



Department for Levelling Up, Housing & Communities

Rt Hon Michael Gove MP
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Minister for Intergovernmental Relations
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Mayor Steve Rotheram, Sir Howard Bernstein,
Baroness Judith Blake
Liverpool Strategic Futures Advisory Panel

Via email only.

 March 2024

For Steve, Howard & Judith,

Thank you for your report of 18 March. I would like to thank you for your work over the last 12 months in setting out a vision for growth across Liverpool and the wider city region. I would also like to thank Councillor Liam Robinson and his team at Liverpool City Council for their continued support in developing this report.

I am greatly encouraged to read of the collaboration between local partners in response to the recommendations in your interim assessment last year and the work to deliver your final report. I recognise that there remains much to do in delivering the vision you have set out, but I am pleased to see the progress already made by Liverpool City Region Combined Authority (LCRCA) and Liverpool City Council (LCC) in this regard.

Regeneration partnership

As you know, Liverpool is one of this Government's priority places for regeneration. As such I strongly support LCC's proposals to establish the first Locally Led Urban Development Corporation (LLUDC), using powers under the Levelling Up and Regeneration Act, to drive forward its ambitious regeneration plans. I was pleased to announce £31 million for projects at Paddington Village, Paddington South, and Greatie Market in advance of this.

Subject to the production of robust business cases, and the agreement of HM Treasury, my department will consider making capital funding available to support further regeneration to be delivered through a LLUDC.

I agree with your assessment that the LLUDC requires a coherent and integrated delivery footprint, with a scale which can capitalise on Liverpool's economic hubs whilst reaching into priority neighbourhoods for regeneration beyond the city centre. I would expect to see these features reflected in a formal proposal for a red line boundary from LCC.

Experience shows that partnership working is essential to truly transformative regeneration which delivers on the social and economic dimensions of levelling up. Local understanding and democratic leadership need to be combined with private sector vision and discipline,

allied to central government oversight and technical expertise. I would therefore expect any formal proposals on the structure of the LLUDC to meet the expectations on governance set out in your final report, with which I fully concur. I urge a focus on establishing both the Regeneration Partnership and the oversight and technical teams dedicated to developing the LLUDC proposal.

I have asked my officials to provide me with a progress update by July 2024, which should provide further details of: the Regeneration Partnership, including confirmation of the private sector Chair and other members; and the terms of reference for the Partnership's work, with particular consideration of the Partnership's engagement with the teams whose primary focus is establishing the LLUDC and its Board. I would also like confirmation of the outcomes and key performance indicators agreed by LCC and LCRCA to understand how progress will be measured.

Public sector reform

It is encouraging to hear how LCC, LCRCA and other local partners have embraced the Panel's recommendation to explore a place-based approach to public service delivery based on multi-agency collaboration and data sharing.

I look forward to learning more about the outcomes of LCC's prototype work on reducing school absenteeism and understanding how the lessons of this project can be applied more generally to service reform in the future. I would expect to see a proposal for the development of the Office for Public Sector Innovation (OPSI) fully informed by the lessons from this work, and steps to ensure that future service interventions will effectively target the risk factors and causal drivers of need in the city region. As you know, Government has recently concluded a Level 4 devolution agreement with LCRCA, and the Combined Authority should consider how they can best work with government to develop a data sharing framework through this agreement, which complements their work on developing the OPSI.

As I set out in my response to your interim report, I remain happy to consider how my department can support the development of both the prototype and OPSI. I will expect to see evidence of local partners having first maximised the use of existing resources in any request for additional support.

Liverpool City Region's Investment Zone

I am pleased that LCRCA have successfully agreed an Investment Zone proposal, backed by £160 million of government funding over the next ten years. As you have set out in your report, LCRCA's proposals will create up to 8000 high skilled jobs and leverage up to £640 million private investment. Building on the regeneration and public sector reform work, the Investment Zone gives Liverpool the opportunity to turbocharge the economy and deliver long-term growth for all its citizens.

Further considerations

Whilst your final report marks the conclusion of the Strategic Futures Panel's work, local leaders in Liverpool will continue the direction you have set as the city progresses further on its improvement journey. I fully support you in your encouragement of LCC and LCRCA to dedicate local capacity to deliver this work and would like to reiterate that my officials will continue to be available to support the implementation of your recommendations.

Thank you again for your time, dedication, and expertise in delivering the work of the Panel and in setting out a vision for building a better, stronger future for the citizens of Liverpool and the wider city region.



RT HON MICHAEL GOVE MP

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