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**Cheshire & Warrington Local Enterprise Partnership**

**Performance and Investment Committee**

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| **Title: Omega to Burtonwood Path** | **Agenda item: 4** |
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| **Prepared by: Rachel Brosnahan** | **Date of Meeting: 19th September 2018** |
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1. **Executive Summary**

This is the first of the eight sustainable transport projects to come forward for full approval from the £5m sustainable transport fund.

The scheme is to provide a new cycle and footpath alongside a c class road, linking the village of Burtonwood to m62 j8 and therefore proving a sustainable transport link into the Omega/Gemini sites which employ approximately 14,000 people and set to increase.

The cost of the scheme is £1m of which a grant of £500k is being sought from LGF. The scheme will provide a safe and direct route for pedestrians and cyclists and minimise the number of crossing points.

It is expected that the scheme will help to improve the health of residents by giving them a viable alternative to motorised transport for work and leisure. The scheme will also help to reduce carbon emissions, traffic pollution and traffic noise in an area where car use is significantly above the national average; 70.6% compare to national average of 57.5%.

It is a well developed strategic scheme which will complement other work going on in the area and support two key employment sites.

1. Recommendations /Actions / Decisions required:

* **Note** the contents of the Business Case and appraisal;
  + - **Authorise** the LEP executive to issue a final offer letter for up to £500k or 50% of the project costs, whichever is lower. Subject to:
      * **Confirmation that there is no state aid.**
      * Confirmation of the costs of the scheme following a tender process
      * Submission of a project management plan.

1. **Background**

As part of the LGF round 3, the LEP was awarded £5m for sustainable transport schemes. As part of the initial bidding round the local authorities had put forward schemes for inclusion. This added up to more than the total award. There was an attempt to agree a split of funding between the authorities but after a prolonged period it was apparent that this wasn’t going to be possible and so we ran a closed application process to which only the three LAs were invited to submit applications. Again the amount of funding sought was more than the amount available but a compromise was reached with each local authority and a programme of eight projects across Cheshire and Warrington were given indicative approval which was endorsed by the Local Transport Board.

1. **Scheme Proposal**

The scheme is to provide a new cycle and footpath linking the village of Burtonwood to m62 j8 and therefore proving a sustainable transport link into the Omega/Gemini sites which employ approximately 7000 people and set to increase.

The scheme is one of three sustainable transport schemes in Warrington that have been given indicative approval. The project is expected to have health and economic benefits, by providing a safe alternative to car use and helping to connect people to employment and leisure facilities, reducing congestion and pollution.

Consultation has been carried out with stakeholders and this has helped to influence the design of the scheme. Letters of support for the scheme have been provided. Further consultation will be carried out prior to starting work to keep local people informed.

* 1. **Delivery Timetable**

The timescales for delivery will be confirmed following a tendering process.

* 1. **Outputs**

The scheme is expected to increase GVA per annum by £1.18m. The scheme has an overall BCR of 4.57 which represents very high value for money. This is based on monetising the health and mortality benefits, decongestion, environmental benefits and reduction in accidents.

The number of users will be measured by the installation of automatic traffic counters as part of the scheme design for cycle counts and will be included in the council’s annual pedestrian and cycle count programme.

1. **Financial Summary**
   1. The scheme costs are £1m and are being funded as follows:

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| **Funder £** | **Amount £** |
| LGF3 | 500,000 |
| WBC borrowing | 252,000 |
| S106 contribution | 250,000 |
| Total | 1,002,000 |

Any cost overruns will be met by WBC.

The scheme will be procured using the Council’s highways term framework.

1. **Appraisal**
   1. The project has been independently appraised by WSP who have given it an overall score of 2: requirements substantially met. As this is the first project to go through this appraisal process it seems more that the appraisal template doesn’t line up with business case template. Having reviewed the business case, the project appears well thought through and strategic. WBC have got a good track record for delivery and therefore there are no concerns about the project at this stage.

Summary below:

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| **Case** | **Status** | **MM Comments** |  |  |
| **Strategic Case** | **2** | Questions within the Strategic Case are generally very well answered and a strong case for funding is presented. Responses generally address the question asked in the application form well and an appropriate level of detail is provided. Where it has been deemed that requirements have not been fully met this is primarily a result of a difference in the requirements of the appraisal form and the application form rather than inadequate responses provided to the application form completed. | | |
| **Economic Case** | **3** | We have denoted the Economic Case with an evaluation score of '3' as some of the information required to substantiate the case is not provided. Other questions are generally well answered and an appropriate level of information has been provided to meet the requirements of the application form. However, the reviewer felt that there would be benefit to including a short technical note detailing the calculations and assumptions used in the economic case. It is also felt that there would be merit in providing a short justification (i.e. a sentence) to address why elements of the Economic Case referred in the question E15 onwards have not been assessed. | | |
| **Financial Case** | **2** | We have denoted the Financial Case with an evaluation score of '2'. Responses to questions within the Financial Case are well answered and an appropriate level of information has been provided to meet the requirements of the application form. Medium and minor issues have been identified by the reviewers however these are generally issues that can be addressed at a later stage of scheme development and are not required within this submission at OBC stage. | | |
| **Commercial Case** | **2** | Questions within the Commercial Case are well answered. A clear process of procurement is outlined and appropriate evidence is provided. Where the requirements of the appraisal form have not been fully met this is a result of the questions asked within the application form rather than issues with the submission. | | |
| **Management Case** | **2** | A robust Management Case is provided within the application form and most requirements are met. Where medium issues exist with the submission this is primarily due the extensive requirements of the appraisal form rather than inadequate responses to the questions asked in the application form. | | |

1. **Risks and Issues**

The main risks to delivery are cost overruns and the main long term risk is that the new pathway won’t be used. As part of the project management plan, WBC will be asked to produce a full risk register with mitigating actions.

1. **Appendices**

Business case.