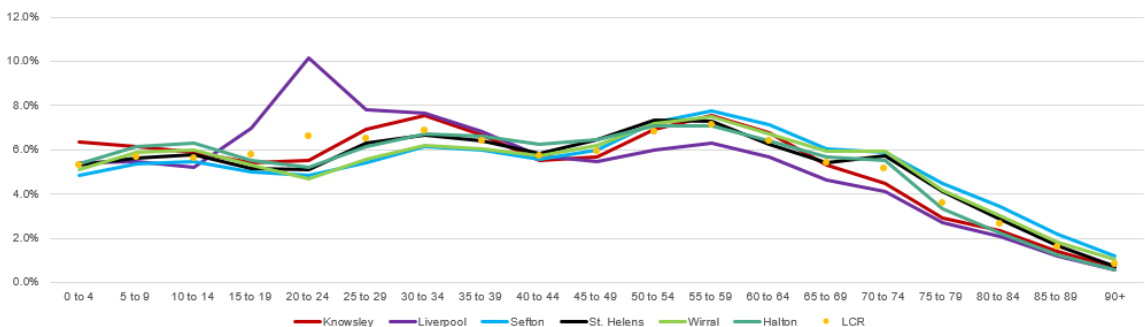
Does your analysis indicate a potential positive impact on this group by promoting equality of opportunity? If yes, please provide details:

As younger people are more likely to use public transport, it is expected they will benefit from a positive impact from this project. This project will deliver brand new zero emission buses on the LCR network. This will improve passenger experience and enhance journey quality, with features such as wireless and USB phone charging, internet access, audio and visual announcements for next stops and screens displaying information about onward connections at bus and rail stations.

The new zero emission buses will also deliver improved air quality through reduced carbon dioxide equivalent emissions, benefitting all people, but particularly those who may have respiratory issues.

Does your analysis indicate a potential positive impact on this group by fostering good relations? If yes, please provide details:

Initiatives such as TravelSafe and network safety aim to reduce instances of anti-social behaviour. This may improve public perception of young people as there is a perception of young people as ‘troublemakers’ on public transport. Young people make up a significant proportion of bus users and so by having a safe public transport system that is easier to access, more people will have positive interactions with young people.

Does your analysis indicate a potential adverse impact		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If yes, what is it and how could this be mitigated		
Age: Older people		
Summary of evidence		
<p>According to census data, 18% of the population in the Liverpool City Region is aged 65 and above, which has risen by 16% since the 2011 census. Additionally, there is a more noticeable split by gender in the above 65 category, with 55% female and 45% male. There is also a higher proportion of older people in Sefton and Wirral local authority areas.</p>		
<p>Age Profiles of Liverpool City Region and its Districts, 2021</p>  <p>Source: Census 2021, ONS, 2022</p>		
<p>Over 60s in Merseyside and over 65s in Halton are entitled to concessionary travel passes. According to Department for Transport data, there were 321,733 concessionary travel pass holders in the LCR in 2022. When looking at how this translates to bus journeys made using these passes, the DfT do not differentiate between concessionary passes allocated by age or disability, however there were 23,254,088 bus journeys made by people holding a concessionary travel pass in the LCR in 2022. (DfT, Concessionary travel BUS08)</p>		
Does your analysis indicate a potential positive impact on this group by promoting equality of opportunity? If yes, please provide details:		
<p>Considering a significant proportion of bus users are older people, especially those with mobility problems and disabilities, improvements to the bus network are expected to have a positive impact on this group. The new zero emission buses will deliver improved features for those with mobility issues, as they will be some of the most accessible in the country, with increased capacity for wheelchair users. Users will also benefit from audio and visual announcements, which will be a positive impact for those who are hearing or visually impaired. Other improvements for users include wireless and USB phone charging, internet access, and screens displaying information about onward connections at bus and rail stations.</p> <p>The new zero emission buses will also deliver improved air quality through reduced carbon dioxide equivalent emissions, benefitting all people, but particularly those who may have respiratory issues.</p>		
Does your analysis indicate a potential positive impact on this group by fostering good relations? If yes, please provide details:		

This could improve relations with older people by providing them more freedom of movement and access to work or educational opportunities they might have missed out on, as well as social events – providing the public with more interactions with this group.

Does your analysis indicate a potential adverse impact Yes No

If yes, what is it and how could this be mitigated?

Sex

Summary of evidence

The population split in the Liverpool City Region is 51.4% female (798,000) and 48.6% male (753,600) according to the 2021 Census. This split changes as the population gets older, with 55% of over 65s female and 45% male, with the male life expectancy being lower than the female life expectancy across the Liverpool City Region.

Table 2.13: Life expectancy in LCR¹⁶²

Metric	Halton	Knowsley	Liverpool	Sefton	St Helens	Wirral	North West Ave.	England Ave.
Physically inactive adults	33.2%	26.9%	26.8%	27.4%	23.9%	22.0%	25.2%	22.9%
Male life expectancy (years)	77.4	76.8	76.6	78.9	77.8	78.5	78.4	79.8

¹⁶² Public Health England - Physical activity profiles, LA Health profiles, 2017-20.

Metric	Halton	Knowsley	Liverpool	Sefton	St Helens	Wirral	North West Ave.	England Ave.
Female life expectancy (years)	81.7	80.5	80.4	82.9	81.2	82.3	82.1	83.4

According to DfT statistics from the National Transport Survey 2012, women tend to make more bus trips than men, across all age groups.

Department for Transport statistics

[National Travel Survey](#)

Table BUS9901c

Average number of local and non-local bus trips (trip rates) by age and gender; Great Britain, 2012

	Trips per person per year		
	All	Male	Female
All ages	61	53	69
0-16	60	57	63
17-20	111	89	133
21-29	74	69	80
30-39	49	46	51
40-49	40	32	48
50-59	43	36	51
60-69	70	55	84
70+	81	72	89

[Source: number of local and non-local bus trips extracted from table NTS0601.](#)

Last Updated: 24th September 2013

The figures in this table are National Statistics.

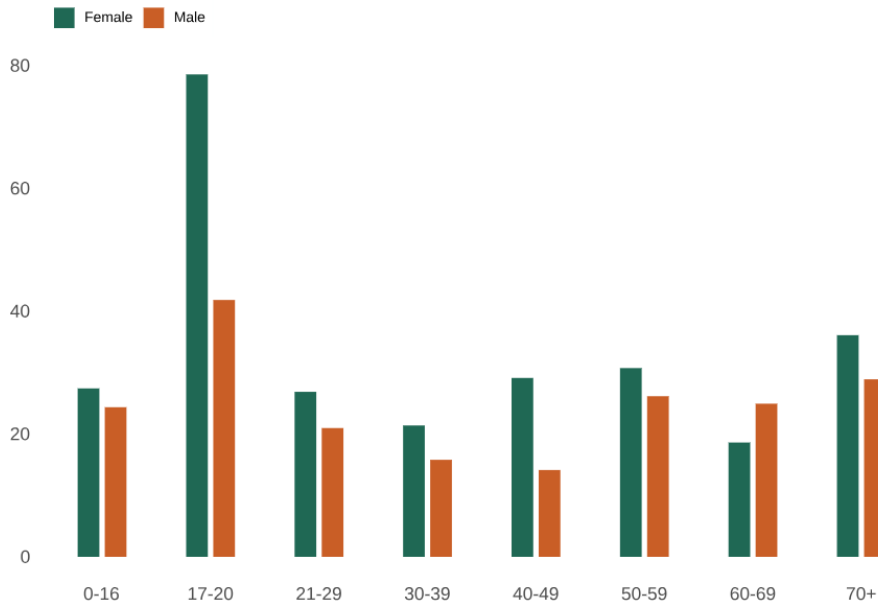
Telephone: 020 7944 3097

Email: national.travelsurvey@dft.gsi.gov.uk

This is also reflected in the 2021 data, shown below, although among 60–69-year-olds men make more bus trips than women.

Chart 25: Local bus trips per person per year, by age and sex, England, 2021

[NTS0601](#)



Does your analysis indicate a potential positive impact on this group by promoting equality of opportunity? If yes, please provide details:

All sexes would experience the positive impacts that these interventions will bring, with enhanced user experience through features such as wireless and USB phone charging, internet access, audio and visual announcements for next stops and screens displaying information about onward connections at bus and rail stations. The buses will also be some of the most accessible in the country, with increased capacity for wheelchair users and passengers with prams or buggies.

The new zero emission buses will also deliver improved air quality through reduced carbon dioxide equivalent emissions, benefitting all people, but particularly those who may have respiratory issues.

Does your analysis indicate a potential positive impact on this group by fostering good relations? If yes, please provide details:

None have been identified.

Does your analysis indicate a potential adverse impact Yes No

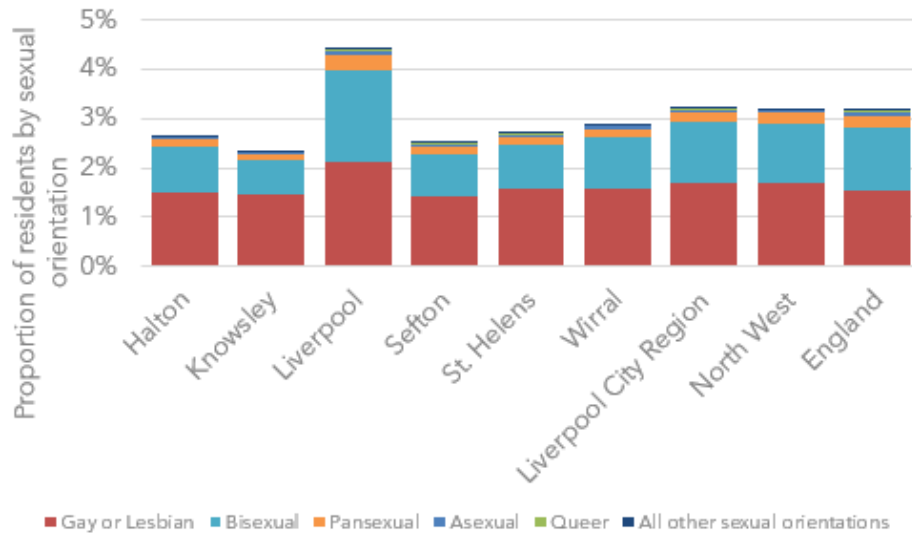
If yes, what is it and how could this be mitigated?

Sexual Orientation

Summary of evidence

90% (1.2 million) of adult residents in the Liverpool City Region identified as straight or heterosexual in the 2021 Census, 2% (21,800) identified as gay or lesbian, and 1% identified as bisexual.

Proportion of adult residents by sexual orientation (excl. straight or heterosexual and not answered)



Note: Data only covers residents aged 16 or above.

Does your analysis indicate a potential positive impact on this group by promoting equality of opportunity? If yes, please provide details:

People of all sexualities would experience the positive impacts that these interventions will bring, with enhanced user experience through features such as wireless and USB phone charging, internet access, audio and visual announcements for next stops and screens displaying information about onward connections at bus and rail stations. The buses will also be some of the most accessible in the country, with increased capacity for wheelchair users and passengers with prams or buggies.

The new zero emission buses will also deliver improved air quality through reduced carbon dioxide equivalent emissions, benefitting all people, but particularly those who may have respiratory issues.

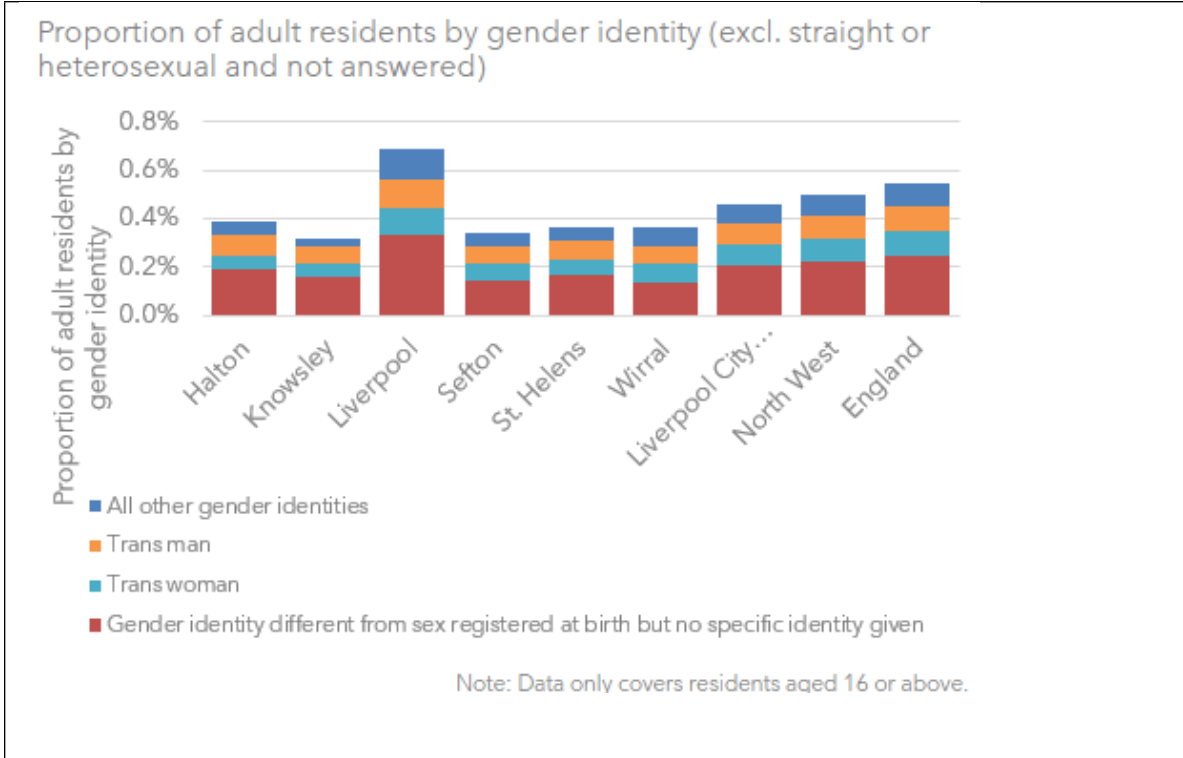
Does your analysis indicate a potential positive impact on this group by fostering good relations? If yes, please provide details: travel safe. Target groups in future consultations.

Initiatives such as TravelSafe and network safety aim to reduce instances of anti-social behaviour including hate crimes, this may improve relations with the LGBTQ+ community through engagement with intervention development.

Does your analysis indicate a potential adverse impact Yes No

If yes, what is it and how could this be mitigated?

Pregnancy / Maternity	
Summary of evidence	
<p>In Merseyside and Halton in 2021 there were 23,435 conceptions across all age groups of women. In Liverpool City Region in 2021 there were 16,071 live births.</p> <p>A study in the Journal of Transport and Health on commuting for work via public transport for pregnant women found that it can be a source of stress and anxiety, as well as have a negative impact on their health. Having priority seating available helped reduce symptoms such as exhaustion and morning sickness and reduced the risk of fainting or falling.</p>	
Does your analysis indicate a potential positive impact on this group by promoting equality of opportunity? If yes, please provide details:	
<p>People who are pregnant or have young children in particular will benefit from the improved accessibility features the new buses will have, including increased capacity for passengers with prams or buggies.</p> <p>People who are pregnant or have young children will also benefit from the other improved features of the new buses, such as wireless and USB phone charging, internet access, audio and visual announcements for next stops and screens displaying information about onward connections at bus and rail stations.</p> <p>The new zero emission buses will also deliver improved air quality through reduced carbon dioxide equivalent emissions, benefitting all people, but particularly those who may have respiratory issues.</p>	
Does your analysis indicate a potential positive impact on this group by fostering good relations? If yes, please provide details:	
<p>Previous work on the design of LCR buses has fostered good relations through the co-designing of the bus fleet specification with the local communities. Bus specification has been changed to allow for an extra disabled space which reduced tensions between pram/buggy owners and people in wheelchairs.</p>	
Does your analysis indicate a potential adverse impact	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If yes, what is it and how could this be mitigated?	
Gender reassignment	
Summary of evidence	
<p>0.5% of residents aged 16 and above in the Liverpool City Region stated their gender identity was different from their sex at birth in the 2021 Census.</p>	



Does your analysis indicate a potential positive impact on this group by promoting equality of opportunity? If yes, please provide details:

Transgender people would experience the positive impacts that these interventions will bring, with enhanced user experience through features such as wireless and USB phone charging, internet access, audio and visual announcements for next stops and screens displaying information about onward connections at bus and rail stations. The buses will also be some of the most accessible in the country, with increased capacity for wheelchair users and passengers with prams or buggies.

The new zero emission buses will also deliver improved air quality through reduced carbon dioxide equivalent emissions, benefitting all people, but particularly those who may have respiratory issues.

Does your analysis indicate a potential positive impact on this group by fostering good relations? If yes, please provide details:

Initiatives such as TravelSafe and network safety aim to reduce instances of anti-social behaviour including hate crimes, this may improve relations with the LGBTQ+ community through engagement with intervention development.

Does your analysis indicate a potential adverse impact Yes No

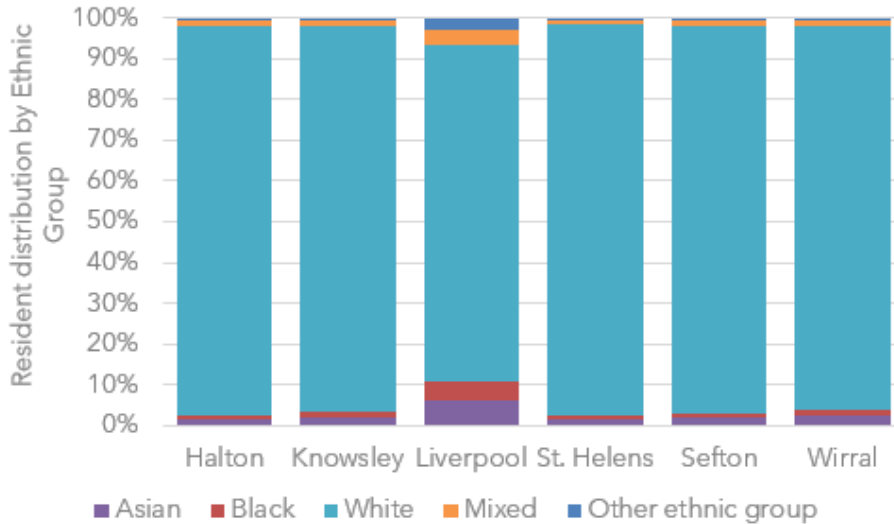
If yes, what is it and how could this be mitigated?

Race

Summary of evidence

In the 2021 Census, 84% (1.4m) of LCR residents identified as White, down from 95% in 2011 census, showing an increase in diversity in the City Region. 16% (124,000) of the population identified as BAME. 92% (1.43m) of LCR residents have English as their main language.

Residents per ethnic group distribution in the Liverpool City Region



Source: Census 2021, ONS, 2022

Does your analysis indicate a potential positive impact on this group by promoting equality of opportunity? If yes, please provide details:

People of all races would experience the positive impacts that these interventions will bring, with enhanced user experience through features such as wireless and USB phone charging, internet access, audio and visual announcements for next stops and screens displaying information about onward connections at bus and rail stations. The buses will also be some of the most accessible in the country, with increased capacity for wheelchair users and passengers with prams or buggies.

The new zero emission buses will also deliver improved air quality through reduced carbon dioxide equivalent emissions, benefitting all people, but particularly those who may have respiratory issues.

Does your analysis indicate a potential positive impact on this group by fostering good relations? If yes, please provide details:

This could foster good relations through the co-designing of the bus fleet specification with the local communities.

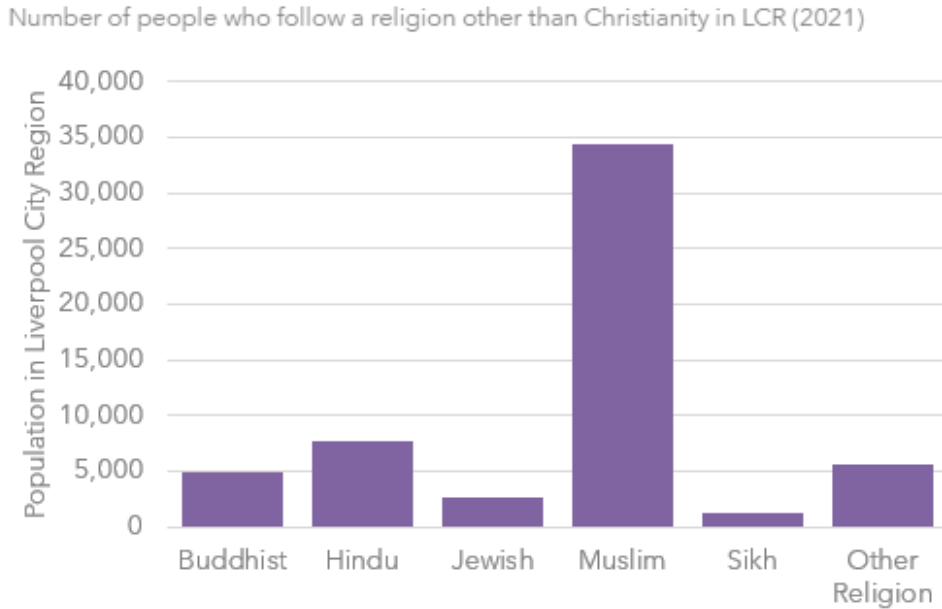
Does your analysis indicate a potential adverse impact Yes No

If yes, what is it and how could this be mitigated?

Religion or belief

Summary of evidence

60% of the LCR population are Christian, with the second largest religion being Islam (2%). The chart below shows the population rates for other religions in the City Region according to the 2021 Census.



Source: Census 2021, ONS, 2022

Does your analysis indicate a potential positive impact on this group by promoting equality of opportunity? If yes, please provide details:

People of all religions would experience the positive impacts that these interventions will bring, with enhanced user experience through features such as wireless and USB phone charging, internet access, audio and visual announcements for next stops and screens displaying information about onward connections at bus and rail stations. The buses will also be some of the most accessible in the country, with increased capacity for wheelchair users and passengers with prams or buggies.

The new zero emission buses will also deliver improved air quality through reduced carbon dioxide equivalent emissions, benefitting all people, but particularly those who may have respiratory issues.

Does your analysis indicate a potential positive impact on this group by fostering good relations? If yes, please provide details:

None have been identified.

Does your analysis indicate a potential adverse impact Yes No

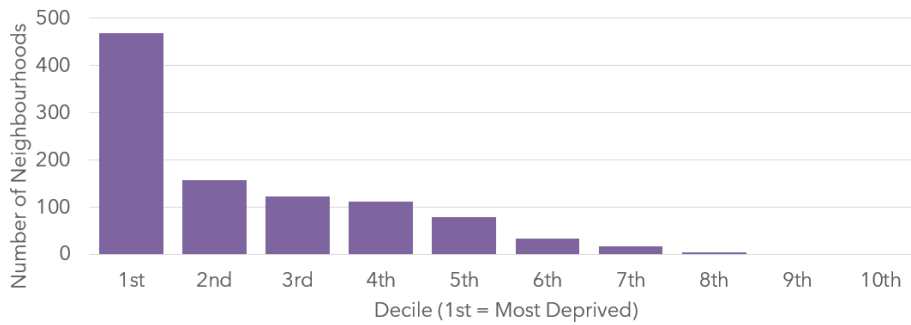
If yes, what is it and how could this be mitigated?

Marriage or civil partnership (Note this only applies to employment)

Summary of evidence

<p>2021 Census data shows the percentage of the population in each local authority district of Liverpool City Region that is married or in a civil partnership:</p> <ul style="list-style-type: none"> • Liverpool – 31.5% • Knowsley – 37.2% • Halton – 42.2% • Sefton – 43% • St Helens – 43.3% • Wirral – 42.6% 	
<p>Does your analysis indicate a potential positive impact on this group by promoting equality of opportunity? If yes, please provide details:</p> <p>People who are married or in a civil partnership would experience the positive impacts that these interventions will bring, with enhanced user experience through features such as wireless and USB phone charging, internet access, audio and visual announcements for next stops and screens displaying information about onward connections at bus and rail stations. The buses will also be some of the most accessible in the country, with increased capacity for wheelchair users and passengers with prams or buggies.</p> <p>The new zero emission buses will also deliver improved air quality through reduced carbon dioxide equivalent emissions, benefitting all people, but particularly those who may have respiratory issues.</p>	
<p>Does your analysis indicate a potential positive impact on this group by fostering good relations? If yes, please provide details:</p> <p>None have been identified.</p>	
<p>Does your analysis indicate a potential adverse impact</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>If yes, what is it and how could this be mitigated?</p>	
<p>Disability</p>	
<p>Summary of evidence</p> <p>There are high levels of health deprivation and disability in the Liverpool City Region. 47% of LCR neighbourhoods are in the top 10% most deprived in the country. This has an impact on residents' health and also the economy due to economic inactivity caused by long-term sickness. 31% of economic inactivity in the LCR is due to long-term sickness.</p>	

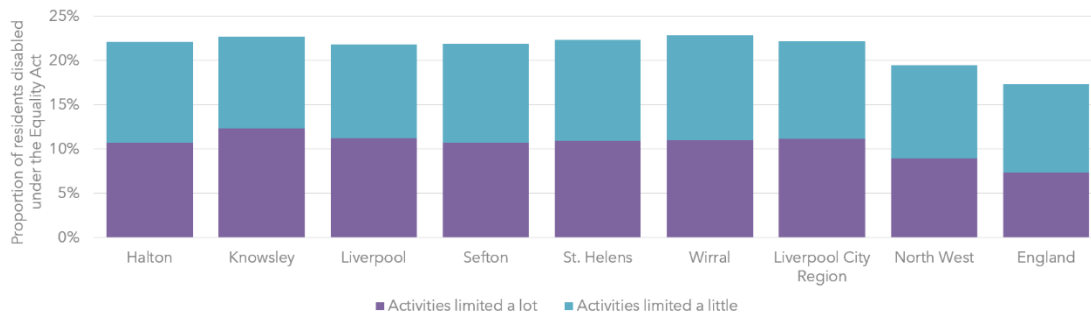
Number of neighbourhoods in LCR by health deprivation decile



Source: English Indices of Deprivation, 2019

There are 340,00 disabled residents in the LCR which amounts to 22% of the population. 11% have disabilities that limit their daily activities a lot. 39% of households have at least one disabled member.

Proportion of residents disabled under the Equality Act



Source: ONS Census, 2021

Buses can have an impact on people’s health, especially if they have pre-existing conditions. 3% of transport greenhouse gas emissions are produced by buses and coaches. The LCR has 11 Air Quality Management Areas, with all of the Liverpool City Council area under an AQMA due to poor air quality. It is estimated that 6,000 people in the LCR die every year due to air pollution. Air pollution can cause cardiovascular disease, lung cancer, respiratory disease, and asthma. (LCRCA O&S Committee, Review into Air Quality across the Liverpool City Region). Liverpool, St Helens, Halton and Sefton all have AQMAs in their districts and all have life expectancies under the England average (Bus Reform Assessment). Each zero-emission bus saves around 23kg of NOx and 46 tonnes of CO2 (Bus Back Better).

There were 47,470 disabled concessionary travel pass holders in Merseyside and Halton in 2022. When looking at how this translates to bus journeys made using these passes, the DfT do not differentiate between concessionary passes allocated by age or disability, however there were 23,254,088 bus journeys made by people holding a concessionary travel pass in the LCR in 2022. (DfT, Concessionary travel BUS08)

Does your analysis indicate a potential positive impact on this group by promoting equality of opportunity? If yes, please provide details:

Disabled users in particular will benefit from some of the accessibility features on the new buses. The new zero emission buses will deliver improved features for those with mobility issues, as they will be some of the most accessible in the country, with

increased capacity for wheelchair users. Users will also benefit from audio and visual announcements, which will be a positive impact for those who are hearing or visually impaired.

Other improvements for users include wireless and USB phone charging, internet access, and screens displaying information about onward connections at bus and rail stations.

The new zero emission buses will also deliver improved air quality through reduced carbon dioxide equivalent emissions, benefitting all people, but particularly those who may have respiratory issues.

Does your analysis indicate a potential positive impact on this group by fostering good relations? If yes, please provide details:

Previous work on the design of LCR buses has fostered good relations through the co-designing of the bus fleet specification with the local communities. Bus specification has been changed to allow for an extra disabled space which reduced tensions between pram/buggy owners and people in wheelchairs.

Does your analysis indicate a potential adverse impact Yes No

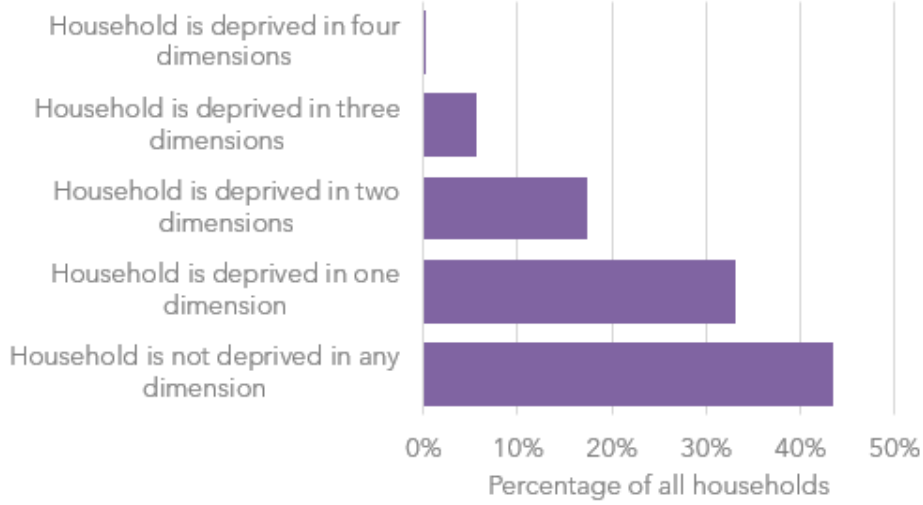
If yes, what is it and how could this be mitigated?

Socio-Economic Status

Summary of evidence

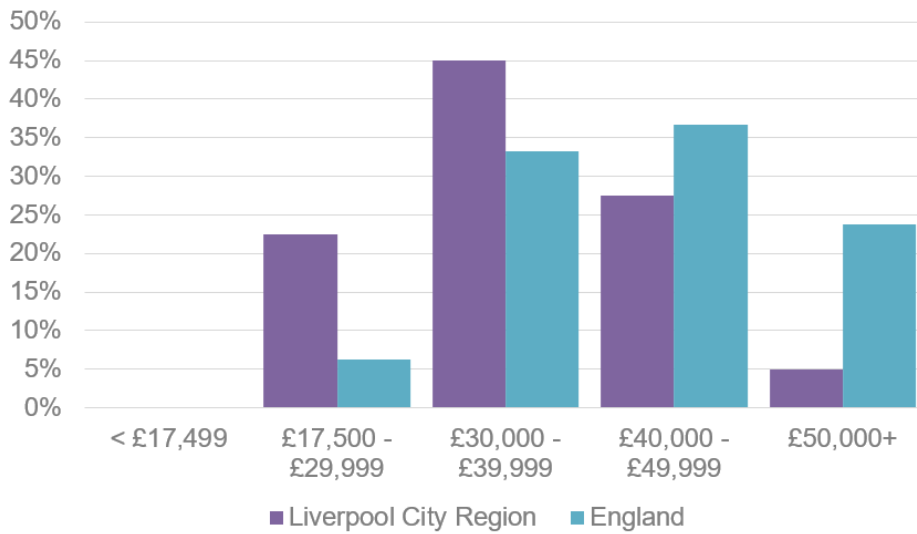
There are high levels of deprivation in the Liverpool City Region and household incomes on average are lower than other areas of the country. 55% of households in the Liverpool City Region are classified as deprived in at least one form. Deprivation in the LCR mainly comes from health, employment, and income deprivation. DfT Bus Back Better states that in cities outside of London 77% of jobseekers do not have regular access to a car, van, or motorbike, showing how important access to public transport methods such as bus is in connecting people to work and education. Lower income households are also more likely to use the bus than higher income households (National Transport Survey 2021, NTS0705).

Household deprivation dimension within the Liverpool City Region



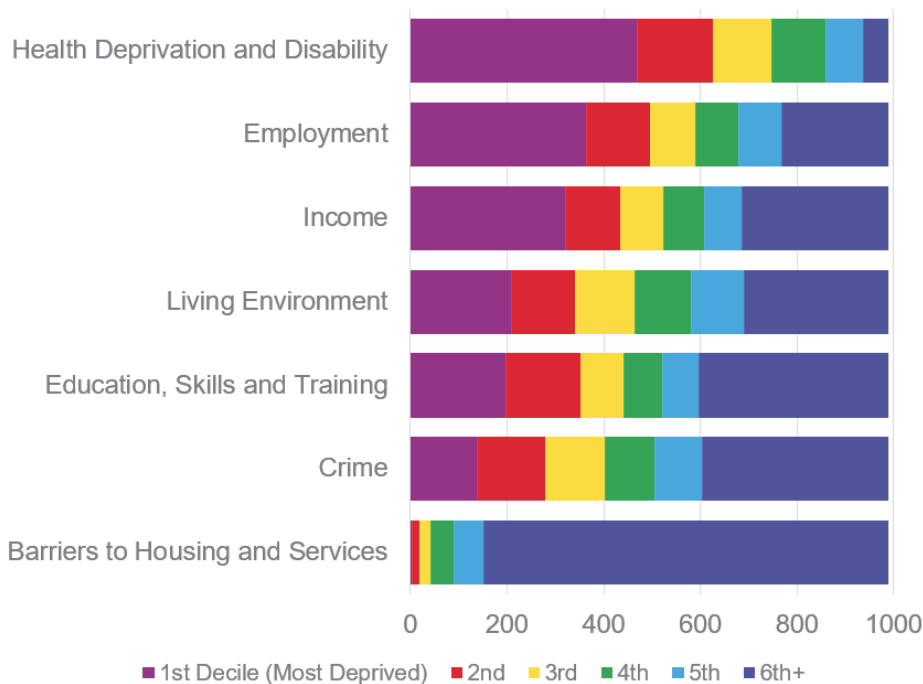
Source: Census 2021, ONS, 2022

Proportion of neighbourhoods by median household income



Source: ONS Small Area Income Estimates, 2019/20

Deprivation levels across the Liverpool City Region Ranked by Decile, 2019



Source: MHCLG Index of Multiple Deprivation (2019)

Does your analysis indicate a potential positive impact on tackling socio-economic disadvantage and reducing inequality of outcome? If yes, please provide details:

As people on lower incomes are more likely to use the bus, they will benefit more from the improved features. Improved features such as screens displaying information about onward rail and bus connections in particular will be of use, as those without access to a car are much more likely to be making journeys by multiple forms of public transport.

People on lower incomes are more likely to live in areas with higher levels of air pollution, so the new zero emission buses will bring particular benefits for them. The new buses will deliver improved air quality through reduced carbon dioxide equivalent emissions, benefitting all people, but particularly those in areas of poor air quality or those with respiratory problems.

There are other benefits this project will bring for all bus users, such as improved accessibility features with increased capacity for wheelchair users and prams, audio and visual announcements, wireless and USB phone charging, internet access.

Does your analysis indicate a potential adverse impact Yes No

If yes, what is it and how could this be mitigated?

SECTION 4: Equality Impact Action Plan

Action Plan

In this section you will develop the action plan to mitigate any potential negative impacts. If you have not identified any negative impacts, you do not need to complete this section.

Use the below table, set out any actions you have identified to improve data, mitigate issues, or maximise opportunities etc. If an action is to meet the needs of a particular protected group, please specify this.

Improvement / Action Required	Responsible Officer	Timescale
Meet with LCRCA Equality Panels to engage on future interventions that could maximise the positive impact on protected characteristics.	Laura Needham	Dec 2023 – Jun 2024
Work with the Fleet work package team to ensure that vehicle specification maximises the positive impact on protected groups.	Patrick Warner	Across project life cycle.
Fill data gaps for religion, marriage status, pregnancy/maternity.	Laura Needham	Dec 2023 – Jun 2024

Proposed way forward

Actions	Decision – please select
Continue unchanged – the proposal does not cause any disproportionate impacts and can proceed with no major change required.	x
Justify and continue – the proposal could cause some disproportionate impacts but these can be avoided by mitigating actions.	
Change – the proposal requires some changes to ensure it does not adversely affect certain groups of people or miss opportunities to affect them positively.	
Stop – the proposal will cause a sustainable risk to equality and should not continue.	

Date for Action Plan to be reviewed and progress evaluated:	June 2024
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SECTION 5: Sign off

Sign- Off Process

In order to be marked completed, Equality Impact Assessments must be signed off by a Head of Service or Assistant Director. This includes any subsequent updates to completed Equality Impact Assessments.

Once completed, all EIAs including those that have been updated are to be sent to the Equality Champions to be stored centrally equality.champions@liverpoolcityregion-ca.gov.uk. You should also keep a copy of the completed EIA and update in the case of any changes to the proposal.

Please note, if an EIA is being completed as part of a Combined Authority decision, the completed EIA must be included as part of the appendices in the Combined Authority Pack on Modern.gov.

By signing off the EIA you are confirming that you are satisfied that the project or service has been designed with due regard to the need to: **Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010.**

If EIA is part of a Combined Authority or Committee decision, date of submission for approval:

Officer responsible for Assessment	Approved by Head of Service/Assistant Director
Signed:	Signed: <i>M. Coggins</i>
Name:	Name: <i>MATT COGGINS</i>
Role:	Role: <i>A.D. BUS</i>
Date:	Date: <i>6/12/23</i>

Agenda Item 8

Report Title	Financial Performance Report
Portfolio Holder	Portfolio Holder for Policy, Reform and Resources
Summary of report	To presents the Combined Authority's group financial position for the period April – September 2023, together with projected outturn; a mid year Treasury Management Strategy update for approval and an update on the Chrysalis Fund.
Is this report exempt?	No
Is this a Key Decision	Yes
Is the report urgent	No
Is this decision to be exempt from call in	No
Local Authorities affected	(All Local Authorities);
Impact and implications of this report	
Financial impact	Yes, see Section 3
Delegation (s) sought	None
Supporting the Corporate Plan	A Fairer City Region ✓ A Stronger City Region ✓ A Cleaner City Region ✓ A Connected City Region ✓ A Vibrant City Region ✓
Climate Change Implications	No
Equality and Diversity implications	No
Social Value implications	No
Human Resources implications	No
Physical Assets implications	No
Information Technology implications	No
Legal implications	No
Risk and Mitigation	Yes, see paragraph 4.3

Privacy implications	No
Communication and consultation implications	No
Contact Officer(s)	John Fogarty, Executive Director - Corporate Services
Appendices	Yes
	1 Revenue Spend by Directorate and Service Area
	2 Revenue Grant Expenditure by Delivery Board and Project
	3 Internally Delivered Capital Schemes by Service and Project
	4 Externally Delivered Capital Schemes by Delivery Board and Project
	5 Mid Year Treasury Management Strategy Update
Background Documents	No

Liverpool City Region Combined Authority

Friday, 15 December 2023

Report of the Executive Director - Corporate Services and the Portfolio Holder for Policy, Reform and Resources

FINANCIAL PERFORMANCE REPORT

1. PURPOSE OF REPORT

- 1.1. This report presents the Combined Authority's group financial position for the period April – September 2023, together with projected outturn. The report also incorporates a mid year Treasury Management Strategy update which is included at Appendix 5 for consideration and approval and provides an update on the Chrysalis Fund outlined in 3.13.

2. RECOMMENDATIONS

- 2.1. It is recommended that the Liverpool City Region Combined Authority:
 - (a) notes the content of the report;
 - (b) approve the proposed revenue budget adjustments outlined at 3.4;
 - (c) approve the mid year Treasury Management Strategy update included at Appendix 5;.and
 - (d) notes the update on the Chrysalis Fund as outlined in 3.14.

3. BACKGROUND

- 3.1. At its annual budget setting meeting on 20 January 2023, the Combined Authority approved a group revenue budget of £231.19m and a capital programme of £298.29m. The revenue and capital budgets were subsequently revised as a result of the 2022/23 outturn at the 14 July 2023 to £281.02m and £417.62m respectively. Further adjustments have been made in relation to additional grant funding received since July 23. The revenue budget is now £285.77m, with a revised capital budget of £422.24m.

There are a number of budgets where performance against budget and forecast are demonstrating the continued volatility that has been a feature of the public transport landscape since the pandemic. This is especially true of the bus network.

While the Combined Authority has been successful in reducing the cost of concessionary travel payments to operators, other bus costs continue to show strain in the opposite direction. As a result, a number of revisions are proposed to the budget that will align the profile of spend to budget for the remainder of the financial year. Much of this relates to financial support required to sustain the bus network as a result of reduced patronage and increased operator costs on some routes and Officers will continue to monitor this and ensure that any network support payments to operators are justified and represent value for money for the Combined Authority as it transitions towards a franchised model of bus governance.

Revenue Expenditure

3.2 The table below summarises the group revenue position against the revised budget for the period April through to September 2023 together with projected outturn. A more detailed analysis of directorate spend is included at Appendix One.

Table One Revenue Expenditure against Budget and Projected Outturn

	YEAR TO DATE 2023/24 (£'000)			FULL YEAR 2023/24 (£'000)		
	Budget	Actual	Variance Fav/(Unfav)	Full Year Budget	Forecast	Variance Fav/(Unfav)
Corporate Development & Delivery	6,828	5,883	945	11,561	11,118	444
Central Provisions	3,601	420	3,181	8,643	1,450	7,193
Concessionary Travel	21,806	19,201	2,605	46,384	42,277	4,107
Corporate Costs	(56)	(555)	499	125	(401)	526
Corporate Management	191	178	13	384	364	20
Corporate Services	3,147	2,605	542	6,171	5,670	501
Halton Differential Levy	0	0	0	3,300	3,300	0
Investment & Delivery	48,329	44,038	4,291	93,534	81,932	11,602
Mayoral Priorities	225	1	224	600	378	222
Place	33,674	34,177	(503)	65,865	71,565	(5,700)
Policy, Strategy & Government Relations	3,499	2,589	910	6,937	5,751	1,186
Revenue Grants	16,752	11,912	4,840	29,492	32,885	(3,393)
Treasury Management	3,495	168	3,327	12,770	9,017	3,753
Election Costs	0	0	0	0	1,400	(1,400)
TOTAL NET COST OF SERVICES	141,491	120,617	20,874	285,767	266,705	19,062
FUNDED BY:						
Gainshare Revenue Capacity Funding	(2,010)	0	(2,010)	(4,020)	(4,020)	0
Halton Differential Levy	0	0	0	(3,300)	(3,300)	0
Specific Grants	(45,203)	(42,466)	(2,737)	(88,806)	(77,703)	(11,103)
Transport Levy	(51,142)	(51,142)	0	(102,283)	(102,283)	0
Mayoral Precept	(4,045)	(4,035)	(10)	(8,091)	(8,091)	0
Mayoral Capacity Grant	(1,000)	(1,000)	0	(1,000)	(1,000)	0
Revenue Grants	(16,752)	(11,912)	(4,840)	(29,492)	(32,885)	3,393
Use of Reserves - LCRCA	0	0	0	(5,304)	(5,304)	0
Mersey Tunnels Income	(21,735)	(23,373)	1,638	(43,471)	(45,746)	2,275
TOTAL FUNDING	(141,887)	(133,928)	(7,959)	(285,767)	(280,332)	(5,435)
TOTAL NET (INCOME)/EXPENDITURE	(396)	(13,311)	12,915	(0)	(13,627)	13,627

3.3 At the end of period six, there is a projected outturn underspend against budget of £13.6m. The key variances against budget are detailed below:

- The overspend within the Place Directorate comprises a number of elements; overspends of £1.8m in respect of utilities and marine oil costs in Ferries, Tunnels, Asset Management and Bus exceeding budget and £6.8m overspend on bus contracts due to increased prices of tenders being returned and increased costs associated with maintaining the network. These pressures are partially offset by underspends £1.9m as a consequence of vacancies and lower levels of consultancy spend.
- £2m of the budget for Bus Reform in 2023/24 relates to consultancy and legal costs that will be incurred in 2024/25 and it is proposed that this is re-profiled to take account of the revised timescales for these activities.

- The overspend on revenue grants arises as a result of UK Shared Prosperity Fund schemes gaining approval to move through to binding funding agreements and delivery. This pressure will be addressed through a budget revision.
- As at the end of September, there have been no budget adjustments to apply central inflationary provisions and therefore based on the current position this is projecting a £7m underspend. However, based on the full year projections for utilities which are now showing an overspend against approved budget, it is proposed that budget is vired from this central provision through to the utilities budgets in Place where the overspends are occurring.
- Concessionary travel underspends are arising as a consequence of the continued suppression in the levels or patronage vis a vis pre Covid. As reported previously any underspends in this area would be ringfenced to support wider pressures in the bus network and consequently it is proposed that this underspend is vired into the Bus Services budget.
- Treasury Management – additional income from investment activities as a result of opportunities to secure higher rates of return on investment due to higher than forecast interest rates. This combined with favourable cash positions which have allowed borrowing to be deferred are contributing to a projected favourable variance of £3.7m.
- Investment and Delivery - much of the projected underspend relates to delivery of grant funded schemes, including Skills and Apprenticeship Hub, Resonance and Adult Education Budget.
- Policy Strategy and Government Relations - the underspend relates to a number of areas on spatial planning as the presentation to government of the findings and strategy is not likely to happen in the current year and underspends arising from staff vacancies.
- There are anticipated printing and postage costs of £1.400m relating to the mayoral election which will now be incurred in this financial year creating an adverse variance.
- Tunnels income is currently ahead of budget and this trend is reflected in the year end forecast.

3.4 Based on the above it is proposed that a number of revisions are made to the approved revenue budget as detailed below. The proposed revised budget is detailed overleaf.

- It is recommended to transfer £4m of budget from Concessionary Travel to Bus to alleviate the forecasted overspend of £4.377m.
- Utilities and marine oil are forecast to overspend by £1.814m. It is recommended that budget is released from the central provision to reflect the increase in utility costs.
- The bus forecast includes a projected £2m underspend on Bus Reform. As this funding is not required in year it is recommended that this is removed from the budget so that it can be utilised in successive financial years.
- The bus network continues to operate against some significant headwinds, relating largely to inflation and a slow rate of return of concessionary passengers after the pandemic. As such it is proposed that £3.9m of central provisions is transferred into bus to allow for additional bus network support to protect services.
- The central provision budget includes £1.9m for pay inflation. The forecasted position indicates that this budget will not be required and it is therefore recommended that this provision is released from the budget.

- It is recommended that the Treasury Management budget is reduced by £3.5m to reflect the additional investment income and the impact of deferred borrowing on the interest payable. Of this reduction it is recommended that £1.4m is utilised to support election costs which will be payable in this financial year, with the balance of £2.1m being transferred to reserves.

Table 2 Proposed Revised Revenue Budget

	Full Year Budget £'000	Revised Budget £'000	Forecast £'000	Variance Fav/(Unfav) £'000
Corporate Development & Delivery	11,561	11,561	11,118	444
Central Provisions	8,643	1,450	1,450	0
Concessionary Travel	46,384	42,384	42,277	107
Corporate Costs	125	(336)	(401)	65
Corporate Management	384	384	364	20
Corporate Services	6,171	6,171	5,670	501
Halton Differential Levy	3,300	3,300	3,300	0
Investment & Delivery	93,534	93,534	81,932	11,602
Mayoral Priorities	600	600	378	222
Place	65,865	73,619	75,505	(1,886)
Policy, Strategy & Government Relations	6,937	6,937	5,751	1,186
Revenue Grants	29,492	36,018	32,885	3,133
Treasury Management	12,770	9,270	9,017	253
Election Costs	0	1,400	1,400	0
	285,767	286,293	270,645	15,648
FUNDED BY:				
Gainshare Revenue Capacity Funding	(4,020)	(4,020)	(4,020)	0
Halton Differential Levy	(3,300)	(3,300)	(3,300)	0
Specific Grants	(88,806)	(88,806)	(77,703)	(11,103)
Transport Levy	(102,283)	(102,283)	(102,283)	0
Mayoral Precept	(8,091)	(8,091)	(8,091)	0
Mayoral Capacity Grant	(1,000)	(1,000)	(1,000)	0
Revenue Grants	(29,492)	(36,018)	(32,885)	(3,133)
Use of Reserves - LCRCA	(5,304)	696	696	0
Mersey Tunnels Income	(43,471)	(43,471)	(45,746)	2,275
TOTAL FUNDING	(285,767)	(286,293)	(274,332)	(11,961)
TOTAL NET (INCOME)/EXPENDITURE	0	0	(3,687)	3,687

- 3.5 In accordance with the Combined Authorities (Finance) Order 2017, the Authority is required to maintain a separate General Fund in respect of the Mayoral Precept. Table three details the projected outturn against the Mayoral Budget.

Table Three Revenue Expenditure against Mayoral General Fund Budget

	Full Year Budget £'000	Projected Outturn £'000	Variance £'000
Bus Reform	3,800	1,800	2,000
Tidal Power	3,135	3,088	47
Other Mayoral Priorities	600	378	222
Digital	820	320	500
Mayoral Programme Delivery	750	705	45
Mayoral and Corporate Management Costs	629	604	24
Investment and Delivery	413	403	10
Policy Strategy and Government Relations	907	753	154
Corporate Services	502	461	41
Corporate Development and Delivery	200	192	8
Total Expenditure	11,756	8,704	3,052
Funded by:			
Mayoral Precept	(8,091)	(8,091)	0
Application of Reserves	(3,665)	(613)	(3,052)
Net Budget Requirement	0	0	0

- 3.6 In addition to the direct Combined Authority running costs incurred, the Combined Authority supports a number of different revenue grant streams, including European Grants, UK Shared Prosperity and the Strategic Investment Fund (SIF). As at the end of September, projected outturn spend against these schemes was £32.885m. A high level breakdown of spend at a scheme level is included in the table below and a more detailed analysis at Appendix Two.

Table Four Grant Expenditure Against Budget

	Annual Budget £'000	Revised Budget £'000	Spend to Date £'000	Forecast Outturn £'000	Variance Fav/(Unfav) £'000
Externally Delivered Projects					
Business Ecosystem Delivery Board	8,177	7,604	4,428	7,256	347
Housing Delivery Board	4,690	4,870	1,353	4,870	0
Low Carbon Delivery Board	2,201	2,517	240	2,501	16
People Delivery Board	3,013	5,550	3,295	4,771	779
Place and Infrastructure Delivery Board	4,553	4,543	505	4,424	119
Transport Delivery Board	1,370	1,575	1,443	1,574	1
UKSPF Delivery Board	5,488	9,360	648	7,488	1,871
TOTAL NET EXPENDITURE	29,492	36,018	11,912	32,885	3,133

3.7 It is currently forecast that there will be a 9% underspend against budget, driven primarily by the position on UK Shared Prosperity Fund. The delay in receiving government approval for plans has negatively impacted on spend projections. On the business support programmes, partners have been reluctant to spend at risk which has consequently impacted on the procurement process for services and delivery timescales. For the People's Delivery Board, the ESF Ways to Work programme is projecting an underspend primarily due to challenges in the local authority partners staff recruitment and limited availability of grant funded work placements for participants which is impacting on ability to spend in line with budget forecast.

Capital Expenditure

3.8 The table below details projected outturn capital expenditure against budget. The programme approved for the year incorporated all planned expenditure on schemes funded through the Strategic Investment Fund and comprises schemes delivered by constituent local authorities, Merseytravel and third parties. A more detailed breakdown of spend by scheme is included at Appendix Three (Internally Delivered Schemes) and Appendix Four (Externally Delivered Schemes).

Table Five Capital Spend against Budget

	Annual Budget 2023/24 £'000	Spend to date £'000	Full Year Forecast £'000	Full Year Variance £'000
Business Ecosystem Delivery Board	17,650	2,714	14,661	2,989
Housing Delivery Board	53,442	6,881	49,310	4,132
Low Carbon Delivery Board	12,702	10,625	11,895	807
People Delivery Board	448	100	447	1
Place and Infrastructure Delivery Board	41,784	8,036	39,022	2,762
Transport Delivery Board	137,730	36,217	135,298	2,432
UKSPF Delivery Board	1,212	153	970	242
Total Externally Delivered Projects	264,968	64,726	251,603	13,365
Bus	25,975	10,392	17,485	8,490
Smart Ticketing	2,835	678	1,772	1,063
Ferries	21,435	1,342	12,453	8,982
Hubs	479	92	432	47
Policy	279	100	279	(0)
IT	725	26	725	0
Rail	38,915	17,575	32,676	6,239
Finance	0	1	1	(1)
Tunnels	23,762	5,786	12,899	10,863
Rolling Stock	37,733	8,846	37,000	733
LCRCA Policy	289	159	159	130
Digital Backhaul	3,896	869	847	3,049
Corporate Landlord	320	0	0	320
Rough Sleepers	633	0	0	633
Total Internally Delivered Projects	157,277	45,865	116,728	40,549
Total Capital	422,245	110,592	368,331	53,914

- 3.9 Capital spend to the end of September represents 26% spend against budget however forecast outturn suggests that there will be a 13% underspend against budget. A number of internal schemes, including the Levelling Up Funded schemes in Tunnels, Green Bus Routes and the procurement of a new ferry are now projecting significant spend into subsequent financial years and as such there will be a need to review spend on these projects over the full life of the schemes and reforecast accordingly. In respect of the externally funded schemes, it is currently anticipated that £4m of the Housing pipeline spend will need to move into 2024/25 and there is a projected underspend of £2m on the Sustainable Urban Development schemes. This is due to a number of work packages having been withdrawn due to residents' objections.

Reserves and Financial Risks

- 3.10 Taking account of the approved budget for revenue and capital for 2023/24, the projected group reserves position for the Combined Authority as at 31 March 2024 is detailed below.

Table Six Projected Group Reserves as at 31 March 2024

	Balance as at 1/04/23 £'000	Movement £'000	Balance as at 31/03/24 £'000
Capital Reserves	13,776	(1,555)	12,221
Earmarked Reserves	224,093	2,696	226,789
General Fund Balances	22,717	(2,000)	20,717
Total	260,586	(859)	259,727

- 3.11 The Combined Authority maintains a number of specific earmarked reserves for which planned utilisation spans a number of years and it is envisaged that over the life of the current medium term financial plan these balances will be drawn down and the level of reserves reduced substantially.
- 3.12 The Authority's group General Fund balances equate to 7% of net revenue spend which is felt to be at a level which is adequate to protect the Authority in the event of any unplanned financial risks. Whilst the budget for 2023/24 has been set to incorporate provision to deal with inflationary pressures, there are still a number of areas in which the Authority could be exposed to further financial pressures. To the extent that these cannot be managed within the overall budget set, there would need to be recourse to application of General Fund balances. The key financial risks which could impact on the Combined Authority's budget are detailed below.
- Staff pay award – a provision has been made for a 4% pay award but negotiations between employers and unions are still ongoing. If a pay award is agreed that exceeds the amount budgeted, this will create a pressure on the budget. Whilst some funding is available through the central inflationary provision to mitigate this risk, any increase over a further 1% could require recourse to General Fund reserves if this couldn't be contained through other corrective budgetary actions. The post September update is that this is a sufficient allowance

- Inflation – whilst the overall levels of inflation in the economy are reducing, the impact on prices is still feeding through and impacting on the budget, predominantly in front facing transport services. At the end of September evidence is starting to emerge of pressures on budgets in these areas and over the coming months a clearer picture of the full year impact of these pressures will emerge. Central provision has been made to mitigate some of these pressures but there is a risk that the central funding is insufficient, and that further action will be required to control the pressure.
- Sustainability of public transport network - whilst the post pandemic local public transport network is stronger than in other areas of the country, the impacts of inflation and demand still being below pre pandemic levels means that challenges still exist in maintaining the viability of the existing network of service provision. Whilst the Combined Authority does not take revenue risk on transport operations, it is likely that where insufficient revenue is being generated to provide services, then there will be an expectation of public subsidy to maintain the network. Whilst the 2023/24 budget factored in a level of support, there is a risk that this funding is insufficient and therefore further public funding may be required to support service provision.
- Non achievement of savings – the budget for 2023/24 was predicated on achieving £5.6m savings. Current indications are that potentially £1.3m of these savings are at risk of not being realised in full. The non-achievement of these savings has been factored into the full year outturn. Whilst this does not present an immediate pressure in year, this will have a consequential impact on the budget position for 2024/25 onwards.

Mid Year Treasury Management Strategy Update

- 3.13 The mid-year update on the Treasury Management Strategy is attached in Appendix Five.

Update Chrysalis Fund

- 3.14 In order to enable the Chrysalis Fund to make further loans into its existing pipeline of projects and loan prospects, the active fund management period is extended to 30 June 2025 albeit that the overall duration of the contract remains the same. Active management fees for the period will be due to Chrysalis as fund manager but these are deducted from the recycled loan fund itself and no additional sums are sought from the Combined Authority.

4. IMPACT AND IMPLICATIONS

4.1. Financial

As detailed in section 3.

4.2 Supporting the Corporate Plan

The budget has been set to ensure that resources are directed towards achievement of key priorities detailed in the Corporate Plan. Strong financial management underpins the delivery of the Corporate Plan.

4.3 Risks and Mitigation

Financial risks and the associated mitigations are included at section 3.10-3.12 of this report.

5. CONCLUSION

- 5.1. As at the end of period six, and taking account of the outturn projections, the Combined Authority continues to operate both its revenue and capital operations within the budgets set.

JOHN FOGARTY
Executive Director - Corporate Services

STEVE ROTHERAM
Portfolio Holder for Policy, Reform
and Resources

Appendices:

- 1 Revenue Spend by Directorate and Service Area
- 2 Revenue Grant Expenditure by Delivery Board and Project
- 3 Internally Delivered Capital Schemes by Service and Project
- 4 Externally Delivered Capital Schemes by Delivery Board and Project
- 5 Mid Year Treasury Management Strategy Update

Background Documents:

None

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LCRCA REVENUE FINANCIAL PERFORMANCE MONITORING BY DIRECTORATE AND SERVICE AREA**Corporate Development & Delivery**

	FULL YEAR 2023/24 £'000		
	Annual Budget	Forecast Outturn	Variance Fav/(Unfav)
<u>Communications, Engagement & Marketing</u>			
Employees	1,366	1,318	48
Transport	1	1	(1)
Supplies & Services	456	391	65
Income	0	(3)	3
Total Communications, Engagement & Marketing	1,823	1,707	116

	FULL YEAR 2023/24 £'000		
	Annual Budget	Forecast Outturn	Variance Fav/(Unfav)
<u>Corporate Development</u>			
Employees	1,383	1,341	42
Transport	1	2	(1)
Supplies & Services	429	429	0
Total Corporate Development	1,813	1,772	41

	FULL YEAR 2023/24 £'000		
	Annual Budget	Forecast Outturn	Variance Fav/(Unfav)
<u>Executive Director Corporate Development</u>			
Employees	152	140	12
Transport	1	1	0
Supplies & Services	2	1	1
Total Executive Director Corporate Development	154	141	13

	FULL YEAR 2023/24 £'000		
	Annual Budget	Forecast Outturn	Variance Fav/(Unfav)
<u>Chief Execs Office</u>			
Employees	237	237	0
Transport	1	1	0
Supplies & Services	27	26	1
Total Chief Execs Office	264	264	1

	FULL YEAR 2023/24 £'000		
	Annual Budget	Forecast Outturn	Variance Fav/(Unfav)
<u>HR</u>			
Employees	1,276	1,226	50
Transport	3	2	1
Supplies & Services	17	26	(9)
Income	0	0	0
Total HR	1,296	1,254	42

LCRCA REVENUE FINANCIAL PERFORMANCE MONITORING BY DIRECTORATE AND SERVICE AREA

	FULL YEAR 2023/24 £'000		
	Annual Budget	Forecast Outturn	Variance Fav/(Unfav)
IT			
Employees	2,946	2,675	271
Transport	7	7	0
Supplies & Services	2,929	3,029	(100)
Income	(137)	(103)	(34)
Total IT	5,744	5,608	137

	FULL YEAR 2023/24 £'000		
	Annual Budget	Forecast Outturn	Variance Fav/(Unfav)
Metro Mayors Office			
Employees	441	336	105
Transport	12	12	(1)
Supplies & Services	15	24	(9)
Total Metro Mayors Office	467	372	95

Concessionary Travel

	FULL YEAR 2023/24 £'000		
	Annual Budget	Forecast Outturn	Variance Fav/(Unfav)
Concessionary Travel			
Third Party Payments	57,254	53,146	4,108
Income	(10,869)	(10,869)	(0)
Total Concessionary Travel	46,384	42,277	4,107

Corporate Costs

	FULL YEAR 2023/24 £'000		
	Annual Budget	Forecast Outturn	Variance Fav/(Unfav)
Corporate Costs			
Employees	(626)	(626)	0
Supplies & Services	1,060	534	526
Other Costs	10	10	0
Income	(319)	(319)	0
Total Corporate Costs	125	(401)	526

Corporate Management

	FULL YEAR 2023/24 £'000		
	Annual Budget	Forecast Outturn	Variance Fav/(Unfav)
Mayoral Allowance			
Employees	101	93	8
Total Mayoral Allowance	101	93	8

LCRCA REVENUE FINANCIAL PERFORMANCE MONITORING BY DIRECTORATE AND SERVICE AREA

	FULL YEAR 2023/24 £'000		
	Annual Budget	Forecast Outturn	Variance Fav/(Unfav)
Chief Executive			
Employees	273	264	9
Transport	5	3	2
Supplies & Services	5	4	1
Total Chief Executive	283	271	12

Corporate Services

	FULL YEAR 2023/24 £'000		
	Annual Budget	Forecast Outturn	Variance Fav/(Unfav)
Internal Audit			
Employees	637	580	57
Premises	38	68	(30)
Transport	49	47	2
Supplies & Services	121	96	25
Income	0	(5)	5
Total Internal Audit	845	786	59

	FULL YEAR 2023/24 £'000		
	Annual Budget	Forecast Outturn	Variance Fav/(Unfav)
Executive Director Corporate Services			
Employees	178	177	1
Transport	4	1	3
Supplies & Services	4	2	2
Total Executive Director Corporate Services	186	180	6

	FULL YEAR 2023/24 £'000		
	Annual Budget	Forecast Outturn	Variance Fav/(Unfav)
Finance			
Employees	1,925	1,461	464
Transport	1	0	1
Supplies & Services	470	879	(409)
Income	(78)	(86)	8
Total Finance	2,318	2,254	64

	FULL YEAR 2023/24 £'000		
	Annual Budget	Forecast Outturn	Variance Fav/(Unfav)
Freeport			
Employees	377	344	33
Transport	12	9	3
Supplies & Services	232	189	43
Total Freeport	621	542	79

LCRCA REVENUE FINANCIAL PERFORMANCE MONITORING BY DIRECTORATE AND SERVICE AREA

	FULL YEAR 2023/24 £'000		
	Annual Budget	Forecast Outturn	Variance Fav/(Unfav)
<u>Legal, Procurement & Democratic Services</u>			
Employees	1,969	1,495	474
Transport	3	5	(2)
Supplies & Services	279	465	(186)
Income	(50)	(57)	7
Total Legal, Procurement & Democratic Services	2,200	1,908	292

Investment & Delivery

	FULL YEAR 2023/24 £'000		
	Annual Budget	Forecast Outturn	Variance Fav/(Unfav)
<u>Head of Development</u>			
Employees	1,978	1,662	316
Transport	1	3	(2)
Supplies & Services	3,338	2,039	1,299
Transport Development	5,823	5,823	0
Income	(175)	(175)	0
Total Head of Development	10,964	9,352	1,613

	FULL YEAR 2023/24 £'000		
	Annual Budget	Forecast Outturn	Variance Fav/(Unfav)
<u>Executive Director Investment & Delivery</u>			
Employees	150	150	0
Supplies & Services	384	384	0
Total Executive Director Investment & Delivery	534	534	0

	FULL YEAR 2023/24 £'000		
	Annual Budget	Forecast Outturn	Variance Fav/(Unfav)
<u>Investment</u>			
Employees	1,423	1,100	323
Transport	5	2	3
Supplies & Services	2,494	1,256	1,238
Income	(265)	(65)	(200)
Total Investment	3,656	2,293	1,363

	FULL YEAR 2023/24 £'000		
	Annual Budget	Forecast Outturn	Variance Fav/(Unfav)
<u>Programme Delivery</u>			
Employees	1,376	1,297	79
Transport	2	3	(1)
Supplies & Services	684	263	421
Total Programme Delivery	2,062	1,563	499

LCRCA REVENUE FINANCIAL PERFORMANCE MONITORING BY DIRECTORATE AND SERVICE AREA

	FULL YEAR 2023/24 £'000		
	Annual Budget	Forecast Outturn	Variance Fav/(Unfav)
Head of Programs			
Employees	7,101	6,953	148
Premises	17	15	2
Transport	25	28	(3)
Supplies & Services	69,274	61,110	8,164
Support Service Recharges	0	144	(144)
Income	(100)	(60)	(40)
Total Head of Programs	76,316	68,190	8,126

Mayoral Priorities

	FULL YEAR 2023/24 £'000		
	Annual Budget	Forecast Outturn	Variance Fav/(Unfav)
Mayoral Priorities			
Supplies & Services	600	378	222
Income	0	(1)	1
Total Mayoral Priorities	600	378	222

Place

	FULL YEAR 2023/24 £'000		
	Annual Budget	Forecast Outturn	Variance Fav/(Unfav)
Asset Management			
Employees	7,172	6,876	296
Premises	211	213	(2)
Transport	166	166	0
Supplies & Services	69	413	(344)
Third Party Payments	0	0	0
Income	(260)	(223)	(37)
Total Asset Management	7,359	7,445	(86)

	FULL YEAR 2023/24 £'000		
	Annual Budget	Forecast Outturn	Variance Fav/(Unfav)
Bus			
Employees	3,359	2,927	432
Premises	120	116	4
Transport	76	44	32
Supplies & Services	9,398	7,398	2,000
Third Party Payments	23,907	30,751	(6,844)
Income	(15,386)	(15,386)	(0)
Total Bus	21,473	25,850	(4,377)

LCRCA REVENUE FINANCIAL PERFORMANCE MONITORING BY DIRECTORATE AND SERVICE AREA

	FULL YEAR 2023/24 £'000		
	Annual Budget	Forecast Outturn	Variance Fav/(Unfav)
Customer Delivery			
Employees	1,985	1,862	123
Premises	38	18	20
Transport	1	1	0
Supplies & Services	2,229	2,202	27
Third Party Payments	225	214	11
Income	(476)	(675)	199
Total Customer Delivery	4,003	3,622	381

	FULL YEAR 2023/24 £'000		
	Annual Budget	Forecast Outturn	Variance Fav/(Unfav)
Executive Director Place			
Employees	225	225	0
Transport	6	6	0
Supplies & Services	114	137	(23)
Income	0	(23)	23
Total Executive Director Place	345	345	0

	FULL YEAR 2023/24 £'000		
	Annual Budget	Forecast Outturn	Variance Fav/(Unfav)
Ferries			
Employees	3,008	2,940	68
Premises	1,237	1,608	(371)
Transport	13	22	(9)
Vessels	731	1,005	(274)
Supplies & Services	308	435	(127)
Third Party Payments	0	1	(1)
Income	(3,619)	(3,969)	350
Total Ferries	1,678	2,042	(364)

	FULL YEAR 2023/24 £'000		
	Annual Budget	Forecast Outturn	Variance Fav/(Unfav)
Hubs			
Employees	2,249	2,257	(8)
Premises	1,883	2,011	(128)
Transport	6	6	0
Supplies & Services	128	176	(48)
Income	(1,999)	(1,892)	(107)
Total Hubs	2,268	2,558	(290)

LCRCA REVENUE FINANCIAL PERFORMANCE MONITORING BY DIRECTORATE AND SERVICE AREA

	FULL YEAR 2023/24 £'000		
	Annual Budget	Forecast Outturn	Variance Fav/(Unfav)
Mann Island			
Employees	221	178	43
Premises	4,758	5,292	(534)
Transport	0	0	0
Supplies & Services	120	119	1
Income	(1,943)	(1,907)	(36)
Total Mann Island	3,156	3,682	(526)

	FULL YEAR 2023/24 £'000		
	Annual Budget	Forecast Outturn	Variance Fav/(Unfav)
Policy			
Employees	594	540	54
Transport	1	10	(9)
Supplies & Services	882	1,009	(127)
Income	(914)	(1,021)	107
Total Policy	563	538	25

	FULL YEAR 2023/24 £'000		
	Annual Budget	Forecast Outturn	Variance Fav/(Unfav)
Rail			
Employees	1,098	793	305
Premises	255	346	(91)
Transport	3	3	(1)
Supplies & Services	315	934	(619)
Third Party Payments	146,616	146,854	(238)
Income	(139,412)	(139,693)	281
Total Rail	8,873	9,237	(364)

	FULL YEAR 2023/24 £'000		
	Annual Budget	Forecast Outturn	Variance Fav/(Unfav)
Rolling Stock			
Employees	660	648	12
Transport	5	5	0
Supplies & Services	1,215	903	312
Third Party Payments	11,884	10,453	1,431
Income	(19,064)	(17,697)	(1,367)
Total Rolling Stock	(5,301)	(5,688)	387

LCRCA REVENUE FINANCIAL PERFORMANCE MONITORING BY DIRECTORATE AND SERVICE AREA

	FULL YEAR 2023/24 £'000		
	Annual Budget	Forecast Outturn	Variance Fav/(Unfav)
Tidal			
Employees	550	505	45
Premises	2	2	0
Transport	0	0	0
Supplies & Services	2,581	2,581	(1)
Total Tidal	3,132	3,088	44

	FULL YEAR 2023/24 £'000		
	Annual Budget	Forecast Outturn	Variance Fav/(Unfav)
Tunnels			
Employees	6,291	6,098	193
Premises	3,972	4,640	(668)
Transport	107	107	0
Supplies & Services	955	996	(41)
Third Party Payments	0	0	0
RCCO	7,018	7,018	0
Income	(29)	(13)	(16)
Total Tunnels	18,315	18,846	(531)

Policy, Strategy & Government Relations

	FULL YEAR 2023/24 £'000		
	Annual Budget	Forecast Outturn	Variance Fav/(Unfav)
Executive Director Policy			
Employees	180	276	(96)
Transport	0	0	0
Total Executive Director Policy	180	276	(96)

	FULL YEAR 2023/24 £'000		
	Annual Budget	Forecast Outturn	Variance Fav/(Unfav)
Evidence, Intelligence & Research			
Employees	1,656	1,531	125
Supplies & Services	723	836	(113)
Third Party Payments	20	15	5
Income	(28)	(51)	23
Total Evidence, Intelligence & Research	2,370	2,331	39

LCRCA REVENUE FINANCIAL PERFORMANCE MONITORING BY DIRECTORATE AND SERVICE AREA

	FULL YEAR 2023/24 £'000		
	Annual Budget	Forecast Outturn	Variance Fav/(Unfav)
<u>Government Relations & Public Affairs</u>			
Employees	429	287	142
Transport	7	11	(5)
Supplies & Services	162	124	38
Income	0	(44)	44
Total Government Relations & Public Affairs	598	378	220

	FULL YEAR 2023/24 £'000		
	Annual Budget	Forecast Outturn	Variance Fav/(Unfav)
<u>Policy Co-ordination</u>			
Employees	2,246	1,905	341
Transport	5	2	3
Supplies & Services	1,544	1,058	486
Third Party Payments	0	11	(11)
Income	(7)	(210)	203
Total Policy Co-ordination	3,788	2,766	1,022

Treasury Management

	FULL YEAR 2023/24 £'000		
	Annual Budget	Forecast Outturn	Variance Fav/(Unfav)
<u>Treasury Management</u>			
Supplies & Services	2,889	494	2,395
Treasury	9,888	8,529	1,359
Income	(7)	(6)	(1)
Total Treasury Management	12,770	9,017	3,753

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LCRCA REVENUE GRANT FINANCIAL MONITORING BY BOARD & PROJECT

	Annual Budget 2023/24 £'000	Outturn Forecast £'000	Variance Fav/(Unfav)
Transport Delivery Board			
Capability Fund	924	924	0
Emergency Active Travel Fund	651	650	1
TOTAL Transport Delivery Board	1,575	1,574	1
Housing Delivery Board		0	0
Halton Housing - Social Housing Decarbonisation Fund	2	2	0
Liv Housing - Social Housing Decarbonisation Fund	464	464	0
Magenta - Social Housing Decarbonisation Fund	190	190	0
One Vision - Social Housing Decarbonisation Fund	54	54	(0)
Onward - Social Housing Decarbonisation Fund	274	274	(0)
Plus Dane - Social Housing Decarbonisation Fund	135	135	0
Prima - Social Housing Decarbonisation Fund	212	212	0
Regenda - Social Housing Decarbonisation Fund	5	5	0
Social Housing Decarbonisation Fund Wave 2	3,358	3,358	(0)
Port Sunlight Village Trus (Housing Dev)	15	15	0
Lord Street	23	23	0
The Florrie (Housing dev)	57	57	0
Runcorn Waterfront Development (Housing pre-dev)	45	45	0
Former Lodge Lane Baths Site (Housing pre-dev)	36	36	0
TOTAL Housing Delivery Board	4,870	4,870	(0)
Low Carbon Delivery Board			
North West Energy Hub	2,316	2,300	16
Community Environment Fund	201	201	0
TOTAL Low Carbon Delivery Board	2,517	2,501	16
People Delivery Board			
ESF - Ways to Work	2,522	1,741	781
Ways to Work Gap Funding	1,766	1,766	0
ESF - Positive Inclusion Programme	42	42	(0)
LCR Cares (CFLM)	188	188	(0)
People Delivery Board Pipeline	698	698	(0)
Enterprise Advisor Network CEC	273	274	(1)
Talent City	40	40	0
Agent Academy	21	21	(0)
TOTAL People Delivery Board	5,550	4,771	779

LCRCA REVENUE GRANT FINANCIAL MONITORING BY BOARD & PROJECT

	Annual Budget 2023/24 £'000	Outturn Forecast £'000	Variance Fav/(Unfav)
Business Ecosystem Delivery Board			
ERDF - Business Support	274	174	100
ERDF - New Markets 2	275	275	(0)
ERDF - Place Marketing	34	34	(0)
Sustainable Urban Dev	108	115	(7)
Business Delivery Board Pipeline	289	289	0
ERDF High Growth	1,458	1,387	71
Growth Hub	420	420	(0)
LEP Core Funding	250	250	0
Seed Fund Ph 2	36	36	0
Future Innovation Fund Rnd 2 (Covid)	44	45	(1)
SIF High Growth	256	206	50
Createh Scale Up	877	853	24
Kindred GFA2	134	140	(6)
Port City Innovation Hub	278	238	40
LCRCA Tech Accelerator - Baltic Ventures	1,604	1,604	(0)
LCR Ventures	646	646	0
LCR Seed Fund	78	78	0
Inward Investment Service	161	83	78
Lyva Labs (LV Phase 2)	382	382	0
TOTAL Business Ecosystem Delivery Board	7,604	7,256	347
Place Delivery Board			
DCMS Euro/Coronation screening	45	45	0
International Slavery Museum	15	15	0
Bootle AAP	65	65	0
MKH Wirral Waters	10	10	0
NPIC (Phase 2)	51	51	(0)
Growing Business	68	63	5
Civic Data Trust	2,224	2,126	98
Town Centres	2	2	0
Music Fund	1,304	1,304	0
Destination Marketing	759	743	16
TOTAL Place Delivery Board	4,543	4,424	119
UKSPF Delivery Board			
VOLA	102	82	20
Womans Org	872	698	174
Sefton CVS	440	352	88
UKSPF - LCVS	700	560	140
UKSPF Groth Platform	1,556	1,245	311
UKSPF	5,690	4,552	1,138
TOTAL UKSPF Delivery Board	9,360	7,488	1,871
TOTAL EXTERNAL REVENUE GRANTS	36,018	32,885	3,133

LCRCA INTERNALLY DELIVERED CAPITAL PROGRAMME MONITORING

	FULL YEAR 2023/24 £'000		
	Full Year Budget	Full Year Forecast	Full Year Variance
Programme Delivery			
Digital Connect	3,896	847	3,049
Total Programme Delivery	3,896	847	3,049

	FULL YEAR 2023/24 £'000		
	Full Year Budget	Full Year Forecast	Full Year Variance
Head of Programs			
Rough Sleepers Accommodation Project (RSAP)	633	0	633
Total Head of Programs	633	0	633

	FULL YEAR 2023/24 £'000		
	Full Year Budget	Full Year Forecast	Full Year Variance
Policy			
UTC - Public Transport Connectivity	129	0	129
Smart Technologies for Walking and Cycling Routes	159	159	(0)
Total LCRCA Policy	289	159	129

	FULL YEAR 2023/24 £'000		
	Full Year Budget	Full Year Forecast	Full Year Variance
Asset Management			
Corporate Buildings	320	0	320
Total Asset Management	320	0	320

	FULL YEAR 2023/24 £'000		
	Full Year Budget	Full Year Forecast	Full Year Variance
Bus			
2021-2022 Bus Priorities	0	38	(38)
Bus Stop Accessibility Improvements	0	2	(2)
Hydrogen Bus	14,324	14,324	0
2022-23 Bus Shelter Replacement Programme	25	25	0
2022-23 General Bus Stops	27	27	0
2022-23 Bus Stop Accessibility Improvements - Fir Tree Drive	116	116	0
Bus/Rail Interchanges - City Line	91	92	(1)
2022-23 Arrows Park Hospital Bus Turnaround	0	135	(135)
Green Bus Routes	9,585	845	8,740
2023-24 Transport Information	100	100	0
2023-24 Replacement of RTI System	105	0	105
2023-2024 Southport Hospitals Stops	60	116	(56)
2023-24 Bus/Rail Interchanges - City Line	164	318	(154)
Bus Stop Accessibility Improvements	1,037	1,037	0
2023-24 General Bus Stop	40	100	(60)
2023-24 Bus Shelter Replacement Programme	300	110	190
2023-24 Green Bus Routes 10A Quick Wins	0	100	(100)
Total Bus	25,975	17,485	8,490

LCRCA INTERNALLY DELIVERED CAPITAL PROGRAMME MONITORING

	FULL YEAR 2023/24 £'000		
	Full Year Budget	Full Year Forecast	Full Year Variance
Smart Ticketing			
Ferries Ticketing Solution	175	175	0
Smart Ticketing HOPS / CMS	960	960	0
Merseyrail Tap and Go System	1,700	637	1,063
Total Smart Ticketing	2,835	1,772	1,063

	FULL YEAR 2023/24 £'000		
	Full Year Budget	Full Year Forecast	Full Year Variance
Ferries			
Pier Head Toilets Refresh CRSTS	46	25	21
Water Harvest System - Refurbishment CRSTS	8	41	(33)
Staff Toilets and Locker Room Upgrade CRSTS	18	0	18
Woodside Development LUF	6,036	816	5,220
Colonnade Painting and Cleaning CRSTS	2	0	2
Seacombe Suspended Deck & Anchor Chain Replacement CRSTS	430	391	39
Enhanced Maintenance of Snowdrop	1,534	679	855
New Vessel Build	12,500	10,400	2,100
Statutory Compliance at Seacombe CRSTS	5	0	5
Seacombe Clock Tower Repairs CRSTS	71	71	(0)
Woodside Ferry Terminal Timber Repairs and Painting	375	0	375
Ferries Civils & Structures Surveys & Inspections	0	4	(4)
Develop South Landing Stage Building at Seacombe	0	25	(25)
To be allocated	411	0	411
Total Ferries	21,435	12,453	8,982

	FULL YEAR 2023/24 £'000		
	Full Year Budget	Full Year Forecast	Full Year Variance
Hubs			
Liverpool One Bus Layover Concrete Rep CRSTS	24	24	0
Bootle Bus Concrete Rep CRSTS	11	37	(26)
Huyton Bus Station CRSTS	12	60	(48)
Liverpool One Resurfacing	430	300	130
Hubs Civils & Structure Surveys & Inspections	0	9	(9)
Hubs Mechanical Surveys & Inspections	0	2	(2)
Total Hubs	477	432	45

	FULL YEAR 2023/24 £'000		
	Full Year Budget	Full Year Forecast	Full Year Variance
Policy			
LCR LCWIP Phase 3 (Transport Pipeline)	179	179	(0)
LCR Multi Model Traffic Sensor Replacement	100	100	0
Total Merseytravel Policy	279	279	(0)

LCRCA INTERNALLY DELIVERED CAPITAL PROGRAMME MONITORING

	FULL YEAR 2023/24 £'000		
	Full Year Budget	Full Year Forecast	Full Year Variance
IT			
Laptop Replacement	150	150	0
Corporate Mobile Phone Replacement project	90	90	0
PCI Compliance	30	30	0
Cloud Onboarding	150	150	0
Tech Refresh - Servers required for On-Prem	50	50	0
Tech Refresh Corporate/VRF Firewalls	75	75	0
Tech Refresh Cisco UCS	180	180	0
Total IT	725	725	0

	FULL YEAR 2023/24 £'000		
	Full Year Budget	Full Year Forecast	Full Year Variance
Rail			
LSP Renewals	472	472	0
Liverpool Central Development	200	200	0
Access For All	867	0	867
Headbolt Lane Gateway	20,864	20,864	0
Liverpool Baltic	1,807	1,807	0
Sandhills Capacity Enhancement	1,631	195	1,436
Station Totems	650	14	636
Lea Green Park & Ride	5,589	5,589	0
Broadgreen Access for All	1,919	1,501	418
Inaccessible Stations Programme (Transport Pipeline)	1,249	1,249	0
IPEMU Development Funding	2,074	541	1,533
Safety and Security Improvements at Newton le Willows Interchange / P&R	76	76	0
Defibrillators at Stations	18	18	0
Rail Access	500	150	350
To be allocated	1,000	0	1,000
Total Rail	38,915	32,676	6,239

	FULL YEAR 2023/24 £'000		
	Full Year Budget	Full Year Forecast	Full Year Variance
Finance			
Agresso	0	1	(1)
Total Finance	0	1	(1)

LCRCA INTERNALLY DELIVERED CAPITAL PROGRAMME MONITORING

	FULL YEAR 2023/24 £'000		
	Full Year Budget	Full Year Forecast	Full Year Variance
Tunnels			
Vehicle Replacement	330	330	0
Kingsway Replace Sump Pump Drainage Pipework System	1,879	1,825	54
Vent Station Interior Refurbishment Programme - KW Fan Grill Repair	302	281	21
Queensway Carriageway Soffit Works	150	38	112
Queensway Jet Fans	550	46	504
Kingsway Vauxhall Road Eldonian Regeneration	0	8	(8)
Kingsway refurb Tunnel Entrances	126	137	(11)
T/P Fund KW Elevate Con Build & Toll Redesign LUF	5,286	433	4,853
Replace Vehicles (Evs) including Charging Infrastructure	100	0	100
FKI Drives Various Tunnel sites	200	20	180
Chester St & Albion St Roof Replacements	1	1	(0)
Upgrade of mobile radio service (Digipool in tunnel)	23	73	(50)
Vent Building Remedials	176	2	174
Vehicle Restraint KW - KRN	200	68	132
QW Main Tunnel Lighting Replacement KRN	6,426	6,205	221
Improved Customer Information KW Approach LUF	3,139	1,255	1,884
Reinstating the Liverpool Obelisk LUF	725	274	451
T/P Fund Programme Management LUF	94	36	58
Smart Store	0	5	(5)
Decarb Asset Mgt build Salix	75	0	75
Kingsway Wallasey Embankments Stabilisation	1,014	14	1,000
KW Safety Enhancements	1,160	13	1,147
Mainsaver Upgrade	0	5	(5)
Kingsway Ventilation Enhancements	0	20	(20)
In - Tunnel Communications (ESN)	167	0	167
SCADA Development	95	90	5
Queensway - Install Environmental Monitoring Equipment	43	35	8
AM External Door Replacement	100	129	(29)
Principal Bridge / Gantries / Retaining Walls Inspection KW&QW	50	200	(150)
Principal KW&QW Structures Inspection (in-bore)	100	367	(267)
Queensway Loop Heading Water Ingress	50	71	(21)
Investigate / Address Historic Water Ingress Wallasey Portal	50	0	50
KW - Gully Cleaning / Renewals / CCTV Inspections	50	0	50
KW - Review Tunnels Discharge Consents for Quality and Volume	10	0	10
QW Vent Damper Inspection	10	0	10
Principal M&E Inspection KW & QW	150	0	150
QW - Inspection of Morpeth Dock Discharge Pipework	75	0	75
LV Switchgear Replacement Woodside	1,000	871	129
Tunnels Buildings Surveys & Inspections	0	9	(9)
Tunnels Electrical Surveys & Inspections	0	18	(18)
Reduction to programme to align with funding	(144)	0	(144)
Total Tunnels	23,762	12,899	10,863

	FULL YEAR 2023/24 £'000		
	Full Year Budget	Full Year Forecast	Full Year Variance
Rolling Stock			
Rolling Stock MSA	15,741	15,008	733
Rolling Stock Depot	585	585	0
Rolling Stock Power	942	942	0
Rolling Stock Infrastructure Train Length	15,733	15,733	0
Rolling Stock Connectivity	1,459	1,459	0
RS- TCIS-Permanent Troughing Solution	3,272	3,272	0
Total Rolling Stock	37,733	37,000	733

LCRCA EXTERNAL CAPITAL GRANT FINANCIAL MONITORING BY BOARD & PROJECT

	Annual Budget 2023/24 £'000	Outturn Forecast £'000	Full Year Variance £'000
Transport Delivery Board			
Emergency Active Travel Fund	18,374	18,374	0
Highways Maintenance (Halton)	4,604	4,604	0
Highways Maintenance (Knowsley)	5,422	5,422	0
Highways Maintenance (LCC)	14,931	14,931	0
Highways Maintenance (Sefton)	8,144	8,144	0
Highways Maintenance (St Helens)	8,323	8,323	0
Highways Maintenance (Wirral)	10,191	10,191	0
Transport Delivery Board Pipeline	16,817	16,817	0
Knowsley M57 J4 predev 2 (22/23)	183	179	4
Runcorn Busway Pre Dev 2 (22/23)	239	239	0
Maritime Corridor predev 2 (22/23)	276	276	0
Southport Eastern Access predev 2 (22/23)	159	159	0
Huyton Active Travel Pre Dev 2 (22/23)	98	98	0
St Helens Multimodal Interchange Pre Dev (22/23)	1,222	1,222	(0)
Runcorn Station Development	515	515	(0)
Ropewalks Phase 2	5,596	5,596	0
Key Route Network Strategic Maintenance (St Helens)	6,000	6,000	0
Key Route Network Strategic Maintenance (LCC)	2,000	2,000	0
Key Route Network Strategic Maintenance (Wirral)	756	756	0
Key Route Network Strategic Maintenance (Halton)	947	947	0
Key Route Network Strategic Maintenance (Sefton)	789	789	0
Key Route Network Strategic Maintenance (KMBC)	380	380	0
Pothole Action	3,754	3,754	0
Parkside Road	6,150	6,150	(0)
Halsnead Garden Village	4,046	3,016	1,030
LCR UTC Communication Upgrade	0	0	0
City Centre Connectivity	0	0	0
A565 Corridor Improvements	0	0	0
LCR Cycle Network (ph 1)	2,428	1,115	1,313
Pre-dev - St Helens Southern Gateway	0	0	0
Headbolt Lane (Knowsley MBC)	791	791	0
LCWIP Phase 2 (Runcorn to Daresury)	5,784	5,783	0
Green Bus Prescott Bus Station (KMBC)	470	470	(0)
Eastern City Region Connection (St Helens)	3,347	3,348	(0)
Public Transport Connectivity	0	0	0
Public Transport Connectivity (LCC)	2,112	2,112	(0)
Public Transport Connectivity - WMBC	655	655	0
Public Transport Connectivity - St Helens MBC	438	438	0
Public Transport Connectivity - KMBC	688	602	85
Public Transport Connectivity - Sefton	1,100	1,100	0
TOTAL Transport Delivery Board	137,730	135,298	2,432

LCRCA EXTERNAL CAPITAL GRANT FINANCIAL MONITORING BY BOARD & PROJECT

	Annual Budget 2023/24 £'000	Outturn Forecast £'000	Full Year Variance £'000
Housing Delivery Board			
Halton Housing - Social Housing Decarbonisation Fund	11	11	(0)
Liv Housing - Social Housing Decarbonisation Fund	1,260	1,260	(0)
Magenta - Social Housing Decarbonisation Fund	998	998	0
One Vision - Social Housing Decarbonisation Fund	398	398	(0)
Onward - Social Housing Decarbonisation Fund	953	953	(0)
Plus Dane - Social Housing Decarbonisation Fund	(29)	(29)	(0)
Prima - Social Housing Decarbonisation Fund	968	968	0
Social Housing Decarbonisation Fund	0	0	0
Social Housing Decarbonisation Fund Wave 2	10,469	10,469	0
Housing Delivery Board Pipeline	27,133	23,000	4,133
Festival Gardens	3,726	3,726	(0)
Foundry Lane	572	572	(0)
Lickers Lane (Phase 2)	39	39	0
BLF Torus/Lightbody	1,036	1,036	(0)
Showcase	1,320	1,320	0
BLF Hawthorne Road	1,350	1,350	0
Grove Street	2,415	2,415	0
Parr Fire Station (Gradan Homes)	200	200	0
Land at Manor Street (Westchurch Homes Ltd)	622	622	0
TOTAL Housing Delivery Board	53,441	49,310	4,132
Low Carbon Delivery Board			
Sustainable Warmth	12,702	11,895	807
TOTAL Low Carbon Delivery Board	12,702	11,895	807
People Delivery Board			
Agent Academy	48	49	(1)
Children's Homes	400	400	0
TOTAL People Delivery Board	448	447	1
Business Ecosystem Delivery Board			
Alchemy Phase 3	0	(20)	20
Sustainable Urban Dev	3,893	1,863	2,029
Business Delivery Board Pipeline	6,480	6,480	0
ERDF High Growth	2,324	1,411	913
Future Innovation Fund Rnd 2 (Covid)	25	25	(0)
SIF High Growth	172	156	16
Flexible Business Growth	1,954	1,955	(1)
Universally Speaking	75	75	0
MTC Project in a Box	1,135	1,135	0
Kindred GFA2	1,418	1,406	12
LCR Ventures	0	0	0
Lyva Labs (LV Phase 2)	175	175	0
TOTAL Business Ecosystem Delivery Board	17,650	14,661	2,989
Place Delivery Board			
Place Delivery Board Pipeline	19,003	19,003	0
Kirkby Town Centre (phase 2)	2,800	0	2,800
Town Centres	42	80	(38)
Crosby Lake Adventure Centre	511	511	0
Littlewoods C&C	5,980	5,980	0
Littlewoods (Internal Delivery)	71	71	0
Project Trinity	10,115	10,115	0
Kirkby Town Centre (Phase 3)	1,500	1,500	0
Liverpool Film & Content Fund (Phase 2)	800	800	0
Kings Dock	962	962	0
TOTAL Place Delivery Board	41,784	39,022	2,762
UKSPF Delivery Board			
VOLA	107	86	21
UKSPF	1,105	884	221
TOTAL UKSPF Delivery Board	1,212	970	242
TOTAL EXTERNAL CAPITAL GRANTS	264,968	251,601	13,367

**LIVERPOOL CITY REGION COMBINED AUTHORITY MID YEAR TREASURY
ACTIVITY REVIEW 2023-24**

1. PURPOSE OF REPORT

- 1.1. The purpose of this report is to provide members of the Liverpool City Region Combined Authority with an update on its treasury management activity for 2023/24.

2. RECOMMENDATIONS

- 2.1 It is recommended that the Liverpool City Region Combined Authority:
- (a) Note the mid-year treasury management report

3. BACKGROUND

- 3.1 The Liverpool City Region Combined Authority operates a balanced budget, which broadly means cash raised during the year will meet its cash expenditure. Part of the treasury management operations ensure this cash flow is adequately planned, with surplus monies being invested in low-risk counterparties, providing adequate liquidity initially before considering optimising investment return.

The second main function of the treasury management service is the funding of the Combined Authority's capital plans. These capital plans provide a guide to the borrowing need of the Authority, essentially the longer-term cash flow planning to ensure the Authority can meet its capital spending operations. This management of longer-term cash may involve arranging long or short term loans, or using longer term cash flow surpluses, and on occasion any debt previously drawn may be restructured to meet Authority risk or cost objectives.

Accordingly, treasury management is defined as:

"The management of the authority's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

- 3.2 In accordance with the CIPFA Code of Practice for Treasury Management in Public Services, the Combined Authority is required to produce an interim report which provides a review of the Treasury Management Strategy Statement and Annual Investment Strategy, together with an update on investments and borrowing and a review of its Treasury Limits and Prudential Indicators.

The Combined Authority's Treasury Management Strategy 2023-24 was approved at the budget meeting on 20 January 2023. At the mid-point in the year, it is pertinent to provide the Authority with an update on progress against the approved strategy.

3.3 The interim report has been prepared in accordance with CIPFA's Code of Practice on Treasury Management and covers the following:

- an update on interest rates;
- a review of treasury management strategy statement and annual investment strategy;
- an update on current investments and borrowing profiles; and
- a review of compliance with Treasury Limits and Prudential Indicators for 2023-24

3.4 Interest Rates Forecasts

3.4.1 The Authority's treasury advisor, Link Group, have provided the following forecast for interest rates.

Table 1 – Forecasts for Interest Rates

Link Group Interest Rate View	25.09.23												
	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26
BANK RATE	5.25	5.25	5.25	5.00	4.50	4.00	3.50	3.00	2.75	2.75	2.75	2.75	2.75
3 month ave earnings	5.30	5.30	5.30	5.00	4.50	4.00	3.50	3.00	2.80	2.80	2.80	2.80	2.80
6 month ave earnings	5.60	5.50	5.40	5.10	4.60	4.10	3.60	3.10	2.90	2.90	2.90	2.90	2.90
12 month ave earnings	5.80	5.70	5.50	5.20	4.70	4.20	3.70	3.20	3.00	3.00	3.00	3.00	3.00
5 yr PWLB	5.10	5.00	4.90	4.70	4.40	4.20	4.00	3.90	3.70	3.70	3.60	3.60	3.50
10 yr PWLB	5.00	4.90	4.80	4.60	4.40	4.20	4.00	3.80	3.70	3.60	3.60	3.50	3.50
25 yr PWLB	5.40	5.20	5.10	4.90	4.70	4.40	4.30	4.10	4.00	3.90	3.80	3.80	3.80
50 yr PWLB	5.20	5.00	4.90	4.70	4.50	4.20	4.10	3.90	3.80	3.70	3.60	3.60	3.60

3.4.2 The latest forecast on 25th September sets out a view that both short and long-dated interest rates will be elevated for some little while, as the Bank of England seeks to squeeze inflation out of the economy.

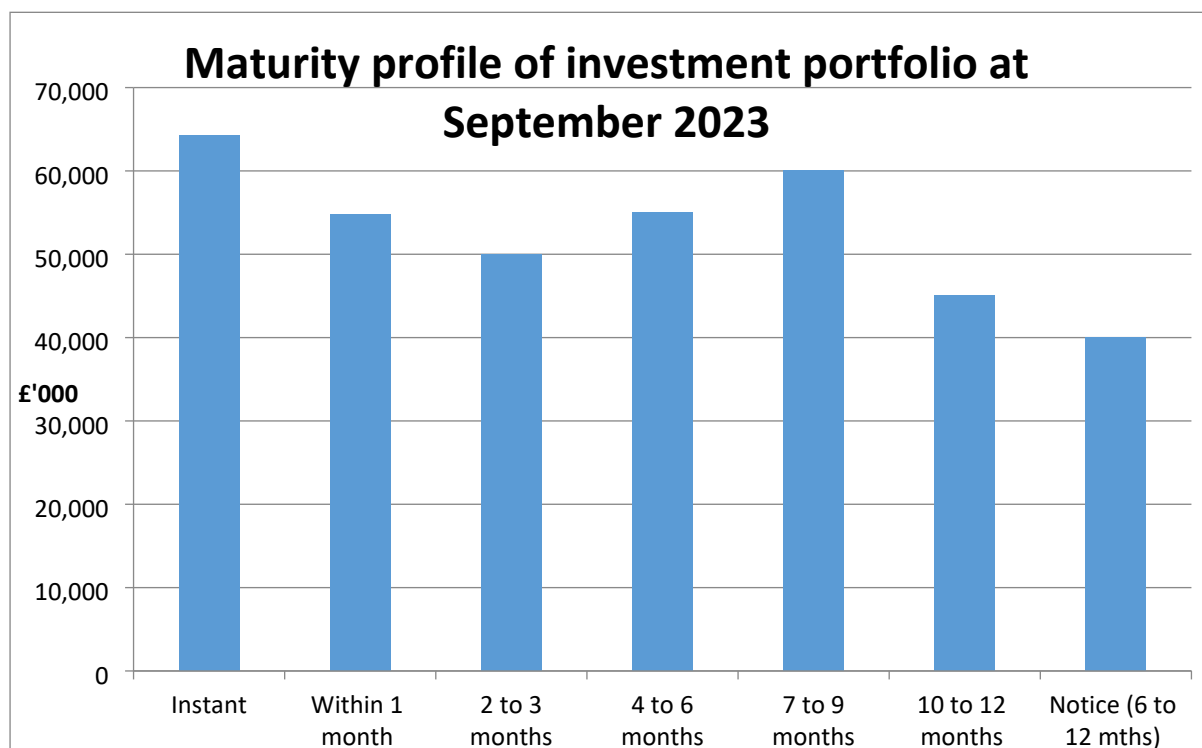
3.4.3 The PWLB rate forecasts are based on the Certainty Rate (the standard rate minus 20 bps, calculated as gilts plus 80bps) which has been accessible to most authorities since 1st November 2012.

3.5 Treasury Management Strategy and Annual Investment Strategy Update

3.5.1 The Treasury Management Strategy Statement, which includes the Annual Investment Strategy, was considered and approved by the Combined Authority at its meeting on 20 January 2023. The Investment Strategy outlined the Authority's investment priorities which can be summarised as achieving the best return available on funds whilst maintaining the security of capital and liquidity of investments.

3.6 Investments

3.6.1 As at 30 September 2023, the Combined Authority held investments of £369m (£340.8m at 30 September 2022). The chart below details the maturity profile of the Combined Authority’s investments.



The Combined Authority will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security, liquidity and risk appetite. It is currently considered appropriate to keep investments short term to cover cash flow needs, but also to seek out value available in periods up to 12 months with high credit rated financial institutions.

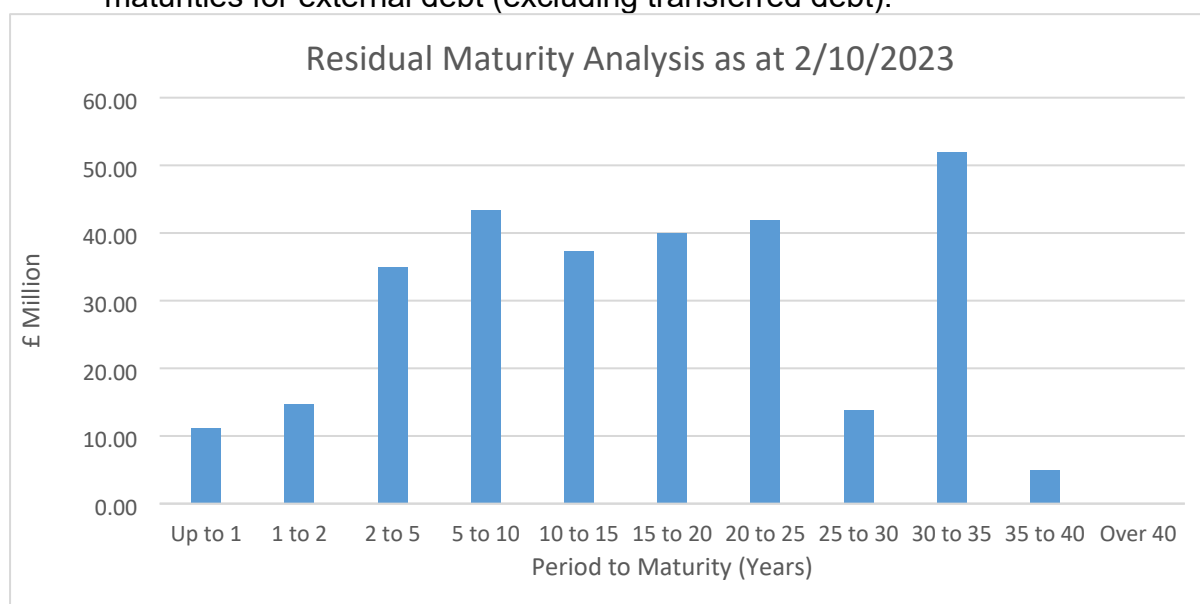
3.6.2 At the mid-point of the year, cash holdings have increased slightly from the same point in 2022/23. Disbursement of upfront grant funding received in prior years has increased gradually during the first half of the year, but in addition to this, funding of over £174m has been received for programmes including CRSTS, Adult Education, and Gainshare with only minor expenditure on the associated projects due to the front loading of funding.

3.6.3 In relation to the rolling stock programme, cash resources have been used in lieu of external long term borrowing during 2022/23 and this has continued into 2023/24.

3.6.4. The Combined Authority’s weighted average rate of return is 5.28% compared with 1.74% in 2022/23. As shown by the interest rate forecasts in section 2, it is now possible to earn a higher level of interest rate not seen in previous decades and given the forecast for Bank Rates to stay at this level for the next year, investment returns are expected to rise slightly from the current position.

3.7 Borrowing

3.7.1 As at 2nd October 2023, the Combined Authority has outstanding debt of £294.4m together with £5.7m debt transferred on the abolition of the former Merseyside County Council. The chart below shows the profile of residual maturities for external debt (excluding transferred debt).



3.7.2 Based on its capital financing requirement, the Authority has an underlying need to borrow based on the capital programme for the next three years, it is envisaged that borrowing will be undertaken which will reduce the under borrowed position.

Due to the significant and substantial increase in interest rates this year undertaking long term borrowing at current rates may lock in higher than necessary interest costs. The Rolling Stock project presents the Authority with an absolute need to borrow, however it is not envisaged that it will be a requirement this financial year. The timing of this will be closely monitored to ensure maximum cash flow benefits.

The Authority has a strategy of running down cash balances in lieu of new borrowing to help minimise credit risk. This borrowing strategy is considered to still be fit for purpose.

3.8 Treasury Limits and Prudential Indicators

It is a statutory duty under Section 3 of the Local Government Act 2003 for local government bodies to determine and keep under review the affordable borrowing limits, having regard for CIPFA's prudential code (as amended 2021). The Combined Authority's Treasury Limits and Prudential Indicators were outlined in the approved Treasury Management Strategy. During the half year ended 30th September 2023, the Combined Authority has operated within the treasury and prudential indicators set out in the Treasury Management Statement for 2023/24.

3.9 Annual Investment Strategy

3.9.1 The Treasury Management Strategy Statement (TMSS) for 2023/24, which includes the Annual Investment Strategy, was approved by the Combined Authority on 20 January 2023. In accordance with the CIPFA Treasury Management Code of Practice, it sets out the Combined Authority's investment priorities as being:

- Security of capital
- Liquidity
- Yield

The Combined Authority will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity and with the Combined Authority's risk appetite. In the current economic climate, it is considered appropriate to keep investments short term to cover cash flow needs, but also to seek out value available in periods up to 12 months with high credit rated financial institutions.

Investment Counterparty criteria

The current investment counterparty criteria selection approved in the TMSS on 20th January 2023 is meeting the requirement of the treasury management function.

4. RESOURCE IMPLICATIONS

4.1 Financial

The financial implications of the report are detailed above.

4.2 Human Resources

None as a direct result of this report.

4.3 Physical Assets

None as a direct result of this report.

4.4 Information Technology

None as a direct result of this report.

5. RISKS AND MITIGATION

None as a direct result of this report.

6. EQUALITY AND DIVERSITY IMPLICATIONS

None as a direct result of this report.

7. COMMUNICATION ISSUES

None as a direct result of this report

8. CONCLUSION

- 8.1 During 2023/24 the Combined Authority has continued to operate in accordance with the Treasury Management strategy approved in January 2023 and complied with its legislative and regulatory requirements.
- 8.2 In line with the requirements of CIPFA Code of Practice for Treasury Management in Public Services, a full-year report for 2023/24 will be presented to members after the 2023/24 financial year end.

JOHN FOGARTY
Executive Director Corporate Services

Contact Officer(s):
Sarah Johnston, Assistant Director of Finance

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Report Title	Economic Opportunities Framework
Portfolio Holder	Portfolio Holder for Economic Development and Business
Summary of report	This report seeks Combined Authority approval for the Liverpool City Region Economic Opportunities Framework, which provides a long-term, consistent focus on the City Region's core economic strengths, and in doing so supports efforts to attract public and private investment.
Is this report exempt?	No
Is this a Key Decision	Yes. To be significant in terms of its effects on persons living or working in an area comprising two or more wards or electoral divisions in the area of the Combined Authority.
Is the report urgent	No
Is this decision to be exempt from call in	No
Local Authorities affected	All Local Authorities
Impact and implications of this report	
Financial impact	No, see paragraph 5.1
Delegation (s) sought	None
Supporting the Corporate Plan	A Fairer City Region ✓ A Stronger City Region ✓ A Cleaner City Region ✓ A Connected City Region ✓ A Vibrant City Region ✓
Climate Change Implications	Yes, see paragraph 5.3
Equality and Diversity implications	Yes, see paragraph 5.4
Social Value implications	Yes, see paragraph 5.5
Human Resources implications	No
Physical Assets implications	No
Information Technology implications	No

Legal implications	No, see paragraph 5.6
Risk and Mitigation	Yes, see paragraph 5.7
Privacy implications	No
Communication and consultation implications	Yes, see paragraph 5.8
Contact Officer(s)	Adrian Nolan, Senior Policy Lead – Economy adrian.nolan@liverpoolcityregion-ca.gov.uk
Appendices	Yes 1 – Liverpool City Region Economic Opportunities Framework 2 – Equality Impact Assessment
Background Documents	No

Liverpool City Region Combined Authority

Friday, 15 December 2023

Report of the Executive Director - Policy, Strategy and Government Relations and the Portfolio Holder for Economic Development and Business

ECONOMIC OPPORTUNITIES FRAMEWORK

1. PURPOSE OF REPORT

- 1.1 This report seeks Combined Authority approval for the Liverpool City Region Economic Opportunities Framework. This provides a long-term, consistent focus on the City Region's core economic strengths, and in doing so supports efforts to attract public and private investment.

2. RECOMMENDATIONS

- 2.1. It is recommended that the Liverpool City Region Combined Authority:
- (a) approve the Liverpool City Region Economic Opportunities Framework as set out in Appendix 1.

3. BACKGROUND

- 3.1 There are a number of significant reasons for this framework. At a macro-economic level, the pace of change and disruption in the global and UK economies is significant, which is also set against a backdrop of long-term productivity gaps, ever increasing competition for both public and private investment, and the transition to net zero.
- 3.2 Furthermore, at national policy level, there is an explicit growing realisation of the importance of "Place" in UK innovation and broader economic policy – a clear renewed emphasis on developing existing and emerging "clusters" as a primary means of unlocking and accelerating economic growth and productivity increases.
- 3.3 More broadly, Combined Authority officers are aware that both government and private investors require:
- A clear and credible long-term narrative on what the economic strengths are in a place.
 - An understanding of the scale and distinctiveness of these local strengths and an articulation of the opportunities they provide.
 - Confidence that enabling conditions are in place to maximise the impact of investments, such as the strength of local supply chains and wider factors such as talent, skills, and connectivity.
- 3.4 The Framework builds on the Liverpool City Region Plan for Prosperity and is part of parallel and integrated approaches that taken together are critical for the City Region in driving the mobilisation of resources and in ultimately delivering

sustainable and inclusive economic growth. It fits closely with key developments such as the City Region's Long Term Skills Plan, Internationalisation Strategy, Local Transport Plan (emerging LTP4), emerging Spatial Development Strategy, Climate Action Plan, together with broader pipeline development planning.

4. The Framework

- 4.1 This Economic Opportunities Framework is designed to set out a long-term focus that binds together in one place the City Region's strategic economic strengths, opportunities and assets that can help build prosperity and support increased investment. It emphasises concentrations and clusters of economic activity which are distinctive, strategically important to the economy of the City Region, and where it has competitive and comparative advantage.
- 4.2 The ultimate prize in scaling these opportunities and strengths is to improve competitiveness; increase good employment, wages, and investment; ensure the inflow and retention of a skilled workforce; enable more exports; and ultimately generate greater productivity.
- 4.3 This core strategic investment narrative for the City Region also acts as an anchor for partners to use and align with their own investment opportunities. In doing so, the Framework:
- Supports opportunities to attract investment, including from institutional and inward investors.
 - Provides a basis to influence the focus of government investment, and support the City Region and its partners in aligning future strategy and pipeline focused projects.
 - Enables responses to new growth and innovation-led funding opportunities in a timely and cohesive manner.
 - Helps shape City Region wide investment priorities and identify areas of focus for developing economic opportunities and clusters. This will inform future workstreams.
- 4.4 The key focus throughout is conveying the *scale* of opportunity, but also importantly on using economic strengths to help meet areas of need, supporting the City Region's residents to be able to progress and access future opportunities – therefore how it contributes to inclusive economy ambitions and priorities.
- 4.5 The Framework articulates the nature of these strengths and why they are important, where they are primarily clustered, how their distinctiveness will support the City Region to tap into key national and global market opportunities, and related pipelines that will support delivery.
- The main thrust of this is the nationally significant innovation ecosystem as a 'knowledge anchor' which converges with key cluster priorities - Advanced Manufacturing, Health and Life Sciences, and Digital and Creative.
 - Innovation and the cluster priorities do not work in isolation though, and there are strong synergies across other areas of the economy which are also set out

– for instance Financial, Professional and Business Services and Port and Maritime.

- 4.6 The Framework articulates key enabling conditions such as connectivity, the City Region’s vibrancy and place offer, together with talent attraction, development, and retention.
- 4.7 The document also sets out – at a strategic level – the types of thinking, connections, and activities that will be required to develop economic opportunities with an integrated approach across economy, people, and place.

5. IMPACT AND IMPLICATIONS

5.1. Financial

The Economic Opportunities Framework does not make any explicit funding requirements of the Combined Authority. It is consistent though with the principles of the Plan for Prosperity and the Investment Strategy, which also prioritises the strategic focus for future growth focused investments within key cluster priorities (although not exclusively).

5.2 Supporting the Corporate Plan

A Fairer City Region - The Framework recognises the need to use economic assets to help to address social challenges, and in ensuring that there is a principle of ‘opportunities for all’ regarding economic clusters and strengths, echoing the Plan for Prosperity’s inclusive economy principle. An Equality Impact Assessment accompanies this report and has informed its development.

A Stronger City Region – The core premise behind the Economic Opportunities Framework is to support the development of a knowledge intensive economy which is conducive to greater levels of investment and that helps further enhance productivity.

A Cleaner City Region – The Framework sets out a number of core net zero related strengths and a strategic approach to maximise economic opportunities, in particular around industrial decarbonisation and clean energy.

A Connected City Region – The importance of enablers such as transport and digital connectivity is highlighted within the document, particularly the need for a strategic focus on how transport provision and planning connects to economic opportunity.

A Vibrant City Region – The importance of ‘place’ and selling the vibrancy of the City Region as somewhere to study, live, work, and invest, is a key element which flows across the narrative.

5.3 Climate Change

The Economic Opportunities Framework sets out a narrative around the City Region’s industrial and natural assets and capabilities, that will help reach the target of net zero by 2040 or sooner, whilst supporting national and global solutions.

5.4 **Equality and Diversity**

An Equalities Impact Assessment has been undertaken to inform the Economic Opportunities Framework. This Impact Assessment confirms that the Framework will advance equality or will have no negative impacts on any of the protected characteristics.

5.5 **Social Value**

To maximise future economic opportunities, it will be important to identify and focus on specific public sector orientated market opportunities (relating to net zero and health innovation for example) as a way of investing to develop local and regional supply chains and to address City Regional challenges. This may involve targeted activities that help stimulate supply chains as well as progressive procurement, for example.

5.6 **Legal**

There are no specific legal implications arising from this report. However, it is worth noting that within the Economic Opportunities Framework there are actions linked to strategies and plans that the Combined Authority are obliged to produce. Namely, these are the emerging fourth Local Transport Plan and the emerging Spatial Development Strategy.

5.7 **Risks and Mitigation**

There are no specific corporate risks associated with the document, but without a clear strategic focus on economic strengths, and an understanding of how they will support wider economic development, the City Region will struggle to shift the dial in terms of economic performance and creating the critical mass of high-quality jobs and career progression routes that it needs.

5.8 **Communication and Consultation**

The Combined Authority's marketing and communications team have been kept informed of communications implications arising from the Economic Opportunities Framework. Accordingly, flowing from the strategic document being presented with this report, there will be a suite of external facing outputs and summaries differing in levels of detail and information to suit different audiences and uses - particularly for the purposes of inward and institutional investors and government.

Preparation of the Economic Opportunities Framework has involved consultation with a range of stakeholders, including the constituent local authorities, private sector organisations, the Business and Enterprise Board, and innovation, research and academic partners.

6. CONCLUSION

- 6.1. The Economic Opportunities Framework has been developed to fill an important space in the policy and strategy landscape for Liverpool City Region. In setting out a long-term strategic focus across key strengths in the economic base, it is an anchor for further policy, investment and delivery activities that will help to create and sustain both competitive and comparative advantage, whilst also ‘telling a story’ to both government and investors as to why Liverpool City Region is a place that they should invest in – a place that delivers local solutions for global challenges. This narrative will allow public and private partners to be confident that there is a level of consistency in the City Region’s direction of travel, and in turn, support efforts in enhancing wider investor confidence.

KIRSTY MCLEAN
Executive Director - Policy, Strategy and
Government Relations

CLLR MIKE WHARTON
Portfolio Holder for Economic
Development and Business

Appendices:

1. Liverpool City Region Economic Opportunities Framework
2. Equality Impact Assessment

Background Papers:

None

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LIVERPOOL CITY REGION ECONOMIC OPPORTUNITIES FRAMEWORK



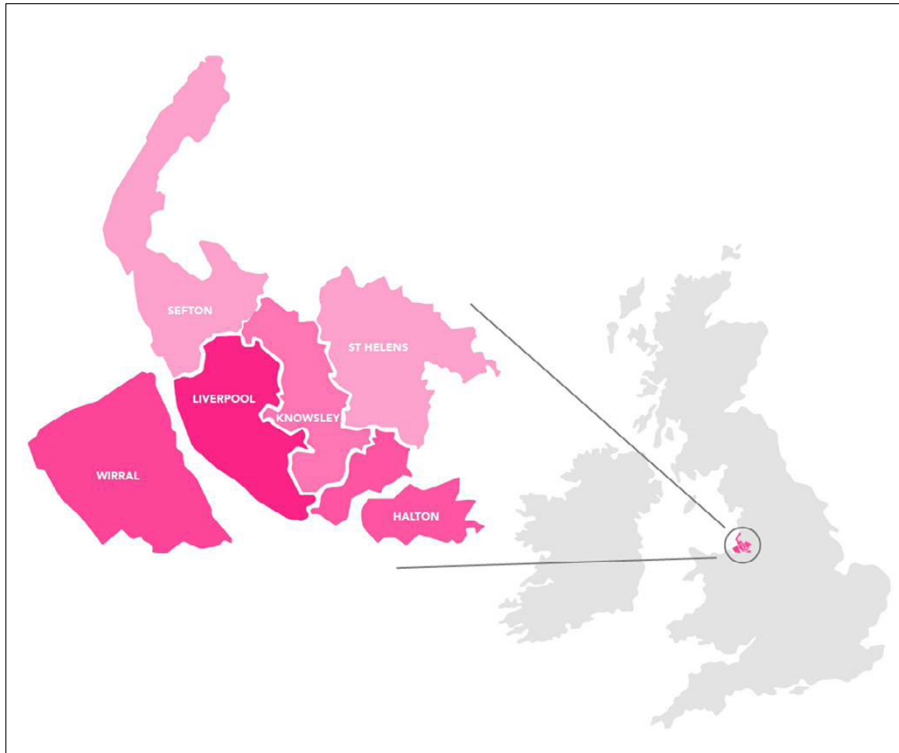
**LIVERPOOL
CITY REGION**
COMBINED AUTHORITY

METROMAYOR
LIVERPOOL CITY REGION

LIVERPOOL CITY REGION - A PLACE OF PIONEERS AND OPPORTUNITY

The Liverpool City Region (LCR) - Halton, Knowsley, Liverpool, St Helens, Sefton, and Wirral - is centrally and strategically positioned on the UK's west coast. With a £35bn economy that is forecast to grow to £45bn by 2035, and a population of 1.6 million people, it is a true global gateway built on international trade and connectivity, driven by innovation.

Figure 1: The Liverpool City Region



A pioneering spirit that drives LCR's transformation

The City Region rose to prominence through transformation, pioneering the modern dock technology, transport systems and maritime buildings that enabled the first industrial revolution. That level of creativity, ingenuity and innovation continued in other aspects of economic and civic life: the world's first municipal public park in Birkenhead; the country's first municipal housing; the first industrial utopian model villages at Port Sunlight; the world's first tropical medicine research institute; and the first school dedicated to urban planning. The Liverpool City Region has always sought to lead the way.

Today, its industrial transformation is led by world-leading capabilities in high-performance computing, materials chemistry, and health and life sciences. LCR is at the forefront of global advancements in the prevention and control of infectious disease, lab automation, fast-moving consumer goods, and innovations within clean energy, industrial decarbonisation and immersive technologies. It is this spirit of innovation that sets the Liverpool City Region apart and enables it to compete with the rest of the world.

A Place where people choose to be

It is not just world class science and innovations that power the City Region. It is also world renowned as a 'Global Cultural Capital', founded on creativity and a unique sense of place. Heritage buildings, museums, and galleries, sporting and music prowess (Liverpool is a UNESCO City of Music) which are synonymous here and showcased internationally, a thriving

nightlife and diverse culinary offerings, together with the energy of grassroots cultural organisations, all add to its vibrancy and distinctiveness.

This is set against a backdrop of inspirational natural landscapes: miles of coastline and abundance of open green spaces, woven together by the River Mersey and great public parks, providing a distinctive city/countryside/coastal lifestyle combination. It is powered by the Liverpool City Region's greatest asset: its people. It is their passion, character, warmth, and ideas that forge LCR's success.

The City Region is affordable, with a wide-ranging housing offer that incorporates contemporary urban living complemented by Georgian townhouses and more traditional suburban neighbourhoods. It also offers a strong sense of belonging, community and cohesion in its urban environment that adds to quality of life and its vibrancy.

Communities are well connected to services and leisure, cultural, and economic opportunities through a public transport network which is amongst the most sophisticated in the country, including a Merseyrail network serving a catchment labour market of over 2.5m people and a bus network where routes will be under public control. Furthermore, a planned 600km network of walking and cycling routes will revolutionise active travel.

This all serves as a set of differentiators that can be effectively leveraged to build a dynamic corporate base, foster inward investment and affirm the City Region as a place where people choose to visit, live, work, study and invest.

Progress founded on Leadership and Collaboration

The City Region benefits from strong and cohesive political, business, and institutional leadership through its Metro Mayor, Combined Authority and six local authorities; cross-sectoral partnerships supported by private sector-led Business & Enterprise and Cluster Boards combined with business representative groups; its universities and the UK's first sub-regional Innovation Board.

The Combined Authority, its local authorities, and partners, are dedicated to enabling growth and economic opportunities in every part of the City Region. Together, they are investing hundreds of millions of pounds and significant resources to build on the region's distinctive strengths, including investing in high quality education and skills, affordable housing and attractive, liveable places to create a 'fairer, stronger, cleaner City Region where no-one is left behind.' This is supported by devolved powers and resources in areas such as employment and skills, housing and planning, transport, innovation, business growth and support, and culture.

This collaboration creates a shared, unified vision and sense of purpose to maximise a unique global brand and identity that will instil confidence to investors and partners who share the same long-term ambitions and values for the future of LCR.

Taken together, this pioneering, collaborative spirit and culture forms the core basis for a cohesive place brand and maximising the array of opportunities set out in this Economic Opportunities Framework, in doing so further forging the City Region's economic future and prosperity.

1. Why this Framework is needed and what it does

The global and UK economy is experiencing change and disruption at a pace not seen in many years. This is characterised by geopolitical uncertainty, digital transformation and reorientation of global trade and supply chains, whilst the pandemic reset how we live, work and do business. It is also set against a backdrop of long-term productivity gaps, ever increasing competition for both public and private investment, and the urgent need to transition to net zero.

Furthermore, at national policy level, there is an explicit growing realisation of the importance of “Place” in UK innovation and broader economic policy – a clear renewed emphasis on developing existing and emerging “clusters” as a primary means of unlocking and accelerating economic growth and productivity increases.

The scale of economic change and increasing role of place in policy, demands – more than ever - a refined view of the economy that clearly articulates and positions the City Region’s economic value proposition, in order to maximise its potential on the national and global stages. Central to this is fore-sighting and planning for the economy of the future – how it is transforming and the opportunities for growth that will support high skilled jobs, drive up productivity, and deliver associated co-benefits across the City Region.

Articulating the scale of opportunity

This is the main driver for this Framework, which binds together the strategic strengths, opportunities and assets that will help forge the City Region’s economic prosperity and resurgence on the world stage. It is a core strategic investment narrative that partners can align investment opportunities with, and that provides clarity to investors and government about who we are and what we have to offer.

Building on the 2022 [Plan for Prosperity](#), - and its aim for a ‘*City Region that will build up the resilience and productivity of its economy and unlock its global potential*’ - the Framework is designed to:

- Support opportunities to attract investment, including from institutional and inward investors.
- Influence the focus of government investment.
- Support LCRCA and partners in aligning future strategy and in the unique positioning of the City Region.
- Shape City Region wide investment priorities, areas of focus for developing our economic clusters, and pipeline projects.
- Enable responses to new funding opportunities in a timely and cohesive manner.

The consistent theme that runs through the Framework is building on *scale of opportunity*. Only through a relentless, consistent and targeted focus on this will the dial be shifted on economic performance and ultimately in creating the critical mass of high skilled jobs our City Region needs. This document also sets out a number of high level considerations and actions which can be translated into future work, being operationalised through cross-sector collaborations across the public, private, academic, and social sectors.

2. Consistent and Underpinning Economic Principles

We need to achieve an innovation-led, inclusive, connected, and sustainable approach to growing the economy and maximising opportunity. Therefore these integrated principles underpin the Framework and our thinking both now and in the future.

Innovation-led: A long-term focus on opportunities that drive clustering forces, have the greatest potential for innovative capacity, to be enabled by our innovation ecosystem, and which will drive up productivity. In particular, this builds on key strengths and encompasses activity across Health and Life Sciences, Advanced Manufacturing, and Digital & Creative. These strengths also align with the 2023 update of the [Northern Powerhouse Independent Economic Review](#). They are also those areas of the economy that will be at the forefront in addressing current and future societal and environmental challenges.

This will help develop and sustain comparative advantage and have long-term impact which supports the City Region in becoming more resilient to external shocks; creates and sustains good quality, well paid jobs; and which in turn drives further demand for other service based sectors. See [Figure 2](#) for a visual representation of this.

Inclusive: No economic ambitions can be achieved without the supply of skilled people, broadening the talent pool and developing shared prosperity across all communities. More people need to be engaged in work and in higher quality work. So we can only succeed through both expanding the number of residents in work from across all communities, enabling progression routes, and through making jobs more productive. This can only be achieved at scale through providing access to opportunity for all with support organised around what people need to address their barriers and the systemic issues around inequality.

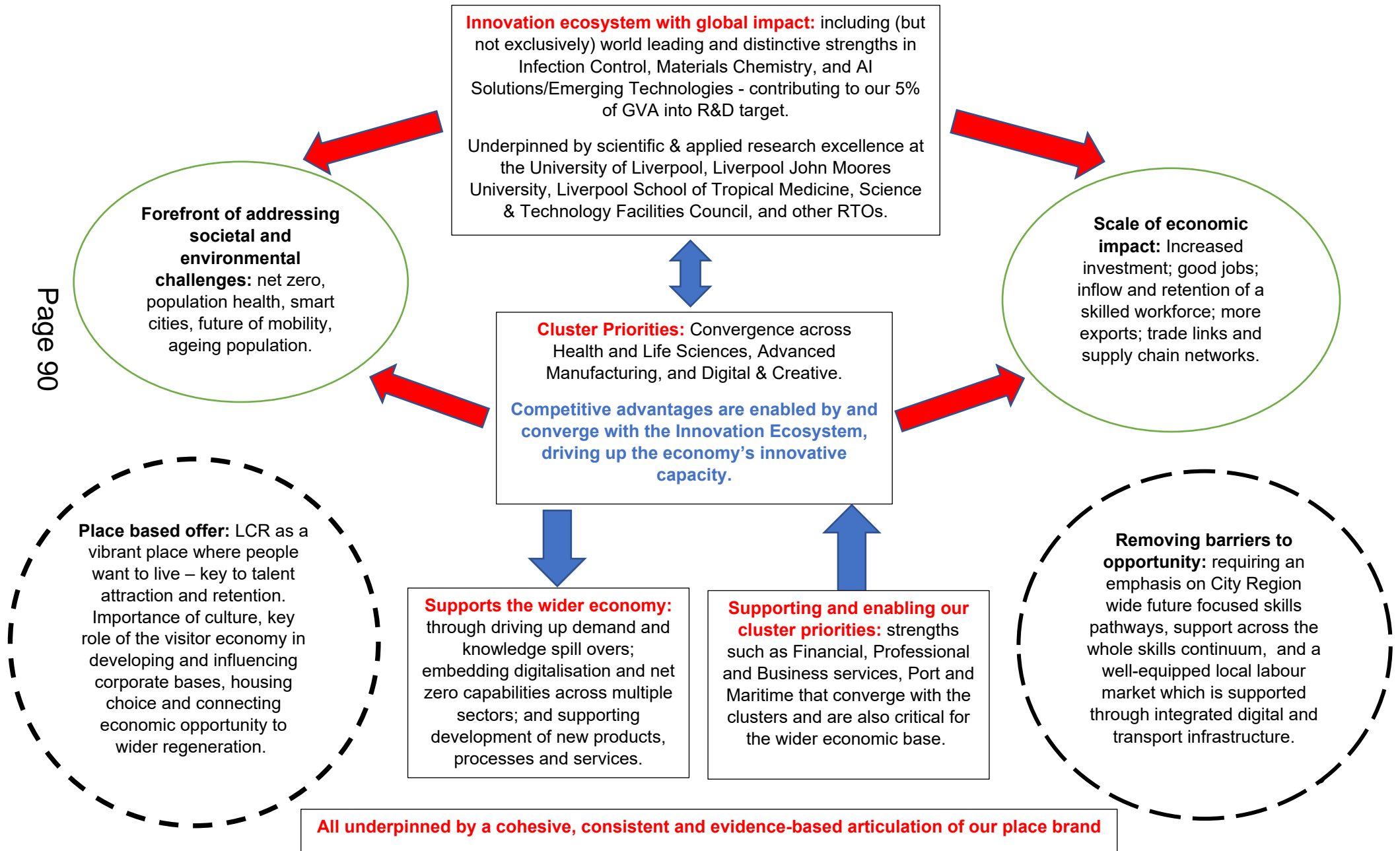
Connected: Economic opportunity can only be maximised through ensuring the right coordinated approach to connectivity through integrated and future focused infrastructure - digital, sustainable transport, energy, the built environment, and planning for the changing nature of work advanced by the pandemic. Integrated approaches will maximise the role of infrastructure as an economic enabler and supporting the shift to a low carbon economy.

Sustainable: Future economic growth is entwined with climate change. This means economic development must be delivered sustainably, with a focus on low carbon economy opportunities; investments that enable and support reduced carbon emissions, climate adaptation and mitigation; improved energy efficiency, and growing the circular economy. This sustainability principle is driven by LCR's target to achieve Net Zero by 2040 or sooner.

Underpinning all of this is partnership – within and between the public, private, academic/research, and social sectors, based on collaborating and innovating together, and key anchor institutions (including Local Authorities/LCRCA/NHS/HEIs) leading the way.

The above principles mean that this Framework does not sit in isolation, but rather as part of integrated approaches that taken together are critical in delivering sustainable and inclusive economic growth. It goes hand in hand with key developments such as LCR's Long Term Skills Plan, Internationalisation Strategy, Climate Action Plan, emerging Spatial Development Strategy, Local Transport Plan, and pipeline development planning.

Figure 2: The component parts in creating and sustaining long term comparative advantage, productivity and prosperity



3. Key Priorities and Focus

The City Region has a number of key strengths and locations that provide, or have the potential to provide, a catalytic impact on our economy, representing opportunities of a type and scale that can enable transformational change.

To maximise their impact will require a core focus of sustained and highly targeted activity across strategy, policy, and investment.

Our priorities are to ensure:

- An emphasis on **convergence across established key strengths, enabling capabilities, and emerging opportunities**
- Scale is the underlying focus across all our interventions and associated outcomes.
- Opportunities and challenges to building on our strengths are understood and continuously updated.
- That targeted focus on the City Region's core growth drivers and clusters will address the critical issues of talent, digitalisation, and the transition to net zero.
- That high value supply chain opportunities are supported across the City Region.
- Through strengthening supply chains and networks, businesses are anchored to place and their communities.
- Inclusive economy ambitions are inter-twined with economic opportunity, recognising that people are the most important asset the City Region has.
- That opportunities are scaled through public/private partnerships.

The focus on these priorities and core opportunities will support the City Region in meeting key targets and outcomes, such as:

- Achieving Net Zero by 2040 or sooner;
- Securing investment of 5% equivalent of GVA spend on R&D;
- Increasing the level of exports to 35% of our GVA (£11.8bn) as set out in our Export Plan, and increasing the percentage of FDI coming into the City Region.
- Increasing the proportion of knowledge intensive businesses from 22% towards the national level of 26%;
- Progress in closing productivity and business density gaps;
- Improved outcomes across the skills continuum and enhancing career progression routes;
- Increased health equity as a result of investments and developments across Health and Life Sciences that combine with public service innovation.

4. Scaling Up our Regional Growth Drivers

This Framework shows that through leaning on competitive strengths and converging with global innovation capabilities, the City Region has a clear vision and proposition to commercialise ideas and create a knowledge intensive economy that is at the forefront of Industry 4.0.

Below sets out our transformational strengths, capabilities and opportunities: why they are important, key locations, and the opportunities they provide. It begins with the innovation ecosystem - the knowledge anchor and enabler - and then how this connects with other cluster strengths to drive economic growth.

A) Innovation – Local Solutions with Global Reach and Impact

Liverpool City Region has a long history of innovation excellence. Rooted in evidence, our world leading, highly distinctive and interconnected innovation strengths and priorities were set out in successive [Science and Innovation Audits in 2017 and 2022](#) and [Innovation Prospectus \(2023\)](#). These are centred on *infection prevention & control, materials chemistry, and AI solutions & emerging technologies*, with developing specialisms also in net zero and maritime. They form the basis for the City Region's cluster focused approach to developing innovation assets that will actively bring ideas to market and support growth across the economy.

These strengths are underpinned by a strong academic and research base. 91% of the University of Liverpool's research is classed as world leading or internationally excellent by the Research Excellence Framework (REF), with 94% of its research impact considered 'outstanding' or 'very considerable'. In Research England's Knowledge Exchange Framework (KEF), it is in the top quintile for research partnerships, working with business, and with the public & third sector. Liverpool John Moores University also has a strong reputation of high impact applied research. The REF asserts that 64% of its impacts are 'outstanding or very considerable', and it also scores in KEF's top quintile for research partnerships.

Combined with the Liverpool School of Tropical Medicine ranked 2nd in the UK by REF for overall impact, the opportunity for enhancing knowledge exchange and collaborating with the business base to drive innovation-led growth is very strong.

Driving real world solutions and supporting businesses to innovate

Further development of our innovation ecosystem is central to translating research into real world solutions (improving population health outcomes and supporting the drive to net zero for example); increasing the density of R&D intensive businesses we need to improve economic performance; driving close academic-industry collaboration partnerships; creating more university spinouts; more businesses applying for and benefiting from Innovate UK funding; and more broadly, instilling an innovation culture across the wider business base.

In particular, turning research ideas into commercial and investable propositions to bring to market requires a highly supportive ecosystem, and the City Region has targeted investments to do just that – from *Lyva Labs*, a commercialisation vehicle that invests in the projects and technologies that will push the boundaries of tomorrow and is already delivering national programmes for Innovate UK, through to a Tech Accelerator and £5.1m 'Horizons' programme to help businesses innovate, complemented by Seed Fund and Business Angel Network investments. Taken together, our investments are leveraging private funds to provide a supportive environment and helping to develop an investment runway for businesses to innovate and flourish.

Scale of impact that will support national priorities

The assets and capabilities across the innovation ecosystem are drivers of economic activity that will create significant scale of impact. As set out in our *Plan for Prosperity* and elsewhere, focusing activities and investment around distinctive innovation clusters will be central to meeting ambitious City Region targets including **5% equivalent of GVA spend on R&D by 2030 and achieving net zero by 2040 or sooner**. Achieving the 5% target could mean additional £19.7bn in net GVA, a 6.5% increase in jobs (44,000) and a 10% increase in productivity.

With the Government increasing spending on R&D to £20bn by 2024/25, and its stated priority to drive up knowledge intensive growth clusters across the country, the City Region is one of the few places outside the Greater Southeast with the demonstrable potential to help meet national ambitions. This is reflected in it being the first place in the country to develop and launch a place-based innovation Partnership & Action Plan with Innovate UK.

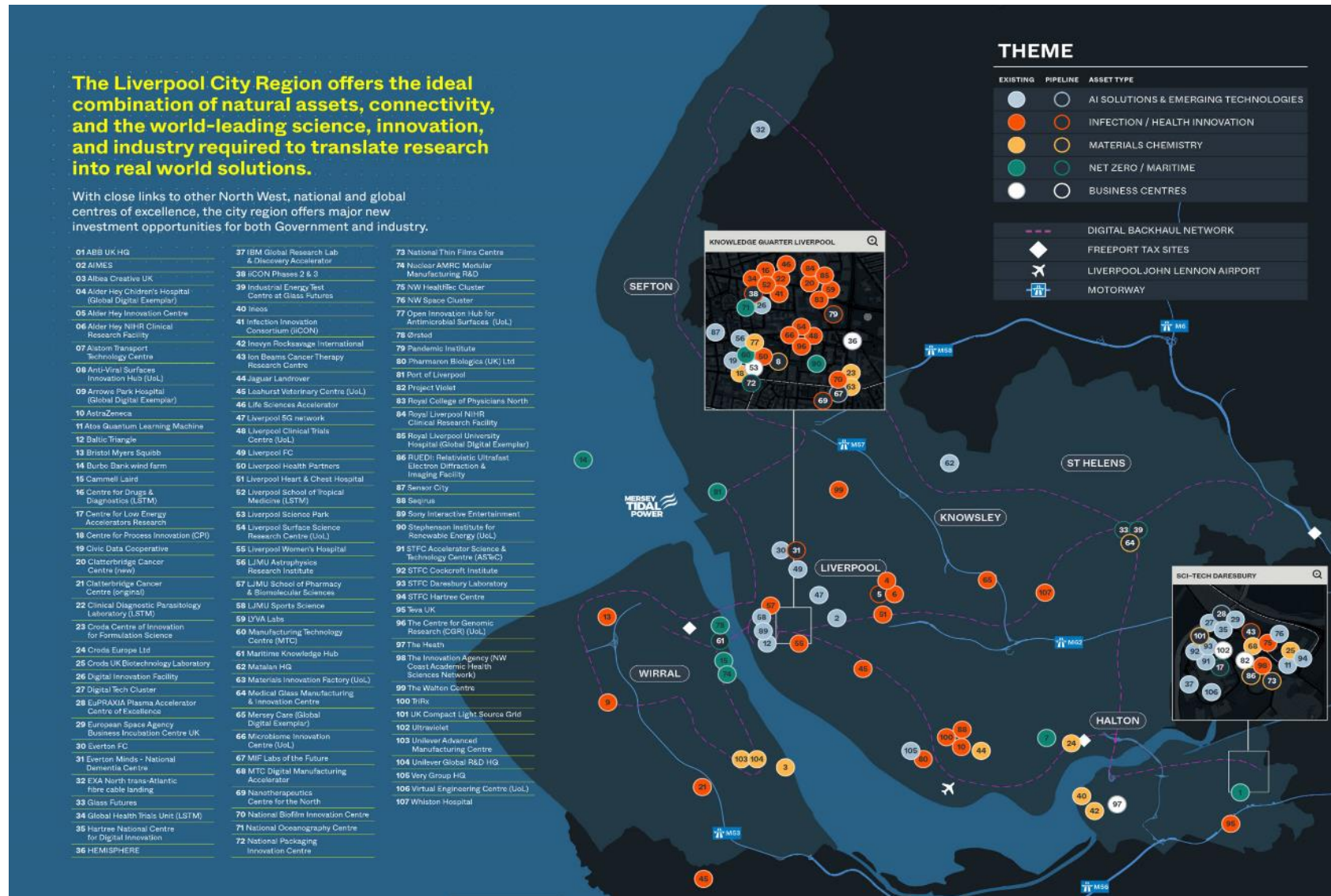
This is underpinned by an R&D pipeline worth £1.9bn and £725m of projects underway. It is facilitated by one of the UK's leading place-based approaches to innovation, as recognised by Government. It is further enabled through the LCR Health and Life Sciences Investment Zone that will scale out world class innovation capability, build on long-standing collaborations and attract businesses of all sizes into new high quality facilities.

We will continue to prioritise mobilising investment and activities across the innovation ecosystem's clusters to improve commercialisation performance; forge R&D collaborations; enable businesses to access finance, investment, skills, talent, and wider support they need to innovate; and invest in physical infrastructure for innovators to flourish.

Key Locations	Opportunities to build and sustain comparative advantage
<ul style="list-style-type: none"> • Two nationally significant, rapidly expanding science and innovation campuses for current and future strategic focus at: <ul style="list-style-type: none"> ○ <i>Knowledge Quarter Liverpool</i>, a 450-acre innovation district. Its further development is also key in meeting the priority of supporting the city centre as a focal point for knowledge intensive activity. ○ <i>Sci-Tech Daresbury</i>, a national science and innovation campus that serves as UKRI's primary base for the North. 	<p>Our concentration of innovative ideas, industry, and assets presents huge potential to deliver scalable and transferable innovation approaches and major R&D projects that open the knowledge base to support industry; help secure the UK's position at the forefront of global innovation; and develop novel solutions to society's most pressing current and future challenges, both here and around the world. This is exemplified in our R&D pipeline, to be delivered through collaboration and co-creation with industry and government.</p> <p>A £1.9bn pipeline with a range of opportunities particularly for our 'Superclusters' / Global Differentiators based at Knowledge Quarter that will have huge multiplier and spill-over impacts, including through commercial applications (see case study below):</p> <ul style="list-style-type: none"> • Infection Innovation Consortium (iiCON) is creating a new translational research facility to complement the clinical trials work that will be carried out at Liverpool School of Tropical Medicine's Human Challenge Facility, due to open in 2025. This will help to deliver on the iiCON's objective to lever £1bn local R&D investment within 10 years. These initiatives will be complemented by The Pandemic Institute's national flagship facility for Pandemic Prevention, Preparedness and Response. • Materials Innovation Zone, which is a ten-year plus horizon opportunity, centred on the expertise at Materials Innovation Factory at the University of Liverpool. <p>The array of existing assets and capabilities, combined with opportunities from the pipeline and beyond, will support LCR to become a global 'Smart City Region'; to pioneer health innovations (also central to the Investment Zone); and to lead on global solutions to industrial decarbonisation. Below are just a few illustrative examples.</p>

<p>At its core is STFC Daresbury Laboratory, sister site to STFC in Harwell, Oxfordshire. Its ambition is for 10,000 new jobs to be located at Daresbury in the next 15 years.</p> <ul style="list-style-type: none"> • New and emerging clusters and opportunities located across the City Region. These will be informed by LCR's bespoke Asset Based Cluster Development (ABCD) approach across the City Region – this is a detailed framework that objectively assesses the performance and maturity of actual and emerging innovation assets, with a view to wider cluster development. • For a detailed innovation map, see LCR Innovation Prospectus 	<p>A 'Global Smart City Region'</p> <p>LCR has all of the elements required to be a national digital transformation exemplar and Global Smart City Region that addresses core local, national and global challenges. For example:</p> <ul style="list-style-type: none"> • Existing assets of STFC Hartree Centre in partnership with IBM Research: a world leader in devising and delivering AI solutions to industrial and real world challenges. • UK's first Civic Data Cooperative, which will maximise population health improvements through data collection, analysis, assets and community-oriented challenge programmes. This is a model that could also be scaled for other uses. • Next stage development of the Meta-Liverpool Metaverse Platform at the University of Liverpool's Digital Innovation Facility, in partnership with STFC Hartree Centre and Civic Data Cooperative. This is a unique 3D digital mapping and data platform which can be developed as a 'digital twin tool' with the highest ever resolution imaging for the whole City Region. Its potential applications are boundless – it can be used for policy simulation, scenario modelling, monitoring and evaluation, citizen engagement, place marketing, research and education. • Scaling out Quantum capabilities, building on the new PsiQuantum (the world's largest privately backed quantum company) facilities at Sci-Tech Daresbury into wider internationally significant quantum technologies and solutions cluster. Quantum is cutting edge technology that can be deployed to address a range of environmental, social and economic challenges – across climate tech, cyber security, energy, pharma, financial services and beyond. <p>At the forefront of maximising population health improvements</p> <p>Supported through the H&LS Investment Zone, examples include:</p> <ul style="list-style-type: none"> • Creation of a new world class mental health research and innovation facility at Maghull, Sefton around what is already one of Europe's foremost specialist forensic psychiatry centres. • Civic HealthTech Innovation Zone – building on the Civic Data Cooperative (as above), this will be a world-leading innovation campus and LCR-wide network of NHS and community sites ready to research, develop, evaluate, and optimise HealthTech, creating significant co-investment opportunities. • Creation of a world first Centre for Long-lasting Therapeutics at the University of Liverpool, combining global expertise in pharmacology and materials chemistry. This can have a huge impact for treatment and prevention of chronic diseases but also other applications for acute diseases where patients often need multiple drug doses for successful therapy. <p>Driving industrial decarbonisation</p> <ul style="list-style-type: none"> • Further development of Glass Futures in St Helens – a global industry led open-access hub for both glass technologies innovation and wider decarbonisation for foundation industries. • Solutions to maritime decarbonisation linked to LCR Freeport and deep academic specialisms, including LJMU's Maritime Centre and the Institute for Sustainable Coasts & Oceans, a partnership between both universities and the National Oceanography Centre. University collaboration in the maritime industry is illustrated by UOL's involvement in a new UK Maritime Research Hub, and LJMU's involvement in a consortium led by Liverpool based Bibby Marine to develop electric ships designed for the offshore wind industry. Further industry-led innovation and R&D could be anchored in a proposed Maritime Knowledge Hub on the Wirral, creating solutions to reduce emissions across maritime and so helping meet Government's 'Maritime 2050' objectives.
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Figure 3: Innovation Ecosystem illustration: assets, supporting industry and infrastructure (from the 2023 Innovation Prospectus)



Case Study: Our major differentiators – towards Global Infection and Materials ‘Super Clusters’

LCR’s most distinctive specialisms are based around infection and materials – in turn supported by our third specialism in AI and emerging technologies. Exponentially scalable and mutually reinforcing, these all overlap to offer strong global impact, multiplier effects, and lucrative investment opportunities.

Infection: LCR has the UK’s largest concentration of translational public sector research, development and innovation into infectious diseases. Together with neighbouring Cheshire and Warrington, the City Region delivers £2bn of infection R&D – the biggest concentration in the UK and one of the biggest in Europe.

The Infection Innovation Consortium (iiCON) led by the Liverpool School of Tropical Medicine (LSTM) is at the centre of this. During the COVID pandemic, iiCON’s work to accelerate novel infection control products became a flagship of both regional and national place-based innovation and was key in securing the first LCR-based High Potential Opportunity (HPO) from central government, focused on vaccines.

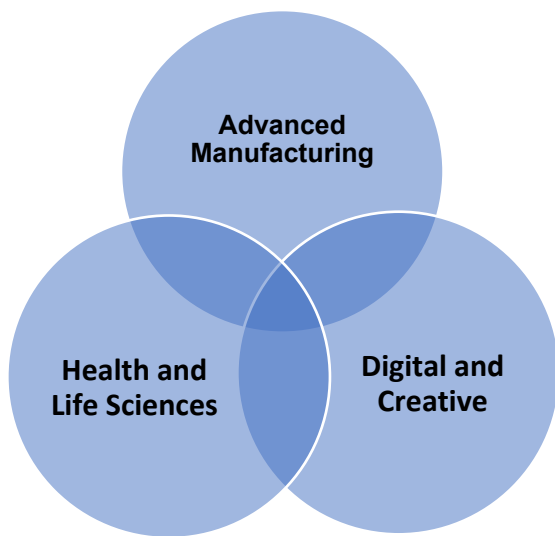
Within just 3 years it had used £20m government funding to lever well over £200m of other, mainly private, investment, brought 23 products to market, and deployed more than 6 billion units worldwide. The next stage is extending an already ambitious 10-year £1bn R&D investment target towards £3bn per annum for a wider *North-West infection Super Cluster* extending out to Cheshire and Warrington.

Materials: LCR is already a world leader in the core science, discovery and industrial application of materials chemistry. At the heart of this is the Materials Innovation Factory (MIF), built on longstanding collaboration between the University of Liverpool and Unilever. Since the £81m facility opened, it has secured an additional £50m of internationally competitive research and innovation grants.

The MIF is now evolving into a global centre for lab automation and the development of automated and digital technologies for materials R&D. It is working on this in partnership with UK leading companies in pharma, energy materials, polymers, coatings, and FMCG, notably Unilever, Croda, Johnson Matthey, Boots. This activity will form the basis of a Materials Innovation Zone, which is a ten-year plus horizon opportunity.

B) Sector led cluster strengths driving opportunity

LCR's innovation capabilities converge with and help enable longstanding and emerging interconnected strengths, which together will help to stimulate wider demand and redirect the economy towards an inclusive and sustainable future. In particular, these are focused on *Advanced Manufacturing*, *Health and Life Sciences*, and *Digital and Creative* which weave together to create an offer greater than the sum of their parts. These are underpinned by deep expertise, high quality and skilled jobs, major global businesses and brands, and clusters of innovative SMEs and start-ups that are central to supply chains. Given their prevalence in terms of economic impact, they are each supported by private sector led Cluster Boards that will help inform and shape policy, partnerships, investment and delivery.



An offer greater than the sum of their parts: clusters intersect within, across, and between each other (e.g. Vaccine development and manufacture, our digital manufacturing expertise, LCR's MedTech capabilities).

Mutual dependencies and learning across areas such as Net Zero, Skills, Productivity, Supply Chains, together with processes and systems.

1) A Place for Makers and Innovators with Continent Spanning Connections (Advanced Manufacturing)

With a port-centric location providing global trade opportunities, a skilled workforce, established R&D infrastructure, and with the presence of major Original Equipment Manufacturers (OEMs), LCR provides significant competitive advantages for advanced manufacturing businesses. There are 22,000 jobs and 700 businesses in the LCR Advanced Manufacturing sector (50,000 jobs across wider manufacturing), with the second fastest growth rate in businesses of any city region. There is a critical mass of high productive activity in LCR where the percentage contribution to LCR's GVA is 70% larger than the national average, and where advanced manufacturing productivity is 17% higher than the national average. Therefore, it is central to our ambitions to drive growth, good quality jobs, and raise productivity. Particular strengths include:

- **Automotive**, employing 7,000 people and 15% of the UK's annual car production.
- **Vaccine Production/Biomanufacturing**, with LCR home to one of the most important clusters of biomanufacturing in Europe.
- **Materials and Chemicals**, with one of the UK's largest chemical clusters, and Unilever's site in Port Sunlight is a major global hub.
- **Ship building and marine engineering**, with a diverse range of world class maritime companies, including the famous Cammell Laird, a strategic UK facility.

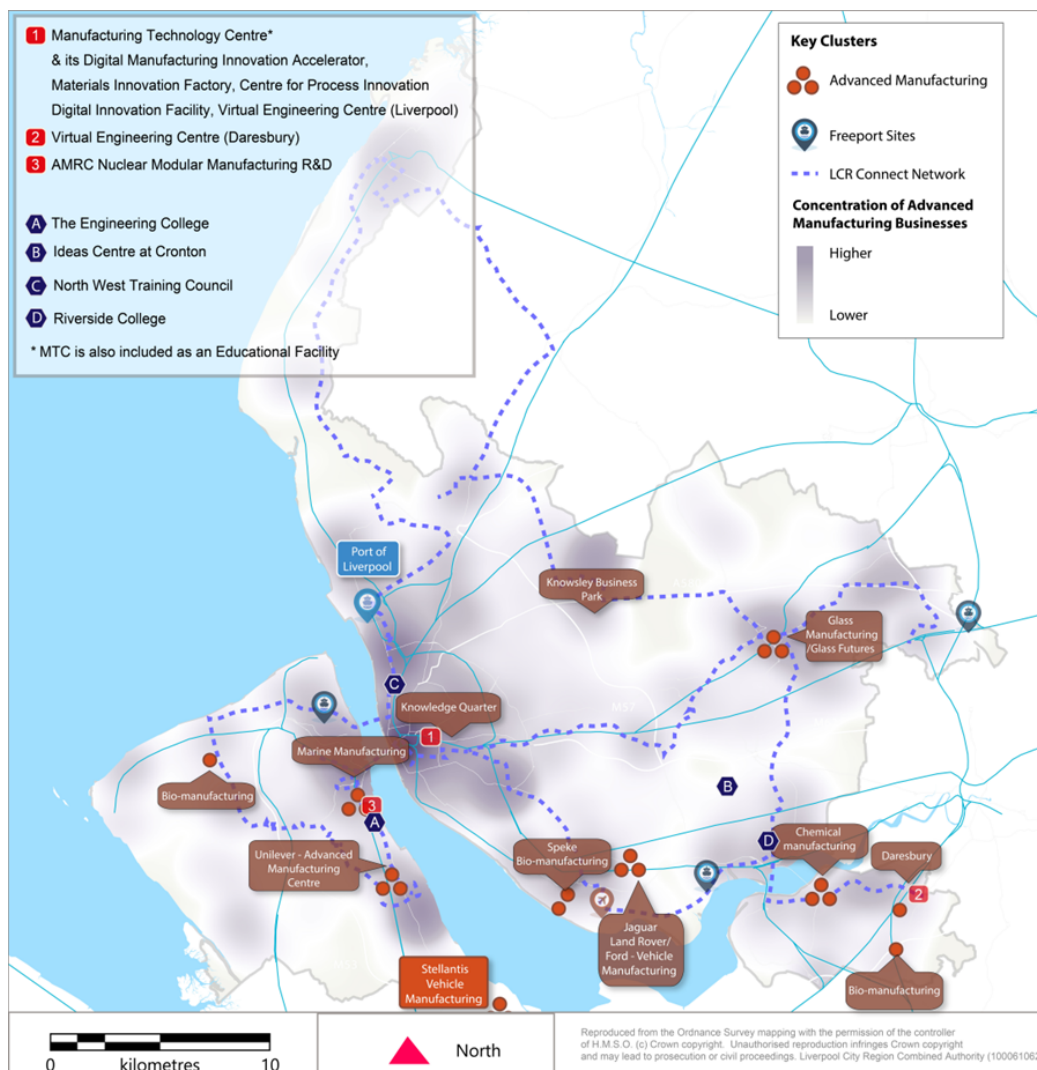
Supported by a strong smart logistics infrastructure and the benefits of the UK's third largest Port, a Freeport that will unlock global markets and trade hubs for manufacturers, and an Investment Zone that will drive bio-manufacturing, LCR is at the forefront of shaping a manufacturing future that enables the convergence of new technologies and proactively responds to changes in market demand and supply chain shifts.

The workforce is also driven by over 15,000 students studying sector related courses across the region's universities and the Engineering College, the North-West of England's specialist centre for engineering training.

Key Locations	Opportunities to build and sustain comparative advantage
<ul style="list-style-type: none"> • The Speke-Halewood Corridor focused on high value national and internationally important Biomanufacturing and Automotive, extending through to materials and chemicals in Runcorn. A core strategic focus for premium manufacturing capability. • Industrial decarbonisation for foundational industries including Glass Futures in St Helens as the catalyst for a major cluster focused on innovation and decarbonisation. • The Wirral/Left Bank Belt between Wirral Waters, Birkenhead (particularly focused around shipbuilding/Cammell Laird) through to Unilever and Stellantis, the latter as part of a wider automotive offer extending beyond LCR but integral to our supply chains and the regional offer. • Freeport Tax sites at Parkside, 3MG Widnes, and Wirral Waters but with City Region wide impact. • Strength of the cluster is further supported and enabled by engineering within Knowsley Business Park – one of the largest employment areas in Europe and the second largest of its kind in the North West; food and FMCG at the Port of Liverpool and Bootle, and engineering at Haydock in St Helens. 	<p><u>Our Core National and Global Opportunities</u></p> <ul style="list-style-type: none"> • Automotive and the EV Opportunity (see case study below): with £1bn of private investments expected in a once in a generation transition. Stellantis, JLR, Bentley, Ford, Leyland Trucks, Toyota will all be transitioning to EV simultaneously and either within LCR or close to the Port and LCR Freeport. • Vaccines: with the cluster in biomanufacturing catalysed by a Life Sciences Investment Zone and designation from Department for Business and Trade for LCR as a High Potential Opportunity (HPO) programme for Vaccines (also see Health and Life Sciences). • Hydrogen developments such as Hynet and future LCR Green Hydrogen Hubs means emerging tech and opportunities will present themselves in the supply chain, providing further edge to LCR in clean energy capability - this is enhanced with the existing expertise of INEOS/INOVYN in this space. <p><u>Positioning LCR at the forefront of advanced manufacturing innovation</u></p> <ul style="list-style-type: none"> • LCR as a UK Centre for Low Carbon Manufacturing: <ul style="list-style-type: none"> ○ With Mersey Tidal, LCR has the opportunity to become the central point for tidal supply chains in the UK. ○ The EV opportunity and Hydrogen (as above); ○ Glass Futures supporting decarbonisation of foundation industries and supply chains. ○ One of the highest concentrations of materials and science robotics in the world and the Materials Innovation Factory (MIF) is helping to make rapid advances in sustainable materials development. ○ Freeport related opportunities towards decarbonisation of maritime, freight and logistics, supporting lower carbon, more efficient solutions for manufacturers and distribution across the UK. ○ Wind power expertise as LCR becomes a net exporter of offshore wind and being able to transfer knowledge to other places. • Leadership in Industrial Digital Technologies (IDTs): LCR has pioneered support for digital manufacturing and was home to the UK's first industrial digital adoption programme (LCR4.0). As IDTs transform UK industry, the City Region has invested in an ecosystem that gives it a significant edge in the utilisation of digital technology. • Connecting supply chains to industry enablers and innovation excellence: convergence of innovation assets, world leading academic research, and expertise in emerging technologies addresses industry challenges, reduces costs and risk for manufacturers undertaking R&D. Assets and capabilities including the Virtual Engineering Centre, Manufacturing Technology Centre, and Centre for Process Innovation, future-proofs LCR as a centre of digital manufacturing expertise with leading-edge facilities and knowledge.

- Industry enablers and innovation assets:**
 Manufacturing Technology Centre, Materials Innovation Factory, Digital Innovation Facility, and Virtual Engineering Centre, located at Knowledge Quarter and Sci-Tech Daresbury.
- Advanced Manufacturing business and supply chain opportunities** spread across the whole City Region.
- Providing a UK-wide solution to uncertainty within global supply chains.** The Port is closest to more than 50% of UK manufacturers and with the capability to service 95% of the world's largest container ships - the City Region provides a global supply solution and also gives LCR an edge in speed to market and Fast Moving Consumer Goods (FMCG).
- A Freeport that accelerates advanced manufacturing growth:** tax incentives across three tax sites together with beneficial customs arrangement for businesses that import, hold or manufacture goods and export. It will deliver £800m of new investment, 14,000 new jobs, and catalyse supply chain opportunities and right across the City Region.

Figure 4: Advanced Manufacturing Concentrations



Case Study: LCR and the North-West's role in providing EV solutions

A generational opportunity for LCR is in electric vehicles given the major contribution of automotive to the economy. Employing 7,500 people, it is hugely important to the City Region's productivity and a central pillar of the export base.

The key anchors to the sector are fully invested in LCR - Ford has made a £125m investment in its Halewood plant, increasing capacity by 70%, and JLR has announced £15bn investment over the next five years, part of which includes Halewood becoming JLR's first all-electric manufacturing facility.

This is all part of a wider regional opportunity. Stellantis in Ellesmere Port received a £100m investment to transform its plant for electric vehicle production - the first Stellantis plant globally dedicated to electric vehicles. Bentley (Crewe), Toyota (Deeside) and Leyland Trucks (Preston) are all part of a regional transition happening at the same time. With their proximity to the Port of Liverpool and the Freeport (of which automotive is a target sector), ease of access to global markets will be further enhanced for a North-West cluster – with LCR at its heart - that is second highest in the country in terms of automotive GVA and jobs contribution, and in electric & battery investment (£2.8bn).

The opportunities this provides to an already strong LCR supply chain are vast, with specific focus on battery systems, hydrogen fuel cell components, and electrified powertrains. It also includes refurb, reuse and recycling of batteries – uniquely, LCR is the location of only one of two plants in Europe that recycles lithium batteries.

Figure 5: Key Automotive Manufacturing sites across the North-West



2) From Discovery to Production: *The Place for Health and Life Science Innovation*

Liverpool City Region is a globally significant location for health innovation. It is underpinned by education and research capacity and a nationally important biomanufacturing cluster in Speke with global companies such as CSL Seqirus, AstraZeneca, Pharmaron, and TriRx choosing to locate and continue to invest here in cutting-edge manufacturing and associated research - in 2023 this included £151m from Pharmaron through the 'Life Sciences Innovation Manufacturing Fund' and there is a planned £10m from TriRx into its Speke bio-tech facility.

The City Region has the largest cluster of life sciences jobs out of any English city region, with the exception of Cambridgeshire & Peterborough. There are 6,000 life sciences jobs in LCR, with the sector making a larger contribution to total LCR jobs than the national average. These jobs are highly productive, with GVA per job of £122,000 in LCR. This is 94% higher than overall productivity levels nationally. The sector makes a £730m annual contribution to the LCR economy and is projected to grow at 2.3% per year to 2040 compared to the overall economic growth rate of 1.3%.

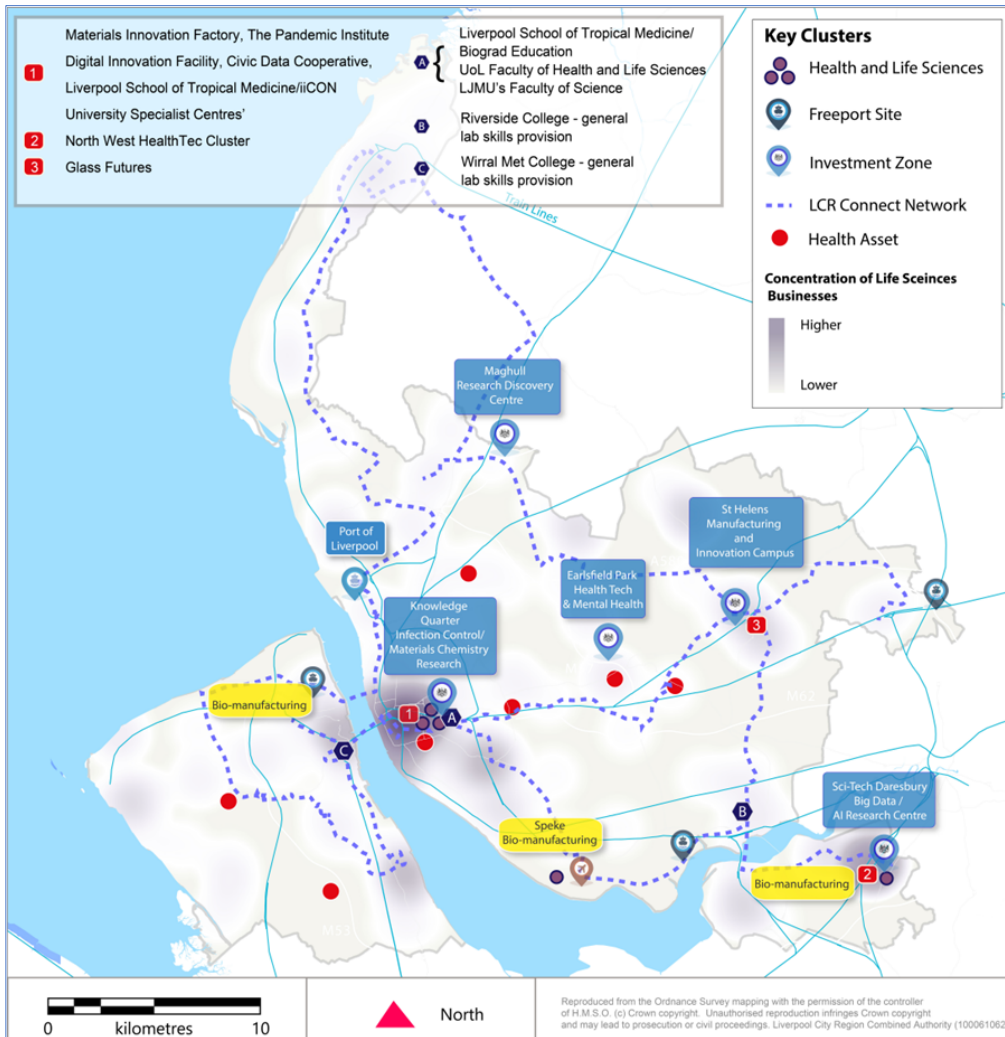
The City Region excels in several fields with leading assets and capabilities. These include:

- **Infectious disease prevention and control** – complimented by expertise in diagnostics, vaccine discovery, development and manufacturing, and novel therapeutics, supported by academic research and clinical trials conducted by Liverpool School of Tropical Medicine, Liverpool University Hospitals NHS Trust and the University of Liverpool.
- **Antimicrobial resistance (AMR)**: recently listed among the top 10 threats for global health and a key focus for LCR with a recently launched microbials accelerator programme.
- **Data science applications in health care** – benefitting NHS patients in Cheshire and Merseyside by using machine learning and other data science techniques to explore large data sets linked to specific illnesses.
- **Cancer care and Oncology** - Clatterbridge Cancer Hospital are working with leading academics to develop a pioneering, first of its kind, cancer vaccine which will be tailored to the needs of the patients.
- **Health/MedTech** - The Knowledge Quarter and Sci-Tech Daresbury have scope to become the location of choice for innovative Med/Health Tech companies.
- **Children's Health and Mental Health** – with Alder Hey's Innovation Centre and plans for an International Centre of Excellence for Mental Health.

The cluster is underpinned by a strong skills pipeline, with 27,000 students enrolled in health-related courses, as well as the UK's first University Technical College (UTC) that specialises in life sciences for 14-19 year olds.

Key Locations	Opportunities to build and sustain comparative advantage
<ul style="list-style-type: none"> • Discovery and R&D around Knowledge Quarter with the opportunities presented by LSTM, the iiCON programme, The Pandemic Institute, The University of Liverpool, with specialist centres, infection specialisms, and the UK's first Civic Data Cooperative. Much of this is enabled by the Liverpool University Hospitals NHS Foundation Trust, a key knowledge anchor. • Digitally enabled by nationally important capabilities at Sci-Tech Daresbury, with the cluster in AI, data, MedTech, quantum (emerging) supported by STFC and IBM – it is also the location of the UK's second Health Tec cluster. • One of Europe's most important pharma clusters in Speke (and other locations in Wirral and Halton) completing an integrated value chain from R&D through to commercialisation and production. • Maghull Mental Health Discovery Park in Sefton, to be an international centre of excellence for mental health, including attracting a cluster of industries specialising in the expanding mental health sector research and development. • Advanced products in St Helens, linking innovations in medical training, products, and glass (medical glass vials) to create a critical mass of innovation and advanced manufacturing. 	<ul style="list-style-type: none"> • A global life sciences market that has exponential growth potential. <ul style="list-style-type: none"> ○ Pharmaceuticals and MedTech alone was worth £1.2tn in 2020, with growth of around 5% expected per year through 2030. ○ The global personalized medicine market size was valued at £425bn in 2021 and is projected to reach £727bn by 2030. ○ Global infectious disease market worth £57bn in 2021; the diagnostics market was valued at £18bn in 2020 - expected to reach £32bn by 2030. • The City Region is ideally placed to position itself nationally and internationally to take advantage of these opportunities and provide both local, national and global population health solutions. This is underpinned by a combination of capacity and capability for rapid drug discovery and vaccine development at scale, potential to access and utilise public health data systems that will support the transition from research to practical applications quickly, and strong existing collaborations between academia, the NHS, pharma and biotech. • Turbocharging the vaccines opportunity. This is enabled by a highly distinctive ecosystem with clear intersections between innovation excellence, R&D and discovery, through to production/manufacture of vaccines. As a result, the City Region has been designated by government as a High Potential Opportunity (HPO) programme for Vaccines, and the Investment Zone will further drive this opportunity. These two developments demonstrate Government's confidence in the City Region to deliver. • A strong NHS marketplace in LCR, which can further drive innovations – across 9 specialist NHS Trusts (the largest number outside London) with UK leading expertise particularly across: <ul style="list-style-type: none"> ○ Neurology (Walton Centre); ○ Children's health (Alder Hey); ○ Cardiology and respiration (Liverpool Heart and Chest); ○ Liverpool University Hospitals NHS Foundation Trust - the largest Trust and playing a leading role in national and regional healthcare innovation. It is key to AI applications that will improve patient diagnosis and treatment, as well as preventive work to reduce health inequalities. <p>This critical NHS mass can be key for enabling growth in local supply chains and help in addressing the poor population health outcomes experienced here.</p> • Opportunity that is further enabled by Investment Zone status (see case study), that will act as a clustering/networking programme for H&LS to help to double the size of the sector in the next 5 years. It injects investor confidence and further opens up opportunities to unlock the disproportionate impact this cluster has on economy and society. • Convergence across the Freeport and Investment Zone - where science meets trade. The market for life sciences products and solutions will continue to scale exponentially, and so the Freeport plays an important role in supporting this growth through its trade flexibilities – providing ease of access and efficient transit to markets for high quality life sciences products. • All of the above brings together a transformational opportunity greater than the sum of its parts - bringing together academic-clinical expertise through university and NHS knowledge anchors, with advanced manufacturing knowledge concentrated in Speke (and extending to Cheshire and Warrington), and through supporting the development of clusters of SMEs – including spinouts from the universities and NHS – which can enhance the supply chain for our major manufacturers. This can be achieved through effective curation built on the energy of partners across the cluster, its ever increasing profile, Investment Zone enablement, and delivering on the potential of the strengths and opportunities set out here.

Figure 6: Health and Life Sciences Concentrations



Case Study: Life Sciences Investment Zone - Scaling Up World Leading Capabilities

The Health & Life Sciences IZ is backed by £160m of government funding matched by more than £500m of public and private sector investment. It will maximise crossovers between an array of capabilities, building on one of the UK's leading place-based approaches to innovation, with distinctive assets, world-leading research institutes and facilities, leaders in biopharma, biotech, and vaccines.

City Region stakeholders have created a collective offering that spans early-stage discovery and digital enablement through to advanced manufacturing, building on a rapidly expanding and highly productive health and life science sector which already employs 6,000 people and delivers an estimated £280m a year to the city region economy.

It will build on three existing and emerging strengths:

- **Infection prevention and therapeutics:** building on the world-leading capabilities of the Liverpool School of Tropical Medicine, The Pandemic Institute, emerging super cluster centred on the high impact iiCON programme, and the world's first centre for long-lasting therapeutics.
- **Healthy lives:** digital health innovation across paediatric medicine, mental health, social care and healthy ageing, combining University of Liverpool and Liverpool John Moores University expertise with NHS clinical excellence.
- **Advanced manufacturing:** over recent years, companies such as AstraZeneca, CSL Seqirus, Pharmaron and TriRx have all made multi-million-pound investments to create new capabilities at their sites in Speke, including cell and gene therapies at Pharmaron and Europe's largest fermentation facility at TriRx.

The Investment Zone provides opportunities for occupational investment into bespoke life science facility developments, labs and world-class accommodation. It includes a £10m programme of business support, helping to align venture capital with emerging opportunities, and a £25m+ R&D programme aimed at attracting co-investment by the life sciences industry.

The Life Sciences IZ builds on already strong partnerships. It will draw organisations together linking academic research, business incubation and acceleration and the participation of the private sector; ensure it works for all communities through existing and new skills centres and programmes as well as a broad range of employment opportunities that provide high quality and well-paid jobs for local people; and it will seek out opportunities for innovations which can be brought forward to benefit local people, improve population health and enhance healthy life expectancy.

3) Inspiring Technology and Creative Spirit (Digital and Creative)

From digital scientists harnessing Big Data and AI to programmers and developers creating compelling content, Liverpool City Region is rapidly developing a multifaceted, dynamic digital and tech ecosystem that is key for digitalisation across the whole economy.

Digital capabilities and high-performance computing have positioned the City Region at the forefront of technology driven industry solutions. The £210m National Centre for Digital Innovation at Sci-Tech Daresbury drives AI and data expertise, allowing businesses to acquire the technical capability required to adopt digital technologies like supercomputing, data analytics, AI, Immersive Technology and Quantum Computing. This provides a bedrock for significant strengths in applied tech and LCR being a hotbed for creative content production.

The cluster is powered by [LCR Connect](#), making the City Region one of the most digitally connected places in the UK. With over 4,000 digital companies employing over 20,000 people, there is a strong network offering complete wraparound support for companies looking to collaborate at the cutting edge of next-generation infrastructure.

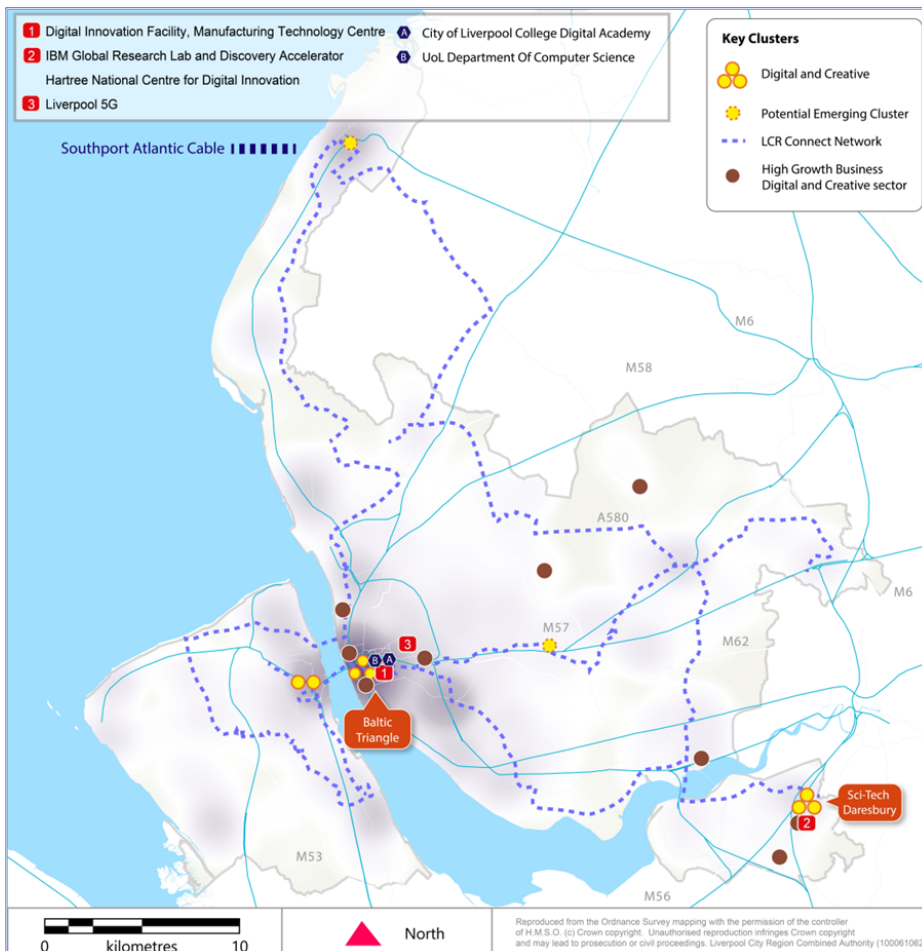
The digital sector is an increasingly important driver of growth for the Liverpool City Region economy. Since 2010, the sector's GVA contribution has grown by 34%, significantly outstripping overall economic growth. This rises to 117% in Liverpool. LCR has the fastest growth rate of digital businesses of any city region. It makes a £1.5bn annual contribution to the LCR economy and is projected to reach £3bn by 2040, representing faster growth than the economy average.

The cluster has nurtured strong relationships with the local universities, amongst the best in the world for Computer Science and allied disciplines including VR, AR, Artificial Intelligence, Machine Learning, Robotics and Visualisation. The University of Liverpool is the UK's top-rated Computer Science department for 4* and 3* research, whilst Liverpool John Moores University's Live Lab provides facilities for the development and delivery of commercial and research projects via cutting-edge mixed-reality technologies.

Key Locations	Opportunities to build and sustain comparative advantage
<ul style="list-style-type: none"> • The Baltic Triangle and Liverpool Innovation Park are focal points with some of the most innovative digital enterprises located there, and Liverpool is already a global hub for games and interactive entertainment with an array of major names and investments. • The cluster extends to Birkenhead/Left Bank and potential emerging clusters in areas such as Southport and Huyton. • The priority, therefore, will be supporting a hub and spoke approach across LCR - both on 	<ul style="list-style-type: none"> • Creative content opportunity with convergence across technologies and a major global market <ul style="list-style-type: none"> ○ Gaming is now the second largest global media sector that is about to reach £156bn and expected to be at nearly £400bn by 2030. ○ LCR is one of the strongest games sectors in the country with 50 active gaming companies, the talent, skills, suitable studio locations and a strong ecosystem. ○ There is increasing overlap between digital and creative industries which will only increase with the role of AI/gaming platforms used for film and TV. ○ There is also a national drive to grow the creative industries by £50bn and support a million more jobs by 2030. The convergence of music and film production augmented by virtual realities (based on games heritage) sets us apart from other areas to maximise the opportunity. ○ Key projects to support the opportunity include the Littlewoods Studios project – a refurbishment of a previous site into Film studios; and ‘Liverpool Music’, comprising an immersive visitor attraction and world class recording and production facilities and rehearsal space. • Applied Tech: LCR's next generation technologies and facilities have paved the way for a range of opportunities: <ul style="list-style-type: none"> ○ Our advanced manufacturing industry, a well-connected health sector and the more nascent emerging technologies (AI/quantum) in development can

Key Locations	Opportunities to build and sustain comparative advantage
<p>opportunities to build on established strengths and locations, and to help facilitate the wider network of emerging clusters and capabilities.</p> <ul style="list-style-type: none"> All of this is underpinned by national digital capabilities at Sci-Tech Daresbury and leading facilities such as the Digital Innovation Facility at the University of Liverpool. 	<p>respond to new Med Tech opportunities in a £500bn global market with the UK medical technology sector generating annual turnover of approximately £30 billion each year.</p> <ul style="list-style-type: none"> Transcending multiple sectors to deliver scalable tech solutions: <ul style="list-style-type: none"> As a leading UK centre for digital manufacturing we can take systems engineering and learning from digital manufacturing into a range of environments such as laboratories; Building on the NW Health Tech cluster at Sci-Tech Daresbury; Developing 'smart', future-focused approaches leading to digitally driven ports and logistics building on our AI expertise; The development of capability and offer in Fintech (the UK's strongest tech sub-sector and worth £219m in the City Region), WealthTech and LawTech – building on tech and gaming expertise and the strength of LCR's Financial, Professional and Business Services. Other unique offers such as the development of the UK's First National Centre for Digital Heritage Research. World class infrastructure to drive forward innovation and become a Smart City Region: LCR Connect will open up skills and job opportunities at all levels; Liverpool 5G supports public service reform; and a Civic Data Cooperative data-sharing platform as part of the IZ enabling better health and care for people everywhere (also see Innovation Section).

Figure 7: Digital and Creative Concentrations



Case Study: LCR's Gaming and Immersive Technology Prowess

The City Region's heritage in gaming dates back to the 1980s as the home of trailblazing British games developer Psygnosis, which was acquired by Sony in 1993. The gaming industry has already proven to be a valuable source of inward investment into LCR.

In 2020, Sweden's Avalanche Studios – creators of the popular 'Just Cause' franchise which has sold more than 15 million copies worldwide – chose Liverpool as the location for its second international studio after New York. In June 2022 global games services provider, Universally Speaking, expanded its UK footprint to open a specialist studio in Liverpool.

Local businesses are responsible for some of the best-known titles in the world including: WipEout, Project Gotham Racing, Destruction Derby, the Playroom and many others. The expertise/pedigree of Liverpool businesses in a global context is highly regarded and sought after.

This expertise is extremely transferrable, and we have seen evidence of this in LCR with the likes of vTime, Damibu and Citrus Suite securing sizeable NHS contracts; applying their skills in areas such as independent living, pre-surgery, training and patient care etc. Augmented and Virtual Realities (AR and VR) will be a \$1.5 trillion industry by 2030 (PwC). These technologies, first developed in the games industry, are starting to come into their own across all sectors. The City Region has some excellent examples of the application of these technologies in its leisure (including film), health, automotive and engineering sectors

C) Convergence of Opportunities to Push the Net Zero Boundaries

Our cluster strengths and opportunities are central in addressing societal and public health challenges – as demonstrated in Health and Life Sciences - but also in responding to the biggest global challenge of our time, the climate emergency.

The City Region is working towards a target of becoming net zero by 2040 or sooner, and is ideally positioned to lead the way with a distinctive portfolio of investable opportunities and commitment to innovation-led low carbon solutions across the economy. Home to a significant advanced manufacturing, digital, logistics and maritime base coupled to Freeport status and strengths of the innovation ecosystem, this creates major opportunities in new markets, supply chains, and green jobs. Indeed, the low carbon sector is estimated to support 140,000 jobs by 2040 in LCR. An *LCRCA 5 Year Climate Action* signals intent and commitment to ensuring net zero cuts through everything we do as a City Region.

Our focus is on moving quickly to support both established and fledgling industries in this once in a generation chance to accelerate change. Climate technologies are being adopted more rapidly than previously anticipated meaning acting quickly is essential – developing Climate Tech clustering is therefore at the centre of our economic considerations, inspiring local innovation and developing the ecosystem for start-ups, local and regional supply chains that enable the transformation of the City Region and UK into a cleaner, greener economy.

Our critical mass of distinctive, innovative solutions, technologies and capabilities – from R&D through to deployment and delivery - illustrates the City Region is developing a truly long-term approach that, through public-private partnerships, will be of incalculable benefit to future generations.

The Clean Energy Coast – Forging the Pathway towards Energy Security

Given the significant challenges around energy insecurity, price volatility and geopolitics, this is an important time to consider the need for joined up thinking and major ambition around minimising demand, increasing efficiency and providing predictable sources of energy. We already have substantial regional offshore-wind operable. Our focus is now on supporting the growth of Hydrogen to replace natural gas, diesel and petrol and to bring the world's largest tidal range power plant to the UK. This energy transition offer needs to be achieved through coordinated activity and investment with government and industry.

- **In the medium term, Mersey Tidal Power represents a major opportunity for LCR to become the UK's de facto tidal energy hub.** The Mersey has the second-highest tidal range in the UK. Now at an advanced stage of concept, delivering the Mersey Tidal Power Project would create a major predictable energy source for the next century supporting the City Region's move to decarbonise its transport, homes and industry and create thousands of jobs, with new skills, in the green economy. A game changer for Liverpool City Region and beyond.
- **Further building out one of Europe's largest clusters of offshore wind farms through tripling the volume of wind energy by 2032,** generating capability in local supply chains which will grow across the North Wales and North-West coast and exporting knowledge to overseas markets – a systemic approach to developing the supply chain will support LCR in exploiting a predicted £92bn of economic value in the UK by 2040. Offshore wind in Liverpool Bay has attracted over £6bn of investment over the last fifteen years with a further set of windfarms due for deployment by 2030 and demonstrates that with the right level of ambition, clarity of the opportunity and targeted support, other transformative plans such as Mersey Tidal are clearly achievable.
- **The Green Hydrogen opportunity:** tangible investment opportunity valued at up to £810m by 2030 to support the development and deployment of decentralised electrolytic Hydrogen production and refuelling infrastructure at over twenty Green Hydrogen Hubs supporting both industrial process sites and transport applications across the City Region. This investment opportunity sits alongside the HyNet project that will produce and distribute low carbon Hydrogen and develop a Carbon Capture and Storage (CCS) system to service high carbon-emitting industrial sites. This will ensure the capability to supply widespread emerging transportation and industry demand. Manufacturers in particular, are relocating closer to sources of hydrogen given that a central cost for them is energy.

Case Study: Mersey Tidal Power

The City Region is developing what would be the UK's first tidal range energy project and largest publicly led renewable project in the UK. A trailblazer for a new industry, it could mean generating enough power for up to 1 million homes. With an operational life of over 120 years, it could lock in low carbon generation for a century.

Mersey Tidal Power is a potential mega-project, using the energy from the tides in Liverpool Bay and Mersey Estuary to generate plentiful clean, reliable, and predictable energy. The City Region and wider North-West will require double the volume of power available today in order to switch its transport industrial use and heating to clean hydrogen or electricity. This project is therefore vital in meeting regional and national carbon targets.

Generating power four times a day, it will complement and help balance more intermittent and unpredictable sources, helping to balance the grid locally and nationally. As well as generating green energy, the Mersey Tidal Power Project has the potential to generate thousands of jobs across design, construction, start-up, operations, and maintenance. Every stage of the project will create opportunities in the new green economy, with Liverpool City Region becoming a centre of excellence in a vital industry of the future.

Industrial Decarbonisation – Local Solutions for Global Sustainable Growth

The opportunities for industrial decarbonisation are vast, particularly as businesses and their stakeholders increasingly inform their decisions on environmental, social and governance considerations. The City Region is at the forefront of driving world class expertise and solutions that will help accelerate sustainability across the economy. In addition to hydrogen (above), key assets and opportunities include:

- **Glass Futures Global Centre of Excellence:** attracting innovators to the City Region, bridging the technology readiness level gap between research and commercial viability - driving industrial innovation and decarbonisation for both glass technologies and wider foundational industries at a global scale.
- **Building a circular economy through converting waste into energy,** utilising the City Region's industrial and academic expertise in Sustainable Chemicals with countless opportunities for innovation.
- **Port and Freeport opportunities driving logistics and maritime decarbonisation.** With the Port at its centre, the region is home to significant transport and logistics activity and as such, offers numerous opportunities for supply chain decarbonisation. This is combined with Freeport focus on innovation to drive decarbonising freight, the marine and maritime sector, presenting LCR with a unique opportunity to become a global leader.
- **Electrifying the region and UK** and the supply chain opportunity, following significant investments into infrastructure and the added unique feature of being the location of only one of two plants in Europe that recycles lithium batteries (see advanced manufacturing).

Case Study: Glass Futures – Revolutionising Global Glass Production and Industrial Decarbonisation

This is a world first, industry-led, international centre of excellence, located in St. Helens, the cradle of glass innovation.

Co-funded by the UK government, this Research & Technology Organisation (RTO) involves some of the world's biggest names in glass and technology – Pilkington, Diageo, Encirc, Guardian, Heineken, Owens Illinois, Siemens and UK trade body British Glass, in collaboration with the Universities of Liverpool, Cambridge, Leeds and Sheffield.

The £56m not for profit facility opened in summer 2023 and includes an open access 35-tonne-per-day pilot plant with dedicated R&D, training and office space. It has already laid the foundations for a wider open innovation and industrial decarbonisation campus, while Glass Futures has established a leadership position with other UK foundation industries.

Glass Futures is also investigating new green hydrogen technologies and process innovation, in tandem with working with St. Helens Council on hydrogen vehicles, and the intention is for Glass Futures to have access to [HyNet North West's](#) hydrogen fuel network.

A separate for-profit facility for medical glass manufacturing and innovation is also at an advanced stage of development, supported by Glass Futures and the cluster around it as part of the Health and Life Sciences Investment Zone, and will support the UK in onshoring glass vial and test tube production. This is part of the wider St Helens Manufacturing and Innovation Campus that the Investment Zone will help catalyse. Whether helping to decarbonise industrial production or supplying cutting edge life sciences, Glass Futures is an international focal point providing global solutions.

D) Powering and enabling our strengths

Fully capitalising on our innovation, cluster and net zero opportunities cannot work in isolation. There are strong synergies across other areas of the economy which will also continue to have a significant strategic focus. In particular, **Financial, Professional and Business Services (FPBS)** and **Port & Maritime** are both intrinsic to driving LCR's economy, providing a critical enabling role and leaning directly into our comparative and competitive strengths.

Oiling the wheels of the economy: Financial, Professional and Business Services

All successful clusters need to be served by a strong local Financial, Professional and Business Services (FPBS) ecosystem, with high quality expertise in areas such as corporate financing, legal and other areas that will facilitate and raise the profile of economic strengths and opportunities. Critically, the breadth and depth of that expertise is something that can also transcend across different clusters and sectors.

With one of the highest concentrations of financial services and wealth management companies outside of London, 50% of the City Region's high growth companies, and expanding on strengths such as a Fintech proposition that can be embedded across multiple other sectors, FPBS has a distinctive offer that will continue to be at the forefront of driving and supporting LCR's economic ambitions. It is also a major employer, with 9,500 companies employing 75,000 people across the City Region, and with a strong talent pipeline – 17,000 students studying FPBS related courses, 50% of whom remain in the City Region post-graduation. Key names include Pershing (subsidiary of the Bank of New York), Investec Wealth and Investment, Rathbones Investment Management, Hill Dickinson and Brabners.

In particular, net zero and the sustainability imperative cannot be achieved without climate and green financing, and applied tech is driving innovations that will allow the sector to drive broader digital revolution across the economy. In short, a strong FPBS sector in LCR means a strong economy. Supporting the FPBS' continued growth and market opportunities will therefore remain an important strategic focus for the City Region.

The Pre-eminent Western Global Gateway to the UK Economy

The artery running through the City Region is the River Mersey, and it remains just as economically important today as it ever has with the **Port Complex** being a central economic engine, underpinned by LCR's central UK position. It means that the City Region is a core global trade hub for the North of England.

The centrepiece is the **Port of Liverpool**, providing the quickest, most cost-effective route to major global markets and the best connected terminal in the country. It is the **UK's third biggest port and main transatlantic gateway handling 45% of all US trade**. More than £1 billion of intermodal infrastructure investment and a new deep-water container terminal, means faster global supply chain transit for products made here. The combined importance of an expanded Port of Liverpool and a widening of the Panama Canal has created a globally competitive multi-modal port proposition.

This critical economic hub is within four hours transit to more than 50% of UK manufacturers, and is also complemented by an array of multi-gateway infrastructure assets alongside the Mersey and across the City Region, including the opportunity for Strategic Rail Interchange Capability at Parkside, St Helens, allowing for national and regional distribution.

With 10 motorways within 10 miles, 10 rail linked terminals and its closer proximity to the UK's import and export markets, it reduces costs, carbon and congestion. Furthermore, two international airports within 45-minute drive time also offers excellent connectivity with Europe and the rest of the world.

Combined, this provides the opportunity for value added manufacturing and speed to market through an excellent logistics infrastructure which gives the City Region a further competitive edge.

A Maritime offer key to the future prosperity of LCR and the UK

This connects directly into a buoyant and strong international maritime sector, built on innovation and a heritage which saw the region become home to the world's first ever steel hulled ship, lifeboat station, radar-controlled port, and commercial wet dock. Maritime directly supports 7,900 highly productive jobs and generates £650m in GVA with a wider economic impact of £1.7bn GVA annually.

The City Region is home to a diverse range of world class companies providing national and global expertise in the ports industry (including 4 of the 6 world's largest shipping firms), marine engineering, leisure marine, and maritime financial and professional services served by a strong regional cluster network. Supporting this are developments that continue to ensure LCR is at the heart of maritime innovation – such as a Port City Innovation Hub, a planned Maritime Knowledge Hub, and the maritime and logistics decarbonisation focus of LCR Freeport. This will enable the ecosystem to be at the forefront of developing and adopting cutting edge technologies in areas such as smart shipping, robotics, clean growth and ship-tech digitalisation - all supporting delivery of the national Maritime 2050 Strategy.

Global reach that delivers supply chain solutions for the UK

Taken together, our location, maritime strengths, and array of assets are crucially important in the current period of major shifts in global supply chains coupled with potential future energy insecurity. The City Region can position itself at the forefront of these agendas – with the combination of Port, Freeport, a vibrant maritime presence, multi-modal/multi-gateway infrastructure assets, digital supply chain expertise, and proximity to manufacturing and logistics activity, all providing significant trade and efficient global transit that will benefit LCR, the wider north of England and the UK.

Figure 8: The Pre-eminent Western Global Gateway to the UK Economy

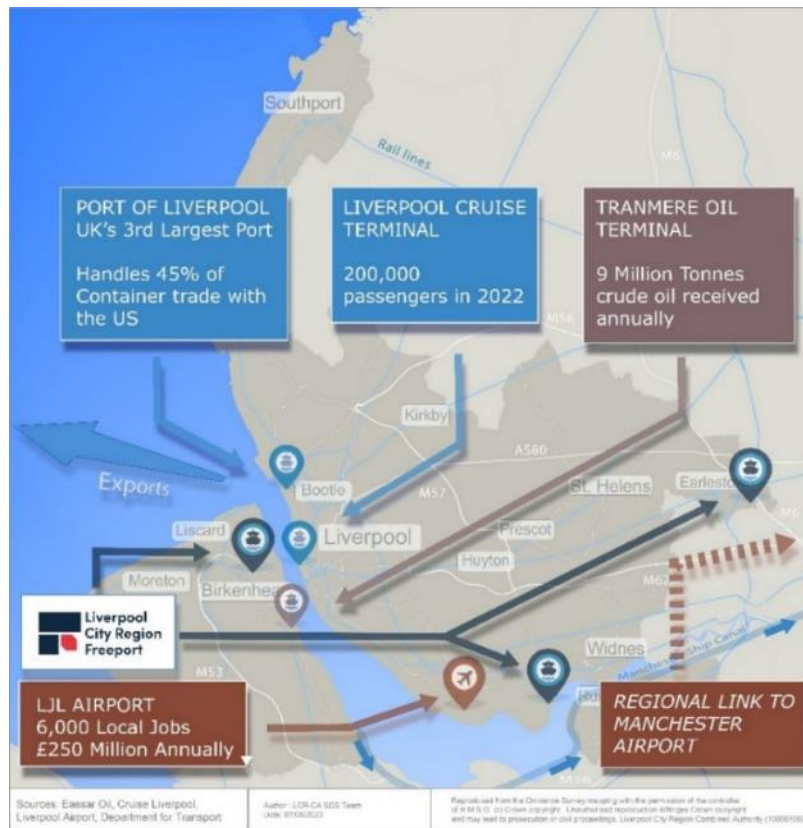


Figure 9: A Port and Maritime industry with a global network and reach



Case Study: LCR Freeport – Multimodal Global Trade and Investment Platform

Liverpool City Region is one of eight places across England that has been granted Freeport status. LCR Freeport is a low carbon multimodal, multi-gateway trade platform with a network of sites which, through a range of targeted customs and tax benefits, will attract high-value inward investment, support growth and employment to regenerate communities through industry, innovation, and collaboration.

Our Freeport is a unique proposition. Centred on a mix of infrastructure including the deep-water container terminal at the Port of Liverpool, multiple rail heads, other water-based access, and the airport, it's the key coastal access point to the UK's largest concentration of manufacturing.

Targeting key sectors including automotive, biomanufacturing/pharmaceuticals and maritime, LCR Freeport will also support advanced manufacturing, logistics and energy.

It will also support digital integration of supply chains and of the wider port and logistics sectors. Across the City Region, LCR Freeport will be transformative, creating nearly 14,000 jobs, with an estimated economic benefit of £850m, and £800m of total investment.

LCR is also one of only three places that have the combined benefits of the Investment Zone and Freeport, offering unique benefits at scale, and a high level of complementarity with a shared focus on biomanufacturing.

5. Commercial Premises and Pipeline to deliver

The City Region is determined to ensure its ambitions and priorities are matched by a supply of Strategic Commercial Premises, with a focus on quality and scale that will provide confidence to government and the market. Below are examples relating to the core economic clusters set out in this document, that in turn are aligned to the emerging LCR Spatial Development Strategy.

This is based on current understanding of need, but of course economic opportunity is constantly evolving meaning the City Region needs to be able to position itself for that. We will therefore continually explore future pipelines and emerging opportunities/locations that unlock opportunity to meet demand and help to further our global ambitions.

LCR's Freeport Tax Sites comprise the largest strategic employment locations in the City Region that will support advanced manufacturing and rapid transit to global markets, whilst its tax sites will help stimulate supply chain activity across the City Region. Cumulatively this includes a total of 310ha of land for development and 675,000 square metres of commercial floorspace to be created:

- *Parkside* - the largest strategic employment site in the City Region, it is located in St Helens close to the M6 and M62. The site includes the former Parkside Colliery and is focused on advanced manufacturing and logistics businesses. There is also significant scope at the adjoining Parkside East site, particularly with a planned Strategic Rail Freight Interchange.
- *3MG Widnes* - offers direct connections to the UK motorway network and rail access from the West Coast Main Line. 3MG is already involved in the hydrogen economy supporting capital investment in low carbon fuels and infrastructure.

- *Wirral Waters* - located around the Birkenhead Docks, it comprises significant areas of dockside land capable of attracting a range of port-centric businesses, advanced manufacturing, innovation and research and development activities.

Sci-Tech Daresbury is seeking to drive forward continued expansion of its nationally important Campus so that it can be home to 10,000 high-value jobs (from 2,000 currently). It has vast potential to grow 700,000 square feet of high-quality science and technology facilities over the next 15 years. This includes the 'Ultraviolet' development comprising up to five buildings/180,000 square feet of Grade A office and lab space.

Knowledge Quarter Liverpool (KQ Liverpool) is a 450 acre innovation district in Liverpool City Centre and a partnership between the University of Liverpool, Liverpool John Moores University, Liverpool School of Tropical Medicine, Liverpool University Hospitals NHS Foundation Trust, Liverpool City Council and Bruntwood SciTech. KQ Liverpool is at the centre of the LCR H&LS Investment Zone, bringing together several R&D and innovation assets into a globally significant cluster, including iiCON, The Pandemic Institute, Centre for Excellence in Long Lasting Therapeutics and the Civic Health-Tech Initiative, CHI-Zone.

Paddington Village is Liverpool City Council's £1bn flagship development site, sitting at the Eastern gateway of the innovation district. Paddington Village is already home to The Spine, University of Liverpool International College, Clatterbridge Community Diagnostic Centre and Novotel Hotel. The Investment Zone will unlock further development at the site and be the catalyst for the delivery of up to 200,000 sq ft of new, much-needed lab space. A high-quality residential building, with accompanying green space and amenity, will also be delivered on the site.

The sites sitting at the North and South of the existing Paddington Central site are also earmarked for future development, with the potential to deliver significant R&D space aligned to KQ Liverpool's key strengths in health and life sciences and materials chemistry.

Speke Boulevard to Halewood (Speke-Halewood Corridor) is the focus of premium advanced manufacturing activity across pharmaceuticals and automotive. It is an area of high significance for further strategic and commercial focus (including as part of the Investment Zone) as the City Region further positions Life Sciences and the EV opportunity for future growth, redevelopment and investment.

Investment Zone locations are across the City Region, including in Knowledge Quarter, Sci-Tech Daresbury and Speke (above). Other areas of key focus include:

- *St Helens Manufacturing Innovation Campus* - a cluster of life science manufacturing and innovation businesses alongside over 40 acres of strategic development land, incorporating significant private sector investment.
- *Maghull Health Discovery Park* – 42 hectares Ashworth hospital site as an international centre of excellence for mental health, including attracting additional development, investment and a cluster of industries specialising in the expanding mental health sector research and development.
- *Earlsfield Park* in Knowsley is a 30-acre opportunity site targeting advanced manufacturing and R&D, benefitting from planning permission and recently completed on site infrastructure.

The Baltic Triangle area is well known nationally as a triangular slice of Liverpool, home to digital and creative industries. The area holds approximately 12,600 square metres of office space and a further 5,700 square metres of creative studio/ workspaces. Although it provides limited new land, the continued evolution of the area and development of commercial premises

that provide the flexibility required for our Digital and Creative cluster is key for its future growth. Birkenhead is another emerging cluster, together potentially with Southport and Huyton.

West Runcorn (incorporating INEOS/INOVYN), of strategic national importance with the chemicals produced on INEOS' site sold into a wide variety of industrial applications. This also connects directly to Port Weston on the Manchester Ship Canal, which is benefiting from Freeport investment, providing accommodation for a range of key sector opportunities.

City Centre and Inner Urban Area there are specific opportunities for focusing on high quality office space for the CBD, with high calibre options under consideration. The strategic opportunity is broader, with a focus on maximising the potential of the waterfront connecting the city centre to Liverpool Waters and Bramley Moore Dock – 2.3km of prime waterfront.

Taking this a step further, there is a wider strategic view of the City Centre and inner urban area as set out in the emerging Spatial Development Strategy, connecting to broader commercial and regeneration opportunities – extending to plans for Bootle in Sefton and the ambitious Left Bank regeneration centred on Birkenhead on the Wirral.

Enabling manufacturing and logistics locations: the City Region is particularly strong in mixed logistics (where there is strong market demand) and wider manufacturing capabilities, which supports and enables both national and international trade. Some major sites with developable opportunities include:

- Knowsley Business Park, which is one of the largest employment areas in Europe and the second largest in the North West. Home to 800 businesses and 15,000 jobs, it is a key employment hub for LCR and the region, and has the capability to offer many types and sizes of accommodation.
- Halsnead, in Knowsley, will be the largest combined housing and employment site in the City Region, meeting demand for logistics and advanced manufacturing space.
- Haydock Industrial Estate and Omega, in St Helens, which are prime locations for logistics activity, and in supporting associated market demand for manufacturing.

6. Enabling Economic Opportunity: Connectivity, Vibrancy and Talent

Maximising the scale of opportunities cannot be achieved without the right mix of enabling conditions. In LCR the ingredients are in place to drive success, and opportunities will be actively sought to mobilise resources around economic clusters, regeneration, transport and skills to ensure systemic, connected approaches.

a) Investing and innovating in connecting people, businesses and communities

Our priority is to align connectivity between strategic transport corridors, economic opportunities, and full digital connectivity to ensure that we can maximise our strengths and that people are joined up to opportunity wherever is possible.

LCR is already one of the most digitally connected places in the UK, and this is now becoming even better through investment in the LCR Connect Joint Venture, one of the UK's most ambitious sub-national digital connectivity initiatives. LCR Connect is a full-fibre, ultrafast, gigabit-capable network spanning the Liverpool City Region – it's a gateway to access next-generation future-proofed and cloud-enabled technologies. Providing a 214km fibre backhaul network, this provides gigabit capacity and capability to data hungry sectors.

This is matched with our ambitions to accelerate the delivery of a world-class, fully integrated transport network for the City Region. A 76km Merseyrail network serves a catchment labour

market of over 2.5m people and has recently been upgraded through investments in stations and a £0.5bn investment in new trains that are amongst the most modern and sophisticated in the country.

Furthermore, LCR bus franchising will provide greater public control on setting fares and routes, meaning that more people and places will be better connected to areas of economic opportunity. This is a key step to fully integrated transport for LCR. Supporting this will be significant capital investment into infrastructure via the Green Bus Routes programme. The £70m transformation of the City Region's bus network, will make it easier, faster and more reliable to travel by bus.

Moreover, the delivery of new and upgraded walking and cycling routes as identified in our Local Cycling and Walking Infrastructure Plan (LCWIP) will revolutionise people's ability to walk, wheel and cycle. We have planned a 600km network of walking and cycling routes across the City Region over the next 10 years, based on upgrades to 31 key routes.

The City Region also secured £710m through City Region Sustainable Transport Settlement (CRSTS) between 2022-2027 to build and improve services across our public transport network. It is anticipated this will be followed by CRSTS2 between 2027-2032. This will give the emerging place based pipeline an opportunity to deliver some transformational schemes. CRSTS2 and further devolution will allow us to steadily grow our network to deliver full affordable connectivity, and critically, develop transport corridors that address gaps and are led by connecting to opportunity.

Spotlight on LCR's Investments and Ambitions for New Stations

The new, fully accessible Headbolt Lane station in Knowsley marks the debut of LCR's publicly owned, cutting-edge battery-powered trains. These state-of-the-art trains will enable services to extend beyond the current network without the need of an additional third rail electrification, paving the way for the expansion of the Merseyrail network throughout LCR and beyond as well as helping to promote modal shift and net zero ambitions. We will invest in more batteries on trains, supporting the expansion of the Merseyrail network beyond its current geography.

Coupled with IPEMU, significant investment at Liverpool Central will enable expansion of the Merseyrail network across the City Region, driving investment and regeneration in Liverpool City Centre and significantly enhancing city centre rail capacity.

The opening of Liverpool Baltic station would enhance connectivity to the City Centre's expanding Digital and Creative cluster. The increased accessibility is anticipated to fuel economic development in the area with a high frequency service of 15-minute intervals during peak times.

b) A vibrant place where people want to visit, live, work, study, and invest

Our priorities are to further grow a resilient and thriving visitor economy; maintain and enhance the City Region's cultural offer; and for all LCR's neighbourhoods to have a quality housing offer that meets needs and aspirations, at a cost which people can afford.

As set out at the beginning of the Framework, LCR is an exciting, dynamic place to be with a great quality of life. It is world renowned for culture, creativity and a unique sense of place, with 57m visitors per year and being 3rd in the UK for international visitors. Hosting major international events such as Eurovision has further cemented global status.

The City Region's importance as a destination is reflected in it being announced by government as a Local Visitor Economy Partnership (LVEP) area. This further supports collaboration on shared priorities to grow the local visitor economy which is a major source of employment adding to the diversity of LCR's economic base and place offer, and a key component in shaping the place brand – we also know that overseas visitors may be prospective investors, so a strong visitor economy is critical.

There are also many high-quality neighbourhoods, connected by excellent transport links, offering a wide range of housing which make the City Region a great place to live and work. We are committed to accelerating delivery of new homes, widening housing choice, improving housing quality, but perhaps most importantly the City Region also offers a real sense of community in its urban environment that adds to quality of life and its vibrancy.

Spotlight on Liverpool City Region's Housing Offer

We have a dual focus on creating new housing and improving what we have. A good home in an attractive neighbourhood with easy access to services and facilities is key to health and wellbeing and overall quality of life.

Our City Region's offer is distinctive and varied, with many high-quality, attractive neighbourhoods providing excellent places to live in higher value homes and residential areas. For example, along the north Sefton coast, west Wirral, south Liverpool, Roby in Knowsley, Sandymoor in Halton and north St Helens. Liverpool City Centre, and the emerging market in Wirral Left Bank, provides an exciting and distinctive "urban" offer.

46,000 new homes were built over the last ten years and we are committed to building a further 83,600 new homes up to 2040. This is part of a continuous approach to diversify, enhance and create the right balance in the City Region's housing offer, creating and developing new markets. It means building on emerging market trends to widen choice and improve quality taking advantage of our unique urban offer to provide new types of housing; and driving change in areas which have potential to deliver long term change and improvement.

It is also essential that all our communities benefit from, and contribute to, our projected economic growth. This will mean addressing challenges in some of our existing neighbourhoods where housing choice and quality is not of the standard we want, or people deserve.

Improving the housing offer in these neighbourhoods, and their wider living environment, will help retain and attract economically active residents, complement adjacent new development thus supporting long term sustainability. Focusing on improving quality and condition of housing stock through retrofit programmes and urban regeneration in our most deprived neighbourhoods with poorest quality housing is key.

c) Talent to fuel the knowledge economy

Our priority is talent management through *development, attraction, and retention*. Human capital is the most critical factor for any successful place, particularly so within a highly mobile labour market in the post-Covid era. With a clear strategic focus on investments at scale that provides high quality jobs, creating a distinctive quality of life offer of vibrant places that people choose to live, study and work in, and an affordable housing market, the ingredients are in place for a deep talent pool that will help drive the knowledge economy.

Furthermore, the pipeline is there to ensure not just the development, but the sustainability of a robust talent pool. With access to a 3.9 million working-age population within one hours drive time, the City Region provides the economy with a large skilled workforce and a thriving student population of 57,000 and over 250,000 again within one-hour. More work is needed to better connect local employers and local students, and to support the creation of first and second graduate level jobs, noting that many students wish to stay locally.

The City Region benefits from strong networks of responsive Colleges, Local Authority Community Learning providers and Independent Training Providers. It is home to six general FE Colleges, adult and community learning provision from all our 6 Councils, 2 outstanding standalone sixth form colleges, 26 schools offering sixth form provision, over 40 specialist indigenous independent training providers delivering publicly funded training programmes directly, and five Universities with complementary and reinforcing specialisms allowing for special progression in advanced manufacturing and engineering. The Association of Liverpool City Region Colleges brings together the major colleges locally and provides a framework and basis for their collaboration. Allied to the national Association of Colleges, it acts as a conduit between the colleges and local, regional and national organisations.

The University of Liverpool is consistently ranked as one of the strongest in the country for research but also got a Gold TEF rating for teaching excellence, and with its 30,000 students is helping drive the knowledge economy through close collaboration with fellow universities, industry and the NHS. Liverpool John Moores University with its 25,000 students, also scores highly with a Silver TEF rating, offering over 200 undergraduate courses which through its links with industry there exists a strong pipeline of talent for businesses to draw upon.

The talent pipeline will be further strengthened through alignment with *future focused skills* to ensure the labour market is ready for rapid changes including through AI: this will include learning from the fore-sighting work undertaken by national Catapult Centres, including CPI and MTC. Aligning with transformational opportunities, this will produce a City Region of creatives, of environmental scientists and engineers, of data scientists and entrepreneurs. But, most importantly, in a rapidly changing world with changing skills requirements, working with schools, colleges, HEI and skills providers, this will deliver a City Region of confident, independent learners, with transferable skills across all industries of the future.

There is also a critical role here for employers to invest in the development of their staff, with more employers over time seeing training as an investment. Providing access to high quality, accessible, affordable and flexible provision locally is key to this with colleges, training providers and universities required to think and act differently to enable this to happen.

d) Breaking down the barriers to talent and supporting an inclusive economy

We have a clear vision and priority to actively work to address barriers to opportunity through systemic approaches that helps people – wherever they are – maximise their potential.

Talent is widespread but opportunity is not. We know that too many people do not benefit from economic opportunities and that they are often overlaid with significant areas of deprivation.

There is an intrinsic link between People and Place and too many of our residents have horizons that are affected by structural inequalities linked to the postcode in which they live.

Removing the multiple barriers to prosperity (including careers, skills, transport, childcare and systemic drivers of poverty including poor health) will provide the opportunity for all people to have a good quality of life and be able to use their potential to lead prosperous lives. These are long-term challenges requiring long-term solutions. The *LCR Plan for Prosperity* sets out the strategic priorities around this in detail. Workstreams include a City Region approach to [Community Wealth Building](#), employability programmes such as [Households into Work](#), and public service innovation initiatives like [Cradle to Career](#) which focuses on young people and families in some of our most deprived places. Such initiatives are central to supporting an inclusive – and in the longer term productive – economy. The challenge is systemically scaling these up.

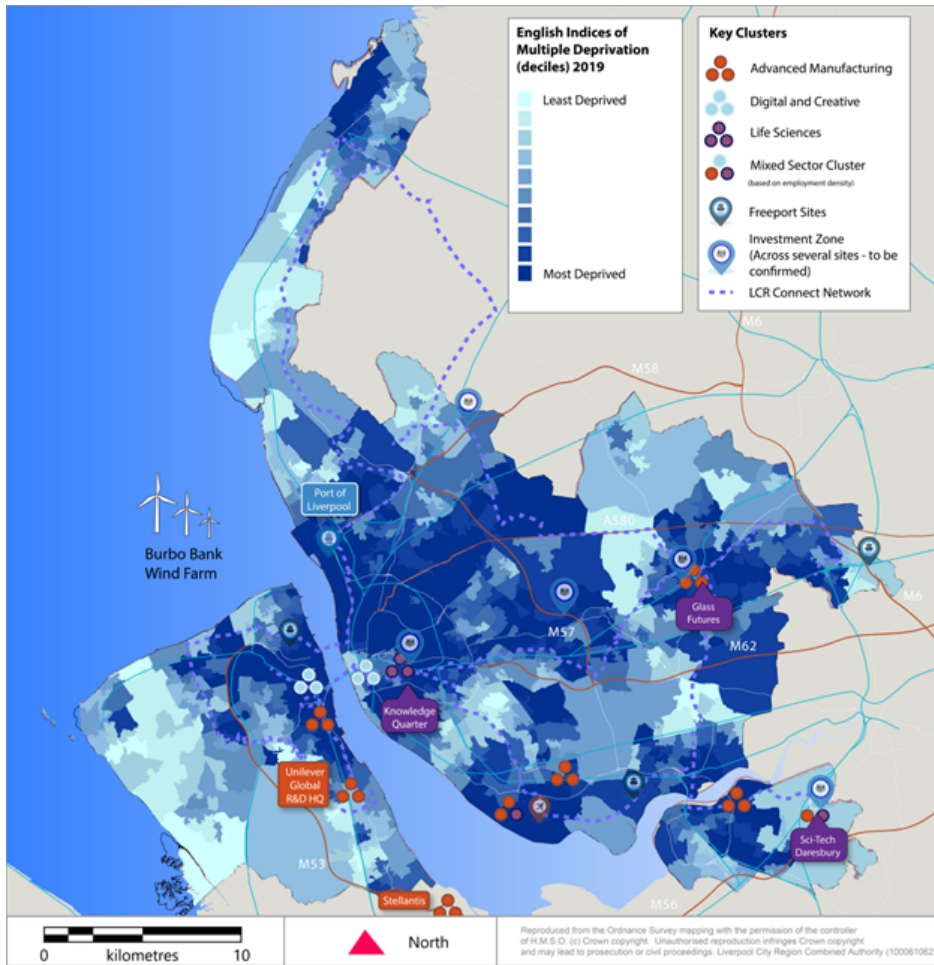
Ultimately, we need more people to be engaged in work and in higher quality work. Our skills focus will work to improve educational attainment, publicising opportunities through the award winning Be More portal, upskilling, reskilling, supporting people who are out of the labour market into employment, enabling progression from labour market entry to higher skilled technical jobs, and alongside this systemically improving health outcomes. A *Long Term Skills Plan* will set out how we intend to deliver. More specifically, an *Access to Opportunities Plan* has also been designed for the Investment Zone, which will be mainstreamed as a wider approach to deepening the talent pool across the City Region.

The people approach will be complemented by an integrated place-based vision to bring together economic opportunity and regeneration potential – with a focus on place-making, decarbonised transport corridors, social infrastructure, social capital, and housing growth. In particular, the proximity of a number of key economic opportunities to town centres provides potential for spill-over impacts, thereby bringing good jobs and prosperity closer to key urban centres and often act as places where communities can come together.

Supporting all of the above is our vibrant social economy that leads the way in the City Region's longstanding reputation for social innovation. As the *Plan for Prosperity* sets out, a heritage of social action and innovation means that the social economy will continue to play a critical role in building community capacity, managing assets and delivering services, and will further deepen its relationship with public services and businesses.

This is key to successful regeneration, supporting communities and residents in developing the skills they need to participate in the economy and thrive, and working in collaboration with the public sector and business to address long term social and health challenges that affect too many people. We have already invested in *Kindred*, a vehicle providing bespoke finance and support for socially trading businesses, and will build on this through a social economy clustering approach that brings together networks and the collective efforts of social entrepreneurs and innovators. Creating new employment opportunities in purpose-led organisations started by the community, for the community.

Figure 10: Key economic clusters overlaid by deprivation in LCR



7. Developing our Economic Opportunities and Clusters

Only through an integrated City Region level approach across *economy, people* and *place*, can the City Region maximise its economic opportunities. The following sets out – at a strategic level – the types of thinking, connections, and activities that will be required as this document is operationalised. This is meant as a starting point and provides the basis for future workstreams and Cluster Development Plans. It will be continually amended and added to and will also support the work of our Business and Enterprise Board and Cluster Boards for Advanced Manufacturing, Health & Life Sciences, and Digital & Creative.

There are of course limitations through existing levers and funding, but more and deeper devolution across a range of interconnected areas will allow us to achieve more. Greater devolution will also provide further confidence to investors when combined with the strength of the value proposition.

A: Economic Focus

Theme	What needs to be done
Insights around market & supply chain opportunities, demand and requirements for cluster growth	Focused ‘deep dives’ across and within clusters to further determine where the specific opportunities are and how our supply chains across the value chain are positioned in relation to these. This in turn ensures continual development of specific cluster value propositions.
Supply chain development	<p>Identify and promote supply chains both within and across key growth clusters - providing clear information to investors and businesses how they can tap into local supply chains, build collaborations, and add value.</p> <p>Identify and focus on public sector orientated market opportunities (relating to net zero, health innovation, addressing local major health challenges, for example) as a way of investing through ‘market-making’ to develop local and regional supply chains that result in exportable expertise and capabilities. In turn this will instil further confidence from the market.</p> <p>Seek opportunities to develop shared/collaborative platforms for supply chains to use - for example shared service IT models.</p>
Identifying innovation cluster potential	Utilise LCR’s bespoke ‘Asset Based Cluster Development Framework’ (ABCD) as a basis for innovation cluster policy and project proposals that seek to develop innovation assets.
LCR/Innovate UK Partnership and Action Plan	Deliver on the Action Plan, which has a specific focus on developing innovation clusters, pipeline projects and major programmes; skills; and developing business innovation, capacity and culture.
Emerging business clusters	Continually assess the landscape for evidence of emerging clusters and determine how they can/will connect with more established concentrations of activity. Within this focus on cross-cluster and cross-sector opportunities, and solutions relating to Net Zero/Climate Tech and Digitalisation.
Business Innovation Culture	<p>Develop further mechanisms to identify R&D support needs and building on efforts to date to support commercialisation.</p> <p>In particular, a focus on industrial/business innovation across the value chain and encourage large businesses to support their supply chain to innovate – for example helping SMEs access R&D Tax Credits.</p>

Theme	What needs to be done
	Develop the business support infrastructure in line with the principles of the <i>LCRCA Business Support Policy Framework</i> – particularly ensuring that business support integrates effectively with innovation and skills support.
Foundational industries and foundational economy	Continual and active consideration as to how cluster and innovation focus will support businesses across the economy in adaptation of business models (e.g. particularly regarding net zero and digitalisation) and leads to an innovation culture that extends more broadly – identify activities to address this.
Understanding barriers to productivity in LCR and how to address them	Develop a stronger understanding of the complexity of reasons behind lagging productivity given the challenge this has to building on economic opportunities – act on the findings of the LCR Productivity Study and connect to wider North-West studies and research to develop strategic focus.
Working with larger companies	Further develop strategic relationships with the largest businesses with footprints in the City Region, in particular influencing them in their role as corporate anchor institutions – relating to promoting good employment, skills development, connecting into their existing relationships with government, and supply chain development.
Strategic and targeted focus around infrastructure and commercial premises	Act on the findings of the LCR Commercial Premises Study so that barriers to opportunity are overcome and that there is a clear emphasis on where the core strategic focus should lie. In the longer term, a clear, targeted thematic and spatial plan to be developed around commercial premises.
Building mechanisms to enhance business networks	Work with the Cluster Boards and other partners to develop frameworks and practical actions that can increase density of private sector led networks across key clusters.
Connectivity with wider related regional clusters	Explore where we can scale LCR focused opportunities into wider propositions that transcend the City Region (e.g. within infection, regional automotive opportunities, cyber).

B: People and Skills

Theme	What needs to be done
Access to opportunity as a core and overarching theme	<p>Build on the Access to Opportunity Plan developed for the Investment Zone, as a wider framework to address key barriers to opportunity and ensure that people from across the City Region – no matter their background – are being supported to access opportunities relating to our key economic strengths.</p> <p>Ensure that long term mechanisms are in place for (re)engaging with and supporting people into the world of work in a way that recognises their needs and potential. Within this, develop systemic and fully integrated approaches to improving health equity outcomes, as set out within the Plan for Prosperity.</p>
Alignment of FE and HEI provision against high value economic opportunities	Build upon existing strengths within colleges, training providers and universities to continue to meet employer needs relating to key economic opportunities. In addition, address gaps and areas for development.

Theme	What needs to be done
	Support FE/HEI institutions to engage in detail with relevant employers in curriculum design and potentially delivery to ensure that current and future provision meets their needs.
Place based skills approaches based on inclusion and meeting future demand	Work with businesses, skills providers and local areas on specific place-based plans (e.g. Daresbury and KQ Liverpool) to ensure that local opportunities are captured and implemented.
Enable businesses to develop their own skills base through upskilling and reskilling	Work with businesses - particularly within key growth clusters - to identify clear progression pathways and support them through funding where appropriate to realise opportunities to develop their own future workforce.
Strategic approach to technical and future focused skills, including in AI	<p>Develop and publish a long term skills plan which sets out the vision for an integrated, responsive, business focused skills system which enables people to flourish and businesses to grow.</p> <p>Identify skills gaps as part of a process of future proofing specific skills relating to clusters/economic opportunities. This includes a holistic view of cross-cutting skills & competencies, and anticipating the changes, disruption, and opportunities AI will bring across all areas of the economy.</p>
Skills for Growth Action Plans	Refresh the suite of sectoral and thematic skills for growth action plans to ensure that these stay relevant to the needs of our competitive and comparative economic strengths.
Aligned careers advice	Improve access to jobs and careers information through award winning Be More portal and communicating through networks and organisations, including schools, colleges and universities.
Alignment with commissioning programmes	Ensure Combined Authority commissioning programmes reflect the priorities for businesses as set out in the Local Skills Improvement Plan and other relevant documents.
Boosting diversity to maximise our opportunities	Proactively engage with communities across LCR with consistent messaging linked to our economic opportunities with the focus on inspiring people from all walks of life; working with businesses to ensure there is a focus on diversity in recruitment, talent development, and retention.

C: Place and Connectivity

Theme	What needs to be done
Transport connectivity	<p>Identify gaps in connectivity and develop strategic transport corridors that link to key economic assets and clusters.</p> <p>Ensure equal opportunities for all to access affordable transport systems that connect people to jobs and services – all while keeping the environment in mind.</p> <p>Ensure our transport network and assets are long lasting, and tough to the effects of climate change.</p> <p>Aim to become a national exemplar, forward-thinking region for transport. Use innovation and new technologies, plan for uncertainty and change to improve future travel in the region.</p>
Housing offer and choice	<p>Lobby for devolved housing funding with local flexible criteria that allows local placemaking.</p> <p>Explore how we can encourage institutional investment to widen housing choice, offer and quality.</p>
Linking our key opportunities to communities, placemaking and regeneration	<p>Encourage linking regeneration/placemaking to significant clusters of economic opportunity – with key considerations such as sustainable living, bringing employment closer to housing that also supports active travel and low carbon goals, and ultimately 'uplifting' localities that are in proximity of economic clusters.</p> <p>Link to wider town centre regeneration activities where appropriate, linking to potential spill-over effects based on proximity to opportunities and clusters, and in providing the flexible workspace required for a range of entrepreneurial activity.</p> <p>Complementary support for the development of the social economy – including cluster development - that embeds social innovation in support of regeneration and skills objectives, and in addressing major social/health challenges.</p>
Determining opportunities and/or constraints for physical development of clusters	<p>As per economic considerations, consider and act where appropriate on the Commercial Premises Study conclusions and recommendations, focusing on identified market challenges with a focus on strategic interventions at scale.</p> <p>Identify and address opportunities and constraints to developments in and around clusters (e.g. strategic land assembly), working with partners to explore long term solutions.</p>
Developing a robust Place brand for the Liverpool City Region	<p>Commission a cohesive, consistent and evidence-based articulation of our place brand, developed and delivered in partnership to affirm the Liverpool City Region as a unique and multi-faceted place where people choose to visit, live, work, study and invest.</p>

Liverpool City Region Combined Authority Equality Impact Assessment - Template

Introduction

An Equality Impact Assessment (EIA) is an evidence-based tool that helps us to put Equality, Diversity and Inclusion at the heart of all of our projects, policies or services. As a public sector organisation we are required to comply with the [Public Sector Equality Duty](#). This means that we need to carry out equality analysis of new projects, policies or services and changes to existing projects, policies or services. The analysis should identify what positive or negative equality impacts the project, policy or service may have and if mitigating actions are needed, what these would be.

You should start the Equality Impact Assessment at the beginning of the process and continue to develop it throughout. Once an EIA has been drafted, it is recommended to engage with the Liverpool City Region Combined Authority Equality Panels for expert feedback and recommendations on equality impacts [Equality Panel Engagement Document Template.docx](#) (see the Equality Panels Guidance for more information [Engaging with Equality Panels Guidance.docx](#))

There is detailed guidance available [LCRCA EIA Guidance final.docx \(sharepoint.com\)](#) to support you to complete an EIA. We also have a Community of Practice, made up of Equality Champions who can provide advice and feedback throughout the process. You can contact them by emailing equality.champions@liverpoolcityregion-ca.gov.uk.

In order to be marked completed, Equality Impact Assessments must be signed off by a Head of Service or Assistant Director. Once completed, all EIAs are to be sent to the Equality Champions to be stored, equality.champions@liverpoolcityregion-ca.gov.uk.

Proposal Information

Title of project, policy or service: Economic Opportunities Framework	
The proposal is a: Policy or strategy	
The proposal is: New	
Does this proposal require a Combined Authority or Committee decision? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Directorate: PSGR	Head of Service: Claire Blott
Service Area: Policy	Lead Officer: Adrian Nolan
Date the EIA process started: 13.11.2023	

SECTION 1: What do we want to do?

What are the aims and objective of this proposal?

Use the box below to provide a short, clear summary of the proposal. Include the purpose and intended aims and outcomes. Remember to use plain English (<http://www.plainenglish.co.uk/>) and avoid any jargon and acronyms. Equality Impact Assessments are read by a wide range of people including decision-makers and the wider general public.

The Economic Opportunities Framework provides a refined view of the economy that clearly articulates and positions the Liverpool City Region's economic value proposition, so it is in the strongest possible place to maximise its potential on the national and global stages.

Central to this is fore-sighting and planning for the economy of the future – how it is transforming and the opportunities for growth that will support high skilled jobs, drive up productivity, and deliver associated co-benefits across the Liverpool City Region.

Building on the 2022 [Plan for Prosperity](#), the Framework is designed to:

- Support opportunities to attract investment, including from institutional and inward investors.
- Provide a basis to influence the focus of government investment and support LCRCA and partners in aligning future strategy and pipeline projects across the region.
- Enable responses to new funding opportunities in a timely and cohesive manner.
- Help shape City Region wide investment priorities and identify areas of focus for developing our economic opportunities and clusters. This will inform future workstreams.

Who will the proposal have the potential to affect?

- The LCRCA Workforce Businesses Partner Organisations
 Residents / Service Users / Beneficiaries / Customers

The Economic Opportunities Framework specifies a number of suggested actions but does not initially set any actions. The above has been answered on the basis that these stakeholders have the potential to be affected in the future.

Will the proposal have an equality impact?

Could the proposal have any impact, positive or negative, on people with protected characteristics? If you are unsure the EIA guidance sets out an overview of protected characteristics.

<input checked="" type="checkbox"/> Yes – Please complete the remaining sections	<input type="checkbox"/> No – If you are certain there will be no Equality impact, the remaining sections do not need to be completed. Please state why no EIA is required below, sign and send this form to equality.champions@liverpoolcityregion-ca.gov.uk
<p>It must be noted that the Economic Opportunities Framework includes a number of suggested actions within the themes of an ‘economic focus’, ‘people and skills’, and ‘place and connectivity’. Were these suggested actions to be proposed for operationalisation, it is likely that some individual proposals will themselves require an Equality Impact Assessment to be undertaken.</p> <p>It should also be noted that whilst the realisation of recommendations in the Economic Opportunities Framework have great potential to address inequality across the Liverpool City Region, its primary purpose is not specifically intended to focus on addressing inequalities faced by people with protected characteristics. The Framework is an economic-focused document and other follow-on policy from the Plan for Prosperity will be better-placed to achieve this.</p> <p>An overarching theme of the Economic Opportunities Framework is however access to opportunity and overcoming barriers, regardless of background.</p>	
<p>Signed Officer responsible for Assessment: Signed Head of Service/Assistant Director: Date:</p>	

SECTION 2: Fact finding – What information do we have or need?

Use this section to set out the data, evidence and intelligence you will use to understand the Equality Impact of the proposal. The EIA guidance sets out how you can access evidence and complete engagement activity. The evidence and intelligence you will need should be proportionate to the impact of the proposal.

What data sources have you used and considered in developing the Equality Impact Assessment?

Use the table below to detail what data sources you have used (e.g. Census data). You don’t need to say what the data has told you about any potential impacts, you will do this in the next section. There is a useful source of data and intelligence available here [Census 2021 results - Census 2021](#). Evidence relating to the City Region can also be found on the [LCRCA Evidence Hub](#).

Protected Characteristic	Data Sources Used
All protected characteristics	The Plan for Prosperity Evidence Base, ONS Census data (LCRCA Evidence Hub)
Age (Young people)	
Age (Older people)	
Disability	
Sex	
Sexual orientation	
Pregnancy / maternity	
Gender reassignment	
Race	
Religion or Belief	
Marriage & Civil Partnership	
Socio-economic status	

How have you involved communities and groups that could be affected?

Use the box below to set out how you have, or will, engage with people who could be affected by the proposal. This can include previous engagement exercises for example statutory consultation.

The need for an Economic Opportunities Framework arose from the Plan for Prosperity and as such uses the same evidence base for the purposes of this Equality Impact Assessment. As part of drafting the framework, no specific engagement took place in terms of targeting groups of people with protected characteristics.

With the level of the document providing suggested high-level courses of action, it is recognised that as these opportunities and actions are operationalised under a Combined Authority workstream, an Equalities Impact Assessment may need completing, whereby specific engagement will likely be needed to assess the impact on any affected groups.

Are there any gaps in the evidence base?

Based on the data you have and the engagement you have completed are there any gaps in the evidence base? Use the box below to set out any information you do not have. This doesn't mean that you can't complete the assessment without the information, but you should include how you will get this information as an action in Section 4.

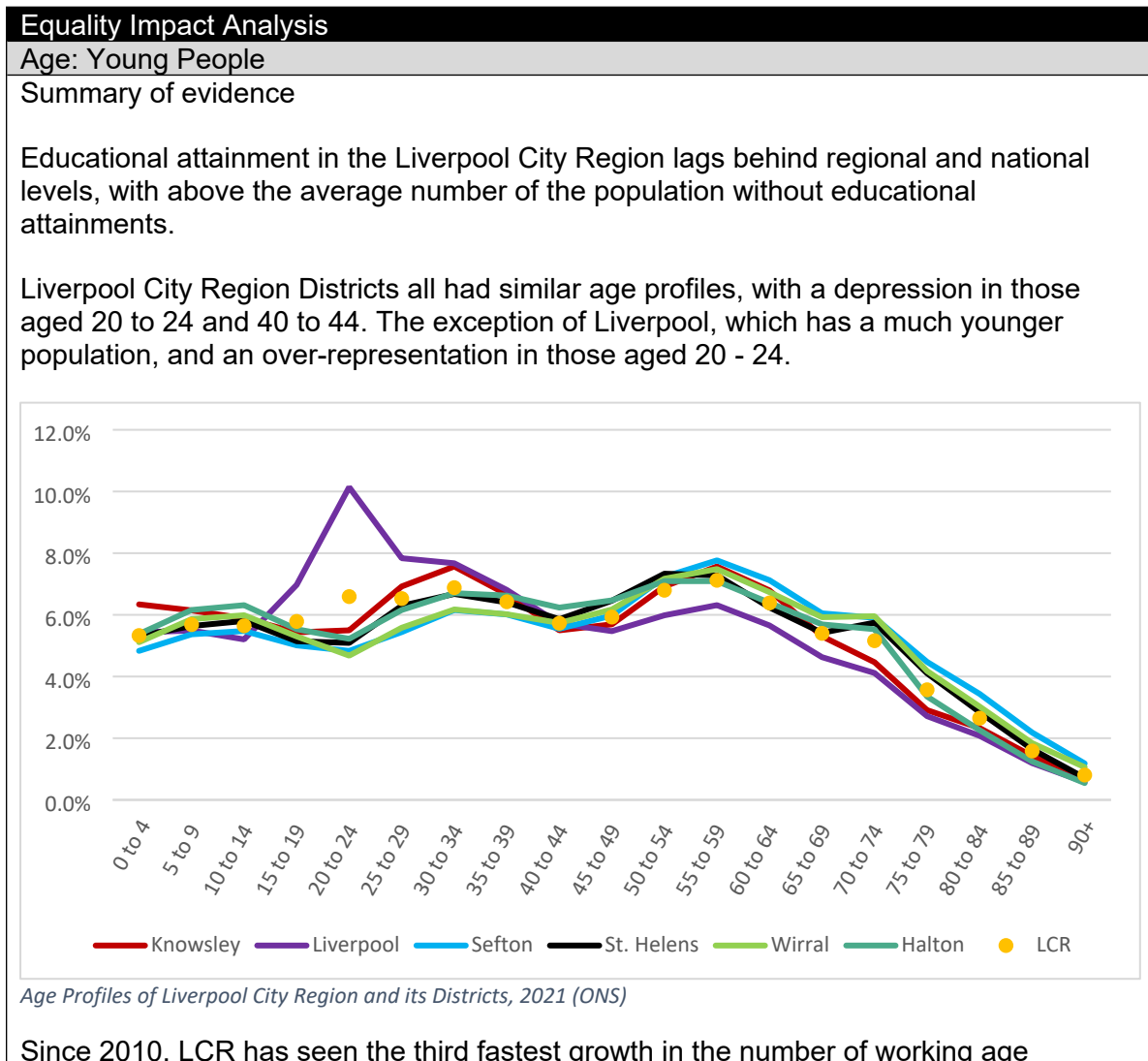
The Economic Opportunities Framework suggests actions that could be completed, rather than setting actions. Any equalities impacts are therefore dependent on operationalisation of suggested actions.

There isn't therefore an evidence gap currently, but it is recognised that data will need to be collected to assess the equalities impacts of any of these suggested actions, should they be realised. For example, more data is needed to assess the economic activity status/related specific data for certain protected characteristics in the Liverpool City Region, namely; religion or belief, marriage or civil partnership and pregnancy or maternity.

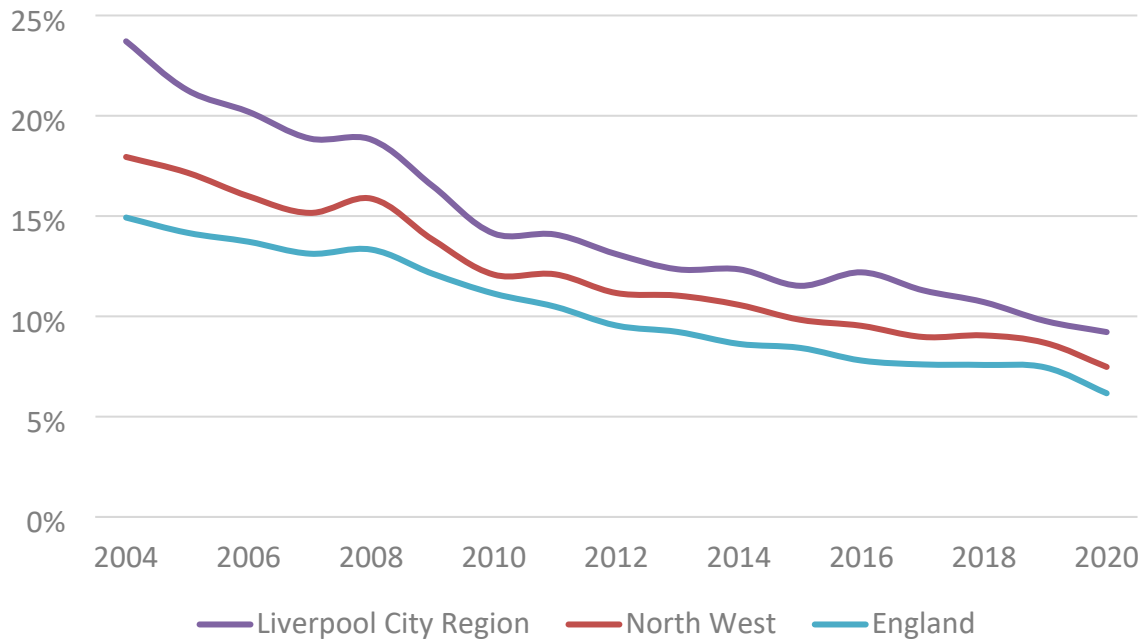
SECTION 3: What impact could the proposal have?

Does the proposal have any impacts on people based on their protected characteristics?

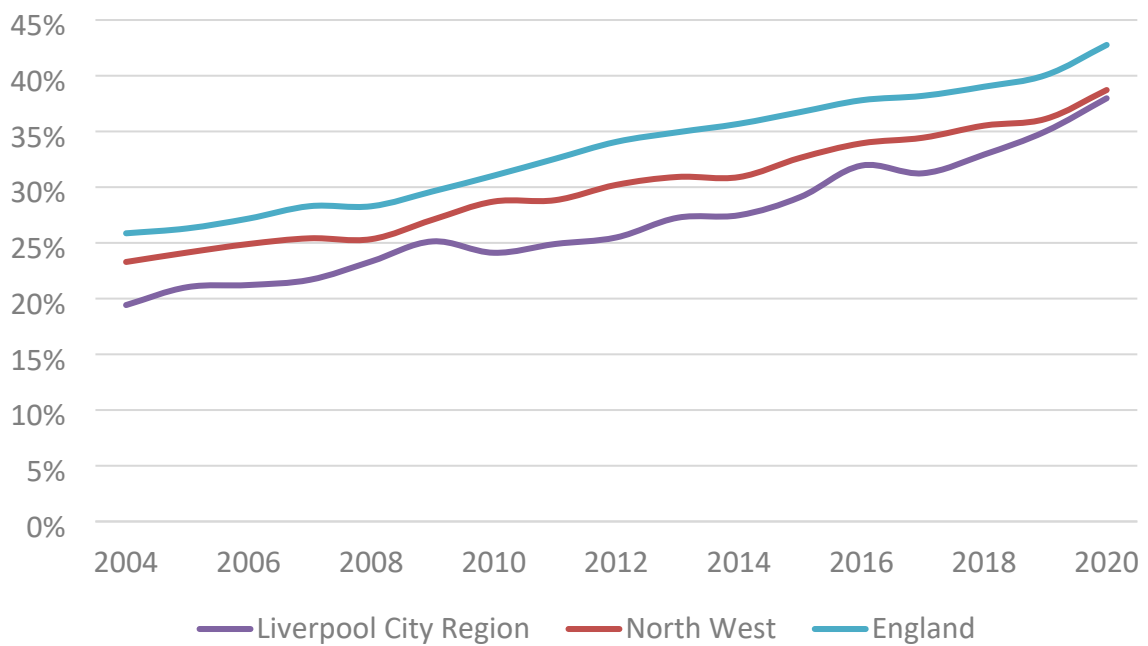
Use the table below to set out the potential impacts for each of the protected characteristics. There is a description of each protected characteristic in the Guidance. Where available include any charts, maps or data tables that help demonstrate the potential impacts. Where there is an adverse impact you should set out how this could be mitigated. Mitigations should have a follow-on action in Section 4. Consider how people who share a protected characteristic may experience a project or service in different ways, for example someone with a physical impairment will have a different experience to someone with a sensory impairment. You should also think about intersectionality; the way in which inequality can compound when people have multiple protected characteristics (e.g., a young woman, a black gay man). There is more information on intersectionality in the [LCRCA EIA Guidance final.docx \(sharepoint.com\)](#).



residents with NVQ4+ qualifications out of all LEPs, while the number of people with no qualifications has more than halved. In both measures, the City Region is catching up with the North West and the UK.



Proportion of working-age population with no qualifications, 2004-2020 (ONS)



Proportion of working-age population with NVQ4+, 2004-2020 (ONS)

Does your analysis indicate a potential positive impact on this group by promoting equality of opportunity? If yes, please provide details:

The aims of the Economic Opportunities Framework are to promote access to opportunity and overcoming barriers, regardless of background.

Does your analysis indicate a potential positive impact on this group by fostering good relations? If yes, please provide details:

The Economic Opportunities Framework suggests alignment of further education and higher education institution provision against high value economic opportunities and facilitating employer input into curriculum design and delivery.

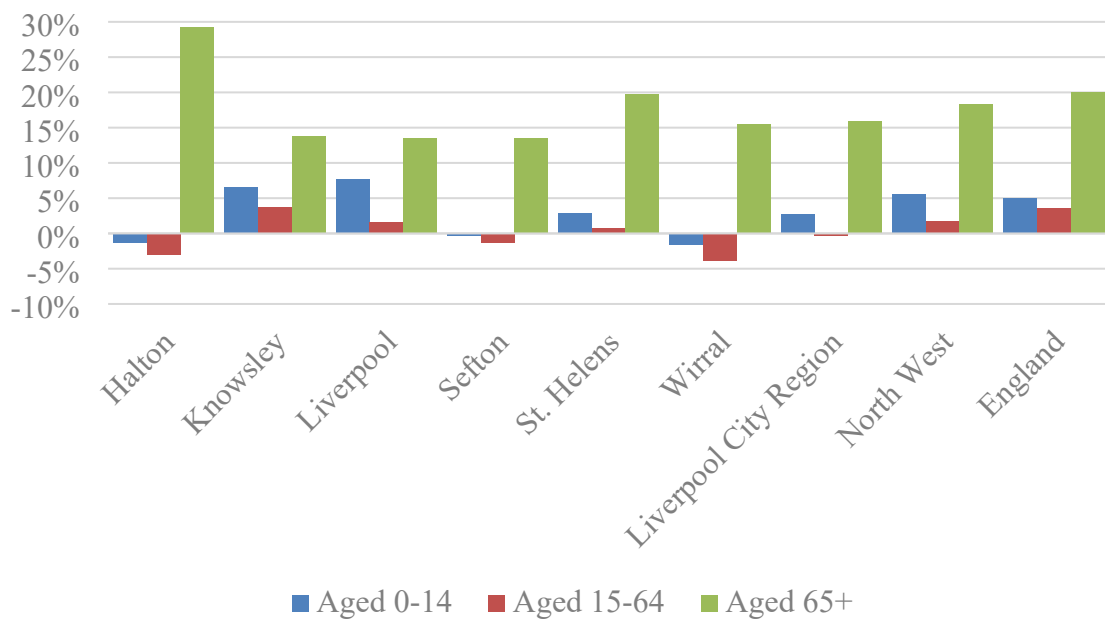
Does your analysis indicate a potential adverse impact Yes No

If yes, what is it and how could this be mitigated

Age: Older people

Summary of evidence

The proportion of people within the working age bracket saw a -2% decrease in comparison to the 2011 Census and has fallen to 2001 Census percentage levels. The age bracket that saw the largest increase was in the over 65 range, increasing by +20% across England, +18% in the North West and +16% in the Liverpool City Region.



Percentage change in number of residents by major age group and area 2011-2021 (ONS)

Does your analysis indicate a potential positive impact on this group by promoting equality of opportunity? If yes, please provide details:

The aims of the Economic Opportunities Framework are to promote access to opportunity and overcoming barriers, regardless of background. For this protected characteristic however, where the majority of people are beyond or reaching the end of their working lives, the Economic Opportunities Framework will have less scope to directly provide opportunities for older people in terms of employment, but it is likely that they will see indirect benefits from growing prosperity in the Liverpool City Region.

Does your analysis indicate a potential positive impact on this group by fostering good relations? If yes, please provide details:

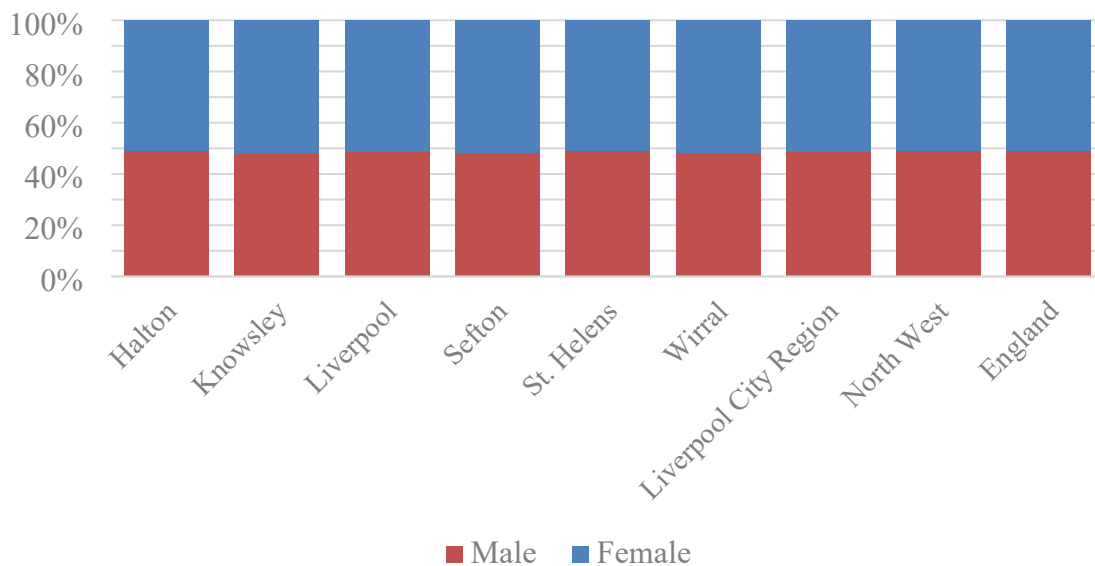
Does your analysis indicate a potential adverse impact Yes No

If yes, what is it and how could this be mitigated?

Sex

Summary of evidence

The male to female population split across England in the 2021 Census was 51% female and 49% male which the North West and Liverpool City region matched.



Proportion of residents by sex and area, 2021 (ONS)

The proportion of female adult population economically active and in employment, is lower at 49% (323,300). This is also slightly below regional (50%) and national rates (51%). By comparison, 52% (657,800) of the LCR male population are economically active and in employment, which is below regional (54%) and national (56%) trends.

The economic inactivity rate amongst females is higher in LCR (40%) than nationally (38%) but in line with the North West. In comparison, economic inactivity amongst males (33%) is lower than the rate for females in LCR. However, male inactivity rates in LCR is higher than North West (31%) and England (29%).

Does your analysis indicate a potential positive impact on this group by promoting equality of opportunity? If yes, please provide details:

The aims of the Economic Opportunities Framework are to promote access to opportunity and overcoming barriers, regardless of background.

Does your analysis indicate a potential positive impact on this group by fostering good relations? If yes, please provide details:

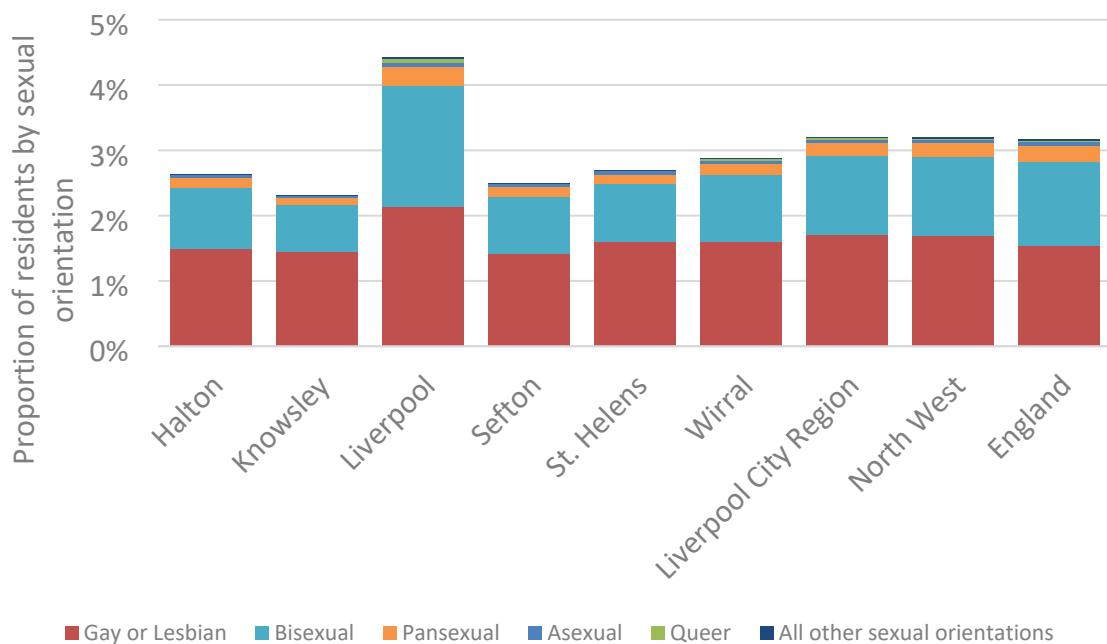
Does your analysis indicate a potential adverse impact Yes No

If yes, what is it and how could this be mitigated?

Sexual Orientation

Summary of evidence

In total, 90% (1.2 million) of all adult residents across the City Region, identified as straight or heterosexual, slightly higher than the national average (89%). The proportion of population who identified as Gay or Lesbian was 2% (21,800) residents and 1% identified as bisexual, in line with national reporting.

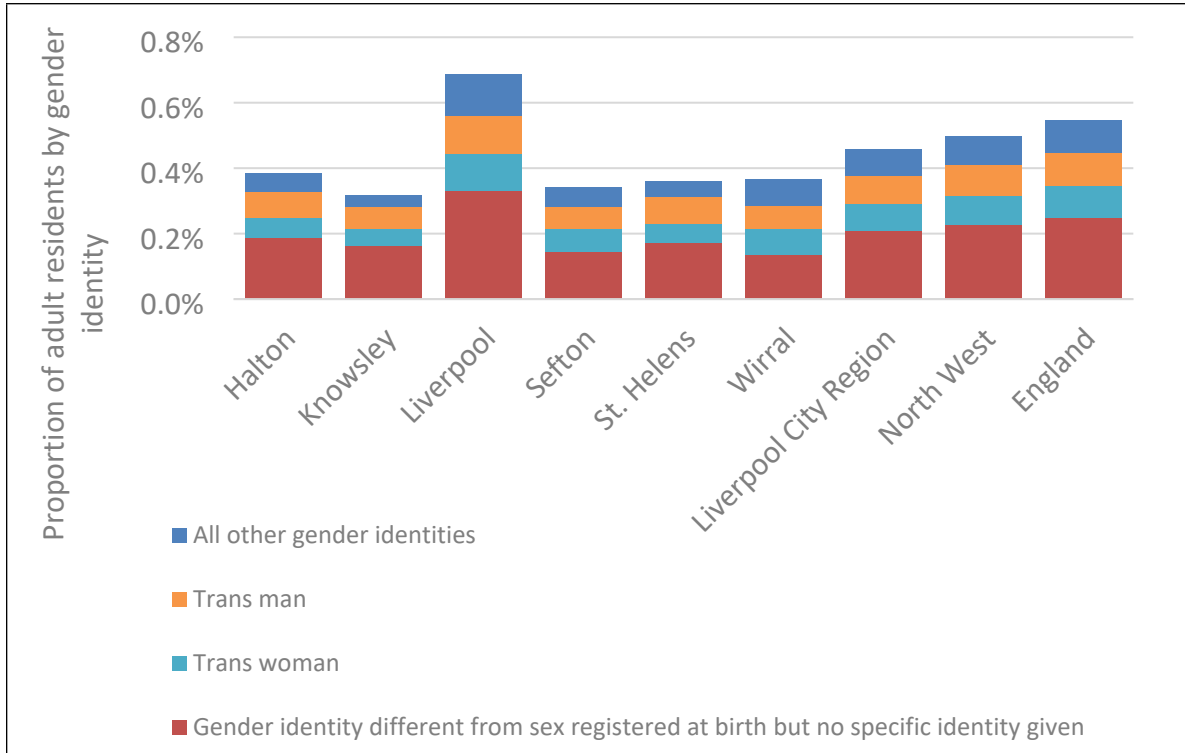


Proportion of adult residents by sexual orientation (excl. straight or heterosexual and not answered) (ONS)

Residents that identify as gay or lesbian, bisexual or other sexual orientation are less likely to be economically active than the LCR average. Employment rates 71% (straight/heterosexual), 63% (gay or lesbian), 46% (bisexual). Generally however, residents that identify as gay or lesbian, bisexual or other sexual orientation are less likely to have no qualifications and more likely to have NVQ2+ or NVQ4+ qualifications compared to the LCR average.

Does your analysis indicate a potential positive impact on this group by promoting equality of opportunity? If yes, please provide details:

The aims of the Economic Opportunities Framework are to promote access to opportunity and overcoming barriers, regardless of background.	
Does your analysis indicate a potential positive impact on this group by fostering good relations? If yes, please provide details:	
Does your analysis indicate a potential adverse impact	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If yes, what is it and how could this be mitigated?	
Pregnancy / Maternity	
Summary of evidence	
More data for this protected characteristic needed for analysis.	
Does your analysis indicate a potential positive impact on this group by promoting equality of opportunity? If yes, please provide details:	
The aims of the Economic Opportunities Framework are to promote access to opportunity and overcoming barriers, regardless of background.	
Does your analysis indicate a potential positive impact on this group by fostering good relations? If yes, please provide details:	
Does your analysis indicate a potential adverse impact	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If yes, what is it and how could this be mitigated?	
Gender reassignment	
Summary of evidence	
Almost 95% of the Liverpool City Region population stated that their gender identity was the same as their sex registered at birth. This was slightly higher than national averages. Around 0.5% of residents aged 16 or above reported that their gender identity was different from their sex at birth, which is similar to regional and national averages.	



Proportion of adult residents by gender identity (excl. straight or heterosexual and not answered) (ONS)

Qualification levels for those who stated that they have a different gender identity than assigned at birth, are lower than national and regional levels. They are also lower than the average for the whole LCR population. Level 4+ qualifications amongst trans men or trans women in LCR are closer to national and regional averages. Conversely, trans men and women are more likely to have no qualifications, compared to the overall population.

Trans men and trans women in LCR are more likely to have no qualifications, compared to the overall population. A higher proportion of trans men (25%) and trans women (24%) had no qualifications, compared with the overall LCR population (21%).

In total, 34% (1,650) of residents who have a different gender identity than the sex assigned to them at birth, have no qualifications. This is lower than national levels (35%) but higher than the North West (33%)

Does your analysis indicate a potential positive impact on this group by promoting equality of opportunity? If yes, please provide details:

The aims of the Economic Opportunities Framework are to promote access to opportunity and overcoming barriers, regardless of background.

Does your analysis indicate a potential positive impact on this group by fostering good relations? If yes, please provide details:

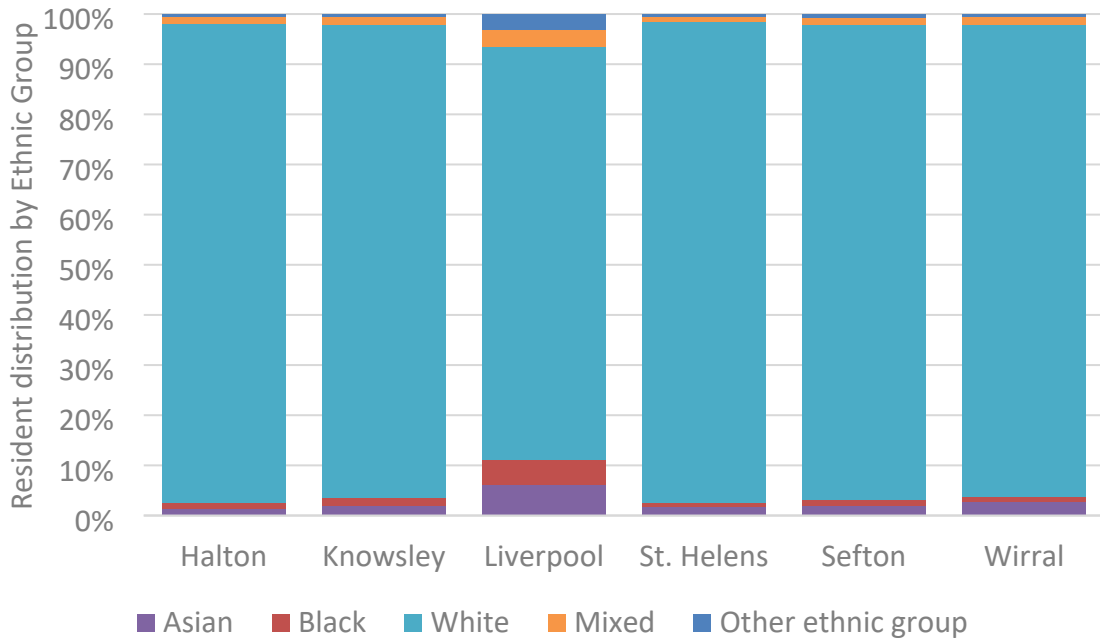
Does your analysis indicate a potential adverse impact Yes No

If yes, what is it and how could this be mitigated?

Race

Summary of evidence

1.4m (or 87% of total) LCR residents identify as White. This is a larger proportion of the total population than seen regionally (80%) and nationally (73%).



Residents per ethnic group distribution in the Liverpool City Region

There has been an +154% (23,000) increase in the population that identified as Black between 2011 and 2021. Since 2011 those residents that identified as White had the smallest growth in the City Region at 2%.

The economic activity rate among Black, Asian, and Minority Ethnic residents of LCR is below the overall LCR average. Residents who identify as Black, Asian, and Minority Ethnic are slightly less likely to be economically active at 52% (46,700) of the LCR Black, Asian, and Minority Ethnic population. These rates are below national (59%) and regional levels (54%).

Does your analysis indicate a potential positive impact on this group by promoting equality of opportunity? If yes, please provide details:

The aims of the Economic Opportunities Framework are to promote access to opportunity and overcoming barriers, regardless of background.

Does your analysis indicate a potential positive impact on this group by fostering good relations? If yes, please provide details:

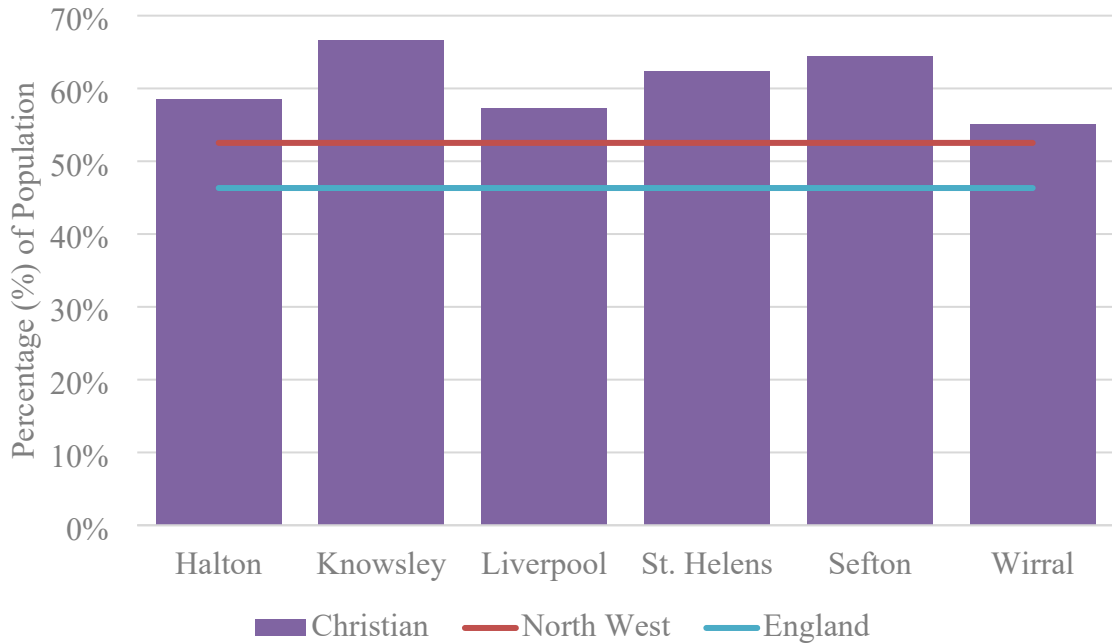
Does your analysis indicate a potential adverse impact Yes No

If yes, what is it and how could this be mitigated?

Religion or belief

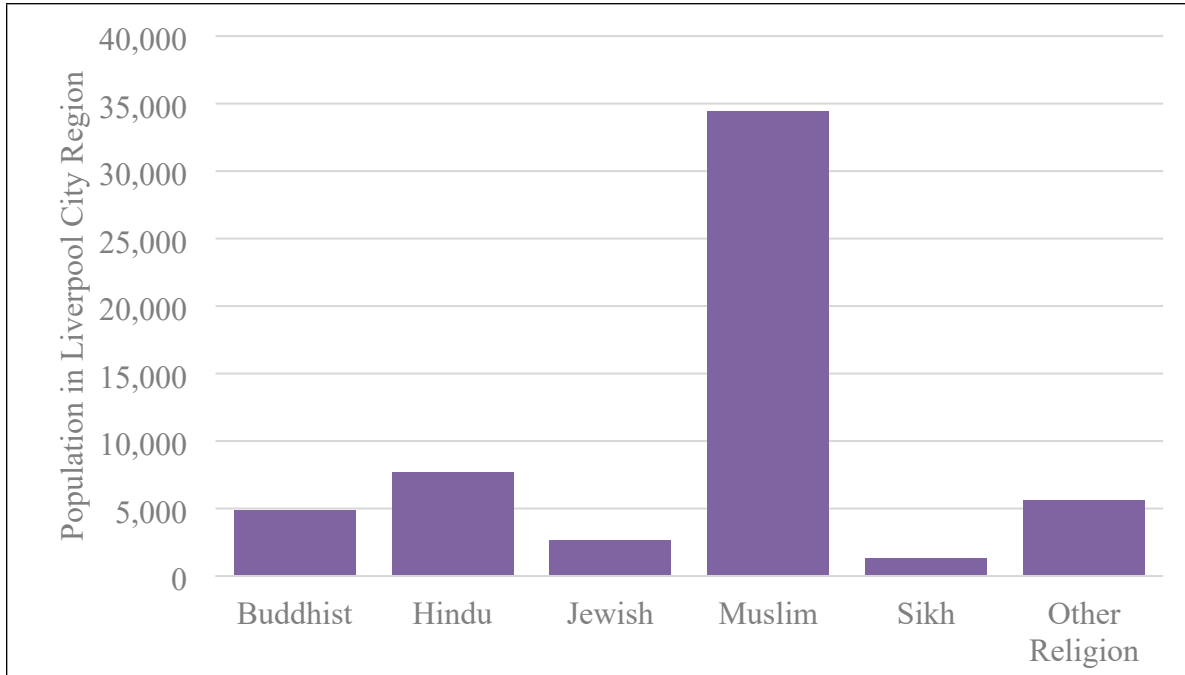
Summary of evidence

There are a total of 923,000 (60%) people that are Christian in the Liverpool City Region. On average, all local authorities have a higher percentage of Christians than the regional (53%) and national (46%) average.



Percentage (%) of Population that are 'Christian' by Local Authority (2021) (ONS)

Other than Christianity, the 2nd most common religion was Islam, with a total of around 34,400 residents stating they were Muslim. This equates to 2% of the overall population, which is lower than both the regional (8%) and national (7%) average. The next highest is Hindu with a total of around 7,700, whilst the lowest recorded is Sikh with 1,300 people.



Number of people who follow a religion other than Christianity in LCR (2021) (ONS)

More data is needed to assess the economic activity status of this protected characteristic in the Liverpool City Region.

Does your analysis indicate a potential positive impact on this group by promoting equality of opportunity? If yes, please provide details:

The aims of the Economic Opportunities Framework are to promote access to opportunity and overcoming barriers, regardless of background.

Does your analysis indicate a potential positive impact on this group by fostering good relations? If yes, please provide details:

Does your analysis indicate a potential adverse impact Yes No

If yes, what is it and how could this be mitigated?

Marriage or civil partnership (Note this only applies to employment)

Summary of evidence

More data for this protected characteristic needed for analysis.

Does your analysis indicate a potential positive impact on this group by promoting equality of opportunity? If yes, please provide details:

Does your analysis indicate a potential positive impact on this group by fostering good relations? If yes, please provide details:

Does your analysis indicate a potential adverse impact Yes No

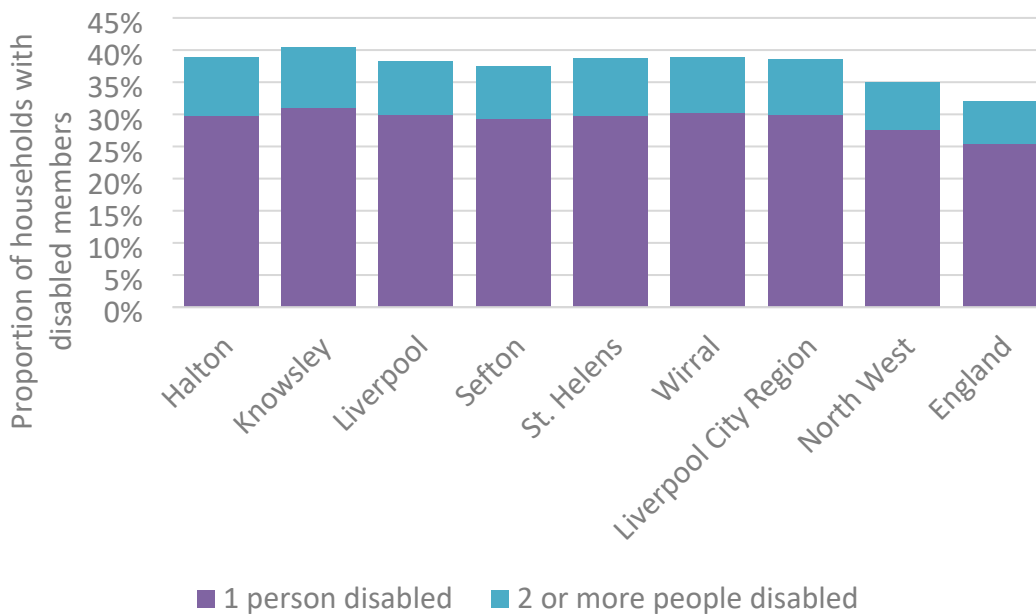
If yes, what is it and how could this be mitigated?

Disability

Summary of evidence

The evidence base for the Plan for Prosperity highlights that economic challenges faced in the Liverpool City Region are underpinned by a number of drivers, one of them being particularly high levels of deprivation in terms of health deprivation and disability.

Roughly 58,000 households in LCR have at least one disabled member. This represents 39% of all households compared to 35% across the North West and 32% in England. 9% of all LCR households have at least two disabled members, compared to 7% both regionally and nationally.



Proportion of households with disabled members (ONS Census 2021)

Residents with disabilities are less likely to be economically active than the LCR average. This is particularly the case among residents with disabilities whose day-to-day activities are limited a lot.

77,200 disabled LCR residents aged 16 to 64 are economically active (either in work or looking for work). This represents 39% of all disabled LCR residents in the age group, which compares to 43% in the North West and 47% in England. 15,700 disabled LCR residents aged 16 to 64 whose day-to-day activities are limited a lot are economically active (either in work or looking for work). This represents 17% of all disabled LCR residents in the age group whose day-to-day activities are limited a lot, which compares to 19% in the North West and 21% in England. The figure for people without a disability in the LCR is 79%.

Does your analysis indicate a potential positive impact on this group by promoting equality of opportunity? If yes, please provide details:

As part of the overarching theme of access to opportunity within the Economic Opportunities Framework, there is a suggested action to develop systemic and fully integrated approaches to improving health equity outcomes, as part of supporting/re-engaging people into work.

The aims of the Economic Opportunities Framework are to promote access to opportunity and overcoming barriers, regardless of background.

Does your analysis indicate a potential positive impact on this group by fostering good relations? If yes, please provide details:

Does your analysis indicate a potential adverse impact Yes No

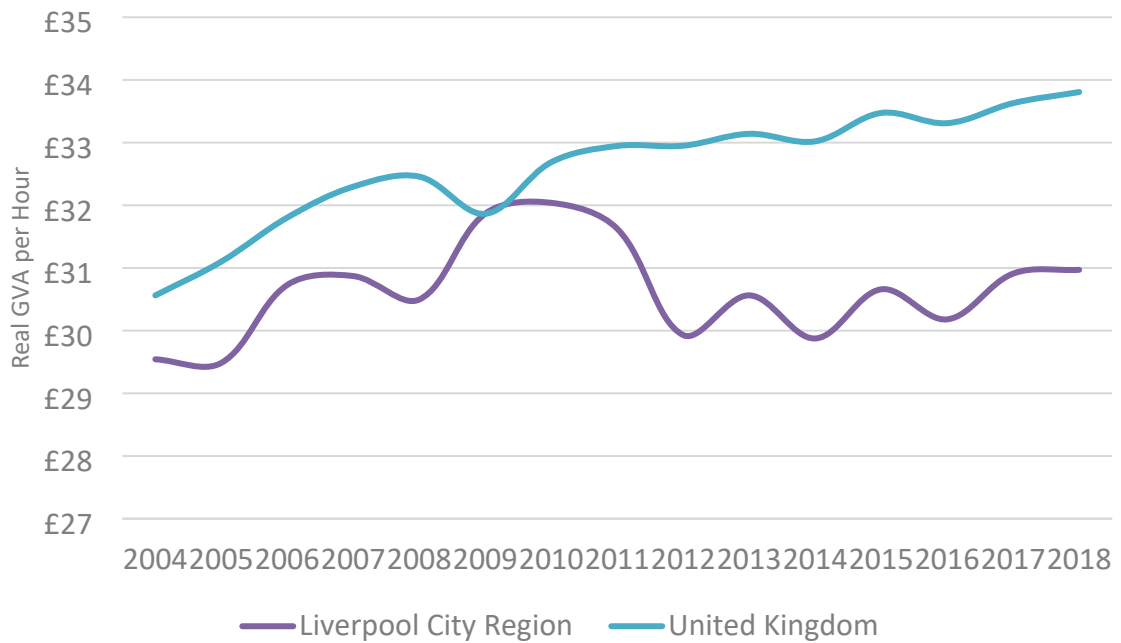
If yes, what is it and how could this be mitigated?

Socio-Economic Status

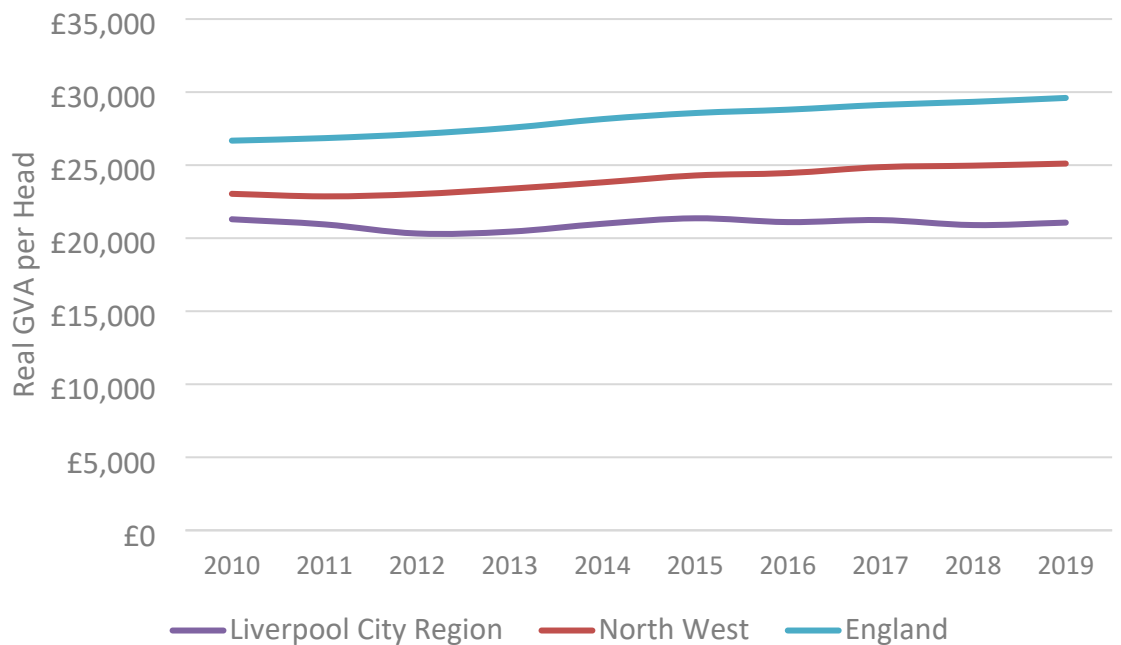
Summary of evidence

Overall, 55% (695,200) of the total population are economically active², which compares to 59% nationally and 57% regionally. 52% (657,800) of LCR residents are economically active and in employment, while 3% are active and unemployed.

The evidence base for the Plan for Prosperity highlights both the productivity gap caused by a higher prevalence of low productivity sectors and a lower within-sector productivity, as well as the employment gap, contributing to a prosperity gap.

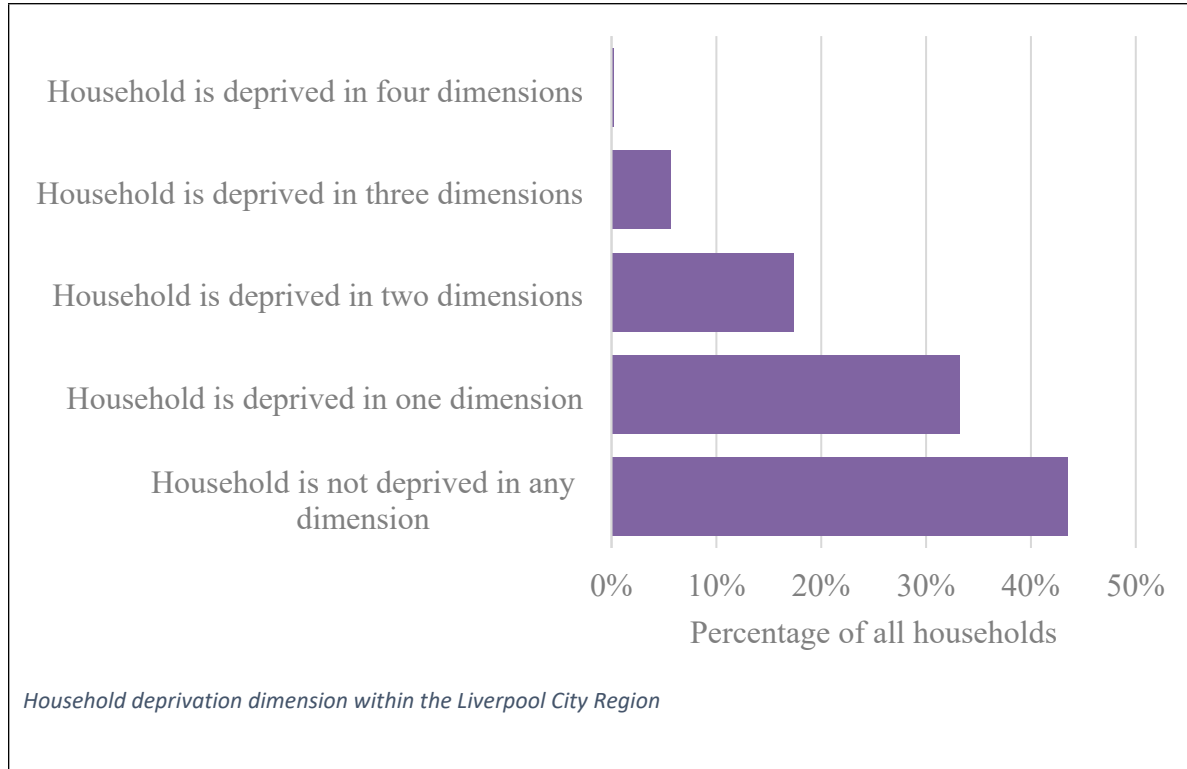


Productivity gap represented by real GVA per hour, 2004 – 2019 (ONS)



Prosperity gap represented by real GVA per head 2010 – 2019 (ONS)

57% of households within the City Region have at least one deprivation dimension (Education, Employment, Health or Housing space) which is larger proportion than the North West (53%) and England (52%).



Does your analysis indicate a potential positive impact on tackling socio-economic disadvantage and reducing inequality of outcome? If yes, please provide details:

Taking a place-based approach, the Economic Opportunities Framework spatially overlays the identified key economic clusters with English Indices of Multiple Deprivation for the Liverpool City Region, which shows the potential for greater economic development and prosperity in these areas. The Economic Opportunities Framework also suggests identifying skills gaps as part of a process of future proofing specific skills relating to clusters/economic opportunities.

There is potential, were suggested actions to be operationalised, for more people in the Liverpool City Region who live in areas with higher levels of deprivation to be engaged in work and in higher value work. Overlaying key economic opportunity clusters with indices of multiple deprivation shows that there is great potential, were barriers to employment to be removed, for opportunities in these areas to be realised by local people and for the area to become more prosperous.

The Economic Opportunities Framework suggests action to ensure equal opportunities for all to access affordable transport systems that connect people to jobs and services, which is in alignment with Local Transport Plan 4.

Does your analysis indicate a potential adverse impact Yes No

If yes, what is it and how could this be mitigated?

SECTION 4: Equality Impact Action Plan

Action Plan

In this section you will develop the action plan to mitigate any potential negative impacts. If you have not identified any negative impacts, you do not need to complete this section.

Use the below table, set out any actions you have identified to improve data, mitigate issues, or maximise opportunities etc. If an action is to meet the needs of a particular protected group, please specify this.

Improvement / Action Required	Responsible Officer	Timescale
Upon operationalisation of any of the proposed actions within the Economic Opportunities Framework, further data to be gathered to assess the impact of the opportunity on groups of people with one or more protected characteristics, especially where large evidence gaps are present. This includes engaging and consulting with affected communities, where possible.	Owner of any actions to capitalise on the opportunities highlighted in the Economic Opportunities Framework.	Timescale dependent on realisation of the economic opportunity.
Upon operationalisation of any of the proposed actions within the Economic Opportunities Framework, EIA to be completed for relevant actions.	Owner of any actions to capitalise on the opportunities highlighted in the Economic Opportunities Framework.	Timescale dependent on realisation of the economic opportunity. EIA to start upon mobilisation of the action and continued in tandem with action development.

Proposed way forward

Actions	Decision – please select
Continue unchanged – the proposal does not cause any disproportionate impacts and can proceed with no major change required.	✓
Justify and continue – the proposal could cause some disproportionate impacts but these can be avoided by mitigating actions.	
Change – the proposal requires some changes to ensure it does not adversely affect certain groups of people or miss opportunities to affect them positively.	
Stop – the proposal will cause a sustainable risk to equality and should not continue.	

Date for Action Plan to be reviewed and progress evaluated: To be determined based

	on operationalising the Framework.
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SECTION 5: Sign off

Sign- Off Process

Engagement

It is recommended to engage with the Liverpool City Region Combined Authority Equality Panels and Equality Champions during the drafting of EIAs.

Guidance on this can be found [here](#) and EIA Support and Training sessions facilitated by Equality Champions can be booked through the Learning Portal.

Ahead of seeking sign-off for this Equality Impact Assessment, please consider and confirm the below:

Activity	Yes	No
1. Have you engaged with the LCRCA Equality Champions during the drafting of this EIA?	✓	
2. Have you engaged with the LCRCA Equality Panels during the drafting of this EIA?		✓
2a. If so, which panels?		

Seeking Sign-Off

In order to be marked completed, Equality Impact Assessments must be signed off by a Head of Service or Assistant Director. This includes any subsequent updates to completed Equality Impact Assessments.

Once completed, all EIAs including those that have been updated are to be sent to the Equality Champions to be stored centrally equality.champions@liverpoolcityregion-ca.gov.uk.

You should also keep a copy of the completed EIA and update in the case of any changes to the proposal.

Please note, if an EIA is being completed as part of a Combined Authority decision, the completed EIA **must be included as part of the appendices in the Combined Authority Pack** on Modern.gov.

Sign-Off

By signing off the EIA you are confirming that you are satisfied that the project or service has been designed with due regard to the need to: **Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010.**

If EIA is part of a Combined Authority or Committee decision, date of submission for approval:

15 th December 2023

Officer responsible for Assessment	Approved by Head of Service/Assistant Director
Signed: Adrian Nolan	Signed: Claire Blott
Role: Senior Policy Lead – Economy	Role: Assistant Director – Policy & Strategy
Date: 4 th December 2023	Date: 4 th December 2023

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Report Title	City Region Sustainable Transport Settlement Update										
Portfolio Holder	Portfolio Holder for Transport										
Summary of report	This report seeks the approval for the provision of grant funding to deliver the next phase of the Smart Ticketing programme and for CRSTS capital development funding.										
Is this report exempt?	No										
Is this a Key Decision	Yes - In relation to expenditure or savings, it is likely to result in revenue in excess of £250,000 or capital in excess of £250,000 and to be significant in terms of its effects on persons living or working in an area comprising two or more wards or electoral divisions in the area of the Combined Authority.										
Is the report urgent	No										
Is this decision to be exempt from call in	No										
Local Authorities affected	(All Local Authorities);										
Impact and implications of this report											
Financial impact	Yes, see paragraph 5.1										
Delegation (s) sought	Yes, see recommendation 2 (b) & (d)										
Supporting the Corporate Plan	<table style="width: 100%; border: none;"> <tr> <td style="width: 80%;">A Fairer City Region</td> <td style="text-align: right;">√</td> </tr> <tr> <td>A Stronger City Region</td> <td style="text-align: right;">√</td> </tr> <tr> <td>A Cleaner City Region</td> <td style="text-align: right;">√</td> </tr> <tr> <td>A Connected City Region</td> <td style="text-align: right;">√</td> </tr> <tr> <td>A Vibrant City Region</td> <td style="text-align: right;">√</td> </tr> </table>	A Fairer City Region	√	A Stronger City Region	√	A Cleaner City Region	√	A Connected City Region	√	A Vibrant City Region	√
A Fairer City Region	√										
A Stronger City Region	√										
A Cleaner City Region	√										
A Connected City Region	√										
A Vibrant City Region	√										
Climate Change Implications	Yes, see paragraph 5.3										
Equality and Diversity implications	Yes, see paragraph 5.4										
Social Value implications	Yes, see paragraph 5.5										
Human Resources implications	No										
Physical Assets implications	Yes, see paragraph 5.6										
Information Technology implications	Yes, see paragraph 5.7										

Legal implications	Yes, see paragraph 5.8
Risk and Mitigation	Yes, see paragraph 5.9
Privacy implications	Yes, see paragraph 5.10
Communication and consultation implications	Yes, see paragraph 5.11
Contact Officer(s)	<p>Libbie Solomon – Transport Development Analyst libbie.solomon@liverpoolcityregion-ca.gov.uk (07900778486)</p> <p>Adam Price – Lead Officer Transport Development adam.price@liverpoolcityregion-ca.gov.uk (07920450027)</p>
Appendices	<p>Yes Appendix 1 – Equality Impact Assessment</p>
Background Documents	No

Liverpool City Region Combined Authority

Friday 15 December 2023

Report of the Executive Director - Investment and Delivery and the Portfolio Holder for Transport

CITY REGION SUSTAINABLE TRANSPORT SETTLEMENT UPDATE

1. PURPOSE OF REPORT

- 1.1. The purpose of this report is to seek approval for grant funding to be released from the Strategic Investment Fund's 'City Region Sustainable Transport Settlement' (CRSTS) for the Smart Ticketing programme. This report also seeks the approval of the Combined Authority for capital as well as revenue from the CRSTS to be used to fund development works for transport infrastructure projects within defined parameters.

2. RECOMMENDATIONS

- 2.1. It is recommended that the Liverpool City Region Combined Authority:
 - (a) approve the provision of grant funding of £9.86m from the Strategic Investment Fund's 'City Region Sustainable Transport Settlement' (CRSTS) to Merseytravel for the Smart Ticketing Programme;
 - (b) delegate authority to the Executive Director – Investment and Delivery to put in place and manage the arrangements for the funding provision set out at (a) above in consultation with the Executive Director – Place, the Monitoring Officer and the Executive Director – Corporate Services;
 - (c) approves the use of up to 10% of CRSTS Capital to enable further development of schemes in the CRSTS programme as outlined in paragraph 4 and
 - (d) delegate authority to the Executive Director of Investment and Delivery in consultation with the Executive Director – Place, the Monitoring Officer, the Executive Director – Corporate Services and the Portfolio Holder for Transport, to disburse funds and develop funding agreements with delivery partners, in order to award capital development funding to progress CRSTS schemes; noting that all schemes seeking funding will be presented back to the Combined Authority for consideration before full capital funding is released for infrastructure delivery.

3. SMART TICKETING

BACKGROUND

- 3.1. The City Region Sustainable Transport Settlement (CRSTS) is an ambitious, transformative programme of transport investment across the city region that will

see a historic £710m invested over the period 2022/23 to 2026/27, to continue the delivery of a London-style transport system.

- 3.2. The current ticketing offer in the Liverpool City Region is complex, uses multiple technology platforms, consists of multiple products and requires a significant amount of knowledge and understanding by the user to make optimal ticketing choices. As a result, this complexity can constrain the use of public transport. In addition, the range of available tickets does not always reflect the current travel demand patterns of residents and visitors in the area.
- 3.3. The City Region has made significant steps with its Smart Ticketing strategy over the past 5 years. Outside of London, it has one of the most frequently used smart ticketing schemes in the country. Prior to the COVID-19 pandemic over 52 million concessionary and commercial journeys were recorded on the Smart Ticketing system annually, and even during 2021 as the transport network was recovering from the effects of the pandemic, this figure was in excess of 43 million journeys.
- 3.4. Smart ticketing puts the passenger first and is a cornerstone of making public transport convenient and affordable. Under the Transforming Cities Fund, the Combined Authority has introduced MetroCard, a smartcard for public transport tickets that enables a range of products to be loaded onto it. MetroSmart, the smart ticketing website launched in 2020, allows passengers to purchase Solo products online, as well as Merseyrail RailPass. There are currently over 400k Smart Cards in use across Liverpool City Region, plus 350k ITSO Concession Cards, and the MetroSmart Portal has over 20k registered users and accounts for 25% of all ticket sales – demonstrating a real track record and demand for digital ticketing.
- 3.5. Continued investment into the Smart Ticketing programme is required to further develop this approach and vision. The aim across the region is to adopt a London style public transport ticketing system through the following approach:
 - i. Enhance the MetroSmart Portal - required to make more products paperless and available digitally and to provide increased web-based self-help customer services, enhancing the customer experience, promoting online ticket sales and increase the use of public transport. A MetroSmart Portal product and service roadmap has been agreed, to be delivered in phases, and all new developments will be mirrored onto a new Mobile App available to passengers;
 - ii. Invest in and upgrade the physical infrastructure across the network, such as new ticket gates and readers, to enable contactless technologies to be rolled out for passengers to tap in and tap out; and
 - iii. Invest into Account Based Ticketing (ABT) IT systems to link a passenger's MetroSmart account with their bank card, phone or smart ticket.
- 3.6. Recent investment in a new back office ITSO ticketing system will accelerate the overall development of the Smart Ticketing programme and will be an enabler for the above solutions and facilitate the implementation of the following:
 - i. Tap & Go ticketing for all modes;
 - ii. The introduction of dynamic QR codes as a new ticket type across the network, potentially for Tap & Go travel and replacement of paper day tickets;
 - iii. Card Virtualisation – eventually removing the need for plastic cards; and

- iv. Integration with national solutions for using contactless bank cards for Tap & Go travel – on the basis that sufficient progress has been made at a national level.

PROPOSAL

- 3.7. The next phase of the programme aims to provide a significant step change for users with the delivery of:
 - A Mobile Phone App for ticket purchase and storage, including potential QR codes for selected modes and products or near field card reading;
 - Increased product range via the online MetroSmart Portal;
 - Transition of additional products to the MetroCard;
 - Contactless bank card acceptance in line with the established global standard in the card industry;
 - Account Based Ticketing 'Tap & Go' functionality for all users of the ticketing options available;
 - A 'Best Value Fare Capping' solution for rail so that customers benefit from the best price for their travel, with the functionality extending this across other modes, ultimately providing a multi-modal solution across bus, ferries, and rail; and
 - Improved customer service.
- 3.8. The Tap and Go solutions will see the following customer service enhancements:
 - The ability for new or existing customers to register for a 'charge account' so that they can make use of the Tap & Go facilities – initially for a single mode of transport;
 - The introduction of fare capping – daily and weekly – so that customers benefit from the best price for their travel in line with the City Regions aspirations for London Style Ticketing without having to plan their travel in advance;
 - The ability for customers to view their Tap & Go account details within the MetroSmart portal, including transactions and charges; and
- 3.9. These building blocks will enable future Tap & Go developments to include other modes of travel and multi-modal travel.
- 3.10. This programme of works offers the opportunity to enhance the user experience, reducing the time involved in planning and purchasing tickets and enhancing journey quality, growing the demand for public transport, increasing farebox revenue, and encouraging modal shift from the private car with associated reductions in the adverse economic, environmental, and social outcomes that car use can result in.
- 3.11. The total cost of delivery of this phase of the Smart Ticketing programme is £9.86m.

SUMMARY APPRAISAL

- 3.12. A full business case has been produced to support the Smart Ticketing programme with a Level 1 Benefit Cost Ratio (BCR) of 6, which indicates very high Value for Money rating. The business case has been externally appraised to validate the robustness, affordability and deliverability of the programme.

4. CAPITAL DEVELOPMENT FUNDING

- 4.1. The Combined Authority has previously approved development funding for the CRSTS and Levelling Up Fund (LUF) programme on 29th April 2022. To date the Combined Authority has released £28,967,403.61 revenue funding to support the development of the CRSTS and the LUF programme. The Combined Authority recently accepted a further £3,117,500.00 from the Department for Transport and £195,000.00 from the Department for Levelling Up, Housing and Communities to support the development of its CRSTS and LUF programmes, bringing the total funding from government to £18,265,000.00, on top of £24,620,000.00 approved by the Combined Authority over the period 2021/22 – 2023/24.
- 4.2 It is now proposed that the Combined Authority approves the use of up to 10% of CRSTS capital to enable further development of schemes in the CRSTS programme to be conducted. Department for Transport guidance allows for up to 10% sunk costs across the CRSTS programme, although it is expected that the majority of capital released will be charged to individual CRSTS schemes upon their approval by the Combined Authority to progress to construction.
- 4.3 Approving this will allow continued development of the programme, without further requests on Combined Authority finances. It is proposed the Executive Director of Investment and Delivery will be delegated authority to disburse this capital development funding, in consultation with the Executive Director – Place, the Chief Legal Officer, Executive Director of Corporate Services, and the Portfolio Holder for Transport. This will be in accordance with the governance and assurance processes previously approved by the Combined Authority for transport development revenue funding, and for wider SIF pre-development funds.
- 4.4 Capital development funding will only be released for projects that have shown a high likelihood of affordability, value for money and delivery within the CRSTS window. Therefore, the risk of lost capital is anticipated to be minimal. To achieve this assurance, it is proposed to only release capital funding for projects that pass the Combined Authority's Transport Gateway 3. Upon Gateway 3 approval, projects will be able to access capital development funding for further development. As part of this Gateway 3 approval, past revenue development funding that has been released will be reviewed and, where possible, it will also be capitalised against the total project costs. This process will reduce the pressures on Combined Authority finances and replenish the Transport Development Thematic Pot. Upon completion of this process the Executive Director for Investment and Delivery, in consultation with the Executive Director – Place, the Chief Legal Officer, Executive Director of Corporate Services, and the Portfolio Holder for Transport, will then be able to authorise disbursement of capital development funding and completion of funding agreements.

- 4.5 This approach differs from the Combined Authority's usual approach of using revenue to fund development activities, hence the requirement for Member approval. The need to supplement existing revenue development funding with capital funds demonstrates the positive progress that is being made in delivering transport infrastructure projects across the Region.

5. IMPACT AND IMPLICATIONS

5.1. Financial

- 5.1.2 The total cost of delivery of this phase of the Smart Ticketing programme is £9.86m. It is proposed that the project will be funded from the CRSTS programme. There is strong alignment between Smart Ticketing and the CRSTS objectives, and this approach has been endorsed by Transport Advisory Group (TAG), and Growth Directors,
- 5.1.2 Revenue generation is significant, at £1 million per annum predicted by 2030 following a demand 'ramp-up' period. Delivery against the project will be monitored through the Combined Authority's Assurance Framework.
- 5.1.2 Capital development funding will be used to support the further development of CRSTS projects. Using Capital funds to facilitate the future use of the Transport Development Thematic Pot for Pipeline development will reduce the pressure on Combined Authority revenue funding budget.

5.2. Supporting the Corporate Plan

- 5.2.1 A Fairer City Region - As above, modal shift supports safer roads, more liveable streets, a more people-centred city region and better health. Better health has financial benefits to individuals and to society and poor health is a known factor in the City Regions high rates of worklessness and economic inactivity.
- 5.2.1 A Stronger City Region - Providing affordable, multi modal access to employment, training and key facilities and addressing the costs and convenience barriers presented by the need to buy multi-stage ticketing.
- 5.2.1 A Cleaner City Region - Supporting mass modal shift by making the use of bus and rail, and interchange between the two, simpler, more convenient, more affordable and reducing harmful emissions.
- 5.2.1 A Connected City Region - With reduced travel constraints, and a simplified ticketing system, it will become easier to travel around the City Region via public transport.

5.3. Climate Change

- 5.3.1 Smart Ticketing will encourage modal shift from cars to public transport. A programme wide Carbon Management Plan has been produced for the CRSTS programme, outlining how projects will contribute to reducing transport impacts on climate change. This will be reviewed through the Monitoring and Evaluation process.

5.4. Equality and Diversity

5.4.1 Equality and Diversity implications are considered as part of the appraisal process in accordance with the Combined Authority's Investment Strategy. A programme Equalities Impact Assessments has been undertaken and is provided in Appendix 1.

5.5. Social Value

5.5.1 Social value benefits in terms of expenditure will be planned and stipulated into all supplier contracts and procurement processes.

5.5.2 The social benefits of Smart Ticketing itself are linked to outcomes/benefits in terms of increasing access to employment, education, retail, leisure parks/facilities.

5.6. Physical Assets

5.6.1 The physical assets to be created by the programme are detailed in this report.

5.7. Information Technology

5.7.1 The IT department within the Combined Authority has been an integral part of developing the Smart Ticketing system, and will have a leading role in managing the delivery of the future phases. This, together with a robust governance structure supported by senior management will proactively manage risks and issues and minimise the risk of IT problems occurring.

5.8. Legal

5.8.1 The Combined Authority will deliver the Smart Ticketing Programme through Merseytravel and appropriate funding and delivery arrangements will be put in place to support this. Merseytravel will enter into such contracts and other legal agreements as may be required to implement the Programme, with support from the Combined Authority Legal Services team. Merseytravel will be required to provide progress updates on the different elements of the Programme to the Combined Authority's Programme Management Office.

5.8.2 As this is funding for transport related public infrastructure it is not anticipated that any element of the funding will comprise a subsidy under the Subsidy Control Act 2022, however this will be kept under review by Legal Services.

5.9. Risks and Mitigation

5.9.1 A risk assessment and management strategy has been produced as part of the Smart Ticketing programme.

5.9.2 If a proportion of CRSTS capital is not used for the development phase of projects, there is a risk that CRSTS project development will be negatively affected, leading to potential delays in bringing forward projects to construction phase.

5.9.3 Capital development funding will only be released for projects that have shown a high likelihood of affordability, value for money and delivery within the CRSTS

window. Therefore, the risk of lost capital will be minimal.

5.10. Privacy Implications

5.10.1 There are Fair Processing Notices on the Merseytravel Smart Ticketing Data that is applicable under current processes and Data Protection requirements will be included in all associated supplier contracts.

5.11. Communication and Consultation

5.11.1 All schemes approved will be subject to the Combined Authority's branding guidelines and publicity requirements. In addition, the Combined Authority will, through its adopted communication protocols, publicise the award of funding to the schemes and the associated envisaged outcomes.

5.11.2 The Smart Ticketing programme team communicate with Merseytravel and rail and bus operators on a regular basis and have also engaged with the Marketing and Communications team.

6. CONCLUSION

6.1. The provision of grant funding totalling £9.86m from the Strategic Investment Fund's City Region Sustainable Transport Settlement (CRSTS) for the Smart Ticketing Programme will support the Combined Authority's strategy to deliver public transport which is affordable, convenient and puts customers first. The proposal to use up to 10% of CRSTS capital for development works will support the progression of CRSTS transport infrastructure projects to construction phase.

DR AILEEN JONES
Executive Director - Investment and
Delivery

CLLR LIAM ROBINSON
Portfolio Holder for Transport

Appendices:

1 Smart Ticketing Equality Impact Assessment

Background Documents:

None

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Liverpool City Region Combined Authority Equality Impact Assessment - Template

Introduction

An Equality Impact Assessment (EIA) is an evidence-based tool that helps us to put Equality, Diversity and Inclusion at the heart of all of our projects, policies or services. As a public sector organisation we are required to comply with the [Public Sector Equality Duty](#). This means that we need to carry out equality analysis of new projects, policies or services and changes to existing projects, policies or services. The analysis should identify what positive or negative equality impacts the project, policy or service may have and if mitigating actions are needed, what these would be.

You should start the Equality Impact Assessment at the beginning of the process and continue to develop it throughout. Once an EIA has been drafted, it is recommended to engage with the Liverpool City Region Combined Authority Equality Panels for expert feedback and recommendations on equality impacts [LCRCA Equality Panels - Engagement Template \(June 2023\).docx](#)

There is detailed guidance available [LCRCA EIA Guidance final.docx \(sharepoint.com\)](#) to support you to complete an EIA. We also have a Community of Practice, made up of Equality Champions who can provide advice and feedback throughout the process. You can contact them by emailing equality.champions@liverpoolcityregion-ca.gov.uk.

In order to be marked completed, Equality Impact Assessments must be signed off by a Head of Service or Assistant Director. Once completed, all EIAs are to be sent to the Equality Champions to be stored, equality.champions@liverpoolcityregion-ca.gov.uk.

Proposal Information

Title of project, policy or service: Smart Ticketing Programme	
The proposal is a: <input type="checkbox"/> Policy or strategy <input type="checkbox"/> Project <input checked="" type="checkbox"/> Programme <input type="checkbox"/> Funding decision <input type="checkbox"/> Commissioned Service <input type="checkbox"/> Internal service or change <input type="checkbox"/> Other [please state]	
Does this proposal require a Combined Authority or Committee decision? <input type="checkbox"/> Yes <input type="checkbox"/> No Yes	
Directorate: Place	Head of Service: Gary Evans
Service Area: Customer Delivery & IT	Lead Officer: Manjinder Griffiths
Date the EIA process started: August 2023	

SECTION 1: What do we want to do?

What are the aims and objective of this proposal?

Use the box below to provide a short, clear summary of the proposal. Include the purpose and intended aims and outcomes. Remember to use plain English (<http://www.plainenglish.co.uk/>) and avoid any jargon and acronyms. Equality Impact Assessments are read by a wide range of people including decision-makers and the wider general public.

This Equality Impact Assessment relates to the proposed measures on the continued Investment into the Smart Ticketing Programme under CRSTS funding.

Liverpool City Region Combined Authority (LCRCA) continues to transform the way people pay for and use public transport ticketing through a Smart Ticketing and Technology Programme (known as 3TP), and following the implementation and the launch of the Smart Metro Card and Smart Portal, further development of Smart products and web-based customer services is sought to enhance the customer experience, promote ticket sales and increase the use of public transport. Making access to public transport more streamlined and customer-friendly by making ticketing simpler and easier for customers is a key focus of the Combined Authority. Smart technologies will give customers greater choice about when and how they pay for travel, helping them get the best value. A tap-and-go model is central to this approach, turning on its head the current system of passengers needing to choose in advance how they will travel in order to access the best value ticket, instead being charged a fair price for the services they have used.

The current ticketing offer in the Liverpool City Region (LCR) is complex, uses multiple platforms, consists of multiple products and requires a significant amount of knowledge and understanding by the user to make optimal ticketing choices. As a result, this complexity can constrain the use of public transport. In addition, the range of available tickets does not always reflect well the current travel demand patterns of residents and visitors in the area.

Making access to public transport more streamlined and customer-friendly by creating ticketing simpler and easier for customers is a key focus of the Combined Authority. Smart technologies will give customers greater choice about when and how they pay for travel, helping them get the best value removing the need to choose in advance how they will travel and ensuring they are charged the lowest price for the services used. A tap-and-go model is central to this approach, transforming the way people pay for and use public transport through Smart Ticketing to deliver a fully integrated, multi-modal, multi-operator and multi-token 'Tap and Go' London style fare capping system – ultimately aimed at growing the use of public transport across all modes.

Through creating a connected city region, the LCRCA want to connect all LCR communities to opportunity, physically and digitally. And the aim is for the public transport system to be reformed, fully integrated, and provide a genuine alternative to the car. A well-connected city region will ensure opportunities can be felt in every community. Connectivity between people, business and place helps people access education, training employment and other services, helps businesses access customers and move goods around. The vision for the region is to have a London Style Transport Plan that integrates walking, cycling, buses, trains and ferries which will include an upgrade to the Smart Ticketing System and implement the transition to tap-in, tap-out, contactless ticketing.

Continued investment into the Smart Ticketing is programme is therefore required to further develop this approach and vision. Our aim across the region is to adopt a London style public transport ticketing system through the following approach.

- The MetroSmart Portal - in order to make more products paperless and available digitally and to provide increased web-based self-help customer services enhancing the customer experience, promoting online ticket sales and increase the use of public transport. A MetroSmart Portal product and service roadmap has been agreed to be delivered in tranches and all new developments will be mirrored onto a new Mobile App.
- Invest in and upgrade the required infrastructure to enable the required contactless/ABT technologies to be in place such as cEMV or ITSO enabled gates/readers.
- Invest into Account Based Ticketing (ABT) solutions to allow passengers to tap or scan a secure token (such as a bank card, ITSO card or phone) linked to an account.

As part of a broader Smart Ticketing programme of projects, the outcomes of this programme will contribute to.

- Simplifying the ticket transaction so easy for all to understand
- Offers lowest price promise.
- Better value for customer and convenience
- Increasing patronage on public transport
- Improving access to employment
- Improving access to healthcare, education and other services
- Reducing journey times through faster boarding
- Reduces paper and waste utilising digital solutions.
- Improving air quality

This programme of works offers the opportunity to enhance the user experience, reducing the time involved in planning and purchasing tickets and enhancing journey quality, growing the demand for public transport, increasing farebox revenue, and encouraging mode shift from the car with associated reductions in the adverse economic, environmental, and social outcomes that car use can result in.

Who will the proposal have the potential to affect?

- The LCRCA Workforce Businesses Partner Organisations
 Residents / Service Users / Beneficiaries / Customers

Additional Comments

Will the proposal have an equality impact?

Could the proposal have any impact, positive or negative, on people with protected characteristics? If you are unsure the EIA guidance sets out an overview of protected characteristics.

<input type="checkbox"/> Yes – Please complete the remaining sections	<input type="checkbox"/> No – If you are certain there will be no Equality impact, the remaining sections do not need to be completed. Please state why no EIA is required below, sign and send this form to equality.champions@liverpoolcityregion-ca.gov.uk
<i>State reasons no Equality Impact Assessment is required.</i>	
Signed Officer responsible for Assessment: Signed Head of Service/Assistant Director: Date:	

SECTION 2: Fact finding – What information do we have or need?

Use this section to set out the data, evidence and intelligence you will use to understand the Equality Impact of the proposal. The EIA guidance sets out how you can access evidence and complete engagement activity. The evidence and intelligence you will need should be proportionate to the impact of the proposal.

What data sources have you used and considered in developing the Equality Impact Assessment?

Use the table below to detail what data sources you have used (e.g. Census data). You don't need to say what the data has told you about any potential impacts, you will do this in the next section. There is a useful source of data and intelligence available here [Census 2021 results - Census 2021](#). Evidence relating to the City Region can also be found on the [LCRCA Evidence Hub](#).

Protected Characteristic	Data Sources Used
All protected characteristics	Census 2021, ONS Data, LCRCA Transport Data, 2011 NTS Data,
Age (Young people)	Census 2021, ONS Data, LCRCA Transport Data, 2011 NTS Data,
Age (Older people)	Census 2021, ONS Data, LCRCA Transport Data, 2011 NTS Data, Lloyds Bank Consumer Digital Index, 2021
Disability	Census 2021, ONS Data, LCRCA Transport Data, 2011 NTS Data,
Sex	Census 2021, ONS Data, LCRCA Transport Data, 2011 NTS Data,
Sexual orientation	Census 2021, ONS Data, LCRCA Transport Data, 2011 NTS Data,
Pregnancy / maternity	Census 2021, ONS Data, LCRCA Transport Data, 2011 NTS Data,
Gender reassignment	Census 2021, ONS Data, LCRCA Transport Data, 2011 NTS Data,
Race	Census 2021, ONS Data, LCRCA Transport Data, 2011 NTS Data,
Religion or Belief	Census 2021, ONS Data, LCRCA Transport Data, 2011 NTS Data,
Marriage & Civil Partnership	Census 2021, ONS Data, LCRCA Transport Data, 2011 NTS Data,
Socio-economic status	Census 2021, ONS Data, LCRCA Transport Data, 2011 NTS Data,

How have you involved communities and groups that could be affected?

Use the box below to set out how you have, or will, engage with people who could be affected by the proposal. This can include previous engagement exercises for example statutory consultation.

A Communications and Engagement Plan will be agreed to set out the stakeholders and the forms of communication that will be used to engage with people and businesses who will be impacted directly and indirectly by the Smart Ticketing scheme.

No direct consultations or engagement to date. Customer engagement is planned with the launch of new Mobile App in early 2024 and the Smart Ticketing team will work closely with the Corporate Engagement team to plan.

Are there any gaps in the evidence base?

Based on the data you have and the engagement you have completed are there any gaps in the evidence base? Use the box below to set out any information you do not have. This doesn't mean that you can't complete the assessment without the information, but you should include how you will get this information as an action in Section 4.

There are some gaps in the evidence around pregnancy, gender reassignment, sexual orientation and marriage/civil partnership. The disaggregation of data available does not extend specifically to these groups. The scheme is unlikely to specifically disadvantage these groups if the other at-risk groups are catered to.

SECTION 3: What impact could the proposal have?

Does the proposal have any impacts on people based on their protected characteristics?

Use the table below to set out the potential impacts for each of the protected characteristics. There is a description of each protected characteristic in the Guidance. Where available include any charts, maps or data tables that help demonstrate the potential impacts. Where there is an adverse impact you should set out how this could be mitigated. Mitigations should have a follow-on action in Section 4. Consider how people who share a protected characteristic may experience a project or service in different ways, for example someone with a physical impairment will have a different experience to someone with a sensory impairment. You should also think about intersectionality; the way in which inequality can compound when people have multiple protected characteristics (e.g., a young woman, a black gay man). There is more information on intersectionality in the [LCRCA EIA Guidance final.docx \(sharepoint.com\)](#).

Equality Impact Analysis
Age: Young People
<p>Summary of evidence</p> <p>Census data from 2021 provides population by age groups and shows the Liverpool City Region had similar levels to the Northwest and England with 17% of the population being between the ages of 0 to 14 and 64% are between 15 and 64.</p> <p>Census data from 2021 provides population by age groups and shows the Liverpool City. 59% of people aged 16–25 as a proportion of residents in LCR walk or wheel at least five days a week.</p> <p>Overall, 6% (78,900) of the LCR population are fulltime students and economically inactive. Rates are similar for both the male and female population and follows national and regional trends.</p>
<p>Does your analysis indicate a potential positive impact on this group by promoting equality of opportunity? If yes, please provide details:</p>
<p>Does your analysis indicate a potential positive impact on this group by fostering good relations? If yes, please provide details:</p>

Term Time adult and child products are available on line increasing accessibility to digital solution.	
Does your analysis indicate a potential adverse impact	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If yes, what is it and how could this be mitigated	
<p>Access to concessionary travel limited for this group and no specific Student tickets. Review options to increase and encourage travel by this group by offering incentives or other schemes provided by other LAs such as free travel for all under 18yrs old to engrain public travel behaviours for future use. Conduct a product gap review to identify and new ticketing opportunities for specific groups such as students for example.</p>	
Age: Older people	
<p>Summary of evidence According to the 2021 census data, the Liverpool City Region has a similar age distribution as the rest of the Northwest and England, with 18% of the population being older than 65. Interestingly, this age group has experienced the fastest growth, increasing by 16% since 2011. In contrast, the population between the ages of 15 and 64 has actually decreased by 0.3% during the same period.</p> <p>A significant proportion of people in the Liverpool City Region, 43%, who are aged 66 and above, walk or use a wheelchair for at least five days a week.</p> <p>While the working-age population in the Liverpool City Region has remained stable, the number of people aged 65 and above has increased by 16%. This age bracket has experienced the most significant increase across England, with a 20% rise, followed by an 18% increase in the Northwest, and a 16% increase in the Liverpool City Region. Specifically, areas like Wirral, Halton, and Sefton have witnessed a decline in the working-age population but have seen a notable growth of 17% in the number of residents aged 65 and above since 2011.</p> <p>There is significant inequality in internet access between groups. Older households are more likely to be digitally excluded, with 18% not having home internet access. While 18% of households with income below £11,500 do not have home internet access. This compares to the average across all groups of 6%. A large proportion of LCR neighbourhoods are classified by low digital engagement. 23% of neighbourhoods in LCR are e-withdrawn compared to 10% nationally and these are generally in the more deprived areas of the City Region. These residents are unlikely to access information or financial services online and do not use the internet to communicate, access entertainment or shop.</p>	
Does your analysis indicate a potential positive impact on this group by promoting equality of opportunity? If yes, please provide details:	
Does your analysis indicate a potential positive impact on this group by fostering good relations? If yes, please provide details:	
LCRCA extends the government minimum statutory travel available to 60 plus on bus and rail and cross river ferry providing free concessionary travel earlier and for more modes	
Does your analysis indicate a potential adverse impact	<input type="checkbox"/> XYes <input type="checkbox"/> No

If yes, what is it and how could this be mitigated?

Free concessionary travel is restricted to after 9.30 Mon to Fri could this be reviewed to understand cost benefit analysis of amendments.

Digital solutions need to ensure that the Metro Portal website and Mobile App is easy to use and understand. Training and support on usage and greater knowledge/understanding of data collected and how used or how to stop data being collected can be provided through digital learning sessions at Hubs similar to Barclays Digital Eagle initiative.

Sex

Summary of evidence

The male to female population split across England in the 2021 Census was 51% female and 49% male which the North West and Liverpool City region matched. There are 753,600 males in the City Region, an increase of +9% from the 2011 census while the female population saw a -3% drop from the 2011 census at 798,000 residents.

Travel by personal car access by sex:

Male

- In 2021, male residents on average had 719 total trips per year, a -22% reduction in the past 5 years.
- There was a -4% reduction in the number of short walking trips in the past five years for males but walking trips that were over a mile went up by 41% to 58 trips per year. Car drivers' trips have decreased by -27%, along with buses at -50%.

Female

- In 2021, female residents on average had 793 total trips per year, a -19% reduction in the past 5 years.
- There was a -2% reduction in the number of short walking trips in the past 5 years for females but walking trips that were over a mile went up by 22% to 67 trips per year. Car drivers' trips have decreased by -19%, along with buses at -50%.

Residents who are female in LCR mainly work in the public administration, education, and health sector with 50% (168,600) of residents working in this field. This is larger than regional (47%) and national (44%) trends for the female population.

By comparison, 21% of males are employed in public administration, education, and health sector, which is also higher than North West (18%) and England (17%).

The Big Bus Debate which was led by the LCRCA, shows that women are more likely to use bus five days a week in the LCR.

Women tend to also work in lower paid jobs/part time/shifts and access employment through use of public transport.

Does your analysis indicate a potential positive impact on this group by promoting equality of opportunity? If yes, please provide details:

Does your analysis indicate a potential positive impact on this group by fostering good relations? If yes, please provide details:	
Does your analysis indicate a potential adverse impact	<input type="checkbox"/> Yes <input type="checkbox"/> No
If yes, what is it and how could this be mitigated?	
<p>Women are less likely to travel at night due to safety concerns.</p> <p>Individuals may face unique safety concerns, including the risk of harassment, discrimination, or violence while engaging in public travel. Addressing these concerns requires implementing comprehensive strategies that prioritize safety, such as adequate lighting, well-monitored travel routes, and awareness campaigns promoting safety such as Travel Safe.</p> <p>We also need to review options to increase and encourage travel by this group by conducting a product gap review to identify any new ticketing opportunities such as part time for flexi products.</p>	
Sexual Orientation	
Summary of evidence	
<p>Overall, from the 1.2 million residents aged 16+ in LCR, 1.1 million residents identify as straight or heterosexual or 90% of the population. This is in comparison to the North West at 90% and England at 89%.</p> <p>2% (21,800) of the LCR population identify as gay or lesbian which is the same as the North West and England.</p> <p>Residents who identify as bisexual in LCR make up 1% (15,500) of the population which matches North West and England values.</p> <p>Residents who identify as other sexual orientation than the ones provided by the Census make up 0.3% (3,500) of the LCR population which is the same rate as the North West and England.</p> <p>There is however no relevant evidence available pertaining to sexual orientation for smart ticketing and travel.</p>	
Does your analysis indicate a potential positive impact on this group by promoting equality of opportunity? If yes, please provide details:	
Does your analysis indicate a potential positive impact on this group by fostering good relations? If yes, please provide details:	
<p>There is no clear evidence, data or rationale to consider the scheme will have a disproportionate effect on this group. However, once operational the smart ticketing schemes will have a range of positive impacts on resident journeys including improved journey times and improve links to community facilities and amenity, employment, education and open space which will have a positive effect for those members of the community who are part of this group.</p> <p>However, it is essential to acknowledge that negative aspects or challenges related to Smart Ticketing Travel for LGBTQ+ groups may still exist. For example:</p>	

<p>1. Safety Concerns: LGBQ+ individuals may face unique safety concerns, including the risk of harassment, discrimination, or violence while engaging in public travel. Addressing these concerns requires implementing comprehensive strategies that prioritize safety, well-monitored routes, and awareness campaigns promoting inclusivity and respect.</p> <p>2. Perception and Stigma: LGBQ+ individuals might encounter social stigma or negative perceptions while participating in active travel. These attitudes can create barriers to engagement and may affect the overall experience and comfort of LGBQ+ individuals in public spaces. Community outreach and educational initiatives can help challenge stereotypes and promote acceptance.</p> <p>3. Intersectionality: It is important to recognize that LGBQ+ individuals may also belong to other marginalized groups, such as racial or ethnic minorities, and may face intersecting challenges and barriers to public travel. Addressing the needs and experiences of these individuals requires an intersectional approach that considers multiple dimensions of diversity and inclusivity.</p> <p>By actively addressing these challenges, the Smart Ticketing programme can create a more inclusive and safe environments for LGBQ+ individuals, ensuring equitable access to transportation options.</p>	
Does your analysis indicate a potential adverse impact	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If yes, what is it and how could this be mitigated?	
Pregnancy / Maternity	
Summary of evidence There is no relevant evidence available pertaining to pregnancy/maternity for smart ticketing.	
Does your analysis indicate a potential positive impact on this group by promoting equality of opportunity? If yes, please provide details:	
Does your analysis indicate a potential positive impact on this group by fostering good relations? If yes, please provide details:	
Does your analysis indicate a potential adverse impact	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If yes, what is it and how could this be mitigated? There is no clear evidence, data or rationale to consider the scheme will have a disproportionate effect on this group. However, once operational the smart ticketing schemes will have a range of positive impacts on resident journeys including improved journey times and improve links to community facilities and amenity, employment, education and open space which will have a positive effect for those members of the community who are part of this group.	
Gender reassignment	
Summary of evidence There is no relevant evidence available pertaining to gender reassignment for smart ticketing.	
Does your analysis indicate a potential positive impact on this group by promoting equality of opportunity? If yes, please provide details:	

Does your analysis indicate a potential positive impact on this group by fostering good relations? If yes, please provide details:

Does your analysis indicate a potential adverse impact

Yes No

If yes, what is it and how could this be mitigated?

There is no clear evidence, data or rationale to consider the scheme will have a disproportionate effect on this group. However, once operational the smart ticketing schemes will have a range of positive impacts on resident journeys including improved journey times and improve links to community facilities and amenity, employment, education and open space which will have a positive effect for those members of the community who are part of this group. A photo maybe deemed a barrier to applying for a certain travel products however, there is no photo required for the Metro Card. Other existing products do require photo ID such as concessionary passes, apprentice card and Trios so future developments to make smart should perhaps look to remove need for photos.

Race

Summary of evidence

1.4m (or 87% of total) LCR residents identify as White. This is a larger proportion of the total population than seen regionally (80%) and nationally (73%).

However, we have seen progress, with LCR becoming more diverse in the last 10 years, at a faster rate than the national average. In 2011, 95% of LCR residents identified as White, indicating the share of residents from ethnic minorities more than doubled over the 10 year period.

While Liverpool is more diverse than elsewhere in LCR (but still less so than the regional and national average), all six local authorities have seen improvements since 2011.

Research shows that 40% of people from ethnic minority groups and 48% of white people in the Liverpool City Region walk at least five days a week.

Car Access by Ethnic Group:

White

- 62% of the Population in England who identify as White are a main driver of a car. Over the past 5 years this trend has increased by 2%. The rate of main car drivers is higher than national rate by 2%.

Mixed/ Multiple ethnic group

- 37% of the Population in England who identify as Mixed are a main driver of a car. Over the past 5 years this trend has decrease by 2%. The rate of main car drivers is lower than national rate by 23%.

Asian/ Asian British

- 47% of the Population in England who identify as Asian are a main driver of a car. Over the past 5 years this trend has increased by 1%. The rate of main car drivers is lower than national rate by 13%.

Black/ African/ Caribbean/ Black British

- 37% of the Population in England who identify as Black are a main driver of a car. Over the past 5 years this trend has decrease by 2%. The rate of main car drivers is lower than national rate by 23%.

Other Ethnic Groups

- 51% of the Population in England who identify as Other are a main driver of a car. Over the past 5 years this trend has increased by 7%. The rate of main car drivers is decrease than national rate by 9%.

Investment in smart ticketing travel, can have both positive and negative impacts on race groups within the Liverpool City Region. The following concerns will be considered and the mitigations to ensure equitable outcomes for all communities involved. By connecting residential areas to amenities, the programme may improve accessibility for race groups, providing easier access to shops, healthcare services, employment and educational opportunities and other essential facilities. This can contribute to reducing transportation barriers and promoting inclusivity.

Negative impacts of the Smart Ticketing for race groups:

1. Gentrification and Displacement: Infrastructure improvements and increased connectivity can sometimes contribute to gentrification processes, leading to rising property prices and the displacement of vulnerable communities, including race groups. It is crucial to consider strategies that mitigate these negative impacts, such as discussion with communities and individuals, to ensure that residents are not disproportionately affected.
2. Differential Access: While the Smart Ticketing programme aims to enhance accessibility and more convenient public travel. it is important to consider potential disparities in access and utilization among race groups. Factors such as socioeconomic status, proximity to the routes, and cultural perceptions of active travel may influence the extent to which these communities benefit from the schemes.
3. Cultural Considerations: Smart travel interventions should consider cultural factors and sensitivities of race groups. Routes and amenities should be designed to respect and accommodate diverse cultural practices, ensuring that race groups feel included and represented.
4. Intersectionality: It is essential to recognise that race groups may also face intersecting challenges related to other dimensions of identity, such as gender, socioeconomic status, or disability. Taking an intersectional approach to planning and implementation can help address the specific needs and experiences of these communities.

By considering and addressing these potential positive and negative impacts, the Smart Ticketing programme can strive for equitable outcomes for race groups in the Liverpool City Region. Community engagement, consultation, and ongoing evaluation of the schemes are crucial to ensure that the needs and concerns of these communities are appropriately addressed throughout the planning and implementation process.

Does your analysis indicate a potential positive impact on this group by promoting equality of opportunity? If yes, please provide details:

Does your analysis indicate a potential positive impact on this group by fostering good relations? If yes, please provide details:	
Does your analysis indicate a potential adverse impact	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If yes, what is it and how could this be mitigated?	
Need to ensure that the Metro Portal and Mobile App allows user to set language from English and also need to provide access to all information including timetables in different languages not just English.	
Religion or belief	
Summary of evidence	
In LCR, 60% of the population are Christian, which is higher than both the regional (53%) and national (46%) average. The second largest religion is Islam with just 2%, which is lower than both the North West (8%) and England (7%) average.	
Does your analysis indicate a potential positive impact on this group by promoting equality of opportunity? If yes, please provide details:	
Does your analysis indicate a potential positive impact on this group by fostering good relations? If yes, please provide details:	
Does your analysis indicate a potential adverse impact	<input type="checkbox"/> Yes <input type="checkbox"/> No
If yes, what is it and how could this be mitigated?	
Marriage or civil partnership (Note this only applies to employment)	
Summary of evidence	
There is no evidence pertaining to marriage or civil partnership for bus, rail or ferries and smart ticketing.	
Does your analysis indicate a potential positive impact on this group by promoting equality of opportunity? If yes, please provide details:	
Does your analysis indicate a potential positive impact on this group by fostering good relations? If yes, please provide details:	

Does your analysis indicate a potential adverse impact		<input type="checkbox"/> Yes <input type="checkbox"/> No
If yes, what is it and how could this be mitigated?		
<p>There is no clear evidence, data or rationale to consider the scheme will have a disproportionate effect on this group. However, once operational the smart ticketing schemes will have a range of positive impacts on resident journeys including improved journey times and improve links to community facilities and amenity, employment, education and open space which will have a positive effect for those members of the community who are part of this group.</p>		
Disability		
Summary of evidence		
<p>A greater proportion of Liverpool City Region residents are disabled than average, with a relatively high share limited a lot by health problems. There are around 340,000 disabled residents of LCR, representing 22% of the total population. This is higher than the regional average of 19% and national average of 17%. 11% of LCR residents have disabilities that limit their daily activities a lot, compared to 9% in the North West and 7% in England.</p> <p>Around 40% of LCR households have at least one disabled member Roughly 58,000 households in LCR have at least one disabled member. This represents 39% of all households compared to 35% across the North West and 32% in England. 9% of all LCR households have at least two disabled members, compared to 7% both regionally and nationally.</p> <p>Among disabled residents, 42% walk or wheel at least five days a week, however the remaining time they use private car or private hire car.</p> <p>Number of trips with residents facing disabilities: Residents with disabilities take 226 walking trips per year, lower than the national average of 234. Car drivers with a disability have 308 trips, which is significantly lower than the national average of 372 trips per year. Bus trips showed the largest change, with an average of 29 trips per year compared to 18 for the national average.</p>		
Does your analysis indicate a potential positive impact on this group by promoting equality of opportunity? If yes, please provide details:		
Does your analysis indicate a potential positive impact on this group by fostering good relations? If yes, please provide details:		
Does your analysis indicate a potential adverse impact		<input type="checkbox"/> Yes <input type="checkbox"/> No
If yes, what is it and how could this be mitigated?		
<p>Better step-free access to public transport (e.g. low floor buses, ramps and lifts at stations) needs to be provided to encourage group usage. Need to ensure that concessionary travel is promoted adequately so that this group are aware of new improved facilities such as the new trains and are also aware of the additional local support services available such as Mersey Link buses. Therefore increased engagement</p>		

required.

We need to instruct our Website and Mobile App developer to ensure any development/creative content on the Metro Portal and Mobile App is in line with the gov.uk digital accessibility standards and the programme adheres to all to national standards and regulations to ensure disability access.

Socio-Economic Status

Summary of evidence

55% of LCR households are classified as deprived in terms of at least one of education, employment, health or housing, higher than regionally (53%) and nationally (52%) However, LCR saw some improvement between 2011 and 2021, with the number of people deprived in at least one dimension falling by 8%.

Knowsley one of the poorest boroughs in the UK with high unemployment, low incomes, poor social housing and limited access to digital/internet services.

Travel by household income:

Lowest Income level

- 34% of trips of residents who are on lowest income bracket in England walk which is larger than the entire population by 3%. 55% of the lowest income population use a car or van for trips which is lower than all income level data by 4%.
- 4% of all trips made by residents in the lowest income bracket utilise the local bus which is higher than the average by 2%.

Travel by socio-economic classification:

Employed

- Trips across employed residents of England show a reduction in 2021 from 2016 by -21% to 803 trips per year per resident. This reduction was less than the total national figure which reduced by -28%. This trend is also shown in local buses (-44%) and car usage (-25%). Walking unlike the national average has increased since 2016 by 4% to 235 trips per year.

Unemployed

- Trips across unemployed residents of England show a reduction in 2021 from 2016 by -74% to 803 trips per year per resident. This reduction was significantly more than the total national figure which reduced by -28%. This trend is also shown in local buses (-81%), car usage (-75%) and walking (-65%).

Does your analysis indicate a potential positive impact on tackling socio-economic disadvantage and reducing inequality of outcome? If yes, please provide details:

Does your analysis indicate a potential adverse impact

Yes No

If yes, what is it and how could this be mitigated?

Negative impacts of the Smart Ticketing Programme for lower socio-economic groups:

1. Gentrification and Displacement: Infrastructure improvements and increased connectivity can sometimes contribute to gentrification processes, leading to rising property prices and the displacement of vulnerable communities, including low socio-economic groups. It is crucial to consider strategies that mitigate these negative impacts, such as affordable housing provisions and community

- engagement, to ensure that residents are not disproportionately affected.
2. **Differential Access:** While the programme aims to enhance accessibility, it is important to consider potential disparities in access and utilization among socio-economic groups. Factors such as socioeconomic status, proximity to public transport routes, and cultural perceptions of public travel may influence the extent to which these communities benefit from the schemes.
 3. **Intersectionality:** It is essential to recognise that low socio-economic groups may also face intersecting challenges related to other dimensions of identity, such as gender, race or disability. Taking an intersectional approach to planning and implementation can help address the specific needs and experiences of these communities.

By considering and addressing these potential positive and negative impacts, the Smart Ticketing programme can strive for equitable outcomes for low socio-economic groups in the Liverpool City Region. Community engagement, consultation, and ongoing evaluation of the scheme is crucial to ensure that the needs and concerns of these communities are appropriately addressed throughout the planning and implementation process.

This could be achieved through reviewing options to increase and encourage travel by this group through positive engagement and by potentially offering incentives or developing other schemes provided by other LAs or delivered in the past.

Current LCRCA initiatives include .

Purchase Voucher scheme (B to B) Solo and Trio tickets and redeemed at Merseytravel Centres

1. **The Learning Foundry** - programmes support employability, tackle skills gaps and reduce skills shortages, with a focus on supporting everyone into meaningful work, with decent pay and a narrowing of employment gaps. Our strategy to deliver bespoke aspirational programmes, create opportunities and improve social mobility for those living in our most disadvantaged communities, whilst also meeting local, regional and national skills needs is exemplary.
2. **Everton Free School** - caters for young people aged 13-16 and offers an alternative education pathway to those where traditional methods in mainstream schools have failed.
3. **Women's Technology Training Ltd (Blackburne House)** - is a Liverpool-based charity that supports the development of local - and often vulnerable - women. With a core focus on education, we offer a wide range of nationally recognised courses and qualifications to women - particularly in sectors in which women are still under-represented, with the aim of progressing women from disadvantaged backgrounds into employment within technical professions.
4. **Involve Northwest** is a registered charity that aims to support individuals and families with issues affecting their quality of life. Our strategic intent is to help to improve communities and individual lives in lasting and measurable ways.

One off requests

5. **Picton Primary Care Network Edge Hill Health Centre** – Saveaway tickets (old stock scratch off tickets) to help patients get to/from hospital appointments and tickets for Breast Screening Appointments.

This was to support Liverpool PH and LCCG who were working with LUFT and NHS England to help them recover and improve breast screening rates to over 70% following the pandemic related service interruptions. The Service screening round routinely invites eligible patients for an appointment on a practice by practice basis. The 2018 Breast Screening Health Equity Audit showed that low screening uptake is unsurprisingly associated with higher deprivation, low car ownership, and location/access. The service will shortly be inviting patients from practice in the Picton community which is one of our most deprived communities, and has among the lowest uptake rates in the city. The screening unit is at Broadgreen Hospital and patients report that travel and the cost of travel, are barriers to accessing the appointments. The current context of 9% inflation, including cost of food and energy prices, is expected to present further challenges for the target audience (women aged 50-71).

6. **DWP** a large quantity of Solo tickets to support those who are going on training courses or into employment. They will have a presence at the Eurovision Job Fair, but their request is much wider and the urgency for them is that they have just been given substantial funding which has to be spent before the end of March which they are keen to keep with the Liverpool City Region and benefit local residents. We supplied then with 4500 weekly Solo tickets (paper NOT smart)

SECTION 4: Equality Impact Action Plan

Action Plan

In this section you will develop the action plan to mitigate any potential negative impacts. If you have not identified any negative impacts, you do not need to complete this section.

Use the below table, set out any actions you have identified to improve data, mitigate issues, or maximise opportunities etc. If an action is to meet the needs of a particular protected group, please specify this.

Improvement / Action Required	Responsible Officer	Timescale
Communications & Engagement Plan	T. Rinaldi/M. Griffiths	March 2024
Product Gap Review	G. Evans/M. Griffiths	2024-27 on a rolling programme
Convene stakeholder engagement workshops with the minority groups identified vulnerable groups	T. Rinaldi/M. Griffiths	2024-27 on a rolling programme
Review solution designs and assess the negative impacts across vulnerable groups	J. Roach/M. Griffiths	2024-27 on a rolling programme

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Proposed way forward

Actions	Decision – please select
Continue unchanged – the proposal does not cause any disproportionate impacts and can proceed with no major change required.	
Justify and continue – the proposal could cause some disproportionate impacts but these can be avoided by mitigating actions.	X Decision Selected
Change – the proposal requires some changes to ensure it does not adversely affect certain groups of people or miss opportunities to affect them positively.	
Stop – the proposal will cause a sustainable risk to equality and should not continue.	

Date for Action Plan to be reviewed and progress evaluated:

SECTION 5: Sign off

Sign- Off Process

In order to be marked completed, Equality Impact Assessments must be signed off by a Head of Service or Assistant Director. This includes any subsequent updates to completed Equality Impact Assessments.

Once completed, all EIAs including those that have been updated are to be sent to the Equality Champions to be stored centrally equality.champions@liverpoolcityregion-ca.gov.uk. You should also keep a copy of the completed EIA and update in the case of any changes to the proposal.

Please note, if an EIA is being completed as part of a Combined Authority decision, the completed EIA must be included as part of the appendices in the Combined Authority Pack on Modern.gov.

By signing off the EIA you are confirming that you are satisfied that the project or service has been designed with due regard to the need to: **Eliminate unlawful discrimination,**

harassment and victimisation and other conduct prohibited by the Equality Act 2010.

If EIA is part of a Combined Authority or Committee decision, date of submission for approval:

Officer responsible for Assessment	Approved by Head of Service/Assistant Director
Signed:	Signed:
Name: Manjinder Griffiths	Name: Gary Evans
Role: Project Manager	Role: Assistant Director for Customer Delivery
Date:	Date:

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Report Title	Strategic Investment Fund – Young Persons Guarantee	
Portfolio Holder	Portfolio Holder for Employment, Education and Skills	
Summary of decision being sought	Approval of Strategic Investment Funding for the delivery of the Young Person’s Guarantee Programme	
Is this report exempt?	No	
Is this a Key Decision	Yes – Community and Financial Impact	
Is the report urgent	No	
Is this decision to be exempt from call in	No	
Local Authorities affected	All Authorities.	
Impact and implications of this report		
Financial impact	Yes, see paragraph 4.1	
Delegation (s) sought	Yes, see paragraph 2.1(c)	
Supporting the Corporate Plan	A Fairer City Region	√
	A Stronger City Region	√
	A Cleaner City Region	x
	A Connected City Region	x
	A Vibrant City Region	x
Climate Change Implications	No	
Equality and Diversity implications	Yes, see paragraph 4.3	
Social Value implications	Yes, see paragraph 4.4	
Human Resources implications	No	
Physical Assets implications	No	
Information Technology implications	No	
Legal implications	Yes, see paragraph 4.5	
Risk and Mitigation	Yes, see paragraph 4.6	
Privacy implications	No	

Communication and consultation implications

Yes, see paragraph 4.7

Contact Officer(s)

Kitty Ward, Investment Analyst

Appendices

Yes -
Appendix1. External Investment Panel Paper

Background Documents

None

Liverpool City Region Combined Authority

Friday, 15^h December 2023

Report of the Executive Director - Investment and Delivery and the Portfolio Holder for Employment, Education and Skills

STRATEGIC INVESTMENT FUND - YOUNG PERSONS GUARANTEE

1. PURPOSE OF REPORT

- 1.1. This report seeks the Combined Authority approval to award Strategic Investment Funding (“SIF”) to support the delivery of the Young Person’s Guarantee (“YPG”).

2. RECOMMENDATIONS

- 2.1 It is recommended that the Liverpool City Region Combined Authority:

- (a) approve the provision of £795,000 funding from the Strategic Investment Fund for the Young Person’s Guarantee Programme;
- (b) note that officers will conduct a review prior to March 2025 to ensure that the benefit of the Young Person’s Guarantee Programme is maximised considering potential changes to national policy and funding; and
- (c) Grant delegated authority to the Executive Director of Investment and Delivery to finalise negotiations of funding terms and associated agreements for the Programme specified at (a) and (b) above in consultation with the Combined Authority Monitoring Officer and Executive Director for Corporate Services.

3. BACKGROUND

Context

- 3.1 The Mayor set out the commitment of a Young Person’s Guarantee (“YPG”) to address the increasing number of young people in the region that were not in education, employment or training (“NEET”).
- 3.2 The Combined Authority with its constituent Local Authorities (“LAs”) have a strong commitment to addressing economic inactivity and the barriers that residents face to access employment, which is echoed in policy and long-term strategy. The Plan for Prosperity sets out the Authority’s objective to ensure that people have the skills and opportunities to realise their full potential and meet the needs of a rapidly changing economy. The commitment has been further reflected in the 2023 Strategic Investment Fund (SIF) Investment Strategy that sets out the Combined Authority’s role in investing in projects that can help ensure residents of Liverpool City Region thrive in the labour market.

3.3 The YPG has been developed by the Combined Authority and LA officers to compliment current youth provision and to avoid duplication and has been informed by engagement with the Department for Work and Pensions (“DWP”), LAs and existing youth hubs in the region to deliver the Mayor’s manifesto pledge to deliver a job, training or an apprenticeship opportunity for every young person out of work for more than six months.

The Programme

3.4 Through programme development and engagement, it is clear that there is a need to focus on young people aged 18-24. The focus on post-18 is because 16–18 year-olds have the September Guarantee¹ in place and 18-24 year olds are more likely to be marginalised post-secondary education whereby young people not engaged in education or economic activity come under the departmental responsibility of DWP and are no longer the statutory responsibility of LAs.

3.5 The Combined Authority has worked with existing providers to develop the programme to ensure it compliments existing support available.

3.6 The funding will be used to fund three key interventions:

- Wage incentives to stimulate employers to recruit young economically inactive people (£720,000)
- Marketing of the Young Person’s Guarantee offer and available support via the LA Ways to Work provision (£45,000)
- A branded ‘Young Person’s Guarantee’ gateway to enable young people to access the right service depending on their circumstances (£30,000)

3.7 In addition to the three funded interventions, the programme will also deliver a fourth intervention of curriculum design, which will be delivered as part of a wider piece of work to support curriculum design being delivered through the Adult Education Budget team.

3.8 The wage incentives will provide employers with additional support to take on young people. In the case of the YPG, circa £3,000 wage incentive per person will be used to incentivise employers to recruit and employ disadvantaged groups to upskill, train and offer sustainable employment and training opportunities.

3.9 The marketing and budget will allow for promotion of the wage incentive to enable the Ways to Work teams to reach those who are hardest to reach.

3.10 The branded gateway will be used to fund the website design of ‘access’ points; each of which will ensure that the appropriate engagement, triage and signposting of young people is put in place through the BE MORE portal.

3.11 It is anticipated that the wage incentives can begin as early as January 2024. To account for potential changes to national policy and funding environment, including the UK Shared Prosperity Fund (“UKSPF”), it is recommended that a review should be conducted by March 2025 to ensure appropriateness of the funding subject to a positive decision.

¹ The September guarantee is certainty of an offer, made by the end of September, of an appropriate place in post-16 education or training for every young person completing compulsory education

External Panel Comments

3.12 A report was submitted to the SIF Investment Panel (“the Panel”) for consideration on the 16th of November 2023. A summary of the Panel’s views are provided below:

- **Engagement:** The wage incentive process should be accessible to employers and young people to avoid any barriers to employers engaging with the programme.
- **Diversity of employers:** Ensuring that the YPG provides social value to young people and employers in the city region, by the Authority engaging with Socially Trading Organisations and SMEs in and beyond its existing network.
- **Expectations of employers:** Panel were keen to see a wide range of employers engaged in relation to the subsidy opportunity, particularly SMEs and social enterprise. Panel have also advised that want delivery partners to consider what the expectations from employers will when benefitting from the wage subsidy.

4. IMPACT AND IMPLICATIONS

4.1. Financial

4.1.1 The programme requires £795k of revenue funding for the delivery of the programme over a three-year period.

4.2. Supporting the Corporate Plan

4.2.1 The YPG aligns with 2 of the 5 priority areas outlined in the corporate plan;

- A Fairer City Region, the YPG is removing barriers that young people face to employment through providing access and pathways to employment for those most at of long-term worklessness.
- A Stronger City Region, creating good quality jobs for people in every community through wage incentive intervention and offering specialised support to young people.
- The YPG is listed as a commitment within the corporate plan to work with LAs and other partners to support young people out of work for more than six months into a job, training or an apprenticeship opportunity.

4.3. Equality and Diversity

4.3.1 Local Authorities will be asked to share any EIAs that they have in place for the current Ways to Work programme to ensure that they are delivering their public duty. The Combined Authority has also carried out an Equality Impact Assessment for the programme, which will be updated throughout the programme.

4.4. Social Value

4.4.1 The YPG aims to support the redesign of public service delivery to improve the life chances of young people in the region, with a focus on 18–24 year olds.

4.4.2 The Combined Authority will work with the LA Ways to Work teams to ensure that the voices of young people who will be impacted are embedded into the programme through ongoing stakeholder engagement and ensuring that service user feedback is designed into the delivery model. A social value questionnaire that incorporates the Ways to Work programme will be carried out to ensure that the delivery partners are imbedding social value principles into the delivery of the programme.

4.5. Legal

4.5.1 Funding Agreements will be drafted by Legal Services and put in place with Local Authorities to set out the terms for delivery of the Young Persons Guarantee. The provision of wage incentives may have implications under the Subsidy Control Act 2022, and Legal Services will review and provide guidance on ensuring subsidy control compliance.

4.6. Risks and Mitigation

- **Uncertainty over the funding for employment support provision post March 2025:** Ways to Work, and the wider region employment support programmes, have historically been funded from European Structural Funds. UK Governments replacement for this funding is UKSPF which has currently only been confirmed until March 2025. LA and Combined Authority officers will continue to monitor this situation and a review is recommended ahead of March 2025 to ensure this project is aligned to any potential changes to national policy and the funding environment.
- **There is limited uptake of the enhanced offer:** This could be due to a lack of interest from participants or uptake from employers. The LA's are well placed to mitigate this as they are already working with the cohort identified and will have dedicated advisors in place to target this group. The Ways to Work team and wider LA business support teams have relationships with many employers across the region and will use these networks to promote the opportunity. Funding has also been allocated to support marketing and promotion efforts.

4.7. Communication and Consultation

4.7.1 The funding recipients will be required to comply with the Combined Authority's branding guidelines and publicity requirements within the Funding Agreements.

5. CONCLUSION

5.1. This report presents the proposed delivery of the Metro Mayor's pledge of a Young Person's Guarantee to support young people into work. The paper outlines the projects proposed to support this ambition through the investment of £795,000 of SIF funding. The funding will be used to enhance the existing employment support offer for economically inactive young people across Liverpool City Region.

5.2. Approval of SIF funding is sought alongside delegated authority for the Executive Director of Investment and Delivery to proceed with finalising the funding

agreements in consultation with the Combined Authority Monitoring Officer and Co Executive Director for Corporate Services.

AILEEN JONES
Executive Director - Investment and
Delivery

CLLR IAN MAHER
Portfolio Holder for Employment,
Education and Skills

Appendices:

Appendix1. External Investment Panel Paper

Background Documents:

None

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Young Person's Guarantee

External Investment Panel, 16th November

Project Name & Number	Young Person's Guarantee	Number	SIF3138
Applicant	Liverpool City Region Combined Authority		
Nature of Applicant	Public sector organisation		
Sector and Location	Employment and Skills	Liverpool City Region	
Total Project Costs	£795,000		
Indicative Funding Sought	Capital	N/A	Revenue £795,000
Indicative Funding Type	Grant	£795,000	Loan N/A
Indicative Funding Source	Gainshare revenue		
Call or Commission	Commission	Mayoral Manifesto – led by policy team	

SIF Investment Team Lead	Kitty Ward (Investment Analyst)			
Investment Team Members	Jo Leek, Holly Scarisbrick			
Deal Team Members	Legal	Gareth Burroughes	Policy	Andy Frith
	Finance	Paul Collins	PMO	TBC

Project Summary: Outcomes from Investment Team's Diligence and Points for the Investment Panel's Consideration		
Project Specifics	The Young Person's Guarantee is one of the Metro Mayor's Manifesto pledges and the project aims to support young people across the region, with a focus on delivering wage incentives to 18-24 year olds to improve their employment opportunities.	
Fit with LCR investment priorities	Strong fit; <ul style="list-style-type: none"> - Part of the Metro Mayor's commitment to building a place that is not only prosperous and ambitious but fair, equal and socially just. - LCRCA Corporate Plan objective. 	G



Inclusion of good growth characteristics	The project is aimed at intervening in factors that currently hinder good growth, but it won't directly contribute to growth.	A
Impacts	High potential impact as per economic assessment by Turley's Consulting.	G
Financial performance	The project will leverage an employer contribution and be delivered through the existing Ways to Work programme which has improved the financial performance of the project since the SOC.	G
Deliverability	Local Authorities have the Ways to Works team in place to deliver the YPG, who have experience delivering work in this space. However, the Ways to Work programme only has funding confirmed up until March 2025.	G
Value for money	High VfM demonstrated by economic appraisal carried out by Turley's Consulting.	G
Key risks to project and CA	<ul style="list-style-type: none"> The majority of the programme's interventions will be delivered by LA's Ways to Work teams; however, the programme only has funding confirmed until March 2025 when UKSPF funding ends. The programme is unable to deliver effective triage to young people. Young people are not effectively engaged with, resulting in the programme outputs not being delivered. 	
Points for Investment Panel to Consider	<ul style="list-style-type: none"> Agree the recommendations set out in the paper and for the programme to progress to Combined Authority. Provide any considerations that Panel would like to feed into the shaping of the programme. The funding being requested is for a three-year period, however a review should be conducted prior to March 2025 to check the need for and deliverability of the project given the potential changes to national policy and funding environment. 	

The Project

Background

The lasting negative impact of Covid-19 and economic uncertainty, coupled with youth services being hit hard by ongoing austerity measures, has affected young people in the city region. Despite the actions of central government to tackle this issue through the £560m National Youth Guarantee that was announced in 2022 to ensure that young people were 'world ready and work ready', they still face barriers when leaving full-time education.

As a result of austerity measures post 2010, youth funding has been heavily impacted. The YMCA stated in 2020/21 that local authority spending on youth services in England totalled £379m, which represents a £1.1bn cut in a decade. This has prevented youth services from engaging with young people and providing them with a sense of belonging, as well as supporting their social and economic wellbeing.

The Metro Mayor's Manifesto of 2021 made the commitment of a Young Person's Guarantee ("YPG") to address the increasing number of young people in the region that were not in education employment or training ("NEET"). This commitment was further reinforced in the Combined Authority's Corporate Plan for 2021-24.

Project Development

As the programme has developed, it has emerged that any intervention by the CA to deliver the YPG should focus on young people aged 18-24. This is because 16–18-year-olds are easier to track and support, due to the September Guarantee¹. 18–24-year-olds are typically harder to engage with post-secondary education when departmental transition occurs whereby young people not involved in education or economic activity come under the departmental responsibility of the DWP and are no longer the statutory responsibility of LAs.

Given the LA's statutory responsibilities to young people and delivering employment and training support programmes for both young people and adults, careful work has been carried out to ensure that any intervention complements existing support and does not duplicate provision for young people who are NEET. The project therefore will primarily provide wage incentives to extend the current support package for young people. The project will be delivered through the LA Ways to Work teams who will be able to offer specialised support to young people in addition to the services that they currently offer as part of the programme.

The YPG aims to achieve behavioural change through supporting the referrals and triage of young people through LA managed services, with a focus on intensive support of those aged 18 – 24.

¹ The September Guarantee is a national policy that guarantees an offer of an appropriate place in post-16 education or training for every young person completing compulsory education. It must be made by the end of September following completion of compulsory education.

Objectives

The underlying strategic objectives of the programme are:

- To add value by optimising existing resources and aligning activities through the Ways to Work programme.
- Provide employers with a wage incentive to support 240 young people to enter a job.
- Ensure that 720 young people can be supported by additional one-to-one personal adviser and mentoring support.
- To ensure 4,500 young people aged 18-24 are aware of, can access and benefit from employment opportunities by 2026 through wider partner activity and engagement.
- To support young people to identify and address wider barriers to employment such as mental health support, confidence, volunteering, resilience building and wider advocacy.
- To bring employers together to a minimum of 18 employer recruitment events by 2026 to support the provision of opportunities for young people.

Critical Success Factors

The Critical Success Factors (“CSFs”) determined by the steering group ensured non-viable options were excluded from the option sifting process. The CSFs included:

- Successful triage through to LA Ways to Work teams and signposting to Youth Centric Organisations where appropriate.
- Additional and bespoke support made available for young people that fills gaps, aligns need with existing services and provides additional wraparound support that ensures a positive destination.
- Improved work and learning readiness including an apprenticeship through greater awareness, confidence and support from advisers.
- Reduced levels of NEET and youth unemployment and disengagement because of better support and mentoring to allow better access linked opportunities.
- Aggregated opportunities for young people including maximising employment engagement that better links young people with known opportunities and with mutually beneficial outcomes.
- Improved skills levels across LCR through participation on skills programmes, including those provide through devolved or delegated and locally managed skills programmes.

Project overview

The YPG has been developed by the Policy and Skills Team to exist alongside current youth provision and statutory responsibilities, and has been informed by engagement with the Department for Work and Pensions (DWP), Local Authorities (LAs) and existing youth hubs in the region to deliver the manifesto pledge of;

‘The commitment of a job, training or an apprenticeship opportunity for every young person out of work for more than six months’.

Since 2021, changes to youth provision funding and the wider political context have further highlighted the need for intervention by the CA, which is being addressed through the

development and implementation of the YPG. The full list of stakeholder engagement can be viewed in Appendix 1.

The programme will deliver on the YPG through funding three interlinked interventions:

1. Wage incentives - £720,000 to provide small wage subsidies to incentivise employers to take on young people and support their training and development.
2. Enhancing the Be More portal to provide a gateway - £30,000 to update the existing CA Be More website to contain a gateway point for young people looking for support which will triage and signpost them to the most appropriate local provision.
3. Employer engagement – £45,000 for marketing and promotional activity to get young people and employers signed up to the initiative.

The programme will deliver a fourth intervention, curriculum design. The panel should note that this will not be funded by the programme instead through the devolved Adult Education Budget and wider delegated skills programmes. The panel is only being asked to approve £795,000 in revenue Gainshare funding for three years – the CA will not be expected to fund it beyond that period.

A logic model for the programme can be found in Appendix 2 and a table with a detailed breakdown of the interventions are provided in Appendix 3.

Feedback from Internal Investment Panel and Actions Undertaken.

The YPG has been considered by the Internal Investment Panel twice, on 25th May 2023 and 20th July 2023. The panel originally asked for more clarity on the delivery route and reassurance that the project would not replicate existing youth provision.

To address the queries of the Internal Investment Panel, the Policy and Skills team further engaged the LA's 16-19 and Employment teams to run a series of meetings that discussed how the programme would be delivered and avoid duplication.

Further details were also provided to the Panel outlining the engagement with LAs, the DWP and youth organisations in the region during the development of the project. Clarification has also been provided to the Internal Investment Panel that the project will be delivered through the LA Ways to Work teams, rather than a service being procured by the CA.

External Panel considerations

External Panel are asked to:

- Progress the programme to the Combined Authority on the condition that a review should be conducted prior to March 2025 to ensure appropriateness of the funding given the potential changes to national policy and funding environment.
- Provide feedback and recommendations in relation to the project's deliverability.

Due Diligence

Need for Intervention

Recent data released by the House of Commons library demonstrated that youth unemployment is on the rise nationally, with 482,000 young people aged 16 to 24 unemployed between March and May 2023. This represents an increase of 23,000 from the previous quarter and an increase of 48,000 from a year before. On a city regional level, the picture of unemployment is worse: in June 2023, 6.1% of 18–24-year-olds were claiming out of work benefits, compared to the average for Great Britain of 4.8% and the North West average of 5.7%.

Whilst labour market conditions are challenging for experienced workers who have been displaced from their jobs, those who are relatively new to the labour market, and those seeking to enter the labour market for the first time, face particular challenges. The Youth Voice Census 2022 published by Youth Employment highlighted that young people want and need more career advice, work experience and skill development opportunities. The census also illustrated that they need better information and the tools to manage finances, look after themselves outside of education, better career management support in work, and access. This type of support can be increased because of the proposed investment sought in this proposal.

National Policy Alignment

The policy paper for the DWP action plan for Small Medium Enterprises 2022 to 2023 outlines 3 underpinning strategic priorities to drive increased spend and enhance opportunities in contracting with DWP and SMEs. The YPG aligns with the first two of three of these priorities;

1. Maximising employment and in-work progression
2. Improving people's quality of life

The objectives of the YPG programme are also aligned with the first strategic objective of the DWP Outcome Delivery Plan 2023-25; maximise employment, reduce economic inactivity, and support the progression of those in work.

The Levelling Up White Paper (LUWP) details 4 levelling up objectives covering 12 long term missions. The proposed intervention is aligned to three of the four objectives:

1. Boost productivity, pay, jobs and living standards, especially in those places where they are lagging.
2. Spread opportunities and improve public services, especially in those places where they are weakest.
3. Restore a sense of community, local pride and belonging, especially in those places where they have been lost.

Fit with LCR Investment Priorities

The Young Person's Guarantee supports the priorities of the LCRCA Strategic Investment Fund and the recently refreshed Investment Strategy (2023), as well as the aspirations

outlined in the Skills Action Plan (2021/22), Economic Recovery Plan (2020) and Plan for Prosperity (2022).

As one of the Metro Mayor's manifesto pledges, the Young Person's Guarantee is supported and outlined in the CA's Corporate Plan 2021-2024, which was written when Steve Rotherham was re-elected as Metro Mayor in 2021. The Corporate Plan was written to embody the Mayor's manifesto pledges, which the YPG is one of (Priority 1: A Fairer City Region, Objective One: "Young Person's Guarantee").

The CA has a strong commitment to addressing economic inactivity and the barriers that residents face to access employment, which is echoed in policy and long-term strategy. The Plan for Prosperity sets out the CA's objective to ensure that people have the skills and opportunities to realise their full potential and meet the needs of a rapidly changing economy. The commitment has been further reflected in the Strategic Investment Fund Investment Strategy 2023 that sets out the CA's role in investing in projects that can help to ensure residents of LCR thrive in the labour market. In the refreshed strategy, the commitment is made to invest in projects that deliver an increase in the employment and economic activity rate.

Value for Money and Impact

The short-list of the options that have been considered as part of the appraisal are:

1. **Do nothing:** this scenario assumes that the Young Person's Guarantee interventions will not be in place, and it will be business as usual with current Local Authority-led interventions within the area. For the purposes of benefit analysis, it is assumed that this option has no additional benefits. However, this option has a cost associated with it as a result of not addressing the issues within the area.
2. **Preferred Option (proposed programme):** this is the set of interventions that has been shortlisted and included within the programme. The benefits analysis includes the net additional benefits associated with interventions delivered by the YPG Programme.
3. **Reduced Version:** a reduced version of the project that will not include adviser support through Ways to Work Programme.

An independent economic appraisal completed by Turley's Consulting in October 2023 showed that the preferred option demonstrated the best value for money, with a Benefit to Cost Ratio (BCR) of 5. Details of the assessment of the short-list of options can be found in Appendix 4 and an overview of the appraisal for the preferred option is presented in Appendix 5.

In addition to the BCR, it is worth noting that youth related interventions have far reaching inter-generational benefits associated with antisocial behaviour, crime and general wellbeing which are challenging to monetise as part of BCR analysis due to lack of directly comparable data². The preferred option with wage incentives delivered by the adviser support offered on the Ways to Work programme strongly aligns with the strategic objectives

² Evidence suggests that cost associated with a youth offender to the Criminal Justice system is £3,797 in the first year and it costs £701 to deal with an antisocial behaviour related incident. It is, however, difficult to robustly identify the level to which the wage incentive element of the wider packaged of support will reduce the incidents of youth offending and antisocial behaviour.

of the scheme and presents significant non-monetised benefits around building trust and positive engagement with young people, relevant stakeholders, and organisations.

Financial Performance

The overall cost of the Programme is £795,000 in revenue Gainshare funding. The following Table 1 provides the funding breakdown of the interventions and Table 2 details the UKSPF methodology that has been used to allocate the wage incentives and employer engagement interventions to deliver the programme over the three-year period.

Table 1: Funding breakdown of interventions in the three-year period.

Interventions	Cost
1) Wage Incentives	£720,000
2) Gateway	£30,000
3) Employer Engagement	£45,000
4) Curriculum design	£0
Total	£795,000

Table 2: Funding breakdown of the Wage incentives and employer engagement that will be delivered by LAs.

LA	UKSPF split	Wage Incentive Cash split (based on £720,000 total)	Employer Engagement (3-year share of total £45,000)	Total allocation to LAs
Halton	7.87%	£56,664.00	£3,541.50	£60,205.5
Knowsley	10.14%	£73,008.00	£4,563	£77,571
Liverpool	33.17%	£238,824.00	£14,926.50	£253,750.50
Sefton	16.79%	£120,888.00	£7,555.50	£128,443.50
St Helens	12.19%	£87,768.00	£5,485.50	£93,253.50
Wirral	19.84%	£142,848.00	£8,928	£151,776
Totals	100.00%	£720,000.00	£45,000.00	£765,000

The proposed wage incentive outlined in Table 2 will equate to £3,000 per individual based on the 240 young people receiving the more intensive support from the Ways to Work advisers. The methodology used to apportion the funding is the UKSPF allocation methodology to allow consistency with how the funding has been allocated for the Ways to Work programme in 2024/25. It is noted that this may need to be reviewed after the initial period, depending on availability of future funding sources (post-March 2025).

The LAs are currently working on their delivery plans and project cash flows for the wider Ways to Work programme which are due to be considered at the Internal Investment panel later in November. The Investment Team recommend that a condition is added for the LAs to submit a proposed spend profile for their YPG allocations over the 3-year period.

Deliverability

The Policy and Skills Team worked with the LA's and employment support 16–19-year-old teams to determine how the Young Person's Guarantee can be delivered without compromising the following:

- Statutory responsibility of the DWP and LAs;
- The existing work of youth centric organisations; and
- Employment focused programmes already being funded and delivered by the CA.

To avoid the risk of duplicating existing programmes and as a result of engagement with LA teams, the preferred delivery route is delivering the wage incentive intervention through the LA Ways to Work teams. It should be noted that the cost of administering the wage incentives intervention of the programme is being absorbed into the running costs of the Ways to Work programme, which has been agreed between the LAs and CA.

Ways to Work is the operating brand for the employment support programmes that operate within each of the six LAs within the City Region. The programme currently scheduled to run until March 2025 when UKSPF provision ends. The activity was originally funded through European Structural Funds from 2016 until September 2023, and is currently being gap funded through SIF Gainshare until the People and Skills element of UKSPF funding is available in 2024/2025.

Going forward, from April 2024 the Ways to Work programme will be targeted at individuals who are economically inactive, and an element of the support includes recruitment support for local employers. Delivery of the programme centres around a consistent core offer, with local flex to reflect local priorities. There is a close working relationship between each of the Ways to Work teams, and with local employers and Jobcentre Plus offices locally.

The current delivery of the Ways to Work programme has synergy with the wage incentive and employer engagement interventions of the YPG. Advisors have a track record of working and engaging with young people and their employers – to date approximately a third of all clients in Ways to Work are in the target cohort for YPG.

The delivery of the YPG employer support and wage incentives interventions via existing Ways to Work teams allows for efficiency and creates less opportunity for confusion and duplication. Overall, aligning the YPG with Ways to Work Programme and People and Skills UKSPF funding will be beneficial for the delivery of the YPG as it will enable fast mobilisation of the programme. The CA will act as the accountable body for both the Young Persons Guarantee and Way to Work.

Social Value

The CA will work with the LAs Ways to Work teams to ensure that the voices of young people who will be impacted are embedded into the programme through continuing ongoing stakeholder engagement and ensuring that service user feedback is designed into the delivery model. The Investment Team will work with the LAs to complete an overall social value assessment of the whole Ways to Work programme, rather than just on this element.

Risks and Key Concerns

There were a number of risks and concerns that were outlined the full list is included in Appendix 6. The most significant risks to the project are as follows:

- **Uncertainty over the funding for employment support provision post March 2025:** Ways to Work, and the wider region employment support programmes, have historically been funded from European Structural Funds. UK Government's replacement for this funding is UKSPF which has currently only been confirmed until March 2025. LA and CA officers will continue to monitor this situation and a review is recommended ahead of March 2025 to ensure this project is still deliverable and aligned to any potential changes to national policy and the funding environment.
- **Employers do not engage with the programme:** The delivery of the wage incentive intervention is reliant on the LA Ways to Work team's ability to successfully engage with employers and respond to their needs. There is a risk that if this is not effectively done, the programme outputs will not be met. Since the programme began in 2016, the LA's Ways to Work teams have a history of working with local employers and Jobcentre Plus offices, so have existing networks to tap into. The LAs also are responsible for providing business support through UKSPF so we expect those teams to work closely together.
- **Young people do not engage with the programme:** Young people who present with high levels of need, including mental health services, as well as higher levels of social isolation, reduced engagement with services and lower levels of confidence may struggle to engage with the LAs. The Ways to Work teams are comprised of trained and experienced advisory staff, who are already engaging with 18–24-year-olds that face barriers to the workplace as part of their current programme. The YPG will enhance the package of support the LA advisors are able to provide to people.
- **Wages incentives do not effectively fill in the gaps in youth provision:** There is a risk that young people do not receive the right support and signposting to sustained full-time employment through the use of wage incentives. As part of the engagement, young people have expressed a lack of demonstrable work experience as a barrier to them getting a job. A wage subsidy programme will allow young people who find it difficult to access the labour market through more traditional routes and who face barriers to access employment.

Summary of Considerations for the Investment Panel

The paper sets out the proposal for the provision of additional support for NEET young people as a response to the Metro Mayor's manifesto pledge to help tackle unemployment in young people. The projects ask is for £795,000 of SIF Gainshare revenue funding to be delivered through the LA Ways to Work teams with some support from the CA Be More team to provide a web portal to triage young people who are looking for support into employment.

The project has close strategic alignment with the LCR Investment Priorities; namely the Mayoral 2021 election manifesto, the Plan for Prosperity and the 2023 Investment Strategy. It presents strong value for money as reflected in the economic appraisal. As it is being delivered through the Ways to Work programme, the likelihood of duplication of provision is reduced greatly and delivery can be mobilised quickly. The key risk to the project is in relation to the uncertainty of funding for employment support programmes, such as Ways to Work, post March 2025.

The Investment Team recommends that the Panel endorses the project subject to the following conditions:

- A review is carried out ahead of March 2025 to ensure this project is still deliverable and aligned to any potential changes to national policy and the funding environment.
- A spend and output/outcome profile is provided by each of the LA delivery teams as part of the grant funding arrangements.

Appendix list

1. Stakeholder Engagement
2. Logic Model
3. Overview of Interventions
4. Options Appraisal
5. Economic Appraisal of the Preferred Option
6. Risk Register
7. Draft Heads of Terms

Appendix 1: Stakeholder Engagement

Stakeholder	Date of engagement	Nature of engagement
Local authorities- via the 14-19 leads on the PaSS Group (Participation and Skills Strategy Group).	July 2021	Initial concept paper shared for review and agreement reached that additional support should focus on young people aged 18-21.
	Ongoing	Ongoing conversations as part of ongoing engagement with LA 14-19 Officers.
	August - September 2023	Discussion of the delivery options of the advisory support.
Metro Mayor Office	August 2021	Slide deck of summary options shared; Metro Mayor agreed with the proposed early focus on 18-21 year olds.
	July 2022	Updated briefing of the YPG.
	April 2023	Briefing paper and progress update shared by the Executive Director Policy, Strategy and Government Relations, as part of her regular meetings with the Mayor.
Chief Executive of the Liverpool City Region Combined Authority	December 2021	Briefing paper and progress update shared with Katherine Fairclough.
Merseyside Colleges Association (MCA) through initial conversations with John Clarke.	July 2021	Initial concept paper shared for review and agreement reached that additional research should focus on young people aged 18-21.
	Ongoing	Further engagement will be planned ahead of full business case development.
Greater Merseyside Learning Providers Federation (Ian Lomas).	July 2021	Initial concept paper shared for review and agreement reached that additional research should focus on young people aged 18-21
	Ongoing	Further engagement will be planned ahead of full business case development.
Department of Work and Pensions/ Jobcentre Plus	July 2021	Initial concept paper shared for review and agreement reached that additional research should focus on young people aged 18-21.
	Ongoing	Ongoing conversations around Youth Hubs as part of bi-weekly DWP catch- up meetings; Further YPG specific engagement will be planned ahead of full business case development.
Youth Focussed Organisations and members of the Youth Hub	July 2021	Initial concept paper shared for review and agreement reached that additional research should focus on young people aged 18-21.
	September 2021	Presentation to the Liverpool City Region Youth Hub Steering Group.
	Ongoing	Further engagement will be planned ahead of full business case development.

Appendix 2 - Logic Model

Rationale for Intervention	SMART Aims and Objectives	Inputs	Activities	Outputs	Outcomes & Impacts
<p>Strategic Context Aligns with national, regional and local strategies.</p> <p>Project Need Local Skills Improvement Plan highlights the need for work readiness training among young.</p> <p>Increase in NEET population.</p> <p>Market Failure. Co-ordination failures Young people are either not known to, or do not engage with, statutory organisations. Youth programmes and enhancing</p>	<ul style="list-style-type: none"> To add value by optimising existing resources and aligning activities through the Ways to Work programme. Provide employers with a wage incentive to support 240 young people to enter a YPG job. Ensure that 720 young people can be supported by additional one-to-one personal adviser and mentoring support. To ensure 4,500 young people aged 18-24 are aware of, can access and benefit from 	<p>Project funding of £795,000 over three years all of which will be provided by the Liverpool City Region Combined Authority. This includes:</p> <ul style="list-style-type: none"> Gateway/ access point design, content and ongoing maintenance. Provide employers with a wage incentive to support 240 young people to enter a YPG job. Adviser and mentoring support across 6 local authorities supported by 	<p>Gateway and Access Point 'gateways 'or 'access' points will ensure that the appropriate engagement, triage and signposting is put in place.</p> <p>Wage incentive Wage incentive to employers to support 240 young people to enter job per year.</p> <p>Employer Engagement Co-ordinated activities will ensure that young people who are ready to work, and employers seeking workforce talent, are brought together where partners and</p>	<p>Gateway and Access Point</p> <ul style="list-style-type: none"> Young Person's Guarantee access area on the BE MORE portal with appropriate triage, signposting and content LCR's 6 Local Authority websites development/ plug-ins to facilitate triage, signposting and rereferrals <p>Wage incentive</p> <ul style="list-style-type: none"> Wage incentive to support 240 young people to enter YPG job. 240 Young People receiving additional one-to-one adviser support (720 	<ul style="list-style-type: none"> 240 young people employed through wage incentives. 720 young people supported with additional one-to-one intensive personal adviser and mentoring. 1,350 young people accessing employment, including apprenticeships 4,500 Young people aware of and benefiting from employment opportunities through the YPG. Young people accessing further learning to support transition into employment and to remain and progress in work. Young people addressing wider

employability non-excludable which require public sector investment.

employment opportunities by 2026 through wider partner activity and engagement.

- To support young people to identify and address wider barriers to employment such as mental health support, confidence, volunteering, resilience building and wider advocacy.
- To bring employers together to a minimum of 18 employer recruitment events by 2026 to support the provision of opportunities for young people.

Ways to Work Programme

- Employer engagement and facilitation activity.

advisers work with employers to remove barriers for the recruitment of young people, and whereby young people are interview and job ready.

over a three-year period). This will be delivered through Ways to Work Programme advisors.

Employer Engagement

- A minimum of 6 targeted and youth-centric employer recruitment events delivered in partnership with Youth Hubs and Employers (18 over the 3-year period)
- A minimum of 1500 young people aged 18-24 engaged in employer-facing recruitment activities (4,500 over 3 years)

barriers to employment.

- Reduced levels of NEET and Youth Unemployment/ Youth disengagement
- Identify and share good practice based on learnings from 18 organised recruitment event experience.
- Improved skills levels across LCR through participation in learning, including learning whilst in employment.

Appendix 3 – Overview of the interventions

Strand	Description
Wage Incentives	<p>Dedicated Guidance Officers from each LA area will work with 720 young people under the Young Person’s Guarantee Banner and guiding principles. Additionally, 720 young people will be supported into work through an additional wage subsidy. All young people will be able to benefit from additional support that will include:</p> <ul style="list-style-type: none"> • Mental health and additional neurodiversity support • Building confidence and resilience building • Volunteering and Social Action (developing employability skills sought by employers) • Better off in work support and calculations • Wider advocacy and outreach • Employer Marketing and engagement (in partnership with partners) • Interview and recruitment preparation and masterclasses • Additional training identification and referrals
Employer Engagement	<p>Employer engagement will focus on facilitating and delivering activities that provide more job and apprenticeship opportunities for young people - and will include the opportunity to offer an additional incentive for those most at risk of marginalisation. Co-ordinated activities will ensure that young people who are ready to work, and employers seeking workforce talent, are brought together where partners and advisers work with employers to remove barriers for the recruitment of young people, and whereby young people are interview and job ready. Work will be undertaken to ensure that young people are prepared and confident ahead of employers recruiting and are familiar with the nature of the job roles. Work will also be undertaken by advisers and other partners to ensure that recruitment practices and subsequent onboarding does not adversely disadvantage young people.</p>
Gateway and Access Points	<p>The Young Person’s Guarantee should have ‘gateway ‘or ‘access’ points; each will ensure that the appropriate engagement, triage and signposting is put in place.</p> <p>Whilst this this could be on multiple sites; the focus of the website development work will be via the award-winning BE MORE portal. Work will be managed internally working with partners to develop appropriate interface and connectivity. Those young people aged 16-18 (up to aged 25 with an Education, Health and Care Plan) will be triaged through to appropriate support and working with the young person’s resident Local Authority.</p>
Curriculum Design	<p>Through the devolved Adult Education Budget and wider delegated skills programmes, work will be undertaken to ensure that the needs of the priority age group are addressed by ensuring that the curriculum content and mode of delivery is appropriate for engaging and delivering successful outcomes for this age group. This will be achieved through the ongoing dialogue with Colleges and Training providers, funding decisions and performance management incorporating stakeholder feedback. Such an approach will ensure that young people are better equipped with the skills needed to access and progress in work.</p>

Appendix 4: Options Appraisal

	Do Nothing	Preferred Option	Reduced Version ⁶
<i>Benefits</i>			
Gateway and Access Point	£0	£0	£0
Curriculum Design	£0	£0	£0
Employer Engagement	£0	£7,351,763	£7,351,763
Adviser Support	£0	£1,639,141	£0
Total Economic Benefits	£0	£8,990,904	£2,940,705
Total Costs	£8,990,904	£1,444,987	£790,000
<i>Optimism Bias (programme and spend)</i>	24%	24%	24%
Total Costs (including OB)	£11,148,721	£1,791,784	£979,600
<i>Discount rate</i>	3.50%	3.50%	3.50%
Economic benefits (PV)	£0	£8,396,416	£2,746,263
Economic Costs (including OB, PV)	£10,411,556	£1,673,710	£915,228
Benefit to Cost Ratio (BCR)	0.00	5.00	2.98

Appendix 5 – Economic appraisal of the preferred option

Appraisal Assumption	Details	Rationale/Source
Discounting	3.5%	Compliance with the Green Book 2022 guidance
Appraisal period	3-year period from the first year of delivery currently proposed Autumn 2023 as per programme	Compliance with the Green Book 2022 guidance
Optimism Bias	24%	Compliance with the Green Book 2022 guidance
Deadweight	Employee Engagement: 75% for the Preferred Option and 90% for the Reduced Option Advisor support - 50% for both options	Employee Engagement: Assumed a high deadweight of 75% for the Preferred Option and higher deadweight of 90% for the Reduced Option as the YPG programme aims to strengthen current interventions. The beneficiaries could potentially benefit from other interventions from local authorities, DWP.
Displacement	25% for the Preferred Option and the Reduced Option	Assumed a low displacement rate of 25% due to efforts as part of the YPG programme to avoid duplication. However, some beneficiaries will potentially move from other similar programmes.
Present Value Year	2022/23	

Appendix 6 - Risk Register

Risk	Probability & Impact	Potential Mitigations
Ineffective triage arrangements for those in the academic year 11 to 13 as the programme with focus on those aged 18–24 year olds.	Low/ Medium	<ul style="list-style-type: none"> The CA will continue to engage with stakeholders to develop triage support facilitated through the BE MORE website. The investment through this proposal will include support for LAs to further develop their own websites to include YPG.
Project does not 'fill in the gaps' and provide the right support and signposting for 18-25 year olds in the city region.	Low/ Medium	<ul style="list-style-type: none"> Additional and bespoke support available to young people that fills gaps, aligns need with existing services and provides additional wraparound support that ensures a positive destination. Wage incentives and advisory support made available for those young people most at risk of not being able to secure a job or an apprenticeship; The project will put in place advisory support that will provide generic and specialist support for those who are NEET and disengaged. Clear signposting, triage and visible offer built into BE MORE portal together with local authority. Placed-based engagement and delivery through alignment to Ways to Work programme.
Project duplicates existing activity.	Low/ Medium	<ul style="list-style-type: none"> Focus of interventions sought through this project has been developed in consultation with partners and stakeholders and will add value as a result of proposed recruitment incentive alignment with; Role of Ways to Work YPG advisors will add value and align with services provided by LAs, DWP and the Youth Hub network.
Impact of YPG cannot be evidenced.	Medium/ Medium	<ul style="list-style-type: none"> The GFA will set out proposed metrics that encompass outputs and outcomes, and evidence requirement as part of performance management; Identify and implement options for qualitative and quantitative data and information capture is embedded across activities and interventions-including, where possible, website data analytics; Ensure that employer engagement events and activities have appropriate Young Person's Guarantee promotion and focus with training, apprenticeships and job opportunities at their core.
LAs Ways to Work teams are not able to deliver effective engagement and wage incentives opportunities to young people.	Medium /High	<ul style="list-style-type: none"> A service specification will be included as part of the GFA and will set out the expected package of support that will be made available for young people; Alignment with Ways to Work Programme, placed-based delivery based on local need and wider partner engagement will ensure that Young People are able to access appropriate support; Ongoing performance management and reporting will ensure that the programme engages with and delivers successful outcomes for the intended target group.

Appendix 7 - Draft Heads of Terms Young Persons Guarantee

1. Programme Definition																
Programme	The Young Person's Guarantee is one of the Metro Mayor's Manifesto pledges and the project aims to support young people across the region, with a focus on school leavers, by improving their employment and education opportunities.															
2. Project Parties																
Sponsors	<ul style="list-style-type: none"> • Halton Borough Council • Knowsley Council • Liverpool City Council • Sefton Council • St Helens Borough Council • Wirral Council 															
Funder	Liverpool City Region Combined Authority (the "Combined Authority" or "CA")															
Funder Legal Advisor	CA legal team															
Sponsors Legal Advisor	LA legal teams															
Sources and Uses of Funding	These tables are indicative only until confirmed															
Uses of funding	<table border="1"> <thead> <tr> <th>Uses</th> <th>£k</th> <th>Sources of funding</th> </tr> </thead> <tbody> <tr> <td>Employer Engagement</td> <td>45</td> <td>Strategic Investment Fund</td> </tr> <tr> <td>Wage Incentives</td> <td>720</td> <td>Strategic Investment Fund</td> </tr> <tr> <td>Website Design</td> <td>30</td> <td>Strategic Investment Fund</td> </tr> <tr> <td>Total</td> <td>795</td> <td></td> </tr> </tbody> </table>	Uses	£k	Sources of funding	Employer Engagement	45	Strategic Investment Fund	Wage Incentives	720	Strategic Investment Fund	Website Design	30	Strategic Investment Fund	Total	795	
Uses	£k	Sources of funding														
Employer Engagement	45	Strategic Investment Fund														
Wage Incentives	720	Strategic Investment Fund														
Website Design	30	Strategic Investment Fund														
Total	795															
Revenue	SIF £795,000															
Total revenue costs	Total revenue funding - £795,000															
3. The Funding																
Funding	Funding from the Strategic Investment Fund ("SIF") of £795,000 to be allocated to deliver the programme. The £795,000 will be split by £765,000 allocated to LAs and £30,000 retained by the CA for website design.															

Structure of Investment	<p>The Funding may be drawn down quarterly in arrears to support the delivery of the Programme. The Funding may be drawn against eligible costs which will be clearly identified in the financial model.</p> <p>The CA anticipates the total project costs will be up to £795,000. The £765,000 of the investment that has been ringfenced for LAs Ways to Work teams will be allocated using UK SPF Methodology:</p> <table border="1" data-bbox="624 562 1102 801"> <tr> <td>Halton</td> <td>7.87%</td> </tr> <tr> <td>Knowsley</td> <td>10.14%</td> </tr> <tr> <td>Liverpool</td> <td>33.17%</td> </tr> <tr> <td>Sefton</td> <td>16.79%</td> </tr> <tr> <td>St Helens</td> <td>12.19%</td> </tr> <tr> <td>Wirral</td> <td>19.84%</td> </tr> </table> <p>A review of progress and alignment with the post-2025 landscape is carried out prior to the end of the initial UKSPF funding period, this will determine the future funding of the programme. It is recognised that the structure of the investment may need to be amended at this point.</p>	Halton	7.87%	Knowsley	10.14%	Liverpool	33.17%	Sefton	16.79%	St Helens	12.19%	Wirral	19.84%
Halton	7.87%												
Knowsley	10.14%												
Liverpool	33.17%												
Sefton	16.79%												
St Helens	12.19%												
Wirral	19.84%												
Sponsors Provided Funds	<p>The Sponsors are not required to provide match funding. However, it is noted that LA partners have agreed to absorb the administration costs of the wage incentives within the current Ways to Work programme. This is because the Ways to Work programme delivers support for and engages with young people, hence they have advisors in place to engage specifically with this age group, who will deliver the wage incentives intervention of the YPG.</p>												
Eligible Costs	<p>The definition of eligible costs will be driven by what is allowed under Subsidy Control regulation.</p>												
Subsidy Control	<p>The Sponsors will be required to confirm compliance with Subsidy Control and public procurement regulations.</p>												
Clawback	<p>As is usual for funding from the CA, in the event that the project does not proceed, no draw down will be permitted.</p> <p>In the event that the project commences but is not completed, then the CA reserves the right to repayment of any monies already drawn down if the Sponsors has defaulted on the funding agreement.</p>												

Default	<p>Circumstances that will constitute default will be agreed between the CA and the Sponsors. Such circumstances will include but not be limited to:</p> <ul style="list-style-type: none"> • The Sponsors using the funding for purposes other than for which it has been awarded. • Obligations unlawful or unenforceable. • Material adverse changes to the Programme, to the business or the purpose of either; • The Sponsors delivering the Programme in a grossly or materially negligent manner, or if the CA, acting reasonably and in good faith, considers the future of the project to be in jeopardy; • The Sponsors fails to progress the Programme as originally set out
Financial Close	The date of execution of the Financing Documents
Financing Documents	A funding agreement will be developed following legal input alongside any relevant ancillary documentation.
Project Documents	<p>To include:</p> <ul style="list-style-type: none"> • Full Business case • Detailed Financial/Costs Model • Independent economic appraisal
4. Due Diligence Requirements / Steps to Final Approval	
Due Diligence Requirements	<p>Due diligence requirements are currently anticipated to include:</p> <ul style="list-style-type: none"> • Review of the Sponsor's Full Business Case in accordance with Green Book principles; and • Legal opinion that the provision of support is Subsidy Control Compliant. <p>This is not an exhaustive list but is designed to give you an indication of the areas where we will seek further assurances at this stage.</p>
Due Diligence Costs	The Sponsors will meet the CA's reasonable external costs (if any)
5. Financing Covenants and Requirements	
Evaluation and Monitoring	The Sponsors to agree a monitoring & evaluation plan with the CA to measure economic outcomes and outputs of the project.

<p>Conditions Precedent to First Drawdown</p>	<p>The conditions precedent for the Programme are split into conditions for the initial draw down and future draw downs.</p> <p>Initial Draw down to include:</p> <ul style="list-style-type: none"> • All legal documentation between the CA and Sponsors finalised and entered into; • Due diligence completed; • Copies of all relevant Authorisations and Contracts (to be defined); • The payment of all fees, costs and expenses due under the various agreements; <p>The conditions precedent are set out to provide guidance on what needs to be completed for the Programme. Further definition of these conditions should be done for each of the projects as required. Conditions precedent will be dealt with on a project-by-project basis.</p>
<p>Publicity</p>	<p>The Sponsors shall comply with the Combined Authority's publicity guidelines such as inclusion of the CA logo on Sponsors programme publicity and other materials.</p>
<p>Freedom of Information</p>	<p>The Sponsors recognise the CA's obligations under freedom of information regulations.</p>
<p>Governing Law</p>	<p>English Law</p>

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Report Title	Transport Fees and Charges 2024/25										
Portfolio Holder	Portfolio Holder for Transport										
Summary of report	To detail the proposed revised fees and charges on a range of directly delivered transport and other services for 2024/25										
Is this report exempt?	No										
Is this a Key Decision	Yes - In relation to expenditure or savings, it is likely to result in revenue in excess of £250,000 or capital in excess of £250,000 and to be significant in terms of its effects on persons living or working in an area comprising two or more wards or electoral divisions in the area of the Combined Authority.										
Is the report urgent	No										
Is this decision to be exempt from call in	No										
Local Authorities affected	(All Local Authorities);										
Impact and implications of this report											
Financial impact	Yes, see paragraph 9.1										
Delegation (s) sought	None										
Supporting the Corporate Plan	<table style="width: 100%; border: none;"> <tr> <td style="width: 80%;">A Fairer City Region</td> <td style="text-align: right;">√</td> </tr> <tr> <td>A Stronger City Region</td> <td style="text-align: right;">√</td> </tr> <tr> <td>A Cleaner City Region</td> <td style="text-align: right;">√</td> </tr> <tr> <td>A Connected City Region</td> <td style="text-align: right;">√</td> </tr> <tr> <td>A Vibrant City Region</td> <td style="text-align: right;">√</td> </tr> </table>	A Fairer City Region	√	A Stronger City Region	√	A Cleaner City Region	√	A Connected City Region	√	A Vibrant City Region	√
A Fairer City Region	√										
A Stronger City Region	√										
A Cleaner City Region	√										
A Connected City Region	√										
A Vibrant City Region	√										
Climate Change Implications	Yes, see paragraph 9.3										
Equality and Diversity implications	Yes, see paragraph 9.4										
Social Value implications	No										
Human Resources implications	No										
Physical Assets implications	No										
Information Technology implications	Yes, see paragraph 9.5										
Legal implications	No										

Risk and Mitigation	Yes, see paragraph 9.7
Privacy implications	No
Communication and consultation implications	Yes, see paragraph 9.6
Contact Officer(s)	Gary Evans, Assistant Director for Customer Delivery, Lisa Monty, Customer Implementation Manager
Appendices	Yes – Appendix 1 – Mersey Ferries 2024/25 price schedule Appendix 2 – Multi Operator Ticket Prices 2024
Background Documents	None
Related Documents	Mersey Tunnels Act 2004

Liverpool City Region Combined Authority

Friday, 15 December 2023

Report of the Executive Director Place and the Portfolio Holder for Transport

TRANSPORT FEES AND CHARGES 2024/25

1. PURPOSE OF REPORT

- 1.1. The purpose of this report is to consider the range of Transport related fees and charges and other charges levied by the organisation and set those charges for 2024/25 ahead of the final budget setting process for the organisation.

2. RECOMMENDATIONS

- 2.1. It is recommended that the Liverpool City Region Combined Authority:
- (a) note the contents of this report;
 - (b) note the level of “authorised tolls” for the Mersey Tunnels as determined by the County of Merseyside Act 1980 (as amended by the Tunnels Act 2004), with details on calculation methods explained in section 3 of this report;
 - (c) approve a schedule of tolls contained in Table 1 below with effect from 1 April 2024: -

Vehicle Class	Authorised Toll 24/25 (November RPI)	2024/25 Cash Toll	2024/25 Tflow Toll LCR Resident **	2024/25 Tflow Toll - Non LCR Resident
1	£ 2.70	£2.10	£1.40	£2.10
2	£ 5.50	£4.20	£3.40	£3.40
3	£ 8.10	£6.30	£5.10	£5.10
4	£ 11.00	£8.40	£6.80	£6.80

See Paragraph 4.8 for RPI updates

**Liverpool City Region (LCR) resident defined as living within the electoral boundaries of Halton, Knowsley, Liverpool, St Helens, Sefton, Wirral.*

- (d) approve the discounts relating to Tunnels tolls as set out in paragraph 4.12 of this report for 2024/25;
- (e) approve the revised fees associated with escorts within Mersey Tunnels as set out in section 5.1 of this report;
- (f) approve the revised pricing for the Mersey Tunnel Tours from £10 per person to £11 per person with effect from 1 April 2024;
- (g) approve the revised Mersey Ferries pricing, attached as Appendix 1, with effect from 1 April 2024;
- (h) approve the revised supported bus network fares as set out in section 7.3 of the report;

- (i) approve the changes to prices of the multi operator ticketing products, Trio, Saveaway, Solo and Railpass, for the period 2024 attached as Appendix 2;
- (j) approve the 6% increase in facilities charges for bus operators use of the bus stations across the Liverpool City Region.

3. BACKGROUND

- 3.1. Each year the organisation considers a range of transport-related fees and charges, including those levied at the Mersey Tunnels, Mersey Ferries and Bus Services and considers the prices to be set during the next planned financial year. In turn, this allows the Combined Authority budget to be set annually.
- 3.2. In considering the report, the trigger of inflation that would be considered for each mode does vary, with the figure for bus and multi operator ticketing linked to the July RPI figure annually, the Mersey Tunnels tolls to the November RPI figure annually and the Mersey Ferries no fixed month. The report therefore looks to set out the various considerations for the Combined Authority in making such decisions.

4. MERSEY TUNNELS TOLLS

- 4.1. The County of Merseyside Act 1980 ("the 1980 Act"), as amended by the Mersey Tunnels Act 2004 ("the 2004 Act"), sets out the procedure for revising the tolls. Under Section 91(7) of the 1980 Act, the Combined Authority must make an Order in February of each year ("a Section 91 Order") fixing the amount of tolls payable by each class of vehicle from the following April. There are four prescribed classes of vehicles, each with subcategories, as follows:

Class	Subcategories
1	(a) Motor cycle with side car and 3 wheeled vehicle
	(b) Motor car and goods vehicle up to 3.5 tonnes gross weight
	(c) Passenger vehicle other than a motor car with seating capacity for under 9 persons.
2	(a) Motor car and goods vehicle up to 3.5 tonnes gross weight, with trailer.
	(b) Goods vehicle over 3.5 tonnes gross weight, with two axles
	(c) Passenger vehicle with seating capacity for 9 or more persons, with two axles.
3	(a) Goods vehicle over 3.5 tones gross weight, with three axles
	(b) Passenger vehicle with seating capacity for 9 or more persons, with three axles
4	Goods vehicles over 3.5 tonnes gross weight, with 4 or more axles.

- 4.2. The overriding presumption in the 1980 Act (as amended) is that tolls rise in line with inflation, so preserving their value in real terms. The increase in the tolls authorised by the Act (the "authorised tolls") is calculated by:
 - (a) taking the "base" toll amounts set out in Section 91(6) of the 1980 Act for each class;
 - (b) increasing them by the same percentage increase as the rise in the Retail Prices Index ("RPI") from November 1999 ("the base month") to

the November immediately preceding the making of the Section 91 Order; and then

(c) rounding the new value up or down to the nearest ten pence.

- 4.3. Section 92C of the 1980 Act also gives the Authority discretion to reduce the amount of actual tolls payable by any particular class of traffic or payment type to less than the authorised toll where it is deemed necessary or appropriate to do so having regard to matters of an economic or social nature within the City Region.
- 4.4. When making decisions on the amount of tolls to be levied, it is very important that the Combined Authority must consider the purpose of the legislation with respect to the level of toll. In particular:
- (a) the relative costs of using the Mersey Tunnels must keep pace with other transport alternatives;
 - (b) it ensures that sufficient funds are available to cover the costs of operating and maintaining the Mersey Tunnels, including the repayment of the historic debt relating to the construction and operation of the Mersey Tunnels
- 4.5. Following the discharge of these financial responsibilities, the 1984 Act allows the City Region to generate a surplus of income over immediate expenditure. The purpose of this is to provide sufficient resources for long term asset management of the tunnels, including capital financing requirements related to major schemes to ensure business continuity and safe operation. This is particularly critical considering the age of the two assets.
- 4.6. In addition, the 1984 Act allows the City Region to benefit from tunnel revenue by making any surpluses not identified for the tunnels themselves to be made available to finance other transport infrastructure priorities across the City Region.

Authorised Tolls – 2024/25

- 4.7. In determining a schedule for tolls in any given year, the legislation is clear that the starting point must be the authorised toll. The level of the authorised toll is calculated each December based on the retail price index for the previous November. The November RPI is due for publication on 14 December 2023, so this report has assumed levels of RPI that will be updated at the Combined Authority meeting if corrections are required. However, in the recommended actual tolls the levels of RPI are not critical as all proposed tolls remain within current authorised levels.
- 4.8. The RPI in November 2023 is expected to show an **increase** and has been estimated in drafting this report to dictate the following levels of “authorised tolls” for the Mersey Tunnels from 1 April 2024. This will be updated verbally in the meeting once the RPI has been published should these estimates change. For the benefit of Members, the table below shows the difference from the previous year also:

Vehicle Class	Authorised Toll 2023/24	Authorised Toll 2024/25*
1	£2.60	£2.70*
2	£5.20	£5.50*
3	£7.70	£8.10*
4	£10.30	£11.00*

**Estimated and due for publication on 15 December 2023. Any amendments will be highlighted at the Combined Authority meeting.*

- 4.9. The following table shows the tolls payable over the past four years and compares the amount of toll that could have been levied (i.e. the “authorised toll”, being that reflecting the rise in inflation) against the “actual” tolls, as well as the additional discount for Tflow users:

Class	Toll	Apr '20	Apr '21	Apr '22	Apr '23
1	Authorised	£2.20	£2.20	£2.30	£2.60
	Actual Cash	£1.80	£1.80	£2.00	£2.00
	Tflow	£1.80	£1.80/£1.00	£1.80/£1.20	£1.40
2	Authorised	£4.20	£4.20	£4.50	£5.20
	Actual Cash	£3.60	£3.60	£4.00	£4.00
	Tflow	£2.40	£2.40	£2.80	£3.20
3	Authorised	£6.30	£6.30	£6.80	£7.70
	Actual Cash	£5.40	£5.40	£6.00	£6.00
	Tflow	£3.60	£3.60	£4.20	£4.80
4	Authorised	£8.40	£8.50	£9.10	£10.30
	Actual Cash	£7.20	£7.20	£8.00	£8.00
	Tflow	£4.80	£4.80	£5.60	£6.40

Current Tunnel Usage Data

- 4.10. A key indicator for Members to consider when determining toll levels is the existing usage data for the Mersey Tunnels. Following a reduction in all travel across all transport modes during the pandemic, recovery levels of Mersey Tunnels has been higher than other public transport modes, such as rail and bus. Traffic levels remain around 95%+ of pre-covid levels, with an overall reduction in journeys likely driven by a move to hybrid working conditions. There is no obvious impact on traffic levels driven by local or national economic issues.
- 4.11. Another key factor for members to consider is the % of customers who use either cash, bank card or Tflow as payment methods through the Tunnel. The table below sets out the % of Cash, Fast Tag, Tflow and Bank Card customers across all classes as of September 2023: -

Cash	Bank card	T-Flow	Standard Fast Tag
15%	25%	58%	2%

**Details in the table above are based on week Ending 30th September 2023*

Mersey Tunnels Tolls Additional Discounts

- 4.12. As part of the on-going Tunnel tolls review process, a number of discounts are offered as part of the Tunnel tolls setting process for 2023/24. It is recommended that these discounts continue into 2024/25. These are: -
- All emergency service liveried vehicles to be allowed free travel through the Mersey Tunnels.
 - Travel through the Mersey Tunnels between 10pm on 24th December and 6.00am on 26th December each year be allowed free.
 - A reduced Tflow (formerly fast tag) charge for account holders who are resident within the Liverpool City Region. This discount will be available for class 1 vehicles and applicable to personal accounts, not business account holders.
 - The existing Mersey Tunnels disabled concessionary travel scheme.
 - That taxi and private hire vehicles that are class 2 vehicle will be discounted to class 1 rates.
 - For locally operated cross river bus services, for buses which are class 2 then a discount of 50% of the toll rates to promote cross river bus services.
 - As well as the above, officers will make operational decisions on occasions for the safe and efficient operation of the Mersey Tunnels and collection of the tolls.

5. MERSEY TUNNELS FEES AND CHARGES

- 5.1. There are a range of other fees and charges associated with Mersey Tunnels, detailed in the table below, and it is proposed to amend these fees and charges as per that table;

Fee/Charge	2023/24 Price	Proposed 2024/25 Price
Escort One Lane	£22	£23
Escort Two Lane	£50	£52
Tunnel Tour	£10 per person	£11 per person

- 5.2. The changes to the Mersey Tunnels Tours entrance price are based on consistent customer feedback that the 2-hour tour is great value for money, with many saying it is under priced. A comparable 1-hour experience on the Mersey Ferries River Explorer Cruise is £12.00 per person.

6. MERSEY FERRIES PRICING

- 6.1. There are two key elements of the Mersey Ferries offering, the commuter service which is largely cross river transport service and then the leisure services – our cruise programme which is aimed at generating income to subsidise the transport elements of the service.
- 6.2. In terms of the commuter services, including our weekly and other periodic tickets, it is proposed no increase within effect from 1 April 2024. Major works at Seacombe

terminal over the past 2 years has been impacted on the number of commuters using Mersey Ferries and a range of campaigns are planned to continue to encourage their return and the use of the Mersey Ferries as a commuter option into Spring 2024. It is felt holding the price will help encourage this return.

- 6.3. The leisure elements are made up of our core product, the daily 1-hour River Explorer Cruise, supported by a range of specialist cruises such as Evening Music Cruises, Manchester Ship Canal Cruises etc. It is proposed to increase these with effect from 1 April 2024 based on a mix of factors including inflation, operating costs and demand. The full set of revised prices are set out as Appendix 1 and include a range of concession prices too where applicable.

7. BUS SERVICE CHARGES

- 7.1. There are a range of fees determined by the organisation relating to bus services across the Liverpool City Region and again, this report sets out a range of recommendations relating to such.
- 7.2. The first relates to the fares on the supported bus network. The adult flat fare currently consists of a standard fare of £2.20, which is discounted to £2 through Bus Service Improvement Plan payments with effect from September 2022. As a result, the actual fare for adults is £2 per journey.
- 7.3. It is proposed that with effect from 1 April 2024, the shadow supported bus fare for adults increases to £2.30, but the actual fare paid will remain at £2 with a revenue top-up to this fare being received from the Government's national £2 fare cap scheme. In order to maintain the principle of a 50% discount for young people for single bus fares the young person (under-19s) fare of £1 per journey will remain unchanged.
- 7.4. The second set of costs to be considered by the Combined Authority are the range of fees levied for bus operators for use of the bus station facilities across the city region. These facilities consist of departure charges for our staffed and unstaffed bus stations across the region, e.g. Queens Square Bus Station, and layover facilities at a number of locations, e.g. Old Haymarket Bus layover.
- 7.5. Under the terms of the bus station agreement, annual percent changes are generally applied each year to the Merseytravel Layover and Departure Charge Scheme. Costs within the sector have increased in line with RPI, and sometimes greater over the past two years and it is expected that the main costs will continue to increase further next year, likely ahead of inflation but it is recognised there is a balance to be met annually with increasing costs and affordability, particularly as the bus industry continues in recovery from the pandemic, grow economically and promote the use of public transport as a preferred mode of travel.
- 7.6. In review of the current layover and departure charges and our commitment to continuing the excellent services we provide in terms of our modern, clean and efficient facilities that can be readily accessed by Transport Operators and Drivers, officers recommend a below inflation increase to these services for 2024/2025 and set these at a rise of 6%, below the current rate of inflation and consistent, that being in line with other increases recently made by Merseytravel in relation to multimodal ticket prices.

7.7. It is important to note that these charges remain some of the lowest facilities charges for bus operators across the country and have a range of discount incentives aimed at encouraging bus operators to use cleaner, greener vehicles.

8. MULTI -OPERATOR TICKETING PRICES

8.1. The Merseytravel Multi-Operator Ticketing Scheme is a ticketing scheme owned by the Combined Authority and administered by Merseytravel as the executive body responsible for delivering public transport services on the Combined Authority's behalf. It is structured as a voluntary partnership under powers granted by the Transport Act 2000. Commercial transport operators are invited to participate in the scheme which provides affordable multi-operator or multi-modal transport tickets to people wishing to use more than one operator or transport mode on the public transport network across the region, but mainly within Merseyside, apart from My Ticket which extends to Halton via bus.

8.2. The multi-operator ticketing scheme encourages sustainable patronage to promote real passenger growth. The scheme ensures that there is a legal local ticketing offer that can be used on more than one operator (multi operator) and more than one mode (multi modal) in the interest of providing customers with affordable transport tickets. As a result, price increases no greater than the average RPI annual percent change (based on RPI levels in July each year) are generally applied each year to the Merseytravel Ticketing Scheme suite of multi-operator tickets.

8.3. Nearly all of these products, apart from My Ticket, were increased by below inflation rates in early 2022 – around an average of 1.8%. In March 2023, prices of the multi modal products, Trio and Saveaway, along with Rail products, RailPass, were increased by 5%. There was no increase in the Solo product. However, costs across almost all transport sectors and core products have increased significantly since that last increase. The greatest indicator of those cost increases are reflected by a July 2022 RPI inflation rate of 12.3%, and a July 2023 RPI inflation rate of 9% - so 21.3% over two years since the last increase for Solo.

8.4. Whilst some transport operators would argue strongly that costs have increased actually higher than this rate of inflation and therefore ticket prices should increase by the full RPI, it must also be recognised that there is a balance to be struck here around maintaining, and in fact encouraging public transport usage wherever possible. The price point for travel will be key to achieving this.

8.5. In considering the price setting for 2024 on the Merseytravel suite of products, officers have engaged with transport operators as part of the formal ticketing governance arrangements. Operators positions naturally vary, but all operators are seeking an increase in the Merseytravel ticketing products citing a number of key reasons why: -

- Costs within the sector have increased in line with RPI, and sometimes greater over the past two years.
- It is expected that the main costs will continue to increase further next year, likely ahead of inflation and remain volatile.

- The current ticketing products received a low increase in 2022 and 2023, with one product, Solo, not being increased at all.

- 8.6 It is recognised by officers that some of the risks above do indeed sit with operators, and there is a balance to be met annually with increasing costs and affordability for the travelling public. This is particularly important in 2024/25 as the industry, the city region and the country looks to continue recovery from the pandemic across public transport services, grow economically and promote the use of public transport as a preferred mode of travel.
- 8.7 In making these recommendations, officers have considered the impacts a price freeze would have on operators costs, making parts of the transport network less sustainable and at risk. With this in mind, and the rising costs of providing the service, and the upward trend of these costs, officers are minded to recommend an increase of 5% across the majority of ticket types for 2024, notably Trio, Saveaway and RailPass and a 10% increase in Solo products. It should be stressed that these increases remain less than 50% of inflation rates for the same period, striking that necessary balance between sustainability of the network and affordability for passengers.
- 8.8 This sits well too alongside commitment to the £2 fare cap until the end of 2024, along with a freeze in actual My Ticket costs - £2.20. This has been the same price since 2017 for Young Persons across Liverpool City Region.
- 8.9 The date of implementation of these price changes will vary by product. For Solo, the proposed price increase is scheduled for Monday 8 January 2024, apart from the term time products which will increase with effect from August 2024. In respect of increases in Trio, Saveaway and RailPass, these price increases will be aligned to changes in the national rail fare setting process, scheduled for March 2024. It is proposed to align this decision with that national rail setting process.

9. IMPACT AND IMPLICATIONS

9.1 Financial

- 9.1.1 The measures outlined above have been accommodated in the budget setting process for 2024/25. For budget setting purposes officers have assumed traffic and passenger volumes for 2024/25 will be in line with the 2023/24 period. It must be stressed that this figure will vary dependent upon the level of usage which is difficult to predict with any certainty.
- 9.1.2 As a result of the proposed changes to the Mersey Ferries pricing, it is expected to generate an estimated additional £139k per annum.
- 9.1.3 As a result of the Supported Bus Fares proposed changes we expect this to increase income by £33k per annum.
- 9.1.4 As a result to the proposed 6% increase in Bus Facility charges, it is expected to generate an additional £100k per annum.
- 9.1.5 The increase in multi operator ticket prices will flow through into the bus operators incomes, but is expected to reduce the pressure on the bus support services budget

into 2024/25.

- 9.1.6 The proposed increase in multi-operator ticketing prices will have no direct impact on the Combined Authority budget setting process as the additional income will flow through to transport operators directly. However, it is expected to reduce pressure on transport operators' revenue and the wider bus network in particular.

9.2 Supporting the Corporate Plan

- **A Fairer City Region** – the various transport modes are supported by a range of travel concessions above the national mandatory requirements.
- **A Stronger City Region** – Promoting access to employment sites and the visitor economy.
- **A Cleaner City Region** – The various charge setting processes are aimed at supporting sustainable transport modes.
- **A Connected City Region** – The transport network looks to ensure the City Region remains accessible and connected for all.
- **A Vibrant City Region** – The Mersey Ferries services in particular help to develop our cultural and visitor offer in the city region.

9.3 Climate Change

- 9.3.1 An increased charge for use of the Mersey Tunnels will continue to help manage the demand for Mersey Tunnels through vehicle journeys, reduce congestion and improve Air Quality, therefore supporting wider measures to promote climate change.
- 9.3.2 Other changes such as no increase to commuter costs at Mersey Ferries and below inflation charges on bus services look to continue to promote public transport as a sustainable transport option.

9.4 Equality and Diversity

- 9.4.1 An Equality Impact Assessment has been completed in respect of the recommendations within the report. As the report recommends an increase to the various transport and leisure services, then there are direct impacts on all members of our community, some with protected characteristics. In mitigation of this, a wider set of concessionary travel scheme will continue to operate and mitigate this impact.

9.5 Information Technology

- 9.5.1 The transport fees and charges are collected through a range of electronic systems which will require updates and amendments, should the recommendations within this report be approved. Detailed plans will be put in place to complete this if necessary.

9.6 Communication and Consultation

- 9.6.1 The detailed proposals within this report will be accompanied by stakeholder and media communications activity to ensure key points are summarised ahead of the implementation date in 2024.

9.7 Risks and Mitigation

9.7.1 The risks associated with this report have been considered and mitigated through effective budget planning, balanced against the need to ensure regular on-going maintenance of what are critical assets and services for the region. The safe on-going operation of the tunnels is a critical risk to the organisation, as well as understanding the economic and social impacts of Covid-19 on the wider public transport network. This balanced approach has led to the recommendations within this report.

10. CONCLUSION

10.1 In considering a suitable recommendation for the Combined Authority, there is a need to balance a range of relevant information associated with the usage and pricing of the Transport services across the city region. Many of those services are provided by commercial operators where price setting is not for the Combined Authority, but this report sets out the details associated with directly delivered services – including multi-operator tickets. The report looks to address a range of issues and recommends the most appropriate charges and fee levels for 2024/25, in effect increasing for the next financial year, yet still a significant reduction compared with RPI and authorised toll levels, particularly for residents of the Liverpool City Region who pay via TfLow.

EXECUTIVE DIRECTOR PLACE

Richard McGuckin

PORTFOLIO HOLDER FOR
TRANSPORT

Councillor Liam Robinson

Appendices:

Appendix 1 – Mersey Ferries Price Schedule 2024/25

Appendix 2 - Multi Operator Ticketing Prices 2024

Related Documents:

County of Merseyside Act 1980, as amended by the Mersey Tunnels Act 2004

MERSEY FERRIES PRICING SCHEDULE

TICKET TYPE	Previous 22/23	Current 23/24	Proposed 24/25	Comments New pricing from 1 April 2024
COMMUTER				
COMMUTER SINGLE ADULT (AM)	£2.90	£2.90	£2.90	No Change to price
SHUTTLE SINGLE CHILD (AM)	£1.45	£1.45	£1.45	No Change to price
SHUTTLE RETURN ADULT (AM)	£3.80	£3.80	£3.80	No Change to price
SHUTTLE RETURN CHILD (AM)	£1.90	£1.90	£1.90	No Change to price
3 Day Flexi Ticket	N/A	£10.50	£10.50	No Change to price
5 Day Flexi Ticket	N/A	£15.00	£15.00	No Change to price
MONTHLY SAVER	£63.00	£63.00	£63.00	No Change to price
3 MONTHLY SAVER	£158.00	£158.00	£158.00	No Change to price
RIVER EXPLORER				
ADULT CROSS RIVER	£6.50	£6.75	£7.00	
CONCESSION CROSS RIVER	£5.50	£5.75	£6.00	
CHILD CROSS RIVER	£5.00	£5.25	£5.50	
ADULT FULL CRUISE	£11.50	£12.00	£12.75	
CHILD FULL CRUISE	£7.50	£8.00	£8.30	
FAMILY FULL CRUISE - 4 people	£32.00	£34.00	£36.00	
Family FULL CRUISE - 5 people	£35.00	£37.00	£39.00	
CONCESSION FULL CRUISE	£10.00	£10.50	£11.25	
WHOLESALE/FIT RATE FULL CRUISE + 20	£8.00	£8.50	£9.25	
GROUPS RATE FULL CRUISE + 20	£9.00	£9.50	£10.25	
Merseyside Concession Cruise Upgrade	£4.00	£4.50	£5.00	
Saveaway Adult Supplement	N/A	£6.00	£6.75	
Saveaway Child Supplement	N/A	£5.00	£5.30	
Ad All Zone/Trio Supplement	N/A	£6.10	£6.50	
Ch All Zone/Trio Supplement	N/A	£4.70	£5.00	

All prices include VAT where applicable

Bundle pricing will be agreed once partner pricing is available for 24/25

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Multi - Operator Ticket Prices

Fare Proposals:

Term-Time & School Year tickets prices to increase from August 2024. Solo to Increase January 2024. All other remaining ticket duration types to increase from March 2024.

2023									
TRIO	1 Zone	2024	2 Zones/1 Area	2024	3 Zones/ 1 Area and 1 Zone	2024	All Zones	2024	
Adult									
Weekly	£ 21.20	£ 22.20	£ 26.60	£ 27.90	£ 34.10	£ 35.80	£ 44.40	£ 46.60	
Monthly	£ 75.50	£ 79.20	£ 94.90	£ 99.60	£ 118.00	£ 123.90	£ 153.70	£ 161.30	
Term Time	£ 154.50	£ 162.20	£ 195.50	£ 205.20	£ 244.20	£ 256.40	£ 318.95	£ 334.90	
Annual Peak	£ 756.80	£ 794.60	£ 948.00	£ 995.40	£ 1,180.30	£ 1,239.30	£ 1,537.10	£ 1,613.90	
School Year (LEA)	£ 465.70	£ 488.90	£ 589.00	£ 618.40	£ 725.70	£ 761.90	£ 948.00	£ 995.40	
Young Person									
Weekly	£ 10.60	£ 11.10	£ 13.30	£ 13.95	£ 17.05	£ 17.90	£ 22.20	£ 23.30	
Term Time	£ 101.10	£ 106.15	£ 127.50	£ 133.85	£ 158.80	£ 166.70	£ 207.00	£ 217.35	
School Year (LEA)	£ 302.20	£ 317.30	£ 383.20	£ 402.35	£ 471.90	£ 495.50	£ 616.50	£ 647.30	
2023									
RAILPASS	1 Zone	2024	2 Zone/1 Area	2024	3 Zones/ 1 Area and 1 Zone	2024	All Zones	2024	
Adult									
Weekly	£ 19.10	£ 20.00	£ 23.60	£ 24.70	£ 30.00	£ 31.50	£ 38.50	£ 40.40	
Monthly	£ 66.30	£ 69.60	£ 83.10	£ 87.20	£ 103.40	£ 108.50	£ 134.20	£ 140.90	
Term Time	£ 136.30	£ 143.10	£ 173.00	£ 181.60	£ 213.40	£ 224.00	£ 279.80	£ 293.70	
Annual Peak	£ 664.10	£ 697.30	£ 830.70	£ 872.20	£ 1,036.50	£ 1,088.30	£ 1,343.30	£ 1,410.40	
Young Person									
Weekly	£ 9.55	£ 10.00	£ 11.80	£ 12.35	£ 15.00	£ 15.75	£ 19.25	£ 20.20	
Monthly	£ 33.15	£ 34.80	£ 41.55	£ 43.60	£ 51.70	£ 54.25	£ 67.10	£ 70.45	
Term Time	£ 88.50	£ 92.90	£ 112.50	£ 118.10	£ 138.65	£ 145.55	£ 181.86	£ 191.00	
2023									
SAVEAWAY	1 Area	2024	All Areas	2024					
Adult	£ 4.60	£ 4.80	£ 6.00	£ 6.30					
Young Person	£ 2.60	£ 2.70	£ 3.00	£ 3.15					
2023									
SOLO	All Areas	2024							
Adult									
Weekly	£ 20.00	£ 22.00							
Monthly (B2B tickets Only)	£ 70.20	£ 77.20							

4 Weekly	£	67.80	£	74.50						
Term Time	£	144.80	£	159.30						
Annual Peak	£	700.40	£	770.40						
School Year (LEA)		£434.40	£	477.80						
		Young Person								
Weekly	£	10.00	£	11.00						
4-Weekly (New)	£	33.90	£	37.30						
Term Time	£	94.80	£	104.30						
School Year (LEA)	£	270.50	£	297.55						
		2023								
SOLO DAY		All Areas		2024						
Adult 1-day	£	5.00	£	5.50						
Adult 3-day bundle	£	14.10	£	15.50						
Adult 5-day bundle	£	21.90	£	24.10						
MY TICKET		All Areas (Inc Halton)		2024						
Day	£	2.20	£	2.20						

Report Title	LCR Life Science Investment Zone										
Portfolio Holder	Portfolio Holder for Digital and Innovation										
Summary of report	This report provides an update on the development of the Liverpool City Region Life Science Investment Zone and the emerging programme and framework for delivery.										
Is this report exempt?	No										
Is this a Key Decision	Yes - In relation to expenditure or savings, it is likely to result in revenue in excess of £250,000 or capital in excess of £250,000 and to be significant in terms of its effects on persons living or working in an area comprising two or more wards or electoral divisions in the area of the Combined Authority.										
Is the report urgent?	No										
Is this decision to be exempt from call in	No										
Local Authorities affected	All Local Authorities										
Impact and implications of this report											
Financial impact	Yes, see paragraph 6.1										
Delegation (s) sought	Yes, see recommendation 2.1 (c)										
Supporting the Corporate Plan	<table style="width: 100%; border: none;"> <tr> <td style="width: 80%;">A Fairer City Region</td> <td style="text-align: right;">√</td> </tr> <tr> <td>A Stronger City Region</td> <td style="text-align: right;">√</td> </tr> <tr> <td>A Cleaner City Region</td> <td style="text-align: right;">√</td> </tr> <tr> <td>A Connected City Region</td> <td style="text-align: right;">x</td> </tr> <tr> <td>A Vibrant City Region</td> <td style="text-align: right;">x</td> </tr> </table>	A Fairer City Region	√	A Stronger City Region	√	A Cleaner City Region	√	A Connected City Region	x	A Vibrant City Region	x
A Fairer City Region	√										
A Stronger City Region	√										
A Cleaner City Region	√										
A Connected City Region	x										
A Vibrant City Region	x										
Climate Change Implications	Yes, see paragraph 6.3										
Equality and Diversity implications	Yes, see paragraph 6.4										
Social Value implications	Yes, see paragraph 6.5										
Human Resources implications	Yes, see paragraph 6.6										
Physical Assets implications	No										
Information Technology implications	No										

Legal implications	Yes, see paragraph 6.7
Communication and consultation implications	Yes, see paragraph 6.8
Risk and Mitigation	Yes, see paragraph 6.9
Privacy implications	No
Contact Officer(s)	Aileen Jones, Executive Director Investment and Delivery
Appendices	No
Background Documents	None

Liverpool City Region Combined Authority Meeting

15th December 2023

Report of the Executive Director Investment and Delivery and the Portfolio Holder for Digital and Innovation

LIVERPOOL CITY REGION LIFE SCIENCE INVESTMENT ZONE

1. PURPOSE OF REPORT

- 1.1. This report provides an update on the development of Liverpool City Region (LCR) Life Science Investment Zone (LCR LS IZ) and the emerging programme and framework for delivery.

2. RECOMMENDATIONS

- 2.1. It is recommended that the Liverpool City Region Combined Authority:
 - (a) approve the approach outlined in section 5 of this report to establish the Liverpool City Region's Life Science Investment Zone and secure £160m of Government resource, subject to the Government's Gateway process;
 - (b) note that the funding will support a 10 year programme of investment, unlocking significant direct and indirect private sector match, which will crystallise the region's global reputation as a leader in Life Sciences and complementary specialisms; and
 - (c) delegate responsibility to the Investment Zone Senior Responsible Officer, the Executive Director of Investment and Delivery, in consultation with the Portfolio Holder for Digital and Innovation, the Executive Director for Corporate Services and the Monitoring Officer, to prepare a multi-year Investment Zone Resource Plan and to enter into a Memorandum of Understanding with the Department of Levelling Up, Housing and Communities, St Helens Council and Halton Council to secure the revenue and capital resources to commence delivery of the Liverpool City Region Life Science Investment Zone in April 2024.

3. BACKGROUND

- 3.1. In the Spring Budget, the Chancellor of the Exchequer announced that the Government would be introducing Investment Zones (IZs)– a new policy vehicle designed to help disadvantaged geographical regions level up, through increasing innovation activity and by leveraging additional investment from the private sector.
- 3.2. The Liverpool City Region Combined Authority has worked with the Department of Levelling Up, Housing and Communities, (DLUHC), as well as private and public sector stakeholders, to leverage significant investment, research and development activity and commercialisation as well as enhancing job and training opportunities for local communities.

- 3.3. Each selected IZ region was asked to focus on one of five priority sectors identified by DLUHC as offering opportunities for UK economic growth. Initially, the opportunity comprised an £80m funding envelope from Government for each region to invest over a five-year period, subject to the Gateway process. Funding for the programmes and projects supported through IZ opportunity can be spent on a combination of:
- Flexible spending including capital and revenue funding (split on a 60:40 basis between capital and revenue schemes) for programmes and projects that develop business support, innovation, inward investment, and skills development within the targeted sector.
 - Tax sites: bringing benefits to businesses across up to three tax sites (totalling no more than 600 hectares cumulatively) by way of exemptions from employer National Insurance contributions and Stamp Duty amongst others.
 - Business rates retention: to include 100% business rates relief on newly occupied business premises as well as benefits to businesses which expand within the demarcated tax sites over an agreed baseline for a 25-year period.
- 3.4. In November 2023's Autumn Statement, the Government announced that the term and funding allocation for the approved IZs would increase, from an initial £80 million over five years, to £160 million over ten years. This means that the leveraged direct private sector match is anticipated to increase significantly from the £320m already identified under the initial phase of the programme. Furthermore, the amount of indirect private sector funding and leveraged benefits will increase significantly.
- 3.5. Investment Zones will continue to benefit from the same range of interventions as set out under the initial programme. These will include capital and revenue funding (60:40 funding split) for infrastructure, programmes and skills, as well as tax benefits and tax reliefs (including business rates).
- 3.6. Government has confirmed its expectation under the extension of the programme that approved Investment Zone proposals would become intrinsically linked to each region's wider economic strategy and be consistent with a longer-term plan for the area, beyond the period of Government support. It is not expected that the existing IZ proposals will change as a result of the extended offer from Government and, as such, the LCR remains on schedule to satisfy the final gateway in December 2023.

4. GATEWAY APPROVAL

- 4.1 Following a visit by DLUHC Minister Lee Rowley to Speke-based Biomanufacturing Company TriRX in July 2023, the Liverpool City Region formally secured Investment Zone status, subject to the satisfactory progression through five Gateway Approval stages.

4.2 Through collaborative engagement with stakeholders from the city region's Life Sciences Sector, the Combined Authority has already successfully progressed through the first three stages and has submitted the necessary information required for completion of the fourth Gateway. Completion of all five Gateways is anticipated by the end of December 2023.. The gateway stages are outlined below.

1. **Vision and inception (reached on 25 April 2023):** Setting out the ground rules for policy and the Government's intentions and expectations.
2. **Sector and Geography (reached on 25 May 2023):** Identifying and making the case for the priority sector(s) they intended to support; outlining the core assets and wider innovation ecosystem), setting out the constraints and opportunities for growth.
3. **Governance (reached on 28 June 2023):** The questions and criteria in this section were designed to capture the structure and capacity of the proposed governance arrangements to enable effective co-design and the collaboration needed among various parties to deliver the policy objectives.
4. **Interventions (submitted):** This section looked for more detailed information on the proposed interventions to provide assurance that that they will boost the supply capacity of the local economy, that the proposed improvements are genuinely additional and do not displace existing economic activity. Bidding locations were asked to set out their proposed mix of grant funding requests, tax sites and sites to benefit from business rates retention sites.
5. **Delivery (anticipated to be approved by mid-December 2023).** This gateway focuses on the initial delivery considerations and risk mitigation actions put in place as part of Investment Zone planning. Regions are expected to demonstrate the ability to manage both present and emerging risks as part of delivery. In tandem, a Memorandum of Understanding is being developed to enable the flexible grant and other levers to be available with the funding available to the LCRCA from 1 April 2024.

5. DEVELOPMENT AND DELIVERY

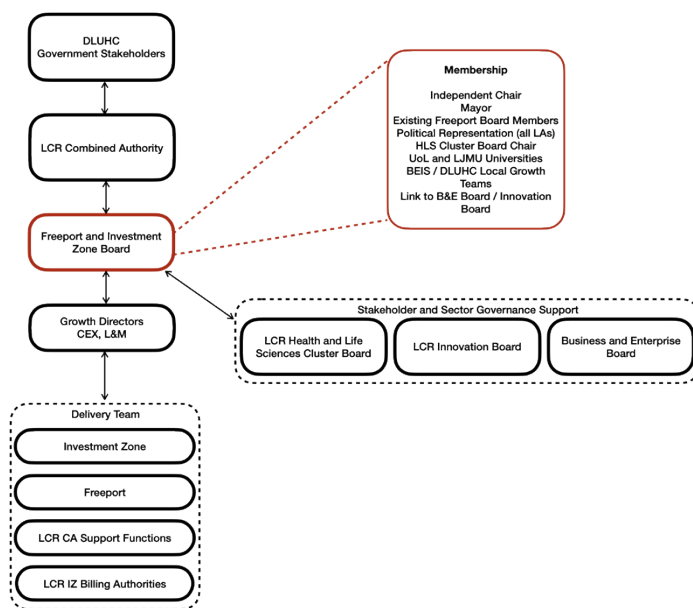
- 5.1 An Investment Zone Steering Group was formed in Spring 2023, comprising key health and life science partners, LCR Local Authorities and stakeholders from across private and public sector.
- 5.2 A project proforma was then developed and distributed to prospective projects via LAs and identified health and life science stakeholders in May 2023, asking that interested parties set out the financial, strategic, economic and commercial opportunities of their project and how it aligned with the Investment Zone opportunity.
- 5.3 Collectively, over £250m of investable opportunities have been presented to date through pro-forma completion. From the longlist of projects, and through open consultation with stakeholders, the project team has determined an initial pipeline of projects that have the potential to deliver substantial benefits to the regional and

national economy including an initial identified direct match of £320m private funding. Projects will need to progress through an Assurance Process, as described in paragraphs 5.7-5.9 below.

Delivery Arrangements and Programme (Gateway 5)

- 5.4 The delivery structure is aligned to a combination of existing Combined Authority resources in both core functions and the Freeport Teams. Of particular note is the resource required to implement the Authority’s Assurance process and the need for all projects to be taken through the assurance process by the investment team.
- 5.5 The proposed Governance Structure is set out in Figure 2 below. It is complemented by an Investment Zone Steering Group, comprised of a range of key private and public sector stakeholders, including local authorities. Members of the group will be invited to attend an Investment Zone Stakeholder Forum to share progress, update and support the delivery of the Investment Zone.

Figure 2 Proposed Governance Structure



Overprogramming

- 5.6 The Investment Zone programme, including an initial shortlist of projects, total £101m. This had represented an overprogramming allocation against the original £80m. Each of the projects identified will be invited to prepare applications to secure what is currently a provisional allocation. The expectation is that not all projects will progress at the levels indicated and the over-programming value can be managed to zero over time either through the reduction in requirement or the allocation of other funding, although the additional £80m/5 year funding allocation will ensure that even more valuable projects are supported.

Assurance Approach

- 5.7 The Combined Authority is developing an Assurance Framework for Investment Zone funding, aligned with the Liverpool City Region National Local Growth Assurance Framework.
- 5.8 All projects will have to demonstrate that they have considered all of the existing Strategic Investment Fund requirements, including: strategic fit, economic impact, financial performance, deliverability, value for money, social value, equality, diversity and inclusion and contribution to the Combined Authority's net zero goals.
- 5.9 The degree to which these are met and the evidence requirements will be based on the type of project and proportionality based on the value of the funding. In all cases a Subsidy Control Assessment will be required.

Access to Opportunity Plan

- 5.10 An Access to Opportunity Plan (LCR IZ Skills Plan) is being prepared by the Authority. The report is supported by a network of Human Resource professionals representing the shortlisted projects, who met recently in a workshop to input to the plan. The intention is to consult this group in early December before preparing a Plan for sign off by the Investment Zone Steering Group.

6. IMPACT AND IMPLICATIONS

6.1 Financial

- 6.1.1 A detailed multi-year Resource Plan will be prepared in Q1 2024.
- 6.1.2 The initial £80 million DLUHC support for the Life Science Investment Zone is proposed to be split as follows:
- £2.5m Revenue Allocation to support Combined Authority delivery, management and reporting costs, including new roles and resourcing existing functions, including Investment, Skills, Communications and Innovation;
 - £5m Occupier Benefits Allocation to support the tax reliefs available to occupiers at Sci-tech Daresbury, St Helens manufacturing and Innovation Campus and Maghull Health Discovery Park; and
 - £72.5m Flexible Grant Funding to support a range of revenue and capital projects, all of which will be assessed and prepared for consideration by the LCR CA Investment Panel.
- 6.1.3 The Combined Authority as accountable body for the whole programme is therefore directly responsible for the investment across the complete programme period.
- 6.1.4 The Investment Zone programme will require additional 'in-kind' resource to that secured from DLUHC, both at Combined Authority level and from local partners.

6.1.5 The Investment Zone programme has identified an initial £320m of direct private sector match, with significant additional investment to be leveraged indirectly as a result of the programme.

6.2 **Supporting the Corporate Plan**

6.2.1 **A Fairer City Region** - the Investment Zone will deliver an Access to Opportunity Plan to ensure that all aspects of the Investment Zone programme provide, support and enable accessible, high-quality employment, business development, skills and training opportunities to ensure local people from all backgrounds can access the opportunities created.

6.2.2 Delivering social value and local impact is core to the success of the Investment Zone and in close collaboration with local partners opportunities in manufacturing, research, innovation and a wide range of associated roles will be promoted locally.

6.2.3 Businesses involved in the Investment Zone will be asked to sign up to the Liverpool City Region's Fair Employment Charter.

6.2.4 **A Stronger City Region** – the City Region has world strengths in the Life Science sector with leading universities, specialist hospitals, innovation partnerships and major global pharmaceutical and life science companies. The Investment Zone will help unlock existing strategic sites for co-investment by the private sector attracting new business and providing space for local businesses to grow. The aim is to double the number of life science jobs in the City Region by 2030.

6.2.5 **A Cleaner City Region** - the Investment Zone will invest in sustainable life science manufacturing capability, including SMEs developing innovations in life science products, applications and systems to increase the sustainability of the sector to help achieve net zero.

6.3 **Climate Change**

6.3.1 The Life Science Investment Zone intends to support and enhance the utilisation of existing manufacturing (e.g. TriRx) as well as support low carbon manufacturing processes (e.g. SINA Medical Glass) to secure lower carbon medical and life science products. The business incubation and development programmes are aimed at health tech and climate tech (in life science sector) to innovate and bring new ideas to market. All projects will need to demonstrate their commitment to net zero and wider environmental considerations.

6.4 **Equality and Diversity**

6.4.1 In line with the Public Sector Equality Duty, an LCR IZ Equality Impact Assessment will be prepared and submitted with Gateway 5. Equality and Social Value leads within the LCR CA will be consulted.

6.4.2 All projects will be required to demonstrate their commitment to equality, diversity and inclusion (EDI). This will be embedded into the assurance process, with each project required to complete an Equality Impact Assessment before approval.

6.5 **Social Value**

- 6.5.1 Social value will be integral to the development and delivery of the Life Science Investment Zone, at both a programme and project level.
- 6.5.2 Throughout the Combined Authority's assurance of Investment Zone projects, they will commit to delivering outcomes that align with the Authority's overall social value objectives. This follows the 2023 Investment Strategy, which states that all investments will have to demonstrate the difference they can make in; reducing inequality, improving health, providing fair employment or developing local supply chains.
- 6.5.3 Many of the investment projects are focused on achieving social value objectives inherently and will deliver clear outcomes regarding health and wellbeing, new jobs, new training opportunities, community engagement and small business development. The Combined Authority also recognises the need to demonstrate the additional social value created by projects and this will be integrated into the assurance process.
- 6.5.4 All projects will be monitored and evaluated on their intended social value outcomes as part of the Combined Authority's ongoing measurement of their performance.

6.6 **Human Resources**

- 6.6.1 The new roles created by the Investment Zone, employed by the Authority are to be set out in the Resource Plan.

6.7 **Legal**

- 6.7.1 Firstly, a Memorandum of Understanding will be agreed between DLUHC, the Combined Authority, St Helens Council and Halton Council. This will set the terms for the partnership, reporting and change control arrangements for the Investment Zone delivery.
- 6.7.2 Subject to satisfactory progression through the Assurance Process, Funding Agreements will be entered into with delivery partners. Legal Services will be consulted on proposed projects at an early stage to advise on, and ensure compliance with, the Subsidy Control Act 2022.

6.8 **Communication and Consultation**

- 6.8.1 The Life Science Investment Zone has been developed collaboratively with partners throughout and will be delivered as such. A steering group of project partners and experts has supported the process and will transition into a Stakeholder Forums once the Investment Zone is governed by the new Freeport and Investment Zone Board after April 2024.
- 6.8.2 A comprehensive communications and branding exercise is being undertaken to inform the development of the Investment Zone to ensure that it is well aligned to the language and approach set out in the Economic Opportunities Framework, Inward Investment Strategy for City Region and the Innovation Prospectus.

6.9 Risks and Mitigation

6.9.1 The following key risks have been identified and set out in Table 1 below. A detailed risk register will be prepared setting these risks out along with details on their mitigation and ownership as part of the Gateway 5 response.

Table 1

Key Risks for the LCR LS Investment Zone			
Risk Area	Type	Description	Mitigation
External	Political (national)	Change in government or change in government policy such that the funding is withdrawn from the programme	Projects have been shortlisted in part due to their strength in anticipated deliverability, projected impact and leverage of private sector funding, as well as the covenant strength of their stakeholders. Many projects are ready to commence once assurance approvals are granted and in line with the drawdown of funding from April 2024. It is anticipated that a number of projects will be in delivery by the end of 2024. The combined strength of the project pipeline presents a strong proposition and it is deemed unlikely that a change in government would result in IZ initiative being withdrawn.
External	Economic	Recession and or persistently challenging economic conditions including high inflation, high wage costs, high construction costs and poor investment yields	The costs and appraisals for capital projects were originally drawn up prior to 2022 and have been refreshed to reflect the high inflation and costs experienced globally in the interim. Stakeholders have a high covenant strength and have leveraged match funding as part of the proposals. All projects will must progress through the assurance process to receive approval.
Business Risks	Outputs and Impacts	Risk that the IZ fails to achieve the results expected.	There are 21 projects in the current pipeline, drawn from a longlist. These will be appraised robustly through the IZ assurance process in order to ensure they are best placed to deliver on outputs. The enhanced allocation of funding and time will also provide significant opportunity for additional projects to be supported and benefits leveraged.

7. Conclusion

- 7.1. The Life Science Investment Zone presents an opportunity to crystallise the region's already world leading strengths and capabilities in Life Sciences and complementary specialisms. In doing so it will support high growth enterprise, world-leading innovation and a wealth of opportunity for the region's residents, aiming to double the employment in the Life Science sector by 2030 with at least 4000 new jobs.
- 7.2. To achieve this, it is recommended that the approach put forward in section 2 is approved.

Dr AILEEN JONES
Executive Director Investment and
Delivery

CLLR PAULSTUART
Portfolio Holder Digital and Innovation

Appendices:

None

Background Papers:

None

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Report Title	Liverpool City Region Road Safety Strategy Annual Report 2023	
Portfolio Holder	Portfolio Holder for Transport	
Summary of report	To present the first Annual Report of the Liverpool City Region Road Safety (Vision Zero) Strategy to the Liverpool City Region Combined Authority for endorsement.	
Is this report exempt?	No	
Is this a Key Decision	No	
Is the report urgent?	No	
Is this decision to be exempt from call in	No	
Local Authorities affected	(All Local Authorities);	
Impact and implications of this report		
Financial impact	No	
Delegation (s) sought	No	
Supporting the Corporate Plan	A Fairer City Region?	√
	A Stronger City Region	x
	A Cleaner City Region?	√
	A Connected City Region	√
	A Vibrant City Region	√
Climate Change Implications	Yes, see paragraph 4.3	
Equality and Diversity implications	Yes, see paragraph 4.4	
Social Value implications	No	
Human Resources implications	No	
Physical Assets implications	No	
Information Technology implications	No	
Legal implications	Yes, see paragraph 4.5	
Risk and Mitigation	Yes, see paragraph 4.6	
Privacy implications	No	

Communication and consultation implications

Yes, see paragraph 4.7

Contact Officer(s)

Debbie Young, Active Travel Partnership Co-ordinator
Barbara Wade, Active Travel Development Manager

Appendices

Yes
Appendix 1. Liverpool City Region Road Safety Strategy Annual Report 2023
Appendix 2. Vision Zero Logic Map

Background Documents

None

Liverpool City Region Combined Authority

Friday, 15 December 2023

Report of the Executive Director - Place and the Portfolio Holder for Transport

LIVERPOOL CITY REGION ROAD SAFETY STRATEGY ANNUAL REPORT 2023

1. PURPOSE OF REPORT

- 1.1. The purpose of the report is to present the first Annual Report of the Liverpool City Region Road Safety Strategy to the Liverpool City Region Combined Authority for endorsement.

2. RECOMMENDATIONS

- 2.1. It is recommended that the Liverpool City Region Combined Authority endorse the Liverpool City Region Road Safety Strategy Annual Report 2023 as set out in Appendix 1.

3. BACKGROUND

- 3.1. The second Liverpool City Region Road Safety Strategy (Vision Zero) was launched in October 2023. The document followed the DfT's aspiration for the UK to move towards a Vision Zero Safe Systems model where partners from various organisations work together under the 5 pillars of Safe Speeds, Safe Roads, Safe Vehicles, Safe Behaviour and Post Crash Response to reduce avoidable deaths and serious injuries on our roads to zero by 2040.
- 3.2. The Annual Report 2023 highlights the activities and initiatives which have been undertaken since the launch of the Strategy in October 2022.

4. IMPACT AND IMPLICATIONS

4.1. Financial

- 4.1.1 There are no direct financial resource implications for the Combined Authority relating to the Annual Report 2023.

4.2 Supporting the Corporate Plan

- 4.2.1 A Fairer City Region – Improved and safer infrastructure for walking, wheeling, and cycling will assist people to access work, education, essential services, and leisure activities.
- 4.2.2 A Cleaner City Region - Improved and safer infrastructure for walking, wheeling, and cycling will encourage modal shift for some shorter journeys, thus reducing

carbon emissions in line with the Region's Net Zero by 2040 plan.

4.2.3 A Connected City Region – Creating travel opportunities for those able to walk, wheel and cycle at times or places where traditional public transport cannot operate. Thereby supporting the region's ambitions to connect communities.

4.2.4 A Vibrant City Region - Active travel opens further opportunities to access the region's cultural offer. Evidence from Europe suggests that cities that are safe and easy to walk around attract greater visitor numbers.

4.3 **Climate Change**

4.3.1 Improved and safer infrastructure for walking, wheeling, and cycling will encourage modal shift for some journeys, particularly short journeys of less than 3km, thus reducing carbon emissions in line with the Region's Net Zero by 2040 plan.

4.4 **Equality and Diversity**

4.4.1 An Equality Impact Assessment was produced for the Liverpool City Region Road Safety Strategy in October 2022 and no negative implications were identified.

4.5 **Legal**

4.5.1 Liverpool City Region local authorities have a statutory duty under section 39 of the 1988 Road Traffic Act to *"take steps both to reduce and prevent accidents"*. Other relevant legislation for Highway Authorities is Road Traffic Regulation Act 1984 (s 122), and the Traffic Management Act 2004 (s16). The Infrastructure Act 2015 requires *"Highways England to manage the strategic road network in England to ensure the safety of people who use the network"*.

4.5.2 The Fire and Rescue Service Act 2004 requires fire and rescue authorities *"to rescue people from road traffic accidents and protect people from serious harm from road accidents"*, and the Health & Social Care Act 2012 requires local authorities in England to assess the current *"and future health and social care needs of the local community (including road safety)"*.

4.5.3 The Merseyside Road Safety Partnership (MRSP) work collectively to discharge these statutory duties, and their actions will be guided by outcomes and interventions articulated in the LCR Road Safety (Vision Zero) Strategy.

4.6 **Risks and Mitigation**

4.6.1 There is a risk that if members of the Merseyside Road Safety Partnership choose not to act i.e., do not try to implement the 5 pillars via working together and across functions, then Killed and Seriously Injured numbers within the city region could rise. By monitoring and evaluating activities, an understanding of what works well can be determined.

4.7 Communication and Consultation

- 4.7.1 The Annual Report was developed by the Merseyside Road Safety Partnership and shared with the Liverpool City Region Mayor's Office, the Police and Crime Commissioner's Office and Liverpool City Region Combined Authority colleagues for comment. The report had also been discussed with the Transport Advisory Group.

5. CONCLUSION

- 5.1 Vision Zero is an ambitious and challenging goal, but it is also one that the Liverpool City Region is fully committed to achieving. Whilst it is impossible to capture each and every piece of work that has taken place over the last year in support of road safety, the Annual Report 2023 demonstrates the commitment by all partners in working towards reducing avoidable deaths and serious injuries on our roads to zero by 2040.

RICHARD MCGUCKIN
Executive Director - Place

COUNCILLOR LIAM ROBINSON
Portfolio Holder for Transport

Appendices:

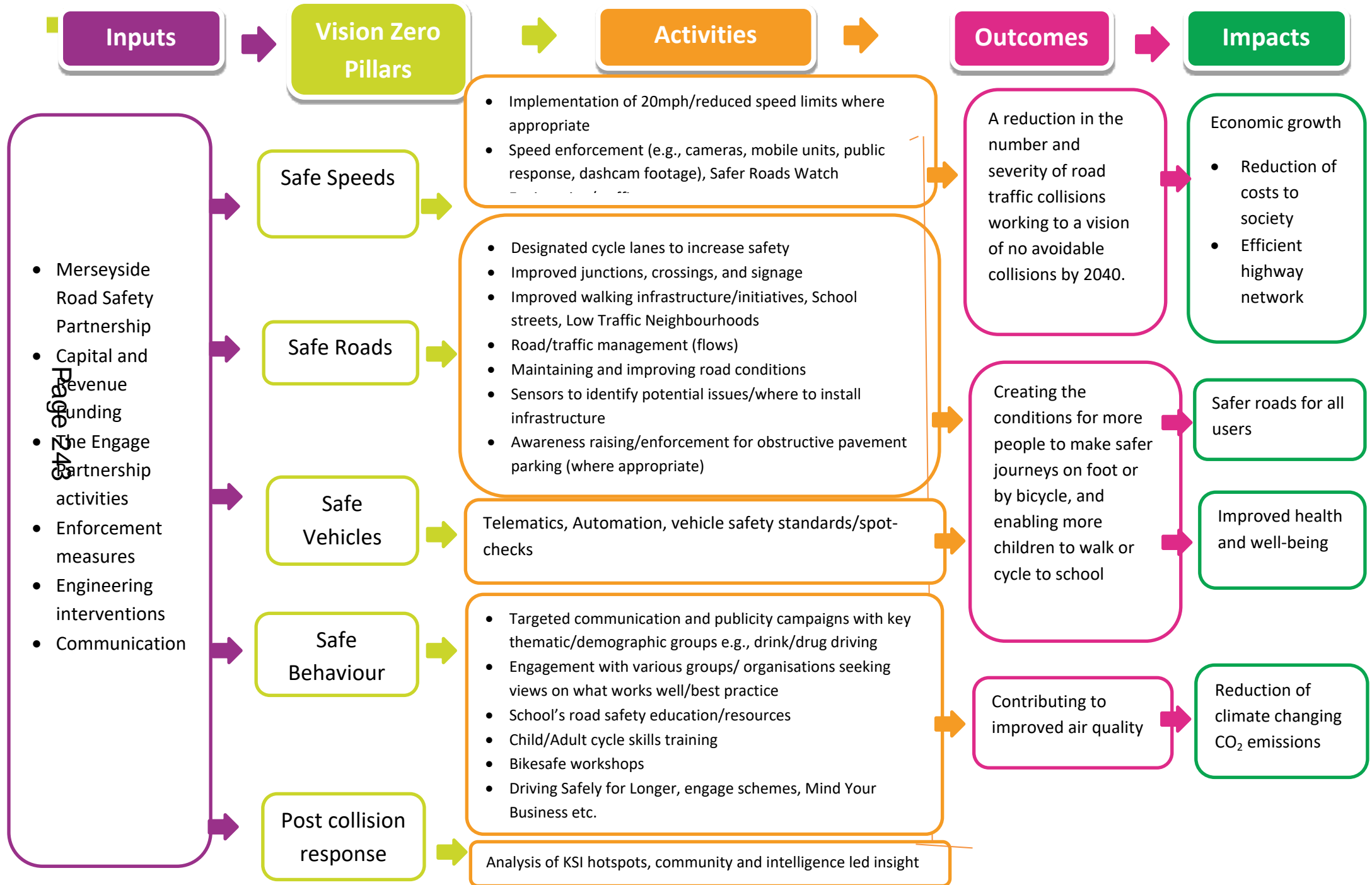
- Appendix 1. Liverpool City Region Road Safety Strategy Annual Report 2023
Appendix 2. Vision Zero Logic Map

Background Documents:

None

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Vision: “by 2040 no one will be killed or seriously injured (KSI) on the roads in the Liverpool City Region.”



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LIVERPOOL CITY REGION ROAD SAFETY STRATEGY

ANNUAL REPORT 2023



LIVERPOOL CITY REGION ROAD SAFETY STRATEGY



ST HELENS
BOROUGH COUNCIL

Sefton Council



WIRRAL



EMILY SPURRELL
MERSEYSIDE POLICE
& CRIME COMMISSIONER



Knowsley
Council

national
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FOREWORD

Whether you're using public transport, cycling, walking, or driving, everyone has a right to feel secure while travelling in our area.

Too often, we know this isn't the case.

Avoidable road collisions that result in serious injury or, worse, lead to families losing a loved one, have a lifelong impact on all those affected – but it doesn't have to be this way.



Deaths and serious injuries on the road are neither acceptable nor inevitable – they are preventable.

In our Vision Zero strategy, we've set a bold target to reduce the number and severity of road traffic collisions. It's our ambition that, by 2040, no one will be killed or seriously injured on our roads.

While a big part of that relies on people's road safety awareness, there are lots of practical steps we're taking to encourage long-term behaviour change in how people choose to travel.

At present nearly two thirds of all journeys in the region are less than 5km. But half of them are taken by car. It's clear that the only way we can influence a seismic shift that encourages more people to leave their cars at home is by providing them with a genuine alternative.

Since I was elected Mayor, I've been working to build an integrated London-style public transport system that's faster, cheaper, cleaner and better connected – and we've already taken huge steps towards that goal.

We've invested massively in our public transport network, from the historic decision to take back control of our buses to our brand-new publicly owned £500m trains and zero emission hydrogen buses. We're also spending £70m on active travel infrastructure to make it safer and easier than ever for people to walk and cycle in our area and introduced the region's first school streets pilots to ensure safety at the school gate.

By giving people a reason to ditch the car, we can drastically reduce traffic and congestion on our roads and improve the quality of air we all breathe – which is a huge win for our region's target to reach net zero carbon by 2040.

Working with partners across the region, Vision Zero is our roadmap to make our region the safest, cleanest and greenest place to travel in the UK.

Steve Rotheram,
Mayor of the Liverpool City Region:

Steve Rotheram



Steve Rotheram
Mayor of the Liverpool City Region





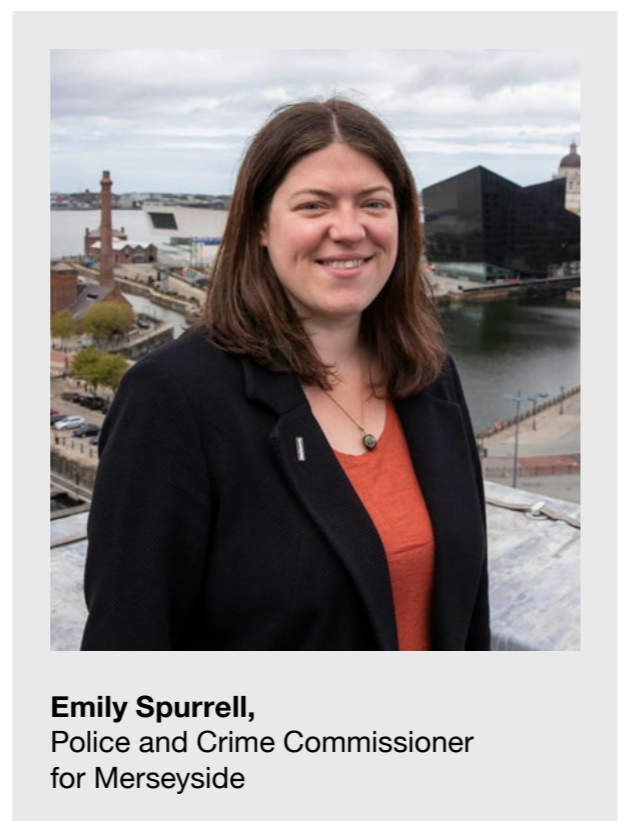
Each and every death or serious injury on our roads is one too many.

These road collisions devastate lives, families and communities.

Yet, deaths and injuries on our roads are preventable and this is why we launched our Vision Zero Strategy bringing all partners together to reduce avoidable deaths and serious injuries on our roads to zero by 2040.

This report highlights just some of the progress that has been made over the last 12 months in achieving that aim.

I have seen first-hand the power of engagement and education and have supported several initiatives including a public demonstration of the devastating effects drink and drug driving, and a 'kids court' for drivers obstructing bus stops across Merseyside.



Emily Spurrell,
Police and Crime Commissioner
for Merseyside

Only through continual awareness raising, education and engagement with the public can we change behaviours for our communities now, and for generations to come.

I was proud to help launch the Schools Streets scheme in Sefton earlier this year to reduce congestion, create safer travel and minimise air pollution by significantly reducing motor traffic during school drop-off and pick-up times.

The scheme evidences the power of co-production, consultation and engagement and a scheme I hope to see expanded across the region.

The introduction of 20mph limits in Wirral and Sefton, adding to those already in place in Liverpool, is a welcomed commitment and a step in the right direction, and I am working closely with the Chief Constable to ensure that Merseyside Police is a key partner in its enforcement and adherence.

We recognise that the Vision Zero ambition was bold when we launched the strategy a year ago, and we remain bold in our aspiration to reduce and eventually eliminate avoidable death by road traffic collision by 2040 across the Liverpool City Region.

I would like to thank the Merseyside Road Safety Partnership who represent a committed collective to driving this strategy forward, as it is only through working in partnership that we can create a region that is cleaner, greener, and safer for all.

Emily Spurrell,
Police and Crime Commissioner
for Merseyside

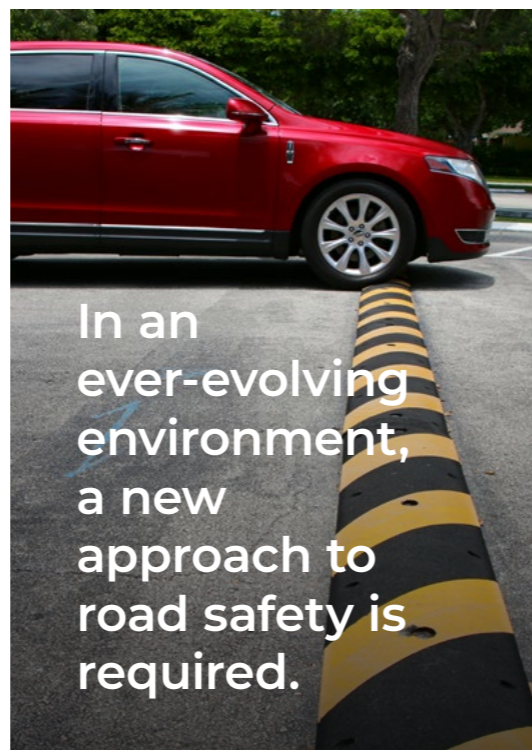




WHAT DOES THE DATA TELL US?

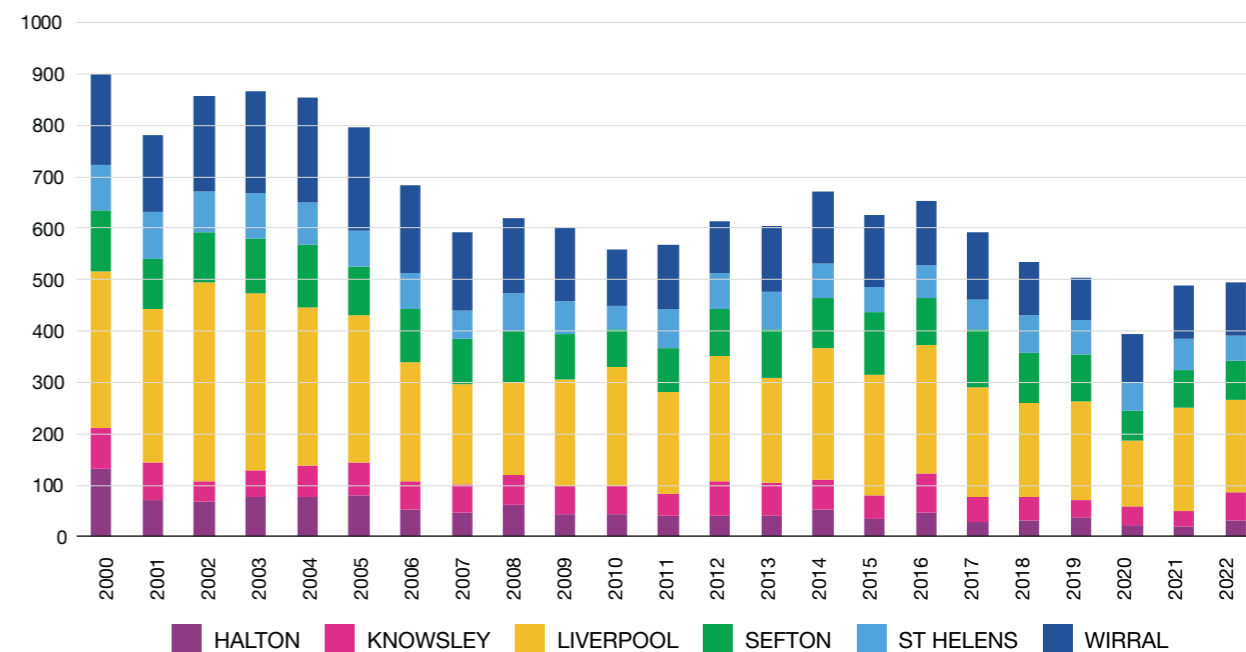
When the Liverpool City Region (LCR) Road Safety Strategy launched in October of 2022, it contained killed or seriously injured (KSI) casualty data from 2000 – 2019.

Recently, the Department for Transport (DfT) have released their annual road casualties report and datasets for 2022, which provides a further three years of information to focus upon and scrutinise.



In an ever-evolving environment, a new approach to road safety is required.

Fig 1 Annual KSIs in the Liverpool City Region 2000 - 2022



The additional three years of data demonstrate a continuation of the declining KSI casualty trend across the region. Another point of significance is derived from focusing solely upon 2020, the data from this year reveals that the LCR incurred the lowest amount of annual KSIs for more than twenty years, which resulted in meeting the previous strategy’s target of achieving below 400 KSIs by 2020.

There is a huge caveat which needs to be applied in the form of the Covid-19 pandemic. The pandemic, not only across the LCR but nationally as well, resulted in significantly less road users, which in turn had a substantial impact upon the amount of road traffic collisions (RTC) and the number of casualties arising from those collisions.

Recognising 2020 as a statistical anomaly allows more emphasis to be placed on the years that followed, and it can be seen from the data that KSI levels across the LCR have started to plateau, another trend which mirrors the national picture. Whilst it is difficult to attribute definitive

reasoning to KSI fluctuation, a main contributor for this plateau, recognised by industry experts, is the lack of significant road safety innovation, akin to the introduction of road safety cameras in the early nineties. If the LCR are to achieve the aim of zero avoidable killed or seriously injured casualties by 2040, innovation will play a key role in pushing through the long-standing plateaus and ensuring statistically significant KSI reductions.

To some extent, both the innovative and traditional measures depicted within this report have been evidence led. Each initiative has factored in the LCR’s in-depth data provision, utilising the multitude of perspectives and tools available to highlight various factors of prevalence within road traffic collisions. This approach ensures a continuous awareness of road safety concerns within the LCR, whether they be historical or emerging, allowing for the identification and implementation of appropriate interventions which look to increase safety for road users across the region.



SAFE SPEEDS

Speeding is one of the Fatal Four; the Fatal Four are factors involved in RTCs which are much more likely to increase its severity.

During 2022, over 45% of all fatal collisions across Merseyside involved at least one of the Fatal Four.

However, the Safe Speeds pillar is not only focused on ensuring drivers adhere to the limit of the road, but it is also a pledge to educate drivers on adapting their speed according to the conditions at the time. Since the launch of the strategy last year, there has been significant work carried out throughout the LCR, with the primary goals of establishing and encouraging safer speeds across the region, both in the short and long term.

Within Wirral, there has been a commitment to significantly increase the number of 20mph limits across the local authority over a four-year period. The roll out of these 20mph limits will take place primarily surrounding schools, residential areas, and retail areas.

The 20mph speed limits will focus on creating safe and healthy environments, which work well for all people, and help them live active healthy lives, in areas of good air quality and improved road safety. There is an opportunity for schools, businesses, and members of the community to become champions for the scheme.

A champion will be able to promote the new limits, work with stakeholders to raise awareness, engage in voluntary initiatives, as well as gain access to several resources, such as wheelie bin stickers, pace car stickers, and posters, which will further help raise awareness and adherence to the new 20mph limits.



Sefton have also introduced multiple 20mph limits, as well as disseminating stickers across several of their wards, enabling their communities to get involved and help raise awareness of the new limits.

The importance of these restrictions, especially surrounding areas of high footfall, cannot be overstated. A pedestrian is around five times more likely to be killed when hit by a vehicle travelling at around 30mph than they are from a vehicle travelling around 20mph.

'A pedestrian is around five times more likely to be killed when hit by a vehicle travelling at around 30mph than they are from a vehicle travelling around 20mph.'

Working in partnership with the community is paramount to incorporating Safe Speeds across the Liverpool City Region. There have been hundreds of speeding related intelligence submissions from the public so far in 2023, a combination of concerns raised via the local authorities, Merseyside Police, and the Merseyside Road Safety Partnership.

This intelligence provides an alternative to the standardised DfT Stats19 dataset, offering an entirely new perspective on speeding issues within the LCR, as well as a better understanding of how to resolve them. The local authorities have utilised this information to guide deployments of Speed Indicator Devices (SIDs) throughout their respective areas.

The SIDs are deployed at locations of public concern and detect vehicle speed, notifying drivers to slow down if they are speeding.

They do this whilst simultaneously collating data, allowing for retrospective analysis of a road or junction, from which it can be ascertained whether there is a requirement for any infrastructural changes or enforcement activity.



For members of the public who want more direct involvement, Merseyside Police work with local authorities to deliver the Safer Roads Watch (SRW) scheme.

The scheme allows volunteers within the community to be assigned their own speed detection device and conduct educational speed operations within their area. SRW was highlighted during the Project EDWARD week of action in May 2023, involving the Project EDWARD vehicle visiting Wirral, where Merseyside Police collaborated with the local authority and local volunteers to conduct an operation.

SRW numbers from 2023, year to date, further showcase the success and effectiveness of the scheme: There have been over seventy operations, resulting in excess of one thousand volunteer speed detections, all of which have produced an educational letter issued to the registered keeper of the vehicle. Of the vehicles detected, only around 2% have been re-detected, which suggests that educating drivers within the community is having a positive impact upon their speed.

Merseyside Police are acutely aware of the devastating impact a speeding driver can have on themselves and other road users.

As a result, detecting and enforcing these drivers is of the utmost importance throughout the force. Since the beginning of 2020, up until the halfway point of 2023, police officers have distributed 8,778 speeding tickets, mobile cameras have detected 52,353 speeding drivers, and static camera sites have identified 157,187 vehicles breaching the set speed limit. The combination of this work amounts to a total of 218,339 individual pieces of speeding enforcement across Merseyside throughout this period.

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Educating these drivers is also a priority, and up to now around 50% of all drivers detected speeding from 2020 onwards have attended and completed a speed awareness course. The significant proportion of educational disposals given to speeding drivers across the LCR will hopefully serve as a catalyst to prevent reoffending.

Partnership working between Merseyside Police’s Safer Roads Unit (SRU) and local authority experts has resulted in two further camera sites implemented in 2023 so far, with unremitting assessment and evaluation of further locations taking place. Collaborative working is not restricted to new sites, when SRU Enforcement Officers identify issues with existing camera sites, whether it be signage, foliage or road markings, these issues are communicated to and addressed promptly by local authority road safety teams. Working in partnership throughout the LCR is ensuring that more work than ever is being conducted to avoid losing any speeding detections.

The infrastructure of the LCR doesn’t facilitate placement of cameras at all identified areas of risk, and this is where the expertise of Merseyside’s Roads Policing Unit (RPU) plays an important role. RPU’s Bike Team, utilising dynamic deployment and innovative handheld speed detection devices, can access KSI dense locations which are not feasible for cameras, facilitating vital enforcement which could otherwise have been missed. Over the past twelve months, RPU have increased training initiatives, upskilling operational officers within other policing strands throughout the force, enabling them to have an impact on speeding enforcement.

The unit are also continuously looking to identify innovation and stand as best practice, often through the use of emerging technology. One example of the technology being utilised is a speed compliance tool; this tool allows officers to assess speed compliance on any road using telematic information from vehicles. The information garnered from the tool allows comparison to existing KSI data, applying another layer of intelligence and perspective to speeding interventions throughout the LCR.



Speed compliance tool





SAFE ROADS

Considerable emphasis is placed on creating better environments for road users throughout the LCR, attempting to reduce the risk of injury, as well as encourage the public to lead more healthy and active lifestyles.

Through the process of aligning working practices to the pillars defined within the LCR Road Safety Strategy, existing interventions have been re-evaluated to identify if they are still applicable or require modernisation.

Innovative solutions have also been explored and adopted, allowing for contemporary road safety issues within the region to be appropriately addressed.

One such innovation arrives in the form of a first for the LCR, and that is St. Helens' implementation of a Cycle Optimised Protected Signals (CYCLOPS) Junction. The junction spans Marshalls Cross Road, Chester Lane, Mill Lane, and Clock Face Road, and looks to prioritise the safety of pedestrians and cyclists by completely segregating them from motorists.



The outer ring of the junction is designed to facilitate cyclists, acting similar to a roundabout with signal-controlled crossings. This will allow those who cycle to cross over the junction or make right turns unrestricted by cars or foot traffic, creating a safe route to travel.



The inner ring of the junction is dedicated to pedestrians, with those walking and cycling getting the same green light signal in all directions at the same time, but on a separate ring of paths in the middle of the junction. There are also uncontrolled pedestrian crossings on each side of the junction to provide a safe place to cross the cycle lane for pedestrians.

Once pedestrians and cyclists have passed, motorised traffic will get the green light signal to continue driving and use the junction as normal. In a key location, the CYCLOPS is close to several primary and secondary schools and sits next to Lea Green Railway Station, which is undergoing a major refurbishment. There are also several cycle routes within the locale, encouraging residents and visitors to consider more active forms of transport when making shorter journeys, helping to achieve lower emissions as well as increased road safety.

Sefton also have progressive preliminary designs for multiple pedestrian and cycle improvements at the A59 Northway.

An example of the progressive engineering is at the Kenyons Lane junction, which will include a CYCLOPS crossing facility, similar to the pioneering system that St. Helens have in place. In addition, there will also be a Speed on Green camera at this location.

As the first traffic-signal controlled junction which drivers will encounter when entering Merseyside from Lancashire, the pedestrian and cyclist friendly junction, combined with the Speed on Green camera, will deliver a modern multi-layered solution which will promote the region's Vision Zero philosophy.

In addition, Sefton are continuously improving their active travel infrastructure. At Coronation Road within Crosby there will be a conversion of existing double mini roundabouts into traffic signals, providing full pedestrian crossing facilities to simplify access from Crosby bus terminus.

There is also ongoing work to improve existing cycle tracks, as well as develop new ones, with some notable work taking place at the A565 Formby Bypass.



Knowsley continue the positive trend of promoting safe roads and active travel within their local authority, with multiple engineering works taking place throughout the borough. One of the most noteworthy pieces of work has taken place at Headbolt Lane, close to the recently opened railway station. There are cycleway facilities, as well as a fully operational signalised crossing, offering a safer environment for commuters and those travelling within the area.

Other completed and ongoing work include signalised pedestrian crossings at Old Hutte Lane/Higher Road in Halewood, signalling of crossroads at George Hale Avenue/Knowsley Lane/Primrose Drive, new pedestrian facilities at both Coppleshouse Lane/Valley Road and Whitefield Lane/Cronton Road, as well as improved cycling infrastructure at Waterpark Drive in Stockbridge Village.

Creating safer and healthier infrastructures around schools is a high priority throughout the LCR, with multiple authorities attempting to facilitate this through the means of School Streets. A School Street is a stretch of road outside a school that is temporarily limited

or closed to traffic during school drop off and pick-up times. This measure reduces the direct number of interactions a pupil could have with a motor vehicle around their school. Not only does it look to improve road safety, but it also encourages walking or cycling to school, as well as cutting down on vehicle emissions within the vicinity. There are ambitious proposals within Liverpool City Council's plan to introduce forty School Streets over the next four years.

At present, Liverpool currently has four set up and are in the process of creating a further fourteen, which will then leave development for just over thirty School Streets to get underway. Wirral also have six School Streets, with three being permanent, and three still in the experimental traffic regulation order stage.

There are a number of other School Streets locations spread across the LCR too, with two recent launches occurring in Sefton. On 1st July, to mark the launch of the new schemes, LCR Mayor Steve Rotheram and Merseyside PCC, Emily Spurrell, joined pupils from Birkdale High and Greenbank High Schools.

In addition to School Streets, there have been multiple effective School Neighbourhood projects undertaken throughout the LCR over the past few years, and now Sefton are progressing on their scheme for Stanley High School.

The process will involve road safety experts within Sefton Council, working in conjunction with pupils, parents, and residents, to improve road safety in the vicinity of the school. This is a highly interactive, educational, and engaging process, allowing the pupils and their parents to have their opinions heard, and also have a direct impact on the outcomes of the scheme. The result will see various traffic calming measures, as well as improvements to walking and cycling facilities, with a potential launch at the end of the financial year.

The Liverpool City Region Combined Authority have an integral part to play with a wide range of schemes and initiatives, as well as securing various sources of funding to allow partners to improve the safety of the roads. Revenue funding (Capability and Ambition Fund) has been secured and provided to local authorities so they can develop their own local cycling and walking infrastructure plans. The fund has also been utilised to install around a hundred sensors across the region, helping to identify potential issues at a junction, improvement requirements, and even provide information on suitable locations for new cycling and walking infrastructure.

£14.4m was secured through Active Travel funding, which has been utilised to create segregated cycle lanes across the LCR, improve pedestrian facilities, and also conduct general safety improvements at junctions and crossings.

£450k of funding was spent to improve infrastructure around Mersey Tunnels, with the barriers being upgraded to safer versions.

£14.4m was secured through Active Travel funding.





SAFE VEHICLES

The Safe Vehicles pillar draws the LCR's attention to vehicle regulation and the emergence of technology which is specifically designed to prevent crashes, such as collision avoidance systems, stability control, and automatic braking.

There is considerable focus on working with businesses across the region to ensure that their fleets are properly supervised, with all of the correct and required measures being taken. Moderation of vehicle fleets also includes authorities and agencies ensuring their own are fit for purpose, especially the emergency services.

There is a lot of work emanating from Wirral in regard to Safe Vehicles, with their award-winning Mind your Business (MYB) scheme serving as prime example, the only one of its kind within the Northwest.

Over the past few years within the LCR, professional drivers have intermittently been involved in 25% of road traffic collisions, and MYB looks to specifically tackle this issue, through engagement with businesses, and even supporting enforcement when required.

The MYB project has actively engaged with over eighty businesses and organisations within Wirral including Royal Mail, NHS, ASDA, Biffa, and Unilever.

Through MYB's consultation with business fleet managers, and fleet drivers, awareness is raised around the factors which are heavily involved in professional driver RTCs. Keeping aligned to the LCR's modernistic approach, MYB also promotes active travel wherever possible.

In March of this year, MYB held a mock trial at Wallasey Town Hall, focusing on a scenario which involved a collision between a professional driver and a cyclist. The trial turned the spotlight on a range of aggravating factors that make the situation far worse for the employer - and the penalties more severe.



The factors included the causation of the collision, poor company procedures which contributed to it, and how failings by senior management to update company policies and procedures were used against them.

After the trial, there were expert talks aimed at reminding employers, who have staff driving for them as part of their work, of their responsibilities to their staff and members of the public. It also sought to update companies about some recent relevant changes in the Highway Code and new Sentencing Guidelines for courts, both of which were introduced last year.

Knowsley also continuously work towards achieving the Safe Vehicles pillar, both in terms of their own fleet, and that of the businesses within the area. The Knowsley fleet is fitted with Ctrack telematics systems, enabling the location of vehicles at any point, as well as being used to optimise routes for vehicles to avoid busy areas at certain times. Ctrack also monitors events such as excess speed, and harsh braking or acceleration, which help to identify any drivers that need further training.

The HGV fleet is fitted with a 5-camera system from Vision Techniques, this gives the driver a 360-degree view of the vehicle

on a screen in the cab, which assists in increasing the visibility of other road users.

These cameras also assist in reversing manoeuvres, alongside an audible reverse warning, and reversing assistants when safe to do so. Newer vehicles are fitted with a radar system that automatically brings vehicles to a stop when anything enters their reversing path.

In October 2022, Tyre Safety Month was promoted in conjunction with local garages, providing road users with free tyre checks and advice. This was supported with communications on social media and Knowsley News, as well as the provision of leaflets and tyre check keyrings. Tyre safety was also promoted at the annual Knowsley Flower Show.

Knowsley's licensing team conduct vehicle checks on hackney and private hire taxis at least twice a year, this is in addition to any collaborations with Merseyside Police. Knowsley also conduct licensing work with ice cream van traders within the borough, and since 2000 onwards, all vans are annually checked, with a requirement to be fitted with reversing cameras, sensors, and additional mirrors.



A form of vehicular technology which has seen an exponential surge in usage over the past few years is Dash Cams. This year alone, Single Online Home, Merseyside Police's public reporting system, has seen over a thousand RTC submissions that have been investigated by Matrix RTC Investigations team.

Of these submissions, there have been nearly eight hundred reports of road related incidents (Dash Camera), with a 66% positive outcome rate, including disposals such as advice letters, educational courses, and prosecutions.

The force has authorised thirty training courses that will see all Roads Policing officers trained to examine and undertake Taxi Licensing enforcement operations. Merseyside Police have also specially trained and authorised twelve officers in the examination and prohibition of vehicles classed as unsafe to be driven.

Four officers have been trained in specialist prohibition powers, enabling them to secure vehicles using an immobilisation cable.

This cable can later be released for a fee once the issue is rectified, and any money collected is reinvested into operations and equipment to promote Safe Vehicles. Since July 2023, twenty vehicles have been immobilised.

There is also emphasis placed on securing the safety of their own vehicles, with RPU rolling out a new fleet of Volvo V90s and V90 Cross Countries. These vehicles have the latest in collision avoidance technology and New Car Assessment Programme (NCAP) safety ratings.

Officers from the Commercial Vehicle Unit conduct regular operations in partnership with the Driver and Vehicle Standards Agency, aimed at identifying defects and safety concerns on vehicles. Between September 2022 and September 2023, over £80k in fines have been issued due to poor vehicle safety and breaches of driver hours.



Merseyside Police's Vehicle Crime Unit have supported Safe Vehicles through the examination of illegally owned electric scooters and pedal cycles.

There have been 2,239 vehicle examinations completed, which has resulted in the identification of 527 stolen vehicles. In addition, over 260 stolen vehicles have been detected through the examination of parts at illegal vehicle chop shops. The team recently received a national award, in recognition of the effective work they conduct.

There have been 2,239 vehicle examinations completed, which has resulted in the identification of 527 stolen vehicles.

The support provided by National Highways is invaluable to ensuring safe vehicles and fleets across strategic routes. Liaison frequently takes place with Merseyside Police surrounding abnormal loads on the Strategic Road Network. In addition, load security training courses have been provided for Merseyside Police, Mersey Tunnels Police, and Port of Liverpool Police.

There has been the consistent deployment of unmarked super cabs, through Operation Tramline, which have helped to detect the Fatal Four offences in commercial vehicles, vans, and cars. After effective partnership work carried out in 2022, Operate Pennine is due to commence again shortly.

Operation Pennine focuses on one of the most important routes across England, the stretch of the M62 between Liverpool and Hull. Along this stretch of Motorway, thirty different agencies will work in tandem to uphold vehicular and driving standards.



SAFE BEHAVIOUR

Over the past twelve months, there has been extensive engagement with road users across the LCR, endeavouring to raise awareness of dangerous behaviours and promote techniques to ensure improved safety.

Focus has been placed on ensuring that educational initiatives are captivating, interactive, and reach as many different types of road users as possible.

Knowsley's extensive road safety education portfolio covers ages from pre-school to adulthood, with a multitude of topics and modes of transportation covered. To increase the safety of pre-school children, health visitors on behalf of Knowsley provided car seat advice and literature to parents of over two thousand three-year-olds within the borough. A road safety story book was also provided to every child within each of Knowsley's nurseries and schools, giving them a relatable and engaging tool to increase their awareness of road safety.

Each primary school within Knowsley is offered a full educational programme, with some education covering all school years, and some being year specific.



Pupils in year two received three interactive classroom sessions over a period of three weeks, focusing on safe crossing behaviour, personal responsibility, as well as distractions. Almost five hundred year six pupils attended the multi-agency Crucial Crew event, where a bus was used to demonstrate the issues of masking when crossing near a large stationary vehicle.

500 year six pupils attended the multi-agency Crucial Crew event.

This event tied into Knowsley's Pedestrian Safety around Buses Campaign, which launched in September 2023. The aim of the campaign was twofold; to raise awareness of pedestrian risk when crossing in front of a stationary bus, and to ask drivers to take extra care when passing or overtaking a stationary bus.

The campaign included bus rear adverts aimed at drivers, internal adverts on buses aimed at pedestrians, as well as adverts at bus shelters.

Wirral have conducted a Junior Travel Ambassador scheme, with the scheme enabling pupils to deliver peer-to-peer behaviour change initiatives and campaigns. These include active travel promotion, speeding awareness, parking surveys, as well as writing to and visiting residents.

The scheme gives pupils ownership of their environment and an opportunity to make real improvements to their school community. Another educational initiative surrounding schools is the parking around schools toolkit, which is sent to all schools, alongside a physical banner for the school gates.

The toolkit serves to remind motorists of the dangers which can arise from parking closely to a school, warning drivers that they could be putting children, including their own, at risk. Across the borough, there has been a total of five thousand children who have received road safety and active travel sessions, with ten schools achieving Modeshift accreditation. This award recognises schools that have demonstrated excellence in supporting cycling, walking and other forms of sustainable travel.

Also delivered within Wirral is the Engage scheme, aimed at equipping young and learner drivers with the skills and knowledge to be safer on the roads. Approved Driving Instructors (ADIs) within the Engage driver training programme undertake enhanced training and attend regular training sessions and seminars.

Wirral have created a suite of resources for driving instructors to utilise in their lessons, which can be accessed via the member portal of a website. Educational input is then delivered by the ADI to the learner, topics include vulnerable road users, speeding, peer pressure, driving under the influence, and fatigue.



Wirral Council's road safety team administrate Merseyside's BikeSafe programme.

The team provide the venue and clerical running of the programme, including processing finances and monitoring budgets to ensure the programme continues to be delivered effectively.

This collaborative approach is also delivered by Merseyside Police, Institute of Advanced Motorists (IAM), and the Royal Society for the Prevention of Accidents (ROSPA).

There have been approximately one hundred riders receiving further education on motorcycle safety within the last twelve months.

Emergency services also promote the Safe Behaviour Pillar, through engagement with the public, as well as attempts to influence road user behaviour via the use of technology. Merseyside Police's RPU led the force's participation in the National Police Chiefs' Council road safety campaigns.

Throughout the year, Merseyside Police have undertaken two national drink and drug driving campaigns, outperforming regional forces in both the number of tests completed and number of arrests. In the first three quarters of 2023, there has been 953 drink driving arrests and 1,932 drug driving arrests, amounting to 2,885 drivers arrested for drink & drug driving offences.

Merseyside Police have also significantly increased their pavement parking enforcement. In 2022, there was a total of 2,530 tickets issued for obstructive parking offences, which was a 13% increase on 2021.

At the halfway point in 2023, the force has already enforced 1,487 such offences. When comparing this year's current figure with the same stage in 2022, it is a substantial 150% increase.

Investments in social media usage has improved the number of platforms on which the RPU can distribute educational messages, with them currently utilising Instagram, Facebook, TikTok and X, with the latter platform having in excess of thirty thousand followers. Another tool being used is aerial photography, which is currently being deployed to prevalent KSI locations throughout the region to better capture and understand driver behaviour.

Merseyside Fire and Rescue Service (MFRS) have been heavily involved in the provision of safe behaviour engagement and promotion, with multiple events over the previous twelve months.

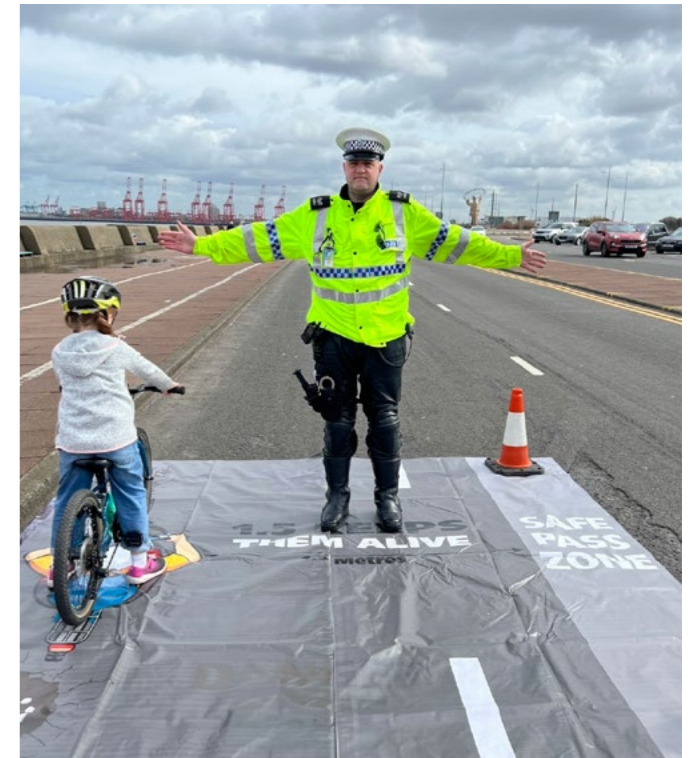
In the latter months of 2022, MFRS interacted with year five and six pupils during the LFC Primary Stars Event at Anfield, providing safety advice and support to pupils who would be making their own way to school.

In December, they worked alongside the Merseyside Road Safety Officers Group, to engage with the public at a Drink Drive and Morning After event, held at Liverpool One.

Throughout 2023, there has been a lot of education provided through innovation, with MFRS's virtual reality (VR) headsets proving to be an impactful and interactive experience, with almost fifty engagements with secondary school pupils occurring since the launch of the strategy. As well as targeting secondary schools, the VR headsets have also been utilised elsewhere, including the Fowler Academy.

The Fire Service attended the academy and engaged with young men who had been highlighted as having access to high performance cars through their lifestyle. They were shown a video through the VR headsets which accurately depicted a collision, prompting engagement and further discussion throughout the room.

The Combined Authority have secured grant funding of £651k, for Learn to Ride and Balance Bike. This will offer over fifteen thousand training places to children throughout the region, facilitating the improvement of their cycling skills.



In addition, £45k has been secured for the development of adult cycle skills and bike maintenance, with education being delivered by local community cycling groups and trainers.

Mersey Tunnels Police, who report to the Combined Authority, have also conducted important work in relation to the pillar, with multiple interventions over the past year.

In May, there were high visibility foot-patrols on Tunnel Toll Plazas, supporting the operational target for seatbelt use, focusing the campaign upon education and engagement with tunnel users through seatbelt checkpoints.

In July, there was an emphasis on using over-height vehicle detection equipment at the Liverpool entrance portal, to warn and inform tunnel users of restrictions.

In September, a week's focus was also dedicated to construction and use offences which was inclusive of MOTs and tyre safety.

POST CRASH RESPONSE

Effective post-crash response is multifaceted, with each facet being of equal importance.

When a crash does occur within the LCR, prompt and effective reaction is required, dispatching the right services to the right location, assisting those involved, as well as safeguarding the area to prevent further harm and ensure an uncontaminated scene to conduct thorough investigation.

Aside from the operational aspects of post-crash response, it is of the upmost importance to support and maintain relationships with the victims of road crashes.

In April 2023, it was with deep sadness that road safety partners throughout the LCR learnt of the passing of Pauline Fielding MBE. Pauline, who was a great ally of road safety within the region, not only worked in conjunction with the LCR, but also held them to account when she believed more could be done.

Pauline campaigned tirelessly to promote road safety, since the death of her cherished son, Andrew, who was killed in a collision whilst travelling to a football match with friends in 1994. Demonstrating unwavering courage and persistence, Pauline succeeded in having the speed limit on the road where her son died reduced from 60mph to 40mph.

Over the years, Pauline's work with RoadPeace has served as an inspiration to all, and despite suffering devastation in her own life, Pauline was a constant pillar of support to families who had experienced similar tragedies.



Pauline's work culminated in receiving an MBE in 2020, and fittingly, in March 2023, during her last RoadPeace meeting at Merseyside Police's new HQ, was presented with a commendation acknowledging her commitment and dedication to making the roads of Merseyside safer for more than two decades.

To honour Pauline's legacy, as well as supporting all victims of road crashes, Merseyside Police have committed to hosting future RoadPeace meetings at their Rose Hill HQ, continuing the respectful relationship that has lasted for many years.

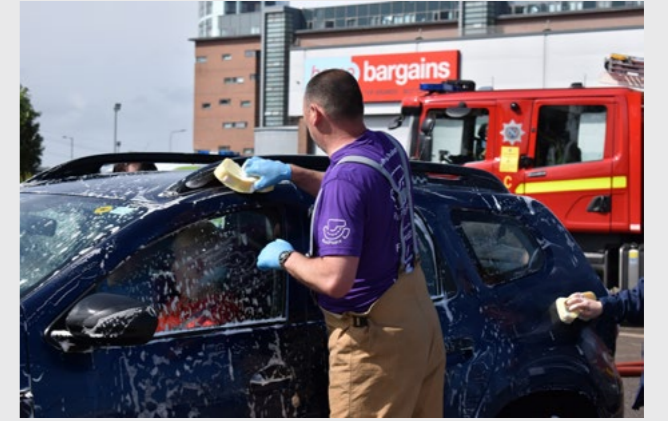
In May of 2023, members of Merseyside Police, Merseyside Fire and Rescue Service, the PCC's Office, and local authorities, took part in the RoadPeace challenge.

The challenge took place over multiple days, with the aim of attaining a combined total of 1760km travelled. This number was chosen as there had been 1,760 deaths on UK roads in the twelve months leading up to the challenge.

There were multiple contributions across the LCR, involving MFRS car washes, school fun runs, as well as treadmills and exercise bikes stationed outside Merseyside Police HQ, with Chief Constable Serna Kennedy and Chief Fire Officer Phil Garrigan taking part on the latter.

The challenge was a huge success, raising awareness of Roadpeace, as well as gaining sponsorship to add to the already significant £120,000 that the challenge had raised nationally over the past three years.

Over **£120,000** raised nationally over the past three years.

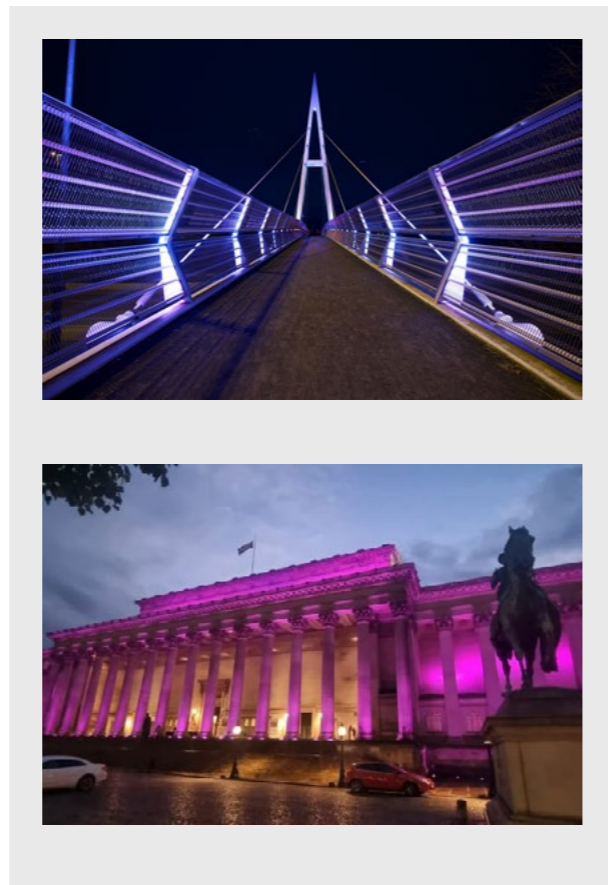




The month of August is National Road Victims Month, and August 31st is usually when RoadPeace hold their annual service of remembrance. However, this year, as a mark of respect to Pauline, the annual Northwest service was cancelled.

Although the remembrance service was not going ahead, the LCR wanted to show commemoration, solidarity, and support for road crash victims.

To do this, Merseyside Police, alongside multiple authorities within the LCR, decided to light up buildings throughout the region. Once approval and support were given from RoadPeace, it was decided upon that the colour of the lighting would be purple, the colour of their branding. Merseyside Police lit up their Rose Hill HQ, in Knowsley the Greystone footbridge was illuminated in Purple, and in Liverpool both the Town Hall and St. George's Hall shone purple too.



In 2022, Merseyside Police were winners of the Drivotech: Police Vision Zero Awards, with their Fitness to Drive scheme (FTD).

Working in partnership with the Bridgwater Community Healthcare Foundation Trust service Drive Ability Northwest, the initiative helps to support senior and vulnerable drivers who have been involved in a collision or committed a careless driving offence.

After an RTC occurs, which involves a senior or vulnerable driver, Merseyside Police will refer the driver to Drive Ability as an alternative to prosecution. Drive Ability Northwest will identify those who are safe to continue driving, those who need further skills training, and those who are no longer safe so need to retire from driving.

Since the launch of the strategy, Merseyside Police have referred around seventy motorists through the FTD scheme. Approximately a quarter of these motorists have been deemed unsafe to drive, with their licenses subsequently revoked.

On the back of FTD's success within Merseyside, Cheshire, Lancashire, and Greater Manchester Police are launching their own, working in partnership with Merseyside Police to adopt their best practice and ensure their own schemes are implemented in an expedient manor.

With the scheme being increasingly available throughout the Northwest, it will also help to prevent the likelihood of motorists from neighbouring regions being involved in collisions within the LCR. Whilst not strictly road safety, there is one other significant and positive consequence of FTD.

Through the senior driver assessments that have taken place, links have started to form with the identification of early onset dementia. Merseyside Police and Drive Ability will now work in partnership with Liverpool John Moores University to conduct further research into this area.

As Merseyside Police's named support service for bereaved families and those seriously injured on the road, Aftermath Support, a registered charity dedicated to helping road collision victims, has actively collaborated with LCR stakeholders to align its mission and services with the critical principles outlined within the Strategy.

Stemming from this collaborative approach are the 280 individuals and families throughout the LCR who have been supported by the Charity over the past year. Aftermath Support has seen a remarkable 75% surge in overall referrals, with a substantial 92% originating from Family Liaison Officers and Merseyside Police's Roads Policing Unit.

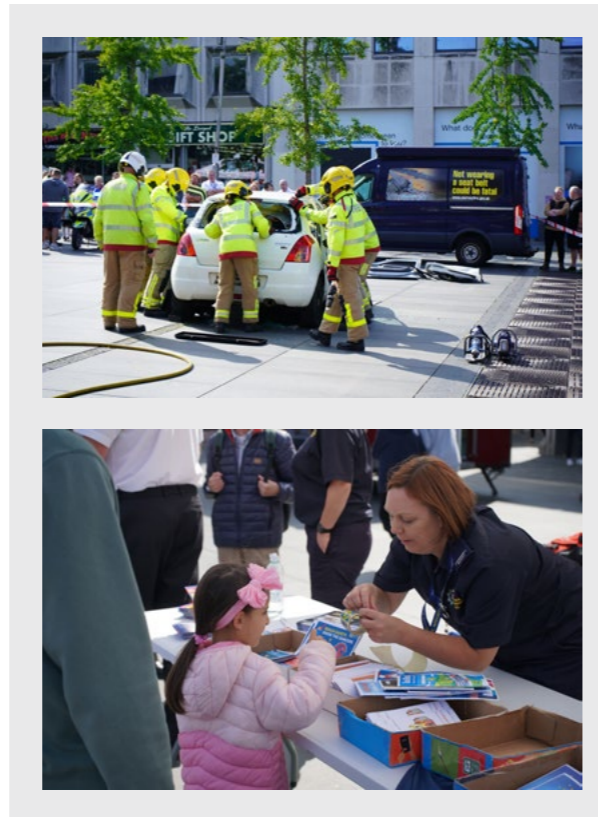
75% surge in overall referrals to Aftermath Support

This surge reflects the collective efforts to raise awareness of available post-collision support services, with a closer collaborative working relationship with RoadPeace, and alignment to the strategy's aim of providing immediate assistance to victims.

Of those who received support in the Liverpool City Region, a significant percentage reported personal achievements across emotional, practical, and knowledge-based domains.

These achievements contribute to the overarching goal of improving the well-being and resilience of those affected by road traffic collisions.

Both Aftermath Support and RoadPeace are also members of The Road Collision Victims' Support Group (RCVSG), chaired by DfT, for the development of a strategy for the improvement of support services for victims of road collisions, helping to amplify the voices of those affected in the LCR and wider Northwest region.



Another example of effective partnership working towards the pillar was demonstrated via MFRS's post-crash demonstration, held 25th August at Williamson Square, Liverpool.

With the location secured by Liverpool Council, MFRS were able to demonstrate to the public the destruction a collision can cause, whilst also showcasing how they efficiently navigate the complexities of a vehicle cut out. Whilst this event served to show the public the potentially life-saving work that takes place, it also gave them an opportunity to engage with road safety experts from across the LCR.

The event was attended by multiple partners, and throughout the day they interacted with people of all ages, answering questions, involving them in demonstrations of how drink/drugs can cause impairment, as well as distributing relevant merchandise, such as breathalysers and tyre tread gauges.

Merseyside's PCC, Emily Spurrell, was also in attendance, showing support and commitment to the ongoing work that happens across the LCR in relation to post-crash response.



CONCLUSION

Within the conclusion of the LCR Road Safety Strategy, it is mentioned that the deliverance of Vision Zero will require a step-change in the provision of road safety throughout the LCR.

Despite being in the initial stages of adapting to the new principles, this report has sought to demonstrate how the LCR has begun to take these important steps and realign their working practices to a Safe Systems approach.

There are some common themes within the annual report:

- The utilisation of multi-perspective intelligence to better understand road safety issues within the LCR.
- The innovative implementation and adaptation of numerous engagement, engineering, and enforcement solutions, which aim to tackle historical and emerging road safety problems throughout the region.
- A modern, multi-layered, active travel approach, which looks to secure road safety, but also provide infrastructures to encourage healthier lifestyles.
- Maintaining and creating effective, respectful, transparent relationships with the public, which serve to promote and achieve the Vision Zero philosophy.
- Working in partnership across the LCR, utilising diverse and rich skillsets, whilst ensuring all activity is relatable to the pillars outlined within the strategy.

Whilst the annual report highlights the above points, it is impossible to capture each and every piece of work that takes place as the LCR strives to meet Vision Zero.

Every day, emergency services, local authorities, and road safety experts within agencies, work tirelessly to ensure safer roads for everyone across the LCR.

With each iteration of the report, the LCR will endeavour to demonstrate a collective adaptation to the Safe Systems approach, enhanced partnership working, as well as delivery of contemporary innovations to improve road safety and promote active travel.

There is a determination that communities within the LCR will be able to experience tangible improvements to road safety, and where applicable authorities and agencies will work in conjunction with their communities to produce these solutions, whilst remaining amenable to challenge.

Vision Zero is an ambitious and challenging goal, but it is also one that the LCR are fully committed to achieving.

The Safe Systems approach, whilst still in its infancy, is creating a more cohesive approach to road safety throughout the region, with every initiative or infrastructural change justified in its attempts to reduce those killed or seriously injured on the roads.



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Report Title	Changes to the Constitution
Portfolio Holder	Portfolio Holder for Policy, Reform and Resources
Summary of report	The Combined Authority Constitution is reviewed on a regular basis. This report details a review undertaken over the autumn and makes recommendation for revisions.
Is this report exempt?	No
Is this a Key Decision	No
Is the report urgent	No
Is this decision to be exempt from call in	No
Local Authorities affected	(All Local Authorities);
Impact and implications of this report	
Financial impact	Yes, see paragraph 4.1
Delegation (s) sought	None
Supporting the Corporate Plan	A Fairer City Region ✓ A Stronger City Region ✓ A Cleaner City Region ✓ A Connected City Region ✓ A Vibrant City Region ✓
Climate Change Implications	No
Equality and Diversity implications	No
Social Value implications	No
Human Resources implications	No
Physical Assets implications	No
Information Technology implications	No
Legal implications	Yes, see paragraph 4.3
Risk and Mitigation	Yes, see paragraph 4.4
Privacy implications	No

Communication and consultation implications

No

Contact Officer(s)

Louise Outram Chief Legal Officer and Monitoring Officer,
louise.outram@liverpoolcityregion-ca.gov.uk

Appendices

Yes

- 1 – Proposed Changes to Part 3H – Standing Delegations to Officers
- 2 – Proposed Changes to Part 4A – Meeting Standing Orders
- 3 – Proposed Changes to Part 5B - Financial Procedure Rules
- 4 – Proposed Changes to Part 5C - Procurement and Contract Procedure Rules
- 5 – Proposed Changes to Part 5D - Land Procedure Rules

Background Documents

No

Liverpool City Region Combined Authority

Friday, 15 December 2023

Report of the Monitoring Officer and the Portfolio Holder for Policy, Reform and Resources

CHANGES TO THE CONSTITUTION

1. PURPOSE OF REPORT

- 1.1. To set out proposed amendments to the Combined Authority Constitution arising from a review of the document.

2. RECOMMENDATIONS

- 2.1. It is recommended that the Liverpool City Region Combined Authority approve the revised Constitution as set out in the appendices to this report.

3. BACKGROUND

- 3.1. Members are aware of the importance of a Constitution to any public sector organisation and also of the need to ensure that it is reviewed on a regular basis. The Constitution can be viewed on the [website](#).
- 3.2. As part of the annual approval of the Constitution and Scheme of Delegation, the Combined Authority agreed that further reviews would take place during the course of the 2023/24 municipal year. The review has focussed for the most part on the Financial Standing Orders set out in Part 5, although changes are proposed throughout the document to best reflect current practice, naming conventions and to correct typographical errors.
- 3.3. A summary of the recommended changes is set out in table 1.

Provision	Change proposed	Why is this necessary?
Throughout	Correction of minor typographical errors; changes to titles to reflect current designations; corrections to referencing to reflect previously agreed changes	To ensure the Constitution is comprehensible
Part 3 - Bodies of the Combined Authority and Responsibility for Functions		
Part H – Standing Delegations to Officers	Removal of duplicated delegations; changes to delegations to reflect previous changes to responsible executive directors	To remove ambiguity and potential overlap of responsibilities

Part 4 – Standing Orders		
A – Meeting Standing Order	Reordering of sections 7 (meeting agendas) and Sections 8 (Urgency Provisions) to create a separate section on Motions	This reflects good practice and makes these provisions clearer.
	Amend deadline for submission of Motions on Notice to 7 clear working days before the meeting	To bring this in line with the statutory deadlines for the publication of the agenda/ summons
	Amend clause 11.8 to ensure statements by the public are subject to the criteria applied to public questions set out at 11.6	To ensure consistency in the approach to public engagement and reduce the risk of exempt, confidential or defamatory information being shared in public.
Part 5 – Financial Standing Orders		
Part B – Financial Procedure Rules	<p>The Combined Authority’s financial instructions have been updated to replace the previous separate sets of financial instructions for Merseytravel and the Combined Authority. This updated composite document has been amended to better reflect the management structures and responsibilities within the Combined Authority and ensure consistency of treatment across all areas of financial management.</p> <p>References to the Head of Paid Services, Monitoring Officer and Directors has been amended to Directors and Heads of Services to make this more aligned with the treatment and provisions in the rest of the Constitution.</p>	The updated financial instructions incorporate a series of provisions that previously were explicit within the Merseytravel financial instructions, including provisions in respect of virements, internal control and risk and insurance, property and taxation. These additions reflect the fact that the way in which the organisation does business has changed and therefore it was felt more appropriate for these matters to be covered within the Combined Authority’s financial instructions.

Part C - Procurement and Contract Procedure Rule and Part D – Land Procedure Rules	As part of the procurement transformation programme, a review of the Procurement and Contract Procedure Rules and Land Procedure Rules has been undertaken. The aim of the review was to ensure that bureaucracy is minimised whilst providing sufficient management of risk associated with procuring goods, services and works and entering into land transactions.	The amendments that have been made to the Procurement and Contract Procedure Rules and Land Procedure Rules are to ensure they are clear, efficient and reliable governance procedures.
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- 3.4. A ‘tracked’ version of those parts of the Constitution with material changes proposed are set out at Appendix 1-5 of the report.
- 3.5. These amendments to the Constitution were considered and endorsed without amendment by the Combined Authority’s Audit and Governance Committee on 1st December 2023. They are commended for approval.

4. IMPACT AND IMPLICATIONS

4.1. Financial

- 4.1.1. The changes proposed to the financial instructions reflect the current practices of the organisation and ensures more consistency in the approach to the management of public resources.

4.2. Supporting the Corporate Plan

- 4.2.1. An effective Constitution that is regularly reviewed and updated contributes to all aspects of the delivery of the Corporate Plan and is part of the governance framework.

4.3. Legal

- 4.3.1. It is essential that any public body has an effective Constitution and that this is reviewed on a regular basis. Changes proposed ensure that the Constitution reflects current legislative requirements.

4.4. Risks and Mitigation

- 4.4.1. There is a risk that not keeping the Constitution up to date would be detrimental to the principle of ensuring that the aims of good governance are given full effect. Regular review of the Constitution and consideration by the Combined Authority and its Audit and Risk Committee mitigates that risk.

5. CONCLUSION

- 5.1. The recommendations contained in the report will ensure that the Combined Authority Constitution remains up to date and fit for purpose.

LOUISE OUTRAM
Monitoring Officer

MAYOR STEVE ROTHERAM
Portfolio Holder for Policy, Reform and
Resources

Appendices:

Appendix 1 – Proposed Changes to Part 3H – Standing Delegations to Officers

Appendix 2 – Proposed Changes to Part 4A – Meeting Standing Orders

Appendix 3 – Proposed Changes to Part 5B - Financial Procedure Rules

Appendix 4 – Proposed Changes to Part 5C - Procurement and Contract Procedure Rules

Appendix 5 – Proposed Changes to Part 5D - Land Procedure Rules

Background Documents:

None

PART 3 – SECTION H

STANDING DELEGATIONS TO THE HEAD OF PAID SERVICE, EXECUTIVE DIRECTORS AND MONITORING OFFICER

CONTENTS

No.	Section
1.	General Principles
2.	General Delegations to, Head of Paid Service, <u>Executive</u> Directors and Monitoring Officer
3.	Delegated Powers of the Head of Paid Service
4.	Delegations to the Treasurer
5.	Delegations to the Monitoring Officer
6.	Delegations to Merseytravel

H. **STANDING DELEGATIONS TO THE HEAD OF PAID SERVICE, EXECUTIVE DIRECTORS AND THE MONITORING OFFICER**

1 **General Principles**

- 1.1 The Combined Authority and the ~~Metro~~-Mayor may choose to delegate any of the Combined Authority's functions to Officers of the Combined Authority.
- 1.2 Powers delegated to the Head of Paid Service, Executive Directors, and the Monitoring Officer, may be exercised by other Officers if the relevant person i.e. The Head of Paid Service, Executive Director or the Monitoring Officer has further delegated that power, but this must be properly recorded and capable of being evidenced. The Head of Paid Service, Executive Directors and the Monitoring Officer of the Combined Authority may work where appropriate in consultation with the relevant Chief Executives of the Constituent Councils.
- 1.3 The exercise of delegated powers by Officers shall be in accordance with the principles of decision-making which the Combined Authority follows and in accordance with the requirements of the Constitution.
- 1.4 The Head of Paid Service, Executive Directors and the Monitoring Officer are not obliged to exercise delegated powers if they believe circumstances are such that the powers should more appropriately be exercised by the Combined Authority or one of its Committees.
- 1.5 Where delegated powers are exercised, the Head of Paid Service, Executive Directors and the Monitoring Officer, should ensure that the decisions taken are appropriately recorded.
- 1.6 The Head of Paid Service, Directors the Monitoring Officer and Officers more generally within both the Combined Authority and Merseytravel have the benefit of an electronic means of recording Delegated Decisions.
- 1.7 Where delegated powers are specific to the Head of Paid Service, the Treasurer (Section 73 Officer) and the Monitoring Officer, these delegations are shared responsibilities which any one of the three Statutory Officers can carry out in the absence of the Statutory Officer initially named as carrying out the responsibility. In addition, the Deputy Officers for the Section 73 Officer and the Monitoring Officer can also act in their place.
- 1.8 Where a delegation is made to an Officer in consultation with a Member of the Combined Authority, an Officer must and should conduct that consultation. There will be a priority that the consultation is undertaken with the relevant Portfolio Holder(s) in the first instance. In the absence of the Portfolio Holder(s) the consultation must be undertaken with the Deputy Portfolio Holder(s) and in their absence the ~~Metro~~-Mayor.

2 General Delegations to the Head of Paid Service, Executive Directors and the Monitoring Officer

- 2.1 The day-to-day routine, management, supervision and control of services provided on behalf of the Combined Authority relating only to the functions for which they are responsible.
- 2.2 Within the scope of their delegations, the exercise of powers in relation to Low Value Procurements as set out in the Procurement and Contract Procedure Rules, subject to compliance with any guidance issued by the Treasurer.
- 2.3 Within the scope of their delegations, the acceptance of tenders in accordance with the provisions of the Procurement and Contract Procedure Rules.
- 2.4 Within the scope of their delegations, the power to set up Boards on an informal basis for the purpose of promoting economic development and regeneration in the Liverpool City Region. The Head of Paid Service, Executive Directors and the Monitoring Officer, in respect of any Board will determine its membership. In particular, the Head of Paid Service, Executive Directors and the Monitoring Officer, will have the power to co-ordinate the work of the relevant Board with a view to furthering the aims and ambitions of the Combined Authority. Any Board established under this power will not itself have decision-making powers and the Head of Paid Service, Executive Directors and the Monitoring Officer, will be responsible for ensuring that the work of the Board is, in appropriate circumstances, referred to the Combined Authority for consideration and approval.
- ~~2.5 To update and/or amend the Combined Authority Constitution as may be required for legal and/or factual accuracy so long as such updates/amendments are reported to the next available meeting of the Combined Authority.~~
- ~~2.65~~ The Director of Policy, Strategy and Government Relations and Strategic Commissioning will review and respond to any planning enquiries which are received by the Combined Authority and/or Merseytravel.
- ~~2.76~~ Authority be delegated to the Executive Director of Investment and Delivery to approve expenditure within the approved project budget up to the value of £1 million for any single item. Expenditure decisions in excess of £1 million will be determined in consultation with the relevant Portfolio Holder ~~for Low Carbon and Renewable Energy~~.
- ~~2.78~~ Authority be delegated to the Executive Director – Place (Deputy Chief Executive) to be able to exercise any delegation or power on behalf of/in place of the Head of Paid Service.
- ~~2.89~~ Authority be delegated to each of the Combined Authority’s Executive Directors, to sign off Subsidy Control Assessments on behalf of the Combined Authority, in consultation with the Monitoring Officer.

3 Delegated Powers of the Head of Paid Service

- 3.1 The functions of the Head of Paid Service as set out in the Local Government and Housing Act 1989.
- 3.2 The discharge of any function not reserved to the Combined Authority or delegated to any Committee or Officer.
- 3.3 The discharge of any function delegated to another Officer where that Officer is absent or otherwise unable to act.
- 3.4 The taking of any action which is required as a matter of urgency or which cannot reasonably await consideration at the next scheduled meeting of the Combined Authority where such action is necessary in the view of the Head of Paid Service to protect the interests of the Combined Authority and where practicable the Head of Paid Service has consulted in the first instance with the Portfolio Holder and in their absence, the Deputy Portfolio Holder and in their absence the ~~Metro~~-Mayor.

In the absence of the Head of Paid Service, one of the following staff acting in consultation with one other staff member from the following persons can exercise this delegation:-

- ~~Executive~~ Directors;
 - Treasurer (Section 73 Officer); and
 - Monitoring Officer
- 3.5 To make such arrangements as are necessary for the organisation of meetings of the Overview and Scrutiny Committee, Appointments and Disciplinary Committee, Audit and Governance Committee and the Transport Committee and any Sub-Committees, including determining requests to record or film such meetings.
 - 3.6 To exercise the responsibilities assigned to the Head of Paid Service which are set out in the Constitution.
 - 3.7 To determine applications from adjacent local authorities to become associate Members, subject to consultation with the ~~Metro~~-Mayor ~~and or they Deputy Metro Mayor~~.
 - 3.8 The provision of a response to any Government consultation, subject to consultation with the ~~Chair~~Mayor.
 - 3.9 The co-ordination of public relations for the Combined Authority, including the approval of press releases on behalf of the Combined Authority.
 - ~~3.10 To update and/or amend the Combined Authority Constitution as may be required for legal and/or factual accuracy, so long as such~~

~~updates/amendments are reported to the next available meeting of the Combined Authority.~~

- 3.11 The employment functions listed at Part 3, Section F, paragraph 5.1 in respect of:
- (a) those Officers of the Combined Authority referred to at 5.1(a), save for the role the Head of Paid Service itself, where those positions are to be or have been filled on an interim or temporary basis only; and
 - (b) any Officer of the Combined Authority other than those referred to at paragraph 5.1(a).
- 3.12 The Head of Paid Service, or their appointed nominee may make decisions concerning companies in which the Combined Authority is or is proposed to become a shareholder in the present of the Shareholder Board.
- 3.13 The ~~Head of Paid Service Chief Executive~~ may cancel or postpone any meeting, in consultation with the ~~Metro~~ Mayor or ~~Deputy~~ Metro Mayor and the Monitoring Officer, prior to the issue of the agenda or subsequently, if there is no business to be transacted, or if there are exceptional circumstances.
- 3.14 The ~~Head of Paid Service Chief Executive~~, in consultation with the ~~Metro~~ Mayor and the Monitoring Officer may sign off Subsidy Control Assessments for subsidies that are subject to referral to the National Subsidy Advice Unit.

4 Delegations to the Treasurer

- 4.1 To affect the proper administration of the Combined Authority's financial affairs, particularly in relation to financial advice, procedures, records and accounting systems, internal audit and financial control generally.
- 4.2 The taking of all action required on borrowing, investment and financing, subject to the submission to the Combined Authority of an annual report of the Treasurer on treasury management activities and at 6-monthly intervals in accordance with CIPFA's Code of Practice for Treasury Management and Prudential Codes.
- 4.3 To effect all insurance cover required in connection with the business of the Combined Authority and to settle claims under such insurances, where this is appropriate, for the benefit of the Combined Authority.
- 4.4 To accept grant offers on behalf of the Combined Authority, subject to all the terms and conditions set out by the grant awarding body.
- 4.5. The submission of all claims for grant to the UK Government or the European Community (EC) or any other third party.
- 4.6 To make all necessary banking arrangements on behalf of the Combined Authority to sign all cheques drawn on behalf of the Combined Authority or

make arrangements for cheques to be signed by other Officers or to arrange for such cheques to bear the electronic signature of the Treasurer.

- 4.7 To monitor capital spending and submit a report to the Combined Authority at not more than quarterly intervals. This report will separately identify the capital expenditure relating to schemes promoted by Merseytravel.
- 4.8 In relation to revenue expenditure under the control of the Head of Paid Service, Executive Directors and the Monitoring Officer, to consider reports of Officers on any likely overspending, and to approve transfers between expenditure heads, up to a maximum of £25,000.
- 4.9 The approval of contracts and agreements proposed to be entered into by the Combined Authority provided that, subject to any other requirement of this Constitution, the Treasurer may give a general consent to the Head of Paid Service, Executive Directors and the Monitoring Officer, to enter into contracts or agreements, the value of which does not exceed £2150,000.
- 4.10 The collection of all money due to the Combined Authority and the writing-off of bad debts in accordance with the Financial Procedure Rules.
- 4.11 To supervise procedures for the invitation, receipt and acceptance of tenders.
- 4.12 To administer the Members' Allowance Scheme.
- 4.13 To discharge the functions of the 'responsible financial Officer' under the Accounts and Audit (England) Regulations 2011, including the requirement under Regulation 8(2) to sign and date the statement of accounts, and certify that it presents a true and fair view of the financial position of the Combined Authority at the end of the year to which it relates, and of the Combined Authority's income and expenditure for that year.
- 4.14 To discharge the functions of the Combined Authority under the Accounts and Audit (England) Regulations 2011 (with the exception of regulations 4(3), 6(4) and 8(3)).
- 4.15 To be the Officer nominated, or to nominate in writing another Officer, as the person to receive disclosures of suspicious transactions for the purposes of the Proceeds of Crime Act 2002 and any regulations made thereunder.
- 4.16 To determine an amount (not exceeding £5,000) being the maximum sum which the Combined Authority will receive in cash without the express written consent of the Treasurer.
- 4.17 To exercise the responsibilities assigned to the Treasurer which are set out in the Constitution.
- 4.18 To take all necessary steps to manage and safeguard any shareholdings that the Combined Authority owns in a company including, but not limited to

granting permissions, giving consents, and compliance with the Company Act 2016 requirements and any associated requirements.

- 4.19 In relation to the Freeport project, to approve Custom Site Operators applications subject to recommendations from the Freeport Director and the decision of the Freeport Board.
- 4.20 In relation to the Freeport project, to approve a Freeport Project or Programme, Programme Investment (skills and innovation) subject to recommendations from the Freeport Director and the decision of the Freeport Board and subject to the Combined Authority Assurance Process.
- 4.21 In relation to the Freeport project, to give effect to the Freeport Board's determination in respect of discretionary benefits associated with the Freeport, in particular the relief from business rates.

5 Delegations to the Monitoring Officer

- 5.1 The functions of the Monitoring Officer set out in the Local Government and Housing Act 1989.
- 5.2 To receive complaints that any Member has failed to comply with the Code of Conduct for Members.
- 5.3 To determine whether to reject, informally resolve or investigate any complaint received, referred to in 5.2 above, and to take such action as is necessary to implement that determination.
- 5.4 To prepare and maintain the Combined Authority's Register of Members' Interests and have it available for inspection as required by the Localism Act 2011.
- 5.5 To determine requests from Members for dispensations pursuant to the provisions of the Localism Act 2011, subject to the right of appeal by a Member of the Audit and Governance Committee in the case of a refusal.
- 5.6 To institute, defend or participate in any legal proceedings in any case where such action is necessary to give effect to decisions of the Combined Authority, or in any case where the Monitoring Officer considers that such action is necessary to protect the Combined Authority's interests.
- 5.7 To settle any threatened legal proceedings where it is in the Combined Authority's interests to do so.
- 5.8 To instruct Counsel and professional advisers as appropriate.
- 5.9 To provide undertakings on behalf of the Combined Authority.
- 5.10 To supervise the preparation and completion of legal documents and processes necessary to give effect to the decisions of the Combined Authority.

- 5.11 To determine whether exemptions should be applied to requests made under the Freedom of Information Act 2000 and the Environmental Information Regulations 2004.
- 5.12 To accept service of legal documents on behalf of the Combined Authority.
- 5.13 To sign certificates under the Local Government (Contracts) Act 1997.
- 5.14 To oversee and ensure the authentication of documents in the following manner:-
- (a) where any document is necessary to any legal procedure or proceedings on behalf of the Combined Authority, it will be signed by the Monitoring Officer or some other person duly authorised by the Combined Authority or the Monitoring Officer, unless any enactment otherwise authorises or requires;
 - (b) contracts will be entered into in accordance with the Combined Authority's Procurement and Contract Procedure Rules set out in Part 5 of the Constitution, unless the Combined Authority has delegated the function to a Constituent Council or Merseytravel, in which case the Procurement and Contract Procedure Rules of such body shall be adhered to; and
 - (c) land transactions will be entered into in accordance with the Combined Authority's Land Procedure Rules set out in Part 5 of the Constitution, unless the Combined Authority has delegated the function to a Constituent Council or Merseytravel, in which case the Land Procedure Rules of such body shall be adhered to.
- 5.15 To hold responsibility for the holding and application of the Common Seal of the Combined Authority in the following manner:
- (a) the Common Seal of the Combined Authority will be kept in a safe place in the custody of the Monitoring Officer;
 - (b) a decision of the Combined Authority, or any part of it, will be sufficient authority for sealing any document necessary to give effect to the decision and the Common Seal will be affixed to those documents which, in the opinion of the Monitoring Officer, should be sealed; and
 - (c) the affixing of the Common Seal will be attested by the Monitoring Officer or some other person authorised by the Monitoring Officer.
- 5.16 To exercise any other responsibilities attributed to the Monitoring Officer as may be set out in the Constitution and in legislation.

- 5.17 The Monitoring Officer will monitor and review the operation of the Constitution to ensure that the aims and principles of the Constitution are given full effect.

A key role for the Monitoring Officer is to be aware of the strengths and weaknesses of the Constitution adopted by the Combined Authority, and to make recommendations for ways in which it could be amended in order to better achieve the purposes set out above. In undertaking this task the Monitoring Officer may:

- a) observe meetings and different parts of the Members and Officer structure;
- b) undertake an audit trail of a sample of decisions;
- c) record and analyse issues raised with him/her by Members, Officers, the public and other relevant stakeholders; and
- d) compare practices in this Authority with those in other comparable authorities or national examples of best practice.

~~5.18 Unless specifically stated otherwise references throughout this Constitution to the Monitoring Officer shall mean the Monitoring Officer.~~

- 5.198. To update and/or amend the Combined Authority Constitution as may be required for legal and/or factual accuracy so long as such updates/amendments are reported to the next available meeting of the Combined Authority.

~~5.1920 That Post Annual Meeting and upon notice from the Constituent Council, To appoint that the replacement of Members on either the Combined Authority or alternatively, on its Committees, following the Annual Meeting and upon notice from the Constituent Council, be actioned swiftly and without the direct approval of the Combined Authority (i.e. waiting for the next meeting.) This delegation to be exercised by the Monitoring Officer, in consultation with the Metro Mayor, or the Chair of the relevant Committee as appropriate, to action the resolution from the Constituent Council.~~

6 Delegations to Merseytravel

- 6.1 Merseytravel, as the statutory Passenger Transport Executive (PTE), is the executive body of the Combined Authority in relation to its transport functions, established for the purposes of Part 5 of the Local Transport Act 2008 and Part 6 of the Local Democracy, Economic Development and Construction Act 2009.
- 6.2 As a body corporate, Merseytravel is to be treated by the Combined Authority in arrangements for the discharge of functions as if it were an Officer of the Combined Authority and the functions and responsibilities as exercised by Merseytravel are to be interpreted accordingly.

- 6.3 Where arrangements are in force for the discharge of functions of a Constituent Council by the Combined Authority by virtue of:-
- (a) section 101(1)(b) of the Local Government Act 1972; or
 - (b) section 9EA of the Local Government Act 2000 and the Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2012,
- 6.4 Merseytravel has power to discharge any function which is the subject of arrangements entered into with it by virtue of paragraphs [6.1](#), [6.2](#) and [6.33](#) above. The following are specifically delegated to Merseytravel as an Officer of the Combined Authority:-
- (a) to provide advice to the Combined Authority to enable development of policies for the promotion and encouragement of safe, integrated, efficient and economic transport to, from and within the Liverpool City Region;
 - (b) to secure the implementation of the [Combined](#) Authority's transport policies and the LTP;
 - (c) to appoint Officers to act as law enforcement Officers in respect of the Mersey Tunnels as provided for by the County of Merseyside Act 1980;
 - (d) to enforce the County of Merseyside Act 1980 and the Mersey Tunnels Bylaws 2003;
 - (e) to provide and operate the concessionary travel scheme as determined by the [Combined](#) Authority;
 - (f) to provide travel information as determined by the Combined Authority;
 - (g) to recover and account for tolls revenue on behalf of the Combined Authority; and
 - (h) to issue fixed penalty notices in respect of offences under the Mersey Tunnel Byelaws 2003.

Section A

Meetings Standing Orders

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2.	Suspension and Revocation of the Meeting Standing Orders
3.	Chairing of Meetings
4.	Meetings
5.	Admission of the Public
6.	Notice of Meetings
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8.	Urgency Procedure for inclusion of late items onto the agenda for meetings of the Combined Authority
<u>9.</u>	<u>Motions on Notice</u>
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<u>12.41.</u>	<u>Public Engagement</u> - Questions, Statements and Petitions
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1. Interpretation, Suspension and Chair's Ruling

- 1.1 These Standing Orders apply to meetings of the Combined Authority and, where appropriate, to meetings of Committees and Sub-Committees of the Combined Authority. Any reference to Combined Authority in these Standing Orders also refers to Committees and Sub-Committees.
- 1.2 References in these Standing Orders to the "Chair" means:-
- the Metro-Mayor;
 - the Deputy Mayor (in the absence of the Metro-Mayor; and
 - the person appointed to preside in respect of that meeting in accordance with paragraph 3 below:-.
- 1.3 Reference in these Standing Orders to the 'Vice-Chair' means:
- the Deputy Metro-Mayor; or
 - the person appointed to ~~preside in respect of that meeting in accordance with paragraph 1.4 below~~ that position in the absence of a Deputy Mayor
- 1.4 These Standing Orders should be read in conjunction with other parts of the Combined Authority's Constitution.
- 1.5 *****These Standing Orders indicated with **** are subject, in whole or in part as indicated, to a statute or other enactment whether passed before or after these Standing Orders came into effect.*
- 1.6 The ruling of the Chair on the interpretation of these Standing Orders in relation to all questions of order and matters arising in debate shall be final.

2. Suspension and Revocation of the Meeting Standing Orders

- 2.1 ******With the exception of the Standing Orders marked by an asterisk (**) any Standing Order may be suspended at a meeting of the Combined Authority either by a motion included on the agenda or by a motion put to the meeting without notice and passed by a majority of those present and voting. A motion to suspend any Standing Orders will not be moved without notice unless at least 4 Members of the Combined Authority are present.
- 2.2 Standing Orders may be changed by the Combined Authority, which will be subject to a unanimous vote, either at the Annual Meeting or by a motion on notice made at a meeting of the Combined Authority.

3 Chairing of Meetings

- 3.1 ****** The Combined Authority Metro-Mayor ('the Metro-Mayor') or, in his or her absence, the Deputy Metro-Mayor shall chair all meetings of the Combined Authority whenever he or she is present.

3.2 In respect of all other Committees, meetings or Task and Finish Groups, the Chair and Vice-Chair shall be appointed in accordance with the respective provisions of Part 3 of this Constitution (Bodies of the Combined Authority).

3.3 In all other instances, in the absence of the Chair and Vice-Chair, the meeting shall appoint another Member to chair the meeting.

3.4 The Chair (or the Vice Chair or any other Member presiding in the absence of the Chair or Vice Chair) shall not have a casting vote on any issue.

4 Meetings

4.1 **The Annual Meeting of the Combined Authority shall be held in May or June on a date and at a time determined by the Combined Authority.

4.2 **Ordinary meetings of the Combined Authority for the transaction of general business shall be held on such dates and at such times as the Combined Authority shall determine at its Annual Meeting.

4.3 **An Extraordinary Meeting of the Combined Authority may be called at any time by:-

- (a) the **Metro**-Mayor;
- (b) the Monitoring Officer; or
- (c) any five Members of the Combined Authority if they have signed a requisition presented to the **Metro**-Mayor and he/she has refused to call a meeting or has failed to call a meeting within seven days of the presentation of the requisition.

5 Admission of the Public

5.1 **All meetings of the Combined Authority, its Committees and Sub-Committees shall be open to the public (including the press) except to the extent that they are excluded whether during the whole or part of the proceedings either:

- (a) In accordance with Section 100A(2) of the Local Government Act 1972; or
- (b) By resolution passed to exclude the public on the grounds that it is likely, in view of the nature of the proceedings, that if members of the public were present there would be disclosure to them of exempt information as defined in Section 101 of the Local Government Act 1972. Any such Resolution shall identify the proceedings or the part of the proceedings to which it applies and state the description, in terms of Schedule 12A to the Local Government Act 1972 of the exempt information giving rise to the exclusion of the public.

6 Notice of Meetings

- 6.1 **At least five clear working days before a meeting of the Combined Authority:
- (a) notice of the date, time and place of the intended meeting shall be published by the Head of Paid Service and posted on the Combined Authority's website; and
 - (b) a summons to attend the meeting, specifying an agenda for the meeting, shall be sent to all Members of the Combined Authority by electronic mail.
- 6.2 **Lack of service on a Member of the Combined Authority of the summons shall not affect the validity of a meeting of the Combined Authority.

7 Meeting Agendas

- 7.1 The ~~Metro~~ Mayor will decide upon the agenda for the meetings of the Combined Authority. The ~~Metro~~ Mayor may put on the agenda of any meeting any matter which the he/she wishes.
- 7.2 **Any Member of the Combined Authority may require the Head of Paid Service to ensure that an item is placed on the agenda of the next available meeting of the Combined Authority for consideration.

7.3 The Head of Paid Service shall set out in the agenda for each meeting of the Combined Authority, the items of business requested by Members (if any) in the order in which they have been received, unless the Member concerned has given prior written notice to the Head of Paid Service prior to the issue of the agenda for the meeting, for it to be withdrawn. If the Member concerned is not present at the meeting when an item of which they have given notice comes up for discussion, this item shall, unless the Combined Authority decides otherwise, be treated as withdrawn.

Commented [JV1]: Moved from 8.2

7.4 Except in the case of business required by these Standing Orders to be transacted at a meeting of the Combined Authority, and other business brought before the meeting as a matter of urgency (and of which the Head of Paid Service shall have prior notice and which the Chair considers should be discussed at the meeting in accordance with paragraph 8.1 below), no business shall be transacted at a meeting of the Combined Authority other than that specified in the agenda for the meeting.

Commented [JV2]: Moved from 8.4

8 Urgency Procedure for the inclusion of late items to be put onto the agenda for meetings of the Combined Authority.

- 8.1 Any item proposed to be included on the agenda for any meeting of the Combined Authority in accordance with sub-paragraph 7.2 above, which is not submitted in writing before 7 working days of the meeting, shall not be included on the agenda for that meeting unless it is agreed by the Chair. In this case the amended agenda for the meeting will state the reason for the late acceptance of any such item.

~~Further to the current motions procedure that is detailed in the Constitution at Part 4, Section A, paragraphs 8.3 and 13 the following are suggested as enhancements to ensure that the process for the submission of motions and amendments is open and transparent:~~

9 Motions on Notice

8.39.1 Submission of motions:-

~~(a) Except for motions which can be moved without notice under paragraph 13, written notice of every motion must be delivered to the Monitoring Officer no later than 5pm ~~four-seven~~ clear working days before the date of the meeting. These will be open to public inspection. For example by 5pm on the ~~Monday-Wednesday~~ of the week ~~when-before~~ the Combined Authority meeting takes place on the Friday (i.e. this deadline will ~~match-ensure~~ that ~~of the submission of public questions~~ the motion is included on the agenda in accordance with the Access to Information Rules).~~

Commented [JV3]: Moved from (c)

~~(a)(b)~~ A motion or amendment to rescind a decision made at a meeting of the Combined Authority within the previous six months cannot be moved unless notice of the motion is signed by at least three members.

~~(b)(c)~~ A motion or amendment in similar terms to one which has been rejected by the Combined Authority in the previous six months cannot be moved unless the notice of motion or amendment is signed by at least three members.

~~In urgent cases, motions will be allowed to be tabled at the meeting as is the case currently.~~

9.2—Competency of motions

~~(da)~~ Once received the motions will be judged by the Monitoring Officer on their competency, and if appropriate, then they will be circulated to Members as part of ~~a supplementary~~ the ~~-agenda on the Wednesday before the day of the meeting. This report will also contain the public questions that are deemed competent.~~

~~(b)~~—The Monitoring Officer may, after consultation with the Member, who has submitted a notice of motion or proposed amendment amend the wording of the motion /amendment, either for the purpose of

clarification or to ensure that it does not offend the requirements of competency.

9.3 Absence of Member who has submitted a notice of motion

(ae) A notice of motion or proposed amendment shall not be competent for debate by the Combined Authority if the Member who gave notice of his/her intention to move it is unable to do so because of his/her absence or otherwise (part 4 section A paragraph 78.23).

(b) If the Member who intended to second the motion is unable to do so because of his/her absence or otherwise; the Member who gave notice of his/her intention to move has the right to find another seconder at the meeting.

9.4 The process for the submission of motions and amendments is attached as a flowchart at the end of this section within the Constitution.

~~8.4 Except in the case of business required by these Standing Orders to be transacted at a meeting of the Combined Authority, and other business brought before the meeting as a matter of urgency (and of which the Head of Paid Service shall have prior notice and which the Chair considers should be discussed at the meeting), no business shall be transacted at a meeting of the Combined Authority other than that specified in the agenda for the meeting.~~

910. Quorum

910.1 Except where otherwise stated in Part 3 of this Constitution, no business shall be transacted at any meeting of the Combined Authority unless at least 4 of the Members or Substitute Members appointed by the Constituent Councils are present.

910.2 If at the time for which a meeting is called, and for 15 minutes thereafter, a quorum is not present, then no meeting shall take place.

910.3 If during any meeting of the Combined Authority the Chair, after counting the number of Members present, declares that there is not a quorum present, the meeting shall stand adjourned to a time fixed by the Chair. If there is no quorum and the Chair does not fix a time for the reconvened meeting, the meeting shall stand adjourned to the next ordinary meeting of the Combined Authority.

101. Order of Business

110.1 At every meeting of the Combined Authority the order of business shall be to select a person to preside if the Chair or Vice-Chair is absent and thereafter shall be in accordance with the order specified in the agenda for the meeting, except that such order may be varied -

- (a) by the Chair at his/her discretion; or
- (b) on a request agreed to by the Combined Authority.

101.2 The Chair may bring before the Combined Authority at their discretion any matter that they consider appropriate to bring before the Combined Authority as a matter of urgency. If such an urgent item is brought before the Combined Authority, then an explanation for the urgency shall be provided either as part of a report or recorded in the minutes of the meeting.

142. Public Engagement - Questions, Statements and Petitions

Questions

142.1 There will be an opportunity for a period of 30 minutes in total for public questions engagement at meetings of the Combined Authority.

142.2 Subject to these Standing Orders, members of the public addressing a meeting will be permitted to speak for up to 5 minutes per person (less if more than 6 people wish to speak).

Questions

142.3 Up to 2 questions may be asked by a member of the public of the Metro Mayor (which may be referred to a the Deputy Metro Mayor or Member with the relevant portfolio) and submitted to the meeting, only if

- (a) notice has been given, by delivering it in writing or by electronic mail to the Monitoring Officer no later than 5.00 p.m. on the Monday in the week of the meeting of the Combined Authority, at which it is to be asked;
- (b) each question must give the name and address of the questioner and must identify the person to whom it is wished to be put; and
- (c) the questioner lives, works or studies in the Liverpool City Region

142.4 Questions will be asked in the order in which they are received, except that the Chair may group together similar questions and determine whether to take a supplementary question. A supplementary question must arise directly out of the original question or the reply.

142.5 Replies to questions will, where possible be given verbally. If a reply cannot be given at the meeting (including due to lack of time) or if written confirmation of the verbal reply is requested by the questioner, a written reply will be provided within 10 working days of the meeting.

142.6 The Monitoring Officer may reject a question if it does not apply to the following:-

:

- (a) matters which are not directly related to the Combined Authority's functions;
- (b) matters which do not directly relate to the Combined Authority or the Liverpool City Region;

- (c) matters which are better addressed to a Constituent Council (or other relevant authority);
- (d) matters outside the remit of the Committees of the Combined Authority;
- (e) matters which concern an individual's circumstances where it would be inappropriate for details to be aired in public;
- (f) any business or contractual matter considered to be under negotiation or otherwise commercially sensitive;
- (g) any matter that may require the disclosure of confidential or exempt information;
- (h) allegations against individual Members or Officers of the Combined Authority, its Committees or a Constituent Council (in these cases the Combined Authority or relevant body's complaints or code of conduct procedures should be used); or
- (i) any defamatory, frivolous or offensive submissions.

Statements and Petitions

124.7 A single petition or statement may be submitted by a Member of the public who lives, works or studies in the Liverpool City Region provided that notice is given in writing or by electronic mail to the Monitoring Officer (and includes their name and address and details of the wording of the petition, and in the case of a statement, a copy of the submission), by no later than 5.00 pm on the Monday in the week of a meeting of the Combined Authority at which it is to be asked, may present a petition or submit a statement at ordinary meetings. Statements and petitions submitted must comply with the criteria set out in 11.6 above

142.8 Statements, provided they are of reasonable length and submitted to the Monitoring Officer within time, will be copied and circulated to all Members of the Combined Authority and will be made available to the public attending the meeting by not later than one hour before the meeting. If requested, a written reply will be provided within 10 working days following the Combined Authority meeting.

124.9 Petitions will be received without debate but, after receiving a petition with no less than 2,000 signatures, the petition will be referred for further consideration to a future meeting, the ~~Metro~~-Mayor or Member with portfolio, Committee or Officer of any other person as the Chair considers appropriate.

123. Submission of Committee Proceedings

123.1 Except where any Committee or Sub-Committee of the Combined Authority is acting under delegated authority, the Minutes of the proceedings of any Committee or Sub-Committee of the Combined Authority, shall be submitted to the Combined Authority for confirmation. Confirmation by the Combined Authority of those Minutes shall constitute approval of the proceedings of any Committee or Sub-Committee of the Combined Authority.

132.2 Where any Committee or Sub-Committee of the Combined Authority is acting under delegated authority, the Minutes of the Committee or Sub-

Committee of the Combined Authority shall be submitted to the Combined Authority for information.

134. Standing Orders of Debate

134.1 A Motion or amendment shall not be discussed unless it has been proposed and seconded.

14.2 If the Monitoring Officer considers a motion:

- (a) is not about a matter for which the Combined Authority has a responsibility or which affects the City Region;
- (b) is illegal, improper, defamatory, frivolous or offensive;
- (c) is substantially the same as a question which has been put at a meeting of the Combined Authority in the past six months; or
- (d) requires the disclosure of confidential or exempt information,

he/she will consult the Chair and inform the Head of Paid Service who will then decide whether or not to reject the motion.

13.34.3 A Member shall address the Chair and direct any speech to the question under discussion. If two or more Members indicate they wish to speak, the Chair shall call on one to speak first.

134.4 An amendment shall be relevant to the Motion and shall be either:-

- (a) to leave out words from the Motion;
- (b) to leave out words from, and insert or add others to, the Motion; and
- (c) to insert words in, or add words to, the Motion,

but, such omission, insertion or addition of words shall not have the effect of introducing a new proposal into or negating the original Motion before the Combined Authority.

134.5 A Member shall not speak for longer than five minutes on any matter without the consent of the Chair. The mover of the motion will have 5 minutes to propose the motion.

The seconder of a motion may speak to second or reserve the right to speak until later in the debate on the motion (this right may be lost if an amendment is accepted.)

Members may only speak once on the motion.

143.6 A Member may claim to speak on a point of order or in personal explanation, and shall be entitled to be heard immediately. A point of order shall relate only to an alleged breach of a specified statutory provision or the Constitution and the way in which the Member raising it considers that it has been broken. A personal explanation shall be confined to some material part of a former speech by the Member in the current debate which may appear

to have been misunderstood. The ruling of the Chair on a point of order, or on the admissibility of a personal explanation, shall not be open to discussion.

Members are reminded of the definition of the following two provisions:-

Points of Order

14.7 A Member may at any time raise a point of order, relating only to an alleged breach of these Meetings Standing Orders or the law. The Member must indicate the rule or law and the way in which he/she considers it has been breached. The **Chair** ~~Metro Mayor~~ will hear them immediately and his/her ruling on the matter will be final.

Personal Explanation

14.8 A Member may at any time request the ~~Metro Mayor~~**Chair** to allow them to make a personal explanation, relating only to some material part of an earlier speech by that Member which may appear to have been misunderstood in the present debate. The ruling of the ~~Metro Mayor~~**Chair** on the admissibility of a personal explanation will be final.

14.93.7 If an amendment is rejected, other amendments may be moved on the original Motion. If an amendment is carried, the Motion as amended shall take the place of the original Motion and shall become the substantive Motion upon which any further amendment may be moved.

13.814.10 A further amendment shall not be moved until the Combined Authority has disposed of every amendment previously moved, provided that the Chair shall have discretion to allow debate to take place on two or more amendments.

13.914.11 A Member at the conclusion of a speech of another Member may move without comment:-

- (a) that the question/motion be now put;
- (b) that the debate/motion be adjourned;
- (c) that the Combined Authority proceed to the next business; and
- (d) that this meeting of the Combined Authority be adjourned.

If such a Motion is seconded, the Chair shall, subject to the mover's right to reply, put the Motion to the vote, and if it is carried:-

- (i) in case (a), the Motion then before the Combined Authority shall, subject to the right to reply, be put to the vote; or
- (ii) in case (b), the debate on the Motion then before the Combined Authority shall stand adjourned until the next ordinary meeting of the Combined Authority; or

- (iii) in case (c), the Motion then before the Combined Authority shall be regarded as lost and the Combined Authority shall proceed to the next item on the Agenda, if any; or
- (iv) in case (d), the meeting shall stand adjourned.

13.1014.12 If the Chair is of the opinion that the matter before the Combined Authority has been sufficiently discussed the Chair may put the Motion that the question now be put.

13.1114.13 The Chair shall decide all questions of order and any ruling by the Chair upon such questions and the interpretation of these Standing Orders and upon matters rising in debate shall be final and shall not be open to discussion.

13.1214.14 A Motion to exclude the press and public in accordance with Section 100A of the Local Government Act, 1972 may be moved, without notice, at any meeting of the Combined Authority during an item of business whenever it is likely that if members of the public were present during that item there would be disclosure to them of confidential or exempt information as defined in Section 100A of the 1972 Act.

145. Voting

Please now refer to the Summary Voting Table to be found at Part 3 Annex A.

15.6 Conduct of Members

165.1 If the Chair is of the opinion that at a meeting any Member of the Combined Authority, or Substitute Member acting in that Member's place, has misconducted, or is misconducting him or herself by persistently disregarding the ruling of the Chair, or by behaving irregularly, improperly or offensively, or by wilfully obstructing the business of the Combined Authority, the Chair may notify the meeting of that opinion and may take any of the following actions either separately or in sequence:

- (a) the Chair may direct the Member to refrain from speaking during all or part of the remainder of the meeting of the Combined Authority;
- (b) the Chair may direct the Member to withdraw from all or part of the remainder of the meeting of the Combined Authority;
- (c) the Chair may order the Member to be removed from the meeting of the Combined Authority; and
- (d) the Chair may adjourn the meeting of the Combined Authority for such period as they consider expedient.

165.2 In the event of general disturbance, which in the opinion of the Chair, renders the due and orderly dispatch of business impossible, the Chair, in addition to any other power vested in the Chair may, without question put,

adjourn the meeting of the Combined Authority for such a period as the Chair considers expedient.

167. Disturbance by Members of the Public

167.1 If a member of the public interrupts the proceedings at any meeting of the Combined Authority the Chair shall warn him or her. If they continue with the interruption, the Chair shall order his or her removal from the room. In the case of general disturbance in any part of the room open to the public, the Chair shall order that part to be cleared.

187. Notification and Declaration of Interests

Members of the Combined Authority shall comply with the Code of Conduct for Members contained in Part 6A of the Constitution.

189. Records

198.1 The Head of Paid Service shall ensure that the names of the Members of the Combined Authority present at any meeting of the Combined Authority, and any Substitute Member acting in a Member's place, shall be recorded in the Minutes of the meeting concerned.

189.2 The Minutes of the proceedings of a meeting of the Combined Authority are to be kept in such form as the Combined Authority may from time to time determine.

189.3 The Minutes of the proceedings of a meeting of the Combined Authority shall be signed at the next suitable meeting of the Combined Authority.

189.4 Any minute purporting to be signed as mentioned in sub-paragraph 198.3 shall be received in evidence for the purposes of any legal proceedings without further proof.

189.5 Until the contrary is proved, a meeting of the Combined Authority, a Minute of whose proceedings has been signed in accordance with this paragraph 189 is deemed to have been duly convened and held, and all the Members of the Combined Authority present at the meeting, and any Substitute Member acting in a Member's place, are deemed to have been duly qualified.

198.6 For the purposes of sub-paragraph 189.3, the next suitable meeting of the Combined Authority is the next following meeting of the Combined Authority.

SECTION 5 – PART B

FINANCIAL PROCEDURE RULES

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1 General

- 1.1 These Financial Procedure Rules have been prepared in accordance with the Combined Authority's Constitution.

The definitions contained in the Procurement and Contract Procedure Rules shall apply to these Financial Procedure Rules.

- 1.2 The Combined Authority is responsible for:
- (a) adopting the Combined Authority's Constitution, including these Financial Procedure Rules;
 - (b) setting policy and approving the Combined Authority's budget;
 - (c) approving procedures for the recording and reporting of its decisions taken;
 - (d) the determination of the Levy to be issued to the Constituent Councils; and
 - (e) the determination of the Precept to be issued.
- 1.3 The ~~Metro~~ Mayor is responsible for keeping a fund (to be known as the ~~Metro~~ Mayor's General Fund) in relation to receipts arising, and liabilities incurred, in the exercise of the ~~Metro~~ Mayor's general functions, including the keeping of accounts of payments made into or out of the ~~Metro~~ Mayor's General Fund.

~~1.4 The Treasurer is responsible for maintaining a continuous review of Financial Procedure Rules and submitting any changes necessary to the Combined Authority for approval. The Treasurer is also responsible for reporting, where appropriate, breaches to the Financial Procedure Rules to the Combined Authority.~~

~~1.5 The Head of Paid Service, Directors and the Monitoring Officer are responsible for compliance with these Financial Procedure Rules. The Head of Paid Service, Directors and Monitoring Officer, with delegated authority may only delegate to other Officers who have the skills and knowledge appropriate to the task. Officers shall be informed by his/her Head of Paid Service, Directors and Monitoring Officer of the extent of any sub-delegation. The Head of Paid Service, Directors and the Monitoring Officer shall supply the Treasurer with a list of sub-delegations which have been made and shall review and update this list on a regular basis.~~

~~1.6 Where the Head of Paid Service, Directors and the Monitoring Officer or their nominated Officers require further guidance on the interpretation and application of these Financial Procedure Rules, this should be obtained from the Treasurer.~~

1.4 Members and Officers are reminded of their responsibility to comply with these Financial Regulations. Failure to comply could result in disciplinary action.

2 The Role of the Treasurer

- 2.1 The Treasurer is the responsible Officer for the proper administration of the Combined Authority's financial affairs. -The Treasurer will also fulfil all relevant statutory responsibilities, including those set out in Part VIII of the Local Government Finance Act 1988.
- 2.2 Financial management covers all financial accountabilities in relation to running the Combined Authority, including the policy framework and budget.
- 2.3 The Treasurer will determine the standards of financial management to be observed by ~~Lead~~ Officers and will monitor compliance with them.
- 2.4 The Treasurer is responsible for maintaining a continuous review of Financial Procedure Rules and submitting any changes necessary to the Combined Authority for approval. Any breach or non-compliance with these Financial Procedure Rules must on discovery be reported immediately to the Head of Internal Audit. The Head of Internal Audit shall determine whether such breach or non-compliance presents a significant risk of harm to the Combined Authority and if satisfied that such risk exists shall undertake any necessary investigation and report the findings to the Combined Authority.

3 The Role of ~~the Head of Paid Service, Directors and the Monitoring Officer~~Heads of Service

- 3.1 ~~The Head of Paid Service, Directors and the Monitoring Officer~~Heads of Service shall promote the financial management standards set by the Treasurer and shall monitor adherence to the standards and practices.
- 3.2 It is the responsibility of ~~the Head of Paid Service, Directors and the Monitoring Officer~~Heads of Service to consult with the Treasurer and seek advice on any matter likely to have a material effect on the Combined Authority's finances, before any decisions are made.
- 3.3 If ~~the Head any Directors, Heads of Paid Service, Directors and the Monitoring Officer~~ or ~~Officer~~Officers acting on behalf of the Combined Authority ~~is~~are aware of any contravention of these Financial Procedure Rules, they must immediately notify the Treasurer who shall determine appropriate action.
- 3.4 Directors and Heads of Service are responsible for compliance with these Financial Procedure Rules. Directors and Heads of Service, with delegated authority may only delegate to other Officers who have the skills and knowledge appropriate to the task. Officers shall be informed by their Director or Head of Service of the extent of any sub-delegation. Directors and Heads of Service shall supply the Treasurer with a list of sub-delegations which have been made and shall review and update this list on a regular basis.
- 3.5 Where the Directors and Heads of Service or their nominated Officers require further guidance on the interpretation and application of these Financial

Procedure Rules, this should be obtained from the Treasurer.

4 Managing Expenditure

- 4.1 All revenue and capital expenditure must be incurred in accordance with the Financial Procedure Rules and Procurement and Contract Procedure Rules or Land Procedure Rules of the Combined Authority, ~~Merseytravel or the appropriate Constituent Council~~, unless otherwise determined by the Treasurer.
- 4.2 ~~The Head of Paid Service~~, Directors and ~~the Monitoring Officer~~ Heads of Service are expected to plan and manage their expenditure to ensure:-
- (a) that resources are used in the most efficient, effective, and economic way;
 - (b) that expenditure does not exceed the overall budget allocated; and
 - (c) that future commitments for the Combined Authority are not made for which they have not identified future resources.
- 4.3 ~~The Head of Paid Service~~, Directors and ~~the Monitoring Officer~~ Heads of Service shall inform the Treasurer as soon as possible of all contracts, agreements, awards, or other instruments involving the payment or receipt of money on behalf of the Combined Authority. A record shall be maintained of all such transactions in a form to be determined by the Treasurer.

5 Staffing

- 5.1 The Head of Paid Service will be responsible for providing overall management to staff employed by the Combined Authority (except for Merseytravel staff). The Director General of Merseytravel shall be responsible for providing overall management to staff employed by Merseytravel.
- 5.2 The Head of Paid Service, the Director General and the Treasurer will be responsible for ensuring that there is proper use of existing systems for determining remuneration.
- 5.3 Directors and Heads of Service must ensure that appointments are made in accordance with the approved establishment and scales of pay and that adequate budget provision is available. An annual staffing budget must be produced which should be an accurate forecast of staffing levels and associated costs.
- 5.4 Payroll documents must be retained and stored for defined periods in accordance with the document retention policy.

6 Accounting Policies Records and Returns

- 56.1 The Treasurer will determine the Combined Authority's required accounting policies and procedures taking into account prevailing national and

international accounting requirements.

~~56.2~~ ~~The Head Directors, Heads of Paid Service, Directors and the Monitoring Officer~~ and their Officers will adhere to the accounting policies and procedures as determined by the Treasurer.

~~56.3~~ All the principal accounting and costing records of the Combined Authority shall be determined by the Treasurer and compiled under the Treasurer's direction.

~~56.4~~ The Treasurer shall exercise overall supervision and control over the form and standard of all financial records, financial statements and accounts kept by the Combined Authority and its ~~Head of Paid Service, Directors and the Monitoring Officer, Heads of Service~~ and will determine the period for which such documents shall be kept.

~~6.5~~ The Treasurer shall be responsible for the certification of all grant claims to Government Departments or other Funders. Directors and Heads of Service must ensure that expenditure is compliant with relevant grant conditions.

~~65.5~~ ~~As soon as possible after the end of Combined Authority's financial year in each year, the Head of Paid Service, Directors and the Monitoring Officer shall, in line with the guidance of the Treasurer, account for all income due to the Combined Authority for works goods and services supplied in the previous financial year (debtors), and all payments due for works goods and services received in the previous financial year (creditors).~~

~~5.6~~ The Treasurer is responsible for preparation of the Combined Authority's annual statement of accounts in accordance with the Combined Authority's accounting policies. ~~The Treasurer will:-~~ -

- (a) draw up the timetable for final accounts preparation;
- (b) make proper arrangements for the completion of the Combined Authority's accounts in accordance with the statutory deadline;
- (c) make proper arrangements for the audit of the Combined Authority's accounts; and
- (d) publish the audited accounts in accordance with the statutory timetable.

~~5.7~~ ~~The Head of Paid Service, Directors and the Monitoring Officer~~ 6.7 Directors, and Heads of Service must supply the Treasurer with information and in such form and by such dates as is determined to enable prompt closure of the annual accounts. They must maintain appropriate reconciliations and working papers to support the production of the annual statement of accounts in accordance with guidance issued by the Treasurer.

~~56.8~~ The Combined Authority's Audit and Governance Committee is responsible for the scrutiny and approval of the Combined Authority annual statement of accounts prior to their certification by the external auditor. Should the Audit

and Governance Committee not be able to conclude this function for any reason, then it will be carried out by the Combined Authority.

~~6.9~~ The Combined Authority accounts (excluding Merseytravel) will be presented to the Audit and Governance Committee for sign off and will then be received by the Combined Authority accordingly.

~~6~~ Financial Management

~~6.10~~ For Merseytravel annual statement of accounts, the Audit and Governance Committee is responsible for the scrutiny of the accounts prior to their approval by Merseytravel.

7 Financial Management

Budget Monitoring and Control – Revenue and Capital

6~~6~~ Budgetary Control

~~7.1~~ The ~~Head of Paid Service, Directors and the Monitoring Officer~~ are responsible for monitoring their income and expenditure against Treasurer will determine the detail of the revenue and capital budgets approved by estimates after consultation with Directors and Heads of Service, in accordance with any general directions of the Combined Authority, and the Mayor for Mayoral Functions.

~~6.2~~

~~7.2~~ The Treasurer shall monitor the Combined Authority's expenditure and controls in relation to its budget and report any significant variances to the Combined Authority.

~~7.3~~ The Treasurer will establish an appropriate framework of financial management and control for the Combined Authority which ensures that: ~~:- :-~~

- (a) budget management is exercised within approved Combined Authority revenue and capital budgets;
- (b) expenditure and income is monitored using information held on the Combined Authority's corporate financial information system; and
- (c) timely and sufficient information on receipts and payments on each budget is available to enable managers to fulfil their budgetary responsibilities.

~~6.37.4~~ Unless otherwise determined by the Treasurer, each of the ~~Head of Paid Service, Directors and the Monitoring Officer~~ Heads of Service shall make appropriate arrangements for compliance with the Combined Authority's Financial Procedure Rules for the proper management and monitoring of revenue and capital income and expenditure.

Control of Expenditure

Capital Expenditure

~~6.4~~ The Head of Paid Service, Directors and the Monitoring Officer must personally ensure that any information which suggests a potentially significant variation against their approved budget (both overspends and underspends) is notified at the earliest opportunity to the Treasurer. Where appropriate, the Treasurer shall prepare a specific report for the Combined Authority to consider the proposed approach to mitigate the effects of such variation.

7.5 Capital expenditure involves the acquisition or enhancement of fixed assets with a long term value to the Combined Authority, its partners, and the City Region.

7.6 Where Directors and Heads of Service

~~6.5~~ In respect of a forecast overspend that cannot be contained within the relevant approved budget, the Head of Paid Service, Directors and the Monitoring Officer should seek to identify proposed corrective action or alternative funding options. The Treasurer will work with the Head of Paid Service, Directors and the Monitoring Officer to consider these options. Wherever possible, action should be taken by the Head of Paid Service, Directors and the Monitoring Officer to reduce planned levels of expenditure.

~~6.6~~ Where additional revenue or capital resources become available, or are forecast to become available, the Head of Paid Service, Directors and the Monitoring Officer must notify the Treasurer at the earliest opportunity. If deemed appropriate, the Treasurer shall prepare a specific report for the Combined Authority to consider the allocation of the additional available resources.

~~6.7~~ At the end of each financial year, the Treasurer will report to the Combined Authority on the treatment of any residual overspending or underspending against the Combined Authority's revenue and capital budgets.

Reporting of Budget Monitoring

~~6.8~~ The Treasurer will prepare revenue and capital budget monitoring reports in conjunction with the Head of Paid Service, Directors and the Monitoring Officer for presentation to the Combined Authority on a regular basis. The frequency and content of these reports shall be determined by the Treasurer, in consultation with the Combined Authority.

Approval for Capital Expenditure

~~6.9~~ Where the Head of Paid Service, Directors and the Monitoring Officer wish to propose new capital schemes or blocks for inclusion in the Combined Authority's capital programme, they must first consult the Treasurer who will determine the approach to be taken for approval of the proposal.

The Capital Programme

- ~~6.10~~ The Capital Programme will be reported to the Combined Authority at regular intervals as determined by the Treasurer.
- ~~6.11~~ The Head~~7.7~~ Before a major capital scheme for which provision has been made may proceed, it must first proceed through the Combined Authority's Assurance processes and approval routes.
- ~~7.8~~ For lower value capital schemes in respect of Paid Service, Directors and the Monitoring Officer must ensure that existing transport assets, before such schemes can proceed, they must be subject to approval by Merseytravel.
- ~~7.9~~ All schemes must report on proposed funding sources, noting any uncertainty and any ongoing revenue implications of the scheme. All capital expenditure plans are~~must be~~ phased as accurately as possible, and as soon as possible. These should be based on estimates if there is uncertainty regarding confirmation of funding sources.
- ~~7.10~~ For schemes that have been subject to the Combined Authority's Assurance Framework, any overspends or scheme details.
- ~~6.12~~ Any proposal to re-phase (i.e., delay or bring forward) programmed capital expenditure should be notified by the Head of Paid Service, Directors and the Monitoring Officer to the Treasurer at the earliest opportunity, and follow the relevant change control process using the Combined Authority's Assurance Framework approval process.

Revenue Expenditure

- ~~7.11~~ The Combined Authority will determine the amounts to be allocated to the Combined Authority functions. Directors and Heads of Service are responsible for monitoring income and expenditure against this approved budget and reporting on a regular basis to the Combined Authority, as agreed with the Treasurer, showing variations from budget allocated.
- ~~7.12~~ The Treasurer is responsible for advising on the format of the budget and ensuring that the mechanism for financial control and management of the budget is in place and for providing appropriate financial information to the Directors and Heads of Service to enable them to monitor their budgets effectively.
- ~~7.13~~ The Directors and Heads of Service must ensure that any information which suggests a potentially significant variation against their approved budget (both overspends and underspends) is notified at the earliest opportunity to the Treasurer. Where forecast overspends cannot be contained within the approved budget, Directors and Heads of Service should seek to identify proposed corrective action or alternative funding options. The Treasurer will work with the Directors and Heads of Service to consider these options.

Wherever possible, action should be taken to reduce planned levels of expenditure.

7.14 Where additional revenue or capital resources become available, or are forecast to become available, the Directors and Heads of Service must notify the Treasurer at the earliest opportunity so that this information can be built into the budget and approved by the Combined Authority through the regular financial performance monitoring. If deemed appropriate, the Treasurer shall prepare a specific report for the Combined Authority to consider the ~~proposal~~ allocation of the additional available resources.

7.15 The Treasurer will prepare revenue and capital budget monitoring reports in conjunction with the Directors and Heads of Service for presentation to the Combined Authority on a regular basis. The frequency and content of these reports shall be determined by the Treasurer, in consultation with the Combined Authority.

8 Financial Planning

Budget Preparation

78.1 The Treasurer shall prepare a medium term financial strategy comprising a forecast of all expenditure and income which reflects the priorities and plans of the Combined Authority and the Mayor. It is required the responsibility of the Directors and Heads of Service to establish an annual notify the Treasurer of any changes to their resource requirements over the period under review.

8.2 The Treasurer shall ensure that a budget is prepared annually in line with its strategic plan. plans, taking proper account of available resources and financial risks. The Treasurer shall determine the appropriate timetable for the preparation of the annual budget that conforms to the statutory deadlines, including those in relation to setting the Levy and the Mayoral Precept for Constituent ~~Councils~~ Local Authorities.

~~7.2 The annual budget must take proper account of available resources and financial risk.~~

78.3 Each financial year, as part of the Combined Authority's ongoing Medium Term Financial Strategy, the ~~Head of Paid Service,~~ Directors and ~~the Monitoring Officer~~ Heads of Service will develop annual revenue and capital budget proposals in consultation with the Treasurer for consideration by the Combined Authority.

78.4 The ~~Head of Paid Service,~~ Directors and ~~the Monitoring Officer~~ Heads of Service shall also prepare a rolling ~~three~~ five-year programme of capital expenditure, identifying realistic phasing of all approved schemes, together with proposed funding routes for approval by the Combined Authority.

7

8.5 The Treasurer will advise the Combined Authority on the robustness of budget proposals and the adequacy of reserves in accordance with his/her responsibilities under these Financial Procedure Rules.

89 Virements

9.1 A Virement shall be deemed to be:

- A transfer of revenue budget for a different purpose to that for which was set out in the approved revenue budget; or
- A movement of capital budget between approved capital schemes.

9.2 The Treasurer shall administer the Combined Authority's scheme of virement in accordance with the Scheme of Delegation.

9.3 While all budgets are the ultimate responsibility of the Combined Authority, the distinction between the Combined Authority and Merseytravel must be considered when viring budgets.

9.4 Virements within the Merseytravel budget up to a value of £200,000 can be undertaken by a Delegated Decision of Merseytravel. Any virement decisions over £200,000 require a decision of Merseytravel.

9.5 Virements within the Combined Authority budget up to a value of £200,000 can be undertaken by a Delegated Decision of the Combined Authority. Any virement decision over £200,000 requires a decision of the Combined Authority.

9.6 Any virement between the approved Merseytravel and the Combined Authority budgets will require approval through the Combined Authority.

10 Maintenance of Reserves and Balances

810.1 All revenue reserves held by the Combined Authority will be kept under review by the Treasurer with a view to ensuring that they are spent on their specified purposes and that planned expenditure is properly phased.

810.2 The Treasurer will advise the Combined Authority on prudent levels of reserves and general balances for the Combined Authority.

810.3 The Combined Authority will determine a reserves strategy as part of its Medium Term Financial Strategy on advice provided by the Treasurer.

810.4 In establishing its reserves strategy, the Combined Authority must consider all known financial risks and future liabilities of the Combined Authority.

911 Treasury Management

911.1 The Combined Authority's treasury management activities shall be defined as the management of its investments and cash flows, its banking, money

market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.

~~911.2~~ All treasury management activity and reporting shall be undertaken in full compliance with the Chartered Institute of Public Finance and Accountancy's Code of Practice: Treasury Management in Public Services (revised ~~2014~~2021) as may be revised from time to time, or such other practices and procedures as may be approved by the Combined Authority.

~~911.3~~ All investments and borrowings shall be made in the name of the Combined Authority (excluding Merseytravel). The Treasurer shall ensure that appropriate records of all monies borrowed and invested are maintained.

~~911.4~~ All of the Combined Authority's funds shall be aggregated for the purposes of the treasury management and shall be under the control of the Treasurer.

~~911.5~~ ~~The Head of Paid Service,~~ Directors and ~~the Monitoring Officer~~Heads of Service shall ensure that loans are not made to third parties and that interests are not acquired in companies, joint ventures, or other enterprises without the prior approval of the Treasurer and the Combined Authority.

~~911.6~~ Credit arrangements, such as finance leases, operating leases, and borrowing cannot be entered into without the approval of the Treasurer.

~~4012~~ **Banking Arrangements and Cheque Security**

~~4012.1~~ No Officer other than the Treasurer may open any bank account in the name of the Combined Authority.

~~4012.2~~ The Combined Authority's banking terms and overdraft arrangements shall be agreed by the Treasurer.

~~4012.3~~ All arrangements for the ordering and issuing of cheques shall be made by the Treasurer, who shall make proper arrangements for their custody.

~~4012.4~~ All cheques drawn on behalf of the Combined Authority shall be signed by the Treasurer.

~~4112.5~~ The Treasurer will maintain a schedule of signatories for each bank account in line with the agreed mandate with the Combined Authority's bankers.

13 Floats and Procurement and Prepaid Cards

13.1 The Treasurer may make advances for the use of floats for the purpose of giving change to customers.

13.2 The Treasurer shall make all arrangements for the management of Procurement and Prepaid Cards where these can be demonstrated to provide value for money. Procurement and Prepaid Cards shall be operated strictly within the procedures determined by the Treasurer.

13.3 No cards shall be issued to any individual in their own name. All business expenses must be reclaimed through the payroll system.

14 Arrangements with External Organisations

Partnerships

4114.1 The Treasurer must be consulted prior to the establishment of any financial arrangements as part of partnerships or joint arrangements with external companies, other public organisations and Community and Voluntary Groups. –No partnership or joint arrangements shall be entered into without the approval of the Combined Authority.

4114.2 ~~The Head of Paid Service,~~ Directors and ~~the Monitoring Officer~~Heads of Service must ~~confirm~~advise the Treasurer whether any arrangement requires the Combined Authority to be designated an 'Accountable Body'. Where this is the case, the Treasurer must be consulted, and approval of the Combined Authority must be obtained prior to the arrangement becoming operational.

4114.3 The financial arrangements of all partnerships where the Combined Authority is the Accountable Body should meet the requirements of the Combined Authority's Financial Procedure Rules and Procurement and Contract Procedure Rules.

4114.4 ~~The Head of Paid Service,~~ Directors and ~~the Monitoring Officer~~Heads of Service must ensure that the accounting and monitoring arrangements to be adopted relating to partnerships and joint arrangements are in accordance with the requirements of the Treasurer.

External Funding

4114.5 The Treasurer must be consulted on all submissions to Central Government and external agencies for funding. –Prior to making any submission in relation to external funding, ~~The Head of Paid Service,~~ Directors and ~~the Monitoring Officer~~Heads of Service must ensure that:

- (a) an exit strategy is identified to manage the ultimate cessation of the funding stream with no adverse impact on the Combined Authority;
- (b) any match-funding requirements are given due consideration prior to entering into long-term agreements and that future revenue budgets reflect these requirements; and
- (c) they are able to comply with the terms and conditions of a grant scheme, including ~~auditor~~-certification requirements, before accepting

them.

- 4114.6 ~~The Head of Paid Service,~~ Directors and ~~the Monitoring Officer~~Heads of Service must seek approval from the Treasurer before accepting any offer of funding from external bodies.
- 4114.7 ~~The Head of Paid Service,~~ Directors and ~~the Monitoring Officer~~Heads of Service must ensure that all funding from external bodies is recorded, monitored, and accounted for in accordance with Financial Procedure Rules and also the requirements of the funding body.
- 4114.8 ~~The Head of Paid Service,~~ Directors and ~~the Monitoring Officer~~Heads of Service are responsible for ensuring that all expenditure to be funded by grant is properly incurred in accordance with the requirements and conditions of the funding body, and is supported by adequate evidence.
- 4114.9 ~~The Head of Paid Service,~~ Directors and ~~the Monitoring Officer~~Heads of Service are responsible for ensuring the completion and submission of grant claims. ~~The Head of Paid Service, Directors and the Monitoring Officer~~ must also ensure that grant claims comply with the requirements and grant conditions of the funding body, and are submitted promptly and supported by adequate evidence. - The Treasurer will provide guidance and advice on compliance with general and specific grant conditions and the requirements for submission.
- 4114.10 ~~The Head of Paid Service,~~ Directors and ~~the Monitoring Officer~~Heads of Service must ensure that all income and expenditure relating to external funding approvals is properly budgeted for. -These budgets should be monitored as part of the budget monitoring arrangements set out in these Financial Procedure Rules.
- 4114.11 The Treasurer will maintain a register of bids submitted to external bodies together with a register of all grant arrangements entered into with external bodies. ~~The Head of Paid Service,~~ Directors and ~~the Monitoring Officer~~Heads of Service are responsible for ensuring that the information held on these registers is accurate and up to date in accordance with the Combined Authority's External Funding Strategy.

4215 Income

- 4215.1 All monies received on behalf of the Combined Authority shall be paid in full into the Combined Authority's bank account or, where approved by the Treasurer, Merseytravel or the relevant Constituent Council's bank account.
- 4215.2 Any Value Added Tax should be accounted for separately.
- 12.3 ~~The write off of unrecoverable debt should be in accordance with the Treasurer's write off criteria (see Financial Procedure Rule 19 below).~~

Fees and Charges (including Tunnel Tolls)

~~4215.3~~ The Directors and Heads of Service will promptly notify the Treasurer of all money due to the Combined Authority, and of contracts, leases and other agreements entered into which involve the receipt of money by the Combined Authority.

~~15.4~~ Any proposal to introduce new charges or make changes in existing charges for the provision of services by the Combined Authority must be in line with the guidance of the Treasurer and must be agreed by the Combined Authority or Merseytravel, depending on the body which is responsible for raising those charges.

~~4215.5~~ A schedule of all fees and charges for the provision of services will be presented by the Treasurer for approval by the Combined Authority on an annual basis.

4316 Ordering of and PaymentsPayment for Works Goods and Services

General Ordering Procedures

~~4316.1~~ All orders for works goods and services must be made in accordance with the Combined Authority's Financial Procedure Rules and Procurement and Contract Procedure Rules.

Contract Payments and Variations

~~13.2~~ Payments to contractors on account of contracts must be made in accordance with the requirements of the Combined Authority's Financial Procedure Rules and Procurement and Contract Procedure Rules.

~~13.3~~ Where a breach of contract occurs, the Head of Paid Service, Directors and the Monitoring Officer concerned shall seek appropriate legal advice and, in consultation with the Treasurer, shall prepare a statement of any liquidated and ascertained damages, or such other penalties stipulated in the contract. Any breach that may lead to termination of the contract shall be reported to the Monitoring Officer.

~~13.4~~ Any variation in the amount of a contract must be notified to the Treasurer. Where appropriate the Treasurer may require the matter to be reported to the Combined Authority.

44Payment of Account

~~16.2~~ Directors and Heads of Service shall be responsible for the certification and submission of invoices and claims to the Treasurer who shall ensure safe and efficient payment of such accounts, ensuring accurate payment of supplier invoices to agreed terms and, where practicable, to matched purchase orders.

17 Insurance

~~4417.1~~ The Treasurer, in consultation with ~~the Head of Paid Service~~, Directors and ~~the Monitoring Officer~~Heads of Service, shall be responsible for ensuring that all insurable risks of the Combined Authority are ~~adequately covered, appropriately insured (including self-insurance)~~, for maintaining the necessary records and for making all claims on behalf of the Combined Authority.

~~4417.2~~ ~~The Head of Paid Service~~, Directors and ~~the Monitoring Officer~~Heads of Service shall notify the Treasurer promptly of all risks, liabilities, properties, or vehicles which are required to be insured, and of any alterations affecting risk or insurances, indicating the amount of cover required.

~~14.3~~ ~~The Head~~Insurable risks, insurance requirements and their potential cost should be considered as part of Paid Service, the design of new ventures, and the advice of the Treasurer should be sought at the earliest opportunity.

~~17.3~~ Directors and ~~the Monitoring Officer~~Heads of Service shall immediately notify the Treasurer of any fire, loss, accident, or other event (such as an employment claim against the Combined Authority or one of its Officers) that may give rise to a claim against the Combined Authority's insurers.

~~4518~~ Internal Audit Control

~~4518.1~~ The Treasurer ~~shall be~~has a statutory responsibility to ensure that an appropriate control environment and effective internal controls which provide reasonable assurance of effective and efficient operations, financial stewardship, probity and compliance with laws and regulations are put in place. Directors and Heads of Service have responsibility for ensuring the establishment and maintenance of an appropriate internal control environment.

19 Internal Audit

~~19.1~~ The Treasurer is responsible for establishing and maintaining an effective internal audit function to provide independent continuous audit of the financial records, operations and systems of internal control as laid down in and objective assurance of the effectiveness of the system of internal control, governance, and risk management in place. These arrangements shall ensure compliance with all applicable statutes and regulations, and other relevant best practice. It is necessary for the function to comply with the Accounts and Audit Regulations and the Public Sector Internal Audit Standards. (as revised from time to time).

~~4519.2~~ The Treasurer, or nominated individuals undertaking internal audit functions, shall have authority to visit all establishments of the Combined Authority, shall have access to all relevant records of any Service, and shall be entitled to require the production of all cash, stores, and other property and to obtain information or explanations with regard to any matters under examination.

~~4519.3~~ ~~The Head of Paid Service,~~ Directors and ~~the Monitoring Officer~~Heads of Service shall notify the Treasurer immediately of any circumstances which may suggest the possibility of fraud, irregularity or loss affecting cash, stores, property, or transactions of the Combined Authority. ~~Where the Treasurer considers that ana fraudulent irregularity may have occurred, action shall be taken by way of an investigation and report.~~

~~4519.4~~ ~~The Head of Paid Service,~~ Directors and ~~the Monitoring Officer~~Heads of Service shall consider and respond promptly to recommendations in internal audit reports and ensure that any agreed actions arising from internal audit recommendations are implemented in a timely manner.

4620 External Audit

~~4620.1~~ The Treasurer will ensure that external auditors are given reasonable access to premises, personnel, documentation, and assets considered necessary for the purposes of their work and to ensure effective liaison with the Combined Authority's internal audit function.

~~4620.2~~ ~~The Head of Paid Service,~~ Directors and ~~the Monitoring Officer~~Heads of Service shall ensure all records and systems are up to date and available for inspection by the external auditor.

17 Inventories/Asset Registers

1721 Risk Management

~~21.1~~ ~~The Head~~Treasurer shall be responsible for the preparation and promotion of Paid Service, ~~the Combined Authority's risk management policy and for facilitating the implementation of an effective system of risk management.~~

~~21.2~~ ~~Directors and the Monitoring Officer~~Heads of Service shall be responsible for the management of all risks falling within their area of responsibility, and these must be reflected in a Risk Register which is reviewed with appropriate frequency. Risks that are sufficiently high in score should be escalated for consideration for inclusion in the Corporate Risk Register.

~~21.3~~ ~~Directors and Heads of Service shall take responsibility for risk management within their areas of responsibility, having regard to relevant professional advice and shall undertake regular reviews of risks within their own departments.~~

~~21.4~~ ~~The Audit and Governance Committee shall have oversight of the Combined Authority's risk management arrangements and shall review and approve the risk management policy. Throughout the year, the Committee shall receive regular updates on risk management activity.~~

22 Financial Systems

~~22.1~~ ~~The Treasurer shall be responsible for:~~

- The operation of the Combined Authority's accounting system, the form of accounts and the supporting financial records required;
- Ensuring financial systems are documented and staff are trained to use them;
- Issuing guidance procedures to support the use of the system;
- Ensuring the operation of appropriate controls for the system;
- Ensuring the organisational structures provide appropriate segregation of duties to provide robust internal controls;
- Approving any changes to the existing financial systems or approving the introduction of any new systems.

23 Assets and Stock

23.1 The Director of Place shall maintain a record of all estates and assets owned by the Combined Authority in a form approved by the Treasurer.

23.2 The Director of Place will ensure that an asset register is developed and available to record details of all land and building assets held by the Combined Authority in order to provide information about those assets and to ensure that they are:

- Safeguarded;
- Used efficiently and effectively;
- Adequately maintained.

23.3 Directors and Heads of Service shall comply with the Land Procedure Rules. Directors and Heads of Service shall be responsible for the currency and maintenance of data held in the land and buildings register using those processes and procedures specified by the Treasurer.

23.4 In respect of all other assets, Directors and Heads of Service shall ensure that an inventory is prepared and maintained in a manner agreed with the Treasurer.

17.223.5 Write off of any assets should be in accordance with the Treasurer's write off criteria (see Financial Procedure Rule 1824 below).

17.323.6 The disposal of surplus, obsolete, or redundant equipment shall be ~~effected~~affected in accordance with the procedures laid down by the Treasurer.

1823.7 The disposal of any assets should be done in accordance with the Corporate Disposal Policy.

24 Write-Off Criteria

1824.1 Any write offs shall be in accordance with the following write off criteria:

Category of Write Off	Value of Individual Item to be Written off	Authorisation Required
Income from Fees and Charges	Up to and including £50,000	Appropriate the Head of Paid Service, Directors and the Monitoring Officer and the Treasurer (unless considered by the appropriate the Head of Paid Service, Directors and the Monitoring Officer and/or the Treasurer that the item should be referred to the Combined Authority) <u>Approval by Delegated Decision System.</u>
	Above £50,000	Appropriate the Head of Paid Service, Directors and the Monitoring Officer and the Treasurer in consultation with the Chair of the Authority (unless considered by the appropriate the Head of Paid Service, Directors and the Monitoring Officer and/or the Treasurer that the item should be referred to the Combined Authority). <u>Approval by the Combined Authority</u>

<u>Category of Write Off</u>	<u>Value of Individual Item to be Written off</u>	<u>Authorisation Required</u>
<u>Grants to Third Parties</u>	<u>Up to and including £25,000</u>	<u>Approval by Delegated Decision System (depending on the body)</u>

	<u>Above £25,000</u>	<u>Approval by the Combined Authority.</u>
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<u>Category of Write Off</u>	<u>Value of Individual Item to be Written off</u>	<u>Authorisation Required</u>
<u>Asset and Stock</u>	<u>Up to and including £50,000</u>	<u>Approval by Delegated Decision System. {</u>
	<u>Above £50,000</u>	<u>Approval by the Combined Authority</u>

25 Taxation

25.1 The Treasurer is responsible for:

- Ensuring taxation advice is available to ensure compliance with relevant legislation;
- Maintaining the Combined Authority's tax records, submitting tax returns, making all tax payments and tax income;
- Completing all HM Revenues and Customs returns and ensuring compliance with all relevant legislation (including IR35); and
- Maintaining an up to date register of de minimis payments in accordance with the VAT Act 1994 (as amended).

25.2 Directors and Heads of Service are responsible for:

- Following guidance on taxation issued by the Treasurer;
- Ensuring that the Combined Authority is not put at risk in any funding arrangement by identifying the correct VAT treatment, seeking advice and guidance from the Treasurer as necessary;
- Ensuring that all persons employed by the Combined Authority are added to the payroll and that tax is deducted from any payments, except where the individuals are bona fide self-employed or are employed by a recognised agency;
- Ensuring that the correct VAT liability is attached to all income due and that all claims for VAT recoverable on purchases comply with HM Revenues and Customs regulations and all output tax is properly identified and recorded; and
- Ensuring that, where construction and maintenance works are undertaken, the contractor fulfils the necessary construction industry tax deduction requirements.

SECTION 5 PART C

PROCUREMENT AND CONTRACT PROCEDURE RULES

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15.	Authentication of Documents
16.	Contract Payments and Variations
16.	Termination of Contract
17.	Legal Proceedings

1. Definitions

_____ Within these Procurement and Contract Procedure Rules —(PPR):-

- (a) — “Central Purchasing Body” means contracting authorities that acquire goods, services or works intended for one or more contracting authorities, award contracts intended for one or more contracting authorities and / or conclude framework agreements for goods, services or works intended for one or more contracting authorities including without limitation Crown Commercial Services and Yorkshire Purchasing Organisation;
- (b) — “Combined Authority” means the Liverpool City Region Combined Authority or Merseytravel as appropriate;
- (c) — “Commissioning” means the process of specifying, consulting with affected Officers and monitoring of services to meet service needs both in the short and long term as outlined in more detail in paragraph 4 below;
- (d) — “Contract Review” means a process to assess the performance/delivery and value for money of an existing contract from both a commercial and outcome based approach which will ~~influence the future contractual relationship with any incumbent contractors~~ influence the future commissioning requirements;
- (e) — “Contracts Finder” means a web based portal provided for the purposes of the Regulations;
- (f) — “Delegated Decision” means a decision named as such in the Combined Authority’s or Merseytravel’s Scheme of Delegation;
- (g) — “Decision” means a decision named as such in the Combined Authority’s or Merseytravel’s Scheme of Delegation;
- (h) — “Director” means ~~an Executive~~ an Executive Director of the Combined Authority or Merseytravel as appropriate;
- (i) — “Dynamic Purchasing System” means an electronic process for making commonly used purchases, the characteristics of which are generally available on the market. Throughout the validity it is open to any suppliers which ~~satisfysatisfies~~ satisfies the selection criteria;
- (j) — “EPS” means the Combined Authority’s electronic process of tendering for goods, services and works;
- (k) — “Electronic Auction” means an electronic auction conducted in accordance with procedures determined by the Monitoring Officer;

- (l) — ~~“Framework Agreement”~~ means an agreement between one or more contracting authorities and one or more ~~contractors~~ economic operators, the purpose of which is to establish the terms governing contracts to be available during a given period in particular with regard to price, ~~as and where appropriate, the quality envisaged as~~ detailed in the Regulations;
- (m) — ~~“Head of Paid Service”~~ means the Head of Paid Service of the Combined Authority or the Director General of Merseytravel as appropriate;
- (n) — ~~“Head of Service”~~ means those ~~Officers~~ officers who are so designated by the Combined Authority as ~~an Assistant Director~~, Head of Service, Senior Head of Service or ~~Rolling Stock~~ Project Director~~;~~;
- (~~n~~) — ~~o~~ — ~~“High Risk Procurement”~~ means a procurement that:-
- (i) — ~~_____~~ has potential implications for the health and safety of employees, service users, residents of the Liverpool City Region, contractors or other stakeholders;
 - (ii) — ~~_____~~ has potential business continuity implications, for example where failure of supply would have implications on the Combined Authority’s ability to deliver proper services;
 - (iii) — is for goods, services or works that are provided directly to children and/or other vulnerable ~~Members~~ members of the community;
 - (iv) — ~~_____~~ is for goods, services or works where there is a potential environmental impact;
 - (v) — ~~_____~~ is for goods, services or works where there is any other identifiable risk either to the reputation, financial standing or ability to deliver services on the part of the Combined Authority;
~~_____~~ and/or
~~_____~~ and/or
 - (vii) — is determined to be such once assessed in accordance with the Combined Authority Corporate Risk Impact Ratings~~;~~;
- (~~o~~) — ~~p~~ — ~~“High Value Procurement”~~ means a procurement with a total aggregated value over £~~150~~ 250,000 calculated in accordance with paragraph 6 below (exclusive of VAT);
- (~~p~~) — ~~q~~ — ~~“Intermediate Value Procurement”~~ means a procurement with a total aggregated value between £~~20~~ 25,000 and £~~150~~ 250,000 calculated in accordance with paragraph 6 below (exclusive of VAT);
- (~~q~~) — ~~r~~ — ~~“ITT”~~ means an Invitation to Tender or an Invitation to Quote;

- (r) — ~~s~~ “Low Value Procurement” means a procurement with a total aggregated value under £~~2025~~,000 calculated in accordance with paragraph 6 below (exclusive of VAT);
- (s) — ~~t~~ “Monitoring Officer” means the Monitoring Officer of the Combined Authority or the Secretary of Merseytravel as appropriate;
- (t) — ~~u~~ “Officers” means any officer employed by the Combined Authority or Merseytravel;
- (u) — ~~v~~ “One Place” means the Combined Authority’s corporate intranet;
- (v) — ~~w~~ “Purchase Order” shall mean a purchase order in the format prescribed by the Treasurer of the Combined Authority;
- (w) — ~~x~~ “Register” means a register of Bus Service Operators maintained in accordance with the Transport Act 1985;
- (x) — ~~y~~ “Regulations” means The Public Contracts Regulations 2015, The Utilities Contracts Regulations 2016 and/or the Concession Contract Regulations 2016 (as appropriate and as amended or replaced);
- (y) — ~~“Select List” means lists of approved contractors for the provision of goods services and/or works established under these PPR and as approved by the Combined Authority;~~
- (z) — ~~“SME’s” means an enterprise falling within the category of micro, small or medium sized enterprises defined by the EU Commission Recommendation of 6 May 2003;~~
- (aa) — ~~“Social Value” means having regard to economic, social and environmental wellbeing as set out in the Public Service (Social Value) Act 2012 (as amended or replaced) in relation to public services contracts;~~
- (bb) — ~~“Subsidised Service Contract” means an agreement providing for bus service subsidy within the meaning of Section 63(10)(b) of the Transport Act 1985;~~
- (cc) — ~~“Tender” means a document prepared by a potential supplier setting out ~~it’s~~ bid for the work in response to an Invitation to Tender;~~
- (dd) “Treasurer” means the Treasurer of the Combined Authority or the Executive Director of Corporate Services of Merseytravel (as appropriate);
- (ee) — ~~“Value for Money” means ensuring that the ~~same~~ most advantageous combination of cost, quality goods, services and works cannot be~~

~~achieved at a substantially lower price elsewhere. The quality of related services i.e. delivery, maintenance, after sales support should be taken into account along with sustainability to meet Officer requirements. In the direct context costs means consideration of the goods, services or works, whole life costs, quality means meeting a specification which is fit for purpose and sufficient to meet the Officers request and sustainability means economic, social and environmental benefits covered in the business case. . Ways of ensuring Value for Money include:-;~~

- ~~(i) — obtaining a number of informal quotations from different suppliers;~~
- ~~(ii) — comparing prices in supplier's brochures, sales literature;~~
- ~~(iii) —~~
 - ~~(i) well designed specification including outcomes and KPI's;~~
 - ~~(ii) realistic and commercially focused budget;~~
 - ~~(iii) efficient and effective monitoring and evaluation process;~~
 - ~~(iv) good procurement controls including risk; and~~
 - ~~(v) benchmarking prices with other authorities or organisations; .~~
- ~~(iv) — comparing prices with those previously paid, taking into account inflationary and deflationary factors; and~~
- ~~(v) — making use of existing framework arrangements, existing dynamic purchasing systems, call-off arrangements or approved lists of suppliers involving the Procurement Team in the process.~~

~~2. —~~ **General**

~~2.1 —~~ These PPR apply in respect of any procurements by the Combined Authority.

~~2.2 —~~ Every contract entered into by the Combined Authority shall be entered into pursuant to or in connection with the Combined Authority's functions (as appropriate) and shall comply with:

- ~~(a) all relevant statutory provisions including but not limited to Section 149 of the Equality Act 2010 and the Public Service (Social Value) Act 2012 (as amended or replaced);~~
- ~~(b) the Regulations, the Treaty of Rome and the general principles of national ~~and EU~~ legislation (if applicable);~~
- ~~(c) the Combined Authority Constitution including these PPR's, the Financial ~~Regulations~~ Procedure Rules and the Scheme of Delegation;~~

- (d) the Combined Authority Transport Plan for the Combined Authority area;
- (e) the Combined Authority Procurement Strategy;
- (f) ~~the~~ The Combined Authority Equalities Policy; and
- (g) any other relevant Combined Authority strategies and/or policies.

Where any PPR conflicts with any statutory provision, any statutory modification or re-enactment thereof or any regulations made thereunder, that provision or regulation shall prevail.

~~2.3~~ 2.3 The purpose of the PPR's is to ensure:

- (a) competition and propriety are present in the tendering and the award of contracts for the provision of all supplies, services and the execution of works;
- (b) a transparent, lawful and fair procurement process;
- (c) Value for Money for the Combined Authority;
- (d) the thresholds and level of authority for approvals is consistent with the Combined Authority's approved Scheme of Delegation;
- (e) the procedures for enabling competition and regulating the manner in which quotations and Tenders are invited, evaluated and contracts awarded are clear;
- (f) relevant legislation is complied with; and
- (g) relevant approvals are sought.

2.4 One Place will assist in ensuring consistency of approach to procurement across the Combined Authority. A dedicated procurement resource will be maintained on One Place and will contain guidance and good practice to assist Officers in following best procurement practice. The contents of the procurement guidance on One Place will be reviewed at regular intervals by the Monitoring Officer.

2.5 The Combined Authority has a Confidential Reporting Code that applies to all Officers and includes those contractors working for the Combined Authority. Officers must be proactive in ensuring that its policies and procedures, culture and stance in relation to the prevention, detection and action against fraud are communicated to all relevant parties.

2.6 The Monitoring Officer is responsible for maintaining a continuous review of these PPR and submitting any changes necessary to the Combined Authority for approval. Any breach or non-compliance with these PPR must on discovery be reported immediately to the Head of Internal Audit.- The Head of Internal Audit shall determine whether such breach or non-compliance presents a significant risk of harm to the Combined Authority and if satisfied that such risk exists shall undertake any necessary investigation and report the findings to the Combined Authority.-

- 2.7— (a) ~~the~~The Combined Authority will conduct its business and operations in accordance with the highest professional and ethical standards;
- (b) ~~the~~The Combined Authority will take appropriate action to ensure that its resources are not spent on practices that lead to unlawful discrimination, unlawful activity and/or breach of the Combined Authority's equality duty;
- (c) ~~the~~The Combined Authority will consider any failure by Officers to comply with the Constitution and if necessary will address such through the Combined Authority's disciplinary processes;
- (d) ~~the~~The Monitoring Officer shall undertake a continuous review of the Constitution and submit any additions or changes necessary to the Combined Authority for approval;
- (e) ~~the~~The Treasurer shall, in consultation with the Monitoring Officer be responsible for ensuring that all contract activity undertaken by the Combined Authority is done so in accordance with these PPR and the Regulations;
- (f) ~~the~~The Directors and Heads of Service shall ensure that all Officers in their directorates are aware of the existence and content of the Constitution and other internal regulatory documents and that they comply with them;
- (g) ~~the~~The Monitoring Officer shall advertise all contracts/anticipated contracts in excess of £25,000 on Contracts Finder if they are advertised elsewhere;
- (h) ~~the~~The Monitoring Officer shall maintain a register of all Combined Authority contracts in excess of £~~20~~25,000;
- (i) ~~the~~The Monitoring Officer shall make an appropriate EPS available; This system shall:-;
- (i) ~~the~~The evidence that any transmission was successfully completed and ~~the~~the recorded;

- (ii) keep Tenders in a separate secure electronic folder which is not opened until the deadline has passed for receipt of Tenders;
- (iii) keep a record of all Tenders received;
- (iv) keep a record via EPS of all correspondence between the Combined Authority and the tenderers;
- (j) ~~the~~ The Combined Authority shall expect that individuals and organisations, including the suppliers, contractors and service providers, with whom it deals, will act towards the Combined Authority with integrity and without thought or actions involving fraud and corruption; and
- (k) ~~the~~ The Combined Authority shall maintain the principles of non-discrimination, equal treatment and transparency.

2.8 Officers will work to ensure:-:

- (a) ~~they~~ lead by example in ensuring adherence to legal requirements, rules, procedures and practices;
- (b) ~~they~~ allow sufficient time to provide for all the various elements for the fulfilment of the appropriate procurement process giving due regard to statutory timescales;
- (c) ~~they~~ work with relevant ~~Officers~~officers to fully engage them in the process and thereby develop a realistic procurement/decision making/mobilisation of the new contractor and demobilisation of any existing contractor;
- (d) ~~they~~ undertake Commissioning as required by these PPR;
- (e) ~~when~~ procuring goods services or works focus on the principles of efficiency, effectiveness, sustainability, - economy, social value and shall consider collaborating as a procurement option (if appropriate);
- (f) ensure that those responsible for procuring goods services or works on behalf of the Combined Authority shall comply with these PPR;
- (g) ensure that all specifications for IT goods or services ~~are~~is ratified during Commissioning by the Head of IT;
- (h) ~~they~~ consider and implement the principles of non-discrimination, equal treatment and transparency and the highest standards of probity;

- (i) ~~they do~~ not seek to procure goods, services or works without the engagement of the relevant Head of Service and the Monitoring Officer as per the requirements of this Constitution;
- (j) ~~they do~~ not distort competition but also consider with the Monitoring Officer the potential of aggregating and disaggregating contracts to encourage SME participation in procurements; but not in order to avoid the requirements of the Regulations and these PPR;
- ~~(k) they accurately determine~~
(k) provide a realistic estimate of the aggregate value of contracts (including any anticipated extensions or additional work) to calculate the estimated contract value and the appropriate route to market as advised in these PPR, advice can be provided by the Monitoring Officer to undertake this review;
- (l) ~~they do~~ not use any information received during the course of business and in particular, the quotations or tendering procedure for personal advantage; and
- (m) ~~they do~~ not disclose to a third party information except for anti-fraud purposes or in accordance with the provisions of the Freedom of Information Act 2000 or other relevant legislation. In cases where there is uncertainty as to whether a particular course of action complies with the ethical standards, the advice of the Monitoring Officer must needs to be sought.

3. Scope

3.1—These PPR apply to:

- (a) the purchase, leasing and hiring of goods, provision of services and the execution of works for and on behalf of the Combined Authority;
- (b) any procurement where Tenders are invited by the Combined Authority on behalf of any partnership, consortium, collaboration group, association or similar body of which the Combined Authority is a Membermember;
- (c) all procurement activity, including activity where third parties are involved in spending public monies on behalf of the Combined Authority (unless agreed otherwise); and
- (d) all contracts entered into by the Combined Authority by an Officer on behalf of the Combined Authority.

3.2—These PPR shall not apply to:

- (a) ~~(a)~~— employment contracts;
- ~~(b)~~—
- (b) contracts relating solely to the acquisition or disposal of land or any other estates matters.- (The Land Procedure Rules shall apply in such circumstances);
- ~~(c)~~—
- (c) contracts relating to the disposal of furniture, goods, vehicles, plant and equipment which are deemed surplus to requirements.- (The Corporate Disposal Procedures shall apply in such circumstances);
- ~~(d)~~— Treasury management activity.- (The Treasury Management Policy shall apply in such circumstances); and/or
- ~~(e)~~— any contract referenced in paragraph 10 below.

3.3— ~~_____~~ All procurement activity and any procurement exemptions may NOT be made retrospectively and no exemption can be used if the Regulations apply to the contract unless such exemption is permitted under such Regulations;

3.4— ~~_____~~ NO exceptions from any of the provisions contained herein shall be made otherwise than as set out in these PPR or the Scheme of Delegation or by the direction of the Combined Authority duly noted in their minutes.-

4.— ~~_____~~ **Commissioning**

4.1— ~~Commissioning **IS NOT** procurement.-~~

~~4.1 Commissioning is not procurement. Commissioning is the strategic activity of identifying need, allocating resources and seeking an organisation(s) to best meet that need, within available means. Procurement is one part of the commissioning process.~~

4.2 — ~~_____~~ ~~These rules apply to~~ Officers ~~must undertake undertaking~~ Commissioning for all purchases of goods services and works over £~~2025~~,000.

4.3 — ~~The Officer-~~ ~~It is essential that Officers~~ responsible for Commissioning **MUST:-**

~~(consider the following factors and undertake the appropriate steps as a) — pre requisite to commissioning:-~~

- (a) undertake consultation with other ~~Officers~~officers affected by the project;

- (b) undertake a Contract Review if a contract has been or is currently being provided;
- (c) take appropriate advices from the Head of Service for the area affected and the relevant support functions ~~i.e.~~ Legal, IT, Finance, HR and PMO;
- (d) have prepared and documented an estimate of the cost of the contract including, where appropriate, any maintenance ongoing and future costs;
- (e) consulted with Finance and be satisfied that adequate budget provision for the contract (and the future costs for the life of the goods, services or works to be procured) exists;
- ~~(f) —~~ prepare a specification that will form the basis of the contract;
- ~~(g) —~~ consider the potential staffing implications of the contract and in particular TUPE considerations, and discuss with the ~~Head~~Assistant Director of ~~People and Organisational~~Corporate Development and the Monitoring Officer;
- ~~(h) —~~ consider risk, including any risks to the Combined Authority's broader strategic objectives, reputational risks and risks to the local economy and supply chain;
- (i) for contracts where there is evident risk and for all High Value and High Risk Procurements produce and maintain a risk register for the procurement process and the eventual contractual relationship. ~~As a minimum this should analyse all risks, identify how the risks will be managed and the responsible Officer;~~
- (j) comply with all statutory requirements in respect of completion of equality impact assessments;
- ~~(k) —~~ consider dividing any potential contracts into lots to encourage SME participation;
- ~~(l) —~~ ensure that all specifications for IT goods, services or works are ratified at the Commissioning Stage by the Head of IT; and
- ~~(m) —~~ ~~consider any mechanisms to recover~~ include Social Value ~~from~~in the ~~contract~~Commissioning and Procurement Process.

5. Pre-tender Market Research and Consultation

- 5.1 ~~—~~ Prior to the issue of an ITT Officers may, with the agreement and support of the Monitoring Officer, consult potential tenderers in- general terms about the nature, level and standard of the goods services or

works to be provided, contract packaging and other relevant matters.- Such consultation must should not be anti-competitive or a breach of transparency and non-discrimination principles and must be in compliance with the Regulations.

5.2— Officers must are required to ensure that where a potential tenderer has been involved in pre-tender market research to help inform a procurement all such relevant information must needs to be shared with all tenderers to ensure a level playing field.-

6.— Procedures Applicable to all Procurements after Commissioning

6.1— The application of PPR is dependent on value thresholds and risk.- Officers shall calculate the anticipated value of the contract i.e. ie its “whole life” costs to determine the correct category of PPR.- For support in determining whole life costs the advices of the Monitoring Officer can be sought.

6.2— There are 3 categories of procurements:-

- (a)— Low Value Procurements;
- (b)— Intermediate Value Procurements; and
- (c)— High Value and High Risk Procurements.

The EPS shall be utilised for all Intermediate Value Procurements and High Value Procurements.-

6.3 Officers shall after the completion of Commissioning, consult the Monitoring Officer at an early stage in determining the most appropriate route to market for contracts likely to be economically significant in regard to the regional or national economy. The decision concerning which procurement pathway (open, restricted, direct award, calling off from framework agreements including single supplier framework agreements) to use is a critical and strategic one affecting the whole procurement process. The decision (excluding direct award and/or calling off from a single supplier framework) should be taken and justified at the planning stage in consultation with the Monitoring Officer.

6.46.4 In choosing which route to market to use, Officers need to weigh up a range of factors including:-

- (a) the benefits of full open competition;
- (b) the advantages of restricting competition;
- (c) the likely risk of complaints and remedies;
- (d) the opportunity for innovation; and
- (e) evidence that Value for Money can only be delivered from director award and/or calling off from a single supplier framework

6.5 During the planning stage if the Officer is considering calling off from a framework then the Officer shall request the Monitoring Officer to undertake a due diligence exercise to establish what selection process was conducted to enable the Combined Authority to be listed on the framework agreement.

6.6 All contracts should be let for a clearly defined period or with appropriate termination provisions. Where a service has no definable end date, the contract value shall normally be determined as the total value of the service estimated over a four year period.

~~6.5~~ 7 In the case of joint purchasing arrangements the value shall be the value of both parties' purchases. Officers shall not seek to divide potential procurements in order to avoid the requirements of the Regulations and these PPR.

~~6.6~~ 8 Procurements will impact on other areas of the organisation. It is important, therefore that goods services and works are only procured after effective Commissioning and due consultation with the relevant Head of Service regardless of value. The relevant Head of Service shall be responsible for the procurement of the following Services:

- (a) ~~(a)~~ a All IT equipment and IT services, whether hardware or software infrastructure or services by the Head of IT;
- (b) ~~communication~~ Communication and marketing services by the Head of Communications, Engagement and Marketing;
- (c) ~~Health and Safety~~ Health and Safety equipment by the Head of People and Organisational Development/Head of Asset Management (as appropriate);
- (d) ~~professional~~ Professional services (consultancy) by the relevant Head of Service for the discipline concerned;
- (e) ~~training~~ Training by the Head of People and Organisational Development;
- (f) ~~Asset Management~~ Asset Management Services, including electrical, plumbing, construction or other construction and maintenance services by the Head of Asset Management;
- (g) ~~Legal~~ Legal services including advices on employment law matters by the Monitoring Officer (as appropriate); ~~and~~
- (h) ~~financial~~ Financial matters by the ~~Head of Assistant Director (Finance).~~ Head of Assistant Director (Finance).

6.7—~~9~~ Goods, services or works should in appropriate circumstances, be obtained via existing arrangements wherever possible.- These arrangements include:-;

- (a)—in-house services;
- (b)—existing Framework Agreements (if the Combined Authority is entitled to 'call off the framework agreement' or Dynamic Purchasing Systems (internal or external);
- (c)—existing ~~Select Lists or~~ Register; and
- (d)—established corporate contracts.

6.8—~~10~~ Officers shall consult and obtain approval from the Monitoring Officer if they do not consider an existing arrangement to be suitable.-

6.9—~~11~~ Nominated ~~sub-contracts~~subcontracts shall be awarded in accordance with the procedures outlined above.-

6.10—~~12~~ Officers shall give due consideration to the provisions of the Public Services (Social Value) Act 2012 prior to the commencement of a procurement process for any ~~services~~ contracts.

6.11—~~The 13~~ Heads of Service shall notify the Monitoring Officer of any planned Intermediate and High Value Procurement at the commencement of each financial year.

7.—Procedure Applicable to Low Value Procurements

7.1—For Low Value Procurements, Officers are obliged to:-

- (a)—anticipate purchases in good time and make use of existing arrangements through the Monitoring Officer;
- (b)—ensure that Value for Money is obtained;
- (c)—ensure that a transparent and fair procurement process is applied;
- (d)—consider that a Low Value Procurement may still be extremely significant for potential suppliers and could be subject to challenge;
- (e)—retain evidence to be able to demonstrate, if required, how Value for Money has been secured or by demonstrating that the goods, services or works to be procured is proprietary or otherwise unique in nature; and-
- (f)—consider using the EPS.-

7.2—All Low Value Procurements require the approval of the Head of Service.— Such approval shall be obtained using the Purchase Order system.—

8.— Procedure Applicable to Intermediate Value Procurements

8.1—Officers are required to notify the Monitoring Officer of all Intermediate Value Procurements (including any proposed direct awards utilising Qualified Exemptions or proposed call-offs under existing Framework Agreements) prior to commencement of the procurement.— This is so that, where possible, the Combined Authority can make use of existing arrangements such as Framework Agreements or Dynamic Purchasing Systems as this greatly reduces the cost of procurement activity while still providing the optimum balance of Value for Money and risk.— All Intermediate Value Procurements shall be undertaken by the Procurement team.—

8.2 For Intermediate Value Procurements a minimum number of three separate quotations or Tenders shall be invited from suppliers in the relevant market.— More quotations/Tenders should be obtained where the Monitoring Officer and the relevant Head of Service believes there is a reasonable level of competition or variety of solutions.— If less than three quotations or Tenders are received then Officers shall (in consultation with the relevant Head of Service and the Monitoring Officer) ensure that they can demonstrate Value for Money before proceeding to award of contract.

8.3 —(a)— Officers shall take advice from the Monitoring Officer in respect of the most appropriate route to market, this could be using a Framework Agreement, Dynamic Purchasing System, Central Purchasing Body, collaborative arrangement, or Electronic Auction ~~or Select List~~;

(b)— Officers shall prepare a clear specification of requirements;

(c)— Officers shall specify the outcomes and outputs.— Inputs should only be included in specifications where these are material to the contract or where social and environmental considerations apply;

(d) Officers shall specify the goods, services or works to be provided approved by the relevant Head of Service and outline the terms and conditions of contract determined by the Monitoring Officer;

(e) Officers shall comply with the Regulations in addition to these PPR (where appropriate). Guidance on the Regulations including the relevant thresholds is available through One Place or by contacting the Monitoring Officer

- (f) Officers shall prepare evaluation criteria and undertake such evaluations;
- (g) Officers shall determine the risk to the Combined Authority posed by a contract and, where applicable shall only invite to tender or enter into a contract with a supplier if it is satisfied as to the supplier's financial standing;
- (h) In the event that there are any concerns about any of the tenderers Officers shall seek advice on:-
 - (i) economic and financial standing from the Head Assistant Director of Audit Finance;
 - (ii) technical and/or professional ability by references; and
 - (iii) insurance from the Head of Internal Audit.
- (i) If an Absolute or Qualified Exemption from PPR is required, the advice of the Monitoring Officer should be sought, it shall be clearly stated and the justification for the exemption and demonstrate how Value for Money has been assured.

8.4 The Monitoring Officer shall:

- (a) ensure that all Tenders for Intermediate Value Procurements over £25,000 are advertised on Contracts Finder if advertised elsewhere;
- (b) determine the appropriate procurement route to secure the best value;
- (c) assist the Officers in determining the basis for evaluating the Tenders if requested to do so;
- (d) determine appropriate terms and conditions of contract; and
- (e) Administer the EPS.

8.5 All Intermediate Value Procurements require approval by a Delegated Decision of the Combined Authority. This will be completed in a manner that is consistent with the Combined Authority's Scheme of Delegation and will demonstrate due consultation with the relevant Officers, Heads of Service and Directors.

8.6 The Officer (or the Monitoring Officer if EPS is used) shall retain a formal record of the process, to include:

- (a) the Officer(s) undertaking the procurement;

- (b) the rationale for the procurement route chosen;
- (c) a copy of the specification;
- (d) all quotations or Tenders;
- (e) a copy of the evaluation process and reasons for the decision as to the acceptance or rejection of a tenderer's quotation or Tender;
- (f) the award letter and any communications to unsuccessful tenderers;
- (g) copy of the final contract;
- (h) ongoing review and monitoring documentation;
- (i) an appropriate record of the decision; and
- (j) any supporting evidence in respect of 8.3 above.

9. Procedures Applicable to High Value and High Risk Procurements

9.1 — All High Value Procurements must (including any proposed direct awards utilising Qualified Exemptions or any call-offs under existing Framework Agreements) are to be notified to the Monitoring Officer prior to commencement of the procurement. — This is so that, where possible, the Combined Authority can make use of existing arrangements such as Framework Agreements and Dynamic Purchasing Systems as this greatly reduces the cost of procurement activity while still providing the optimum balance of Value for Money and risk. — All High Value Procurements shall be undertaken by the Procurement team. —

9.2 — Officers shall carry out the following steps:-

- (a) — undertake a formal risk assessment prior to commencement of the procurement process to identify any risks relevant and proportionate to the goods, services or works to be procured by the Combined Authority such risk assessment shall be continually reviewed, copies retained and updated during the tender process and the contract period;
- (b) — take advice from the Monitoring Officer in respect of the most appropriate route to market, this could be using a Framework Agreement, Dynamic Purchasing System Central Purchasing Body, collaborative arrangement, ~~or~~ Electronic Auction ~~or Select List~~;
- (c) — consult with the Monitoring Officer in respect of other required documentation to enable the Monitoring Officer to undertake the Procurement utilising the EPS;
- (d) — prepare a clear specification of requirements;
- (e) — specify the outcomes and outputs. — Inputs should only be included in specifications where these are material to the contract or where social and environmental considerations apply and the Monitoring Officer has agreed;
- (f) — specify the goods, services or works to be provided approved by the relevant Head of Service and outline the terms and conditions of contract determined by the Monitoring Officer;
- (g) — comply with the Regulations in addition to these PPR. — Guidance on the Regulations including the relevant thresholds is available through One Place or by contacting the Monitoring Officer;
- (h) — prepare evaluation criteria and undertake such evaluations;
- (i) — in the event that there are any concerns about any of the tenderers Officers shall seek advice in respect of:
 - (i) — economic and financial standing from ~~Head~~ the Assistant Director of Audit of Merseytravel Finance;
 - (ii) — technical and/or professional ability by references; and
 - (iii) — insurance from the Head of Internal Audit;
- (j) — if an Absolute or Qualified Exemption from PPR is required, the advice of the Monitoring Officer should be sought, it shall be

clearly stated and the justification for the exemption and demonstrate how Value for Money has been assured.

9.3— The Monitoring Officer shall:

- (a)— ensure that all High Value ~~Procurement~~ Procurements shall be advertised on Contracts Finder when advertised elsewhere;
- (b)— determine the appropriate procurement route and the mechanism in the Regulations to secure the best value for the Combined Authority;
- (c)— assist the Officers in determining the basis for evaluating the Tenders;
- (d)— determine appropriate terms and conditions of contract; and
- (e)— Administer the EPS.

9.4— All High Value Procurements require the approval of the Combined Authority. This will be completed in a manner that is consistent with the Combined Authority's Scheme of Delegation (as appropriate) and will demonstrate due consultation with the relevant Officers, ~~the~~ Head/Heads of Service and Directors.

9.5— Officers shall, unless a report has been submitted in accordance with paragraph 9.6 below, prepare a formal report through the Modern.Gov system to seek approval by a Decision of the Combined Authority to award a contract for all High Value Procurements. The Monitoring Officer will provide a Procurement Summary which ~~must~~ will be attached to the report.

9.6— At the commencement of the procurement process an Officer can submit a Pre-Procurement Report to the Combined Authority outlining the proposed project with outline specification, project outputs/outcomes, social value considerations, budget, procurement route, evaluation criteria and respective weightings and a detailed breakdown of expenditure in respect of a project. If such a report was submitted and endorsed by the Combined Authority then Officers are only required to obtain a Delegated Decision of Combined Authority to seek approval to award a contract for such High Value Procurements.

9.7— The Monitoring Officer shall retain a formal record of the process, to include:

- (a)— the Officer(s) undertaking the procurement;
- (b)— the rationale for the procurement route chosen;
- (c)— a copy of the specification;
- (d)— all Tenders;

- (e) a copy of the evaluation process and reasons for the decision as to the acceptance or rejection of a Tender;
- (f) the award letter and communications to unsuccessful tenderers;
- (g) copy of the final contract;
- (h) ongoing review and monitoring documentation;
- (i) an appropriate record of the decision; and
- (j) any supporting evidence in respect of 9.2 above.

10. Absolute Exemptions from PPR

10.1 The following procurements are **Absolute** Exemptions from the requirement to obtain quotations or Tenders under these PPR:

- (a) contracts specified in 3.2 above;
- (b) the execution of work or the supply of services which ~~must~~**can only** be carried out by a particular public utility undertaking, statutory undertaker, local authority or similar body; and
- (c) any contract that is exempt under the Regulations.

10.2 Absolute Exemptions under 10.1 (b) shall be supported by a formal Decision depending on the value of the contract being exempt. A Delegated Decision of the Combined Authority is required for Absolute Exemptions for Intermediate Value Procurements. A Decision of the Combined Authority is required for Absolute Exemptions for High Value Procurements. The Treasurer of the Combined Authority shall be consulted on all Absolute Exemptions for High Value or High Risk Procurements and such shall be subject to a Decision of the Combined Authority.

11. Qualified Exemptions from PPR

~~11.1~~ Qualified Exemptions shall apply in certain circumstances and should be supported by a formal decision, depending on the value of the contract being exempt from PPR.

The following procurements are **Qualified Exemptions** from the requirement to obtain quotations or Tenders under these PPR:-

- (a) contracts where the goods, services or works are proprietary articles which (and any acceptable substitutes for which) are supplied only by one person or firm or are sold at a fixed price and where the relevant Head of Service is satisfied that there is no reasonable satisfactory alternative;

- (b) ~~contracts where the price of the goods is wholly controlled by Governmentgovernment order/statutory body or otherwise and no reasonably satisfactory alternative is available;~~
- (c) ~~_____ for other reasons there would be no genuine competition or where the requirements of competition as required by statute have already been met;~~
- (d) ~~_____ the goods, services or works are to be supplied constitutes an extension to an existing contract and subject to the Head of Service deciding that it would not be in the interests of the Combined Authority to tender the contract provided that:-~~
 - (i) ~~the amount being considered shall not exceed- the original value of -the contract (unless approved by the Head of Service);-~~
 - (ii) ~~_____ the Officer is satisfied that such extension will achieve Value for Money and is reasonable in all the circumstances;~~
 - (iii) ~~the Officer ensures that any additional funding required is available;~~
 - (iv) ~~_____ if the original contract was subject to the Regulations, the contract is only being extended within the parameters identified in the original OJEU advertContract Notice or in accordance with the Regulations;~~
 - (v) ~~_____ if the contract was not subject to the Regulations, the extension must not take the total value of the contract above the EUrelevant procurement thresholds;~~
 - (vi) ~~_____ if the contract was awarded as a Framework Agreement, the total contract period, including the extension, does not exceed four years;~~
 - (vii) ~~the decision making route relates to the total amount of the contract including all extension(s); and-~~
 - (viii) ~~due consideration has- been given to alternative market competition.~~
- (e) ~~the contract is for the execution of work or the supply of goods or services certified by the appropriate Head of Service to be required so urgently as to preclude a competitive exercise.- This Qualified Exemption shall only apply to unforeseen and unforeseeable events and- does not apply where there has been a failing to act in a manner which would have permitted a full competitive exercise to take place;~~
- (f) ~~the purchase of a named or propriety product required to be compatible with an existing installation; and~~

- (g) ~~_____~~ urgent action under Section 91(2) of the Transport Act 1985 for Subsidised Service Contracts.

12. ~~_____~~ Tenders

12.1 ~~_____~~ ITT shall include:-

- (a) ~~_____~~ all details of the specification- as determined by the Officer reviewed by the relevant Head of Service or if required by the relevant support- service; ~~_____~~ and the Monitoring Officer;
- (b) ~~_____~~ terms and conditions of contract as determined by the Monitoring Officer;
- (c) ~~_____~~ a specific date and time by which Tenders must be returned;
- (d) ~~_____~~ advice to tenderers that ~~quotation~~ documents, responses and any communication in respect of an ITT ~~_____~~ mustcan only be submitted utilising the mechanism specified in the documentation;
- (e) ~~_____~~ advice to tenderers that Tenders and any communication in respect of an ITT must be submitted utilising the EPS;
- (f) ~~_____~~ explicit instructions to tenderers on the basis of Tenders requested;
- (g) ~~_____~~ the award criteria to be used to evaluate Tenders and the basis of award, which shall have been agreed in advance by the Officer and the Monitoring Officer; and
- (h) ~~_____~~ the capacity to receive alternate Tenders if required and agreed in advance by the Officer and the Monitoring Officer.

12.2 ~~_____~~ Late Tenders

No Tender received after the closing date and time shall be considered unless there are exceptional circumstances- in which case it may be considered at the discretion of the- Head of Internal Audit in conjunction with the Monitoring Officer.

12.3 ~~_____~~ Tender Evaluation

Tenders

- (a) ~~_____~~ received for contracts that are subject to the Regulations ~~_____~~ mustwill only be evaluated only in accordance with the Regulations and the evaluation criteria set out in the ITT or Contract Notice;

|

(b) — received for contracts not subject to the Regulations whether by value or by the nature of the contract, shall similarly be evaluated in accordance only with the evaluation criteria notified to tenderers in the ITT;

(c) — shall only be evaluated using the predetermined and advertised evaluation criteria, in order of importance and incorporating appropriate weightings (where possible or where required by the Regulations);

(d) — evaluation shall only be evaluated by suitably experienced Officers or other experienced persons and shall not be conducted by anyone who has any conflict of interest with a tenderer. Officers should, in such circumstances, comply with the Code of Conduct for Employees and declare such conflict and take no further part in the procurement process.

12.4 — Quotations/Tenders shall be accepted as follows:

(a) — the Quotation/Tender which represents the Most Economically Advantageous Offer (MEAT) to the Combined Authority as specified in the ITT;

(b) — the lowest quotation/Quotation/Tender if payment is to be made by the Combined Authority;
(b) — Combined Authority;

(c) — the highest if payment is to be received by the Combined Authority; or

(c) — the quotation/Tender which represents the Most Economically Advantageous Offer (MEAT) to the Combined Authority where specified in the ITT; or

(d) — under any such alternative evaluation criteria as will achieve best value for the Combined Authority in such circumstances, subject to the approval of the Monitoring Officer

13 — **Award of Contract**

13.1 — Award of Contract shall only take place if

(a) — sufficient budget provision exists, and that such sums of money have been notionally identified to be spent on that service/good/works in advance;

(b) — the terms and conditions of contract have been agreed to by the tenderer;

(c) — a decision to award has been made in accordance with this Constitution; and

(d) for a contract tendered pursuant to the Regulations the 'standstill' period has been complied with and there has not been a legal challenge or other such obstacle preventing the award.

13.2 For a contract that has been tendered pursuant to the Regulations that a contract award notice will be published in the [OJEU Find a Tender Service](#) no later than 30 days after the date of award of the contract;

13.3 The Monitoring Officer shall provide feedback to unsuccessful tenderers for contracts subject to the Regulations on written request. The relevant Head of Service shall provide the necessary information to the Monitoring Officer to provide this feedback.

14. **Form of Contract**

14.1 Every contract which exceeds £2025,000 shall be in writing in a form approved by the Monitoring Officer.

14.2 An Officer shall not instruct a contractor to commence works, supply goods or provide services which is subject to a contract in writing until the contract has been signed and any performance bond secured. However if a Head of Service, in consultation with the Monitoring Officer, determines that there is an urgent need for the supply of goods, provision of services or execution of works which does not permit time for the execution of a written contract then the contract can be commenced. However, the Officer shall ensure that a contract in writing is put into place as soon as practicable.

14.3 All written contracts shall:

- (a) specify the goods services or works to be provided;
- (b) provide details of prices to be paid including a statement of discounts or other reductions;
- (c) state the period or times within which the contract is to be performed and, where appropriate, the amount of liquidated damages that may otherwise become due; and
- (d) contain the terms and conditions of contract which are applicable.

15. **Authentication of Documentation**

15.1 Where any document is necessary to any legal procedure or proceedings on behalf of the Combined Authority it will be signed by the Monitoring Officer unless any enactment otherwise authorises or requires .

- 15.2— Any contracts over £~~150~~250,000 shall be a formal agreement made in writing and executed as a Deed by the affixing of the Common Seal (~~electronic or otherwise~~) of the Combined Authority in the presence of the Monitoring Officer.—
- 15.3 — The Monitoring Officer shall be entitled to delegate signature of such — documentation provided such delegation is in writing.
- 15.4 All other contracts may be signed by the Monitoring Officer or Directors of the — Combined Authority.
- 15.5 — If the Common Seal is to accompany the signature of the Monitoring Officer, an entry of every sealing of a document shall be made and consecutively numbered in a ~~book~~record provided for the purpose and open to inspection by every ~~Member~~member of the Combined Authority.— Each entry shall be ~~signed~~inserted by the signatory who signed the sealed document.
- 15.6— If any Directors sign contracts on behalf of the Combined Authority a copy of the contract shall be forwarded to the Monitoring Officer of the Combined Authority for their records.

16.— Contract Payments and Variations

16.1 Payments to contractors on account of contracts must be made only up on certified documents in accordance with the requirements of the Combined Authority's Financial Procedure Rules and Procurement and Contract Procedure Rules.

16.2 Where a breach of contract occurs, the Head of Paid Service, Directors and the Monitoring Officer concerned shall seek appropriate legal advice and, in consultation with the Treasurer, shall prepare a statement of any liquidated and ascertained damages, or such other penalties stipulated in the contract. Any breach that may lead to termination of the contract shall be reported to the Monitoring Officer.

16.3 Any variation in the amount of a contract must be notified to the Monitoring Officer and Treasurer and no order placed or payment certified in respect of any variation until approved in accordance with the procedure set out in paragraph 11 (Qualified Exemptions from PPR).

17. Termination of Contract

— Any termination of a contract arising from a High Value Procurement shall be approved by the Monitoring Officer.— Contracts of a lesser value may be terminated earlier than the expiry date by agreement or in accordance with the termination provisions in the contract.— Legal advice should be sought as appropriate.

~~17.~~ 18. **Legal Proceedings**

_____ The Monitoring Officer of the Combined Authority is authorised to institute, defend or participate in any legal proceedings in any case where such action is considered necessary to give effect to decisions of the Combined Authority or in any case where such action is considered necessary to protect the Combined Authority's interests.

SECTION 5 - PART D

LAND PROCEDURE RULES

1. Definitions

- (a) ~~(a)~~ — “Combined Authority” means the Liverpool City Region Combined Authority or Merseytravel as appropriate;
- (b) ~~(b)~~ — “Decision” means a decision named as such in the Combined Authority or Merseytravel’s Scheme of Delegation;
- (c) — “Delegated Decision” means a decision named as such in the Combined Authority or Merseytravel’s Scheme of Delegation;
- (d) — “Head of Service” shall mean those ~~Officers~~ officers who are so designated by the Combined Authority as ~~an Assistant Director~~, Head of Service, or ~~Rolling Stock~~ Project Director;
- (e) — “High Value Land Transaction” shall mean a Land Transaction where the total value of the Land Transaction is over £250,000 or where statutory protection attaches to the Land Transaction under the Landlord and Tenant Act 1954;
- (f) — “Intermediate Value Land Transaction” shall mean a Land Transaction where the total value of the Land Transaction payable to or by the Combined Authority is between ~~£2025~~,000 and £250,000 and where no statutory protection attaches to the Land Transaction under the Landlord and Tenant Act 1954;
- (g) — “Land Transaction” shall mean any land transaction as detailed in paragraph 2 hereof;
- (h) — “Low Value Land Transaction” shall mean a Land Transaction where the total value of the Land Transaction does not exceed ~~£2025~~,000 and where no statutory protection attaches to the Land Transaction under the Landlord and Tenant Act 1954;

2. These Land Procedure Rules apply to any Land Transaction which includes the following:-

- (a) acquisition, disposal of or other dealing with land, buildings or other property assets held by the Combined Authority or the allocation of the proceeds thereof;
- (b) entering into of any licences, tenancies, leases, change of use, wayleaves and easements for property owned by another party;

- (c) the renewal of leases protected by the Landlord and Tenant Act 1954;
- (d) assignment, underletting or change of use requests of leases or licences granted by the Combined Authority;
- (e) licences to commercial advertisers for the display of advertisements on Combined Authority properties;
- (f) easements over Combined Authority land;
- (g) wayleaves for the laying of services under on or through land and premises owned by the Combined Authority;
- (h) termination/surrender of any licences, tenancies and leases of land or property taken by the Combined Authority which are no longer required; and
- (i) a legal mortgage or charge over a property in favour of the Combined Authority

3. The Head of Asset Management shall:-

- (a) ~~ensure~~ Ensure that rent reviews for leases of land/premises are carried out as they fall due and take appropriate action to protect Combined Authority property assets;
- (b) Arrange for properties falling vacant to be ~~relet~~ re-let expeditiously or considered for disposal.
- (c) Periodically review ~~whether~~ the return from individual property assets.

In doing so the Head of Asset Management shall ensure that Value for Money is obtained in respect of the Land Transaction. The provisions set out in Procurement Procedure 7.1 shall be considered when determining such matter.

- 4. Subject to paragraph 7 below, a Delegated Decision of the Combined Authority is required in respect of any Intermediate Value Land Transaction.
- 5. Subject to paragraph 7 below, Head of Service approval is required for any Low Value Land Transaction.
- 6. Subject to paragraph 7 below, a Decision of the Combined Authority is required in respect of any High Value Land Transaction except for any High Value Land Transaction relating to land owned by the Combined Authority and operated by Merseytravel e.g. eg No 1 Mann Island. Approval for any High Value Land Transaction relating to land owned by the Combined Authority and operated by Merseytravel shall be approved by Merseytravel.

When determining a disposal of land for a High Value Land Transaction the Combined Authority shall consider a report which:-

- (a)- specifies the land to be disposed of;
 - (b)- confirms whether the land has been declared surplus to requirements;
 - (c)- advises upon the proposed method of disposal and provides the reasons for selecting that method;
 - (d)- confirms whether or not the proposed method of disposal is likely to achieve best consideration and, where other than open competition is recommended, describes how this will be satisfied/evidenced; and
 - (e)- in matters where it is proposed that the disposal should be for less than best consideration gives reasons for and against seeking best consideration.
7. In determining the amount of a Land Transaction for the purposes of paragraphs 3, 4, 5 and 6 above, Officers should consider the total cost or loss to the Combined Authority as a result of such Land Transaction.- Thus in the case of a lease or licence the total cost would be the rent or fees payable added up over the full term of the lease or licence plus any profit sharing or turnover payment that could be payable.- Where the term of a lease or licence is indefinite eg a licence or tenancy from month to month until terminated by either party then the assessment of value for the transaction should assume that the arrangement will last for one year. Guidance from the Monitoring Officer should be sought in the event of any query on this matter.-
8. In addition to any approval set out above the approval of the Combined Authority shall be obtained in respect of any Merseytravel land/estates transactions which require Combined Authority approval under Section 10(1) of the Transport Act 1968 including any land surplus to requirements.
9. The Head of Asset Management shall keep a record of all land and buildings owned by the Combined Authority.- The Monitoring Officer shall be responsible for the safe keeping and retention of all property deeds.-
10. In relation to land and buildings all Heads of Service shall:-
- (a) ensure that lessees and other prospective occupiers of Combined Authority land are not allowed to take possession or enter the land until a lease or agreement, in a form approved by the Monitoring Officer of the Combined Authority has been established as appropriate;
 - (b) ensure the proper security of all buildings and other assets under their control; and take the appropriate action in any case where security is thought to be defective or where it is considered that special security arrangements may be needed;
 - (c) identify land or buildings which are surplus to requirements;

- (d) pass title deeds to the Monitoring Officer who is responsible for custody of all title deeds;
 - (e) ensure that no Combined Authority owned land or building is subject to personal use or any other use other than in pursuance of approved service delivery without proper authority and where appropriate, documentation identifying terms, responsibilities and duration of use;
 - (f) arrange for the valuation of assets for accounting purposes to meet requirements specified by the Treasurer of the Combined Authority; and
 - (g) only dispose of any land or property or any interest therein in accordance with the Corporate Disposal Procedures.
11. All contracts and other documentation relating to land transactions shall be in writing, signed or sealed (as appropriate) as determined by the procedures set out in paragraph 15 of the Procurement and ~~Procurement and~~ Contract Procedure Rules.

LCR OVERVIEW AND SCRUTINY COMMITTEE

At a meeting of the LCR Overview and Scrutiny Committee held in the Authority Chamber - No.1 Mann Island, Liverpool, L3 1BP on Wednesday, 25th October, 2023 the following Members were

P r e s e n t:

Councillor Steve Radford
Chairperson of the Overview and Scrutiny Committee
(in the Chair)

Councillor Pat Moloney, LCR Liberal Democrat Group
Councillor Paula Basnett, Wirral Metropolitan Borough Council
Councillor David Hawley, LCR Green Party
Councillor Chris Loftus, Halton Borough Council
Councillor Mike Desmond, Sefton Metropolitan Borough Council
Councillor Phil Hart, Sefton Borough Council
Councillor Graham Davies, Wirral Metropolitan Borough Council
Councillor Angela Davies, Wirral Metropolitan Borough Council
Councillor Eddie Dourley, Halton Council
Councillor Edna Finneran, Knowsley Metropolitan Borough Council
Councillor Trisha Long, St Helens Council
Councillor Tricia O'Brien, Liverpool City Council
Councillor Brian Spencer, St Helens MBC
Councillor Derek Long, St Helens Metropolitan Borough Council
Councillor Joanne Burke, Knowsley MBC
Councillor Gary Bennett, Knowsley Council
Councillor Jane Corbett, Liverpool City Council

16 APOLOGIES

Apologies for absence were received on behalf of Councillors C Howard and B Spencer.

17 DECLARATIONS OF INTEREST

Councillor Steve Radford declared a disclosable pecuniary interest in relation to Item 6 – Developing the LCR Community Wealth Building Strategy.

18 MINUTES OF THE MEETING HELD ON:

The minutes of the meetings held on 5 July 2023 and 6 September 2023 were agreed as a correct record.

19 VERBAL UPDATE FROM MAYOR STEVE ROTHERAM

Mayor Steve Rotheram stressed the importance of the Committee's role in holding him and the Combined Authority to account and thanked Members for attending the

Committee meetings. Following on from which, he provided an update of some of his recent activities which included:

- Attending the Conservative Party Conference to explain to the Government what the Combined Authority had achieved to date and how it was adding value to the region. The Mayor advised that he had also taken this opportunity to challenge the rationale behind recent funding allocations.
- Summarised the implications for the City Region following the Government's announcement to cancel HS2.
- Provided an update on two significant transport developments, which included the opening of Headbolt Lane Train Station in Kirkby and the Combined Authority's decision to commence the franchise of the bus network.
- Shared highlights from the Labour Party Conference;
- Reported on the recent appointments to the Race Equality Hub, the development of the City Region's Investment Zone proposals and the near completion of the LCR Connect programme.

Members raised the following questions and comments:

- In relation to post-16 education, advised how poor transport links in Halewood where a barrier to young people accessing further education.

The Mayor explained that Sir Paul Grant had been appointed to consider how education could be improved in the City Region. He also referred to the Combined Authority's recent decision to franchise the bus network. Which once complete, would enable the Combined Authority to determine and redesign bus routes, so that they were able to provide access to training, education and employment opportunities.

- An update was sort on the progress of the introduction of hydrogen buses and active travel.

The Mayor advised that there were 20 hydrogen buses with some operating on the 10A route. He went on to explain how building the infrastructure to support active travel arrangements would provide greater freedoms for those with disabilities to access the transport network.

RESOLVED – That the update and comments raised be noted.

20 UK SHARED PROSPERITY FUND UPDATE (UKSPF)

The Committee considered a report which provided an update on the delivery of the Liverpool City Region UK Shared Prosperity Fund (UKSPF) and an overview of the upcoming pipeline of People and Skills projects.

Members raised the following questions and comments:

- It was recognised that a significant number of the programmes were in their infancy, however, assurance was sought on how residents would benefit from the numeracy programmes available.
- Recognising the challenges to deliver the programmes, clarity was sought on the contingency plans in place to ensure funding did not have to be returned to Government.

The Committee was informed that the impact and outcomes of the Fund would be presented to a future meeting of the Committee. Assurance was provided that it was fundamental to the Combined Authority that the benefits of the programmes were understood.

Assurance was provided that there were mitigations within the programme to ensure that the funding was allocated within the required timescales. Furthermore, subsequent discussions had taken place with Government to encourage earlier engagement which would enable improved methodology, delivery and design.

- Recognising the multiple number of programmes available to improve numeracy, clarity was sought on how duplication of the offer would be avoided and how the impact of the multiplier programme was being measured.

The Committee was informed that the multiplier programme was targeting a different co-hort of people to the numeracy programmes which would be available through Adult Education Budget (AEB). The contracts through the multiplier programme were being delivered through colleges and local authorities who also provided programmes through the AEB.

RESOLVED – That:

- (i) The comments and questions raised be noted; and
- (ii) Future reports be presented to the Committee which set out the spend profile, delivery and impact of UKSPF.

21 DEVELOPING THE LCR COMMUNITY WEALTH BUILDING STRATEGY

Councillor Steve Radford declared a Disclosable Pecuniary Interest vacated the Chair and left the meeting.

Councillor Pat Moloney
Vice-Chair of the Overview and Scrutiny Committee
(in the Chair)

The Committee considered a report which provided an overview of the development of an LCR Community Wealth Building Strategy. It was reported that Community Wealth Building (CWB) was a place-based approach to economic development which

seeks to change the way the local economy functions by retaining more wealth and opportunity for the benefit of local people.

The Centre for Local Economic Strategies (CLES) had been commissioned to support the development of an LCR Community Wealth Building Strategy and had produced 7 recommendations which were set out at paragraph 3.8. In conclusion, Members were asked to consider which of the 7 recommendations would benefit from a further scrutiny through a Task and Finish Group.

Overall, the Committee supported the development of an LCR Community Wealth Building Strategy and welcomed the opportunity to participate in a Task and Finish Group which would focus on 'Progressive Procurement'.

RESOLVED – That:

- (i) The contents of the report be noted; and
- (ii) A Task and Finish Group be established to explore in greater detail the progressive procurement aspect of Community Wealth Building relating to the CLES recommendations.

The meeting closed at 3.46 pm

Minutes 16 to 21 be received as a correct record on the 6 day of December 2023.

Chairperson of the Overview and Scrutiny Committee

LCR TRANSPORT COMMITTEE

At a meeting of the LCR Transport Committee held in the Authority Chamber - No.1 Mann Island, Liverpool, L3 1BP on Thursday, 23rd November, 2023 the following Members were

P r e s e n t:

Councillor Steve Foulkes
Chairperson of the Committee
(in the Chair)

Councillors Sean Halsall, John Abbott, Ged Philbin, Christopher Rowe, Andrea Wall, John Donnelly, Ken McGlashan, Paul Woodruff, Kimberley Berry, Liz Makinson, William Shortall, Lena Simic, Clare Carragher, John Dodd, James Hansen, Keith Laird, George Davies, James Stewart Laing and Simon Mountney

25 CHAIRS ANNOUNCEMENTS

The Chair welcomed all in attendance and provided the Committee with some housekeeping announcements.

26 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Tommy Rowe, Anne McCormack, Damien O'Connor and Allen Makin.

27 DECLARATIONS OF INTEREST

No declarations of interest were received.

28 MINUTES OF THE LAST MEETING

The Minutes of the previous meeting of the Transport Committee, held on 21st September 2023, were approved as a correct record.

29 PETITIONS AND STATEMENTS

The Chair advised the Committee that to aid the effective flow of business, the agenda order would be amended to take Petitions and Statements before Public Questions, due to one of the questions being in relation to the same issue as the petition.

The Chair then welcomed Cllr McManus and Mr Brendan Murphy to formally submit the petition.

It was confirmed that the petition was regarding objections to a reduction or deregulation of the 418-bus route which was a vital service to residents on the Wirral,

and had received over 700 signatures from residents within the Beechwood and Prenton areas.

The Chair invited Cllr McManus to present her statement in relation to the petition.

Cllr McManus thanked the Committee for the opportunity to speak on behalf of residents.

It was advised that the 418-bus route serves several communities on the Wirral, originally beginning its journey at Eastham Rake, into Bromborough, Rock Ferry, New Ferry then Birkenhead, before travelling through Prenton, to Arrowe Park and the Hospital; Upton Cross to Upton station through the Beechwood, Bidston Village, and onto the North End of Birkenhead, before heading into Liverpool. However, it was commented that in recent years, the first part of that service had been cut, with its journey now starting in New Ferry, resulting in an already reduced service for communities on the Wirral.

It was stated that in addition to a reduced route, the service also has a reduced frequency, with it now only operating hourly, rather than every 30 minutes, with the last bus through the estate towards the depot being at 7.30pm. It was highlighted that this leaves the estate cut off and causes problems for those visiting loved ones at the hospital, due to visiting times.

Cllr McManus advised that the estate suffers from ASB, resulting in residents being fearful of walking long distances through the estate, especially in the dark winter months, and that the bus service helps residents to move around more safely.

It was commented that the number of people who have signed the petition, highlights how desperately needed this service was and how much it will be missed should it be withdrawn.

Cllr McManus urged the Committee to consider the ward she represents - Bidston and St. James, which has just over 7,500 homes; with one part of the ward - the Beechwood Estate, having over 2,000 households alone, with around 50% car ownership. Cllr McManus asked how residents would get to work or school, or visit loved ones in hospital, as the proposed deregulation of the 418 service, would leave them cut off.

Reference was made to the Liverpool City Region pledge to be a dementia friendly region, and it was questioned how people living with dementia and their carers will get around without a bus service, with bus passes providing freedom to travel, reducing social isolation, and enabling independence. It was commented that our health service was moving to place based communities, and by withdrawing this service, the bus pass may as well be scrapped for many residents.

Cllr McManus commented that as a county, we have a goal to reduce our carbon impact to net zero by 2050, with our travel network supposed to support that goal. It was therefore stated that taking out the 418 will have a dramatic impact upon that goal and does not send a positive message.

Reference was also made to ambitions for an interconnected travel network, and taking out the 418 would not achieve this.

The Committee were informed that Bidston and St. James was one of the most deprived in the UK, with 50% of residents not fortunate enough to have access to a car, with even those that do, struggling to keep them on the road, given the cost-of-living crisis everyone was living through. Cllr McManus therefore urged the Committee to seriously consider what a difference it will make by removing this service.

The Chair then invited Mr Brendan Murphy to present his statement to the Committee.

Mr Murphy expressed thanks for the opportunity to address the Committee, and advised that the petition submitted had received over 700 signatures.

Mr Murphy commented that as a professionally trained driver and former bus driver, he would ask that plans to withdraw the 418-bus route, be seriously reconsidered, as the withdrawal of the service would isolate whole communities leaving them cut off from the rest of the Wirral.

It was commented that after the 418 leaves Birkenhead bus station it starts to pick up senior school children and mothers with toddlers, who without the service, would leave young and vulnerable people without transport home from school.

Mr Murphy highlighted that should the 418 service be withdrawn, it would leave only the hourly 492 service, which would not cope with the increased numbers. It was commented that as with the 418, the 492 service was only an hourly service, with its last Beechwood stop being at 7.39pm.

Reference was also made to the limited bus services throughout the Christmas period, which stop at 4.30pm Christmas Eve, then dependant on when Christmas day falls, could leave no service for 3 or 4 days, which was not considered to be a public service.

Mr Murphy commented that as a former bus driver, he believed that it would be worth considering re-instating the 419 route, which would take the same route as the current 418 but extend to Bebington Station and into the Croft Business Park and Bromborough Estate, making it a more profitable service.

The Chair thanked Cllr McManus and Mr Murphy for bringing the petition and issue to the attention of the Committee, and for their comments and time.

The Chair confirmed that he has the right of reply to a petition, and that he would also respond to the public question received in relation to this matter.

In terms of the consultation process, the Chair commented that it had been far from perfect. It was advised that there was an agreement with Arriva under the Bus Alliance, who follow a particular protocol for consultation when considering deregistering a service.

The Chair commented that he first found out about the proposed deregistration from Cllr McManus, via a webpage operating on the Beechwood Estate. It was stated that in his opinion, this was no way to consult the public, as it starts panic, without there being a logical beginning or end.

The Chair confirmed that thankfully, Arriva were now back in line with the consultation process, with the consultation now being extended to 24th January 2024.

In terms of the wider context, the Chair advised that one of the main reasons for the Combined Authority wanting to take buses back under its control under the franchise agreement, was that such decisions will be made in an open and transparent manner, with different factors considered, than those considered by a private enterprise operating a bus service, including the impact on people.

However, the Chair noted that bus franchising was not going to help solve this issue in the very short term, therefore the onus will be on the Combined Authority to persuade Arriva not to withdraw this service, as a first stance.

30 PUBLIC QUESTION TIME

The Chair advised that seven public questions had been submitted for the meeting.

- (1) The first question was from Mrs Wennell's and related to the cancellation of trains between St. Helen's Central and Liverpool Lime Street. Mrs Wennell made reference to a specific day, on which 15 trains had been cancelled, and the resulting impact and challenges that had on travel. Mrs Wennell commented that this is happening too frequently, almost daily, and that this needs to improve so that people can get to work or other places that they need to go to, without added stress and inconvenience. Mrs Wennell therefore questioned when these services would be improved so that it becomes a more reliable service, which in turn will encourage people to use public transport.

The Chair thanked Mrs Wennell for her question and advised that the Combined Authority concurs with the view that services currently provided by Northern have been poor, and do not meet the standard required by the Combined Authority.

It was advised that there have been several reasons for this failure linked to the ongoing industrial relations issues within the rail industry.

The Chair confirmed that the issue had been raised with Northern, who provided assurance that they would expect to see an improvement in performance going forward, as they had reached a Rest Day Working agreement with the train crew, which commenced on the 19th November. It was advised that it was therefore expected that this will deliver a significant improvement in the delivery of the service going forward.

The Chair advised that in addition, the industry is undertaking a wider consultation on pay which will hopefully have a positive impact on crew availability going forward; and that the Combined Authority would continue to monitor Northern performance closely going forward.

The Chair added that he receives weekly performance reports, and that Northern's performance was far worse than Merseyrail's, and it was hoped that Northern's performance would improve, to provide improved standards across the region.

- (2) The second question from Mrs Wennell was in relation to the 35 bus service from Gillars Green to St. Helens Junction. Mrs Wennell commented that the service is getting very busy, resulting in a lack of seating, following the service being reduced from three buses to two an hour. Mrs Wennell commented that she believes it is important to reintroduce the third bus, to make it less crowded and more comfortable for everyone, and that this also be for the evening bus service, which currently only has one bus service an hour. She also referenced plans to increase other bus services, and therefore questioned whether the 35/35A service could also be increased.

The Chair advised that the 35 service is currently operated commercially by Arriva in the daytime, and in January 2022, following the impact of Covid-19 on patronage and driver shortages, Arriva introduced a reduction in frequency to ensure the viability of the service.

It was confirmed that in April 2022, several subsidised bus service contracts were due to expire, and a re-tendering process was carried out, which unfortunately, due to the increase in cost of the tenders exceeding the bus supported budget, evening and Sunday frequencies were reduced to hourly on services, to maintain service level provision across the St Helens bus network.

The Chair advised that Combined Authority and Merseytravel acknowledge that frequency reductions impact passengers, and that demand can shift over time. It was commented that working in partnership with the bus operators through the Liverpool City Region Bus Alliance, Merseytravel regularly review service provision across the network and that the comments raised will be taken forward as part of this process and will be discussed at future meetings with officers.

- (3) The Third question from Mr Wennell was in relation to changes in bus routes and services between Liverpool and Cheshire Oaks. Reference was made to the removal of the X8 service and introduction of the X1, which has resulted in longer journey times. It was therefore questioned why the X1 takes so long, and whether it is an express bus compared to the number 1 bus route.

The Chair thanked Mr Wennell for his questions and confirmed that there used to be the faster X8 service, which ran separate to the main service 1. It was advised that when the X8 was withdrawn in favour of trying to get a more coordinated service frequency along the Chester-Liverpool corridor, its replacement service became known as the X1, which is still faster than service 1, as it runs via the New Ferry bypass instead of via the centre of New Ferry.

The Chair confirmed that over time, and since the pandemic, the level of service along the corridor was not financially sustainable, and the pattern of service was therefore revised to be what it is today. It was explained that the X1 now also serves New Ferry, however the number was retained to save confusion for the vast majority of customers throughout the route.

The Chair commented that a fast X8 style route is no longer viable, as the corridor has significant competition from Merseyrail trains on journey time, frequency and price, and the local bus service is successful by being a sum of its parts, catering for those journeys that cannot easily be made by train.

It was advised that there were aspirations to improve the frequency of buses on this corridor again, but that is unlikely to happen in the short-term and would not solve the journey-time issues raised.

- (4) The fourth question from Mr Wennell was in relation to connection in St Helens and potential to increase some bus services. Specific reference was made to scheduling time issues on the 35 routes, which do not connect well with train times leaving St Helens Central station.

It was therefore asked whether consideration could be given to timing these better, increasing the frequency, or even re-routing the number 10 or 10A to serve Knowsley Road, to increase bus frequency.

The Chair responded that Arriva's service 35 offers access to links such as schools and hospitals across the route and any timetable change can impact journey times for other passengers. It was advised that to ensure connectivity with the train at St Helens Central, would involve a shift in the timetable by at least 10 minutes in both directions to connect with the train, however the wider impact should be considered to the interchange at both rail interchanges in St. Helens including St Helens Junction.

The Chair confirmed that when proposing any change to a service, the wider implications to the network must be considered, however, connectivity between bus and rail is something the Combined Authority wants to improve across the network and interchange at this location will be considered as part of this process.

The Chair advised that the 10 and 10A service is operated commercially through a quality partnership between Arriva and Stagecoach, and that the operators determine the routes and timetables for this service. It was confirmed that the Combined Authority works in partnership with the bus operators as part of the Liverpool City Region Bus Alliance, and that the bus team would feedback the suggestions made to the operators.

The Chair advised two questions had been submitted by Mrs Fawcett who was not in attendance at the meeting. It was therefore advised that Kelly Kellaway, Senior Democratic Services Officer, would read out Mrs Fawcett's questions on her behalf.

- (5) The fifth question, from Mrs Fawcett, was in relation to potential fires in the tunnels, involving electric vehicles. Mrs Fawcett had expressed concern regarding such fires and how they would be dealt with by Merseyside Fire and Rescue

Service (MFRS), specifically with regard to the difficulties associated with extinguishing the fire, potential electrocution of firefighters, thermal runaway, and the containment of any release of toxic gases. Mrs Fawcett had stated that following a FOI request to Merseytravel, it was advised that the onus was on MFRS, who when contacted, advised that in such circumstances, a senior person would be on hand who would know what to do. Mrs Fawcett expressed concerns regarding the provision of a coherent workable plan for how MFRS would deal with a fire of this type in one of the tunnels, and therefore requested that the committee explore this on behalf of the thousands of people using the tunnels daily, who deserve a safe journey under the Mersey.

The Chair thanked Mrs Fawcett for her enquiry in relation to a vehicle fire inside the Tunnel. He advised that any incident of this nature would result in a multi-agency response to the Mersey Tunnels with various factors to be considered dependent upon the specific incident. Reassurance was provided that joint operating protocols exist between Mersey Tunnels Police, Combined Authority's 24 hour Combined Control Centre and MFRS.

The Chair also commented that he was not aware of there being an increased risk or danger with electric vehicles than other types of vehicles and made reference to the benefits of having a highly trained Mersey Tunnels Police Force, who know exactly what to do in such situations.

(6) The sixth question, from Mrs Fawcett, was in relation to the 75-bus service, which she stated had become increasingly unreliable in the last few months with timetabled buses frequently missing, leaving large gaps in the service. Mrs Fawcett therefore asked whether the Committee could explore the reason for this and get it resolved.

The Chair advised that Merseytravel work closely with the bus operators as part of the Liverpool City Region Bus Alliance, and that Arriva operate the 75 purely on a commercial basis.

It was commented that the 75 was not a service that had recently received comments regarding reliability issues, however it was advised that Merseytravel would discuss the route with Arriva to see if there have been any specific issues along the route, which may have impacted the reliability.

(7) The seventh question from was from Councillor Graham, Wirral Councillor for Prenton Ward, who advised that the residents of Bebington, Birkenhead, Bromborough, Prenton and other wards in Wirral, rely heavily on the 418 bus service. It was commented that these areas have some of the lowest car ownership rates in the borough, therefore, this bus service was not just a convenience, but a lifeline. Cllr Graham stated that the removal of essential bus services, would leave many without affordable or practical transport options.

It was acknowledged that budget constraints and operational costs were factors that need consideration; however, it was suggested that maintaining basic services should be a priority over cost-cutting measures.

Cllr Graham advised that Arriva have been urged to reconsider their decision about discontinuing the 418-bus route and have been asked to keep this vital link running for all those who depend on it daily. Cllr Graham also acknowledged that Combined Authority were looking at options in the event that Arriva does discontinue the service.

Reference was made to considerations by the Combined Authority around rerouting the 91/91A to provide a better service through Prenton, which despite there being a predominantly favourable response and limited impact on the budget, was not implemented.

Cllr Graham thanked the Combined Authority for considering other options and acknowledged the consultation regarding rerouting the 16/17 service. It was highlighted that whilst this may help retain a service through Prenton and some access to Arrowe Park hospital, there would remain issues for many residents in the area.

Cllr Graham therefore asked how the Combined Authority and Transport Committee would ensure that residents were not adversely affected by the potential withdrawal 418 and/or rerouting of other bus services.

The Chair advised that the Combined Authority were looking at several measures to mitigate the proposed withdrawal of Arriva's service 418 including the re-routing of service 91 and 16/17. He confirmed that the Combined Authority's next steps include consultation on any existing supported services such as service 16/17 and 91, and that the review of the supported services will form part of a wider package of measures that were being considered to ensure that residents retain service provision in Prenton, Bebington, Bromborough and Birkenhead.

The Chair advised that Arriva recently extended their consultation on the 418 to ensure residents had the opportunity to comment on the proposal, and if the decision taken is to withdraw the service, the Combined Authority will then consider and review the options available, outlined above.

In light of the above question, petition and statements, and comments by Members, the Chair moved that a letter be drafted on behalf of the Committee and all parties, asking in the first instance, that deregulation of the 418 does not take place, and to ask officers to explore all possible options to maintain good services in all areas affected by the 418.

Councillor Halsall seconded the motion, which was agreed unanimously by the Committee.

RESOLVED – That a letter be drafted on behalf of the Committee requesting that, in the first instance, deregulation of the 418 does not take place; and to ask officers to explore all possible options to maintain good services in all areas affected by the 418.

31 MERSEYTRAVEL FINANCIAL PERFORMANCE

The Committee considered a report of Merseytravel, concerning details of the financial performance of Merseytravel for the period to the end of September 2023, together with projected outturn.

The Committee were informed that in terms of revenue, there were a number of significant variances, which were set out in the report.

It was advised that the larger variances related to bus services, have some connection to the earlier statements and questions around difficulties with network support and maintaining the bus network.

It was highlighted that there had been a significant underspend for the current year, in relation to work around bus reform, and it was advised that this was due to slippage as a result of the decision being taken later than anticipated due to the consultation, and expenditure therefore slipping into next year.

The Committee were advised that there were significant inflationary pressures around maintaining the bus network, where there have been a number of deregistered services, and significantly higher contract prices for replacement services, resulting in a greater financial intervention required this year, in order to keep the network in its current form.

Reference was also made to significant savings related to concessionary travel. It was clarified that the savings were in relation to the amount paid to operators in relation to concessionary travel, and do not represent a change in policy.

It was advised that positive strides had been made to reduce that expenditure, and it will be proposed at the meeting of the Combined Authority in December, that the budget be adjusted to utilise the underspend to offset the overspend and inflationary pressure around network support.

Other challenges relating to increases in energy prices around marine oil for ferries, heating and lighting increases in relation to Hubs, and increased costs around energy in terms of ventilation and lighting in respect of the tunnels, were also highlighted.

With regard to capital, it was confirmed that 79% of spend will be delivered by the end of the current financial year, with a couple of schemes running into the next financial year. However, it was highlighted that many of those will commence in the current year but will have a completion date of next year.

The Committee were also informed that Sarah Johnston, the previous Assistant Director of Finance who had supported the Committee, had recently left the Combined Authority. However, it was confirmed that the new interim Assistant Director was due to start imminently, who along with the Finance Team, would continue to provide support to the Committee, to enable sufficient and effective scrutiny of the budget.

Questions were raised in relation to slippage, and whether this would result in any increase in costs, or had prices been fixed.

It was advised that in terms of capital, there would be a mixture of both, with one particular scheme being conditional on land acquisition.

Attention was drawn to the 5-year capital programme within the report, and it was advised that although a few schemes may see an increase in costs, overall the programme should remain fairly balanced, although it was acknowledged that contract prices remain a challenge.

The Committee noted that concessionary travel patronage remains low, below pre-pandemic levels, and a question was raised around plans to increase patronage.

The Committee were advised that broadly, concessionary travel patronage was down on pre-pandemic levels, nationally. It was confirmed that Combined Authority continued to have the most generous concessionary travel scheme in the Country, which demonstrates the commitment to concessionary travel use. It was advised that beyond that, it was around ensuring that the network remains suitable and appropriate, which was why the savings around concessionary travel were being re-invested into network support, the details around which will be reported back to the Committee via the regular reporting around bus services.

In terms of concessionary travel, the Chair commented that the issue was around paying operators an estimated figure, rather than a known figure, which the Combined Authority were getting better at predicting, only paying for what was used. However, it was commented that paying operators less for concessionary travel puts pressure on their budgets, which results in them seeking network savings, which were then replenished by the Combined Authority from concessionary travel savings.

Reference was made to the national inflation figure being 4.6% and a question was raised around what the estimated cost of inflation was for the public sector, which was often much higher.

The Committee were advised that across the transport spectrum, the cost of inflation was significantly higher, and although difficult to provide a snapshot at any given time, the best indication was where supported bus network schemes have reached the end of their contract period and need to be re-tendered. It was advised that there was often between a 15 and 24% increase in expected costs, which was predominantly driven by fuel prices, but also insurances and difficulties in running the network.

As such, it was confirmed that the inflationary costs for the Combined Authority were significantly higher than the national figures, particularly due to the cost associated with running transport services.

A further question was raised in relation to the number of staff vacancies in rail, creating significant spend on interim support, and whether there was a recruitment issue, and if so, how could it be resolved.

The Committee were informed that the Director of Place has a plan for rail, which was to bring in directly employed resources, and move away from a dependency on consultancy services.

It was advised that some of the costs were one off costs associated with an arbitration on Merseyrail, which were particularly expensive, whilst other costs were around arrangements when the previous Head of Rail, left the organisation and the need to provide continuity in the interim.

RESOLVED – That the report be noted.

32 BUS SERVICE IMPROVEMENT PLAN UPDATE

The Committee considered a report of the Assistant Director for Bus, concerning a proposed draft outline of changes to be made to the current Bus Service Improvement Plan (BSIP) for the Liverpool City Region, prior to submission to the Department of Transport in early 2024; and progress made on BSIP delivery to date.

The Committee was informed that the BSIP was a bidding document, which sets out funding requirements for BSIP delivery and bus services, across the region. It was highlighted that the document was very much at the draft stage and takes a light touch approach. It was advised that Government guidance was still awaited, and as such, the projects identified remain under review and prioritisation, pending the ask from the Department for Transport.

It was highlighted that that the report provided an overview of delivery to date on different aspects of the BSIP, including information regarding the fairer fare, and outlines timescales.

A question was raised regarding bus expenditure issues, and the involvement and dependency on the constituent Councils and potential burden on taxpayers, with reference made to the Greater Manchester scheme, which has a larger tax base.

It was clarified that the BSIP outlines the priorities and requirement for public funding, and that the constituent Councils work with the Combined Authority, to ensure that the priorities identified were the right ones. Officers advised that when the Department for Transport make the funding available, the document will be revised; and that the impact of any change of Government on funding and priorities, was unknown at this time.

The Chair clarified that the document was simply a draft bid document at present, to be utilised for the formulation of funding bids, and it was hoped that all the local authorities would support it. It was stated that the formulation of the levy was historical, and that Merseyside was no longer an outlier.

A question was raised regarding the equality elements of the report, specifically around bus stop infrastructure and the percentage of bus stops that require accessibility improvements. It was advised that information regarding exact figures,

would be provided following the meeting, however it was advised that each project would have an Equality Impact Assessment completed.

Reference was made to the importance of the Passenger Charter and a question was raised around how this was achieved and whether there were key performance indicators around this. It was confirmed that this work was important, and that although there was currently a draft, this will need to be consulted on again and updated, following the decision around franchising, including the development of a Code of Conduct and passenger expectations.

Comments were made regarding services at risk and the increased operating pressures as highlighted in the budget report, and a question was raised around whether BSIP funding can be utilised to address these issues.

It was advised that the Department for Transport have confirmed that funding can be utilised for such purposes, as detailed in paragraph 3.7 of the report, and in such circumstances, consideration would be given as to how this funding could be best apportioned, in order to sustain services.

Reference was made to discussions within some local authorities and nationally, around poverty becoming a classified characteristic, and the potential for this to be taken into account, in order to future-proof against any future changes in legislation. It was confirmed that this was built into the Equalities Framework, and that the Combined Authority offer great quality and value fares. Reference was made to equalities information published by providers, and inconsistencies in the quality of such information between providers.

The Chair made reference to the amount of work undertaken by officers to submit bids and bring in funding to benefit the whole of the region, with thanks expressed on behalf of the Committee to all involved.

RESOLVED - That:

- (a) the proposed changes to be made to the Liverpool City Region BSIP and the timeframe for completion and submission, be noted;
- (b) the comments and feedback provided by the Committee, be noted;
- (c) the proposed changes to the Liverpool City Region BSIP, be reported to the Liverpool City Region Combined Authority for approval to submit to Government; and
- (d) the progress made to date in delivering BSIP aspirations, particularly with regard to the local £2 bus fare cap scheme, be noted.

33 TICKET OFFICE CONSULTATION

The Committee considered a report of the Assistant Director of Rail, providing an update on the Ticket Office consultation.

The Committee was informed that the consultation was around the staffing and potential closure of ticket offices across most of the rail network, and which commenced on 8th July, with a short consultation period. It was advised that the consultation period was subsequently extended until 1st September 2023, with a great deal of responses received.

It was advised that within the City Region, the primary issue was around the proposed closure of 20 out of 22 ticket offices by Northern, to be replaced with "journey planners", who would only be available at stations for 2 hours per day, and the proposed closure of the ticket office at Runcorn, by Avanti.

It was highlighted that the proposals would have resulted in only 2 ticket offices within the City Region remaining open, although it was advised that Merseyrail would not have been impacted.

The Committee were advised that the key issues raised during the consultation, were around the ability to buy tickets, the provision of information, and assistance for passengers, with a common theme being around responsibility for the provision of assistance for wheelchair users.

Members attention was drawn to paragraph 3.5 of the report, which details the key criteria that any proposals should consider, as set out by Transport Focus, which following review, Transport Focus did not feel had been adequately considered.

It was highlighted that Transport Focus undertook a detailed assessment of the proposals put forward by operators.

In terms of proposals around the introduction of "Welcome Points", it was believed that these required significant development and targeted consultation.

With regard to access to rail products, issues around the use of vending machines were raised, and significant concerns were raised regarding general staffing and safety. It was noted that the policy of the Transport Committee has always been to have all stations staffed from the first to the last train, and there was no desire to change that policy.

Transport Focus also believed that there needed to be a suitable review process in place before any changes were implemented.

It was advised that following push back and challenge from Transport Focus, the proposals were withdrawn.

Cllr Halsall requested that his personal thanks be placed on record to RMT, for organising a fantastic campaign and petition.

A question was raised regarding the consultation and subsequent decision to withdraw the proposals, and where that had been initiated.

It was advised that it was a difficult question to answer, however it was likely to have been guided by the Department for Transport.

Reference was made to some of the challenges around increased use of technology and the requirement to ensure that there remains a human element to the process.

The Chair also made reference to the recent opening of the new station at Headbolt Lane, and commented that the Committee were proud of Merseyrail, and its commitment to staff stations.

On behalf of the Committee, the Chair also congratulated St. Helens and particularly Cllr Laird, for organising such an effective campaign, due to the disproportionate effect that the proposals would have had within the area.

RESOLVED - That:

- (a) the report be noted;
- (b) the position taken by Transport Focus with respect to the ticket office consultation, be supported and the decision not to take forward the proposals to close ticket offices across the network, be supported.

CLOSING REMARKS

A query was raised regarding the inclusion of "Any Other Business" on Committee's agenda, and whether such an item was permitted under the Constitution.

It was confirmed that the Constitution did not allow for such items, and should Members wish to request the inclusion of specific agenda items, they should do so via the Chair in the first instance.

The Chair thanked everyone for their attendance and as this was the last meeting of the year, wished everyone a Merry Christmas and a Happy New Year.

The meeting closed at 15:10pm

Minutes 25 to 33 received as a correct record on the 1st day of February 2023.

Chairperson of the Committee