



Department for Levelling Up, Housing & Communities

Rt Hon Michael Gove MP

Secretary of State for Levelling up, Housing & Communities

Minister for Intergovernmental Relations

2 Marsham Street

London

SW1P 4DF

28 November 2023

Dear Steve, Howard and Judith,

Thank you very much for your report of 7 September. I would like to thank you for the work you have been undertaking across Liverpool to build a vision for the city's future. I also wish to thank Councillor Liam Robinson and his team at Liverpool City Council (LCC) for their leadership and support for this vital work.

Like you, I am convinced that this is a moment of great opportunity for Liverpool. I fully support your emphasis on the importance of strong place leadership, and the necessity of embedding stronger collaboration between local civic institutions and the wider community of businesses, residents, and other public agencies.

I welcome the recommendations you have set out, which will be instrumental in strengthening the local institutional capacity to articulate and deliver a vision for the future of Liverpool. To support you in their implementation, I wish to make clear my expectations for their development during the next phase of your work.

Regeneration partnership

I agree that high-quality regeneration will be at the heart of Liverpool's renaissance. Subject to the production of business cases and final agreement from HM Treasury, my department will look to make capital funding available to support the work of the partnership you propose, provided the below considerations are met to my satisfaction.

It is vital for restoring investor confidence that regeneration in Liverpool is ultimately delivered by a new private sector-led board on its own footing. I ask that, as this partnership is set up, a full options analysis be undertaken by Liverpool City Region Combined Authority (LCRCA) and LCC, in consultation with the department, to consider the most appropriate vehicle for implementation. This should be completed according to criteria agreed with my officials, and quantitative analysis undertaken must be consistent with DLUHC's quality assurance principles.

I will expect that analysis to consider clearly how the partnership will practically deliver practical outcomes to build confidence and shape priorities for Liverpool. The functions, staffing and governance arrangements will need clear articulation, alongside integration with existing LCRCA/LCC scrutiny arrangements as necessary.

I agree with your assessment of the importance of ensuring development is sympathetic to Liverpool's wider economic needs. Any completed proposal must therefore credibly command the

support of the private sector and universities, and other stakeholders as you see fit, and I will expect to see demonstrable evidence of consultation of these groups as the Partnership concept develops.

Developing a credible partnership which commands broad support will be a significant undertaking. I therefore ask you to consider nominating an additional member to join the Panel, who can work with LCRCA and LCC to develop further this proposal. Once a partnership structure is agreed, I would expect an open competition to be launched for a formal appointment, distinct from the Panel, and I am content to consider how my department can support this at that point.

Centre for Public Service Innovation

I welcome your commitment to exploring a new approach to public service delivery in Liverpool and agree that the use of data offers significant potential to bring partners together to support people-centred models of public service delivery. I look forward to being updated on the development of the prototype approach you outline in due course and encourage you to be ambitious in its development.

I am happy to consider how my department can provide resources to support this prototype project, where appropriate, but agree with you that there is significant potential in bringing partners together to maximise the use of existing resources. When considering requests for support, I will expect to see firm evidence of active engagement in the development and delivery of this work across public agencies, the third sector and Liverpool residents, including strong governance arrangements embedding that cooperation.

Any prototype project should also have a clear path to expanding across Liverpool and the wider city region, given the vital importance of Liverpool's surrounding communities to the city's success, and I ask that you work with local leaders to maintain this focus throughout the next phase of the development of this work.

LCR Investment Zone

I note that the development of the LCR Investment Zone is subject to an ongoing assessment process, in accordance with the national Investment Zone programme. I therefore expect to consider further details of the Investment Zone proposal through that process but welcome your continued support in maximising the opportunity that programme offers to Liverpool and the wider city region.

Further considerations

I strongly agree with your view that local leaders must ultimately be responsible for setting the course of Liverpool's growth. I recognise, however, that my department has a vital role to play in supporting the initial phases of this work, and therefore will endeavour to make officials available to support both the implementation of your recommendations, and the development of any wider growth strategy.

I will be interested to understand LCC commissioners' reflections on the development and implementation of this work over the coming months, given the alignment between your recommendations and their improvement indicators.

I look forward to receiving your final report in March 2024. In the interim, I ask that you work with LCC and LCRCA to conclude the design process for the establishment of the Regeneration partnership and prototype for the Centre for Public Service Innovation by Christmas and look forward to reviewing your plans then.

With every good wish,

A handwritten signature in black ink that reads "Michael Gove". The signature is written in a cursive, slightly slanted style.

RT HON MICHAEL GOVE MP
Secretary of State for Levelling up, Housing and Communities
Minister for Intergovernmental Relations