



**Cheshire and Warrington Local Enterprise Partnership  
Performance and Investment Committee**

Wednesday 16<sup>th</sup> October 1.30-3.30

**Wyvern House**

Attending: Ged Barlow, Nicola Newton, Paul Goodwin, Alex Thompson,  
Stewart Brown, Peter Skates, Chris Hindley, Chloe Taylor (by phone)  
Ian Brooks, Rachel Brosnahan

Apologies: Lisa Harris

**AGENDA**

Agenda Item		Lead	Timings
1	Welcome, introductions and apologies	Chair	2 mins
2	Conflicts of Interest	Chair	5 mins
3	(i) Minutes from the meeting of 18 <sup>th</sup> September 2019	Chair	5 mins
	(ii) Actions Arising	Chair	5 mins
4	Crewe High Speed Ready Heart update	JG	15 Mins
5	Growth Hub Delivery Plan update	AD	10 mins
6	Delivery Plan	RB	10 mins
7	Poynton Relief Road	RB	10 mins
8	ESIF update	TS	5 mins
9	Programme manager update	RB	10 mins
10	Corporate Risk review	RB	30 mins
11	AOB	All	5 Mins
Dates of next meetings, time 1.30 pm and Venue Wyvern House, unless otherwise specified:			
20 <sup>th</sup> November 2019	Omega Local Highways Scheme Phase 1 Final Approval Delivery Plan – Skills update CEC Sustainable Travel Projects		
18 <sup>th</sup> December 2019	WBC sustainable Travel Projects Delivery Plan – Strategy update		
15 <sup>th</sup> January 2019			
19 <sup>th</sup> February 2019			
18 <sup>th</sup> March 2019			
15 <sup>th</sup> April 2019			



**Minutes of the Cheshire and Warrington Local Enterprise Partnership  
Performance and Investment Committee Meeting  
held on 18<sup>th</sup> September 2019 at 1.30**

**In attendance:** Ged Barlow (Chairman), Alex Thompson, Peter Skates, Chloe Taylor, Chris Hindley, Ian Brooks, Rachel Brosnahan.

**Apologies:** Stewart Brown, Lisa Harris, John Downes

Item No.	Item	To be Actioned by	By When
1.	Welcome, Introductions and Apologies – Stewart Brown, Lisa Harris, John Downes		
2	<p><b>Conflicts of Interest</b> Conflicts of Interest – Due to the likely number of conflicts of interest expected to arise during the meeting, GB reiterated the Conflicts of Interest Policy. All those with conflicts would be asked to step out of the meeting during the discussion of that item so that the remaining members would be able to discuss the item freely without feeling any pressure by a any member’s presence.</p> <p>The following conflicts of Interest were declared: PS and AT declared an interest in the request to vary money between CEC sustainable transport schemes (within Item 8) GB, CT, PS and AT all declared an interest in the Energy Fund (Item 9) CH declared an Interest in the Skills Fund (Item 10)</p>		
3	<p><b>Minutes and actions from the last meeting:</b> CH to be changed to CT under item 4.</p> <p>The minutes were agreed Actions: RB explained that Philip Cox was reviewing committee memberships and a new Warrington Representative is expected to be appointed imminently. GB emphasised the need for a Warrington Rep and WBC hadn’t had anyone representing hem regularly for quite some time.</p> <p>No rural committee currently active. The LEP is looking to support the establishment of a new committee.</p> <p>AGM date circulated and promoted.</p> <p>A51 offer letter issued in draft. Waiting for finance tables to be completed by CWAC.</p>		
4	<b>Delivery Plan – Marketing update: Catherine Walker and Andy Devaney</b>		

	<p>CW talked through progress with different areas of marketing activity: Public affairs, business engagement, Place marketing, website development and brand development.</p> <p>Need for marketing to give the area an identity which is different to the LEP branding.</p> <p>Looking at developing a family of logos as the EZ, Growth Hub, LEP and Pledge branding all looks very different and isn't identifiable as part of one organisation.</p> <p>Investment Strategy needs to support the Local Industrial Strategy. A new member of staff to be appointed will lead on the development of the investment strategy. The Investment strategy won't be published until after Brexit.</p> <p>The LEP needs a good understanding of external perceptions of the area in order to be able to shape a marketing strategy.</p> <p>The website should be redeveloped by the end of q4. It is currently delayed but looking at creating a website which could then be retrofitted with the new branding in due course.</p> <p>GB queried whether an off the shelf website package could be used and an intern used to populate. RB to follow up with CW.</p>	RB	End of September
5	<p><b>Delivery Plan Update</b></p> <p>RB ran through the delivery plan update.</p> <p>CRM system development to be recategorized as Red</p> <p>Work on the Crewe Hub EZ business case is substantially developed but on hold until the review of HS2 is complete.</p> <p>Business growth Hub outputs to be reviewed and possibly reprofiled.</p>	KH	October
6	<p><b>ESIF Update</b></p> <p>£13.4m of funding to be committed. Small opportunity for applicants to the LGF Energy Fund to make an ERDF application.</p> <p>Applications expected for funding from all four priorities. After current call any remaining funds will be transferred into a central Reserve Fund.</p>		
7	<p><b>Mid year Review</b></p> <p>Mid year review meeting held on the 16<sup>th</sup> September. RB reported it was a positive meeting. BEIS congratulated the LEP on the wider LEP network work that has been done, with for instance the NP11 and on the LEP meeting profile for the last two years and exceeding profile last year, helping to spend the money carried forward from 15/16.</p> <p>They are keen to see progress made with the junior board and that the LEP chair is replaced in a timely manner to ensure a smooth handover.</p>		

	<p>Discussion about the LEP's role and involvement with the ESIF funds. Meeting to be held with the Growth Delivery Team.</p>		
8	<p><b>Programme Manage Update</b> RB ran through the Programme manager update.</p> <p>Moving money between project mean that £12-14m should be spent by the end of Q2 putting the LEP on profile and in a strong position to go to the annual conversation meeting in December.</p> <p>Still significant slippage on some projects. £740k on just two projects since April. RB emphasised the need for profiles to be realistic not optimistic as it was getting increasingly difficult to manage the variations as the programme moved towards the end.</p> <p>Across all three authorities progress with the sustainable travel schemes has been disappointing. All three authorities have been asked to accelerate progress with their schemes as the funding is at risk of being lost.</p> <p>Committee agreed that funding between the CEC schemes could be varied, which will see LGF being used to 100% fund the Wilmslow scheme and the CEC contribution being transferred to the Crewe Scheme as this scheme is likely to be delayed due a need to Compulsory Purchase a small plot of land.</p> <p>Warrington West Station is complete and the timetable has been confirmed which will see two trains run per house but can't open until December when the timetable will change.</p> <p>PS confirmed that good progress is being made with the Crewe High Speed Ready Heart scheme which will be made public in coming weeks.</p>		
9	<p><b>Energy Fund Call</b> RB gave a brief overview: 15 applications worth £9.1m received, so fund significantly oversubscribed. Business cases for shortlisted projects to be submitted by 24<sup>th</sup> November and considered by P&amp;I on the 14<sup>th</sup> November.</p> <p>It was agreed that the timetable for submission of business cases was realistic and that there should be no exceptions. Funding should then be provisionally allocated to the next project on the list if business cases are not received on time.</p> <p>GB, CT, PS and AT all left the room due to conflicts of interest.</p> <p>The recommendations were agreed with the exception that there should be two reserve projects invited to submit business cases.</p> <p>RB to write to all bidders.</p>	RB	25/9

10	<p><b>Skills Bid</b></p> <p>RB gave a brief overview: 7 bids received for the £20k call , 1 for the up to £250k and 5 for the £500k-£1m call.</p> <p>The applications were of a very mixed quality so it was difficult to say exactly how much LGF had been requested, but it is thought to be about £5.4m.</p> <p>CH left the room due to a conflict of interest.</p> <p>The committee approved the recommendations and recommended that the bids not currently recommended for support should be worked up if possible. The committee further recommended there shouldn't be a new call as a consultation exercise was carried out prior to the call process but rather we should look at how any unallocated funding could be spent across the programme.</p> <p>Committee approved that the £25k for the Chef's whites Academy could come out of the £5m skills allocation.</p>		
11	<b>AOB</b>		

DRAFT

# Delivery Plan key action monitoring

Skills		Rag Rating	latest Position
1. Establish a Virtual Institute of Technology (subject to funding agreement)	Q3		DWP funding now approved in principle. Waiting for contract.
2. Evolve the Employers' Skills and Education Board so that it takes on the additional functionalities of a Skills Advisory Panel (including Local Authority representation) that works with local training and education providers to deliver the Skills and Education Plan priorities and to ensure training and education reflects the needs of employers in Cheshire and Warrington and the wider economy	Q3		First meeting of new E&S board held in September
3. As a Digital Skills Partnership, ensure that digital skills are a key priority as the skills and education priorities of the Employers' Skills and Education Board (the Pledge network and the Virtual Institute of Technology) are delivered. Recruit a Digital Skills Co-ordinator	Q1		Digital skills coordinator appointed and now in post. Already benefitting from national programmes being offered into C&W as a result of digital skills partnership. Working with colleges to develop C&W bid to NESTA to support digitalisation of education and training.
4. Agree priority investments to invest £5m of Skills Capital funding	Q2		A number of projects approved by E&S and P&I. Board approval to be sought 16/10. Further work being done on remaining bids. May have funding still to allocate/
5. Develop and implement a skills and education stakeholder engagement plan	Q3		In progress
6. Recruit Pledge Facilitators to establish and support 10 local Pledge Partnership Boards	Q4		13 staff now employed
7. The Skills and Education priorities to be reviewed and evaluated and a Future Strategy for Skills developed from it.	Q4		ongoing
<b>Strategy</b>			

1. Develop and publish the Local Industrial Strategy (LIS) for Cheshire & Warrington	Q3		Work on developing individual workstream position papers is progressing well. Engagement activity concluded. Following initial face-to-face discussions with Government work is now progressing to draft the LIS document, although there is uncertainty at this time as to when it may be published (unlikely to be until after Brexit).
2. Develop and publish a delivery and investment plan for the LIS. Delivery of early projects to commence in Q3	Q4		Initial work underway in conjunction with the Director of Transport & Investment. Will only go ahead if the LIS is published.
3. Complete the development and publication of a Digital Strategy, including a Digital Infrastructure Plan	Q1 & Q3		Digital Strategy Complete. work on the digital infrastructure plan is behind the original schedule and is now commencing in October 2019.
4. Complete the development and publication of the LEP's Science and Innovation Strategy and Delivery Plan.	Q1		Delayed. Near final draft now received and on target for publication at the end of October
5. Develop a strategic partnership with Homes England and the LAs to deliver our Housing Strategy in conjunction with the Sub Regional Leaders Board	Q4		Underway. Sub Regional Housing Board has been established, supported by the LEP, and Chaired by the CEO of Warrington BC. Need to continue to monitor to keep momentum. Initial meeting held at the start of October 2019.
<b>Business Development</b>			
1. Specific Outputs to be achieved by end of 2019/20:			<b>Funding of £1.5m for additional support has been offered by BEIS. All the outputs below are to be reviewed and updated by the end of October.</b>

<p>1,350 Enquiries from individuals and businesses require support to start up and with growth (150 businesses are scale-ups with the aspiration and potential to deliver significant turnover growth over the next 3 year period of at least 50%):</p>			<p>Ongoing with enquires and support set to increase throughout the year Increased numbers will be engaged through redevelopment of website and implementation of ESF skills programme.</p>
<ul style="list-style-type: none"> <li>• 450 businesses and individuals supported – low intensity support (circa 1 hour support)</li> </ul>			<p>Ongoing with enquires and support set to increase throughout the year Increased numbers will be engaged through redevelopment of website and implementation of ESF skills programme.</p>
<ul style="list-style-type: none"> <li>• 800 businesses – medium intensity support (Information Diagnostic and Brokerage)</li> </ul>	Q4		<p>Ongoing with enquires and support set to increase throughout the year Increased numbers will be engaged through redevelopment of website and implementation of ESF skills programme.</p>
<ul style="list-style-type: none"> <li>• 100 businesses – high intensity support (Over 12 hours)</li> </ul>			<p>Ongoing with enquires and support set to increase throughout the year Increased numbers will be engaged through redevelopment of website and implementation of ESF skills programme.</p>
<p>660 Businesses being signposted and referred to a business support programme/s</p>			<p>Ongoing with enquires and support set to increase throughout the year Increased numbers will be engaged through redevelopment of website and implementation of ESF skills programme.</p>
<p>330 of the referrals made successfully progressing onto a business support programme/s</p>			<p>Ongoing with enquires and support set to increase throughout the year Increased numbers will be engaged through redevelopment of website and implementation of ESF skills programme.</p>
<p>2. Establish the Business Growth Committee to oversee the Growth &amp; Skills Hub</p>	Q1		<p>Q2 Now complete.</p>



3. Develop and launch a new website, alongside a refreshed LEP website	Q2		Development will be in conjunction with LEP website but delayed. Marketing Cheshire board looking at place marketing. LEP branding and website ongoing. Now looking at interim improvements to existing website.
4. Deliver Account Management for Foreign Owned businesses landing 6 projects during 2019/20 and trade/investment advice to 50 companies	Q4		Ongoing, figures for 18/19 have now been published and C&W on track to achieve targets.
5. Develop a CRM system to support the day to day operation of the Growth Hub and inform the LEP's policy development work	Q1		CRM is live with and being fully utilised by Growth Hub including the pledge team. Training has been completed and some final upgrades to system are underway. Wider rollout to LEP targeted to start Q2.
6. Develop an inspirational programme of events engaging 82 SMEs, with Enterprise Co-ordinators working with 40 schools and engaging 3,050 young people	Q4		Pledge team is now recruited and integrated into Growth Hub, development of programme has commenced and SMEs have started to be engaged. Enterprise Coordinators on target
7. Aggregate demand for skills and education from x businesses to ensure they receive the training their businesses need.	Q4		Virtual Institute will not commence until Q3 at earliest, work has begun with pledge team but further work required. Need VIOT to be established
<b>Infrastructure</b>			
1. Work with partners to produce initial business cases for the key infrastructure projects identified in the Strategic Transport Plan to include, transport, broadband/IT and services (e.g. water and electricity)	Q3		List of key projects collated. Work to priorities schemes ongoing. The process for prioritising studies and/or business case development for potential LEP funding contributions has been agreed by LTB

2. Develop a Bus Strategy which fits in with Local Authority Transport Plans	Q2		Initial meeting held with CWAC to review their work on the Bus strategy. Likely to be complete by end of Q3.
3. Develop a strategic outline business case for re-opening Middlewich rail Line	Q1		Feasibility study complete. SOBC to be complete by end of Q3.
4. Work with CEC and other sub-regional partners to ensure Crewe operates as a genuine HS2 hub station, enabling easy, quick connections to the rest of C&W and beyond.	Q3		Working with CEC to develop draft business case. Discussions ongoing. HS2 review will impact on the deadline.
5. Influence Transport for the North to reflect the sub-regional priorities	ongoing		Ongoing. LEP and LAs feeding in on a regular basis and have representation of all the TfN groups.
6. Ensure continued successful delivery of projects in the LGF programme, achieving spend of at least £16 million	Q4		On track. £16m expected to be achieved by end of Q2.
7. Put in place a £4m investment programme to develop the region's energy infrastructure	Q2		6 projects + 2 reserve project shortlisted. Required to submit business cases by the 24th October.
8. Ensure Growing Places Loan Fund is fully deployed to support the development of the C&W economy	ongoing		Funding is currently committed.
9. Secure an extra £20 million of Evergreen funding	Q2		Funding Secured. ITT now issued for fund managers.
<b>Enterprise Zone</b>			
1. Develop a long-term strategy for the development of the Cheshire Science Corridor linked to the Local Industrial Strategy	Q1		Discussion paper on long-term strategy for Science Corridor taken to Sep EZ Board
2. Develop a business case for the Crewe Hub EZ to support the delivery of the new HS2 station at Crewe and maximise the benefits of HS2 for the wider sub-region	Q2		Draft business case complete w/c 16/09. Ongoing conversations with BEIS, DFT and MCHCLG. Waiting for outcome of HS2 review.
3. Develop and actively manage the investment pipeline for the Cheshire Science Corridor EZ	Q4		Active discussions with landowners and developers about prospective investors at Alderley Park, Birchwood Park, Hooton Park, Protos, Newport Business Park and Thornton Science Park

4. Invest £12.8m in 8 new schemes in the Cheshire Science Corridor EZ	Q4		Business case for £4m investment at Alderely Park considered by Sep EZ Board. Draft business case for £3m investment at Birchwood received. In discussions with Redsun about Phase 2 development at Hooton Park and with two prospective investors at Protos.
5. Attract 55 new businesses into the Cheshire Science Corridor EZ	Q4		7 new businesses at end Q1.
6. Attract 1,200 new jobs onto the Cheshire Science Corridor EZ	Q4		35 new jobs at end Q1.
7. Create 580,000 sq ft of new floorspace in the Cheshire Science Corridor EZ	Q4		560,000 sq ft new floorspace currently under construction
8. Leverage £72m of new public and private sector investment in the Cheshire Science Corridor EZ	Q4		£9.3m private sector investment in Q1. £50m investment in existing projects under construction that will complete this year.
9. Generate £1.7m in retained business rates from the Cheshire Science Corridor EZ	Q4		£1.53m forecast retained business rates in local authority NNDR1 forms
10. Support University of Chester to secure a JV partner for the development of Thornton Science Park	Q4		OJEU PIN notice to be issued 23/09, OJEU competition to be launched in Oct 2019.
11. Promote the wider science corridor in conjunction with neighbouring LEPs.	Q4		Not started
12. Develop business cases for Enterprise Zones elsewhere in Cheshire and Warrington to be deployed when the opportunity arises.	Q4		Business case for the creation of a Crewe HS2 Growth Corridor under development.
<b>Marketing and Comms</b>			
1. Establish Marketing Cheshire Board's leading governance role on Marcomms for LEP; working in partnership with local authority partners and other sub-committees as appropriate.	Q1		Sub-committee in place meeting 3-weekly.
2. Develop and implement a multi-channel corporate communications and marketing plan, including delivery of campaign activity	Q1		Corporate comms and Growth Hub marketing and comms plan being presented 11th Sept.

3. Development of a place marketing and inward investment strategy (including future appearances at MIPIM) for Cheshire and Warrington	Q2		Ongoing. MIPIM launch takes place on 10th Sept. Place marketing strategy in development with key milestones to be agreed at the meeting on 11th.
4. Deliver a programme of events and associated communications activity to support the work of the Growth Hub, to support increased stakeholder engagement activity	Ongoing		Growth Hub marketing and comms plan agreed in principle, final approval from sub-committee on 11th Sept.
5. Developing a comprehensive database of stakeholders and businesses, to support effective and increased engagement (captured and maintained within the LEP's CRM system)	Ongoing		delayed due to issues with CRM.
6. Review the LEP Brand and that of its sub-brands (Growth Hub, Science Corridor, Skills/Pledge/IoT)	Q2		Brief agreed, work behind planned schedule but should conclude end of Q3.
7. Redevelopment of the LEP website including the site for the Growth Hub, Science Corridor and Invest in Cheshire, to support increased stakeholder and business engagement activity	Q2		brief drafted. task and finish group have approved but work is delayed.Should conclude end of Q3
8. Implementation (and ongoing evaluation) of plans	Q4		ongoing
<b>Governance and Transparency</b>			
Appointment of Finance Director and incorporation of Marketing Cheshire into LEP's governance structure	Q1		Completed
Commence recruitment of a new Chair to ensure a timely handover	Q2		Initial "formative" discussions have been held. A timetable for advertising and recruitment is to be developed. As in previous campaigns, the panel will be lead from the Appointments and Remuneration committee and include externals, e.g. a council leader. Head hunters will also be engaged after a tender process

Formulating membership of LEP sub-committees to enable them to take delegated financial decisions, including open recruitment of private sector members	Q1		<p>The board has approved delegated limits for sub-committees. These have been incorporated into a new scheme of delegations approved by Finance and Audit committee on 16th July. It will be issued for 1st September.</p> <p>Board and sub-committee recruitment is complete, as reported by PC to the board on July 17th. Letters have been sent and induction is being arranged.</p>
Establishment of:			
➤ Business Growth Committee	Q1		The business growth committee has awaited completion of the board / committee recruitment process. A chair and deputy chair will need to be appointed from the board.
➤ Inward investment Strategy Group			The Inward Investment Strategy Group has met twice and is developing a draft for consultation with Local Authorities. This may begin at Growth Directors' late August.
Publish Annual Review	Q2		An outline has been prepared, and deadline for the initial draft is 12/9
Hold an Annual General Meeting	Q2		Date provisionally scheduled for 17/10 afternoon at Alderley Park. Invitation extended to keynote speaker but no other externals have been asked to "save the date".
Review and update the Local Assurance Framework	Q4		Can't be updated until national guidance is issued in new year
Establish a Junior LEP Board	Q4		Early discussion to identify "purpose" which will in turn determine age group, T.o.R, membership requirements and tenure, board / committee interaction, etc.



## Cheshire & Warrington Local Enterprise Partnership Performance and Investment Committee

**Title: Local Growth Fund – Poynton Relief Road**

**Agenda item: 7**

**Prepared by: Rachel Brosnahan, Head of Programmes**

**Date of Meeting: 16<sup>th</sup> October 2019**

### 1. Purpose

- 1.1. To seek final approval from the P&I Committee to provide a grant to Cheshire East Council of £5.6m towards the £50.7m costs of the Poynton Relief Road project.

### 2. Recommendations / Actions / Decisions Required:

2.1. The Committee is asked to:

- Note the contents of the Final Business Case and Independent Assurance review;
- Authorise the LEP executive to issue a Final offer letter for £5.6m of Local Growth grant funding towards the delivery of the Poynton Relief Road project.

### 3. Scheme Details

3.1. Poynton Relief Road is a proposed 3km single carriageway road scheme to the west of Poynton with the primary aims of relieving village centre congestion and regenerating the north of the borough. A 3.5 meter wide combined cycle and footway will run beside the length of the route and the scheme will also include two overbridge crossings for use by walkers, cyclists and farm vehicles and junction improvements on the A523 London Road to the south of the relief road.

The scheme is a longstanding part of the wider South East Manchester Multi Modal Strategy (SEMMMS).

The scheme has been developed in conjunction with Stockport Council and will link into the A6 Manchester Airport Relief Road scheme which completed in 2018.

### 4. Scheme objectives:

The objectives of the scheme are:

- to support the economic, physical and social regeneration of Poynton and the north of the area, in particular Macclesfield
- transfer Heavy Goods Vehicles (HGVs) onto more appropriate roads on the wider network and relieve existing traffic congestion in Poynton
- deliver a range of complementary measures on the A523 corridor to Macclesfield that address Road Safety, Congestion and Mitigation of the wider environmental impact of traffic

- boost business integration and productivity by improving the efficiency and reliability of the highway network, reducing the conflict between local and through traffic, by the improved route for freight and business travel
- allow improvements to the highway network for public transport, walking and cycling

## 5. Progress to date

The Performance and Investment Committee gave the project conditional approval in January this year and the Council drew down 90% of the grant as agreed in March. CEC have continued to work on the development of the projects since this time and have just appointed Grahams as the main contractor for the scheme. There are a number of pieces of land that are required for the scheme so the council undertook a Compulsory Purchase Order (CPO) process. There was a public inquiry in November 18 and the Secretary of State approved the CPO. There has been a high court challenge to this which is expected to be heard in the coming months.

CEC have now spent £6.9m developing the design of project, carrying out site investigations, consulting with stakeholders and developing the planning application, business case and Compulsory Purchase Order (CPO). The full business case which can be viewed on the LEP website has now been sent to DfT for approval.

Subject to the CPO being upheld and the funding secured from DfT it is hoped that construction of the relief road would start next summer.

## 6. Proposed Funding

6.1. The proposed funding of the scheme is detailed below:

Funder	Amount (£m)
LGF	5.6
DfT	16.4
Sale of assets	1.9
Local transport Plan	0.7
CEC	19.67
S106	7.7
<b>Total</b>	<b>51.97</b>

The council's contribution has been approved by their cabinet and it has also confirmed that they will meet any additional costs.

The DfT's funding of £16.4m is contingent on approval of the full business case which was submitted at the beginning of October

6.2. Value for money

A value for money assessment has been carried out for the project and a benefits costs ratio figure calculated of 3.3, which has reduced very slightly from the BCR reported at OBC stage. This represents "high value for money".

## 7. Delivery

A project board was established in 2015 to oversee the development of the project. The board meets monthly and has LEP representation. The project structure is the same as for other CEC transport schemes such as Congleton Link Road which was subject to a gateway review in 2017 and had a very positive report. This project was subject to a light gateway review in December and the report is awaited. No issues are expected. CEC have bought in support from Jacobs and it is felt that that project is run very professionally. Delays to the programme have been due to external factors outside of the control of the council.

### 7.1. Key milestones:

Key Milestone	Programme Date
Planning Permission sought (complete)	2017
Planning Permission granted (complete)	July 2017
CPO & SRO Orders published (complete)	15 <sup>th</sup> Nov 2017
Public Inquiry for CPO & SRO Orders (complete)	20 <sup>th</sup> to 29 <sup>th</sup> Nov 2018
OJEU Notice Issued (complete)	23 <sup>rd</sup> Oct 2018
Return of Selection Questionnaire (SQ) (complete)	December 2018
ITT issued to shortlisted contractors (complete)	11 <sup>th</sup> Feb 2019
CPO Confirmation (complete)	April 2019
Tender returns (complete)	May 2019
CEC Approval of Tender	Sept 2019
Submit Final Business Case to DfT	Late Sept 2019
Issue Award Letter and Contract Documents	Oct 2019
DfT Funding Award	Late 2019 / Early 2020
Serve Notices to access land	April 2020
Start of Main Works	July 2020
Scheme opens	April 2022

## 8. Outputs

8.1. The benefits of the scheme as detailed in the business case are predominately transport related. The scheme is expected to reduce journey times and lead to a reduction in accidents. There is a disbenefit in terms of noise and air quality but overall this offset by the very significant reduction in journey times which has been monetised at £141.6m over the 60 year appraisal period.

8.2. The outputs associated with the project are mainly around improved journey times. However, as requested in the conditional offer letter the economic outputs have been expanded upon.

The outputs and outcomes now expected from the project are:

- Public Leverage of £19.67m
- Private Leverage £7.7m
- GVA £1.94m pa
- New Road 3km
- 3000 new jobs
- 10ha of new employment land.

## 9. Risks and Issues

The project maintains a full risk and issues register which is reviewed at each project board meeting. The biggest issue at the moment is the delay the high court challenge will have on the timescales and therefore the costs. This then causes an additional risk of not spending all the DfT money by the end of March 2021. DfT are aware of this risk and are looking at putting in place processes to manage this.



## 10. Independent Appraisal

10.1. Systra has carried out an appraisal of the project and given the project an **overall score of 2: requirements substantially met**. This was only based the OBC and then follow up comments received from Jacobs and not a review of the Full business case which is not ideal. However, having reviewed the business case and the assurance all five cases seem robust. Any reservations will be addressed in due course e.g. the management case has a score of 2 as more details was required on statutory powers and approvals, but the project will not go ahead until it has been through CEC's approval process which is transparent and robust.

The scores shown on the independent assessment as follows:

Management Case	2: Requirements Substantially Met
Commercial Case	1: Requirements Fully Met
Financial Case	2: Requirements Substantially Met
Economic Case	2: Requirements Substantially Met
Strategic Case	2: Requirements Substantially Met

10.2. The reason for the score of 2 is that the appraiser felt " Four of the five cases require minor improvements only" e.g. on the financial case s151 officer sign off wasn't evidenced.

## 11. Appendices

Appendix 1 - Independent Assurance Report

## INDEPENDENT REVIEW

Project Title:	Poynton Relief Road	Scheme Promoter:	Cheshire East Council
Document Reviewed:	Outline Business Case	Permission Sought:	
Date of Submission:		Date of Review:	30/08/2019
LEP Accountability Framework:			
Scheme Description:	New road from A523 at Addlington to A6 MARR at Woodford bypassing Poynton		
<b>SUMMARY SHEET</b>			

Overall Score:	2	1	<b>Requirements fully met</b> - No issues of note with the submission, project to progress as scheduled.
Overall Comments:	<p>The update to this review is provided based on Jacobs comments. The updated documents were not provided to SYSTRA. Where statements are made by Jacobs as to improvements in reporting, SYSTRA has assumed that they are of suitable quality to meet the criterion in question</p> <p>This review has been undertaken as though for an Outline Business Case, despite document title.</p> <p>Four of the five cases require minor improvements.</p>	2	<b>Requirements substantially met</b> - Minor issues exist with the submission. Project to progress and issues to be resolved.
		3	<b>Requirements partially met</b> - Medium issues exist with the submission. Project to progress and issues to be resolved urgently.
		4	<b>Requirements not met</b> - Critical issues exist with the submission. Project to be suspended whilst issues are resolved.

Case	Status	SYSTRA Comments
Strategic Case	2	Strategic case generally formed, however the framework for measuring against objectives is not well-defined. It is not clear if public consultation has been undertaken since 2014/5
Economic Case	2	Forecasting report has been revisited and accepted by the DfT, reducing risk. Some outstanding elements unaddressed
Financial Case	2	Financial case broadly acceptable. However S151 officer sign-off is not evidenced
Commercial Case	1	All requirements met
Management Case	2	Management case broadly meets requirements, however elements on statutory powers and approvals process require additional detail

<b>Sign-Off</b>	
Reviewer's Signature:	Date:



**Cheshire & Warrington Local Enterprise Partnership  
Performance and Investment Committee**

**Title: Programme Manager Update Report**

**Agenda item: 9**

**Prepared by Rachel Brosnahan**

**Date of Report: 16<sup>th</sup> October 2019**

## **1. Executive Summary**

As we pass the half year point, we're in a strong position with the LGF programme. With some claims still to be submitted we have achieved £12.6m of spend this quarter, bringing the total for the year to £15m against a profile of £25m. Spend on skills projects should start to be achieved during the next quarter and for the energy fund from q4 onwards. However, whilst we expect to have contracted the whole fund by the end of the financial year, we need to ensure that all projects maintain momentum. We have had significant slippage on several projects in the last quarter which will impact our ability to meet profile by the end of the year if not addressed.

Warrington East Phase 2 has now completed with the opening held on the 14<sup>th</sup> October. Work on Centre Park Link and Congleton Link Road continues on schedule and work on the first sustainable transport scheme is due to start this month.

### **Local Growth Fund project update**

Below are updates on projects by exception:

#### **1.1. Crewe High Speed Ready Heart**

The developer Agreement is still to be signed but it is understood is substantially agreed.

The demolition works will commence in the New Year. The demolition is starting in advance of the construction (to mitigate rates and other holdings costs). The scheme still requires planning consent (to be submitted Summer 2020). Market hall works progressing well.

An offer letter has been issued reducing the LGF grant by £5m as this funding has now been transferred to Congleton Link Road to reduce the chance of the LGF not been spent.

The FBC is now not expected until end of next summer. There are also concerns about whether the £5m remaining allocated to the project can be spent by March 21. It is suggested that we revisit the profile at the end of this financial year.

## **1.2. Congleton Link Road**

The project has been on site for 9 months and is going very well. It is scheduled to complete next September. The steels for the new bridge will be delivered in early November with the new bridge anticipated to be completed in December.



## **1.3. Skills Funding**

The Employer and Skills (E&S) board considered the applications last month but several members were conflicted, so approval has been deferred to the main LEP board. No projects have been rejected but rather the weaker applications have been deferred for further information. Several meetings have been held with applicants and four of the smaller projects have been approved by the E&S board at a separate meeting held between just those members which didn't have any conflicts of interest.

The costs submitted by the larger projects have been challenged and some costs savings are expected as a result of this process. It is likely that there will be some funding remaining unallocated at the end of the process and consideration needs to be given as to how best spend this money especially given the time constraints.

## **1.4. Omega**

Design work is complete. The full Business Case is expected next month.

## **1.5. Warrington East Phase 2**

The project is going well and the opening of phase 1 will take place on the 14<sup>th</sup> October. Phase 2 will complete in December. Warrington Borough Council have performed extremely well to deliver this project on time and budget.

## **1.6. Warrington West Station**

The station building and platform works are now complete. There is some signalling work to take place later this month, subject to sign off by Network Rail and the Train Operating company the station is ready to be operational when the new timetable train comes online in December.

Permission is needed from Network Rail to widen a bridge along the route of the proposed new cycleway.

#### **1.7. Ellesmere Port One Public Estate**

Planning approval for the project has been granted. Work on the Bus station was due to start this month but has been postponed until the new year so that the work doesn't affect the Christmas shoppers in Ellesmere Port. The effect of the postponement is that there has been a significant reprofile of spend for the year which is challenging to manage within the programme this year.

#### **1.8. Tarvin Road**

Consultation events were held in early September which were attended by over 400 people showing the level of interest in the scheme. One of three pieces of land required has now been acquired and heads of terms issued for the other two.

We have issued a final offer letter but are still waiting for the offer letter to be signed by CWAC.

#### **1.9. Poynton Relief Road**

Graham's have now been appointed as the contractor following the conclusion of the standstill period. Graham's who are also the contractors on Congleton Link Road will start enabling works this month. There has been a high court challenge to the compulsory purchase order which may delay the start of works if all the funding is approved.

The full business case has been completed and submitted to DfT for approval.

#### **1.10. Sustainable Travel**

We have spoken to all three authorities about the delays with progressing the sustainable travel schemes. CEC will bring forward their business cases to next month and CWAC are also expected to complete theirs before Christmas. WBC have been asked to allocate sufficient resources to their schemes so that the business cases will be ready for consideration earlier than February as currently forecast by them.

Good progress is being made on the two approved schemes. There will be a public inquiry on the 5-7<sup>th</sup> November for the Omega to Burtonwood scheme. WBC have worked hard to deal with the three objections. If the CPO is approved work will start on site early next summer.

Work on the Sutton Way boulevard will complete in March which will be great to see the first sustainable transport scheme completed.

#### **1.11. Energy Fund**

As per the agreement at the last P&I meeting six projects plus two reserves have been asked to submit business cases by the 24<sup>th</sup> November for consideration by P&I in November.

## 2. Finance

At the time of writing not all the q2 claims had been received but a total of £12.6m has been claimed bringing the spend for the year to £15m keeping the fund on profile to achieve £25m of spend by the end of the year.

However, there does continue to be slippage on projects which at present means that £1m contingency we did have has now gone and at the moment we now look like we might underspend by £700k for the year. We will need to continue to keep the pressure on and contract the Energy and Skills projects as soon as possible to help boost spend this year.

We do have other options of achieving spend by moving funding between projects, but this is better looked at following the q3 claims in January when we will have the most up to date information to make informed decisions about what can and needs to be moved where.

## 3. Growing Places Fund (GPF) Update

Glasshouse – works due to complete by December.

City Place 2 application- The Strategy Committee rejected the application on the proposed terms. Work ongoing to reduce the risk to the LEP, before the project is considered again for approval.

Cheshire Green Employment Park – Four plots have now been sold. Work on the spine road is progressing well. There is a pipeline of disposals currently being developed. A drawdown request has been submitted which when paid means that the loan has been fully lent.

*Picture of spine road and first building on Cheshire Green*



#### **4. Outputs**

The outputs will be updated following submission of all the claims.

Project	Total project cost (£)	Total grant	Paid in 15/16	Paid in 16/17	Paid in 17/18	Paid in 18/19	Paid 19/20	Paid to date	Profiled 19/20	Actual Q1	Profiled q2	Actual Q2	Profiled q3	Actual q3	Profiled q4	20/21	Total	Comment	
<b>LGF1/2</b>																			
<b>BEIS Funding Profile</b>			14,520,000	45,787,235	7,920,938	7,521,336			3,990,092							4,712,629	84,452,230		
<b>Balance c/f (defrayed by CEC)</b>			-	-	19,718,528	19,744,168			16,763,765								758,012		
<b>Total Balance (profile +c/f)</b>			14,520,000	45,787,235	27,639,466	27,265,504			20,753,857							5,470,641			
<b>Completed Projects</b>																			
Housing Fund Revenue (CWAC)	7,500,000	7,500,000	7,500,000				-	7,500,000									7,500,000		
DfT Tail majors including Crewe Green Link Road	25,747,350	4,800,000	4,800,000				-	4,800,000									4,800,000		
Chester Central	21,637,682	13,500,000	6,287,993	7,212,007	-	-	-	13,500,000	-								13,500,000		
Thornton Science Park	17,382,850	6,800,000	2,500,000	4,300,000	-	-	-	6,800,000	-								6,800,000		
Birchwood Pinchpoint	4,986,000	2,140,000	2,140,000	-	-	-	-	2,140,000	-								2,140,000		
M62 J8 Junction Improvements (Omega)	11,690,000	5,000,000		2,476,986	2,523,014	-	-	5,000,000	-								5,000,000	Fully claimed	
Reaseheath Agri Tech Centre	7,457,972	2,475,000	835,000	1,069,000	447,250	123,750	-	2,475,000	-								2,475,000	Fully claimed	
Reaseheath Employer Focused Hub	1,889,307	674,850	41,000	412,000	188,108	33,743	-	674,851	-								674,851	Fully claimed	
Reaseheath Sports Science and Performance Academy (osprey)	6,169,154	2,169,750	330,000	1,179,000	552,263	108,488	-	2,169,751	-								2,169,751	Fully claimed	
Reaseheath Learning Hub and Accommodation	11,244,158	3,582,315	927,000	1,685,000	791,200	179,116	-	3,582,316	-								3,582,316	5% left to claim	
Ellesmere Port and Chester Campus remodelling	3,791,198	3,198,000		-	955,797	2,242,203	-	3,198,000	-								3,198,000	Complete	
Crewe Green Roundabout	7,500,000	3,300,000		381,480	962,527	1,955,993	-	3,300,000	-								3,300,000	updated 17.04.18	
<b>Live Projects</b>																			
Sydney Road Bridge	10,378,000	5,850,000		800,000	1,367,646	3,097,200	-	5,264,846	585,154	-	585,154						5,850,000	Updated April 19	
GM & Cheshire Life Science Investment Programme	31,982,000	10,000,000	1,459,007	2,269,702	3,273,616	1,628,659	1,369,011	9,999,994	1,369,017	-	1,369,011	1,369,011	554,679	-	-	1,369,011	10,000,000	Updated May 19 to show LGF being used to pay CEC's payments including those paid by CEC in 18/19	
Warrington Waterfront (Centre Park Link)	19,891,000	5,300,000.00		2,383,532	1,804,104	582,364	-	4,770,000	-	-	-	-	-	-	-	530,000	5,300,000	Updated April 19	
Ellesmere Port Central Development Zone	17,392,000	8,332,228		-	-	361,413	974,960	1,336,373	3,000,000	207,495	500,000	767,465	250,000		1,775,040	3,995,855	8,332,228	Updated may 19 to show 100% of costs being met by LGF for the yr	
Poynton Relief Road	50,700,000	5,600,000		-	-	5,040,000	-	5,040,000	-	-	-	-	-	-	-	-	560,000	5,600,000	Updated April 19
<b>Total LGF 1/2 spend</b>	<b>224,091,320</b>	<b>77,922,143</b>	<b>14,520,000</b>	<b>24,168,707</b>	<b>12,865,523</b>	<b>15,352,929</b>	<b>2,343,971</b>	<b>69,251,129</b>	<b>4,954,171</b>	<b>207,495</b>	<b>2,454,165</b>	<b>2,136,476</b>	<b>804,679</b>	<b>1,775,040</b>	<b>3,716,844</b>	<b>77,922,145</b>			
Funding defrayed on CEC projects				-	21,618,528			69,251,129											
																		12,073,850	
<b>LGF3</b>		Indicative allocation / Profile																	
<b>BEIS Funding Profile</b>					10,348,178	8,494,566			4,244,678							20,192,577	61,549,115		
Crewe High Speed-ready Heart Town Centre Regeneration Programme	24,700,000	5,000,000			480,269	324,471	60,485	865,225	2,267,129	60,485	526,740			679,904	1,000,000	1,928,131	5,000,000	Profile from CEC updated from the q1 claim	
Crewe High Growth City – Congleton Link Road	89,600,000	5,000,000					5,000,000	5,000,000	5,000,000		5,000,000	5,000,000				-	5,000,000	Congleton Link Road now included so that money can be transferred from CHSRH	
Unlocking Winsford Industrial expansion Land	10,900,000	3,800,000	-	-	220,000	189,041	498,216	907,257	2,000,000	498,216	500,000		500,000		750,000	1,390,959	3,800,000	Updated April 19	
Tarvin Road	5,427,000	3,663,000			-	285,990	51,775	337,765	1,199,223	51,775	507,886		100,000		539,562	2,177,787	3,663,000	Based on profile provided April 18. Awaiting reprofile	
Warrington East Highways Improvements	13,355,000	6,900,000			1,510,255	2,019,877	2,679,868	6,210,000	3,000,000	1,540,100	1,000,000	1,139,768			369,868		6,530,132	Updated October 19	
<b>Warrington West Programme</b>																			
Omega Local Highways Schemes phase 1	4,100,000	3,065,000			-	-	-	-	-	-	-	-	-	-	-	-	-	-	updated 11.09.18. needs confirming by WBC
Warrington West Station	20,524,000	6,530,000		1,900,000	3,167,429	809,571	-	5,877,000	-	-	-	-	-	-	-	-	5,877,000	Updated April 19	
Warrington West Station cycle access	345,000	250,000			-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Burtonwood Omega Path (WBC)	1,650,000	500,000			-	-	-	-	-	-	-	-	-	-	-	-	-	-	CPO process underway. Profile updated Jan 19
Omega Phase 2b	2,350,000	985,000			-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>sub-total</b>	<b>28,969,000</b>	<b>11,330,000</b>	-	<b>1,900,000</b>	<b>3,167,429</b>	<b>809,571</b>	-	<b>5,877,000</b>	<b>4,320,000</b>	-	<b>4,320,000</b>	<b>4,320,000</b>	-	-	-	<b>1,133,000</b>	<b>11,330,000</b>		
<b>Skills</b>	5,000,000	5,000,000			-	-	-	-	500,000	-	-	-	1,000,000		1,500,000	4,500,000	5,000,000	Updated May 19	
High Performance Private Cloud (UOC)																			
Macclesfield Stem Centre (Astra Zeneca)																			
Reaseheath College																			
Digital and Advanced manufacturing skills (CCSW)																			
Digital and Advanced manufacturing skills ( Macclesfield College)																			
Digital Hive																			
Warrington and Vale Royal College																			
Cheshire and Warrington Security Operations Centre (SOC) Trainin	72,500	16,500																	
UTC Warrington		20,000																	
Livewire Warrington CIC	37,900	20,000																	
Additive manufacturing and VR/AR using augmented assistance	45,555	19,617																	
Sub total	155,955	76,117	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Energy Innovation	4,151,070	4,151,070							1,000,000						1,000,000	3,151,070	4,151,070	Updated May 19	
Joint Cheshire and Warrington Sustainable Travel Access Fund																			
Chester Road (WBC)	900000	600,000														600,000	600,000	seeking full approval Dec 18	
TPT Upgrade (WBC)	900000	600,000														600,000	600,000	Estimated profile updated jan 19	
Wilmslow Strategic Cycle and Walking route (CEC)	950000	900,000														900,000	900,000	Seeking full approval Sept 19	
Northwest Crewe Cycling and Walking Link (CEC)	1745000	700,000														700,000	700,000	Seeking full approval Sept 19	
A5117 Cycle Route, Ellesmere Port (CWAC)	602000	380,000							100,000						100,000	280,000	380,000	Estimated profile	
Station View and Canal Towpath (CWAC)	4379000	680,000							200,000						200,000	480,000	680,000	Estimated profile	
Sutton Way Boulevard, Ellesmere Port (CWAC)	1024000	640,000							200,000						200,000	440,000	640,000	Estimated profile	
Macclesfield College – Chef's Whites Academy	200,000	25,000			-	14,427	14,535	28,962	-	14,535						10,573	25,000		
<b>Total LGF3 Spend</b>	<b>187,958,025</b>	<b>44,445,187</b>	-	<b>1,900,000</b>	<b>5,377,953</b>	<b>3,643,377</b>	<b>8,304,879</b>	<b>19,226,208</b>	<b>19,286,352</b>	<b>2,165,111</b>	<b>11,854,626</b>	<b>10,459,768</b>	<b>1,279,904</b>	-	<b>4,159,430</b>	<b>13,791,520</b>	<b>48,999,202</b>		
LGF total profile					18,269,116	16,015,902			8,234,770							24,905,206			
<b>Total LGF BEIS profile + CF funding</b>			14,520,000	45,787,235	37,987,644	35,760,070			24,998,535								25,663,218	146,001,345	
<b>Total LGF 1/2/3 spend</b>	<b>412,049,345</b>	<b>122,367,330</b>	<b>14,520,000</b>	<b>26,068,707</b>	<b>18,243,476</b>	<b>18,996,306</b>	<b>88,477,338</b>	<b>24,240,523</b>	<b>2,372,606</b>	<b>14,308,791</b>	<b>12,596,244</b>	<b>2,084,583</b>	<b>5,934,470</b>	<b>17,508,364</b>	<b>126,921,347</b>				
<b>Difference</b>			0	19,718,528	19,744,168	16,763,765			758,012			15,674,791					8,154,853		
<b>Major Transport Schemes</b>																			
Poynton Relief Road	-	16,400,000														16,400,000	16,400,000		
Crewe High Growth City – Congleton Link Road	89,600,000	45,000,000																	