



Growth Corridors Board

Date: Thursday 22 July 2021
Time: 17:00-19:00
Location: Microsoft Teams Call

Agenda

Part A: Public items

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|-----|---|-------------|---------|
| 1. | Attendees and apologies | 17:00-17:05 | 5 mins |
| 2. | Declarations of Interest | 17:05-17:10 | 5 mins |
| 3. | Minutes and matters arising | 17:10-17:20 | 10 mins |
| | a. Minutes of EZ Board 20 May | | |
| | b. Business Case Fund update | | |
| 4. | Public speaking time | 17:20-17:35 | 15 mins |
| 5. | Governance | 17:35-18:05 | 30 mins |
| | a. New Growth Corridors Board remit | | |
| | b. Terms of reference | | |
| | c. Standing agenda items | | |
| 6. | Cheshire Science Corridor Enterprise Zone | 18:05-18:25 | 20 mins |
| | a. Investment programme update | | |
| | b. Investment pipeline | | |
| | c. Investment cases | | |
| | d. Business Rate Discount applications | | |
| | e. Finance update | | |
| 7. | High speed Growth Corridor | 18:25-18:30 | 5 mins |
| 8. | Marketing and promotion | 18:30-18:35 | 5 mins |
| 9. | Cluster/sector development | 18:35-18:45 | 10 mins |
| | a. Life sciences | | |
| | b. energy | | |
| 10. | Town centres | 18:45-18:55 | 10 mins |
| | a. Crewe Town Board update | | |
| | b. Warrington Town Board update | | |

Part B: Non-Public Items

No Items

- | | | | |
|-----|-----|-------------|--------|
| 11. | AOB | 18:55-19:00 | 5 mins |
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Item 1: Attendees and apologies

Board members

Peter Broxton (Chair)
Loren Jones (Vice-Chair)
Cllr Russ Bowden (Warrington Borough Council)
Chris Farrow (Independent Member)
Nicola Heron (Independent Member)
Linda Hilton (Independent Member)
Katie McConnell (Engagement Board Member)
Cllr Amanda Stott (Cheshire East Council)

Attending

John Adlen (Cheshire and Warrington Local Enterprise Partnership)
Gemma Davies (Cheshire West and Chester Council)
Stephen Fitzsimons (Warrington Borough Council)
Philip Kerr (Cheshire East Council)
Martin Wood (Cities and Growth Unit)

Apologies

Cllr Richard Beacham (Cheshire West and Cheshire Council)
Tony Bochenski (Independent Member)
Philip Cox (Cheshire and Warrington Local Enterprise Partnership)
Joel Tagg (Cities and Growth Unit)

Item 2: Declarations of interest

EZ Board members and attendees to declare any personal or professional interests in an agenda item in line with the Cheshire and Warrington Local Enterprise Partnership's Local Assurance Framework. Any Board member or attendee declaring an interest can remain in the meeting while the item is discussed but are only allowed to answer direct questions about that item and should refrain from promoting the item in any way.

Item 3: Minutes and matters arising

Item 3a: Minutes of Enterprise Zone Board 20 May 2021

Minutes attached as Appendix A.

Item 3b. Business Case Fund update

The Growth Corridors Board was asked by the LEP's Strategy & Performance Board to assess the place-based applications that had been received to the LEP's annual Business Case Fund and make recommendations on the relative prioritisation of bids. At its last meeting the Board requested further details on the bids, including full copies of the applications and it was agreed to hold an extraordinary of the Board a week later. At this extraordinary meeting of the Board, the following was prioritisation of bids was agreed:

- Chester City Centre Package – recommended allocation of £40k for 1-2 initial studies

- Macclesfield Station – recommended that LEP allocates £25k on basis of the four partners each contributing an equal share.
- Ellesmere Port Industrial Area – recommended allocation of £35k for an initial study rather than funding the whole programme at this point.
- Crewe Town Centre – recommended allocation of £50k.

These recommendations were combined with the recommendations from the other LEP Sub-Boards and a combined scoring matrix was constructed. There were some adjustments to scores, in light of further discussions with the local authorities and additional information being provided.

At its meeting of 29 June, the Strategy & Performance Board approved the following projects:

- Ellesmere Port Industrial Area Masterplan work (£20,000)
- Warrington Local Cycling and Walking Infrastructure Plan (£25,000)
- Chester City Centre Package (£40,000)
- Warrington Last Mile – Town Centre Masterplan (£50,000)
- Crewe Town Centre Housing Pathfinder (£50,000)
- Crewe Transport Delivery Plan - Feasibility Assessment (£50,000)
- Mid Cheshire Line Study (£30,000)
- Ellesmere Port Town Centre Housing Pathfinder (£30,000)

For the additional £50k of funding, the Board was minded to support both the Northwich Wider Town Centre Masterplan and the A51/A500 Corridor Study. The Board invited the LEP to work with local authorities and other partners to find the money. It was noted that all the schemes have very round numbers that will not be adhered to in practice and that there should be some movement within that to find some additional funding. There was also a recommendation to review match funding commitments.

Therefore, Cheshire West and Chester Council were asked to review whether it can provide further match funding towards to the Northwich Wider Town Centre Masterplan scheme. LEP officers were instructed to review schemes with local authorities and other partners as described above with the intention of accommodating funding for both the Northwich Wider Town Centre Masterplan and the A51/A500 Corridor Study within the approved portfolio.

Item 4: Public speaking time

There have been no requests from members of the public to attend or speak at the meeting.

Item 5: Governance

Item 5a: New Growth Corridors Board remit

1. Background

As members will be aware, the LEP Board agreed to expand the remit of the Enterprise Zone Board and rename it the Growth Corridors Board. The Enterprise Zone Board has for the last 5 years been focused very much on the operational management of the Cheshire Science Corridor Enterprise Zone. However, with the ending of some of the EZ incentives and with a tried and tested investment approval process in place, the Enterprise Zone is no longer as time or resource intensive as it has been. In addition, a number of new initiatives and priorities have come to the fore which the LEP is committing officer time and resources to, and which, therefore, require direction and oversight from the LEP Board.

2. Place-based challenges and opportunities

The draft Local Industrial Strategy set out our ambition to create inclusive and sustainable places across the sub region and to attract, grow and retain the businesses and talent needed to support economic growth ambitions. Work undertaken in preparing the draft Local Industrial Strategy identified a number of place-based challenges and opportunities facing the sub-region, including:

- Demographic trends that pose a significant challenge to continued economic growth, with slow population growth and an ageing workforce
- Concentrations of inequality in key towns which consistently under-perform the sub-regional average across a range of socio-economic indicators
- A housing supply that is skewed towards larger family homes in rural/suburban locations, an under-supply of smaller and more affordable homes for younger people
- Ensuring that we have a readily available supply of high quality business premises for existing companies to be able to expand and grown and to attract new companies locating into the area
- Revitalising and rebalancing our town centres in the face of the changing nature of retail demand and resident and visitor expectations
- Ensuring that the economic benefits arising from the investment in HS2 and Northern Powerhouse Rail are fully captured and maximised for the sub-region
- Ensuring that the Cheshire Science Corridor is a world-class hub of science and technology by strengthening the sub-region's R&D and innovation ecosystem and linking places, assets and institutions.

3. Proposed remit of the new Board

The main remit of the Growth Corridors Board will be to encourage and facilitate economic growth within the LEP's two key growth corridors – the Cheshire Science Corridor and the High Speed Growth Corridor.

These two Growth Corridors provide the main spatial focus for the LEP's interventions and activities and the main focus for economic growth and physical development within the sub-region.

It is proposed that the focus of the Growth Corridors Board is on four key areas:

- a) Creating a world class business environment through the development of strategic employment sites and business space
- b) Encouraging cluster/sector development and increasing R&D and innovation in life sciences, energy and manufacturing
- c) Rebalancing and diversifying town centres within the Growth Corridors
- d) Promoting the Growth Corridors to government, developers and investors

Item 5b: Terms of Reference

Draft Terms of Reference for the new Growth Corridors Board are attached as Appendix B for discussion.

Item 5c: Standing agenda items

It is proposed that the following standing agenda is adopted for the Growth Corridors Board:

Part A: Public items

1. Attendees and apologies
2. Declarations of interest
3. Minutes and matters arising
4. Public speaking time
5. Governance
6. Cheshire Science Corridor Enterprise Zone
7. High Speed Growth Corridor
8. Marketing and promotion
9. Cluster/sector development
10. Town centres

Part B: Non-Public items

11. Any non-public items
12. AOB

Item 6: Enterprise Zone

Item 6a: Investment programme update

The table below provides the latest position on the approved EZ investments.

Project	Total Project Cost (£)	Total EZ Investment Committed (£)	EZ Investment Drawn Down to Date (£)	Remainder to be Drawn Down (£)
Glasshouse	27,800,000	3,872,876	3,872,876	-
Aviator Phase 1	10,786,918	1,701,418	1,388,843*	-
Helix Phase 2	3,728,223	669,347	656,992*	-
Newport Rhino	6,187,228	792,670	792,670	-
New Bridge Road Substation	1,698,180	590,857	590,857	-
Quadrant Phase 2	13,340,000	3,618,000	-	3,618,000
Blocks 22-24 Alderley Park	4,000,000	4,000,000	1,141,260	2,858,740
Aviator Phase 2	7,304,479	1,024,156	-	1,024,156
Total	74,845,028	16,269,324	8,443,498	7,500,896

*Outturn investment less than anticipated in the business case

- **Aviator Phase 1 (Hooton Park)** – some additional final costs were identified of £16,266, which means that the total EZ investment was £ 312,575 lower than anticipated in the business case.
- **Blocks 22-24 (Alderley Park)** – conversion of Blocks 22-24 is underway. Blocks 23/24 is expected to complete in March 2022 with Block 22 expected to complete in June 2022. A claim for £205,145 was received and paid in the last period.
- **Quadrant Phase 2 (Birchwood Park)** – A first and final claim has been submitted for £782,663. This is lower than the previously anticipated £852,000, due to no rates liability on the void units. There is still up to £1m available to Birchwood Park to draw down within the next 2-years for electricity infrastructure if required.

Item 6b: Investment pipeline

- **Aviator Phase 2 (Hooton Park)** – we have been informed by Redsun Developments that they have now secured an investor who will fully fund the development of the remainder of the site (280,000 sq ft) and that they no longer require the £1m investment from the Enterprise Zone.
- **ASD (Protos)** – have secured planning permission for the development and have informed us that they are ready to move forward with the project. Call arranged to progress submission of revised investment case.
- **Waste to Hydrogen Plant (Protos)** – in discussions with Peel regarding a potential investment in a Waste to Hydrogen Plant. Have issued an investment case template.
- **Quadrant Phase 3 (Birchwood Park)** – in discussions with Patrizia about a potential investment in Quadrant Phase 3, which would see the development of an 85,000 sq ft pre-let in conjunction with the development of 3 speculative units totalling 67,650 sq ft. The developer is looking at incorporating a number of green technologies into the speculative units, which are likely to make them commercially unviable, but which would act as an exemplar sustainable industrial development on the park.
- **Newport Business Park** – meeting arranged with Gaerwen Properties for w/c 19 July to discuss an investment case for the development of the remainder of Newport Business Park.
- **Thornton Science Park** – University of Chester have appointed CBRE to secure an investment partner for the site.

Item 6c: Investment cases

No items.

Item 6d: Business Rate Discount applications

A Business Rate Discount application has been approved by the EZ Steering Group and are recommended for ratification by the Growth Corridors Board for the following company:

Current Body (Alderley Park) – designs, develops and manufacturers its own range of skincare devices. The company's first device was an LED face mask based on NASA technology that promotes the replacement of Collagen in the skin to bely the effects of ageing.

Although the deadline for new Business Rate Discount applications was 31st March, the company was based at Alderley Park prior to the cut off date and had previously submitted its application by post, but which had not been received by the LEP.

Item 6e: Finance update

The NNDR3 returns have been received from the three local authorities, which provides the final outturn for retained business rates for 2020/21. The table below shows the NNDR1 forecast and the NNDR3 outturn for 2020/21 plus the NNDR1 forecasts for 2021/22.

Local Authority	2020/21 NNDR1 Forecast (£)	2020/21 NNDR3 Outturn (£)	2021/22 NNDR1 Forecast (£)
Cheshire East	873,550	1,173,931	1,868,226
Cheshire West and Chester	276,462	495,802	478,564
Warrington	380,631	554,019	439,254
Total	1,530,643	2,223,752	2,786,044

It should be noted that Cheshire West and Chester Council treat the payment of retained business rates to the LEP differently than the other two local authorities. Cheshire East and Warrington pay the LEP in arrears based on the previous year's NNDR3 outturn. Whereas Cheshire West and Chester pay the LEP in advance based on the NNDR1 forecast plus any adjustment to take account of the previous year's NNDR3 outturn. This means that Cheshire West and Chester will pay the LEP this year £478,564 against the 2021/22 NNDR1 Forecast plus a further £219,340 as an adjustment against the 2020/21 NNDR3 outturn. As such, the total retained business rates that the LEP will receive in October will be **£2,425,854**.

Whilst the outturn for 2020/21 is better than forecast and the 2021/22 retained business rate income is forecast a c.£2.7m, it should be noted that the retained business rate income remains volatile for the foreseeable future.

Item 7: High Speed Growth Corridor

A verbal update will be provided by the Growth Director.

Item 8: Marketing and promotion

A discussion will be held on the approach to the marketing and promotion of the Growth Corridors.

Item 9: Cluster and sector development

Item 10a: Life sciences

The LEP has facilitated a Life Sciences Advisory Group made up of industry, higher education and public sector representatives from across Cheshire and Warrington, Liverpool and Manchester city regions to start to promote and develop the North West life sciences cluster. The group, chaired by Clare Hayward, has met on three occasions and positive discussions have also been held with the Liverpool and Manchester Combined Authorities about collaborating on a North West footprint. An initial piece of work has been commissioned by the LEP to map the life sciences cluster/ecosystem across the North West, which will help us to develop a strong brand and pitch book for the sector to promote itself to both prospective investors and government.

Item 10b: Energy

The Cheshire Energy Hub has been actively promoting and developing a strategy to decarbonise industry in the Ellesmere Port area (one of the UK's most heavily industrialised areas that accounts for c.5% of the UK's energy use) over the last 3 years and has set out an ambition to create the UK's first Net Zero Industrial Cluster. The LEP has been supporting the Cheshire Energy Hub to develop a decarbonisation roadmap for the Ellesmere Port Industrial Area. The LEP has provided funding through the Local Growth Fund to create an investment blueprint and prospectus that has identified a portfolio of a portfolio of opportunities across renewable generation, hydrogen, carbon capture, energy storage and smart grids which offer long term, sustainable investment opportunities in net zero and which could attract c.£1bn investment and save nearly three million tonnes of CO² by 2030. Further information can be found on the Invest Net Zero Carbon website: <http://investnzcheshire.co.uk/>

Item 10: Town centres

Item 10a: Crewe Town Board update

Crewe has secured £22.9m of government funding through the Stronger Towns Fund to support the regeneration of the town through investment in new sports, cultural and leisure facilities, new public realm and open space, housing improvements and repurposing vacant retail units. This announcement follows on from a successful Future High Streets Fund bid that has provisionally secured £14.1 million and which seeks to unlock new homes, improve accessibility and connectivity at key gateways, create new opportunities for enterprise in the town centre, develop space and support for digital and technology based enterprise, and create a sustainable energy network. In addition, the Town Board has already secured £750k accelerated funding from the Towns Fund for “Ly2”: a reimagining of Lyceum Square as a place for high quality open-air events / performance space at the heart of the Civic and Cultural Quarter.

Item 10b: Warrington Town Board update

In October 2020, Warrington secured £22m from the Stronger Towns Fund to take forward seven transformative projects:

- **Health and Social Care Academy** - which will support workers integrating digital technology into their work to offer new service opportunities, reduce the level of shortage in health and social care and build resilience in workforce to deal with increasing demand from ageing populations
 - **Health and Well-Being Hub** - which will help reducing health deprivation in the town centre and improve quality of life and accessibility to healthcare and wellbeing services for all.
 - **Advanced Construction Training Centre** - which will develop training in low carbon building material use and sustainable building, and mitigate the economic impact of COVID-19 by providing an opportunity to reskill workforce in sectors that have declined during the COVID-19 pandemic.
 - **All Electric Bus Fleet Depot** - which will support the full electrification of the bus fleet and release centrally located land for sustainable housing.
 - **Active Travel Programme** - which will make the town centre more pleasant and encourage walking and cycling to replace car use.
 - **Digital Enterprise Hub** - which will support innovation in digital technologies such as gaming and increase the level of the attractiveness of Bridge Street, as the introduction to Warrington’s Cultural Quarter.
 - **Remastered Cultural Hub** - which will set up a strong digital and cultural ecosystem, improve perceptions of Warrington for its cultural offer and increase economic activities in Warrington.
- Item

11: AOB