



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

Wednesday 15<sup>th</sup> July 1.30-3.00

**By teams meeting:**

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Conference ID: 938 266 942#

Attending: Chris Hindley (Chair)  
Stewart Brown, Sean Traynor, Paul Goodwin,  
Ian Brooks, Rachel Laver, Joe Toward

Apologies: Peter Skates, Nichola Newton, Alex Thompson

**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 17 <sup>th</sup> June 2020	Chair	5 mins
	(ii) Actions Arising	Chair	5 mins
4	Wider Access to Technologies and Digital Skills bid	SW	10 mins
5	Energy Fund projects BCR calculations	RL	5 mins
6	Governance update	IB	10 mins
7	Programme manager update Skills projects NetZero Cheshire Risk register review	RL	25 mins
8	Omega Local Highways	Lindsey Macdonald	15 mins
9	Delivery Plan progress review	RL	10 mins
	AOB	All	5 Mins
Dates of next meetings, time 1.30 pm and Venue Wyvern House, unless otherwise specified:			
	19 <sup>th</sup> August 2020	Delivery Plan update - Strategy LGF quarterly report Local Assurance Framework	

	16 <sup>th</sup> September 2020	Delivery Plan update - Marketing
	21 <sup>st</sup> October 2020	Delivery Plan update - Skills
	18 <sup>th</sup> November 2020	Delivery Plan update - Infrastructure
	16 <sup>th</sup> December 2020	Delivery Plan update - EZ



**Minutes of the Cheshire and Warrington Local Enterprise Partnership  
Performance and Investment Committee Meeting  
held on 17<sup>th</sup> June 2020 at 1.30 via Teams**

**In attendance:** Chris Hindley (Chairman), Paul Goodwin, Sean Traynor, Peter Skates, Nichola Newton, Stewart Brown, Ian Brooks, Rachel Laver

**Apologies:** Alex Thompson

Presentations on ESIF update by Tim Smith, Growth Hub update by Andy Devaney

Item No.	Item	To be Actioned by	By When
1.	Welcome, Introductions and Apologies  Apologies from AT.  Due to the Corona Virus meeting held via Teams		
2	<b>Conflicts of Interest</b> CH asked for any conflicts to be declared.  Declarations of interest: PG and PS – Crewe High Speed Ready Heart and Congleton Link Road CH – ESIF outstanding funds ST – Canalside Charging		
3	<b>Minutes and actions from the last meeting:</b> Blue Beck offer letter issued but still not agreed. <b>RL to chase again</b>  Computers for school offer letters not yet issued as waiting for details to be confirmed. . RL explained the discrepancy was due to a miscalculation of the VAT not claimed on another skills project. Agreed with skills team that the difference could be met from the LGF budget. Committee agreed the increase to £30k <b>RL to complete the offer letter</b>  TS unable to get list of unsuccessful projects from MHLGG.  <b>Actions carried forward:</b> The Assurance Framework will need updating and signing off by the LEP board following the audit. Training will be arranged after this.  <b>IB to follow up if a Junior board member could join the committee</b>  Minutes approved.	RL       RL    IB   IB  IB	Jul 20       Jun 20   Aug 20   Jul 20  Jun 20

4	<p><b>Crewe High Speed Ready Heart</b></p> <p>CEC have suggested that all the development funding paid on CHSRH to date is repaid and reallocated to Congleton Link Road(CLR) along with the remaining grant.</p> <p>The £2.29m already paid has been used for the market hall works which have a total cost of £3.9m.</p> <p>Council to provide an updated BCR covering just the market hall works in due course.</p> <p>Grant to CLR increased to £7,709,543. The LEP will be able to claim extra outputs pro-rata from the project as a result of the increase in grant. Market hall works grant will be £2.29m which has already been paid.</p> <p>Committee agreed the changes.</p> <p><b>RL to issue revised offer letters for both projects</b></p>	RL	Jul 20
5	<p><b>Energy Fund</b></p> <p>Committee ratified the approval of the Energy projects which had been done by correspondence</p> <p><b>RL to issue offer letters</b></p>	RL	Jul 20
6	<p><b>ESIF update</b></p> <p>TS ran through his paper.</p> <p>Staff from MHCLG have been redeployed to deal with COVID. National reserve fund on hold.</p> <p>TS confirmed two main reasons for clawback were not using branding and issues with procurement.</p> <p>ESF – 3 projects still in appraisal. No further C&amp;W calls left. £1.7m now moved to national reserve fund. Will now have to apply to DEP who will then run a call which could be C&amp;W specific.</p>		
7	<p><b>PM Update</b></p> <p>Committee agreed to reinstate the RAG rating to the project summary with a direction to travel added to make it easier to identify where issues are.</p> <p><b>RL to amend for next meeting</b></p> <p>RL explained that CEC had requested a change to Project Vanguard. The cost of using Grey water was prohibitively expensive and would end up producing more CO2 due to the need to filter and heat the water. Committee agreed to the change.</p>	RL	Jul

	<p>NET-zero – Not yet met the grant conditions. Issues with the ground source heat pump. <b>EA Technology looking at alternative heating technology. Committee agreed to extend the offer letter terms until the next meeting, where an update will be given and a decision about commitment to the project will be taken.</b></p> <p>Skills projects – issues with projects achieving spend, especially the Colleges. The private and public sector projects have all spent their grants. <b>Agreed RL will phone principals and follow up with emails stressing the importance of maintaining momentum.</b></p> <p>All will be required to update their project plans and monthly reports to show how and when they will achieve spend.</p> <p>CH asked whether revenue pressure may be an issue. NN felt it could be. <b>RL to follow up.</b></p>	RL	Jul
8	<p><b>Growth Hub Update</b></p> <p>AD provided an update on the Growth Hub. 1000 businesses supported in the last three months, close to achieving annual target.</p> <p>Focus is on restarting the economy, redundancy support, job matching and training.</p> <p>Redundancies expected across all sectors.</p> <p>Staff busy making sure they're ready to provide the appropriate support.</p> <p>Lots of businesses still trading well and inward investment enquiries are up. Comfortable outputs can be achieved this year.</p> <p>Growth Hub now more well-known and reputation has been enhanced.</p> <p>Working with Welsh Government</p> <p>Accelerate programme was ready to launch pre-COVID. LEP has now put in place funding meaning that fully funded training from low to high level is available to businesses in C&amp;W.</p> <p>Any training is eligible as long as it isn't mandatory training.</p>		
9	<p><b>Risk Register Review</b></p> <p>Committee reviewed the risk register and asked that a risk regarding HS2 not going ahead/ not landing at Crewe was added. RL explained this is already on the programme risk register but that the committee just sees the top corporate and programme risks rather than the full registers.</p>		
10	<p>AOB – approved NN being the deputy Chair of the committee</p>		



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

**Title: LGF Skills Fund Investment in:**

- **Specialist Equipment to Widen Access to Technologies and Digital Skills Development across Cheshire and Warrington**
- **Specialist Equipment to Transform Digital Skills in Construction across Cheshire and Warrington**

**Prepared by Pat Jackson and Sarah Williams**

**Date: 8<sup>th</sup> July 2020**

### 1. Executive Summary

The purpose of this paper is to seek ratification of the decisions of the Skills and Education Board who are meeting in parallel with P&I on 15 July to consider whether the following bids for investment of Local Growth Funds Skills Funding should be approved:

- Widening Access to Technology and Digital Skills across Cheshire and Warrington
- Transforming Digital Skills in Construction across Cheshire and Warrington

The value of these Local Growth Fund investments and the partners involved in each bid are:

Investment in Specialist Equipment to Widen Access to Technologies and Digital Skills Development across Cheshire and Warrington	Cheshire College South & West, Warrington & Vale Royal College, UTC Warrington.	£125k
Investment in Specialist Equipment to Transform Digital Skills in Construction across Cheshire and Warrington	Warrington & Vale Royal College, Cheshire College South & West, Macclesfield College, Reaseheath College, UTC Warrington	£260k

These investments added to the 14 investments already approved and ratified give a total investment of £ 4,976,040. The remainder of the £5 million has been allocated to the Computers for Schools (#GettingStudentsOnline) campaign.

## 1.1 Submissions, Moderation and Evaluation of the Investment in Specialist Equipment to Widen Access to Technologies and Digital Skills Development across Cheshire and Warrington

An invitation to bid for Specialist Equipment to Widen Access to Technologies and Digital Skills Development across Cheshire and Warrington was issued on 15th April with a deadline of 15th May 2020.

The invitation to bid was for investment of up to £125k to support wider access by local businesses, local schools and colleges and local communities to digital and other new technologies including the technology and expertise in the 14 Local Growth Fund investments that have already been made. The request was for a single proposal that would have an impact across the whole of Cheshire and Warrington.

Individual submissions were received from:

- Warrington Vale Royal College
- Cheshire College South and West
- UTC Warrington

The following summarises the evaluation and moderation of the bids:

- The three bids offered different solutions. All bids had some good aspects but significant areas requiring further development and although they had indicated they would work in partnership with each other it was disappointing that there was no detail of how this would be achieved
- The ambition of the bids was limited and did not deliver sufficient outputs over a 5 year period and did not reflect the significant impact that online learning could achieve in terms of reaching as many as possible of our 500,000 residents and 44,000 businesses in Cheshire and Warrington
- The bids focussed too much on longer courses and not enough of shorter introductory modules that would inspire participants to progress to further training. The provision of modules of learning that could lead to progression into longer courses was also an area requiring development
- The bids also needed to consider how to work through existing community venues.
- All submissions needed to provide more detail on **how** the aims of their projects would be achieved
- The proposed investment in equipment needed to be informed by demand

As a result of the evaluation, the three bidding organisations agreed to work develop a single bid that addressed the key points outlined above.

The LEP agreed that we could proceed in this way because only three bids had been received and by working with them to improve the overall bid and asking them to work together more strongly was not to the detriment or exclusion of any other bidder.

The resubmitted bid was received on 3<sup>rd</sup> July 2020, it had involved a full re-write of the proposal involving active engagement of all partners and addressed the majority of the points listed above but following evaluation and moderation, further information was requested on:

- Governance – assurance that there is independent oversight to ensure that the investment is monitored and steered in response as the project evolves

- A more detailed project plan by August 2020
- Initial access points and how progression will be achieved

## **1.2 Submissions, Moderation and Evaluation of the Recommendations for the Investment in Specialist Equipment to Transform Digital Skills in Construction across Cheshire and Warrington**

An invitation to bid for Specialist Equipment to Transform Digital Skills in Construction was issued on 6th April with a deadline of 1st May 2020. Bids were invited for investment to facilitate a central hub and associated spokes that could service the whole of Cheshire and Warrington. 3 submissions were received all had some strengths, but none of the submissions met the requirements sufficiently to allow us to award a contract. The LEP issued a further invitation to bid for £260k to invest in digitalisation in construction. The new invitation to bid stressed the following points:

- The need to explain the added value of the hub and each of the spokes. Applications should focus on the detail of how this will be delivered as well as setting out the vision
- The importance of strong links with small and medium sized businesses as well as the larger companies
- The need to recognise that construction projects will take place in a range of different sites across Cheshire and Warrington and not necessarily where the business is based. There is also a growing need for online delivery
- The encouragement of collaboration between training providers to ensure that they are able to build on their individual strengths, create centres of excellence and work together to inspire, innovate and do things differently, so that they deliver real change and are focussed on using digital to solve business problems and not just on delivering qualifications through a standard curriculum

The deadline for submissions was Thursday 11th June 2020.

A single submission was received from Warrington and Vale Royal College acting as a Hub, with spokes at Cheshire College South and West, Macclesfield College, Reaseheath College and UTC Warrington.

The evaluation and moderation concluded that the bid had partially addressed the issues listed above, but needed significantly more detail on **how** the project would be delivered.

The Employers' Skills and Education Board and LEP executive team agreed that LEP staff should work with the colleges to develop the bid submission and businesses case into a stronger proposal that provided more detail on the following:

- Governance for the project and the involvement of employers in the governance
- How the model is going to work – the added value of the colleges working together as a hub and spokes including the proposed specialisms of each college
- The role of the hub, how it will add value to the work of the other colleges and the justification of the split of funding for £140k for the Hub and £30k for each of the spokes
- How the project builds on the expertise and specialist equipment that the colleges already have - providing some specific examples. (There were some specific concerns around why the colleges needed so many relatively standard laptops)

It was also suggested that:



- Although the bid included reference to the use of live broadcasts to widen access, outputs need to be significantly more ambitious

### **1.3 Assurance Framework and Five-Case Business Review**

LEP staff have met with the Partners involved in each of the bids to discuss the concerns raised during the evaluation and where needed requested additional information. Some of this information has already been received and is included in the five-case business review, the remaining indicated in italics will be submitted in time for the Employers' Skills and Education Board and Performance and Investment Committee meetings on 15th July 2020.

In order to comply with the Assurance Framework, the two revised bids have been assessed against the five-case business model with comments against each case.

For each bid an independent economist is reviewing the business case and outputs and will be providing a Benefits Cost Realisation (BCR) figure and the LEP's IT Consultant has been asked to provide feedback on the suitability of the equipment. The BCR figures and feedback from the IT Consultant will be available in time for the Performance and Investment Committee Meeting on 15<sup>th</sup> July 2020.

Three planning and synergies meetings have taken place in January, February and July involving all the contracted projects. This is ensuring the projects work together to achieve the maximum impact. In addition, each Member of the Employers' Skills and Education Board has decided to 'sponsor' one of the investment projects to ensure we maximise our investment and share good practice where appropriate.

### **3. Five-Case Business Review for the Investment in Specialist Equipment to Widen Access to Technologies and Digital Skills Development across Cheshire and Warrington**

The investment is a joint submission by Cheshire College South & West, Warrington & Vale Royal and UTC Warrington, referred to as the 'Partnership'. The investment of £125k will be used to purchase equipment which will support and develop businesses, educational establishments, and communities within the Cheshire & Warrington LEP region in their use of and adoption of digital skills and new technologies.

In the revised bid the Partnership has developed a five-step digital skills 'ladder for progression' towards employment, in which learners access provision at the stage that meets their needs ranging from familiarisation with equipment through to higher level digital skills. The digital skills ladder for progression developed by the Partnership will ensure that participants will be able to progress over the 5 years of the project. The training courses, from bitesize interventions upwards will have English and maths embedded in them. This will help to reduce the 40% decline in adults taking GCSE English and maths.

To enable individuals to access the first step on the progression ladder the Partners will work collaboratively with local community organisations, to raise awareness about the importance of digital skills and new technologies and associated career opportunities. Individuals from identified neighbourhoods where there is little or no digital understanding and capability will be targeted.

The equipment will enable the Partnership to build capacity of available training venues so that delivery is not restricted to college campus locations. The project will support businesses and

individual residents across Cheshire and Warrington. College campuses at Warrington, Winsford, Crewe, Ellesmere Port and Chester will provide fixed bases access to technologies and skills development. Extended reach will be enabled through co-operation with community learning centres and libraries who will offer access points for equipment and learning. These links will provide valuable resource to identified deprived neighbourhoods or particularly rural locations. Additionally, access in rural districts will be covered through utilisation of mobile units purchased under other LGF skills projects.

The Partnership will work closely with the Accelerate Cheshire and Warrington Training Programme to enable participants to access the full range of training opportunities. The investment will also share equipment and facilitate online delivery for the other skills programmes across Cheshire and Warrington including the LGF skills projects and the Pledge.

To access step 1 of the ladder for progression the Partnership will deliver a range of online courses, face to face community-based workshops, coffee mornings/drop-in centres which will provide pathways into accredited digital programmes.

The equipment will facilitate training around new and sustainable technologies and business processes. The remote/online element of the delivery (broadcasting and eLearning) has become more important as a result of Covid and will demonstrate how a much larger audience can be reached.

### **3.1 Strategic Case**

The investment has a strong strategic fit with the LEP's Local Industrial Strategy, Skills and Education Plan and Energy and Clean Growth Strategy. The Partnership has effectively used the LEP's recent Labour Market Intelligence Reports on Adult Skills, Digital Skills and Covid-19 and the national reports including the Lloyds Consumer Digital Index 2020 to inform and target skills provision.

The investment will address the regional strategic priorities of widening access to technologies and digital skills development across Cheshire and Warrington. The priorities cover a diverse range of sectors including science, engineering, construction, rail, automotive, energy, pharmaceuticals, manufacturing, nuclear, astrophysics, astronomy, research, and development. The equipment purchased, along with the associated training, will be relevant to all current and future employees employed within these sectors.

The outcomes of this investment include upskilling and reskilling the existing workforce, inspiring young people and addressing the pipeline skills shortage, developing curriculum informed by employers and delivering skills to reduce digital exclusion.

The Partnership aims to tackle 3 of the main challenges faced across the region, ageing population in the workforce, reduction in delivery of substantial level 3 qualifications to adults and the low % of ESF funded learning aims and uptake by females.

### 3.2 Economic Case

The economic case for this investment is strong and the outputs are high.

The outputs for the project are:

Outputs:	
Public Match	£145,500
Learners benefiting leading to a qualification	1,200
Number of individual learners benefitting not leading to a qualification	15,700
No of schools and colleges engaged	100
New learning space created	60m2
Number of businesses benefitting.	500
New jobs created connected to the intervention. (FTE)	100

The numbers of individual learners who will not achieve a substantial qualification will achieve some increase in their knowledge and understanding and the distance travelled for all learners will be measured and evaluated.

*Further information has been requested about learners benefitting and whether the same learners are counted more than once as they progress through the stages of the ladder of progression. The Partnership has also been asked to confirm that the output for businesses are counted only once for each business.*

Prior to receiving confirmation through the BCR calculation, the outputs appear to provide high value for money. The Partnership estimates the creation of at least 100 FTE over the 5-year project life cycle. The Partnership plans to further support the delivery of digital skills in communities and businesses through the creation of a network of Digital Champions. The primary aim of the investment is to significantly boost digital skills and enable more effective progression to higher level skills as well as achieve a step change in the accessibility to new technologies and associated training. It is also envisaged that this will lead to more people securing employment.

The bid has identified outcomes which will be delivered across the Partnership. The outcomes for have not been broken down by individual partners because they are committed to working together and sharing responsibility for achievement of all the outcomes. The Partnership believe that allocation of outcomes to individual partners would detract from partnership working. The outputs have been calculated using a best estimation based on the current economic climate and the Covid-19 situation. The Partnership will use their steering group to oversee the monitoring and evaluation of progress and tailor activity in response to changes in the local economy.

*Further information has been requested on the steering groups' involvement in agreeing and monitoring the outputs and we will ask for early sight of the membership and terms of reference of the steering group.*

Partners will provide Continual Professional Development (CPD) activity for each other, in particular where a new programme had been developed or a new piece of software is being demonstrated.

*The outputs are being reviewed by an independent economist – the BCR calculation will be provided at or before the Performance and Investment Committee Meeting on 8<sup>th</sup> July 2020.*

### 3.3 Financial Case

The LGF grant will be used to fund 100% of the capital costs of the scheme and the Partnership has committed to spending all capital by the end of September 2020. The matched funding is revenue funding and provides 54% of the total costs including project management, CPD training for delivery staff, software subscriptions/licensing and running costs and consumables.

The proposed funding profile is set out below:

Funder	Amount (£)
Public Sector	145,500
LGF	125,000
<b>Total</b>	<b>270,500</b>

A list of the capital equipment being purchased has been provided but not the costs of the equipment, this will be sent to the LEP on 13<sup>th</sup> July 2020 and forwarded to the LEP's IT consultant for evaluation. *Information has also been requested on the breakdown of equipment and match per partner.*

The breakdown of matched funding is as follows:

Breakdown of Matched Funding	Amount (£)
Project Management Office	22,500
CPD/training for delivery staff	15,000
Marketing	30,000
Software subscriptions/licencing	30,000
Running costs and consumables	48,000
<b>Total</b>	<b>145,500</b>

### 3.4 Management Case (delivery)

The Partnership have provided a project management diagram showing a steering group made up of members from each partner organisation and external stakeholders with clear links to and from an internal project management team. External stakeholders will include a representative from the LEP's Employers' Skills and Education Board, Digital Skills Partnership Pledge Partnership.

*More information has been requested on Governance with regard to the steering group mechanism for independent oversight of quality assurance, monitoring, steering the response to situational changes.*

The Partnership have provided a suitable monitoring and evaluation plan. The Partnership have confirmed that discussions, compliance checks, development and Covid-19 risk management activities will be implemented with all delivery partners and prior to anyone using the equipment.

Risk management will also form part of the monthly and quarterly reporting mechanisms to the Cheshire and Warrington LEP.

The Partnership has substantial access to local and national employers who support this project, samples of evidence have been provided. The Partnership will maintain close working relationships with these employers, the LEP and local Chambers of Commerce. Employers such as Bentley Motors, Atkins Global, Fujitsu, Sellafield, Warrington & Co, Redrow Homes and Global Bakery Solutions will use the investment to share best practice in digital technologies or showcase new pieces of equipment.

The equipment will be interchangeable between Partners and a booking system will be developed to facilitate this arrangement. For example, if one Partner required a larger number of laptops for a training session, they would be able to borrow the additional resource from the other Partners. *Information has been requested on the plans for the cleaning of equipment once it has been used to meet health and safety guidance related to Covid-19.*

High level key milestones are listed below:

Milestone	Start	Finish
Proposal and outline business case	May 2020	03 July 2020
Contract award		July 2020
Design & develop curriculum	August 2020	September 2020
Procurement & purchase of equipment	August 2020	September 2020
Grant claims x 2	September 2020	October 2020
Marketing & stakeholder engagement	August 2020	Ongoing
Delivery of programmes	September 2020	Ongoing

*A more detailed project plan has been requested by 14th August 2020 should the project be approved.*

### 3.5 Commercial Case (delivery)

The investment will be procured in line with the colleges' procurement and value for money strategies. The Partnership will compare each other's Financial and Procurement Regulations to identify if there is any opportunity or scope to utilise a joint purchasing procedure in order to achieve economies of scale.

Partners have collectively considered the equipment needed to successfully widen access to digital technology. Consideration has been given to avoid duplication, identify synergies and develop opportunities for joint working and delivery of programmes.

### 3.6 Conclusion and Recommendation:

This is a well thought through project with a good strategic fit. It offers very good value for money. The investment will accelerate the adoption of new technologies and digital skills across Cheshire and Warrington. The investment provides clear progression opportunities to higher level skills.

It is recommended that the project is **approved** subject to the following conditions:

- The Partnership provides more detail with regards to project management and quality assurance, to include independent oversight through the steering group
- The Partnership provides a breakdown of the capital equipment costs

- The Partnership provides a more detailed project plan by the 14 August 2020
- The Partnership provides a breakdown of outputs and revenue spend for the 5 years that the project will be operational
- The Partnership confirms that the project is state-aid compliant
- Evaluation is to be carried out after the first full academic year of use and results disseminated

#### **4. Five-Case Business Review for the Investment in Specialist Equipment to Transform Digital Skills in Construction across Cheshire and Warrington**

The investment of £260k will equip five Advanced Construction Training (ACT) centres that span Cheshire and Warrington through a ‘hub and spoke’ model.

The ACT centres and will drive collaboration between the partner colleges, the UTC and employers to develop, commercialise and promote digital technologies and skills training for construction, nuclear and allied industries. The ACT hub and spokes aim to assist the industry to build high quality, smart, green and efficient building infrastructures, faster, cheaper and more sustainably than ever before.

*Information has been requested on providing a clearer vision for the project at the start of the bid application.*

The specialist equipment being purchased through the investment has been agreed upon following consultation with employers and will enhance existing resources at each of the partner colleges. The acquisition of this specialist equipment will enable the ACT centres to develop into a sub-regional ‘centre of excellence’ for advanced construction through a ‘hub and spoke’ model that meets employers’ and the LEP’s stated ambition to raise levels of productivity and innovation to compete at the highest level.

*A rationale for each item of equipment being purchased has been requested, this should include its purpose and the added value of the equipment. Further information has been requested on how the new investment will build on the existing equipment used to deliver the construction curriculum at the partner colleges.*

The ACT partnership will be centred on developing BIM, Solid Works, Auto Cad, Tekla and other digitalised systems at the ACT centres to support growth in the construction, nuclear and allied industries and the need for digitally-skilled structural engineers and surveyors working in SMEs and large employers. The project will support the practical and commercial challenges faced by businesses and support them to adopt digital and automated / robotic construction techniques at pace, for example, augmented and virtual reality, digital scanning of land and mass production through digital routers.

##### **4.1 Strategic Case**

The ACT partnership has a strong strategic fit with the LEP’s Local Industrial Strategy, Skills and Education Plan, Constellation Partnership Growth Strategy, Warrington New City and Energy and Clean Growth Strategy.

The ACT partnership closely aligns with the aspirations of the government’s ‘Transforming Construction Challenge’ and reports from the Confederation of British Industry (CBI). It has considered the need for digital skills in construction identified in the Burning Glass – No Longer Optional: Employer Demand for Digital Skills report.

The ACT partnership will focus on the links between learners and employers so that a strong and more meaningful collaboration will evolve. The ACT centres will nurture talent that employers can identify at an early stage, leading to an offer of employment over time. Traditionally construction companies find it difficult to attract new recruits.

The ACT partnership will offer digital skills training at each of the partner colleges as well as remotely to meet employers’ needs. The training will cover all construction disciplines from groundworks through to the commissioning and maintenance of the final build. The ACT partnership will work with employers to access and utilise ‘Accelerate Cheshire’ funding and other Construction Industry Training Board (CITB) and National Skills Academy Nuclear (NSAN) project funding to support the training of their employees.

The project has support from a number of multi-nationals for example, Taylor Wimpey, Cruden, Persimmon, Sellafield, AECOM, MNCN, Atkins, Jacobs, Bloor Homes, Colas UK, Greenovation, Redrow Homes, Tace UK, Dane Housing Cheshire Peaks and Planes and Kier all of whom have large operations in the UK.

#### 4.2 Economic Case

The economic case for this investment is strong. The ACT partnership addresses the challenges that are vital to support and grow construction across Cheshire and Warrington and the North West. These include ambitious growth, productivity targets and building additional and sustainable homes in the region. The ACT partners will provide training to address the barrier of lack of skills that impacts on productivity.

Many employers cite a lack of interest in job roles as a barrier to recruitment. Investment in the ACT centres various facilities, equipment and resources will enable learners and prospective employees to gain hands-on, high level industrial experience. The ACT partners will focus on the links between learners and employers so that a strong and more meaningful collaboration will evolve. The ACT centres will nurture talent that employers can identify at an early stage, hopefully leading to an offer of employment.

The outputs for the project are:

Outputs:	
Public Match	£311,500
Number of individual learners benefitting leading to a qualification. (This will be made up from 16-18, apprentices, HE learners and adults)	910
Number of individual learners benefitting not leading to a qualification. (Short courses or appreciation of the technologies)	2,800

Number of individuals engaged in the project (by showing interest, appreciation requiring information etc.) (30,000 hub, 17,500 for each spoke )	100,000
No of schools and colleges engaged	68
New learning space created	425m2
Number of businesses benefitting. (comprised of 255 in addition to the apprenticeship starts of 260 industry and 2 jobs at the ACT hub and spokes)	517
New jobs created connected to the intervention. (FTE)	100

Prior to receipt of the BCR calculation the outputs appear to provide high value for money. The project estimates the creation of at least 100 FTE over the 5-year project life cycle.

The outputs have been calculated for the period of the investment using historical information, course planning, indicative starts for apprenticeships, business interaction and growth potential.

*Information has been requested on the breakdown of the additional 100,000 engagements including types of engagement, breakdown by partner and how will these be measured.*

Wider outputs have been provided including careers fairs, new employers engaging, open days, employer case studies, collaborative case studies,

*Information has been requested on how learners will initially engage with the ACT partners and be signposted to the relevant centre of expertise. Information has also been requested on how a learner might progress from training delivered by the hub onto one of the specialist courses provided by the spokes.*

*The outputs are being reviewed by an independent economist – the BCR calculation will be provided at or before the Performance and Investment Committee Meeting on 8<sup>th</sup> July 2020.*

#### **4.3 Financial Case**

The LGF grant will be used to fund 100% of the capital costs of the scheme and the ACT Partners have committed to all capital being spent by the end of November 2020. The matched funding is revenue and comprises of 55% of the total project costs. *Information has been requested on a breakdown of the match to indicate the type of support and activities it is funding, this should be further broken down by partner college.*

A breakdown of the specialist equipment being purchased by the hub and each of the spokes has been provided including costs for each item. This is being evaluated by the LEP's IT consultant.



The proposed funding profile is set out below:

<b>Funder</b>	<b>Amount (£)</b>
Public Sector	311,500
LGF	260,000
<b>Total</b>	<b>571,500</b>

The LGF funds have been allocated as follows:

<b>Partner College</b>	<b>LGF Capital Allocation (£)</b>
Warrington & Vale Royal College - Hub	140,000
Cheshire College South & West - Spoke	30,000
Reaseheath College - Spoke	30,000
Macclesfield College - Spoke	30,000
UTC Warrington - Spoke	30,000
<b>Total</b>	<b>260,000</b>

*More information has been requested on the justification of the split of funding between the hub and spokes. Concerns were raised during the evaluation and moderation that the partners have not considered the actual costs of the technologies needed to deliver the new areas of specialism of the spokes and instead the project has allocated £30k per partner and asked what the money would be spent on.*

*More information has been requested on the added value of the hub in relation to allocation of funds and why this is 42% of the cost of the capital investment.*

*Details of how equipment in particular the £140k investment in Hub equipment will be shared and accessed across the partnership. Confirmation was requested that the Hub and Spokes will not charge each other for use of the specialist equipment. Examples of how the outputs of the spokes are enhanced by the hub.*

*Further information has been requested on the proposed continuous professional development delivered by Hub and Spokes.*

#### **4.4 Management Case (delivery)**

An operational project management structure has been provided including some limited information on how external representatives and mentors will be involved. Some concern has been raised during the evaluation about the extent to which partners are committed to partnership working.

*Information has been requested to provide more clarity in relation to the operation and governance structure of the partnership, including a project management structure diagram.*

The ACT partnership have advised that due to the short timescales community and stakeholder consultation has not taken place. The ACT centres will work with Sector Skills Councils such as CITB, awarding bodies such as Pearson, EAL, C&G, the University of Chester, LEP Skills Board and the Local Digital Skills Partnership. Warrington and Vale Royal College will work alongside Leeds College of Building in the implementation of this investment. The colleges are set to form a 'trans-pennine'

strategic partnership that will support this investment in provision to support the digitalisation in construction, sharing resources and best practice. There is some concern that the benefits of this partnership will be limited to Warrington & Vale Royal College and Leeds College of Building. We recommend that this issue is addressed before final approval. *Further information has been requested on the benefits to all ACT partners.*

Project risks will be managed through monthly management meetings chaired by the project lead at Warrington and Vale Royal College.

An initial project plan has been provided that includes some detail related to project evaluation:

<b>Project Activity/Milestone</b>	<b>Start</b>	<b>Finish</b>
<b>Procurement: Phase 1</b> Advanced Construction Training Hub and Spokes (ACT s equipment procured and in situ.	July / August 2020	November 2020
<b>Promotion: Phase 2</b> Learning opportunities at the ACT hub and spokes promoted through a variety of media including: websites, business breakfasts, employer engagement events , prospectuses, social media, in-situ promotion, open events etc.	September 2020	September 2021
<b>Engagement: Phase 3</b> First new cohort of learners engaging in ACT hub and spoke learning opportunities. Subsequent cohorts follow.	September 2020	Ongoing until 2024/25
<b>Evaluation: Phase 4</b> Employers’ and learners’ evaluation of ACT hub and spoke opportunities for the first cohorts of learners in terms of: <ul style="list-style-type: none"> <li>• Recruitment and engagement</li> <li>• Attendance</li> <li>• Achievement</li> <li>• Progression into positive destinations (jobs especially)</li> <li>• Learning experience (learning walks and observations of training)</li> <li>• Learner satisfaction</li> <li>• Employer satisfaction</li> <li>• Other stakeholder views</li> </ul> First cohort reporting to the LEP, Employers’ and learners’ evaluation of ACT hub and spoke opportunities for the first cohort of learners (see above). Subsequent cohorts reporting to the LEP.	January 2021	September 2021

Subsequent marketing and evaluation for the remaining years of the project will be undertaken in the same manner and reporting into the LEP.	January 2022-2025	September 2022-2025
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*It has been requested that the project plan includes employer engagement earlier in the process.*

#### **4.5 Commercial Case (delivery)**

The investment will be procured in line with the colleges' procurement and value for money strategy. Warrington and Vale Royal College – as project lead, overseeing procurement - requires all budget holders, irrespective of the source of funds, to obtain supplies, equipment and services at the lowest possible cost consistent with quality, delivery requirements, sustainability and equality legislation, and in accordance with sound business practice taking into account framework agreements as appropriate. Factors to be considered in determining lowest cost are noted in the Financial Procedures.

#### **4.6 Conclusion and Recommendation:**

The project has a good strategic fit and offers good value for money. The project will accelerate the digital skills adoption in construction and the market failure of employers having to send staff out of the region to develop their skills. It will also help to provide skilled talent pipelines. The project has the potential to establish Cheshire and Warrington as a sub-regional 'centre of excellence' for advanced construction, digital and manufacturing skills.

It is recommended that the project is **provisionally approved** subject to the provision of following:

- A clearer vision for the investment is provided
- A rationale for each item of equipment being purchased including its purpose and the added value of the equipment
- Information on how the new investment will build on the existing equipment used to deliver the construction training at the partner colleges
- A breakdown of the additional 100,000 engagements including types of engagement, breakdown by partner and how will these be measured
- More information on how learners will initially engage with the project and be signposted to the relevant centre of expertise within ACT and how a learner might progress from training delivered by the hub onto one of the specialist courses provided by the spokes
- Information on the breakdown of the match indicating the type of support and activities it is providing, this should be further broken down by partner college
- More information on the justification of the split of funding between the hub and spokes. It is crucial that the proposal addresses the concerns raised during the evaluation and moderation that the partners have not considered the actual costs of the technologies needed to deliver the new areas of specialism of the hub and spokes
- More information on the added value of the hub in relation to allocation of funds and why this is 42% of the cost of the capital investment. Access by other partners, CPD delivered by Hub and Spokes needs to be included
- More information on how the hub kit will be shared and accessible to other partners including confirmation the Hub and Spokes will not charge each other for use of the specialist equipment

- Examples of how the outputs of the spokes are enhanced by the hub
- More clarity in relation to the governance structure of the project including a project management structure diagram
- Details of how employers will be engaged early in the project plan
- A breakdown of outputs and revenue spend during the 5 years the project will be operational
- Confirmation that the project is state-aid compliant
- Evaluation is to be carried out after the first full academic year of use and results disseminated

## Note on BCR and Additionality for CWLEP – Energy Projects

This paper has been prepared on behalf of CWLEP and presents the results of a high level Benefits to Cost Ratio (BCR) analysis undertaken for a number of recently approved energy focused projects which have been awarded funding through the Local Growth Fund (LGF).

### Benchmarks and Assumptions

The calculations are high level and based only on the information supplied in the business cases, copies of which were passed to EKOS. Where this is absent we have made appropriate assumptions.

The analysis has assumed<sup>1</sup> an additionality factor of 0.5 across all projects albeit individuals ones will vary from this average.

The costs are based only on the LGF inputs and the benefits are based on a calculation of increased earnings as a proxy for GVA, although this will tend to underestimate<sup>2</sup>. In line with previous practice we have allowed a persistence factor of 10 years but not made an assessment of net values and have assumed they all occur at the same time. It is important to note that standard economic BCR calculations is based around an uplift in GVA which is generated through either an increase in job numbers/ earning and/or productivity improvements.

Where projects can easily demonstrate an uplift in job numbers the calculations are quite simple. However, projects such as renewable energy ones often have low direct employment outcomes but wider social and environmental ones (such as carbon reduction) which are not full captured in a traditional approach. Where projects have not provided detail on employment/GVA impacts for their specific project we have the calculated the impacts based on a pro rata assessment of costs set against the wider/longer term project impacts.

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<sup>1</sup> Based on EKOS previous experience and the previous RDA evaluation study.

<sup>2</sup> Total GVA is the sum of post-tax profits and wages generated from the direct, indirect and induced impacts

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For example, some of the projects will support the preparation of feasibility studies that will assess the longer term viability of large scale renewable energy projects that will have potential industrial application, which in turn will support significant economic impacts. While the immediate and direct effect of these projects will be low, it is important to capture the longer term impacts that they will help leverage. As noted, this has been done on a pro rata basis using the total project costs as a % of the wider project costs.

Finally it should be noted that as many of these projects are longer term and at this stage much of the technology is unproven in a commercial setting, we have NOT produced any detailed BCR assessments but where required provided a rough and ready overview based on the project applications.

## 1.1 Sources of Data and Evidence Assumptions

In addition to the information provided by CWLEP, we have used a range of data sources that are available and made allowances and assumptions where the data is absent from the submission.

### Jobs Created

Where employment (jobs) data are available we have used the numbers provided and not sought to interrogate further.

ONS data [Office for National Statistics, Gross Value Added (Balanced) at NUTS3 by SIC07 industry at current basic prices - 2018] has identified average Annual GVA per employee excluding London as follows.

- Urban with city and town £50,900; and
- Urban with significant rural £52,000

However, data specific to Cheshire<sup>3</sup> indicates GVA per employee in 2018 of £69,000

It must be noted that these are “averages” across all industry and will be greater in higher output industries, although additional details are not available and we therefore use a figure of £62,000 per annum GVA per employee.

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<sup>3</sup> ONS GVA per hour worked (£); NUTS 2 and NUTS 3 sub regions based on full time and 37 hour week

## E-Port Net Zero Blueprint for Capital Investment

The scheme will deliver a blueprint for unlocking capital investment in a net zero carbon industrial cluster in the Ellesmere Port region. It will define a range of future local energy system designs to inform a range of capital investment opportunities. These are expected to include capital investment in infrastructure, energy generation/distribution/storage, control systems, and related products and services able to provide secure, low carbon, affordable energy, supporting energy intensive industries. The scheme will provide a roadmap of investment over a 10year period supporting a holistic and cost-effective transition to net zero and improving the competitive position of the region.

Project costs and BCR:

- Total project cost: £930,000;
- Funding request: £718,600;
- CWLEP funding BCR: £3.4 | £1; and
- Total project BCR: £2.6 | £1.

## Warrington Smart Grid

A Smart Grid and distributed storage demonstrator within Warrington to support low carbon integration and energy transition. A new Community Energy Service Company (ESCO) will supply energy services to local SMEs, public, community and domestic customers comprising energy optimisation services, flexibility and storage assets (electric and thermal).

The project will demonstrate the value of flexibility that can be harnessed through a network of assets and how flexibility can be used by the ESCO to create security and resilience in the local market.

The project will work alongside Warrington's InnovateUK Smart Local Energy Systems project (REWIRE-NW), a £3million 2-year borough wide energy research & design project.

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Project costs and BCR:

- Total project cost: £530,653;
- Funding request: £353,551;
- CWLEP funding BCR: £1.8 | £1; and
- Total project BCR: £1.2 | £1.

### HyNet North West – Pipeline Feasibility Assessment and DCO Enabling

HyNet is a major decarbonisation infrastructure scheme in development since 2016 which will deliver the UK's first low carbon industrial cluster. It will supply Low Carbon Hydrogen for decarbonisation of industry, heat, transport and power generation and will provide Carbon Capture and Storage (CCS) infrastructure to directly decarbonise major industrial emitters such as Stanlow Refinery and Ince Fertiliser Plant. LEP support for the project at this stage will: 1) Accelerate the critical path of the project by over 12 months 2) Ensure HyNet remains in prime position to receive government support for construction, which otherwise could slip to the late 2020s.

Project costs and BCR:

- Total project cost: £830,316;
- Funding request: £447,760;
- CWLEP funding BCR: £6.5 | £1; and
- Total project BCR: £3.5 | £1.

### Aircom & LoRaWAN IOT Deployment

The project deliverables include:

- A UK wide LoRaWAN IOT data Network (Starting in Cheshire);
  - Deploy Monitoring and Control devices on Gas Utility Infrastructure; and
  - Deploy required supporting infrastructure (cloud, software etc).
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The primary goal of this deployment is to facilitate green energy sources and reduce carbon emission for the natural gas network. The deployed equipment provides a higher density of monitoring and control equipment for injecting Hydrogen and or bio-Methane into the gas grid. It also provides more knowledge of the gas grid and better controls to reduce leaks and provide a higher control efficiency, all which contribute to lowering carbon emissions. (The scheme would also be applicable to other Utilities and infrastructure.

Project costs and BCR:

- Total project cost: £484,240;
- Funding request: £231,417;
- CWLEP funding BCR: £10.1 | £1; and
- Total project BCR: £4.8 | £1.

### Canalside Integrated Commercial Electric vehicle Charging Hub

Commercial Electric Vehicle Charging Hub at Canalside Depot in Ellesmere Port which is located on Canalside Industrial Estate within the Cheshire Science Corridor Enterprise Zone. The Hub will comprise of two elements:

**Depot Hub** (for use by Council fleet) - 1 double headed 50KW rapid charger capable of charging vehicles within 30 minutes and 20 22KW fast chargers.

**Commercial Hub** (for use by local businesses and taxi operators) - 2 double headed 50KW rapid chargers capable of charging vehicles within 30 minutes.

The hub will also include solar canopies and an integrated energy storage system to achieve an above average level of energy efficiency and sustainability.

Project costs and BCR:

- Total project cost: £635,000;
  - Funding request: £200,000;
  - CWLEP funding BCR: £4.5 | £1; and
  - Total project BCR: £1.4 | £1.
-

Note: the total GVA impacts and BCR are based on the project supporting all of Cheshire West and Chester Council's 61 diesel vehicles converting to electric vehicles (based on feasibility assessment undertaken by Qwest Services, 2018).



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

**Title: Programme Manager Update Report**

**Agenda item:7**

**Prepared by Rachel Laver**

**Date of Report: 15<sup>th</sup> July 2020**

## **1. Executive Summary**

As we are in the final year of the investment period for LGF, we have very limited scope to manage delays on projects. The focus therefore needs to be on achieving spent during the next quarter and then perhaps having to make difficult decisions about projects if there continues to be slippage.

There were significant concerns about progress with the skills projects and overall, these remain however some projects have moved on considerably. The Energy projects are also causing some concern and these issues are picked up in the report. The updates on the rest of the projects can be found in the RAG report.

At the time of writing the report, most of the LGF claims for q1 had been received, showing spend of £4.7m against a profile of £5.5m. It is critical that any outstanding funding is contracted promptly and appropriately.

DBEIS has confirmed that the LEP has been indicatively awarded £15.8m through the LGF4 bidding process. The grant funding will go towards three projects. Further details will be provided in due course.

CBRE are continuing to work to develop the pipeline of projects for the Evergreen Development Fund, and there has been some relaxation of the ERDF rules, which has helped slightly.

### **1.1. Energy Fund.**

#### **1.1.1. Net Zero**

The ground source heat pump which was originally expected to be installed as part of the approved project is unaffordable. EA technology would like to install a Variable Refrigerant Flow (VRF) system in their top floor of the building (their head office) instead of the ground source heat pump.

The project will reduce in cost from £753k to £570k. The rest of the scheme will be delivered as previously outlined, but it's not clear whether the building will now be something that other companies would want to come and see and whether it will be "net-zero" carbon emissions.

## Revised deliverables

- Variable refrigerant flow (VRF) system (Top floor Capenhurst)
- Building insulation
- 50kw Photovoltaic array
- Energy Storage
- 20 electric vehicle chargers to include a fast charger
- LED Lighting
- 2 VisNets to provide network visibility
- Smart multi-vector management software to allow communication and balancing of loads

EA are proposing that the LGF grant is reduced by £35k to £300k but that the intervention rate is increased from 44.5% to 52.6%.

Recommendation: EA technology is asked to provide:

- The carbon saving of the VRF v the ground source heat pump.
- Confirmation that the project is state-aid compliant, considering the other projects they are the lead applicant for.
- Revised project plan.

Strategy Committee have delegated agreement of reallocated energy funds to the chairman. It is suggested that ratification of any decision is delegated to the P&I chair to ensure decisions are made in a timely manner given the time pressures.

## 1.2. Skills Funding

Blue Beck decided not to accept their grant offer of £108k.

AstraZeneca think they don't require £40k of the grant awarded but will confirm this week. They also miscalculated their spend to date and have overclaimed. As they expect to spend this in the next quarter, they won't be required to repay the funding, but they have submitted a negative claim, so we have an audit trail in place.

Macclesfield College has made great progress in accelerating the spend on their project and UOC are confident that they can spend all the grant by the end of Q2. There is concern about progress with the AMET centres, as the specification for the kit has not yet been agreed, but it is understood that this process will now be accelerated. CCSW also continue to make slow progress with their larger project: Digital 4.0. It was particularly surprising to not get a claim at all for this project given they expected it to be complete by August.

How to spend the decommitted funds will need to be agreed by the Employer and Skills board as a matter of urgency as there is very little time remaining to run a call process and deliver by March.

### **1.3. LGF Finance**

It is pleasing to see spend of £4.7m of spend achieved this quarter, even if slightly behind profile. It is critical that projects continue to spend and don't look to run the projects up to the end of March as if there is slippage there is no-where to go and the funding will be lost.

£107.7m of the £127.7m LGF allocation has now been spent (84%). The LEP therefore will be paid its final payment in August as we can demonstrate that adequate progress has been made.

Several projects have requested monthly claims to help with cash flow which we have agreed, while this creates added work it does give the benefit of giving greater visibility of spend progress.

### **2. Evergreen Fund**

CBRE had been working on a potential investment in Winsford, which had received support from Evergreen 1. Unfortunately, as the beneficiary wasn't as SME it couldn't be progressed. They are looking at several other opportunities and are hopeful of completing a deal before the end of q3.

Corporate Risks:

RISK SCENARIO		FUTURE CONTROLS / MITIGATION MEASURES		Residual risk rating		
RISK	IMPACT	Mitigation	Planned actions	IMPACT {1-5}	LIKELIHOOD {1-5}	TOTAL
Due to current circumstances there may be uncertainty about EZ income (e.g. if govt introduce/ extend business rate holidays) and due to the performance of the economy.	Unable to undertake the necessary EZ investments, repay loans and develop other areas of LEP activity.	Meet with business rate function staff to improve forecast accuracy and determine contingencies. Establish a reserve within EZ funds. Manage expectations about availability of finance and reduce investment programme accordingly if need be.	Improve forecasting and understanding of cashflow. Lobbying of government regarding security of business rate income to service loans made. Consider renegotiating loan terms to pay back over a longer period.	3	4	12
Financial resources will be stretched, coupled with lower income, and increased costs	Unable to deliver some of the initiatives planned. May need to cut back on core costs which will also impact ability to deliver	Look at securing additional funding from government. Using flexibilities with different funding streams to maximise impact.		4	3	12
Corona Virus: internal staffing internal delivery External delivery Local economy	projects may have to be scaled back. Regeneration is delayed, economic improvement is hampered. LEP may be criticised for level of support offered	Lobby for extra funding and flexibilities in funding programmes. Work with partners and stakeholder to increase impact of what can be done collectively.		5	2	10

As a result of uncertain economic conditions, or onerous programme deliverables, there is a risk of a lack of suitable projects, or demand for LEP funds and /or poor programme and project delivery	Failure to deliver economic growth, skills or the quality of place aspired to in the Strategic Economic Plan and Local Industrial Strategy.	The LEP continues to market support to local authorities, businesses, and colleges for programmes commitment with the various programme funds initiated by Government departments.	Investment in developing business cases and "Place" marketing has been approved by the board and further use of EZ retained business rates is expected to continue creating opportunities and awareness.	3	3	9
Policy change within government may mean that LEPs are disbanded	The LEP needs to ensure it maintains adequate budget to wind up the LEP including staff redundancies and the legal costs of transferring contracts, winding up all the services etc.	The work that the LEP does can perhaps largely be transferred to other bodies. The reason for holding the reserves should continue to be made clear in the accounts.		3	3	9

### Programme Risks

RISK SCENARIO		EXISTING CONTROLS / MITIGATION MEASURES	FUTURE RISK RATING		
RISK	IMPACT		IMPACT {1-5}	LIKELIHOOD {1-5}	TOTAL
Crewe Hub - Risk that project may not happen due to national political uncertainty and or that the funding isn't fully spent due to the delays with the project	Reputational risk. If govt decide not to go ahead then there the economic benefits won't be realised. Not achieving the maximum connectivity to the Hub and thereby reducing the economic benefits of the Hub and VfM.	Working closely with new govt/, CEC, DfT and the rail industry to deliver a scheme which supports the wider economic growth of the region.	5	3	15

Failure to deliver Accelerate in line with SLA	Reputational damage, loss of funding, funding could be reclaimed/ fines imposed and lost opportunity.	Recruited 2 staff with one to be appointed. Changing focus of third role to bring range of expertise. Regular monitoring using CRM, Weekly meetings with all staff inc. UOC. Delivery board and mgt board established to give adequate oversight.	4	3	12
Ellesmere Port One Public Estate project delayed	This project is responsible for ¼ of the LGF spend required in 20/21. Failure to progress sufficiently will result in loss of funding for the LEP and CWAC as well as significant reputational damage.	Ensure CWAC understand the importance of maintaining momentum. Look to widen scope of project to allow for more eligible spend.	4	3	12



Summary of project status

updated: Nov-19

Project Name	Main Recipient	Main Contractor	Project description	Total Cost (£)	LGF Grant (£)	Current RAG Status	Total Paid to date (£)	% of grant paid	Current Position
<b>LGF Live Projects</b>									
GM & Cheshire Life Science Investment Programme	Catapult Ventures	Catapult Ventures	£31m Life sciences investment fund.	31,982,000	10,000,000	→	10,000,000	100	Invested £18.4m into 29 investments. 16 of which are in Cheshire. Full grant paid. Extension to investment period agreed.
Centre Park Link (Warrington)	Warrington Borough Council	Balfour Beatty	The Centre Park Link comprises a new highway route into the Town Centre, providing access to developable land. This involves the construction of a new bridge structure and associated highway link.	19,891,000	5,300,000	→	5,300,000	100	Works due to completed in January 21
Ellesmere Port Central Development Zone	Cheshire West and Chester Council	Vinci	Development of new council offices for use by CWA V staff, DWP and For Housing on old bus station site. Relocation of bus station, demolition of existing council offices to make way for new housing.	17,392,000	8,332,000	→	2,412,797	29	Bus station works have started and are due to complete in October. Main works to start in September. Project is responsible for 1/4 of the LGF spend required this year. Behind profile submitted last month but £680k of works completed in June not claimed.
Crewe Market Hall	Cheshire East Council	Parkinsons to lead Market Hall Work.	Refurbishment of the indoor and outdoor market to bring more variety to the markets and create more opportunities for the space to be used in the evenings.	3,900,000	2,209,457	↘	2,209,457	100	Completion of market hall works delayed due to COVID. Main physical works due to complete in September. Full grant paid. Formal launch of new market expected Easter 21
Unlocking Winsford Industrial expansion Land	Cheshire West and Chester Council	A E Yates	Infrastructure works to open up the site for redevelopment to create new commercial and industrial buildings with associated jobs.	5,000,000	3,800,000	→	2,721,964	72	S278 still being agreed. A number of enquiries for the site. Programme slipped slightly. Moving to monthly claims
Tarvin Road (Chester)	Cheshire West and Chester Council	Balfour Beatty	Improvement to the highway to help improve traffic flow.	5,427,000	3,663,000	→	1,603,273	44	Date now agreed with SPEN to start on site. New fence lines established. Target cost now received. Remaining trees removed. Expected to be on site in August.
<b>Warrington West Programme</b>									
Omega Local Highways Schemes phase 1 and 2b	Warrington Borough Council	Not yet appointed contractor	Highway improvements. Preferred option currently being developed.	8,815,000	4,050,000	→	-	-	Business case to be considered at July P&I meeting
Warrington West Station cycle access	Warrington Borough Council	Not yet appointed contractor	New cycle and pedestrian access to the station	345,000	250,000	→	-	-	Design work delayed again. Network Rail have now been out on site, so progress is being made. Not due to go out to tender until October.
Burtonwood Omega Path (WBC)	Warrington Borough Council	Not yet appointed contractor	This is a new 3.5m wide shared use path alongside Burtonwood Road/Clay Lane in North Warrington which aims to provide a safe, secure and attractive cycling and walking link between the west side of Burtonwood village and the commercial and employment growth areas of Omega, Gemini and Lingley Mere. The length of the proposed path is 2.4km	1,650,000	500,000	→	-	-	Due to start on site mid July.
<b>WW programme total</b>				<b>10,810,000</b>	<b>4,800,000</b>		<b>10,197,000</b>	<b>94</b>	Payment made against programme of projects
<b>Skills</b>									
C&W Security Training	Youth Federation	Youth Federation	an investment in computers, servers and networking equipment to deliver cyber security training to individual learners and local businesses. The equipment will be based at the Science and Technology Facilities Council, Daresbury. The proposed business model is based on an existing facility in Salford.	297,398	17,398	→	17,398	100	The centre is now fully equipped and ready to go. E-Platform being developed to deliver on line learning
Community Learning Hubs	Warrington and Vale	Warrington and Vale	Project to provide digital equipment for use in the community by adult learners and the workforce of local businesses, situated in 'Community Digital Learning Hubs' at Northwich and Winsford libraries. The college will co-locate some of its adult and community (ACL) provision at the libraries and will augment existing learning opportunities there, primarily focusing upon digital familiarisation and upskilling.	52,525	39,038	→	39,038	100	Continuing to develop community offer. Working towards libraries opening in Sept. Project particularly important given help people will require applying for jobs.
The digital hub - Digital doorstep	CCSW in collaboration with Forward Futures	CCSW in collaboration with	an investment in portable, entry level specialist equipment to support the development of additive manufacturing and virtual and augmented reality. The equipment will be based at Cheshire College South and West's Crewe campus.	44,172	18,235	→	8,362	46	Most of the equipment now acquired. Looking at options to work with schools and businesses.
Made Digital (previously Warrington digital)	Culture Warrington	Culture Warrington	an investment in equipment to deliver coding, digital fabrication, physical computing workshops to young people and vulnerable people in schools, central and neighbourhood libraries and businesses within Warrington. The investment would build on pilot work already undertaken by LiveWire Warrington library staff and Spark at Penketh High School.	37,892	19,992	→	15,074	75	project has been successfully established and already run 4 sessions with a total of 46 participants.
21st Century Skills Lab	UTC Warrington	UTC Warrington	an investment in specialist equipment to support the development of computer network management and cyber security skills. The equipment would complement the UTC's cyber curriculum. The equipment would be located at Warrington UTC but could be moved and installed at a range of temporary sites.	39,988	19,988	↘	14,135	71	Kit still being acquired. Work on setting up lab continuing. Researching online delivery options.
Macclesfield Stem Centre	Astra Zeneca	Astra Zeneca	Investment in a STEM Centre at AstraZeneca Macclesfield to allow employees and visitors to experience AR, VR, 3D Printing and Projection Mapping. The STEM Centre will be a dedicated building and use existing underutilised space on the AstraZeneca Macclesfield site whereby employees can go to experience immersive digital content for training in digital and increase their awareness and understanding of advanced manufacturing and research.	402,420	268,420	↗	147,496	55	Revised kit requirements to improve online offer. May have £40k left which they don't require. Awaiting a response.
The Digital Hub - Project 4.0	Cheshire College South and West	Cheshire College South and West	Investment in a digital hub employing cutting edge technology including Virtual Reality, Augmented Reality, Robotics and Additive Manufacturing that would be based in a central and fully accessible Digital Hub on College campuses. A proportion of the equipment that is readily portable will be incorporated into a mobile learning centre that will deliver the opportunity to engage with the technology and the desired reskilling and upskilling.	2,230,749	913,648	→	124,526	14	some equipment acquired. Project being impacted by COVID. Remaining equipment to be acquired during q2 subject to supplier availability. Nil claim for q1
Automatic Milking dairy	Reaseheath College	Reaseheath College	Investment in a new automatic milking dairy to provide training, upskilling and reskilling and education in digitalisation, robotics and data-driven dairy management. A key part of this is the creation of a Centre for Dairy Automation and Robotic Milking.	736,000	656,000	→	73,330	11	Building work has commenced. Tender process underway.

The Controlled environment Food Production Centre	Reaseheath College	Reaseheath College	Facility to develop precision horticulture through controlled environment food production.	450,000	340,000	↗	-	-	ITT now issued but later than expected. Project not expected to complete until March so very little scope for slippage
Specialist equipment to transform Digital and advanced manufacturing skills	Macclesfield College	Macclesfield College	New Digital Hub to provide Agile Project Mgt training, cyber security, coding and robotics.	1,124,912	521,615	→	278,062	53	Project has really progressed during the last quarter. Some kit still needs to be procured. Work on printer room commenced. Expect to be fully spent by the end of next qtr. and more importantly operational from September. Looking at further developing online offer.
High Performance Private cloud	UOC	UOC	Investment in client server computing environment for use by industry and education.	1,968,308	893,005	→	147,204	16	Servers ordered. Looking at working with Reaseheath and WVR. Not bought van yet as dealers have been closed. Now appears to be focussing more on schools rather than businesses. Have confirmed that they should be able to acquire all kit in the next qtr.
IOTA	Carpe Diem	Carpe Diem	skills lab to train participants in their STEM confidence and raise aspirations across new technology and advanced engineering.	398,560	118,800	→	118,800	100	Kit acquired but returning some as not easy to clean and looking at replacing with more appropriate kit. Delivery to move to online until Lockdown eases.
AMET centres - Warrington Campus and Vale Royal campus	Warrington and Vale Royal	Warrington and Vale Royal	Advanced manufacturing and Engineering Centres. The Centres will enhance the skills of prospective and current employees through the training is the use of specialist equipment.	1,369,000	656,000	↗	96,583	15	Had forecast all equipment would be acquired by end of August. Still agreeing specification of kit. Likely to be slippage.
Computers for schools	Various schools	Various schools	Funding to provide laptops to schools to lend to students with no access to a computer at home	30,000	30,000	→	-	-	Offer letters issued to all. Not all returned.
<b>Energy Innovation</b>									
Low carbon Energy Efficient grant	Blue Orchid	Various	Energy Audit and Grant programme for SMEs	1,415,030	695,000	→	101,778	15	Applications worth 79% of the funding available now received. COVID had some impact on delivery but not likely to be an issue. Grant manager appointed. Audits on site now possible. Had applications worth 87% of the funding available.
Project Vanguard	Storengy	TBC	Green Hydrogen Generation and refuelling station at Middlewich refuse truck depot. Four vehicles to be converted to Hydrogen. Refuelling services to be made available to NW hydrogen alliance members.	1,035,000	345,000	→	269,123	78	Construction started on site.
Netzero Cheshire	EA Technology	EA Technology	Development of a net carbon-zero smart energy building. Including ground sources heat pump, LED lighting, PVs, 20 EV charging points	753,000	335,000	↗	-	-	Scope of project has changed. LGF required reduced by E35k
Delivering network visibility in Cheshire's Energy Innovation district	SP energy networks/Ea Tech	EA Technology	Collecting data from 673 sub stations to help understand constraints and trade variable loads	1,364,100	825,084	→	43,754	5	First 70 units built. First will be installed by end of month, with 10% expected to be installed by August. Will then be able to start using data and disseminate information to energy community.
E-port Net Zero	Cheshire Energy Hub	Cheshire Energy Hub, EA Technology, SPEN	The project is to complete a detailed study to inform a capital programme of investment for a net zero cluster.	928,600	718,600	→	11,900	2	Project steering group established.
Warrington Smart Grid	Pure Leapfrog Lillypad CIC	tbc	The project pilot will involve the installation of 160 energy storage assets (10 electric batteries and 150 heat batteries) and 40 energy optimisation Smart Boxes across Warrington. The majority of these will be into social housing working with the Council for deployment in their existing and newly proposed ECO housing stock but a number also into SMEs.	535,109	353,551	→	-	-	Awaiting first report/
Hy-Net	Progressive Energy	tbc	The HyNet project is a major decarbonisation infrastructure scheme in development since 2016 which will deliver the UK's first low carbon industrial cluster. THE funding will go towards further development work for the project.	830,316	447,760	→	-	-	Project team established.
Aircom and LoraWAN deployment	Westwood Limited	Westwood Limited	The primary goal of the project is to facilitate green energy sources and reduce carbon emission for the natural gas network. The deployed equipment provides a higher density of monitoring and control equipment for injecting Hydrogen and or bio-Methane into the gas grid.	484,240	231,417	→	22,029	10	First units currently being built. CADENT confirmed participation in project.
Canalside EV charging scheme	Cheshire West and Chester Council	tbc	Commercial Electric Vehicle Charging Hub at Canalside Depot in Ellesmere Port which is located on Canalside Industrial Estate within the Cheshire Science Corridor Enterprise Zone.	200,000	200,000	↗	-	-	Awaiting pricing details from contractor so offer letter not yet issued.
<b>Joint Cheshire and Warrington Sustainable Travel Access Fund</b>									
Chester Road	Warrington Borough Council	tbc	Pedestrian and cycle route along Chester Road. Will link to Centre Park Link (another LGF scheme) and link into the Trans Pennine Way.	900,000	600,000	→	67,990	11	Due to appoint contractor in September.
TPT Upgrade	Warrington Borough Council	tbc	To widen and upgrade the Trans Pennine trail which is a tourist attraction as well as a link between residential and employment sites.	900,000	600,000	↘	27,697	5	Tender package being put together. Access issue resolved.
Wilmslow Strategic Cycle and Walking route	Cheshire East Council	tbc	Upgrading of pedestrian and cycle links between Royal London site and Wilmslow. Fill gaps in the off-road route between Wilmslow and key employment sites Inc. Alderley Park, Waters and Manchester Airport Enterprise Zone. Total route length to be upgraded is 2.7km	950,000	900,000	→	94,657	11	Detailed design progressing. Public consultation carried out. Likely to be impacted by COVID.
Northwest Crewe Cycling and Walking Link	Cheshire East Council	tbc	Extending a cycling and walking path linking Crewe and Nantwich, the Bentley employment site, Leighton Hospital and residential areas. NR widening bridge at Boulderstone Bridge, this project will link into the widened bridge.	1,850,000	700,000	→	175,059	25	Planning application delayed partly due to COVID and capacity issues.
A5117 Cycle Route, Ellesmere Port	Cheshire West and Chester Council	Ringway Jacobs	4.5km cycleway linking Ellesmere Port and Chester.	602,000	380,000	→	35,187	9	Drainage surveys undertaken. Detailed design expected to complete in July. Continuing to engage with the public. Direct award to Ringway. Should be on site in August.
Ellesmere Port Canal Towpath	Cheshire West and Chester Council	Canals and River Trust	Enhancement of 2.2km of canal towpath between A41, Ellesmere Port and Chester to shared use.	4,379,000	680,000	↗	182,760	27	Canals and River Trust to deliver. Not yet finalised price. Slight delay in agreeing price. Expected to be on site in September.
Sutton Way Boulevard, Ellesmere Port	Cheshire West and Chester Council	Ringway Jacobs	1 mile new shared pathway which will link the town centre with the western fringe and residential areas and provide a link to Chester by joining up with Stoney Lane.	1,024,000	640,000	→	543,672	85	Pathway complete. Planting will be finished in Autumn. Some issues with the lighting.
<b>Major Transport Schemes</b>				only includes locally held LGF					

Poynton Relief Road	Cheshire East Council	Grahams construction	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.	50,657,000	5,600,000	→	5,600,000	100	Project start delayed due to COVID. All approvals now in place.
Congleton Link Road	Cheshire East Council	Graham Construction	A new 5.5km road for Congleton to reduce congestion and support town centre regeneration. The Congleton Link Road would join the A534 Sandbach Road (to West of Congleton) with the A536 Macclesfield Road (to the North of the town).	90,743,268	7,709,543	↘	7,709,543	100	All trades now mobilised and back on site with additional COVID safety measures in place.

#### Completed LGF schemes

Birchwood Pinch point (Warrington East Phase 1)	Warrington Borough Council	Balfour Beatty	The scheme aims to improve access to Birchwood Park. It includes: Signal improvements at junction of Birchwood Way/Birchwood Park Avenue A bus only link connecting the Birchwood Way/Faraday Street junction with Ordnance Avenue The replacement of the Moss Gate roundabout with a higher capacity junction to eliminate traffic congestion, accessibility and road safety problems	4,986,000	2,140,000		2,140,000		Completed
M62 J8 Junction Improvements	Warrington Borough Council	Balfour Beatty	The scheme involves the remodelling of the current junction to increase capacity and improve traffic flow.	11,690,000	5,000,000	→	5,000,000		Completed June 18
Chester Central (Northgate and Bus Interchange)	Cheshire West and Chester Council	Graham Construction	The project is to create a new Bus Interchange. The old bus station site will then be freed up to form part of the £380m Northgate development which will see new retail and leisure opportunities developed.	21,637,682	13,500,000	→	13,500,000		Completed May 17
Thornton Science Park (Chester)	University of Chester	Wilmot Dixon Construction	The project is to refurbish an existing building to create an energy demonstrator. The aim of the Demonstrator is to provide a flexible platform (with office and laboratory space) for research and development, focusing on testing new and emerging technologies across all aspects of energy systems and smart grids. The initial objective is to concentrate research on emerging energy storage technologies.	17,382,500	6,800,000	→	6,800,000		Completed May 17
Reaseheath Employer Focused Hub	Reaseheath College	John Turner Construction Group Ltd.	Construction of new lecture theatres, teaching and break out study areas of approximately 500m2 connecting the existing HE centre with the centre point building and refurbishment of the existing building approximately 337 m2	1,889,307	674,850	→	674,850		Project complete and operational
Reaseheath Agri Tech Centre	Reaseheath College	Engineering Extension - Novaplus Ltd. Agritech - Pochin Construction Ltd.	The National Centre for Agri-tech and advanced engineering will provide general teaching areas, workshop space, specialised facilities for robotics, tractor simulation, GPS and the most advanced agricultural engineering machines associated with precision farming, meeting current and future skills needs. In addition the project will introduce robotics to the college farm and livestock management improving animal welfare, farm productivity and reducing environmental impacts.	7,457,972	2,475,000	→	2,475,000		Project complete and operational
Reaseheath Sports Science and Performance Academy	Reaseheath College	Sports pitches - Blakedown Sport & Play Ltd. Sports Hall - Pochin Construction Ltd.	The construction of new sports facilities to deliver all year round sports provision, wider range of activities, sports science and performance laboratories, increasing recruitment and delivering higher level skills to all sports and public service learners. It will provide essential recreational facilities for 1200 residential students and the local community. The new facilities to include a sports hall a new MUGA pitch and a new 3G pitch to Sports England specifications.	6,169,154	2,169,750	→	2,169,750		Project complete and operational
Crewe Green Roundabout	Cheshire East Council	Balfour Beatty	Redesign of the existing roundabout to increase capacity and reduce congestion at this pinch point.	7,750,000	3,300,000	→	3,300,000		Completed October 18.
Ellesmere Port and Chester Campus remodelling	South Cheshire College	Wilmott Dixon	The project is to reconfigure the teaching and learning spaces at the Ellesmere Port and Chester Campuses. This is following an Ofsted report which gave the college an inadequate grading. This was due in part, to the open design and layout of teaching spaces meant that learning is often disrupted by noise from other parts of the building.	3,791,198	3,198,000	→	3,198,000		Project complete and operational
Reaseheath Learning Hub and Accommodation	Reaseheath College	Learning Hub - Novaplus Ltd. Accommodation - Pochin Construction Ltd	The replacement of temporary residential units ( 180 beds) with a new 200 bed purpose built facility that will provide accommodation for approximately 320 students meeting increased demand. Addressing significant condition issues in central scientific laboratory Hub	11,244,158	3,582,315	→	3,582,315		Project complete and operational
Sydney Road Bridge (Crewe)	Cheshire East Council	Network Rail and J Murphy & Sons	Replacement of the bridge at Sydney Road with a new bridge which take two lanes of traffic, plus a pedestrian path. The new bridge will reduce congestion in the area.	10,452,553	5,850,000	↘	5,850,000		Project complete and operational
Chef's Whites Academy	Macclesfield College	no contractor	The LGF grant will be used to buy equipment to enable the college to set up the Chef's Whites Academy and run courses from September 2019. The course is expected to create apprentice opportunities for 40 students.	200,000	25,000		25,000		Course started. 11 students enrolled. More expected next year.
Warrington West Station	Warrington Borough Council	Balfour Beatty	New train Station. The new Warrington West railway station will act as a key interchange node and serve residential properties within the north and west of Warrington and improve accessibility to the Omega and Lingley Mere employment sites.	20,524,000	6,530,000		-		Project completed. Station opened in December 19
Warrington East Highways Improvements	Warrington Borough Council	Balfour Beatty	A five part scheme of traffic improvements to open up development sites and improve traffic flow.	13,500,000	6,900,000	→	6,900,000		Complete
<b>Total committed and spent</b>				<b>401,809,111.00</b>	<b>126,722,466.00</b>		<b>106,024,562.97</b>		

GPF				Loan (£)				
Cheshire Green Employment Park	Cheshire Green Employment Park Limited	Jones Bros.	Infrastructure works to open up the site for redevelopment to create new commercial and industrial buildings with associated jobs.	14,000,000	3,650,000		3,200,000	Phase 1 and 2 infrastructure works completed. Land revalued. Number of plots now sold.
Glasshouse, Alderley Park	Brunwood	Workspace and GMI	Refurbishment of a previously owned Astra Zeneca building into new office space.	27,800,000	3,873,000		2,726,498	Opened in February
New Bridge Road Sub Station	Peel Investment	LEAP utilities	New 10 Mva Sub station to facilitate £70m of investment in the creation of new cardboard manufacturing plant and open up 5 EZ sites for development premises	1,737,816	590,857		590,857	work completed and operational
Aviator	Redsun Developments Ltd	Cadex	125k sqft industrial Unit	10,786,918	1,701,418		803,778	Complete
Helix Phase 2	Gaerwen Properties	Portal	3 industrial units totalling 30k sqft	3,728,223	659,347		-	Scheme is complete. Awaiting final claim
Newport Rhino	Andrews4 Property	Portal	82k sqft. European HQ of Rhino properties	6,187,228	792,670		792,670	Complete and occupied

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

**Title: Omega Local Highways Scheme Phase 1 Agenda item: 8**

**Prepared by Rachel Laver**

**Date of Meeting: 15<sup>th</sup> July 2020**

**1. Purpose of the report**

To seek approval from the committee to give Final approval to the Omega Local Highways Scheme Phase 1 and 2b.

**2. Executive Summary**

Omega Local Highways Scheme Phase 1 and 2b are part of package of 10 schemes to improve the highway capacity and walking and cycling provision in North West Warrington. Warrington Borough Council have been through an extensive options analysis before coming up with the preferred routes and junction improvements which they have consulted widely on. As agreed at OBC stage the scheme involves improvements to the Lingley Mere junction as well.

The proposed scheme is estimated to cost £4.355m, higher than the estimate at Outline Business Case (OBC) stage but less than originally anticipated when the LGF application was submitted. This reflects the changing transport needs of the area as a result of the significant growth at Omega Business Park.

The Omega Phase 1 business case has been written by Aecom appraised by Atkins. The Final Business Case has been given an overall score of 2- Requirements substantially met. There is nothing outstanding of concern. The scheme has a BCR of 2.47, increased very slightly from OBC stage. This represents "High Value for Money."

A business case for Phase 2b has been completed and approved by DfT, therefore isn't subject to a separate appraisal for the LEP. The BCR was 20.

**3. Recommendations /Actions / Decisions required:**

**The committee is asked to:**

- Note the contents of the Final Business Case and Independent Assurance review for phase 1.

- Authorise the LEP executive to issue a Final offer letter to Warrington Borough Council (WBC) for £3.065m towards the costs of the Omega Phase 1 and £935k towards the costs of Phase 2b
- Request that the GVA impact of the scheme is calculated (outstanding action from OBC)

#### **4. Background**

An application for funding was submitted as part of the LGF round 3. As with all the projects in the programme, the costs for the work were estimated as the design for the scheme wasn't finalised. Originally £4.3m was requested towards estimated total costs of £6.45m.

WBC have invested heavily in transport schemes in Warrington West and these are two of 10 schemes the council has developed in the area.

WBC have been through a detailed options design process for the Omega Roundabout and after careful consideration have selected an option that doesn't require as much work as originally envisaged and instead want to carry out work on the network in the immediate area, feeling that this is best and most efficient approach to improving traffic congestion in the area and improving walking and cycling provision.

The Schemes are within close proximity of the Omega and Lingley Mere sites (see map overleaf), and forms part of a key highway corridor connecting these sites to the M62 J7, and to the A57. The west Warrington area has experienced major housing and employment growth in recent years, with significant further expansion planned.

The projects are required to improve traffic flow, increase capacity and improve air quality.

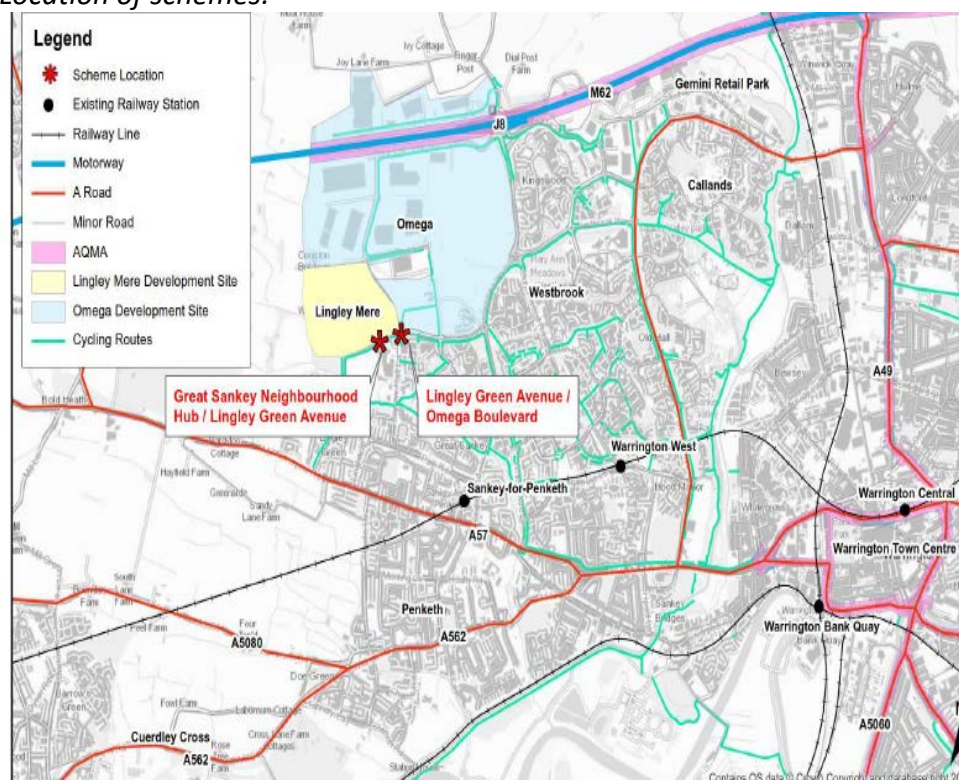
#### **5. Scheme Proposal**

The current Omega Boulevard / Lingley Green Avenue junction is a small roundabout with single lane approaches, with only limited flaring to two lanes at the stop line. The junction will become a major node within the local road network for the area and will be part of the strategic route linking the A57 with M62 J8. The junction is bounded to the east by the Omega development site and the west by Lingley Mere development site -significant growth areas in the local authority. Recently, both developments have gained planning consent, in addition to previously consented office and commercial development on nearby sites.

The Proposed scheme for phase 1 is defined as an enlarged roundabout and widening of approaches at Lingley Green Avenue / Omega Boulevard, as well as widening of the junction of Lingley Green Avenue / The Hub to create a left turn lane into The Hub development. New shared foot/cycle paths and toucan crossings are also proposed.

Phase 2b is the improvement of the A57 Liverpool Road, on its northern side, by providing an additional, left turn, filter lane at the approach to its junction with the A5280 Lingley Green Avenue, and the repositioning of the outer northern footway.

*Location of schemes:*



**6. Scheme Objectives**

Land-use terms:

- Release land for development that increases employment opportunities;
- Release land for new housing; and
- Ensure that existing occupiers do not need to relocate elsewhere.

Business terms:

- Business productivity and efficiency improvements;
- Ease of recruitment and retention; and
- Landowners ability to unlock land for redevelopment.

Transport terms:

- Reduced congestion;
- Reduced peak journey times;
- Improved reliability of public transport services including bus journey times; and
- Accommodate a safer environment for walking and cycling at junctions.

**7. Key Milestones**

Key Project Milestone – Phase 1	Date
Contract Award	June 2020
Construction (onsite)	July – December 20

<b>Phase 2</b>	
Contract Award	September 20
Construction	October-February 21

## 8. Outputs

The outputs expected to be delivered from the scheme are detailed in the table below.

Output	Phase 1	Phase 2b
<b>Houses</b>	675	147
<b>Commercial Floorspace</b>	155,000sqm	0
<b>Private Sector Match</b>	£1.035m	0
<b>Private Sector Leverage (Indirect)</b>	£100m	0
<b>Public Sector Leverage</b>	£0.255m	£1.365m

WBC have allowed a £50k budget for monitoring and project evaluation.

## 9. Risks and Issues

A risk register has been prepared for the scheme. The development of the quantified risk assessment (QRA) is based on experience of similar schemes, and the calculated risk is £621k, bringing the total project cost to £4.335m

From the LEP perspective the main risk is that the project doesn't spend all the LGF by March 21 especially as the project isn't forecast to be completed until December 2020. The proposed mitigation for this was to wrap this project into a package of Warrington West projects, already approved and therefore there is only £1.13m left to pay on the package of the project, which should be spent comfortably within the first few months of being on site.

## 10. Financial Summary

The following table shows how the project will be funded. WBC are investing in the future phases of the scheme.

Funder	Phase 1 (£)m	Phase 2b (£m)	Total (£m)
Developer contribution	1.035	0	1.035
WBC	0.255	0.095	0.350
LGF	3.065	.985	4.050
DfT	0	1.270	1.270
<b>Total</b>	<b>4.355</b>	<b>2.35</b>	<b>6.705</b>

## 11. Value for Money

11.1. Phase 1 has a Benefits cost Ratio of 2.47 which represents very high value for money and phase 2 has a BCR of 20. The benefits are so high because of all the development expected at Omega and the surrounding land.



## 12. Independent Appraisal

12.1. Atkins have completed an independent appraisal of the business case for Phase 1 and given the project an overall score of 2 – requirements substantially met and recommend the project for approval. Given that DfT approved the business case for Phase 2b, a separate appraisal for this wasn't deemed necessary.

The appraisal is summarised below.

Case	Score	Appraisers comment
Strategic	2	<p>The strategic case sets out clearly how the scheme and its aims/objectives align with national and local policies and wider schemes in the area. The issues which the scheme sets out to address relate to congestion and travel time delay that primarily relate to future development in the area. The scheme directly supports unlocking 675 homes at Omega and Lingley Mere and over 100,000 sqm of office space and 55,000 sqm of industrial and logistics space which will drive an estimated £100m investment from the private sector. Without the scheme, these two future developments cannot be brought forward, which has wider consequences for Warrington's employment allocations as set out in the Local Plan. A detailed logic map has been prepared which articulates the causal theory behind the scheme impacts and the measures for success.</p> <p>A range of options have been assessed both through modelling and a multi-criteria appraisal framework and a preferred option identified. This option scores well for enhancing operational performance and reducing the negative impact to pedestrian accessibility. Overall, there is support for the scheme, however the main concerns relate to disruption caused during the construction of the scheme.</p>
Economic	2	<p>The Value for Money (VfM) statement reports a BCR of 2.47 , which is classified as 'High VfM' by the Department for Transport. The appraisal has been undertaken in line with WebTAG guidance and the growth forecast have been derived using the Department for Transport's TEMPro software.</p> <p>The business case identifies that the proposed scheme would support 675 housing at Omega and Lingley Mere and a further 1,000 other homes in the area as well as 100,000sqm of office and 55,000sqm of logistics on Omega; and private sector investment estimate at £100m. The proposed scheme is also cited as having potential for a positive impact on job creation and growth of GVA however no figure has been stated.</p>
Commercial	2	<p>The commercial case gives a comprehensive account of the procurement strategy and options considered for this scheme. Since the OBC was submitted, WBC tendered the construction</p>

		<p>contract via Lot 2 of the Capital Works Framework and a Principal Contractor has been identified. WBC outline a strong working relationship with the principal contractor and success in delivering on similar projects.</p> <p>A quantified risk assessment (QRA) has been undertaken by WBC, highlighting all the risks to WBC.</p> <p>The works commissioned through the Capital Works Framework will be carried out under the conditions of the standard NEC3 option B contract.</p> <p>A detailed programme of works reflecting the contract length and the agreed final contract is yet to be provided. At the time of review, only a high-level programme indicating some milestones has been provided. The detailed programme is planned to be provided following the C&amp;W LEP P&amp;I Committee in July 2020.</p>
Management	2	<p>The management case provides a comprehensive account of the governance arrangements for the project including a clear organisational structure for managing the project, using staff that have worked on similar projects with the contractor before. WBC have experience working on projects of this nature and set out clearly a number of cases where they have worked closely with the principal contractor and successfully delivered the project to programme and budget. There is a clear reporting and approval process within WBC and for the LEP which has been stated.</p> <p>It is noted that WBC and the Principal Contractor have previously worked together, which provides some confidence that programme timescales have been developed to be realistic and achievable.</p> <p>A clear monitoring and evolution plan, alongside a benefits realisation plan have been provided for monitoring the scheme success against the project aims and objectives. The monitoring activities lie with WBC who have budgeted for this activity.</p>
Financial	1	<p>The Financial Case sets out the estimated scheme cost based on pre-construction scheme status. The target cost estimate is £4.355m, which includes a risk allowance of £621,000 generated through a QRA undertaken by WBC. The QRA clearly highlights the costs of risks to WBC. The total target cost has increased from the outline business case by £261,000.</p> <p>Funding has been identified for the full scheme costs. Evidence in the form of Section 106 agreements has been provided for the developer contributions for both Omega and Lingley Mere</p>

		(together totalling £1.035m). The LEP contributions are £3.065 million which include £0.775m covering sunk costs.
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### **13. Appendices**

Atkins Review of Business Case

Final Business case

# Delivery Plan key action monitoring

Skills		Rag Rating	latest Position
1. Launch Accelerate – Raise Awareness, aggregate the training demand from employers and deliver training to 5,700 learners. Measure the impact on productivity as well as completion of the training, with the first review at the end of Q1.	Q1	→	Accelerate launched - include offer of 100% grant for smaller businesses. Training started for the first cohorts of employees.
2. Work with local partners to develop data and labour market information that will inform and help shape the curriculum offer across Cheshire and Warrington and establish an agreed baseline of skills data from which to measure impact over time, e.g. uptake of STEM subjects, course enrolment and completion in derived wards, digital inclusion of the population, digital capability of the workforce.	Q1		All our local authorities and colleges are working through the Data and Labour Market Steering Group to develop data and labour market information to inform the curriculum offers across Cheshire and Warrington. A series of reports have been commissioned and some of the reports produced - all on course to deliver. The spec for the reports has been modified to reflect the changing circumstances associated with the lockdown. Jobcentre Plus is now making extensive use of the reports produced to date.
3. Ensure the delivery of outcomes and outputs from investment of Skills Capital funding, contracted (to date) as:	Q4	→	Contracts issued to all bar one of the investments that was contracted pre-lockdown. As a result of Covid-19, one project has decided not to proceed and all the other contracted investments have been delayed. The majority of the spend expected to be completed by end Sept or end Dec at very latest. Bids for remaining funds being processed. £30K investment in computers for schools confirmed. Devices being purchased by schools and additional donations from employers also being received.

• Jobs created:	151		
• Business benefitting:	1,680		
• Learners benefitting:	33,200		
• Public Sector leverage:	£2.3M		
• Private Sector leverage:	£0.43M		
4. Aggregate the training demand from employers, develop and implement a skills and education stakeholder engagement plan.	Q1	→	Plan to be informed by data and labour market intelligence reports. In light of Covid-19 a group of Local Authorities has also be conveyed to coordinate the support for people being made redundant, at risk of redundancy or young people leaving school this summer. This work will also inform skills and education priorities. Marketing plan also being developed and reviewed regularly with Marketing Cheshire.
5. Ensure the effective delivery of the Pledge network that meets all the targets set by the funding providers and the wider key performance indicators that have been agreed by our Employers' Skills and Employers' Board including overseeing a coherent calendar of at least 40 business led inspirational events and increasing the number of young people who undertake digital and STEM related work experience from less than 7% to more than 15%. Follow up with young people to identify whether any changed their career choices as result.	Q3	→	Pledge outputs achieved in line with contracts and delivery plan. However, delivery model has been significantly altered in response to the lockdown. A number of online career events and virtual workexperience successfully piloted with strong engagement of local schools.
6. Increase the percentage of schools and colleges that provide at least one meaningful encounter for every student, in every academic year, with business (Gatsby Benchmark 5) to 70% (from 54%) and experiences of workplaces (Gatsby Benchmark 6) to 55% (from 46%). Influence the planning by schools to increase STEM work experience.	Q4	→	Currently in negotiation with the Careers and Enterprise company to establish how a 'meaningful engagement' will be defined during lockdown - work to be informed by virtual work experience pilot.
7. Ensure that more than 12,000 young people have meaningful engagements with at least 153 SMEs by September 2021 and that over 500 employers engage with the Pledge, by hosting a variety of events including work experience events and large scale fairs.	Q4	→	See above - initial targets achieved pre-lockdown and new approaches using online and remote technology being piloted.

8. Develop a plan to ensure the long-term sustainability of the Pledge, e.g. enlist new funders.	Q4	→	In hand
<b>Strategy</b>			
1. Publish the LIS and an implementation plan for Cheshire & Warrington	Q1	↘	Position on Local Industrial Strategy nationally remains unclear. Document likely to be redrafted and reframed as a Recovery and Growth Strategy post-CV-19
2. Enhance the current LIS, to take economic advantage from sustainability and inclusivity, working with Local Authority partners to develop policy accordingly.	Q2	→	Work ongoing to design and establish a Sustainable and Inclusive Growth Commission for the sub-region. Initial discussions at Board and Sub Regional Leaders Board undertaken.
3. Complete the development and publication of a Digital Infrastructure Plan, to include proposals which ensure 99% fibre broadband coverage, superfast broadband, 4G and 5G.	Q2	→	Interim report received in June 2020. Work programme on target to complete September 2020
1. With the successful deployment of the Pledge, Accelerate and the Digital Skills Partnership, review Skills Strategy to take account of findings from the Skills Programmes, and determine the next priorities for the Skills agenda.	Q2		Priorities continue to be Pledge, Accelerate, Digital Skills Partnership and Local Growth Fund investments - informed by data and labour market intelligence. Currently reviewing priorities in the light of Covid-19.
5. Ensure that the sub-region has the processes and mechanisms in place to ensure economic resilience in the face of economic uncertainty post Brexit.	Q3	→	Linked to the LIS and the creation of the Recovery & Growth Strategy.
<b>Business Development</b>			
1. Establish the baseline measures of business performance and investment from which to measure business growth over time.	Q1		Significant work done on baseline in Q1. High degree of shift due to COVID economic downturn. Constant update is required and ongoing
2. 1,200 Business Engaged who require support through the Growth Hub	Q4		On track, currently engaged with over 500 businesses in Q1 putting us ahead of profile

3. 6,000 Unique visitors to the Growth Hub website	Q4		Already achieved. Largely due to COVID response over 8,000 unique views in Q1
4. Establish 40 new exporters across Cheshire and Warrington and increase existing exports by 5%	Q4		Some data of new exports but not been priority in Q1. Significant additional resource will be deployed to support International trade across Q2 and Q3 to ensure target is met.
5. Secure 40 new investments in Cheshire and Warrington businesses with a total investment of at least £1,000,000	Q4		Confirmation of 5 new investments so far, resource has been focussed on COVID response. Value of investments is on track
6. Support the creation 500 jobs across LEP priority sectors	Q4		On track, awaiting final info on up to 100 jobs in Q1. Significant resource focussed on redundancy support and job matching in this area
<b>Infrastructure</b>			
1. 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		
2. Ensure Transport for the North plans reflect the benefits and investments needed for sub-regional priorities.	ongoing		
3. Establish an investment programme to develop the region's energy infrastructure to prepare for a decarbonised, locally generated network.	Q2		
4. Work with partners to produce at least 4 initial business cases for key infrastructure projects, that will deliver significant economic benefit to the sub-region which may include, transport, broadband/IT and infrastructure services (e.g. water and electricity).	Q4		
<b>LGF</b>			
<b>Outputs</b>	<b>Contracted on projects</b>		

	<b>2020-21</b>		
Businesses supported	1200		
Jobs created	1640		
Public / Private sector Leverage (£m)	102		
New homes completed	160		
New Commercial Floor Space (sqm)	110,000		
Total amount of new or upgraded road (meters)	700		
New / upgraded cycleway (meters)	11,000		
Schools and Colleges engaged	246		
New earning space created (Sqm)	312		
Learners benefitting	6000		
<b>Enterprise Zone</b>			
1. Develop and actively manage the investment pipeline for the Cheshire Science Corridor Enterprise Zone	<b>Q4</b>		
2. Invest £8.7m in 6 new schemes in the Cheshire Science Corridor Enterprise Zone	Q4		
3. Create 187,000 sq ft of new and refurbished commercial floorspace in the Cheshire Science Corridor Enterprise Zone	Q4		
4. Market the Enterprise Zone to attract 56 new businesses into the Cheshire Science Corridor Enterprise Zone	Q4		
5. Attract 1,800 new jobs into the Cheshire Science Corridor Enterprise Zone	Q4		
6. Leverage £30m of private sector investment in the Cheshire Science Corridor Enterprise Zone	Q4		
7. Work with the University of Chester to secure a JV partner for the development of Thornton Science Park	Q4		
8. Develop with partners proposals and funding bids for the creation of an Energy Innovation District in Ellesmere Port	Q4		
9. Support the development of business cases for investment in the Cheshire Science Corridor outside the Enterprise Zone	Q4		



<b>HS2 Growth Corridor</b>			
10. Produce a business case for government for new HS2 Growth Corridor	Q1		
<b>Marketing and Comms</b>			
1. Develop a Tourism Action Zone proposition for Cheshire & Warrington	Q3	↘	The Tourism Action Zone initiative is on hold due to CV19, the government is focused on response and recovery. We intend to re-visit this later in the year in line with further communications
2. Develop an enhanced approach / programme for Chester "attack" brand working with CWAC	Q1		We have established an effective Destination Chester Network group, who have worked together on the launch of a campaign to support the reopening of Chester. It focused on the Simple Pleasures people can enjoy in the city now it has reopened
3. Develop & launch new Destination Management Plan for sub-region and implement it to increase visitor numbers and spend by 3%	Q1		Meeting scheduled for later this month, to develop the DMP. Will be a recovery focused plan
4. Establish a baseline for delegate economic benefit (£M) linked to driving conferences from priority sectors identified in the LIS	Q4	↘	Due to CV19, business tourism is not currently operational, will be integrating a plan for future delivery as part of the place marketing strategy.
5. Develop a coherent and joined up Business Support Marketing Programme with target economic benefit outcomes.	Q2	→	We are developing a new website for the LEP family which will bring together all business support initiatives in a coordinated way. This will be ready early August.
6. Prepare a C&W place marketing strategy programme, that incorporates business attraction and retention and talent retention and attraction and implement it. Targets values will be set once the perceptions baseline has been established in May.	Q1	→	Perceptions work is almost complete (July) and phase 2 to develop the narrative will get underway shortly.

7. Ensure C&W LEP is recognised and influential locally, regionally and nationally (NP11, LEP Network, Govt / MPs, Businesses and Investors, Local Authorities). Evaluate effectiveness by measuring funding secured, GVA increase and media coverage.	All Year	↗	Media coverage is now being monitored through the Agility software. Stakeholder communications plan is in place. A lot of coverage has been achieved for the #GSO campaign with the LEP clearly positioned as leading this initiative.
8. Develop new 'Green Cheshire' year-long Marketing Campaign focused on sustainability, linked to local authority climate change initiatives. Contribute to visitor number increase by 3%	All Year	→	Marketing campaign has been refocused in response to CV19 - to focus on a more local and regional campaign supporting businesses. As cars will be main mode of transport the Green Cheshire campaign was not appropriate and messaging has changed. To date we have had a reach of 1.6million through our social media campaign activity
9. Develop Influencer Programme to take our priorities to key national decision makers.	Q2	→	Due to CV19 this hasn't progressed yet, however, will be evaluated as part of the place marketing strategy development.
<b>Housing</b>			
1. Work with Homes England and sub-regional partners to develop and deliver a compelling Cheshire and Warrington Housing Deal.	Q4		
<b>Town Centres</b>			
2. Influence the development and delivery of the Town Fund programmes for Crewe and Warrington	Q4		
3. Contribute to Historic High Streets Fund bids for Chester	Q1		
4. Ensure strategic priorities are reflected in the delivery of town centre regeneration plans for Ellesmere Port, Macclesfield, Crewe and Winsford	Q4		
5. Explore the potential to pilot the creation of town centre Real Estate Investment Trusts.	Q4		

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