



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

Wednesday 21st November 2018 1.30-3.30

**Mercer Room, Reaseheath hall,
Reaseheath College**

Attending: Ged Barlow (chairman), John Downes, Alex Thompson, Lisa Harris,
Steve Park, Chris Hindley, Francis Lee, Mark Livesey, Rachel Brosnahan

Apologies:

AGENDA

Agenda Item		Lead	Timings
1	Welcome, introductions and apologies	Chair	2 mins
2	Conflicts of Interest	Chair	5 mins
3	(i) Minutes from the meeting of 19 th September 2018	Chair	5 mins
	(ii) Actions Arising	Chair	5 mins
4	Investment approval for the following EZ projects: Phase 2 - Helix Business Park (Ellesmere Port) Rhino – Newport Business Park (Ellesmere Port) Aviator - Hooton Park (Ellesmere Port) New Bridge Road Substation (Ellesmere Port)	John Adlen	20 Mins Presentation 10 Mins Questions
5	Programme Manager update including: Risk reporting Project progress summary report	RB	15 mins
6	LGF DCLG q2 report	RB	10 mins
7	ESIF update	FL	10 Mins
9	AOB	All	5 mins
TOUR OF REASEHEATH PROJECTs TO FOLLOW MEETING			45 mins
Date of next meetings, time 1.30 pm and Venue Wyvern House, unless otherwise specified:			
19 th December	Mid-tem evaluation Centre Park Link Final Approval Winsford Industrial Estate Final Approval		
16 th January 2019	Tarvin Road Full Business Case Approval		
27 th February 2019	Omega Local Highways Scheme OBC approval		

		Poynton Relief Road OBC
	20 th March 2019	CEC Sustainable Tavel Projects
	17 th April 2019	Ellesmere Port One Public Estate Final approval
	15 th May 2019	
	19 th June 2019	
	17 th July 2019	
	21 st August 2019	
	18 th September 2019	
	16 th October 2019	
	20 th November 2019	
	18 th December 2019	



**Minutes of the Cheshire and Warrington Local Enterprise Partnership
Performance and Investment Committee Meeting
held on 19th September at 3.00**

In attendance: Ged Barlow (Chairman), Steve Park, John Downes,
Paul Goodwin, Mark Livesey, Rachel Brosnahan.

Apologies: Jan Willis, Lisa Harris, Chris Hindley, Francis Lee

In attendance: Presentations on: Omega to Burtonwood Boulevard, John Nichol, WBC

Item No.	Item	To be Actioned by	By When
1.	Welcome, Introductions and Apologies Apologies from Chris Hindley, Jan Willis, Francis Lee and Lisa Harris		
2	Conflicts of Interest GB asked for any conflicts to be declared SP declared an interest in Omega to Burtonwood Boulevard PG confirmed he was attending in his capacity as S151 deputy and not representing CEC.		
4	Minutes from the last meeting: Follow up of actions: RB updated on the actions: <ul style="list-style-type: none"> • Offer letter issued for Sydney Road Bridge • Paper sent to Jan Willis outlining outputs position of the Life Sciences Fund • Exceptional meeting to consider Ellesmere Port One Estate arranged for 4th October. • CWAC's S151 officer signed off the Glasshouse investment as CEC's s151 officer was conflicted. • MHCLG quarterly report signed off by JW The minutes were agreed.		
5	Presentation on Omega to Burtonwood Sustainable Travel scheme John Nichol from WBC gave a presentation on the scheme. The new pathway will be 2.4km long and will link Burtonwood with the Omega and Gemini sites which employ in excess of 14000 people.		

	<p>WBC had carried out consultation and there was plenty of demand from people who cycle to work, with Amazon in particular having a real cycle to work culture.</p> <p>There is currently no pathway on Clay Road and Burtonwood Road and surveys have shown that the roads are used by 12,000 vehicles a day.</p> <p>The new path will provide a much safer route for cyclists and pedestrians and is hoped to reduce road traffic and pollution as more people opt to use the new pathway.</p> <p>The committee approved the project.</p> <p>RB to issue offer letter.</p>	RB	End of September
6	<p>The Chef's Whites Academy RB ran through the Chef's Whites proposal.</p> <p>Macclesfield college is seeking £25k towards the £200k costs of delivering a new course to students.</p> <p>It was agreed to support the project up to a maximum of £25k of the capital costs. Agreed that the college should report for two years so that student numbers can be recorded.</p> <p>Letter to be sent to David Rutley MP confirming that the project had been funded.</p> <p>RB asked to double check any conflicts of interest and issue offer letter.</p>	RB RB	End of September End of September
	<p>Extension of Conditional offers Update given on Winsford industrial Land project which has slipped behind programme. Committee agreed to extend the offer letter deadline to March 2019 but requested a presentation detailing the current position and progress to date.</p> <p>RB to arrange presentation and issue letter agreeing extension.</p>	RB	End of September
7	<p>Programme Manager update RB ran through the programme manager update highlighting key issues which included:</p> <p>Centre Park Link – land issues substantially resolved. Project expected to start on site in January.</p>		

	<p>Crewe High Speed Ready Heart – RB had asked for permission to extend conditional offer letter terms via email. Committee confirmed approval. RB to draft letter to confirm extension.</p> <p>Northgate – brief update on position. CWaC due to take a paper to the Council’s committee in October. P&I requested an update presentation from CWAC before the end of the year. RB to arrange</p> <p>Update on Reaseheath projects, all complete bar the accommodation blocks. Agreement that the committee would like a site visit. RB to arrange</p>	RB	End of September
		RB	End of September
		RB	End of September
8	<p>Risks</p> <p>RB said one of the biggest risks to the LEP was the handover of the Growth Hub to the LEP and risk of subsequent poor delivery which would reflect poorly on the LEP.</p> <p>SP offered to help as not clear yet how many staff will TUPE over. Committee agreed that they had reviewed the risks.</p>		
9	<p>ESIF update</p> <p>ML gave update. Application to deliver the pledge has been submitted. Virtual Institute of Technology being developed by University of Chester which could fully spend all the skills money.</p> <p>Revaluation of the ESIF programme due to exchange rate fluctuation means that an extra £15m available which would need committing. New call in October.</p> <p>Losing TA support from December</p>		
10	<p>AOB</p> <p>Next meeting: 17th October 2018 at Reaseheath College</p>		



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

Title: Programme Manager Update Report

Agenda item:6

Prepared by: Rachel Brosnahan

Date of Report: 21st November 2018

1. Executive Summary

The most notable change since the last report is that the Growth Hub has now successfully transferred to the LEP. There hasn't been any PR about the handover as we were keen to get the services transferred and established, with essentially businesses not noticing any difference. However, there has been an increase in calls to the service. No staff transferred from Blue orchid, so currently there is only one full time member of staff; Kerry Hall, the Enquiries and engagement manager. Interviews for additional staff will be carried out during November and will start in January subject to securing ERDF funding.

A mid -term review of the LGF programme is currently being carried out by EKOS and is expected to be complete by the end of the month and will be ready for annual conversation meeting which will take place on the 10th December. The programme is currently performing reasonably well, although the q2 spend figures were lower than expected due to slippage on projects. However, the programme is still expected to comfortably meet profile for the year.

A number of projects have recently completed and there are now only 4 projects left to contract. The total LGF spent to date is £77m which has been matched with £575m of private and public funding. This figure includes the £490m of private match funding invested in the Omega site. The confirmation from BEIS that the Omega outputs can be counted as an impact site has boosted the output figures substantially, most notably jobs created and private sector leverage. However even without this change the number of outputs contracted on projects now far exceeds the BEIS targets, but with the continued expectation that the achievement of these outputs won't be realised until after most of the projects have been completed.

1. Local Growth Fund Programme

Please note that at the time of writing this report the October monthly monitoring reports has not been submitted by delivery partners, therefore some of the information detailed below may be out of date and is taken either from the September monthly reports or meetings held during October.

1.1. Chester Northgate

The CPO for Northgate has now been approved subject to judicial review which is expected to conclude on the 16th November. The procurement process for a main contractor for phase 1 work has been completed. Phase 1 is predominantly leisure and will include three restaurants, a re-sited market and a Picture House cinema.

1.2. Sydney Road Bridge

Phase 1 has completed. The agreement with Network Rail has still not been signed but works are continuing at risk on phase 2. The road has now been closed and agreements with the majority of land owners have been completed. First newsletter sent to stakeholders.

1.3. Crewe Green Roundabout

The project is now substantially complete. There is likely to be an opening which will also involve a local school, sometime during November.

1.4. Warrington Centre Park Link

Land issues are substantially resolved. Work is now likely to start on site in January 19.

1.5. Warrington West Station

Good progress is being made on site. The north car park has been completed and the booking hall structural steelwork and clockwork has also been completed. Trackside work is progressing and being monitored.





1.6. Reaseheath College projects

The Employer Hub, Agritech Centre and Sports Hall are now open and being used by students and in the case of the Sports hall, members of the public.

The accommodation blocks are also progressing well and will be complete by December.

1.7. Ellesmere Port Central Development Zone

Conditional approval has now been given to the project. Work on the detailed design and planning application is underway.

1.8. Thornton Energy Demonstrator

No significant change to the demonstrator project. Task force established for the development of the wider Thornton site.

1.9. Ellesmere Port and Chester campus redevelopment

This project has now completed and students are using the new facilities. The impact of the changes will be reviewed in due course.

1.10. Life Sciences Fund

The fund recently presented their update business plan. It is not clear whether they will be able to achieve their revised target of 40 investments without compromising their ability to invest follow on funding into their existing portfolio. However, at present this is the figure they are working to. They have now made 26 investments, many are doing well and have secured further funding and/or met their milestones. Provisions have been made against three investments.

1.11. **Crewe High Speed Ready Heart**

Following Empire Cinemas agreeing terms to be the cinema occupier, the developer is at advanced stages of negotiation with bowling operator Hollywood Bowl. The scheme website is now live and this has been used in marketing at property events including REVO and Completely Retail in September, which has resulted in a number of enquiries and discussions, including with other leisure operators, as well food and retail occupiers.

CEC has secured vacant possession of most the properties required for the scheme but some are delayed. There have been some security issues with empty properties which the council is addressing. Progress is being made with completing the development agreement and it is hoped that this will be signed by Christmas.

Work to the market hall has been delayed slightly due to issues with tenants. Work is most likely to now start in the new year.

The project is likely to fall behind spend profile this year but still likely to spend all of the LGF within the programme timescales.

1.12. **Unlocking Winsford Industrial Expansion Land**

The planning application has continued to be delayed. The most significant delay has been due a Hazard Zone (COMAH) relating to an adjacent business. The hazard zone itself relates to unused and out of date consents which have been confirmed to no longer be in use. The likely impact is that if the consent cannot be revoked the planning permission will be conditioned to accommodate the restrictions.

The application of the new Natural England policy for off-site biodiversity has also caused a delay in by requiring the application to find a new site to accommodate the offsite requirement. Previously a financial contribution could have been made in lieu of this. The new site also needs to be within a certain distance of the application site.

1.13. **Warrington East Highways scheme**

Work has started on site and is going on time and budget. The project is due to finish in December 19.

1.14. **Tarvin Road**

Balfour Beatty have now been engaged to deliver the project and are preparing final costing by the end of November to feed into the final business case due for consideration by P&I in January. Mott Macdonald are completing the final design.

The CPO process will need to start my mid-November to keep the project on track. Is a CPO is required, then the start on site date will be January 2020.

1.15. **Joint Cheshire and Warrington Sustainable Travel Access Fund**

The first of the projects has been approved; Omega to Burtonwood Pathway. Further schemes are expected to seek full approval in January.

1.16. **Omega Local Highways Scheme.**

The consultation period may be pushed back as there is more residential development coming forward and the impact of this needs to be modelled. Currently no concerns about the project development. The project outline business case will be ready for consideration by the P&I committee in April 19.

1.17. **Chef's Whites Academy**

The Chef's Whites Academy was launched by Macclesfield College in October. Almost half of the grant has already been claimed for new equipment. The new course will run from September 19.

1.18. **Energy Fund**

A call for projects has been issued with applications due in at the end of September. There is £4.15m of LGF available and the priorities are:

Priority	Description	Allocation
Priority 1:	Supporting SME resource efficiency The transition to a local carbon economy will affect companies both large and small. Understanding the benefits of adopting energy saving technologies and processes can be a bigger challenge for smaller companies. This priority will seek projects that will deliver targeted support to SMEs in the transition to the low carbon economy by helping to gap fund energy efficiency improvements	£1,000,000
Priority 2:	Smart networks and whole-place energy solutions Maximising the benefits of new low carbon technologies requires consideration of energy on a 'whole system' basis. This priority will seek proposals focussed on supporting development of physical infrastructure linked to 'whole place' energy solutions including smart electricity and heat networks, integrating low carbon transport solutions and energy storage and balancing.	£2,150,000
Priority 3:	Supporting innovation and technology development This priority will support the development of new energy and low carbon technologies and innovations, including potentially piloting and trialling new technologies and processes. It will prioritise support for innovation within the SME base and projects aligned to the Government's 'Clean Growth' Grand Challenge.	£1,000,000
Total		£4,150,000

Following the call period there were a number of applications submitted. Combined they fell short of the funding available and were of varying quality, so we kept the application process open and have subsequently received further applications, again of varying quality. Discussions about how to take

forward this fund are currently taking place to ensure that the funding is invested strategically and in line with the emerging Industrial Strategy.

1.19. Poynton Relief Road

The project continues to be developed. We expect the outline Business case to be submitted for P&I approval in February to enable CEC to draw down approximately £4m of LGF and brings the project back in line with profile previously submitted by CEC.

The OJEU notice has been issued for a contractor and a number of queries about the Contract pre-qualification questionnaire have already been received.

The public enquiry is due to run 20-28th November. The main risk to the project is that one of the objectors will take the case all the way to the high court, having an impact on costs and significantly delaying the project. It will mean that the DfT money may not be defrayed by March 21.

1.20. A500 Dualling

The Outline Business Case has now been submitted to DfT. A funding decision is expected before Christmas. Discussions with Mainline Fuels over the extent of the oil line protection that the council is required to provide are ongoing. Meeting with Duchy planned for Mid November over land issues to help ease potential CPO process.

1.21. Middlewich Bypass

Substantial development work ongoing on the project:

- Balfour Beatty have been engaged via the SCAPE framework.
- Ground Investigations are progressing
- Land owner discussions continuing.
- Planning application documents being drafted by Jacobs / proposed late Oct submission. Redline boundary being developed based upon finalised design for scheme
- CPO – tender returns for external legal support have been reviewed.
- CEC have responded to DBS/Pochins rebuttal statement regarding the supply of employment land within CELPS

1.22. Congleton Link Road

DfT have confirmed the £45m grant to the project. Ground investigations on site have started, with the main work due to start on site in January 19 and due to complete by August 2020.

1.23. Growth Hub

The Growth Hub service was successfully transferred to LEP 'in-house' delivery at the end of the September. This was undertaken as a seamless and silent transfer. The service was fully operational on 1st October and will be fully embedded by end October. Future priority activity includes:

- Updated partner 'knowledge' and target engagement activity in place by end November
- Test activity to increase levels of business engagement – progressive increase monthly enquiries from 25 up to 100 by start of 2019
- Agree monthly programme of service alignment and enhancements – including Inward Investment, website updates and 'conduit to business' role

- Progress ERDF IDB application –launch early 2019
- Progress phased Skills for Growth and Pledge service ESF applications
- Review and update Growth Hub governance to increase regional LA and support alignment

There is currently one full time member of staff employed; the Enquiry and Engagement Manager. Interviews for additional posts are due to take place in mid November.

- ERDF 'IDB' service Team – comprising Growth Team Leader, 2 x Growth Support Brokers, Compliance and MI Officer and Communications and Engagement Officer - Recruitment underway, expected appointment January 2019 subject to ERDF application progress.

3. LGF Finance

The amount of LGF defrayed in q2 was £2.62m which was lower than expected due to slippage on a number of projects. The total spent to date this year is therefore £6.1m. We expect the q3 figure to be approximately £3.9m but then the q4 figure to be as high as £11m as we expect Poynton relief Road to claim at least £4m and work on phase 2 of Sydney road bridge and Warrington West will be substantially underway.

The profile for the year is £16m and we're currently profiling £24m, so there is plenty of contingency should there be further slippage on projects. Achieving spend of anything over £16m will enable us to use money carried forward from an underspend in 16/17 but this needs to be balanced against having enough money to pay projects next year as we will only be paid £8.2m by BEIS in 19/20.

Projects are only claiming in line with the intervention rate this year, to give the LEP greater flexibility to deal with cash flow issues next year. If by the end of q3 it looks like we may fall behind profile we can ask some projects to claim a higher percentage of costs as long as it keeps them within the agreed grant amount and next year we can stop paying on project until they catch up with the intervention rate if need be.

4. LGF Outputs

There has been a significant change in the outputs as BEIS have agreed that the outputs generated at the Omega site in Warrington can be captured against the m62 junction 8 improvement and Birchwood pinchpoint. Also work has been carried to more fully collect output data on completed earlier in the programme and the BEIS target figures have been increased to take account of the figures now contracted on LGF3 projects. The BEIS target figure will continue to increase until all the LGF3 projects are contracted. The current position is therefore:

Outputs	BEIS Target	Contracted on projects	Achieved to date	Percentage achieved
New Commercial Floorspace (sqm)		180,190	363,971	202%
Renovated Commercial Floorspace (sqm)		3671	3671	100%
Businesses receiving investment		29	11	38%
Jobs created	15423	24,493	7,938	32%
Private sector Leverage	373.68	65,469	500	1%
Public Sector Leverage		99	75	76%
New homes completed	5,150	12,784	3,019	24%
New home starts		8,242	0	0%
GVA		20	3.91	20%
Space occupied at Alderley Park (sqft)		18580	1077	6%
Total amount of new road (meters)		481	1081	225%
Total amount of road resurfaced (meters)		2120	2920	138%
Constructions jobs		960	90	9%
Learners benefitting		511	25	5%

5. Growing Places Fund (GPF) Update

5.1. Cheshire Green Employment Park

Work on Cheshire Green is currently on hold while they satisfy planning conditions. Work on site is expected to start again in the new year.

5.2. Glasshouse, Alderley Park

The funding agreement for Glasshouse has been completed and funding is expected to be drawn down over the next 12 months. The first drawdown is likely to be in the new year.

5.3. Further GPF applications

- Funding for sub-station still being progressed.
- An application for £2.5m to carry out energy saving projects at Vauxhall's Ellesmere Port site has been received and is currently being developed.
- An application for funding towards the development of City Place 2 has been received. Muse are in discussions with CWAC over what support they can provide and are expected to come back with a revised application in due course.

6. Cheshire and Warrington Evergreen Fund 2

Work has been ongoing to establish a £15m Cheshire and Warrington Evergreen Fund. The Block 1 and Block 2 reports have been updated and sent to MGCLG. Procurement of legal advice has been

completed, procurement for procurement support has been drafted and discussion have been held with CEC about acting as the Entrusted Entity. However, the costs to establish a new fund are estimated at £80k-£100k. While it was initially envisaged that these costs could be paid for by a loan from the Growing Places fund, it doesn't appear that the loan could be repaid out of the investment returns. Therefore alternative ways of funding these development costs are being explored before a decision is made to continue.

7. Risks

The top operational and programme risks are shown below.

Operational Risks

RISK REF	RISK SCENARIO		FUTURE CONTROLS / MITIGATION MEASURES	Residual risk rating		
	RISK	IMPACT		IMPACT {1-5}	LIKELIHOOD {1-5}	TOTAL
20	Current political landscape and lack of clear support for LEPs from opposition creates risks to delivery of economic development projects in Cheshire and Warrington. May take significant time to transfer delivery to another body.	LEP potentially would have to be wound up and delivery of projects and realisation of benefits could be delayed.	Promote the LEP achievements and its effectiveness at delivering regeneration.	5	3	15
48	Criticism of credit card transactions	Reputational damage to the company and questions over transparency of process and impropriety could be raised.	Clear policy on the purchase of Alcohol and corporate entertainment. Add notes to credit card statements with details of event attended and who was present when there are transactions for hospitality.	4	3	12

36	Not complying with the General Data Protection regulation	Could lead to legal action against the LEP by not conforming.	Review current data held and update how information is held so compliant. CEC to come in and review what info the LEP holds and make recommendations for how the LEP manages info.	4	3	12
34	Loss of key staff	Causes continuity issues, loss of knowledge and reduction in delivery capability while new staff and employed and get up to speed. Unable to carry out key tasks. E.g. counter sign payments and contracts.	Have adequate approved delegation limits and signatories. Make sure staff don't operate in a vacuum and that key tasks are understood by at least one other member of staff. E.g. how to use the claims system (LOGASNET) or payment systems. Look at developing formal programme to ensure we have ability to cope in short term with loss of member of staff.	3	3	9
38	Key stakeholders become disengaged	Loss of relationships and potential influence and support for the LEP activities	Review and update stakeholder management plan. Establish a communications committee	3	3	9

29	Loss of core funding/ Uncertainty about funding from year to year impacts on staff retention.	Staff don't feel secure in their jobs which could lead to a higher than expected staff turnover, loss of expertise and increase in recruitment costs	Look at developing other funding streams and developing an operational surplus to provide a contingency. Funding now confirmed for two years. Build up EZ reserves to give provide appropriate cushion.	3	3	9
27	Not delivering programme level outputs	Reputational damage and impact of future awards of funding. Clawback/repayment of grants	Ongoing monitoring and early identification of any slippage. Consider how projects are contracted robustly.	3	3	9

RISK REF	RISK SCENARIO		FUTURE CONTROLS / MITIGATION MEASURES	FUTURE RISK RATING		
	RISK	IMPACT		IMPACT {1-5}	LIKELIHOOD {1-5}	TOTAL
1	<p>Delivery of the projects to meet financial and output targets in a timely manner are adversely affected by changes to factors such as partner staffing resources, capacity or skills, planning or environmental issues, construction related factors, or financial issues, which could result in delays to projects and/or the programme success given the sensitivity of the programme on a small number of key projects.</p>	<p>Projects and/or programme does not deliver cost or quality requirements on time and fails to achieve the targeted outputs and outcomes within the Growth Deal timeframe.</p> <p>Potential to damage relationships with the LEP.</p> <p>Reputation of the LEP as able to deliver bids submitted to Government is negatively affected.</p> <p>DCLG could potentially take back flexibilities given to manage the LGF Programme.</p> <p>Could affect the award of future funding to the LEP.</p>	<p>Look at revising the offer letter to put stiffer penalties in place for non-achievement of outputs.</p>	4	3	12
2	<p>Overall programme performance impacted by poor performance of the Major transport Projects</p>	<p>LGF programme does not realise its economic growth targets due to nature of focus of Department of Transport objectives versus LGF outputs/outcomes. Achievement of the aims and objectives of the programme adversely affected by any significant issue or risk in any one of the projects.</p> <p>Reputation of CWLEP to deliver is adversely affected due to the scale of the transport scheme projects.</p>	<ul style="list-style-type: none"> - Agreement with DfT and grant recipients on monitoring and reporting requirements against LGF targets. - Work with DfT to understand the funding conditions and any conditions/clawback if the non-transport outputs are not achieved. - Explore to tie in stronger penalties to non-achievement of outputs to the funding offer. 	4	3	12

3	Lack of suitable projects and/or appropriate match funding to form ESIF programme pipeline to meet eligible criteria including meeting cross cutting thematic objectives and revised Treasury deadline of March 2018 for final project submissions. Flexibility or delay in decisions to use of LGF3 as match. Lack of partner support to deploy remaining funds and sources of match funding particularly under the European Social Fund.	ESIF programme does not meet its outputs/outcomes which could result in loss of funding for the sub region. Damage to LEP reputation and credibility both locally and nationally as well as with Government which could impact on consideration for future funding rounds i.e. the future prosperity fund. Loss of funding to the Sub Region to support delivery of growth, jobs and businesses in Cheshire and Warrington and delivery of SEP.	Consider more long term staffing arrangements.	4	3	12
7	Failure to implement the seven recommendations of the ABR Review of FE has a detrimental effect on the delivery of FE skills provision across Cheshire and Warrington..	The benefits to employers, learners, the colleges and the economy more generally will not be achieved.	The Strategic Forum will work to achieve the political buy-in to the implementation	3	3	9
31	Ellesmere Port Estate project significantly delayed and or reduced in scale	Would need to find another project to take up spend, which will get increasingly harder as time passes.	Potentially need to find new "off the shelf" project that could achieve spend and necessary outputs within LGF timescales	3	3	9
33	Fragility of current government means that there is a risk the government could change and lead to a change in policy regarding LEPs.	Change in funding and support for LEPs	Continue to promote the work of the LEP and engage counsellors and MPs from all parties.	3	3	9

34	Due to the unusual investment profile the programme may underperform in 17/18 and then over perform in 19/20 leading to cash flow issues.	There is reputational risk with underperforming this year which could reduce funding available to us in future years. The lack of cash flow in future years again will affect reputation with stakeholders and is difficult to manage once projects are on site.	May need to agree staggering payment profile with LAs.	3	3	9
5	ESIF targets and measurement criteria for C&W, set by Government to meet the National targets, pose a challenge in some of the priority axes to deliver against which puts at risk the achievement of overall LEP ESIF targets and aspirations and could put at risk the 6% performance programme target.	Agreed targets may not be delivered and the ESIF and SEP targets not delivered in full. If by December 2018, the LEP is not forecasting to achieve its targets by the end of the programme, it risks losing a performance reserve of 6% of the programme (approx. £3.6m) Reputational damage if the LEP does not meet its targets.	- Work Northern Powerhouse Investment Fund (NPIF) to explore achievement of additional programme outputs and outcomes and ongoing sustainable reinvestment of EU funds post Brexit. - Possible increase in fund allocation of funds e.g. rural funding. - Work with Government on any early end of programme targets in view of Brexit. Increased output targets for projects required if investments made in Evergreen. New Calls to specifically focus on additional out put requirements in key areas (e.g. grants to business).	3	3	9
	Northgate isn't delivered to the size and scale anticipated when the bus station scheme was approved or within the timescales given.	Loss of outputs and potential reputational damage. Would affect the overall impact of the LGF programme. Chester City continues to lose trade impacting the businesses that already exist there.	Offer to provide additional support to the delivery of the project?	3	3	9

Summary of project status

Project Name	Main Recipient	Main Contractor	Project description	Total Cost (£)	LGF Grant (£)	Total Paid to date (£)	Current Position
LGF							
Completed Schemes							
Birchwood Pinch point (Warrington East Phase 1)	Warrington Borough Council	Balfour Beatty	The scheme aims to improve access to Birchwood Park. It includes: Signal improvements at junction of Birchwood Way/Birchwood Park Avenue A bus only link connecting the Birchwood Way/Faraday Street junction with Ordnance Avenue The replacement of the Moss Gate roundabout with a higher capacity junction to eliminate traffic congestion, accessibility and road safety problems	3,620,000	2,140,000	2,140,000	Completed
M62 J8 Junction Improvements	Warrington Borough Council	Balfour Beatty	The scheme involves the remodeling of the current junction to increase capacity and improve traffic flow.	11,690,000	5,000,000	5,000,000	Completed June 18
Chester Central (Northgate and Bus Interchange)	Cheshire West and Chester Council		The project is to create a new Bus Interchange. The old bus station site will then be freed up to form part of the £380m Northgate development which will see new retail and leisure opportunities developed.	21,000,000	13,500,000	13,500,000	Completed May 17
Thornton Science Park (Chester)	University of Chester	Wilmot Dixon Construction	The project is to refurbish an existing building to create an energy demonstrator. The aim of the Demonstrator is to provide a flexible platform (with office and laboratory space) for research and development, focusing on testing new and emerging technologies across all aspects of energy systems and smart grids. The initial objective is to concentrate research on emerging energy storage technologies.	16,744,000	6,800,000	6,800,000	Completed May 17
Reaseheath Employer Focused Hub	Reaseheath College	John Turner Construction Group Ltd.	Construction of new lecture theatres, teaching and break out study areas of approximately 500m2 connecting the existing HE centre with the centre point building and refurbishment of the existing building approximately 337 m2	2,045,000	674,850	674,850	Project complete and operational
Reaseheath Agri Tech Centre	Reaseheath College	Engineering Extension - Novaplus Ltd. Agritech - Pochin Construction Ltd.	The National Centre for Agri-tech and advanced engineering will provide general teaching areas, workshop space, specialised facilities for robotics, tractor simulation, GPS and the most advanced agricultural engineering machines associated with precision farming, meeting current and future skills needs. In addition the project will introduce robotics to the college farm and livestock management improving animal welfare, farm productivity and reducing environmental impacts.	7,000,000	2,475,000	2,475,000	Project complete and operational
Reaseheath Sports Science and Performance Academy	Reaseheath College	Sports pitches - Blakedown Sport & Play Ltd. Sports Hall - Pochin Construction Ltd.	The construction of new sports facilities to deliver all year round sports provision, wider range of activities, sports science and performance laboratories, increasing recruitment and delivering higher level skills to all sports and public service learners. It will provide essential recreational facilities for 1200 residential students and the local community. The new facilities to include a sports hall a new MUGA pitch and a new 3G pitch to Sports England specifications.	6,000,000	2,170,000	2,170,000	Project complete and operational
Crewe Green Roundabout	Cheshire East Council	Balfour Beatty	Redesign of the existing roundabout to increase capacity and reduce congestion at this pinchpoint.	7,423,000	3,300,000	2,988,287	Completed October 18. Remainder of grant will be claimed at end of q3.
Ellesmere Port and Chester Campus remodeling	South Cheshire College	Perfect Circle leading on design work	The project is to reconfigure the teaching and learning spaces at the Ellesmere Port and Chester Campuses. This is following an Ofsted report which gave the college an Inadequate grading. This was due in part, to the open design and layout of teaching spaces meant that learning is often disrupted by noise from other parts of the building.	3,500,000	3,198,000	3,198,000	Project complete and operational
Sydney Road Bridge (Crewe)	Cheshire East Council	Network Rail and J Murphy & Sons	Replacement of the bridge at Sydney Road with a new bridge which take two lanes of traffic, plus a pedestrian path. The new bridge will reduce congestion in the area.	10,497,000	5,850,000	2,894,154	Phase 1 completed. Sydney Road Bridge now closed as part of phase 2 works.
GM & Cheshire Life Science Investment Programme	Catapult Ventures	Catapult Ventures	£31m Life sciences Investment Fund.	31,982,000	10,000,000	7,653,784	£11.8m now invested in 23 companies.
Reaseheath Learning Hub and Accommodation	Reaseheath College	Learning Hub - Novaplus Ltd. Accommodation - Pochin Construction Ltd	The replacement of temporary residential units (180 beds) with a new 200 bed purposed built facility that will provide accommodation for approximately 320 students meeting increased demand. Addressing significant condition issues in central scientific laboratory Hub	9,980,000	3,556,000	3,403,200	The learning hub is complete. The accommodation will be complete by Christmas.
Centre Park Link (Warrington)	Warrington Borough Council	Not yet appointed contractor	The Centre Park Link comprises a new highway route into the Town Centre, providing access to developable land. This involves the construction of a new bridge structure and associated highway link.	19,350,000	5,300,000	4,187,636	Land issues substantially resolved. Work expected to start on site in January
Warrington West Station	Warrington Borough Council	Network Rail	New train Station. The new Warrington West railway station will act as a key interchange node with two main aims, improving accessibility throughout the western and northern sectors of Warrington and servicing Chapelford Urban Village, Briarswood Village, the Omega regional employment site and the neighbouring Lingley Mere employment sites.	18,415,000	6,530,000	5,877,000	Work on site going well. Station building now watertight.

Ellesmere Port Central Development Zone	Cheshire West and Chester Council	Not yet appointed contractor	Development of one estate for the following services: Council, GPs, DWP, Fire, Police and Ambulance services. The new building/s will be built on the site of the existing council offices freeing up sites to be developed for housing and commercial activities.	35,000,000	8,332,000	-	Conditional approval given to the project. Work on the final business case underway.
Crewe High Speed-ready Heart Town Centre Regeneration Programme	Cheshire East Council	Parkinsons to lead Market Hall Work	The overall scheme is £67m and will see significant remodeling of the town centre, including the demolition and relocation of the existing bus station and the creation of a new shopping arcade. The business case put forward concentrates on the elements to be funded through LGF and the Cheshire East Council, which are, the Bus Station, new multi-story car park, public realm and reconfiguration and updating of the markets.	69,000,000	10,000,000	648,610	Works progressing well. Cinema operator signed up to scheme HOTs drafted with bowling operator. Vacant possession now completed for most of the properties required by the scheme. Market Hall works to start in January.
Unlocking Winsford Industrial expansion Land	Cheshire West and Chester Council	Not yet appointed contractor	Infrastructure works to open up the site for redevelopment to create new commercial and industrial buildings with associated jobs.	5,000,000	3,800,000	293,084	Planning application submitted. Final Business Case (FBC) being worked on.
Tarvin Road (Chester)	Cheshire West and Chester Council	Not yet appointed contractor	Improvement to the highway to help improve traffic flow.	5,427,000	3,663,000	118,715	Scheme being developed in detail. FBC due January 19
Warrington East Highways Improvements	Warrington Borough Council	Balfour Beatty	A five part scheme of traffic improvements to open up development sites and improve traffic flow.	13,500,000	6,900,000	1,864,243	On site and on programme. Works expected to finish Jan 20.
Omega Local Highways Schemes phase 2 (Birchwood)	Warrington Borough Council	Not yet appointed contractor	Highway improvements. Scheme options currently being developed.	6,465,000	4,300,000	-	Traffic modelling and consultation work ongoing
Skills	TBD	n/a	Skills strategy developed. Call to be issued following further development of the Pledge work.	5,000,000	5,000,000	-	Developing priorities. Call process likely to be run in new year.
Energy Innovation	TBD	n/a	Energy Innovation fund, split into three themes: Supporting SME resource efficiency, Smart networks and whole-place energy solutions, Supporting innovation and technology development	4,151,070	4,151,070	-	Applications received of mixed quality. Waiting to see if Local authorities submit any more bids before decision on applications received taken.
Joint Cheshire and Warrington Sustainable Travel Access Fund	CWAC, WBC and CEC	n/a	8 projects across Cheshire and Warrington designed to improve sustainable transport through the provision of new greenways.	7,750,000	5,000,000	-	1/7 project: Omega to Burtonwood has been approved. Other projects still in development.
Major Transport Schemes							
Poynton Relief Road	Cheshire East Council	tbc	Poynton Relief Road is a proposed 3km single carriageway road scheme to the west of Poynton with the primary aims of relieving village centre congestion and regenerating the north of the borough.	38,000,000	21,000,000	-	Development work ongoing. CEC are going to seek conditional approval of the project from the LEP in January in order to draw down grant funding.
Middlewich Bypass	Cheshire East Council	tbc	To deliver a highway scheme which functions as a proper By-Pass to deliver the traffic solution for Middlewich and all the Council's requirements	58,483,982	46,780,000	-	Land issues still being negotiated. Tender for legal support for Compulsory Purchase Order received. Planning application expected to be submitted end of October.
Congleton Link Road	Cheshire East Council	Graham Construction	A new 3.5 mile road for Congleton to reduce congestion and support town centre regeneration. The Congleton Link Road would join the A534 Sandbach Road (to West of Congleton) with the A536 Macclesfield Road (to the North of the town).	90,743,268	45,000,000	-	Project has started on site.
A500 dualing	Cheshire East Council	tbc	Dualing the A500 from m6 j16 to Meremoss roundabout	57,000,000	45,000,000	-	Lots of work to development work ongoing including surveys and land negotiations. Traffic modelling complete. Planning application submitted.
GPF					Loan (£)		
Cheshire Green Employment Park	Cheshire Green Employment Park Limited	Jones Bros.	Infrastructure works to open up the site for redevelopment to create new commercial and industrial buildings with associated jobs.	14,000,000	3,200,000	1,130,759	First phase completed. Land revalued. First plots sold
Glasshouse, Alderley Park	Bruntwood		Refurbishment of a previously owned Astra Zeneca building into new office space.	26,950,000	3873000	-	£16m of work completed. Expected to finish summer 19

Project	Total project cost (£)	Intervention rate (%)	Total grant	Paid to date	Profiled 18/19	Actual q1 18/19	Actual q2 18/19	Profiled Q3 18/19	Profiled Q4 18/19	19/20	20/21	Total	Comment
LGF1/2													
BEIS funding Profile					7,521,336					3,990,092	4,712,629	84,452,230	
Balance c/f (defrayed by CEC)					19,744,168					12,556,808	- 2,223,176		
Total Balance (profile +c/f)					27,265,504					16,546,900	2,489,453		
Completed Projects													
Chester Central	21,637,682	62.39	13,500,000	13,500,000	-					-		13,500,000	
Thornton Science Park	17,382,850	39.12	6,800,000	6,800,000								6,800,000	
Housing Fund Revenue (CWAC)	7,500,000	100.00	7,500,000	7,500,000								7,500,000	
DfT Tail majors including Crewe Green Link Road	25,747,350	18.64	4,800,000	4,800,000								4,800,000	
Birchwood Pinchpoint	4,986,000	42.92	2,140,000	2,140,000								2,140,000	
M62 J8 Junction Improvements (Omega)	11,690,000	42.77	5,000,000	5,000,000	-							5,000,000	Fully claimed
Reaseheath Agri Tech Centre	7,457,972	33.19	2,475,000	2,351,250	123,750		123,750					2,475,000	Fully claimed
Reaseheath Employer Focused Hub	1,889,307	35.72	674,850	674,851	33,743		33,743					708,593	Fully claimed
Reaseheath Sports Science and Performance Academy (osprey)	6,169,154	35.17	2,169,750	2,169,751	108,488		108,488					2,169,750	Fully claimed
Live Projects													
Sydney Road Bridge	10,378,000	56.37	5,850,000	2,955,846	2,894,154	113,000	675,200	1,000,000	942,954	-		5,737,000	Profile updated May 18
Crewe Green Roundabout	7,500,000	44.00	3,300,000	2,988,287	1,955,993	540,423	1,103,857					4,403,857	updated 17.04.18
GM & Cheshire Life Science Investment Programme	31,982,000	31.27	10,000,000	7,653,784	2,188,900	651,460		469,050	442,990	808,776		10,000,000	updated 17.04.18
Reaseheath Learning Hub and Accommodation	11,244,158	31.63	3,556,000	3,403,200	152,800				152,800			3,556,000	5% left to claim
Warrington Waterfront (Centre Park Link)	19,891,000	26.65	5,300,000	4,187,636	582,364				582,364	530,000		5,300,000	Profile updated 06.06.18 dependent on land issues being resolved. Profile reflects funding 100% of costs to date and looks to hold back 10% in final year reprofiled 17.04.18 to reflect revised int. rate and need to hold back 10%
Warrington West Station	19,694,000	33.16	6,530,000	5,877,000	809,571	809,571				653,000		6,530,000	10%
Ellesmere Port Central Development Zone	32,000,000	26.04	8,332,228		500,000			125,000	160,500	2,445,000	5,387,000	8,332,000	Profile updated November 18 following OBC submission
Ellesmere Port and Chester Campus remodelling	3,791,198	84.35	3,198,000	2,131,617	2,242,203	1,175,821						3,198,000	Complete
Poynton Relief Road	50,700,000	11.05	5,600,000		4,000,000				4,000,000		1,600,000	5,600,000	Updated November 18 based on OBC approval in Feb 19
Total LGF 1/2 spend	291,640,670	33.17	96,725,828	74,133,221	15,591,966	3,290,275	2,045,038	1,594,050	6,281,608	4,436,776	6,987,000	97,750,199	
Funding defrayed on CEC projects													12,073,850
			Indicative allocation / Profile										
LGF3													
BEIS funding Profile					8,494,566					4,244,678	20,192,577	61,549,115	
Crewe High Speed-ready Heart Town Centre Regeneration Programme	24,700,000	40.49	10,000,000	648,610	720,000	80,832	87,509	290,800	228,859	5,195,000	3,604,731	10,000,000	Profile from CEC updated 02.08.18
Unlocking Winsford Industrial expansion Land	10,900,000	34.86	3,800,000	293,084	997,500		73,084	200,000	674,416	1,716,684	865,816	3,800,000	Updated profile on 02.08.18
Tarvin Road	5,427,000	67.50	3,663,000	118,715	328,117		118,715	70,000	72,402	1,817,229	1,517,654	3,663,000	Based on profile provided April 18. Awaiting reprofile
Warrington East Highways Improvements	13,500,000	51.11	6,900,000	1,864,243	3,540,680	68,865	285,123	1,200,000	1,186,692	1,849,065		6,900,000	Updated profile 17.04.18
Omega Local Highways Schemes phase 2	6,465,000	66.51	4,300,000							500,000	3,800,000	4,300,000	updated 11.09.18. needs confirming by WBC
Skills	5,000,000	100.00	5,000,000		1,000,000				1,000,000	2,500,000	1,500,000	5,000,000	Best Guess
Energy Innovation	4,151,070	100.00	4,151,070		1,000,000				1,000,000	2,000,000	1,151,070	4,151,070	Best Guess
Joint Cheshire and Warrington Sustainable Travel Access Fund													Spend slipped from 17/18 due to approval process of schemes.
Burtonwood Omega Path (WBC)	1000000	50.00	500,000					15,000		500,000		500,000	Seeking full approval Sept 18
Chester Road (WBC)	900000	66.67	600,000							200,000	400,000	600,000	seeking full approval Dec 18
TPT Upgrade (WBC)	900000	66.67	600,000							200,000	400,000	600,000	Estimated profile
Wilmslow Strategic Cycle and Walking route (CEC)	1300000	38.46	500,000							500,000		500,000	Seeking full approval mar 19
Northwest Crewe Cycling and Walking Link (CEC)	2145000	51.28	1,100,000							1,100,000		1,100,000	Seeking full approval mar 19
A5117 Cycle Route, Ellesmere Port (CWAC)	602000	63.12	380,000							100,000	280,000	380,000	Estimated profile
Station View and Canal Towpath (CWAC)	4379000	15.53	680,000							200,000	480,000	680,000	Estimated profile
Sutton Way Boulevard, Ellesmere Port (CWAC)	1024000	62.50	640,000							200,000	440,000	640,000	Estimated profile
Macclesfield College - Chef's Whites Academy	200,000	12.50	25,000	10,586	25,000		10,586		14,414			25,000	
Unallocated skills money			1,150								1,150	1,150	
Total LGF3 Spend	82,593,070	51.87	42,840,220	2,935,238	7,611,297	149,697	575,017	1,775,800	4,176,782	18,577,978	14,439,271	42,840,220	
Difference between profile and forecast spend										- 14,333,300	5,753,306		
LGF total profile					16,015,902					8,234,770	24,905,206		
Total LGF BEIS profile + CF funding					35,760,070					20,791,578	22,682,030	146,001,345	
Total LGF 1/2/3 spend	374,233,740		139,566,048	77,068,459	23,203,263	3,439,971	2,620,055	3,369,850	10,458,390	23,014,754	21,426,271	140,590,419	
Difference										- 2,223,176	1,255,759		
Major Transport Schemes													
Poynton Relief Road			16,400,000										
Crewe High Growth City – Congleton Link Road	89,600,000		45,000,000	3,500,000	12,500,000					27,500,000		47,000,000	
Total LGF allocation	463,833,740		200,966,048										
Middlewich Bypass	60,250,000		48,057,000	2,632,000	875,000					10,208,000	26,301,000	41,824,000	updated May 18. £1.257m secured from DfT. Project not due to complete until 2021. No funding will come through LEP.
A500 dualing	55,000,000		45,000,000								1,000,000		DfT given £2m development grant. May not start until 2021
Total	115,250,000		355,423,048	2,632,000	875,000					10,208,000	27,301,000	625,995,518	
TOTAL LGF SPENT	=		79,700,459										
LGF Revenue													
Growth Hub			287,000			68,517		76,500	72,000			574,000	
Management Charge (1%)			428,930		107,233					107,233	107,233	428,932	
GPF													
Opening Balance			12,100,000		11,425,625								
Cheshire Green Employment Park			3,200,000		1,925,000							3,200,000	
Glasshouse Alderley Park	26,950,000		3,872,876										
Total	26,950,000		3,200,000		1,925,000							3,200,000	
LEP total spend by year	516,433,740		498,189,096		26,003,263					33,222,754	48,727,271	186,560,739	