



Cheshire and Warrington Local Enterprise Partnership Strategy Committee

Friday 12th February 2021, 9:00am

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Phone Conference ID: 848 203 664#

AGENDA

The agenda is divided into 2 parts. Part A is taken in the presence of the public and press. Part B items will be considered in the absence of the public and press for the reasons indicated on the agenda and in the report

PART A – PUBLIC ITEMS

1.	Welcome, introductions and apologies <i>09:00 – 09:05 The Chairman will open the meeting and welcome attendees to the meeting of the Strategy Committee (Current apologies – None)</i>
2.	Declarations of Interest <i>09:05 – 09:10 To provide an opportunity for Members and Officers to declare any disclosable pecuniary and non-pecuniary interests in any item on the agenda.</i>
3.	Presentation: Natural Capital Audit and Investment Plan <i>09:10 – 09:30 To receive a presentation from Natural Capital Solutions to update on the development of a Natural Capital Audit and Investment Programme for Cheshire and Warrington.</i>
4.	Minutes of Strategy Committee Meeting held Friday 4th December 2020 and Matters Arising <i>09:30 – 09:35 To approve the minutes of the meeting held on 4th December 2020 and to consider any matters arising (Paper AI 3)</i>
5.	Public Speaking Time / Open Session <i>09:35 – 09:50 A period of 15 minutes has been allocated for members of the public to address the meeting on any matter relevant to the work of the body in question. Individual members of the public may speak for up to 5 minutes but the Chairman or person presiding will decide how the period of time allocated for public speaking will be apportioned where there are a number of speakers.</i>
6.	Business Case Development Fund Proposals <i>09:50 – 10:15 To consider the recommendations of the LEP Director of Transport and Investment for allocating the 2021-22 Business Case Development Fund. (Paper AI 6)</i>



7.	Draft Recovery Plan
10:15 – 10:30	<i>To consider the Draft Recovery Plan for Cheshire and Warrington and discuss approaches to engaging LEP Stakeholders on the proposals contained in the plan. (Paper A1 7)</i>
8.	Taking Forward our Energy Priorities
10:30 – 10:45	<i>To consider recommendations for taking forward the energy priorities discussed at the December LEP Board Discussion Forum. (Paper A18)</i>
9.	Freeports
10:45 – 10:50	<i>To receive a verbal update on the proposals developed by Liverpool City Region for a Freeport centred on the Port of Liverpool and the engagement of Cheshire and Warrington in developing the bid.</i>
PART B – NON-PUBLIC ITEMS	
10.	Part B – non-Public Items There are no items to consider under Part B of the Agenda
11.	Any Other Business <i>To consider any items of other appropriate business including relevant Government Announcements</i> - <i>Reduction in Funding for Transport for the North</i> - <i></i>
12.	Date, Time, Venue of next meeting <i>Friday 9th April 2021, 9:00am, Microsoft Teams</i>

Meeting Schedule for 2021 (all at 9:00am – 11:00am)

- Friday 9th April 2021
- Friday 11th June 2021
- Friday 13th August 2021 (if required)
- Friday 8th October 2021
- Friday 10th December 2021



LEP Strategy Committee MINUTES (DRAFT)

Meeting Held: Friday 4th December 2020
Via Microsoft Teams

Present:

Robert Mee (Chair)
Philip Cox (part)
Steve Park

Nicola Dunbar
Charlie Seward
Connor Diskin

Robert Davis
Peter Skates
Andy Hulme

Apologies:

John Downes

Attending:

N/A

Agenda Item 1: Welcome, Introductions & Apologies

The Chair welcomed members to the meeting.

Apologies were received from John Downes.

Agenda Item 2: Declarations of Interest

There were no declarations of interest.

Agenda Item 3: Minutes of Previous Meeting and Matters Arising

The Committee approved the Minutes of the meeting held on 9th October 2020.

Matters Arising

A19 – Planning Reform – It was noted that the background paper on ‘Planning for the Future’ was still to be circulated. ***Andy Hulme to action.***

A18 – AOB – It was confirmed that the slides on over-50s claimant count data was still to be circulated (*post-meeting note – now complete*)

Agenda Item 4: Public Speaking Time

No members of the meeting were present at the meeting.

Agenda Item 5: Cross Border Investment Programme

Charlie Seward, Deputy Chief Executive Place at Cheshire West and Chester Council provided an update on the current focus of the Mersey Dee Alliance, and in particular the work to develop a cross-border investment programme in response to the economic effects of the Coronavirus and Brexit.

The Mersey Dee area is centred on the four local authorities of Cheshire West and Chester, Wirral, Flintshire and Wrexham with its activities supported by a wider partnership including the LEP, Welsh Government and business groups. It is an area of almost 1 million people with significant economic interdependencies, with particular strengths around manufacturing, finance and business services and renewable energy.

Ensuring that the national border running through the MDA area doesn't become an economic barrier is a key objective of the Alliance. Currently Covid and Brexit are two key economic issues that require a joined up approach and response. 80% of the area's exports are to the EU, and recently one of its biggest employers – Airbus – announced some 1,500 redundancies due to the suppression of air travel because of Covid-19.

Recent examples of cross-border collaboration include the development of the Growth Track 360 rail prospectus ([west and wales rail prospectus – Growth Track 360](#)) which sets out the case for improved rail connectivity including enhanced links to the HS2 hub at Crewe.

Currently the MDA is appointing consultants to support it in the development of an investment programme to put to both the UK and Welsh Governments in March 2021 as part of a potential fiscal stimulus package. This work is designed to complement existing LEP and North Wales Economic Ambition Board programmes and add value to them. Ensuring effective engagement with business during development of the programme is a key task for the consultant team.

Robert Davis extended an offer to facilitate engagement with the members of the Cheshire Energy Hub.

Action: Robert Davis and Charlie Seward to have follow up discussion on business engagement

Nicola Dunbar suggested that more needed to be done on the softer aspects of improving knowledge and awareness of the MDA and its priorities and that the power of the MDA partnership could be better leveraged to boost key messages.

Agenda Item 6: Freeports

Philip Cox updated on progress with Freeports. Government has now released its prospectus inviting bids for up to 10 Freeports across the UK, with a deadline for submissions of 5th February 2021.

The bidding criteria are onerous and it is likely that any successful bid would likely need to involve the Port of Liverpool. Initial discussions have been held with neighbouring LEP / CA areas to establish their position on bidding, and the scope for Cheshire and Warrington to form part of the geography of any bid.

Feedback is that there are a number of concerns about the Freeports policy that need to be overcome before commitment to a bid could be made, certainly from a Liverpool City Region perspective, although should the LCR CA decide to bid they would be open to working with Cheshire and Warrington.

Agenda Item 7 – Recovery and Growth Plan

The contents of the report were noted.

The Committee was supportive of the work programme and timescales as set out. There was a discussion about how, in developing the details further, a clearer understanding and set of measures looking at the impact of the different activities could be developed.

It was agreed that such measures would be beneficial in helping the Strategy Committee ‘close the loop’ and understand the benefits of the proposals they were supporting.

Andy Hulme informed the Committee that given the recent indications around direction of travel of the national Industrial Strategy, a rethink on approach to the LEP’s recovery and growth plan was needed. The stop-start nature of recovery efforts to date and the establishment of the Sustainable and Inclusive Growth Commission (SIGC) meant that it would be more effective to aim to publish a short term Recovery Plan in the New Year covering the priority actions for the next couple of years. This could then be followed by a longer-term Growth Plan later in 2021 (possibly linked to a refresh of the SEP) reflecting the proposals set out by the SIGC when it reports next year on delivering the new sub-regional vision.

Agenda Item 8 – Strategy Work Programme

The contents of the report were noted.

Andy Hulme updated on the status of the Strategy work programme and Delivery Plan, noting that the majority of the current programme was drawing to a conclusion.

It has been confirmed that the bid to Innovate UK for funding under the Industrial Decarbonisation Challenge Fund to develop an **Industrial Decarbonisation Roadmap** has been successful, although formal public announcements can’t be made until mid-December. The project will mobilise in January with the LEP a key partner alongside Net Zero North West.

Charlie Seward asked if effort could be made to strengthen the LEP’s messaging around the energy opportunities across the sub-region and offered to support any efforts to do so. The Committee expressed the strong belief that Cheshire and Warrington has a number of significant, linked energy and clean growth opportunities. In response it was noted that the recently announced 10-Point Plan for a Green Industrial Revolution was to be considered at the next meeting of the LEP Board and this would include an assessment of how Cheshire and Warrington could respond and lead.

The final report of the **Digital Infrastructure Plan** was considered, and the main areas of focus and initial priority were accepted. There was a discussion on the progress of establishing a dedicated sub-committee of the LEP to lead the Digital agenda and whether the impending Board recruitment process should include appointment of a Digital Champion.

Action: Andy Hulme to confirm the current status of the proposed Digital Board.

The **Natural Capital Audit and Infrastructure Plan** is running slightly behind programme, with a key stakeholder workshop held on 26th November. The relevance of this work is growing, given the implications of the new Environment and Agriculture Bills, and the need to demonstrate Environmental Net Gain as part of a more sustainable approach to growth and planning.

It was agreed that the findings and recommendations of the study should be considered in detail at the February meeting of the Strategy Committee.

Action: Andy Hulme to include Natura Capital on the February Agenda of the Strategy Committee.

A number of suggested priorities for the **2021-22 work programme** were considered and agreed. These were: -

- A review of our strategic positioning on **science and innovation**
- Further work as part of the **Quality of Place** Strategy focussed on the potential of the cultural, creative and digital economy to drive growth and support levelling up
- Reviewing and reflecting on the emerging recommendations of the **Sustainable and Inclusive Growth Commission** for the LEP's growth plans
- Potential reframe of the Local Industrial Strategy as the position on the national Industrial Strategy becomes clearer.

The Committee also suggested that, as part of the Quality of Place activity, there should be some specific work to look at the future of high streets and town centres. The need for a specific group to provide oversight to the science and innovation work was also discussed.

Action: Andy Hulme to discuss options for a science and innovation steering group with the LEP Team and Chief Exec.

Part B Agenda Items (Non-Public Items)

Agenda Item 9 – Non-public items.

There were no items for discussion under this agenda item.

Agenda Item 10 – Any Other Business

All Board sub-committees were asked to review the **LEP Vision and Purpose** 'pyramid' as discussed at LEP Board earlier in the year. The Committee considered the impact of the changes and challenges of the last few months and concluded that the pyramid remains relevant, particularly the need for the LEP to retain 'planful agility' was particularly appropriate.

There was a brief discussion about the key announcements unveiled as part of the **Comprehensive Spending Review** statement on 25th November. Particular attention was paid to the new Levelling Up Fund, revisions to the Treasury Green Book and confirmation that more details of the UK Shared Prosperity Fund will be released in the New Year.

Agenda Item 11 – Date and Time of Next Meeting

Next meeting: Friday 12th February 2021, 9:00am, via MS Teams.

DRAFT



Strategy Committee Meeting

Date of Meeting: Friday 12 February 2021
Report of: Roy Newton
Subject/TITLE: Allocation of Funding for Business Case Development

1. Report Summary

- 1.1. At its meeting on 20 March 2019 the LEP Board agreed to allocate £400,000 per year for three years towards studies/business case development to allow the sub region to respond quickly to invitations from government departments to bid for funding. At the meetings on 12 July 2019, 20 December 2019, and Strategy Committee agreed the schemes for funding in the 2019/20 financial year.
- 1.2. The call for projects has been significantly widened beyond the more traditional transport submissions, particularly in response to Government widening the requirements of some of their funding streams to cover community-based projects and involve local MPs.
- 1.3. This report sets out a proposed process for reviewing and refining the assessment criteria to take account of the wider range of projects likely to come forward and changes to Government priorities, whilst taking the opportunity to review against LEP priorities. Going forward it is also recommended that the LEP Committees consider funding bids within their subject remit and indicate their view on the priorities of those relevant bids to Strategy Committee.
- 1.4. A number of projects have been submitted for consideration for funding prior to the review of the criteria, three of which have either secured or are bidding for Government funding which requires a local contribution and is time limited.

2. Recommendations

- 2.1. The LEP Strategy Committee is recommended to:
 - a. Agree that a review of the existing criteria is undertaken to take account of the wider range of projects likely to come forward alongside changes to Government priorities as well as taking the opportunity to review against LEP priorities;
 - b. Agree that the LEP Committees consider funding bids within their subject remit and indicate their view on the priorities of the relevant bids to Strategy Committee;
 - c. Note the expressions of interest received to date;

- d. Approve funding for the three schemes which require local contributions to match Government funding:
 - i. £20,000 contribution to the Middlewich Railway Line Reopening Strategic Outline Business Case Development (total estimated cost £110,000 - DfT funding of £50k to be bid for before deadline of 3 March 2021);
 - ii. £5,556 contribution to Beeston Station Feasibility Study (total estimated cost £66,667 - DfT funding of £50k already secured subject to local contributions);
 - iii. £50,000 contribution to Bank Quay Gateway Housing Pathfinder - Initial Due Diligence, Scoping and Feasibility Work (total estimated cost £170,000 – Homes England funding of £70,000 already secured but their grant needs to be spent by 31 March 2021); and
- e. Remit the remaining bids to the review process and for consideration by the relevant LEP Committee prior to re-submission to Strategy Committee.

3. Background

- 3.1. At its meeting on 20 March the LEP Board agreed to allocate £400,000 per year for three years towards studies/business case development to allow the sub region to respond quickly to invitations from government departments to bid for funding. The funding is intended to undertake studies or develop business cases which develop interventions that support the Local Industrial Strategy and drive improvements in economic productivity.

Government Funding Available

- 3.2. Due to the uncertainties around covid the Government decided to only announce a 1-year CSR covering next financial year. The government wants to use infrastructure to unite and level up the UK, delivering a stronger Union, thriving regions, cities living up to their full potential and revitalised towns and communities. To deliver this, the government has set up the following funding streams which are relevant to C&W:
- a. £5 billion to support UK-wide gigabit broadband roll-out, a Shared Rural Network extending 4G mobile coverage to 95% of the UK, and £250 million to ensure resilient and secure digital networks;
 - b. £5 billion over this parliament for buses and cycling; and
 - c. A new £4 billion cross-departmental Levelling Up Fund that will invest in local infrastructure in England (which will attract funding for Scotland, Wales and Northern Ireland in the usual way). Creating regional powerhouses, making cities the engines of growth and revitalising towns
 - d. Backing new green growth clusters in traditional industrial areas, with carbon capture and storage, offshore wind, port infrastructure and low carbon hydrogen;
 - e. Bringing jobs, investment and prosperity to some of the most deprived communities across the UK through the freeports programme;
 - f. Revitalising over 100 town centres and high streets through the Towns Fund; and
 - g. Restoring many of the rail services lost through the Beeching cuts of the 1960s.

Determining Priorities

- 3.3. To secure the maximum outcomes for the financial contribution the LEP Strategy Committee agreed that projects should contribute to and be assessed against the following criteria:
- a. Strategic fit of the proposal against sub-regional strategies and priorities;
 - b. The degree to which the study/business case has routes which have a good chance of securing government/3rd party funding for delivery;
 - c. The amount of funding towards the study/business case development by scheme promoters;
 - d. The degree to which the study/business case is likely to deliver a scheme which offers good value for money
- 3.4. In terms of strategic fit the LEP Strategy Committee agreed that proposals will be considered in terms of their contribution to the following:
- e. spatial priorities (Science Corridor, MDA, Constellation, Warrington New City)

- f. thematic priorities (transport, skills/education, energy, quality of place, digital, housing, science/innovation)
 - g. emerging Local Industrial Strategy priorities:
 - i. raising productivity and focusing on competitive advantage (build the super strengths, address sector underperformance, develop supply chain innovation and foster cross-sector collaboration)
 - ii. building resilience in the economy (create a more dynamic business base, use digital to innovate, diversify investment in research and development, expand international links)
 - iii. increasing earnings power of every resident (improve progression in work, develop an education system which meets labour demand, encourage entry level positions, including apprenticeships) o leading the clean growth grand challenge
 - iv. enabled by strategic investments in infrastructure and place
- 3.5. In addition, at the meeting on 10 January 2020, the LTB recommended that the assessment of projects should specifically consider whether they reflect Government priorities, their potential to attract funding for delivery, and the amount of match funding being proposed by the project promoter.

Projects Funded to Date

- 3.6. The projects which have received funding to date are set out below:

Project	Overview
Crewe Hub Access Package Business Case development	This comprises a package of transport schemes which will improve access by all modes to Crewe HS2 Hub Station. This forms a key component of the High-Speed Growth Corridor proposal
Winnington Hill /Bridge Corridor Study	This initiative builds on achievements to date and will secure enhanced transport infrastructure to reduce congestion and improve journey time reliability, both of which are recognised as being fundamental to prosperous economies and sustainable environments. The project seeks to improve transport connectivity at the historic Winnington Swing Bridge over the River Weaver, an existing pinch point on the highway network which is holding back development, as well as onward active travel accessibility along the A533 Corridor to Northwich Town Centre. This will enhance accessibility for existing residents, commuters and visitors in the area, links with HS2 investment and supports the connectivity to proposed regeneration sites that include a substantial opportunity for residential development for circa 1,200 units at the TATA chemical site.
Warrington Last Mile –	Package of junction and corridor improvements around Warrington town centre to improve pedestrian, cycle and public

Town Centre Masterplan	<p>transport access to the town centre and its key rail hubs. Indicative scheme cost: £47m (Excluding optimism bias) phased over 4 years. Concept designs currently in development include:</p> <p><u>A49 Access improvements (£22m)</u></p> <ul style="list-style-type: none"> • Church St/Dial St Roundabout £7m • Cockhedge Roundabout £10m • Mersey St corridor accessibility improvements £5m <p><u>Town Centre Western Gateway (£15m)</u></p> <ul style="list-style-type: none"> • Crosfield/Parker St/Liverpool Road/Froghall Lane/Sankey St/Winmarleigh St – improved access to the town centre £5m • Enhanced Bank Quay Parking and accessibility improvements (new ped/cycle bridge over WCML) £10m <p><u>Streetscape and public realm improvements £10m</u></p> <ul style="list-style-type: none"> • Winwick St/Scotland Road/Town Hill/Sankey Street £10m
Chester City Gateway Masterplan Incorporating Hoole Bridge Feasibility Study	<p>There is an opportunity here to address a major gateway into the historic city of Chester, which requires investment to re-position itself as a key destination and economic centre in the sub-region. Working in collaboration with the Council, LCR and Network Rail to bring forward regeneration proposals at the area known as Chester City Gateway. The overarching aim of the discovery phase is to ensure regeneration and development opportunities in and around the study area are optimised for the benefit of the local economy in the creation of jobs, homes, and investment and to ensure these opportunities reflect and enhance the rail station environment for the benefit of rail station users.</p> <p>The Hoole Bridge Feasibility Study explores the development of a multi-modal improvement masterplan scheme for Chester City Gateway that addresses a variety of access, highway safety and network capacity constraints, including on the A56 as a key gateway into Chester City Centre. The scheme covers the A56 corridor from the A56/M53 junction to, and including, the junction of St. Oswalds Way (A5268), including the environs of Chester Rail Station</p>
Local Cycling and Walking Infrastructure Plan – corridor studies in Warrington Borough	<p>Corridor improvement schemes to deliver 3 Primary Routes set out in Warrington LCWIP. Design and business case work currently underway for high quality segregated cycle routes on A49 north, A57 West and A5061/A50 South corridors. Indicative scheme cost £25m (excluding optimism bias) phased over 4 years.</p>

Vauxhall Options Study	This is a study to appraise the options for the development of surplus land at the Vauxhall car plant in Ellesmere Port and involves a review of the existing uses on site and the identification of under-utilised/surplus land and property assets, the generation of a series of land use and development options for the site, appraisal of the options against an agreed set of criteria (including, strategic fit, value for money, deliverability, etc.), and a review of the potential development/investment delivery models.
Ellesmere Port Industrial Area: Development and Investment Framework	Development of a clear up-to-date physical 'Development and Infrastructure Investment Framework' to drive future continued business growth and employment at the Ellesmere Port Industrial Area, capitalising on its unique strengths and opportunities, therein reinforcing its role as a global, national and regional business and employment hub. Ellesmere Port is a major player in the energy sector as well as having substantial manufacturing businesses and output for the sub-region.
Warrington Bus and Mass Transit Strategy	Study underway. Includes an element to develop quick win schemes to improve existing bus network reliability and provide journey time savings. Proposal to deliver one corridor scheme and up to two bus pinchpoint schemes. Design work underway on Wilderspool Causeway corridor. A49 Winwick Street/Tesco junction is also emerging as an early priority for pinchpoint scheme. Indicative scheme costs: £10m phased over 4 years.
Cheshire and Warrington Bus Strategy	The work is to develop a Bus Strategy to ensure that Cheshire and Warrington understands the available solutions for increasing the use of buses to underpin its economic growth aspirations. The Strategy will align with the national bus strategy and will set out a menu of solutions which the LEP, Local Authorities and Bus Operators can choose from to suit local circumstances and budgets. It will include an action/implementation plan of key actions broken down into short term quick wins and medium/long term measures

4. Developing Projects for 2021/22

Levelling Up Fund

- 4.1. One of the new Government funding streams is the Levelling Up Fund. This Fund will invest in local infrastructure that has a visible impact on people and their communities and will support economic recovery. Moving away from a fragmented landscape with multiple funding streams, this new cross-departmental Fund for England will invest in a broad range of high value local projects up to £20 million, or more by exception, including bypasses and other local road schemes, bus lanes, railway station upgrades, regenerating eyesores, upgrading town centres and community infrastructure, and local arts

and culture. There will be a particular focus on schemes which are community focussed and hence the Government is intending that the local MP will be required to endorse the bid.

- 4.2. It will be open to all local areas in England and prioritise bids to drive growth and regeneration in places in need, those facing particular challenges, and areas that have received less government investment in recent years. SR20 makes available up to £600 million in 2021 22 (although £300 million of this is for Future High Streets Fund and Stringer Towns Fund). The government will publish a prospectus for the fund and launch the first round of competitions in the New Year
- 4.3. Whilst the prospectus is yet to be produced Government is indicating that the Levelling Up Fund for the first year will be aimed at more community based projects with a quick and visible impact on local people and that there will be an important role for local MPs to play in approving projects.
- 4.4. The LEP's business case fund has always been open to a variety of potential projects, however, as can be seen from the projects above, most of those funded to date have been transport projects. To take account of the Government's focus on Community and local MP's a concerted effort has been made to invite a wider range of projects to come forward, including community based projects involving local MPs.

Expressions of Interest

- 4.5. As a result of this, a number of expressions of interest in the fund have been indicated. It is anticipated that these will come forward as bids to a future meeting of the Strategy Committee. The potential range of projects includes, but is not limited to:
 - a. Business case development for a number of housing pathfinder projects, including:
 - i. Northgate (Chester) – development of c.420 units on the Northgate and Linenhall sites, delivery barriers include topography, site assembly, public realm, access and on-site infrastructure.
 - ii. Weaver Square (Northwich) – development of c.150 units in Northwich town centre, business case funding required for next stage of geo-technical and topographical surveys, masterplanning and market analysis.
 - iii. Tata (Northwich) – development of c.1,200 new homes at the Tata Winnington Works site, identification of off-site infrastructure required.
 - iv. Crewe Town Centre – options and feasibility study focused the Mill Street Corridor connecting the station with the town centre to identify a residential development and delivery strategy.
 - v. Macclesfield Town Centre – options and feasibility study required to identify most suitable town centre sites for residential development and a strategy for delivering those sites.
 - b. Manchester airport western link feasibility study;
 - c. Bollin Valley cycleway SOBC
 - d. Connecting Cheshire digital project development match funding

- e. Business case development for major hospital rebuilding
- f. Warrington Southern Gateway project to release 1300 homes

5. Identifying Priorities for 2021/22

- 5.1. Given the increased range of projects and recently announced Government announced funding streams as part of the Comprehensive Spending Review process it is recommended that the criteria set out in section 3.2 and 3.3 be reviewed to ensure that they continue to capture both LEP and Government priorities. In addition, it is recommended that the business case fund should focus on projects which:
 - a. could not be taken forward without this funding i.e. they don't have another funding route; and
 - b. contribute the most towards achieving the LEP's vision of restoring the economy and to delivering a better future for those who live and work in C&W by making it the healthiest, most sustainable, most inclusive and fastest growing economy in the country.
- 5.2. It is also recommended that the LEP Committees consider funding bids within their subject remit and indicate their view on the priorities of the relevant bids to Strategy Committee.

6. Scheme Requests for Funding

- 6.1. In addition to refining the process and developing a wider range of projects there are four projects which have been submitted for consideration for funding at this meeting.

Schemes with Government and Local Match Funding

- 6.2. Three of the projects have either secured or are in the process of securing Government funding for a significant proportion of the costs and are looking for a local contribution. It is recommended that the Strategy Committee support these schemes as the Government's funding to the projects would be at risk without the local contribution. Furthermore, the funding contributions to these projects by Government, whilst not guaranteeing final funding for delivery, do indicate a high level of interest in the projects. These projects are:

Middlewich Railway Line Reopening Strategic Outline Business Case Development (estimated £110,000 cost – funding ask of £20,000)

- 6.3. The proposal is to further assess the options for the re-opening of the Middlewich railway line to passenger services, and assessing the potential for new stations at Middlewich and Gadbrook Park alongside improving passenger services along the Mid Cheshire railway line. Initial work, jointly funded by the LEP, Cheshire East Council and Cheshire West and Chester Council concluded that the reopening of the railway line has a strong strategic case but the indicative service pattern that was considered required significant government subsidy and didn't offer good value for money. This proposal is to undertake additional work to identify options that offer better value for money/require lower subsidies. Discussions are on-going with DfT about funding contributions the Department for Transport's Restoring Your Railway Ideas Fund.
- 6.4. The work would cover the following components:

- a. Strategic Case – improvement of evidence base for housing, employment and deprivation
 - b. Scheme Development – more in-depth assessment of infrastructure requirements, including a GRIP2 Report and formal Network Rail endorsement of infrastructure proposals. This will include consideration of Digital Railway.
 - c. Scheme Development – further development of operating strategy, including routes, pathing, timetables & diagrams and wider impacts
 - d. Economic Case – Demand Forecasting, including a transformational exogenous growth scenario and use of NoRMS to derive a patronage
 - e. Economic Case – Development of Uncertainty Log and Sensitivity Testing
 - f. Economic / Financial Case – refinement of CapEx and OpEx costs using updated information sourced above
 - g. Economic Case – Appraisal and write-up
 - h. Management Case – Stakeholder Engagement – a further round of engagement with Network Rail and TOCs will be undertaken.
 - i. Management Case – Delivery Programme will be developed
 - j. SOBC drafting and resubmission (including Commercial and Management Cases)
- 6.5. Total project cost is estimated at £110,000 with a DfT contribution of £50,000 and contributions of £20,000 each from Cheshire East Council and Cheshire West and Chester Council with an ask of £20,000 from Cheshire and Warrington LEP.
- Beeston Station Feasibility Study (estimated £66,667 cost – funding ask of £5,556)
- 6.6. This application seeks funds to assist in the preparation of a business case and outline station design to support the reopening of Beeston Castle and Tarporley Station. The application is in support of part of the local contribution required to release the £50,000 already committed by the Department of Transport.
- 6.7. The proposed station's site lies about 2.4 kilometres south of the fast-growing township of Tarporley on the Crewe to Chester section of the North Wales Mainline which is reputedly the longest stretch of mainline railway in England without a station.
- 6.8. Reopening the station, which was closed in 1966 as part of the Beeching cuts has been a long-held ambition of the local community in mid Cheshire, with many petitions and campaigns over the years. We believe that the rapidly increasing population of the township of Tarporley and of the surrounding villages, up over 8.73% in the seven years between the 2011 census and 2018 alone, and consequent increasing congestion on the A51 trunk road which connects Crewe to Chester, means that it is not only feasible to reopen the station, but essential if the area is to continue to develop both in residential provision and commercially.
- 6.9. In particular, it should be noted that reopening the station would not only connect a community chronically underserved by public transport to the railway network and provide an alternative to private modes of transport on a congested route,

but also that there has been strong and sustained support for this project over many years, with no local groups voicing any form of opposition.

- 6.10. In addition to the transport benefits, wider socio-economic gains will be delivered. The station will support economic and job growth by connecting the area to the employment centres of Manchester, Chester, Liverpool, and Stoke. It will provide the infrastructure required to support the continuing and significant increase in housing development in the area, boost local economic growth by providing quality public transport access for those wishing to visit mid-Cheshire's tourist attractions, and deliver a lower-carbon environmentally sustainable transport alternative for the people of Mid-Cheshire.
- 6.11. Finally, the project is credible and deliverable, with no detrimental impacts on the existing railway, either during construction or operation.
- 6.12. Principal funding of £50,000 towards the cost of the development of the business case and outline design has been secured from The Department for Transport. This funding is dependent on a 'local' contribution of £16,667 of which the promoters are seeking £5,556 from Cheshire and Warrington LEP.

Bank Quay Gateway Housing Pathfinder - Initial Due Diligence, Scoping and Feasibility Work (estimated £170,000 cost – funding ask of £50,000)

- 6.13. The proposal is to undertake Technical Due Diligence and Master Planning work on the Bank Quay Gateway Area, This will include:-
 - a. Desk Top study for contamination and GI
 - b. Highway and transport requirements need to be understood
 - c. Initial appraisal
 - d. EIA Screening – site is over 5 hectares
 - e. Network Rail requirements and restrictions
- 6.14. The majority of this will be paid for by Homes England Funding, which has been confirmed. with a contribution from WBC and C&WLEP. There is a requirement by HE to have spent this grant by the end of their financial year (31st March).
- 6.15. Following this work a joint instruction will be issued by Warrington Borough Council and C&WLEP for the Feasibility and Marketing Report, this will be either procured through the HE Framework or via the Councils Chest, both of which will involve a level of competition in line with procurement regulations.
- 6.16. The project comprises a cluster of prominent urban sites adjacent to the River Mersey, Bank Quay rail station and a key gateway to the Town Centre – making up a single large Town Centre development area. The site is high density, predominantly residential with ancillary ground floor uses, overlooking the river front, a small park and waterfront promenades. As part of the proposed HS2 and NPR schemes Bank Quay rail station, with its direct links to London, Scotland and the rest of the UK this scheme will form a part of the Warrington national rail hub vision and will be significant in raising the profile and image of Warrington Town Centre as a place to live, do business, visit and enjoy.
- 6.17. The scheme enables the pedestrian linkage of the Town Centre with Centre Park business area to the South – thereby enables wider pedestrian connectivity.

- 6.18. The area is currently occupied by vacant sites, underused sites and down grade uses. Part is occupied by Network Warrington's Bus Depot – which has been agreed will be relocated. The Council owns the donor site for the relocated bus depot. The new bus depot will enable the proposed transformation of Network Warrington's buses to a fully electric fleet – giving this proposal much wider sustainability / decarbonisation benefits.
- 6.19. Total project cost is estimated at £170,000 with a Homes England contribution of £70,000 and contributions of £50,000 from Warrington Council and an ask of £50,000 from Cheshire and Warrington LEP.

Other Schemes

- 6.20. A number of other bids have been received for funding, however, given that they are not currently dependent upon timing restrictions for Government funding, it is recommended that these schemes are considered by the relevant LEP Committees as part of the revised process so the each Committee can assess the relative benefits of bids and advise Strategy Committee on priorities. This would also give time for other schemes to come forward, e.g. those which have expressed interest in the fund, so that the Strategy Committee could view the totality of the bids and their respective benefits and priorities.
- 6.21. The schemes which have been submitted for funding consideration are:
Crewe Town Centre - post Covid Adaptation and Recovery Study (estimated cost £100,000 – funding ask £50,000)
- 6.22. Crewe Town Centre is undergoing significant change, and there has been positive investment and development that has been led by the Cheshire East Council (refurbishment of the Market Hall and Redevelopment of Royal Arcade) and pipeline projects been developed through the Future High St Fund and the Town Investment Programme, including the redevelopment of Ly2 as an outdoor cultural, arts and event facility, which complements the offer of the neighbouring Lyceum theatre and the redeveloped market hall (supported by C&WLEP).
- 6.23. There has been a rapid decline of the town centre and its retail offer over the last five years, two major anchor stores exited the town centre BHS (2016) and Marks & Spencer (2017) and these large units have not been reoccupied. Spaces left behind, coupled with negative perceptions about the town, are not attracting replacement national brands or independents. This decline has been accelerated by the covid pandemic. It has led to further closures of key anchor stores in the town, including those owned by the Arcadia Group (Top Shop, Dorothy Perkins, Burton) and disinvestment by others (Argos). The Victoria Centre is also an underperforming shopping centre in the freehold ownership of CEC, but long leased to ASDA.
- 6.24. The purpose of the study is to reimagine the future of these vacant spaces and their role in supporting the town's offer in the short, medium and longer term. This study would be focused on stimulating town centre property owners to invest and ensure their assets complement new regeneration activity and increases footfall and promotes the town as a visitor destination.
- 6.25. Total project cost is estimated at £100,000 with a contribution of £50,000 from Cheshire East Council and an ask of £50,000 from Cheshire and Warrington LEP.

A51/A500 Corridor Study (estimated cost £50,000 – funding ask £16,666)

- 6.26. A study to consider options to tackle capacity constraints and network resilience along the A51 corridor between the M6 in Crewe and A55 in Chester. The scheme will also help to address severance amongst communities along the route while unlocking growth along the route. The work will provide an evidence base for future business case development.
 - 6.27. The A51 is a key strategic corridor linking the M6 to North Wales and Ireland and is a key transport corridor for freight movements as well as business and commercial related travel.
 - 6.28. The proposal is to commission an A51 Corridor Study in order to gather robust evidence and make the case for internal and external investment in transport enhancements along the strategic road corridor that crosses both boroughs of Cheshire West and Cheshire East.
 - 6.29. The work supports partners such as the Department for Transport, Transport for the North, the Constellation Partnership, Mersey Dee Alliance, Welsh Government, Transport for Wales and the Cheshire and Warrington Local Enterprise Partnership. It will continue to deliver the shared objectives and corporate policies of both Cheshire West & Chester and Cheshire East Council by delivering growth in housing, employment and retail.
 - 6.30. Potential opportunities include -
 - a. Improving connectivity on both sides of the border with Cheshire West & Chester and Cheshire East, enabling improved access to new and emerging development sites, including: Deeside and Ellesmere Port Enterprise Zones, HS2 Railway Hub, Crewe High Growth City and central Chester.
 - b. Addressing access requirements for current (and potentially longer term) Local Plan allocations.
 - c. Addressing key congestion pinch point along the corridor.
 - d. Resolving congestion and air quality issues along the corridor, while improving journey time reliability.
 - e. Improving access and connectivity to key urban centres and railway stations.
 - f. Improving opportunities for using sustainable transport.
 - g. Addressing stretches prone to destabilisation.
 - 6.31. Work will be undertaken as part of a joint partnership bringing together Cheshire West and Chester Council, Cheshire East Council, Cheshire and Warrington LEP along with the support from; Transport for the North, Department for Transport and Highways England.
 - 6.32. Total project cost is estimated at £50,000 with contributions of £16,666 each from Cheshire East Council and Cheshire West and Chester Council with an ask of £16,666 from Cheshire and Warrington LEP.
- Middlewich Southern Link Outline Business Case Development (estimated cost £500,000 – funding ask £167,666)
- 6.33. The project is to develop an Outline Business Case for the Southern Bypass connecting the Middlewich Eastern Bypass to the A530, including an upgrade

to Clive Green Lane. Overall aim is to improve east/west connection across the study area, with particular focus on connections to the M6 from Winsford and Middlewich.

- 6.34. The Southern Bypass will provide better access to Crewe and Winsford and the Strategic Road Network via the M6 junction 18, improving east-west connectivity and accessibility to key economic hubs and towns whilst improvements to Clive Green Lane will provide access to the planned HS2 Rolling Stock Depot, Winsford 1 – 5 Industrial Estate and M6 from Winsford. It will also provide better access to Crewe and the SRN via the M6 junction 18, improving east-west connectivity and accessibility to key sites including Midpoint 18 and Winsford Industrial Estate
- 6.35. The bypass would allow Middlewich and Winsford to be in a position to obtain sustainable growth in all areas, including delivering a proportion of the Constellation Partnership's goal of new housing and jobs, in turn reaping the benefits of the HS2 investment in the future.
- 6.36. Total project cost is estimated at £500,000 with contributions of £167,666 each from Cheshire East Council and Cheshire West and Chester Council with an ask of £167,666 from Cheshire and Warrington LEP.
Bollin Valley Way – Feasibility Study & OBC (estimated cost £50,000 – funding ask £40,000)
- 6.37. The Bollin Valley Way (BVW) will provide a high quality route for active travel, linking key economic assets between Macclesfield and Warrington. The proposal aims to capitalise on the natural features and topography of the Bollin Valley to create a traffic-free East-West strategic route for walking and cycling that is consistent with the standards of the National Cycle Network. Whilst the overall route is 32miles, there is clear scope, in cooperation with landowners and stakeholders, to develop a phased delivery programme.
- 6.38. This study will achieve the following outcomes:
 - a. Provide a coherent strategic overview of the opportunity, linked to economic growth, employment and visitor economy priorities.
 - b. Prepare a design Feasibility Study for the route, identifying design constraints, route standards, connectivity, user requirements.
 - c. Assess likely levels of demand and route utilisation
 - d. Preliminary cost estimates to prepare a programme budget.
 - e. Assess the opportunities and constraints affecting early delivery of the programme, leading to a robust initial programme for delivery
 - f. Identify and engage with all key stakeholder to identify their perspectives on the proposal, to complete stakeholder mapping and prepare an Engagement Plan
 - g. Prepare a high-level funding strategy for the programme
 - h. Outline Business Case for the project
- 6.39. Total project cost is estimated at £50,000 with contributions of £5,000 from Cheshire East Council and further £5,000 from neighbouring authorities, an ask of £40,000 from Cheshire and Warrington LEP.

- 6.40. Finally there were a number of submissions received after the initial deadline for the preparation of this report and it is recommended that these schemes are also considered by the relevant LEP Committees as part of the revised process so the each Committee can assess the relative benefits of bids and advise Strategy Committee on priorities. These include:
- a. Macclesfield Market Hall Transformation - Building Survey, Feasibility Study & Business Case;
 - b. Macclesfield Station – HS2 Ready Phase 1 - Building Survey, Scheme Development, Feasibility Study & Business Case
 - c. Chester City Centre Package;
 - d. Ellesmere Port Industrial Area;
 - e. Northwich Wider Town Centre Masterplan;
 - f. Winsford Station Quarter; and
 - g. Mid Cheshire Waterways.



**BUILDING BACK BETTER TOGETHER:
SUPPORTING RECOVERY**

2021-22

DRAFT v.6 – FOR DISCUSSION

CHESHIRE AND WARRINGTON – BUILDING BACK BETTER TOGETHER

Foreword

[DN – To be drafted

2020 has been one of the most challenging years for a generation or more – at a local national and international level.

Economy and society have had to cope with multiple issues at a level that has caused significant cumulative impact.

Situation has proven how resilient we can be, stimulated innovation and accelerated change.

Highlighted the value we place on the word around us and helped many reconnect with it

Reflect that delivering recovery will be a collective, collaborative effort by the public and private sectors and civil society to ensure that activity is co-ordinated and reinforcing.]

Introduction

This plan sets out the sub-regional vision for economic recovery and the LEP's role in delivery. Our vision is for a healthier, sustainable, inclusive, and fast-growing region. We look forward to working with you to build back better together.

The plan assumes that Cheshire and Warrington begins to move out of national lockdown and the regional tier system from Spring 2021, and that unlike the initial lockdown in March 2020 a greater proportion of our economy has successfully adapted to life and continued to function under Covid-19.

We are clear that in returning to growth and striving to deliver on the vision for Cheshire and Warrington we will not return to the 'old normal' – an economy that worked for many but not for everyone, and in which the impact of our activities on the earth's natural resources was not fully acknowledged. Covid-19 has also exposed many of the weaknesses in the economy and reinforced some of the inequalities experienced by our poorest and most disadvantaged communities.

Our recovery will focus on a small number of strategic objectives:

- Supporting the wider public sector and civil society as they lead the recovery in the **health and wellbeing** of our communities, including the mental wellbeing of workers and business owners.
- Demonstrating that Cheshire and Warrington is at the heart of the **Green Industrial Revolution**, we are ready to deliver the government's 10-Point Plan with clear proposals for decarbonising our economy and creating green jobs.
- Unlocking investment to provide opportunity and growth for all our communities, levelling up economic disparities, supporting those sectors hardest hit by the Covid-19 pandemic to recover, and boosting our town centres and high streets.

Covid-19 is also not the only significant factor that our economy will have to respond to. After a long period of uncertainty which suppressed economic confidence, the UK has reached agreement with the EU on a Free Trade Agreement which came into effect on 1st January 2021. These new trading arrangements and associated legal and regulatory regimes will also bring change for business and for our business support offer. Businesses also continue to adapt to the impact of new technologies, global competition, and changing customer demands.

Therefore, we also must get the foundations of our economy right. We will capitalise on our significant strengths and address economic challenges:

1. **Skills and labour markets.** Equipping our existing and emerging workforce with the **skills** needed to thrive in a changing economy and helping those who face particular challenges to get back into employment and **connected with opportunities**.
2. **Innovation and ideas.** Capitalising on the amazing **innovation** assets in our area, including our world-class energy, life sciences and manufacturing sectors and building stronger links with other places in the UK and beyond so that **new ideas** can be supported and brought to market.
3. **Business growth. Supporting business** to grow and successfully adapt to change. This includes recovering from the impact of Covid19, adapting to our new trading arrangements

with the world, and **making sure that our economy remains outward-facing and an exporting powerhouse.**

4. **Connectivity and infrastructure.** Making sure that we stay **connected, physically and digitally**, and that we have clear plans for investment in the infrastructure that we need for a successful, growing, inclusive economy.

At this stage we are keen to get the views of our partners and stakeholders about whether these are the right actions to make an impact in the short term, and the right priorities to focus on in the longer term.

Healthy, Sustainable, Inclusive and Fast Growing: Building Back Better Together.

To recognise and respond to this the Cheshire and Warrington Sub Regional Leaders Board agreed a new vision for Cheshire and Warrington, launched in September 2020 – to make it the **UK's most 'Healthy, Inclusive, Sustainable and Fast-growing economy'**. What this means and is summarised below.

Healthy	Sustainable	Inclusive	Growing
<p>We will deliver locally on the government's healthy ageing mission to 'achieve an additional five years of healthy, independent life by 2035, while narrowing the gap between the experience of the richest and poorest'</p>	<p><i>We will demonstrate leadership on sustainable growth. We recognise the value of our natural environment and will work to ensure that whilst securing sustained growth the environmental benefits of our activities outweigh the costs.</i></p>	<p><i>Cheshire and Warrington will be a place where people, regardless of their background or circumstances, are helped to 'live their best lives'</i></p>	<p><i>We will be the UK's fastest growing economy, making the most of new opportunities inside and outside of the EU, driven by innovation and a top location for people and business to live, work, invest and relax</i></p>

[DN – need to create better graphic ↑]

In order to provide some objective drive and thinking about how this vision might be delivered a **Sustainable and Inclusive Growth Commission (SIGC)** has been established. to develop thinking and act as a catalyst for how this vision can be realised. The Commission will act as a catalyst for and provide advice on the delivery of a programme that will realise Cheshire & Warrington's (C&W) ambition of becoming the most sustainable and most inclusive sub-region in the UK

The Commission will operate for two years, and progress through four phases: collate -> plan -> consult -> promote->.

Work is concentrated around five areas of focus: -

- Decarbonising industrial and domestic heat and power
- Decarbonising transport – and boosting sustainable transport
- Landscape management and climate change mitigation (including decarbonising farming and agriculture)
- Inclusive growth and economy
- Funding and finance

The Commission brings together expertise from industry, academia and the public sector. Its progress will be reported through a series of interim reports and initial plans will be shared for consultation later in 2021. The LEP and other sub-regional partners will consider and take account of any recommendations from the Commission in drafting future strategies and plans.

The Cheshire and Warrington Economy

Cheshire and Warrington is one of the UK's success stories. It has a strong and diverse business base, high jobs growth, highly skilled workforce and a track record of partnership working and successful project delivery. An engine for growth, the Cheshire and Warrington economy has doubled in size over the last 20 years to a GVA¹, pre-Covid, of almost £32.5 billion and has the potential to double again over the next twenty.

Like the UK as a whole, our economy has been severely disrupted by Coronavirus and the national efforts to limit the spread of the disease. Over 100,000 workers are employed in the five sectors hit hardest by lockdown²; 128,500 workers in the area are or have been furloughed at some point during the crisis with a further 29,400 people accessing the Self-Employed Income Support Scheme, and the number of people claiming Universal Credit has increased by over 80% since March. [DN – consider options to present key stats as an infographic]

[DN – Insert key public health data.]

Towns and high streets have been hit hard by lockdown. Google Mobility data illustrates that the closure of non-essential retail, hospitality and leisure venues has produced a 63% reduction in footfall, leaving city and town centres quiet.

[DN – add further headlines from the Mickledore Study + numbers for impact on visitor economy]

Response and Restart

Over the course of the pandemic, the LEP, business groups, local authorities, trade unions and the Community and Voluntary Sector and other key agencies have worked together to respond, and as far as possible, mitigate the business impacts of the restrictions imposed to limit the spread of the virus. This has included establishing a dedicated Economic Resilience Cell under the Sub Regional Resilience Forum and developing the **Cheshire Business Forum** which brings together the voices of many business representation bodies and Government to ensure Cheshire business voices are directly heard.

Over £280 million of grant support has been provided by government and distributed to over 15,000 businesses through Cheshire East Council, Cheshire West and Chester Council and Warrington Borough Council. The LEP has also provided targeted support. The **Cheshire & Warrington Recovery & Restructure Grant** offering an 80% grant up to £5,000 to support eligible Cheshire & Warrington businesses adjust to the Covid-19 outbreak. Around 50% of the LEP funding is being directed towards the region's hard-hit visitor economy, targeting tourism, hospitality and retail businesses with support. The balance will be allocated to SMEs in the wider economy.

Giving consumers and visitors confidence that Cheshire and Warrington is somewhere that is open and safe to visit will increase footfall. [DN – add in material on MC activity]

¹ Gross Value Added

² • Retail • Accommodation • Food & beverage services • Sport & leisure • Personal services

In the five years to 2019 Cheshire and Warrington created over 40,000 new jobs with the economy drawing extensively on surrounding areas for workers in addition to its own resident workforce. Whilst the impacts on employment from Covid-19 are still to be fully understood, since March 2020 Universal Credit claims have risen by 80% through a mixture of furlough and redundancy.

In response, the LEP and Jobcentre Plus quickly established a sub-regional **Workforce Recovery Group** whose role is to bring together the local authorities, the LEP, Jobcentre Plus and BEIS³ to work together with other key partners to support people across Cheshire and Warrington who have been made redundant or are at risk of redundancy as a result of the Covid-19 crisis.

A key distinction for the Group is the cohorts it aims to support. As well as unemployed people, they include young people who are seeking work but not claiming benefits and people who are likely to be made redundant over the next year - these will have very different characteristics, many will have never been unemployed before.

-BREAK-

Supporting the wider public sector and civil society as they lead the recovery in the health and wellbeing of our communities, including the mental wellbeing of workers and business owners.

Since the start of the pandemic there have been over xx,xxx cases of Covid-19 in Cheshire and Warrington and in excess of 1500 deaths. In addition to the direct impacts on individuals and families there is increasing recognition of the toll that the pandemic and successive lockdowns have had on the wider health and well-being of communities, workers and business owners.

[DN – input and drafting needed from NHS / Public Health / FSB]

³ Department for Business, Energy and Industrial Strategy

Positioning Cheshire and Warrington at the heart of the **Green Industrial Revolution**, setting out how we can deliver the government's 10-Point Plan and developing clear proposals for decarbonising our economy and **creating green jobs**.

In November 2020 the Prime Minister published the government's Ten Point Plan for a Green Industrial Revolution. Our initial analysis suggests that there are four particular points in the Plan that Cheshire and Warrington has the knowledge, expertise and opportunity to be at the forefront of developing responses. These are illustrated below.

They link to the recognised need to decarbonise our industrial cluster at pace and build on the work that is currently being led by those industries and groups such as Cheshire Energy Hub and Net Zero North West.



More broadly, the work that will be required to improve the energy efficiency of our homes, work places and the public sector estate provide an opportunity for the creation of new, well paid 'green jobs'.

De-carbonising Our Industrial Cluster

Our initial focus is progressing the opportunity hydrogen, coupled with Carbon Capture Use and Storage (CCUS) offers in decarbonising the industrial cluster centred around Ellesmere Port. One of the UK's largest, covering 100km² and consuming approximately 5% of the UK's energy for industrial processes, heat and transport. The Cluster includes some of Cheshire's major manufacturing employers covering oil refining, glass manufacture, nuclear fuel enrichment, chemical production and automotive manufacture.

Our area is already advanced in developing firm proposals to take forward hydrogen as a key part of the energy mix. Already work is progressing on the **UK's largest carbon capture and storage plant** at the Tata Chemicals Europe site in Northwich, which will be operational in 2021. Detailed planning is also underway on deliverable proposals for large scale hydrogen supply (linked to carbon capture, usage and storage); hydrogen distribution; blending of hydrogen with natural gas for supply to homes; and switching of industry from natural gas to hydrogen. Central to all of these is the £1 billion HyNet Project, which has the potential to add £17 billion of GVA, create 5000 new jobs across

the North West by 2025 and save over 1 million tonnes of CO₂ per annum; the equivalent of taking more than 600,000 cars off the road.

Government has already pledged £800m of capital funding to Carbon Capture Usage and Storage projects to support the deployment of hydrogen.

[DN – Case Study: Net Zero North West]

[IMAGE?]

Smart Energy Networks

Industry and academia have come together through the Cheshire Energy Hub to develop an Energy Innovation District (EID) here. It has the potential to become the UK's first low carbon industrial cluster by 2030, implementing market leading solutions to reduce the cost of low or zero carbon energy for all users in the region. Government has recognised this potential already with over £25 million provided in the last year alone to support project development. In support of this ambition the LEP has already commissioned the E-Port Net Zero Blueprint for Capital Investment project, which will conclude in March 2021.

The project will look at existing energy use and generation in the area. This will involve talking to industrial, commercial and residential energy users to find out how much energy they use. It will then consider opportunities for current and future energy generation, including renewables and at how future energy uses, like electric vehicles, and new fuels, like hydrogen, could change the energy market.

The LEP has provided almost £750,000 towards development of a master plan which will set out a ten-year private sector investment programme for developing a smart grid in Ellesmere Port. The smart grid would allow local businesses and residents to buy and trade energy locally, rather than relying on the national grid.

World Leader in Innovative Nuclear Power

From engineering design, construction, operation and decommissioning there are huge opportunities to strengthen the UK nuclear supply chain and export our skills and expertise around the world. **The nuclear sector supports over 6,000 jobs in Cheshire and Warrington** including a significant concentration of design and engineering expertise at Birchwood, Warrington and at Capenhurst . There is a real opportunity for the UK to grow this further, boost our capacity and capability for R&D into next generation and fusion and small modular reactors in doing so delivering more highly skilled, productive jobs.

The proposals for new nuclear reactors at Sizewell in Suffolk, along with decommissioning of the existing nuclear fleet in the UK and around the world offer significant opportunities for the nuclear supply chain in our area.

Sustainability Priorities for 2021 – 22

The LEP and its partners will: -

- Develop a Comms Plan by April 2021, specifically for Energy and Clean Growth to identify and deliver our objectives. This includes leveraging the opportunity to leverage COP26 in November 2021
- The LEP's Employer Skills Board should work with industry and providers to put in place plans to respond to the employment opportunities and skills requirements of the Green Industrial Revolution.

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Unlocking investment to provide opportunity and growth for all of our communities, levelling up economic disparities, boosting town centres and high streets and unlocking key growth opportunities.

Government has placed ‘levelling up’ at the heart of its programme. Notwithstanding the economic success of Cheshire and Warrington as a whole, 5% of our population were in the top 10% of Index of Multiple Deprivation areas and nearly a quarter of our workforce was earning below the real living wage⁴ - a larger percentage than in Manchester.

Local Authorities rightly are developing their own specific plans for supporting recovery in their communities. The LEP has a role to support these plans where appropriate and add value where it can and also coordinate projects that are more strategic and larger scale.

As an area we also have a number of specific and unique opportunities to bring forward inclusive growth to unlock opportunities and help level up disparities between communities. Some of these are driven by national investment in key infrastructure.

They include exploiting the opportunities offered by the arrival of HS2 services at Crewe and Northern Powerhouse Rail (NPR) and HS2 at Warrington. These provide a once in a generation opportunity to level up places like Crewe, Winsford and parts of Warrington by delivering high value jobs, housing and infrastructure as well as making a significant contribution to wider economic growth across the sub-region. **This will require a proactive public sector investment strategy that facilitates the delivery of key development, infrastructure and other interventions that will unlock and accelerate growth.**

We have brought together key strategic employment sites, housing growth areas and town centre regeneration programmes in the towns of Crewe, Middlewich, Winsford, Northwich and Warrington to create a High-Speed Growth Corridor that runs from Crewe to Warrington. This includes significant opportunities around hub stations at Crewe (HS2) and Warrington Bank Quay (HS2 / NPR).

It will build on traditional strengths in high value manufacturing, engineering and logistics as well as growing financial and professional services in Crewe and Warrington. A **Tax Increment Financing (TIF) model** in which the LEP and its local authority partners actively invest up front in infrastructure (including local contributions to the HS2 and NPR hub stations) and new development by borrowing against future business rate income from a selected number of strategic employment sites.

The proposals have the potential to deliver 39,000 new homes, 6m sq ft of new office space, 9,000 new jobs and a £280+ million of investment.

New housing growth will be facilitated through our strategic partnership with Homes England and alongside work we are doing with colleagues in North Wales through the Mersey Dee Alliance. Within the Growth Corridor we have identified a series of Housing Pathfinder Schemes that will benefit from LEP, Local Authority and Homes England co-investment. **A Strategic Outline Business Case for the Growth Corridor has been developed and is being submitted for consideration. We are now looking to government to actively engage in discussions on delivering this ambitious programme.**

Investing in places

⁴ As defined by the Resolution Foundation

Leaders in Cheshire and Warrington have made clear the importance of securing sustainable, inclusive growth as part of the plan for recovery post-Coronavirus. That means identifying investments to support existing residents and places, both urban and rural, as well as investing to support future growth.

Accelerating high street renewal

A number of places in Cheshire and Warrington have been successful in securing funding through the Stronger Towns Fund and Future High Streets Fund. This has recognised the reality that despite the success of our economy overall some parts of the region need additional support and investment if they are to reach their full potential.

It will be important that residents and businesses living in these communities see rapid progress in developing and delivering the projects set out in the successful bids from Warrington, Winsford and Crewe. This work will be led locally through the governance arrangements set up to support the bidding process.

[Warrington Town Deal case study]

[IMAGE – Warrington Market]

Economy in rural areas

Natural capital / sustainable growth

Natural capital plays a key role in making Cheshire and Warrington an attractive place to live, visit and invest. It is also critical in building our resilience to climate change and as part of long term sustainable growth.

During 2020 the LEP has worked with a number of partners to commission a Natural Capital Audit which will provide a detailed baseline for the existing provision of blue and green infrastructure. During 2021 we will develop initial proposals for an investment pipeline of projects that could, amongst other things, reduce the risk of flooding, increase the amount of carbon stored in the natural environment and improve air quality.

The LEP will also support work to examine the potential for a specific green investment fund for Cheshire and Warrington that could be used to support local carbon offsetting activity for those elements of our economy that are impractical or too costly to fully decarbonise.

Maximising cross-border opportunities

Fast growth in Cheshire and Warrington also benefits the residents of less successful parts of the North West and North Midlands such as the Wirral, St Helens and Stoke on Trent and also of North Wales. The Mersey Dee area is a strategically important and dynamic region, straddling West Cheshire and Chester, Liverpool City Region and North Wales. It contributes £22 billion to the UK economy and is one of the north's proven and 'business-critical' employment locations with a high density of significant employers, R&D assets and academic expertise. The area has proven what successful partnership working can deliver, and with continued investment this unique region can enhance its contribution to the Northern Powerhouse and the UK and to increased trade with Ireland and Europe due to its proximity to strategic shipping lanes.

Our investment programme reflects identified priorities across the Mersey Dee geography including digital infrastructure, rail and sustainable transport projects to support growth and movement across border. The Growth Track 360 prospectus⁵ sets out priorities for cross-border rail improvements, alongside wider transport investments in the MDA area.

The City of Chester is pivotal to the functioning of the economy in this area, particularly for service industries and finance & professional services, as well as a retail, leisure and as a cultural destination. Re-opening and re-purposing high streets and ensuring sustainable revitalisation of our towns is key with the Northgate development, which is already benefitting from investment through the Get Building Fund offering a transformational opportunity for the City.

Investment and Growth Priorities:

The LEP and its partners will: -

- Work with government to progress the High-Speed Growth Corridor Business Case
- Invest £xxxxxx to support development of business cases for the first x housing pathfinder projects
- Through the Mersey Dee Alliance work with the Welsh Government and North Wales Economic Ambition Board to develop proposals for a cross-border fiscal stimulus package [DN – more detail needed]
- Support local authority partners [and MPs?] to progress the detailed business cases for Crewe, Winsford and Warrington in respect of Future High Streets Fund and Sustainable Towns Fund and Levelling Up Funds.

⁵ <https://www.growthtrack360.com/>

Equipping our existing and emerging workforce with the skills needed to thrive in a changing economy and helping those who face particular challenges to get back into employment and connected with opportunities.

Getting people back in work; stimulating job creation and boosting skills

The work to develop our Local Industrial Strategy and research carried out by our Employer Skills and Education Board has highlighted issues around skills in our younger residents. This is particularly relevant in terms of Digital and STEM skills given the profile of our business base.

Coronavirus has accelerated systemic changes in business practices that will need a workforce that is adaptable and has the right skills to succeed. These skills needs will be highlighted as those affected by redundancy in the coming months look to return to the workforce.

Our data and labour market intelligence has also been critical in helping to inform our priorities and the priorities of our local training providers and Job Centre Plus. Moving forward we need to embed the success of our existing programmes and respond to the priorities emerging from our Workforce Recovery Group including ensuring the success of Kickstart, providing newly unemployed with clear information and help with finding a job, support business start-ups, strengthening of skills brokerage and account manager roles.

It is clear that Covid has created long-term structural changes to the economy and it is vital that people are equipped with the necessary skills. We are already delivering programmes of support where we have worked with our employers to establish our ‘Pledge’ network to inspire and inform young people about new technologies and career opportunities, our ‘Accelerate’ retraining and upskilling support and our Digital Skills Partnership which has driven a strong focus on digital skills. All these programmes have been reinforced through our capital investments of Local Growth Skills Funds and revenue funding from the European Social Fund. However, the funding for these is limited.

As part of recovery planning we will work with DWP to scope and launch a further round of European Social Fund (ESF) calls to utilise remaining funds in a way that can meaningfully support recovery.

To enable us to make Pledge and Accelerate permanent parts of our programme, and broaden the Accelerate programme and extend it to provide training for the unemployed, we are looking for Government funding of £30m per year of revenue to enable us to provide a highly trained workforce. This is broadly equivalent to the current adult education budget distributed by DfE across the sub-region. In addition, and reflecting that thousands of people cross the border between England and Wales every day, in both directions, to go to work, we are looking for Government to confirm that in devolving responsibility for UKSPF to the Devolved Administrations that there are mechanisms in place to ensure that deployment of UKSPF across borders to support people (i.e. between England and North Wales) can be easily aligned.

Opportunities Portal

Cheshire and Warrington LEP has worked with its partner PDMS and other Northern Powerhouse LEPs to develop an Opportunity Portal to provide clear information and advice on jobs, apprenticeship opportunities and learning opportunities in Cheshire and Warrington. The portal is intended to particularly support those who have been furloughed or been made recently unemployed to undertake self-directed job search and career development. Its use has been promoted through on-line job fairs. Launched as a proof-of-concept project, usage has already been wider than initially intended with schools now using the tool to support their work on careers education.

The Portal pulls information on jobs from online postings (using Adzuna and other sources), links to National Apprenticeship Service vacancies data and draws on information provided by DfE on local training opportunities. Typically, the Portal will have between 12,000 and 14,000 job vacancies in Cheshire and Warrington, with vacancies information updated every 30 minutes.

For users that want to consider a range of alternatives before narrowing their search, there is information on 350 types of job roles and supplementary local labour market information which is drawn from SAP labour market intelligence. The Portal has a range of other functionality including an 'alert' setting that emails the user with a link when an opportunity they may be interested in arises; and a search function that can be narrowed to opportunities within a certain radius from a location or widened to encompass opportunities in adjacent LEP areas.

Supporting young people

For younger people making career choices or entering the jobs market for the first time, The Pledge programme, led by local employers to inspire and inform young people about new technologies and career opportunities shifted with advice from our Digital Skills Partnership to deliver a programme of successful online career events. Jobcentre Plus quickly adopted this online model and established a programme of online job fairs – the last event attracted over 11,000 participants on the day.

Extensive use is being made of data and labour market information, together with intelligence from Jobcentre Plus to inform the response to Covid. The data and labour market analysis highlights other additional challenges:

- Our young people are dealing with a 74% reduction in 16-18 apprenticeship starts this April compared to last
- Based on historic data, 54% of 18 year olds will be seeking a job or an apprenticeship this summer, but those opportunities will probably not be there – this amounts to 10,000 18 year olds 'at risk' in Cheshire and Warrington as well as a further 1,400 16 year olds who have historically not progressed to post-16 education.
- At the peak of the crisis over 128,500 people were placed on furlough, with an estimate that 22% of employers would make redundancies.
- We also had 27,000 self-employed people on income support who will need support to return to work or restart their businesses.

- Place of residence, disadvantage and gender constrain young people's attainment and the constraints are being significantly increased as a result of Covid

As well as supporting our residents to get back into work, businesses will need the skills to lead the recovery and create the new jobs for the future.

Whilst clear plans are emerging to prepare people to quickly return people to work, **creating jobs** for them in the short term is a greater challenge.

Getting workers currently furloughed back into their old jobs as their employers gain the confidence to reopen and make their premises and facilities 'Covid-secure' is a first step in the process.

We are also engaged with DWP on the implementation of the Kickstart Jobs Scheme to ensure that every young person who wants one is offered a high-quality placement that equips them for a bright future. We are also offering to add 60% to any money that employers spend on formal training for young people on the Kickstart programme.

[IMAGE – Digital Careers Fair]

Digital Careers and Jobs Fairs

At the beginning of 2020, the Pledge and the Digital Skills Partnership agreed to pilot an approach to on-line Careers/Jobs fairs. The previously well-established model that operated at the time was that a single business would do a session with 30-40 learners in a school or college. Network Rail and Bentley brokered a partnership between Learn Live, the Pledge, and Warrington & Vale Royal College to pilot a very successful on-line event focussed on Wind Turbines in early March 2020.

With the onset of the pandemic this approach to careers and jobs fairs for young people was mainstreamed in Cheshire and Warrington, with regular online events organised. Now, typically, 8,000 young people from across Cheshire and Warrington will take part in an event. Feedback from employers, teachers, and the young people themselves has been very positive. Employers such as Sellafield have said that they value the opportunity to have meaningful encounters with such high volumes of learners.

As the pandemic began to take its toll on jobs, the Pledge partnered with Job Centre Plus to use the approach developed for young people to deliver an all-age online jobs fair. The most recent event attracted 11,000 participants (many aged over 40). Cheshire JCP has now mainstreamed the approach developed with the delivery of monthly online job fairs. As a result of the success of these online events TalkTalk and McCann Medical have approached Cheshire JCP and initiated an online Ambition 21 event for the whole of the North West Region.

Skills and Employment Priorities for 2021 – 22

The LEP and its partners will:-

- Submit a business case to the Department for Education for continued funding for our Digital Skills Partnership and The Pledge [DN – check with PJ] I think we need this to be more active. Deliver x number of Pledge events for y number of places. WE should confidently say what we definitely can do at this stage.
- Work with Job Centre Plus to expand the range of virtual and online support for people impacted by redundancy as a result of the pandemic
- Work with the University of Chester and other providers to rescope and repurpose Accelerate based on the £600,000 investment already made by the LEP.

Capitalising on the amazing **innovation assets in our area, including our world-class energy, life sciences and manufacturing sectors and building stronger links with other places in the UK and beyond so that **new ideas** can be supported and brought to market.**

Science and Innovation

To deliver sustained improvements in productivity and ensure that there are a good number of high quality, well-paid and rewarding jobs, science, research and innovation need to be at the heart of recovery and our long-term planning. This has been recognised nationally by government with the publication of its Research and Development Roadmap⁶ in July 2020.

Cheshire and Warrington has an enviable depth and breadth of science, research and innovation assets and expertise. From discovery and development of the next generation of medicines and drug treatments, energy research expertise at Birchwood Park and Thornton Science Park to the headquarters of the world's largest science experiment – the Square Kilometre Array – our area is at the forefront of new discovery and innovation.

We recognise the importance of sustained investment in science, research and innovation in boosting productivity and driving future economic growth. We will continue to develop the Cheshire Science Corridor as a key focus for the development and commercialisation of ideas.

Energy and Clean Growth

World leadership in Decarbonisation

Cheshire and Warrington is recognised as being a leader in the drive to deliver low carbon energy and clean growth, with decades of industry-leading experience in energy distribution systems, fuels and nuclear engineering and design. We also have the fourth highest carbon emissions in the country. We therefore have the incentive and opportunity to be a world leader in developing and applying low carbon technologies driving economic growth and delivering a reduction in carbon emissions that will make a significant contribution to delivering not just local and regional targets but national ones as well.

The message industry tells us is that for this to happen, creating a regulatory and investment framework that encourages innovation, supports a shift to smart production, distribution and storage of low and zero carbon energy (including nuclear) and ensures critical energy infrastructure must not become a barrier during transition has to be an early priority for government.

The area holds significant strengths in nuclear engineering, energy systems including power distribution and storage creating a multi vector smart energy grid powered by green energy and a mix of energy storage technologies.

The national and international market for nuclear new build, maintenance and decommissioning is estimated at over £1.2 trillion by 2030⁷. Companies in Cheshire and Warrington are at the vanguard of research into the next generation of nuclear reactors including nuclear fusion, small modular reactors and even smaller micro reactors such as U-Battery. The area also has unparalleled

⁶ <https://www.gov.uk/government/publications/uk-research-and-development-roadmap/uk-research-and-development-roadmap>

⁷ DIT estimates

knowledge related to the maintenance and decommissioning of nuclear sites. Supporting innovation and enabling new entrants into the nuclear supply chain can be challenging due to the nature of the sector and the level of regulation that applies when working in the nuclear market. The sub-region is working with government, the Nuclear Advanced Manufacturing Research Centre and other LEP areas to develop a business case proposal aiming to strategically support the nuclear supply chain in the UK, as set out in the Nuclear Sector Deal.

We will work with the nuclear sector locally to develop ideas to accelerate, stimulate and inspire innovation between industry, academia and Government to develop, commercialise and promote nuclear energy. Knowledge developed from leveraging the significant nuclear competency at Birchwood Park in Warrington can be applied to other technology dependent sectors, such as aerospace and renewables.

Other innovation assets include the University of Chester's Thornton Science Park which is developing expertise in the development and use of hydrogen and green ammonia and is home to the LEP-funded Energy Innovation Centre opened in 2016.

Energy and Clean Growth Priorities for 2021 – 22

The LEP and its partners will: -

- Collaborate through Net Zero North West to **develop the strategic and economic case** to decarbonise the industrial cluster located along the south bank of the River Mersey including commissioning of economic consultants in June 2020
- Work with industry and neighbouring areas to support the role of hydrogen as part of the future energy mix and as a fuel for transport.

Life sciences

Cheshire and Warrington has been at the forefront of drug discovery and development for over sixty years including the first beta-blockers and anti-oestrogens for use in cancer therapy. It is the only location in the UK which covers the whole of the life sciences life cycle from discovery to formulation, testing, manufacture and export.

The way drugs and medicines are developed and delivered is changing and it is essential that government works with places, industry and research institutions to encourage innovation and skills development that will put the UK at the forefront of tackling disease and infections, and ensure that the UK life sciences sector stays at the forefront of the development, formulation and manufacture of these new, complex medicines.

Ensuring that there are effective pathways to the development, formulation, testing and production of new medicines including vaccines will be critical for the UK moving forwards. **The Medicines Discovery Catapult, based at Alderley Park, is a national centre of excellence in drug discovery with a remit to support the UK life sciences community.** It is addressing systemic problems and bottlenecks and using innovative technologies to enable “fast-to-patient” medicines discovery. New drug development typically costs £1.15bn per drug and takes 12 years from the initial discovery stage to reach the market, so the cost and risk of failures are high. In addition, patient expectations

are rising; thus, health systems around the world are demanding access to cost-competitive and innovative medicines that provide better results with fewer side effects.

In order to meet this market need, the medicines manufacturing platform is shifting away from the dominance of small molecules to one with a balance between small molecules and complex medicines. As would be expected there is still a dominance of large pharma in these markets. Despite Cheshire and Warrington being home to one of the largest concentrations of talent in Europe, including many organisations set up to support growth in this sector, the region only accounts for a fraction on this market (based on confirmed valuations of SMEs in the region of approx. £120m).

Working with government, colleagues in Liverpool and Manchester, and with the Medicines Discovery Catapult, **we want to exploit the area's critical mass of expertise and infrastructure in the development/commercialisation of novel complex medicines**, with robust support, validation and translational propositions to grow the local industry. The Catapult has developed proposals for a £40m National Translational Technology Development Centre and a Catapult Quarter to enable stimulus and capacity building for the UK diagnostics sector. This builds upon its success in delivering the COVID19 lab testing platform and proven national impact across adjacent sectors of new medicines and biomarkers. It also complements government's recent investment through Strength in Places Fund into the Liverpool School of Tropical Medicine and Alderley Park-based Anti-Microbial Research Centre and Getting Building Fund into a new Validation Centre of Excellence also at Alderley Park.

Cheshire and Warrington is already investing its own funds to strengthen the North West life sciences cluster, and is now looking to the Government to provide the funding that the Medicines Discovery Catapult needs to strengthen not only the North West's but the also UK's position in this vital industry.

The LEP invested £10m of Local Growth Funding in the Cheshire and Greater Manchester Life Science Fund in 2015/16, alongside, CEC, GMCA and Bruntwood, creating a £31m fund. The fund has helped establish a bio-medical cluster in Alderley park with GM experiencing the same at Manchester Science Park. It has also raised the profile of the North West as an established place to undertake bio-medical investments and we have some high-profile drug discovery companies that have benefitted from the existing fund such as the Anti-Microbial Research Centre and Blueberry Therapeutics. However, the fund is close to being fully invested and will be closed to new investment in April 2021.

It is crucial we build on the success that the Fund has achieved. There is high demand for life science funding, especially given the 80-90% drop in early stage capital availability compared to 2019 as investors turn away from higher risk investments. We are therefore seeking funding to enable **the LEP to contribute £10m towards the establishment of a new £50m fund**, alongside Bruntwood and GMCA on a pari-passu⁸ basis. This fund would cover the whole of Cheshire and Warrington and GM and run for a 15-year period with a five-year investment period. In January 2021 the LEP Board approved, in principle an initial investment of £5m.

⁸ In finance terms, pari passu means 'on an equal footing'

Life Sciences Priorities for 2021 – 22

The LEP and its partners will: -

- Establish a Life Sciences sector group to develop a plan to reinforce Cheshire and Warrington as one of the best locations in the world for medicines discovery, formulation and manufacturing as set out in the Life Sciences Sector Deal. This will include exploring options for expanding and strengthening the offer of the Medicines Discovery Catapult at Alderley Park
- Accelerate investment in the Cheshire Science Corridor Enterprise Zone following conclusion of a £30m borrowing facility through the LEP's local authority partners.
- Conclude negotiations to create a successor to the GM and Cheshire Life Sciences Fund

Manufacturing

In spite of a challenging operating environment in recent years, manufacturing remains at the heart of the Cheshire and Warrington economy. And it is also at the forefront of manufacturing and process innovation with increasing use of digitisation and artificial intelligence in the design and production process.

This is very much the future of manufacturing and the LEP will continue to commission programmes to support innovation and adoption of new technologies.

Manufacturing Priorities for 2021 – 22

The LEP and its partners will: -

- Support the rollout and delivery of the C&W4.0 programme for manufacturing SME's, led by the University of Liverpool's Virtual Engineering Centre, which aims to support xx business in its first year and xxx during the life of the programme

Supporting business to grow and adapt to change. This includes adapting to our new trading arrangements with the world, making sure that our economy remains outward-facing and an exporting powerhouse.

Attracting Investment and stimulating business growth

Cheshire and Warrington has a strong track record in exporting and attracting inward investment, and in an effort to deliver quicker recovery and establish our place as a top destination for foreign investment in the post-EU trading environment, **we want to increase our place marketing and inward investment activity and intensity. This includes continuing to work with the Department for International Trade on developing the world class life science and pharmaceutical cluster in East Cheshire and South Manchester as a High Potential Opportunity.**

Also, with support from DIT we have put dedicated resources in place to **respond to Inward Investment opportunities** including support for existing foreign-owned companies in the area to expand, and also to support business with aspirations to export their goods and services. The LEP has also recently welcomed a dedicated export manager seconded from DIT who is leading on **developing a new export strategy** for the sub region as well as offering practical support to businesses on the benefits of exporting.

We also want to strengthen the support provided through our Growth Hub, particularly in identifying and supporting high potential start-ups and then, with enhanced mentoring and support, help more businesses to scale up, in doing so creating more jobs. Supporting existing businesses with plan for expansion and job creation, as well as targeted inward investment activity is another proven way of stimulation economic growth and delivering jobs. As part of this the LEP launched a new Peer-to-Peer networking programme in November 2020. This programme will bring together 100 SMEs with the ambition and ability to grow to share best practice as well as real world experience on surviving and thriving through COVID and EU Exit. This has already proven invaluable with early feedback from participants very positive.

Supporting the Sectors Hardest Hit by Covid

We want to continue to support those sectors and businesses that have been hardest hit by the Covid-19 pandemic. This includes our visitor economy, and retail and hospitality sectors. The visitor economy alone has been worth £3.6billion per annum in recent years. It employs over 27,000 people across Cheshire and Warrington. The historic City of Chester provides the main visitor economy of the area alongside important national tourism attractions such as Chester Zoo and the North Wales Coast. **Marketing Cheshire and the LEP are focussed on building on our support for the visitor economy and are seeking support from government through the development of a Tourism Action Zone.** This would create opportunities for career development and drive productivity in the sector through ongoing domestic promotion.

The visitor economy is vital to the economy in our rural area and to driving the recovery of our town and city centres. We will support our places through on-going High Street and Towns Funding. We are also working with the network of Destination Management Organisations (DMOs) across the country to ensure Cheshire & Warrington is fully engaged in a national portfolio of strategic DMO's.

Boosting culture and creative

We are keen to understand the positive role that the cultural and creative sector can play in driving recovery across Cheshire and Warrington. In many places, this sector has helped bring a renewed focus and drive to communities, high streets and town centres. The LEP, through **Marketing Cheshire will lead a conversation to develop a roadmap for recovery for the cultural and creative sector in the sub-region**, building on the many pockets of excellence that grown in recent years.

Business Growth Priorities for 2021 – 22

The LEP and its partners will: -

- Develop a bespoke Trade and Investment Strategy for Cheshire and Warrington, with support from government, including how to provide the best support for International Trade advice and key account management
- Through Marketing Cheshire work with the Retail, Hospitality and Visitor Economy Sector to develop an action plan to support recovery of the sector post-pandemic
- Through the Cheshire and Warrington Growth Hub continue to provide support to businesses to understand and adapt to new trading arrangements
- Marketing Cheshire will lead a conversation to develop a roadmap for recovery for the cultural and creative sector in the sub-region

Making sure that we stay connected, physically and digitally, and that we have clear plans for investment in the infrastructure that we need for a successful, growing, inclusive economy.

Infrastructure

As part of its submission in response to the Comprehensive Spending Review in September 2020, the LEP set out a series of initial investment priorities through a sub-regional investment pipeline. Over the course of three years the LEP is investing £1.2 million to support the development of business cases for a number of schemes to ensure that they are well progressed and in a good position to secure the capital investment needed to deliver them.

During 2021 we will undertake further development and refinement of this pipeline, so that it supports our growth ambitions, ensures we have the skilled talent pipeline we need and the digital connectivity that will be so important in the future economy.

Business case work currently underway is shown in the table below.

Table X Business Cases and Studies Being Supported by the LEP

Project	Overview
Crewe Hub Access Package Business Case development	This comprises a package of transport schemes which will improve access by all modes to Crewe HS2 Hub Station. This forms a key component of the High-Speed Growth Corridor proposal
Winnington Hill /Bridge Corridor Study	This initiative builds on achievements to date and will secure enhanced transport infrastructure to reduce congestion and improve journey time reliability, both of which are recognised as being fundamental to prosperous economies and sustainable environments. The project seeks to improve transport connectivity at the historic Winnington Swing Bridge over the River Weaver, an existing pinch point on the highway network which is holding back development, as well as onward active travel accessibility along the A533 Corridor to Northwich Town Centre. This will enhance accessibility for existing residents, commuters and visitors in the area, links with HS2 investment and supports the connectivity to proposed regeneration sites that include a substantial opportunity for residential development for circa 1,200 units at the TATA chemical site.
Warrington Last Mile – Town Centre Masterplan	Package of junction and corridor improvements around Warrington town centre to improve pedestrian, cycle and public transport access to the town centre and its key rail hubs. Indicative scheme cost: £47m (Excluding optimism bias) phased over 4 years. Concept designs currently in development include: <u>A49 Access improvements (£22m)</u> <ul style="list-style-type: none">• Church St/Dial St Roundabout £7m• Cockhedge Roundabout £10m• Mersey St corridor accessibility improvements £5m <u>Town Centre Western Gateway (£15m)</u> <ul style="list-style-type: none">• Crosfield/Parker St/Liverpool Road/Froghall Lane/Sankey St/Winmarleigh St – improved access to the town centre £5m• Enhanced Bank Quay Parking and accessibility improvements (new ped/cycle bridge over WCML) £10m <u>Streetscape and public realm improvements £10m</u> <ul style="list-style-type: none">• Winwick St/Scotland Road/Town Hill/Sankey Street £10m

Chester City Gateway Masterplan Incorporating Hoole Bridge Feasibility Study	<p>There is an opportunity here to address a major gateway into the historic city of Chester, which requires investment to re-position itself as a key destination and economic centre in the sub-region. Working in collaboration with the Council, LCR and Network Rail to bring forward regeneration proposals at the area known as Chester City Gateway. The overarching aim of the discovery phase is to ensure regeneration and development opportunities in and around the study area are optimised for the benefit of the local economy in the creation of jobs, homes, and investment and to ensure these opportunities reflect and enhance the rail station environment for the benefit of rail station users.</p> <p>The Hoole Bridge Feasibility Study explores the development of a multi-modal improvement masterplan scheme for Chester City Gateway that addresses a variety of access, highway safety and network capacity constraints, including on the A56 as a key gateway into Chester City Centre. The scheme covers the A56 corridor from the A56/M53 junction to, and including, the junction of St. Oswalds Way (A5268), including the environs of Chester Rail Station</p>
Local Cycling and Walking Infrastructure Plan – corridor studies in Warrington Borough	<p>Corridor improvement schemes to deliver 3 Primary Routes set out in Warrington LCWIP. Design and business case work currently underway for high quality segregated cycle routes on A49 north, A57 West and A5061/A50 South corridors. Indicative scheme cost £25m (excluding optimism bias) phased over 4 years.</p>
Vauxhall Options Study	<p>This is a study to appraise the options for the development of surplus land at the Vauxhall car plant in Ellesmere Port and involves a review of the existing uses on site and the identification of under-utilised/surplus land and property assets, the generation of a series of land use and development options for the site, appraisal of the options against an agreed set of criteria (including, strategic fit, value for money, deliverability, etc.), and a review of the potential development/investment delivery models.</p>
Ellesmere Port Industrial Area: Development and Investment Framework	<p>Development of a clear up-to-date physical ‘Development and Infrastructure Investment Framework’ to drive future continued business growth and employment at the Ellesmere Port Industrial Area, capitalising on its unique strengths and opportunities, therein reinforcing its role as a global, national and regional business and employment hub. Ellesmere Port is a major player in the energy sector as well as having substantial manufacturing businesses and output for the sub-region.</p>
Warrington Bus and Mass Transit Strategy	<p>Study underway. Includes an element to develop quick win schemes to improve existing bus network reliability and provide journey time savings. Proposal to deliver one corridor scheme and up to two bus pinchpoint schemes. Design work underway on Wilderspool Causeway corridor. A49 Winwick Street/Tesco junction is also emerging as an early priority for pinchpoint scheme. Indicative scheme costs: £10m phased over 4 years.</p>
Cheshire and Warrington Bus Strategy	<p>The work is to develop a Bus Strategy to ensure that Cheshire and Warrington understands the available solutions for increasing the use of buses to underpin its economic growth aspirations. The Strategy will align with the national bus strategy and will set out a menu of solutions which the LEP, Local Authorities and Bus Operators can choose from to suit local circumstances and budgets. It will include an action/implementation plan of key actions broken down into short term quick wins and medium/long term measures</p>

The LEP is currently working with partners to identify business cases and studies to take forward during 2021/22 financial year. Potential emerging proposals include housing pathfinder projects, digital infrastructure, sustainable transport schemes and projects to support development.

During 2021 we will undertake further development and refinement of this pipeline, so that it supports our growth ambitions, ensures we have the skilled talent pipeline we need and the digital connectivity that will be so important in the future economy. Development of the pipeline will focus restoring the C&W economy and to delivering a better future for those who live and work in C&W by making it the healthiest, most sustainable, most inclusive and fastest growing economy in the country. This means delivering the priority areas outlined in the CSR response, namely:

- low carbon energy and clean growth
- building on our major cluster of life science expertise
- levelling up across the sub-region

Hence, short-term priorities will be particularly focused on developing a pipeline of schemes comprising:

- active travel schemes and investment in all-electric buses to support walking, cycling and public transport;
- schemes in the Mersey-Dee area and in our high-speed growth corridor, to deliver 6m sq ft of new office space, 9,000 new jobs and a £280+ million of investment;
- addressing digital inclusivity and enabling C&W to grasp the new digital opportunities created by Covid through our digital infrastructure plan.

Investment in the Strategic Road Network and the Rail Network will also be important for supporting long-term growth. Network Rail is currently undertaking a Continuous Modular Strategic Plan to identify key infrastructure requirements and Highways England will be shortly engaging with stakeholders for Road Investment Strategy 3. It is critical that DfT, Highways England and Network Rail work closely with us to ensure that national infrastructure improvements to support economic growth of the sub-region are developed and then delivered in a timely manner.

[CASE STUDY: Getting Building Fund]

Decarbonising Transport – Promoting Sustainable Travel

Transitioning to a sustainable economy is not just about decarbonising power. Transport currently accounts for around 26% of greenhouse gas emission. To tackle this, we need more investment in digital infrastructure to reduce the need to travel and support the switch to electric and autonomous vehicles, and to other sustainable transport modes to accommodate travel needs.

We were unsuccessful in bidding for Transforming Cities Fund, primarily because of the focus on larger cities. We will continue to put the case to government that similar funding mechanisms need to be put in place for our key towns, including Chester, Warrington and Crewe, so that we can build upon the work undertaken for the TCF bids and, more recently, the work to implement emergency schemes during the Covid crisis, to encourage a permanent shift to walking and cycling.

Warrington Council has plans which would enable Warrington's Own Buses, the Council's arm's length bus company, to roll out an electric fleet as well as providing associated charging infrastructure which would be available to all other bus operators in the town. The Council is

currently in the process of relocating the Warrington's Own Buses' existing depot to free up a prime site for regeneration as part of the Southern Gateway plans. Getting Building Fund has been secured to enable provision to be made for it to become an electric bus depot.

Digital Inclusivity and Connectivity

The Covid crisis has also highlighted the importance of digital connectivity for both business resilience and for inclusivity, especially in the more rural parts of the sub-region and for the 13% of secondary school pupils who don't have access to a computer and/or the internet. Detailed work is nearing completion to develop a digital infrastructure plan for Cheshire and Warrington which will identify key digital interventions to support recovery and ensure resilience going forward, including:

- Enabling Gigabit Capable infrastructure across the LEP sub-region, with particular focus on delivery to priority areas, through leveraging commercial and government investment programmes;
- Extended 4G rollout and the encouragement and promotion of the role of next generation mobile technology within the LEP sub-region, including 5G trials, investigating innovative solutions and use cases, through partnership working (e.g. North Wales Connected Corridor, 5G and IoT);
- Driving adoption of digital connectivity by increasing participation/skills and take-up of services making sure people (citizens and businesses) have the right skills required to realise the benefits and opportunities of enhanced digital connectivity.

We are therefore looking to government to expand the current trial Broadband Upgrade Voucher Scheme as a potential mechanism for supporting commercial rollout to underserved areas, especially those experiencing higher levels of deprivation.

Creating Smart places

One of the future changes that has been massively accelerated by the Coronavirus crisis has been a shift to doing business, work and learning online. At the height of the crisis it is estimated that **xx%** of workers in **xxxx** sector were working remotely from home. Online retail has experienced as much growth (as a proportion of all sales) in the last five months as in the previous 10 years and now accounts for over 30% of all retail purchases⁹. And young people have relied on a range of online platforms and resources in order to continue their education whilst schools, colleges and university campuses have been closed.

It is increasingly clear that an element of home working is likely to be a long-term change for many office-based workers. In part this will be a result of capacity constraints in offices remaining in place for the foreseeable future but more fundamentally many businesses are recognising that their workforce can be at least as productive when working at home so there is an opportunity to reduce or rethink office space requirements. Workers have also benefited from a better work-life balance as the daily commute has been reduced.

Cheshire and Warrington has perhaps been fortunate that such good progress has been made in provision of high speed fibre broadband through the Connecting Cheshire programme. But there

⁹ <https://www.ons.gov.uk/businessindustryandtrade/retailindustry/bulletins/retailsales/june2020>

remain a number of areas that struggle with getting a decent broadband service, especially if there are multiple demands on broadband width within the household and even the neighbourhood.

The LEP is currently preparing a detailed Digital Infrastructure Plan which looks at options to improve coverage in those areas which do experience poor service, but also at a range of investments that could be made to improve and enhance existing coverage across the area to meet the changing demands of businesses and households and of places.

Two emerging priorities of the Digital Infrastructure Plan for the LEP to take forward are:

- Develop a pipeline of 'shovel-ready' projects within the C&W LEP sub-region to improve digital connectivity for residents and businesses
- Develop and promote a narrative setting out the opportunities for digital innovation and testbed facility within C&W LEP sub-region, highlighting key sector and regional strengths - manufacturing, life sciences, energy & clean growth, finance & business services, and logistics & distribution.

Infrastructure and Connectivity Priorities for 2021 – 22

The LEP and its partners will: -

- Begin delivery of projects funded through the Getting Building Fund
- Identify priorities for bidding to the new Levelling Up Fund
- Progress initial priorities identified in the new Digital Infrastructure Plan – [DN – too vague]

Delivery and Next Steps

This Recovery Plan is initially being published as a draft to support a programme of engagement and consultation during Spring 2021. The LEP is keen to test whether our thinking on Recovery is right, especially the priority areas for focus outlined in the plan.

The priorities for the next year, highlighted throughout this plan are summarised below: -

[DN – Table / graphic to summarise priorities and delivery dates for 2021-22]

Many of our proposals, if not most of them, can be delivered locally. Others will need a partnership with Government, supported with powers, funding or other flexibilities. But with this partnership in place, Cheshire and Warrington can emerge from Covid powering growth in the North, levelling up its left behind communities, establishing itself as a world leader in clean growth technology and using its expertise in life sciences to help the UK respond quickly and effectively should a health crisis like Covid ever happen again.

The Cheshire and Warrington economy was one of the most successful in the UK pre-Covid, and has the ability to be so again.

LEP STRATEGY COMMITTEE – AGENDA ITEM 8

Subject: Taking Forward Our Energy Priorities

Author: Andy Hulme

Sponsor: Philip Cox

Meeting date: Friday 12th February 2020

Purpose

To support a Committee discussion on potential actions to progress Cheshire and Warrington's Energy priorities and enable the Strategy Committee to advise the Board accordingly.

Recommendations

The Strategy Committee is asked to: -

- i. Note the contents of the report.
- ii. Consider and discuss the merits of the suggested activities and actions outlined at the end of the paper and how to advise the Board on the best way to proceed.

Background

1. At its Discussion Forum in December 2020, the LEP Board received presentations from Ged Barlow (Chair, Cheshire Energy Hub and Chief Executive, Net Zero North West) on industrial decarbonisation opportunities in Cheshire and Warrington and Andy Hulme, (Head of Policy and Strategy, CWLEP) on the Prime Minister's Ten-Point Plan for a Green Industrial Revolution.
2. Together, the presentations highlighted the significant opportunities in Cheshire and Warrington to deliver large scale economic and sustainability benefits to the region and wider UK. It also explored some of the risks associated with trying to exploit too many opportunities at any one time.
3. Board members requested that the Head of Policy and Strategy develop some initial proposals how the LEP and its local authority partners might support these priorities in a more coordinated and impactful way, for discussion at the February meeting.
4. The current Strategic Economic Plan, Energy and Clean Growth Strategy and draft Local Industrial Strategy have all sought to 'move the conversation forwards' and articulate the breadth and depth of industrial and academic expertise in energy and clean growth within Cheshire and Warrington.
5. The LEP has also been very pro-active in collaborating with neighbouring LEPs, North Wales Economic Ambition Board, Mersey Dee Alliance and Industry groups including Cheshire Energy Hub, Net Zero North West and North West Business Leadership Team. Recent government announcements on the Energy White Paper and 10-point Plan have highlighted the work

underway in areas including Humber and Tees Valley. It is important that the government is aware of the strength of the North West Offer.

Areas for Focus

6. Analysis of the Ten-Point Plan and feedback from the Board suggests an initial focus on four specific priorities: -
 - i. Driving growth of low carbon hydrogen
 - ii. Delivering new and advanced nuclear power
 - iii. Investing in Carbon Capture Use and Storage
 - iv. Protecting our Natural Environment
7. The Board supported three steps for taking forward these priorities and strengthening our broader messaging on energy and clean growth. These are considered below.

Step 1: Work with industry and business to highlight and champion specific opportunities to quickly deliver against the priorities.

8. One of the areas we believe sets Cheshire and Warrington apart is the extent of progress being made, led by industry, to develop business cases and investable propositions to progress the decarbonisation agenda. The LEP should work with local industry groups to identify which of these propositions offer the strongest business cases, and then make sure how together key decision makers are made aware of these opportunities and the value they offer on their own and as part of our wider energy and clean growth offer.
9. Currently the main focus for industrial decarbonisation activity in Cheshire and Warrington with which the LEP is engaged are: -
10. **Cheshire Energy Hub:** Cheshire Energy Hub is leading development of an Outline Business Case for investment into the **E-Port Smart Energy Project** ([Cheshire Energy Hub](#)). This project will see the creation of a private wire network centred on the Ellesmere Port Industrial Area, linking low and zero carbon power sources to industrial and commercial consumers. Heat will also be traded via local heat networks. A smart, digital trading platform will underpin the network seamlessly managing supply and demand and matching consumers to the lowest cost, lowest carbon option at any given point in time.

Following initial support from Innovate UK the LEP has contributed c£720,000 to develop the more detailed business case including engagement with potential investors. The business case is expected to be finalised in March 2021.

11. **Hynet:** Developed by gas network operator Cadent and partners Progressive Energy, the Hynet project would develop a network to deliver significant quantities of ‘blue’ **hydrogen** (hydrogen produced via steam methane reformation with the carbon dioxide by-product capture and securely stored underground) for use as a replacement for natural gas by industry. The project has been supported to date by Innovate UK and more recently by the LEP as it moves towards a ‘commit to invest’ stage in 2023. The project could be operational by 2025 and capture an initial 1 million tonnes of CO₂ per year.

12. **Net Zero North West:** NZNW is a new industry-led consortium which is collaborating on the development of a strategic and economic case for decarbonising industry in the region, with a focus on the industrial belt running from the Welsh Border along the River Mersey to Trafford Park. The group is also developing a communications strategy to engage industry on the benefits and opportunities of switching to low carbon operation and the potential routes to achieving this.

The current **decarbonisation plan development** work is being supported by a grant from Innovate UK through its Industrial Decarbonisation Challenge Fund and the LEP is responsible for one of the key work packages – commissioning consultants to develop the Economic Case and Final Report. Work started on the plan in January 2021 and should be complete in 2023.

Step 2: Work with business, government and other partners to identify routes to market for these opportunities.

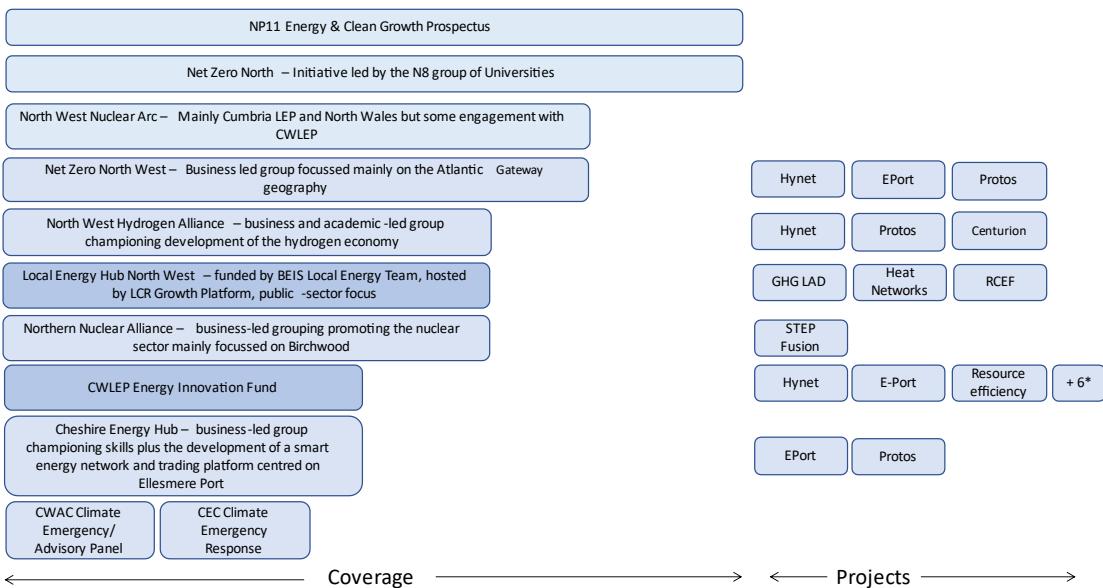
13. One of the key differentiators for Cheshire and Warrington's energy and clean growth ambitions remains the focus on industry – both in terms of thought leadership and project development. Our work should recognise and prioritise the key enabling role that the public sector has here, but ultimately it will be the private sector that develops, delivers and operates these key energy assets, and which has to invest to adapt to a net-zero future.
14. Part of our enable role is to identify and support activity that eases the route to market for key projects. This could include advice on business case development where public funding is involved or helping connect and promote the wider investment opportunities to key markets through our inward investment and place marketing activity.
15. The **Funding and Finance working group of the Sustainable and Inclusive Growth Commission** could provide invaluable advice and insights to how investible individual projects or programmes might be and what steps in general would be needed to make projects and programmes market ready and attractive to private investment.

Step 3: Work with local and regional partners to develop a set of sharper, more coherent messages about our energy and clean growth credentials.

16. As mentioned earlier in the paper the LEP has taken a proactive and collaborative approach to its work on energy and clean growth, whilst trying to ensure that there is a supportive policy and strategy environment to frame this activity.
17. There is already a significant amount of activity at the local, regional and pan-northern level and whilst this is positive, it has also made it sometimes confusing and complicated for those seeking to engage with the agenda and understand what the opportunities are and how they link together.
18. Work undertaken as part of the evidence gathering to support the Sustainable and Inclusive Growth Commission included some high-level mapping of the 'energy landscape', looking at the different groups and initiatives relevant to Cheshire and Warrington. This is summarised in the diagram below.

Northern Energy Landscape

Lead Engage



19. Longer term, having a clear set of messaging around the economic benefits and deliverability of key energy and clean growth projects, as well as the clustering benefits of these projects connecting in our area will strengthen our ability to grow the sector and boost green skills and jobs.
20. COP26¹ in November 2021 is expected to attract 30,000 delegates to Glasgow and support a series of linked events in the run up to the main event which will deliver a huge call to action on climate change and decarbonisation. This could provide opportunities for Cheshire and Warrington to highlight to government, investors and potential export markets the practical progress being achieved now in delivering our energy priorities.

Suggested Activities to Progress the Steps

- i. The LEP to commission consultants to support it in engaging with existing industry groups and local authority partners in production of a series of action plans for each of the four areas of focus set out at paragraph 6. This should include supporting work being commissioned separately by Net Zero North West to quantify at a high level the economic benefits of a green industrial revolution².
- ii. The LEP's Employer Skills Board should work with industry and providers to put in place plans to respond to the employment opportunities and skills requirements of the Green Industrial Revolution, aligning with work being commissioned by the Mersey Dee Alliance on the same agenda.
- iii. That the LEP, supported by Influential, develop a Comms Plan specifically for Energy and Clean Growth to identify and deliver our objectives. This includes leveraging the opportunity to leverage COP26 in November 2021. This messaging would focus on the readiness and

¹ 26th UN Climate Change Conference of the Parties

² Note that the LEP has already committed £8,000 towards this study

deliverability of current project proposals. The Plan could include a programme of study visits targeted at policy makers, Minister and COP26 delegates to show case the area's energy and clean growth strengths and demonstrate the practical progress being made.

- iv. Engage other north west LEPs via NZNW in the development and supporting of the strategic and economic case for investment in industrial decarbonisation in the region. This could include engaging with Liverpool City Region and Greater Manchester Combined Authorities to understand their current plans for a pre-COP26 Energy Summit and identify opportunities for Cheshire and Warrington to support, shape and engage in this.
- v. Consider options for providing specific governance and oversight to the sub-regional energy and clean growth activity and in particular the delivery of any decarbonisation roadmap. This includes supporting the work of the SIGC Funding and Finance working group to maximise the impact and reach of any recommendations targeted at inward investors and inward investment activity.