

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, 26th January, 2024 the following Members were

P r e s e n t:

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

Councillor Marion Atkinson, Sefton 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

Emily Spurrell, Merseyside Police and Crime Commissioner and Portfolio Holder:
Criminal Justice (Non-Voting Member)
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 Gillian Wood, Deputy Portfolio Holder: Net Zero and Air Quality

Councillor Yvonne Gagen, West Lancashire Borough Council

228 APOLOGIES FOR ABSENCE

Apologies for absence were received on behalf of:

Combined Authority Member

Councillor David Baines
Councillor Graham Morgan

Deputy Portfolio Holder

Councillor Helen Avis
Councillor Kate Groucutt
Councillor Trish Hardy
Councillor Shelly Powell

229 DECLARATIONS OF INTEREST

Members and officers were invited to declare any interests they had in any of the items on the agenda for the meeting.

Councillor Marion Atkinson declared a Disclosable Pecuniary Interest in the Agenda item 7 (Combined Authority Budget 2024/25) as an officer of Merseytravel (Minute 234 refer). Councillor Atkinson left the meeting during consideration of this item and took no part in the discussion or vote.

230 MINUTES OF THE MEETING OF THE LCR COMBINED AUTHORITY HELD ON 15 DECEMBER 2023

RESOLVED – That the Minutes of the meeting of the Combined Authority held on 15 December 2023 were agreed as a correct record.

231 LIVERPOOL CITY REGION 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 welcoming Councillor Marion Atkinson to her first Combined Authority meeting as Leader of Sefton Council, congratulating her on her appointment, and stating how he looked forward to working with her, including in her new role as the Portfolio Holder for Education, Employment and Skills.

In welcoming the new Leader of Sefton Council, the Mayor also paid tribute to the outgoing leader, Councillor Ian Maher, who had lead the Council for 9 years and who had been the longest serving member of the Combined Authority and one of the signatories to the first devolution deal. The Mayor praised Cllr Maher's advocacy for Sefton and its residents, as well as championing opportunities to improve the lives of young people, and care leavers in particular, from across the City Region. On behalf of all the leaders of the Combined Authority, the Mayor thanked Cllr Maher for his contributions and wished him well for the future.

The Mayor referred to a recent meeting with the Transport Minister to discuss the Government's plans for 'Network North', formerly Northern Powerhouse Rail. Expressing disappointment that the £12 billion for Liverpool to Manchester connectivity announced after the scrapping of HS2 was not new money, and the £235m of Network North including pothole repairs in London, the Mayor nevertheless reiterated his commitment to work with the Government to get the best possible outcome for the City Region. The Mayor stressed that the option being proposed by the Government, known as 5.1 from the Integrated Rail Plan, would not provide meaningful or transformational benefits for the City Region and would set back economic growth.

Continuing the theme of trains, the Mayor highlighted the 12 months anniversary of the introduction of the new 777 trains to the Merseyrail network, part of the £500m investment in local rail. This investment meant that the fleet was the most accessible in the Country due to the level boarding; new battery technology meant trains no longer relied on the live third rail and promised an expansion of access; and a new station opening. The Mayor also acknowledged that there had been challenges over the last 12 months, with service standards falling below levels he would accept, but that action had been taken with the train manufacturer to address faults and with a

generous compensation package being announced for those most affected by delays and cancellations.

Specifically in relation to performance of Merseyrail, the Mayor emphasised that despite the recent challenges services in the City Region remained at a high standard, with reliability was at 90% or over, which was significantly ahead of other local service operators, with nearly half of all cancellations being due to factors outside of the control of the Merseyrail; the lack of industrial action locally despite ongoing national strikes; ongoing roll-out of the new rolling stock nearing completion; introduction of battery technology to bring closer the promise of Merseyrail for All.

The Mayor underlined that while press coverage often focussed on negative news stories, there was much to be positive about and that the decisions taken on rail had been strategic ones designed to positively shape the future of local transport in the City Region.

Building on the success of hosting Eurovision, the Mayor would be joining a delegation that included Cllr Robinson, to Malmo in Sweden as part of the official handover for the 2024 Song Contest. Reminding the meeting of the benefits Eurovision had brought to the City Region, including an economic boost of over £50m, 437k visitors and 162m viewers worldwide, the Mayor stressed the importance of ensure a legacy impact of the event. The delegation to Malmo would include a range of meeting with business in the digital and life science sectors, two areas that were key to the economic growth of the City Region. He welcomed the welcomed the opportunities hosting Eurovision had opened up to develop ties with Scandinavia.

The Mayor emphasised the importance of attracting more investment into the City Region to boost jobs and opportunities, referring to trade delegation he had led to Ireland and Germany, the ambitious plans for the Freeport and Investment Zones and the Liverpool Strategic Future Panel, all of which would complement the world class visitor and cultural offer of the City Region.

The Mayor reminded the meeting that he would be talking part in the DJ Battle with the Mayor of Greater Manchester, in aid of homelessness charities across both cities. The event, featuring a number of local artists, would take place in Liverpool in February.

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

- the well-attended launch of Wirral's Borough of Culture at the Williamson Art Gallery, accompanied by Cllr Stuart, demonstrating the excitement about the programme of events planned;
- supporting Sefton Council's efforts to start building their first new council homes for eighteen years at Buckley Hill, with brownfield land funding provided by the Combined Authority as the catalyst, and planning a visit to the site soon;
- receiving a briefing on the significant progress being made on the Freeport site in Halton and the benefits the business rates income would bring to the Council;

- unfortunately a planned visit to Whiston Hospital for the official opening of the new neuromodulation site was postponed due to inclement weather;
- presenting awards at the Workers Educational Association annual awards event earlier in the month in Liverpool
- meeting with sixth form students at Dixons Broadgreen Academy, discussing with them the importance of elections, politics and the upcoming local, regional and general elections and how they must use their vote.

Finally, the Mayor referenced the recent announcement that Jurgen Klopp would be retiring from his role as Manager of Liverpool Football Club. He paid tribute to the commitment he had shown to the City and City Region and its residents and expressed his thanks for his service.

232 PUBLIC QUESTION TIME

No public questions had been submitted.

233 PETITIONS AND STATEMENTS

No petitions nor statements had been submitted.

234 COMBINED AUTHORITY BUDGET 2024/25

The Mayor presented his 2024/25 budget proposals to the Combined Authority.

The Mayor stated that whilst the budget is labelled the 'Mayor's Budget', he strove to develop the proposals in collaboration with the leaders of the Constituent Councils.

He thanked Leaders for their support in this process during difficult circumstances for the Combined Authority and local authorities, but which sought to continue to provide and protect vital services for the 1.6m residents but also progress the ambitions for the Liverpool City Region, particularly in relation London-style transport and net-zero.

The Mayor referred to the useful discussion on the proposals had at the latest Overview and Scrutiny committee, and commended the proposals to the Combined Authority.

The Executive Director for Corporate Services provided a summary of the key elements contained in the budget proposals and set out in detail in the report. In particular, he highlighted the following:-

- The budget was proposed within the context of the Medium-Term Financial Strategy, that prioritised protecting residents as far as possible from the pressures of the increasing cost of living;
- the Mayor was proposing the freeze the Mayoral Precept for 2024/25 and was indicating this would be continued into 2025/26;
- the biggest element of the Combined Authority's spending was for transport, which was essential for economic growth, but in order to reduce pressure on local authority budgets the proposed increase in the Transport Levy would be

significantly below inflation within the sector, with cost pressures being managed within that budget;

- an approach to business transformation and commercialisation would also ensure that the cost pressures on the organisation could be managed to reduce the need for levy and precept increases;
- bus reform transitional costs would be funded through a mixture of transport reserves, borrowing for assets and external funding so as not to reduce the pressure on the Transport Levy;
- additional reserves had been set aside to respond to the continued volatility and risk in the bus network; and
- additional activity that had been factored into the budget included the integration into the Combined Authority of the Growth Platform and the work of the former Local Enterprise Partnership to improve business support and support inward investment, connected to ongoing work to develop the Freeport and Investment Zones in the City Region.

In summary, the Executive Director stated that the Mayor's Budget proposals was a responsible and balanced budget, proposed in accordance with the Financial Strategy, that would support the priorities of the Combined Authority in relation to economic growth and net zero, but that sought to minimise the financial pressure on residents and local authorities.

RESOLVED – (unanimously by all those in present and eligible to vote on the specific items) That, in relation to the Liverpool City Region Mayoral Combined Authority Budget for 2024/25:

- (a) the report be noted;

Those members voting in favour of the recommendations were:

Mayor Rotheram, Councillors Gomez-Aspron, Robinson, Stuart and Wharton

- (b) the Mayoral Budget as presented at Table 2 of the report be agreed;
- (c) the freeze of the Mayoral precept for 2024/25 at its 2023/24 level equivalent to £19 per year for a Band D property and £12.67 per year for a Band A property be agreed;
- (d) the composite Combined Authority budget for 2024/25 as presented at Table 3 be approved;
- (e) an increase in the Transport Levy for 2024/25 from £102.283m to £105.300m be approved, representing an increase of 2.95%;

Those members voting in favour of the recommendations were:

Councillors Gomez-Aspron, Robinson, Stuart and Wharton *

- (f) the payment of an operational grant of £84.1m to Merseytravel to cover its operational costs and the revenue project costs associated with the Rolling Stock project be approved as detailed at paragraph 6.4 of the report;

- (g) the request for an operational grant of £26.2m in respect of the operation of Mersey Tunnels for 2024/25 be approved as detailed at paragraph 6.4 of the report;
- (h) the differential levy payable by Halton as £3.397m be recognised; and
- (i) a corresponding grant from the Combined Authority to Halton of £3.397m be agreed in order that Halton could continue to provide transport services in Halton on behalf of the Combined Authority in 2024/25.

Those members voting in favour of the recommendations were:

Mayor Rotheram, Councillors Gomez-Aspron, Robinson, Stuart and Wharton

** in accordance with Part 5 Section A of the Combined Authority Constitution the Mayor is ineligible to vote on these elements.*

235 BUS SERVICE IMPROVEMENT PLAN UPDATE

The Combined Authority considered a report of the Executive Director for Place and the Portfolio Holder for Transport that sought approval of a revised Bus Service Improvement Plan (BSIP) for the City Region. The refreshed Plan had been developed in the context of the decision to franchise the region's bus network, the changing local policy environment and the emerging Local Transport Plan.

The Portfolio Holder, Cllr Robinson, emphasised the importance of the bus network to residents of the City Region, given that 80% of public transport journeys were on buses and challenges for many residents of affording a car. He stressed the role buses would have in tackling the climate emergency. Referencing the decision taken in the Autumn to move to a franchising model for bus services, the Portfolio Holder stated that the refreshed Plan would help guide this process and how to move toward achieving the ambition of a zero emission bus fleet.

RESOLVED – That, in relation to the Bus Service Improvement Plan:

- (a) the Liverpool City Region's Vision for Bus and the projects that made up the Bus Service Improvement Plan (BSIP), including the use of powers available to Local Authorities to prioritise buses on the city region's road network in line with the City Region Sustainable Transport Settlement, be approved and endorsed;
- (b) authority be delegated to the Executive Director of Place in consultation with the Portfolio Holder for Transport, to approve the finalised BSIP and accompanying investment plan and submit to the Department of Transport ahead of the submission deadline;
- (c) the adoption of the National Bus Fare Cap Scheme in the Liverpool City Region be noted, and approval be given to the reallocation of BSIP funding for 2024/25 financial year to continue to maintain the cost of Myticket at £2.20 for a seventh year in a row, contribute to the roll out of Tap and Go ticketing, and sustaining and where possible enhancing bus services;
- (d) authority be delegated to the Executive Director for Corporate Services to accept an additional BSIP allocation of £8.825m in 2024/25 for initiatives to

support and develop the bus network, once confirmed by the Department for Transport.

**236 DEEPENING DEVOLUTION FOR THE LIVERPOOL CITY REGION:
RESPONSE TO GOVERNMENT LEVEL 4 DEVOLUTION OFFER**

The Combined Authority considered a report of the Executive Director for Policy, Strategy and Government Relations and the Portfolio Holder for Policy, Reform and Resources that set out the Combined Authority's response to the Level 4 Devolution Framework offer from the Department of Levelling Up, Housing and Communities (DLUHC), published in the Autumn Statement in November 2023, and seeking support to inform the Secretary of State that the Combined Authority wanted to draw down all the powers being offered and that it satisfied the eligibility criteria.

The Mayor stated that, should the offer be taken, it would unlock new powers for the City Region over transport, investment, skills, housing and more that the Combined Authority and six local authorities had demonstrated their ability, since the devolution deal in 2016, to deliver for local people. These achievements included investment in the local rail system with new trains and new stations; moving toward franchising of the bus network; delivering thousands of new jobs and homes, and retrofitting more than 10,000 properties, as well as improving the skills and training available to residents.

While the opportunity to take on new powers from Whitehall was welcomed, the Mayor emphasised that this was not the limit of the local ambition, with a desire to have a devolution agreement similar to the Trailblazer agreements signed in Greater Manchester and West Midlands, in particular the departmental-style single settlements that provide the flexibility to prioritise investments, certainty over budgets, and reduce the need for endless rounds of bidding processes.

Cllr Robinson echoed the sentiments of the Mayor in respect of the depth of the powers on offer, using the phrase 'proud but never satisfied' to express his frustration that the Level 4 offer did not go far enough to match the needs of the City Region, but that it was a necessary step forward to realise local ambition and overcome the structural inequalities and funding disparities the City Region faced in comparison to other areas and nations within the UK.

The Executive Director thanked officers in the Constituent Councils for their support in responding to the offer in a short period of time.

RESOVED – That in relation to the Level 4 Devolution Framework and deepening devolution for the City Region:

- (a) it be agreed to draw down all the powers being offered by government in the Level 4 Devolution Framework;
- (b) the Mayor be requested to write to the Secretary of State for Levelling Up, Housing and Communities confirming the Combined Authority's wish to draw down all powers offered in Level 4 of the Devolution Framework and that the eligibility criteria had been met;

- (c) the Executive Director for Policy, Strategy and Government Relations be requested to report back in due course on the outcome of this process and on arrangements for implementing powers drawn down from the Level 4 Devolution Framework; and
- (d) it be noted that the implementation of the powers being drawn down would be subject to further Combined Authority approval.

237 ADULT SKILLS PROGRAMMES GRANT ACCEPTANCE 2024/25

The Combined Authority considered a report of the Executive Director for Investment and Delivery and the Portfolio Holder for Employment, Education and Skills that sought approval for the acceptance of the Skills Bootcamps for the Workplace Wave 5 Grant for the financial year 2024/25.

The Portfolio Holder, Cllr Atkinson, in introducing the report, highlighted the successful commissioning of Skills Bootcamps in the City Region since 2021, growing the offer from one to thirteen different sectors, with the budget growing from £8.2m in 2023/24 to 11.18m in 24/25, to support 2500, up from 2185 in the current year. The priority for the City Region was around green skills, that would match local ambitions around net zero.

The Mayor welcomed the significant increase in the budget being offered by the Department for Education, which reflected the hard work of officers in the Combined Authority and by providers in delivering these successful programmes to drive up the skills of local residents. On behalf of the Combined Authority, he thanked officers for the efforts and commended them for the success of the programme.

RESOLVED – That:

- (a) the funding of £11,180,000 from the Department for Education (DfE) be accepted for the Skills Bootcamps for the Workplace Wave 5 Grant for the financial year 2024/25, and
- (b) the process already in place to award Skills Bootcamps for the Workplace grant funding would continue for Wave 5 (financial year 2024/25) be noted.

238 DFT ADDITIONAL HIGHWAY MAINTENANCE FUNDING - NETWORK NORTH

The Combined Authority considered a report of the Executive Director for Place and the Portfolio Holder for Transport that sought approval to accept and subsequently disburse additional Department for Transport funding for highways maintenance.

The Portfolio Holder, Cllr Robinson, confirmed that the additional funding would be distributed to local authorities on the basis of the previously agreed formula.

RESOLVED – That, in relation to the Department for Transport Network North allocation:

- (a) the additional funding from the Department for Transport for highways maintenance network north allocation of £2,684,000 for financial year 2023/24 and a further £2,684,000 for financial year 2024/25 be accepted;
- (b) the Department for Transport Traffic Signals Obsolescence Grant of £388,400 be accepted;
- (c) authority be delegated to the Executive Director for Place in consultation with the Monitoring Officer and Executive Director for Corporate Services to put in place and manage funding agreements to disburse both elements of the funding to the six Local Authorities on the basis set out in this report; and
- (d) authority be delegated to the Executive Director for Place in consultation with the Monitoring Officer and Executive Director for Corporate Services to accept additional funding from the competitive element of the Traffic Signals funding should further bids in 2024 be successful and subsequently disburse the additional funding to the six Local Authorities as required.

239 CHANGES TO PREVIOUSLY APPROVED STRATEGIC INVESTMENT FUND PROJECTS

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

The Portfolio Holder, Cllr Wharton, highlighted the extension in completion deadline for the Parkside Link Road scheme arising from delays caused by the planning application having been called-in, but stressed the importance of the project in creating thousands of new jobs and guaranteeing additional funding for the broader regeneration objectives at Parkside.

Cllr Wharton also highlighted the completion of significant elements of the LCR Strategic Cycling and Walking Network that was providing improved green travel options, as well as a improved greenspaces and wildlife habitats, with options to complete outstanding phases using CRSTS resources being pursued.

Cllr Gomez-Aspron referenced the significance of the regeneration and improvement schemes in St Helens that were bringing former colliery sites back into use and that this reflected the ambition of the Council and the Combined Authority, and was delivered thanks to the devolution.

RESOLVED – That in relation to previously agreed Strategic Investment Fund projects:

- (a) the material change to Parkside Link Road Project by St Helens Metropolitan Borough Council indicated in paragraphs 3.1 to 3.6 of the report and the extension of time for completion to 30th September 2024 and financial completion to 31st December 2024 be approved;
- (b) the completion of LCR Strategic Cycling and Walking Network indicated in paragraphs 3.7 to 3.8 of the report be noted; and
- (c) the immaterial and intermediate changes made to Strategic Investment Fund projects as detailed in paragraph 3.8 and as detailed in Appendix 1 be noted.

240 MINUTES OF THE AUDIT & GOVERNANCE COMMITTEE HELD ON 1 DECEMBER 2023

RESOLVED – That the draft Minutes of the Audit & Governance Committee meeting held on 1 December 2023 be noted.

241 MINUTES OF THE APPOINTMENTS & DISCIPLINARY COMMITTEE HELD ON 15 DECEMBER 2023

RESOLVED – That the draft Minutes of the Appointments & Disciplinary Committee meeting held on 15 December 2023 be noted.

242 NOTES OF THE OVERVIEW & SCRUTINY COMMITTEE MEETING HELD ON 6 DECEMBER 2023

RESOLVED – That the draft notes of the Overview & Scrutiny Committee meeting held on 6 December 2023 be noted.

The meeting closed at 1.55 pm

Minutes 228 to 242 received as a correct record on the 15th day of March 2024.

Chairperson of the Combined Authority