



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

Our Ref: MC2024/05632

Steve Rotheram
Mayor of the Liverpool City Region
Liverpool City Region Combined Authority
1 Mann Island
Liverpool
L3 1BP

1 March 2024

Dear Steve,

Thank you for your letter of Thursday 15 February 2024 confirming Liverpool City Region Combined Authority's (LCRCA) interest in Level 4 devolution. As set out in the Level 4 framework, agreement to Level 4 devolution is contingent on meeting Government's eligibility criteria – providing confidence in the capacity, governance and culture of the institution. Having considered your application, I can confirm that, as one of our most mature devolved institutions, LCRCA meets the eligibility criteria for Level 4 devolution.

The offer from Government

Level 4 devolution provides you with new levers covering funding, housing, skills and transport, among others. With this offer Government expects MCAs to demonstrate the most robust accountability and scrutiny, such as via Mayor's Question Time and, in future, MP sessions as in Greater Manchester and the West Midlands.

As you know, our Level 4 offer also represents a new way of doing devolution. We are moving on from a deals-based approach, whereby devolution deals have sometimes led to an uneven spread of responsibilities for you and your mayoral counterparts. Via this exchange of letters, we have simplified and streamlined how you can apply for new levers and functions. As part of this, the offer is standard, as published at Autumn Statement. Having taken on board feedback from MCA officers in the process of discussing the offer however, my colleague the Secretary of State for Transport and I have agreed some amendments to the transport offer. The Secretary of State for Transport will write to you separately on this matter.

I am clear that this does not mark the end of your devolution journey in Liverpool City Region, or for deepening devolution across England, and I look forward to continuing to discuss this with you and your fellow mayors.

Nor does this represent the limit of the partnership between Government and LCRCA. Government remains committed to investing in Liverpool City Region. We have worked collaboratively with the Combined Authority to develop proposals for a health and sciences investment zone worth £160 million over 10 years and have invested £50 million in the region's Freeport. We are also working with the Combined Authority and local partners on the recommendations made by you and your colleagues on the Liverpool Strategic Futures Advisory Panel. This work will help unlock significant growth and regeneration opportunities in Liverpool. It will also support the development of an Office for Public Service Innovation, further supporting inclusive growth across the region.

Conditions of this offer

As set out in the framework, beyond meeting the initial eligibility criteria, there are conditions to this offer:

- The implementation of this agreement and, therefore, the transfer of these levers to LCRCA is contingent on continued compliance with the eligibility criteria.
- The final transfer of individual policy commitments will be subject to demonstrating LCRCA has met the readiness conditions set by Government.
- LCRCA will report to the Department for Levelling Up, Housing and Communities on its progress in implementing the scrutiny protocol by **March 1 2025**.
- LCRCA will follow the procedure as set out in legislation for conferring specific functions to the combined authority.

Next steps

My officials will now work with yours to implement Level 4. I look forward to hearing how this progresses, and of the new opportunities it helps you to unlock in Liverpool City Region.

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