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| Report Title | Mersey Tidal Power Project |
| Portfolio Holder | Portfolio Holder for Net Zero and Air Quality |
| Summary of report | To provide an update on the Mersey Tidal Power Project (MTPP) Phase 4 Development activity including the submission of a Scoping Opinion to the Planning Inspectorate for England. |
| 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 | Yes – see paragraph 4.1 |
| Delegation (s) sought | Yes – see recommendation 2.1 (c) |
| 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 | Yes – see paragraph 4.8 |
| Legal implications | Yes – see paragraph 4.9 |

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| Risk and Mitigation | Yes – see paragraph 4.10. |
| Privacy implications | No |
| Communication and consultation implications | Yes – see paragraph 4.11 |
| Contact Officer(s) | Martin Land, Project Director - Tidal Power, martin.land@liverpoolcityregion-ca.gov.uk Jamie Willgress, Project Manager, Tidal Willgress, Jamie Jamie.Willgress@liverpoolcityregion-ca.gov.uk |
| Appendices | Yes |
| Background Documents | No |

Liverpool City Region Combined Authority

Friday, 15 March 2024

Report of the Executive Director - Place and the Portfolio Holder for Net Zero and Air Quality

MERSEY TIDAL POWER PROJECT

1. PURPOSE OF REPORT

- 1.1. The Mersey Tidal power project has been progressing and is commencing Phase 4 Development activity. In order to take the next steps a Scoping Opinion, from the Planning Inspectorate for England, is required for the potential development of a Barrage Scheme in the River Mersey.
- 1.2. The Scoping Opinion decision will inform the extent of scope and duration of evidence and data required to support Environmental studies and accompany any subsequent Development Consent Order (DCO) submission, under the Planning Act 2008.

2. RECOMMENDATIONS

- 2.1. It is recommended that the Liverpool City Region Combined Authority:
 - (a) approve the continuation of phase 4 development activity on Mersey Tidal;
 - (b) approve the submission of a Scoping Opinion to the Planning Inspectorate for England in Q3 2024;
 - (c) the detail of the content of submission documents is delegated to Executive Director for Place; and
 - (d) note that the Scoping Opinion submission will be based on an area for development of a barrage scheme and not a specific single location.

3. BACKGROUND

- 3.1. The Mersey Tidal Power Project is commencing Phase 4 Development activity, that includes the Consenting, engineering and commercial activity over a 4–5 year period.
- 3.2. The initial Phase 4 activity in 2024/25 is concentrating on moving from the Phase 3 conceptual work to an outline scheme definition and support information for the Consenting and permitting process for a major project.

- 3.3. As a major project, Mersey Tidal Power is deemed a Nationally Significant Infrastructure Project (NSIP) under the Planning Act 2008 and is subject to National Policy Statement (NPS) guidance.
- 3.4. As a major project, the preparation of a Development Consent Order (DCO) submission, known as pre-application period, is a 2–3-year process including the preparation of an Environment Statement (ES) and Environmental Impact Assessment (EIA) with a further period for examination and determination.
- 3.5. To better understand the extent and scope of data, evidence and justification to be provided in support of a DCO submission, it is best practice for large and novel projects to seek a scoping opinion.
- 3.6. The scoping opinion informs the extent and breadth of surveys and assessments to be completed to support the DCO application, and is submitted in line with Infrastructure Planning (Environmental Impact Assessment) Regulations 2017 (the EIA Regulations)
- 3.7. As a result of the preparatory work officers recommend that the Scoping Opinion is sought on a barrage scheme solution, and that the lagoon scheme options are not progressed further at this time but may be an option in the future.
- 3.8. At this time, a barrage scheme has become focus for current development based on the following rationale, when compared to lagoon options.
 - a. First of a kind project (FOAK) in UK for the build of Tidal Range scheme
 - b. A barrage is the shortest structure that can be built (less material and cost) for a large basin size using our natural assets, the Mersey estuary basin, as the effective lagoon.
 - c. HMG income (funding) support regime would be lower for a barrage than for a lagoon (in a post COVID / energy Crisis context / stress and market performance in other major energy projects)
 - d. Potential flood mitigation that can be offered by a barrage.
 - e. Potential economic benefit of being the first UK project with regional manufacturing activity.
 - f. Ability to allow marine traffic to function with a lock provision.
 - g. Possibility of a pedestrian and cycle link between Liverpool and Wirral
 - h. Potential to provide long-term environment solutions and mitigations.
 - i. Avoiding large-scale import of materials to create a lagoon structure.
 - j. Option to consider a lagoon in future.
- 3.9. The submission of a Scoping opinion is expected within Q3 2024 and will consist of a written submission based on the proposed development and the approach to identifying and gathering onshore and offshore evidence across the expected categories of contents for the project specific Environmental Statement. The anticipated submission list is attached as Appendix A.
- 3.10. In the period before the Scoping Opinion is submitted there will be a period of engagement with stakeholders as part of the non-statutory consultation period. This will include an offer of a briefing to a Members meeting with each of the six Local Authorities in the Liverpool City Region. There will be further engagement, as part

of the non-statutory consultation period, with stakeholders that will be prescribed bodies under the relevant Planning Act 2008 legislation and Advice Notes.

- 3.11. In the period after receipt of the Response to the Scoping Opinion submission from the Planning Inspectorate for England, there will be a full review by the project team of the response and how it informs the Development Phase activity including the cost and time estimates for the activity and tasks required to prepare the DCO submission (and all related documents). The process of statutory consultation with stakeholders will commence after Scoping Opinion response from the Planning Inspectorate for England.

3.12. **BUDGET**

The Phase 4 development activity for 2024/25 including the activity and tasks to prepare and submit a Scoping Opinion was included in the Combined Authority's budget, approved on 26 January 2024.

- 3.13. The Phase 4 budget estimate for the full period of pre-application and determination has been estimated and will be reviewed on receipt of Scoping Opinion response.
- 3.14. The overall cost estimate for the construction phase of the project will be prepared after Scoping Opinion on the basis of the funded development activity and understanding of the final scheme location.

4. **IMPACT AND IMPLICATIONS**

4.1. **Financial**

The future budget for Development activity in 2025 onwards will be informed by the Scoping Opinion and be subject to further approvals.

4.2 **Supporting the Corporate Plan**

The Mersey Tidal Power Project is integral to the current Corporate Plan.

A Fairer City Region – the opportunity to provide employment and skills opportunity and to target positive actions in recruitment.

A Stronger City Region – the opportunity to increase economic activity and international brand through the manufacture and assemble components for the project locally and regionally, and to establish a base for future export.

A Cleaner City Region - Enabling predictable low-carbon electricity production close to the need of our urban, port city region at a time when energy security and retirement of (unabated) fossil fuels is essential to reach Net Zero.

A Connected City Region – creating the opportunity for active travel (pedestrian and cycling) across the Mersey between Wirral and Liverpool.

A Vibrant City Region – contributing to future Visitor economy as a major piece of infrastructure with associated visitor and education centre.

4.3 Climate Change

The progression of the Mersey Tidal power project is recognised as an action item under the current Corporate Plan and the five-year Climate Action Plan (approved July 2023).

The contribution to low carbon electricity production and the potential to help mitigate the impact of sea level rise (0.8 – 1.2m in 100 years) makes the Mersey Tidal project an iconic long-term solution for 2150, not just 2050.

4.4 Equality and Diversity

The preparation of a DCO application will include the preparation of Equalities and Health assessments. This will consider the impact of the proposed scheme with a varied stakeholder group.

It is anticipated that the EQIA panel will assist in the discussion of scope and review these reports before submission.

4.5 Social Value

The multi-billion scale of investment in the construction phase will offer significant opportunity for expenditure to be targeted to attain significant social value. The proposed specification and guidance for Social Value potential is to be developed during Phase 4.

4.6 Human Resources

The current project team is expected to grow by 4-5 staff in 2024 with further consultancy support provided from the market, in line with approved project budget.

4.7 Physical Assets

When the project progresses to construction then significant new assets will be created. The full scope of project and ancillary assets will be specified in Phase 4.

4.8 Information Technology

The current development stage will use existing CA IT systems but will also explore the use of stakeholder engagement platforms as a dedicated system for the Consenting activity, including project websites.

4.9 Legal

The Combined Authority will be the applicant for the Scoping Opinion Submission.

The Scoping Opinion Submission will be subject to legal review, using third party guidance.

Each of the six Local Authorities in Liverpool City Region will become statutory consultees under the Planning Act 2008.

4.10 Risks and Mitigation

The progression of Mersey Tidal into the Planning process will create additional visibility amongst local and regional stakeholders as part of initial engagement phase and will lead to increased levels of media interest and comment. The mitigation will involve timely review of comments in line with the stakeholder management plan for Mersey Tidal including recording, acknowledging, and responding to all submitted comments. The Combined Authority has an ambition to gain a wider 'social licence' from residents to progress the project given the long-term ambition to adapt to climate change.

The response to Scoping Opinion Submission may request significant additional studies and evidence gathering above those expected. The action to mitigate will include review of the response, analysed against the current scope for time and cost impact.

In the event that the project does not proceed to phase 4 and submitting a scoping opinion the project will be delayed. Such delay would render Phase 3 ecological surveys, that have been agreed with statutory environmental bodies, to be non-admissible in any future submission, which could lead to these having to be repeated, giving rise to additional cost. The mitigation is to work across all Combined Authority stakeholders to secure approval of the recommendation to proceed to Scoping Opinion submission.

4.11 Communication and Consultation

The process for Engagement, Communication and Consultation is summarised in the Mersey Tidal Campaign plan and associated documents.

Under the DCO process, Mersey Tidal Power project will consult with statutory and advisory stakeholders.

5. CONCLUSION

- 5.1. The Mersey Tidal Power Project is seeking approval to progress Phase 4 activity that includes the milestone of preparing and submitting a Scoping Opinion to the Planning Inspectorate, as part of the pre-application process under a Development Consent Order.
- 5.2. It is recommended (in 2.1) that approval is given to progress with Scoping Opinion submission in Q3 2024, and that this is delegated to Executive Director Place.
- 5.3. Further updates will be provided on receipt of the response to the Scoping Opinion.

RICHARD McGUICKIN
Executive Director - Place

COUNCILLOR DAVID BAINES
Portfolio Holder for Net Zero and Air
Quality

Appendices:

- 1 List of contents for Scoping Opinion Submission

Background Documents:

None

Appendix 1

The Scoping Opinion submission is anticipated to include the following areas for consideration of impact:

The EIA team will actively lead environmental stakeholder engagement, gaining buy-in to survey baselines and assessment methodologies, defining key features/challenges such as noise and vibration sensitivities or ecology and nature conservation, and discussing potential mitigation measures, among other key programme and consenting matters.

The EIA Scoping Report will be based on a combination of publicly available information, surveys and our team's professional expertise. We will tailor the geographical extent of the EIA Scoping based on an agreed project application boundary with flexible parameters where needed to allow for different positions of a potential barrage.

The chapter structure of the EIA Scoping will be agreed with you during mobilisation stage. The Onshore and Offshore EIA Leads will be responsible for the overall co-ordination of technical inputs and chapters as set out in the appendices as well the introductory and concluding chapters including:

- Introduction;
- Project Description;
- Project Evolution;
- An outline of the reasonable alternatives considered and the reasons for selecting the preferred option;
- References to relevant legislation and any guidance and best practice to be relied upon;
- Statement of Project Need;
- Results of desktop and baseline studies
- Assessment methodology including details of the methods to be used to assess impacts and to determine significance of effect e.g. criteria for determining sensitivity and magnitude;
- A detailed description of the aspects and matters proposed to be scoped out of further assessment with justification provided with a summary table allowing for fast identification of issues;
- Summary of any early mitigation measures that have been identified including how they may be secured and the anticipated residual effects;
- An explanation of the approach to addressing uncertainty where it remains in relation to elements of the proposed project e.g. design parameters. This will be particularly pertinent to the Mersey Tidal Project where some principal elements of the project may not be defined at Scoping stage. Together with the Project Team we will agree the approach to the Rochdale Envelope and assessment scenarios to achieve flexible parameters that can accommodate minor design changes at later stages of EIA including the PEIR and ES and into DCO examination;
- Habitat Regulations Assessments: Further details on our approach to this is included in technical submissions within the Appendices. The Onshore and Offshore HRA teams will co-ordinate to agree efficiencies across the two assessments.
- Commitment Register: The Onshore and Offshore EIA Leads will be responsible for logging all early commitments made within the EIA scoping process into the central Commitment Register;
- A summary of consultation undertaken with Stakeholders and Public and Community Engagement including evidence of agreements reached with consultation bodies;
- Referenced plans presented at an appropriate scale to convey clearly the information and all known features associated with the proposed project;

TOPIC AREAS

Our EIA Scoping will include consideration of the following topic areas:

- Water Quality Processes:
 - Coastal Processes
 - Flooding and Hydrology
- Air Quality
- Marine and Terrestrial Acoustics
- Nature Conservation:
 - Ornithology
 - Marine Mammals
 - Benthic Ecology
 - Fish and Shellfish Ecology
 - Commercial Fisheries
- Shipping and Navigation
- Military and Aviation
- Maritime Archaeology and Cultural Heritage
- Seascape, Landscape and Visual Impacts
- Socioeconomics
- Greenhouse Gases
- Sustainability and Climate Change
- Materials and Waste
- Land Quality
- Cumulative Effects