



Cheshire & Warrington Local Enterprise Partnership Performance and Investment Committee

Title: Local Growth Fund – Centre Park Link, Warrington

Agenda item: 4

Prepared by: Rachel Brosnahan, Programme Manager

Date of Meeting: 19th December 2018

1. Purpose

- 1.1. To seek final approval from the P&I Committee to provide a grant to Cheshire East Council of £5.3m towards the £19.9m costs of the Warrington Centre Park Link project.

2. Recommendations / Actions / Decisions Required:

2.1. The Committee is asked to:

- **Note** the contents of the Business Case and Independent Assurance review;
- **Authorise** the LEP executive to issue a final offer letter for £5.3m of Local Growth Fund grant towards the delivery of the Centre Park Link project.

3. Progress to date

- 3.1. The project was given outline approval in April 2017 and allowed to claim up to 90% of the costs incurred to date. Warrington BC has now claimed £4.19m of the available grant.
- 3.2. The project has been significantly delayed as the council were unable to negotiate to buy the land they required for the scheme. They started a Compulsory Purchase Order (CPO) process in 2017 and have recently had the CPO confirmed. In the meantime they were able to successfully negotiate with two land owners. They are still outstanding the final small piece of land required to complete the scheme but this can now be acquired by CPO.
- 3.3. There have been badgers on site which have proved problematic as the sets were tampered with, but these have now successfully been closed.
- 3.4. Enabling works have now started on site and Maro, the major landowner has started earth works to the side of where the new road will be.
- 3.5. The conditions of the Outline approval have been substantially met.
 - Planning permission for the scheme has been granted
 - The delivery contract between WBC and Balfour Beatty was signed in September 2018.
 - The land required for the scheme has been acquired bar the small parcel required at the end of the scheme which will now be acquired through a CPO.
 - The target cost for the scheme has been agreed and is £19.891m.
 - Warrington Borough Council (WBC) has been successful in securing £3.686m of additional financial support for this project from the Housing Infrastructure fund which replaced an unsecured developer contribution.
 - The BCR for the scheme has been updated and is now 6.5, representing very high value for money.

4. Background

- 4.1. The Warrington Waterfront project involves the development of a new highway network to the south-west of Warrington Town Centre. The Waterfront proposal is split into three distinct schemes; **Centre Park Link**, Waterfront West Link and the Bridgefoot Link.
- 4.2. Scheme 1 – the Centre Park Link provides additional infrastructure in the form of a new bridge crossing of the River Mersey from Chester Road to Centre Park Employment Area, an improved route from there to Slutchers Lane at the Southern end of the town centre and road changes in the Palmyra Cultural Quarter of the town centre itself.
- 4.3. These projects support release of employment and residential land that without infrastructure intervention has proved undevelopable but which also creates network resilience by providing new route options that allow relief to key congested locations and therefore aid further development of other areas of the town centre. The significant areas of land to be released by infrastructure changes are at the heart of the town and its economy but necessitate overcoming challenges of river and railway crossings, in addition to junction alterations.
- 4.4. The scheme was included in the 2014 Strategic Economic Plan and was awarded £5.3m of LGF in 2014 subject to a satisfactory business case being produced.
- 4.5. The council have consulted with the public over the scheme and there is strong support for the scheme. Comments have been taken on board with revisions to the scheme implemented as appropriate.

5. Scheme Details

- 5.1. The scheme provides congestion relief around Bridgefoot Gyratory by providing alternative routes for traffic – for example from Chester Road via Slutchers Lane to Wilson Patten Street and from Chester Road to Sankey Island. At present around 46% of traffic travelling north on Chester Road through Bridgefoot Gyratory heads to Wilson Patten Street, creating both congestion and air quality issues. Movement of traffic away from Bridgefoot allows potential for increased land development and better public realm.
- 5.2. Once the scheme is delivered it will provide new highway routes from the south of the borough into both the Centre Park development and the Town Centre. This will provide congestion relief along Chester Road and provide additional routing options for traffic to introduce further resilience onto the network.
- 5.3. The provision of additional highway routes around the Centre Park development makes currently inaccessible land viable for development. Maro have already started developing the land at the back of Centre Park Link for housing.

Image of proposed bridge across the River Mersey onto Chester Road



5.4. The scheme will deliver:

- A new bridge structure from Chester Road into the southern site of Centre Park;
- A new section of highway from the new bridge structure to Slutchers Lane;
- Resurfacing of the existing Slutchers Lane section that connects into the new highway link;
- Re-arrangement of the traffic management at the north end of Slutchers Lane; and
- A mitigation package of works to deal with any impacts on the Gainsborough Road estate.

6. Proposed Funding

6.1. The proposed funding of the scheme is detailed below:

Funder	Amount (£m)
LGF	5.3
Housing Infrastructure Fund	3.686
Warrington BC	10.905
Total	19.891

The council's contribution has been approved by their cabinet.

7. Delivery

- 7.1. The Scheme will be delivered by Balfour Beatty through the scape Framework. The project is expected to take 18 months to complete, starting on site in May 2018 and complete in early 2020 although the enabling works have already started and site board including the LEP, Growth Deal and Northern Powerhouse Logos are in place.
- 7.2. WBC have a good track record for delivery. Utilising LGF they have already delivered Birchwood Pinchpoint (Warrington East Phase 1), M62 j8 was completed in May 18 on time and budget, Warrington East Phase 2 is currently on site and is running to time and budget. Warrington West station had P&I full approval earlier in the year and is also on site but has slipped behind programme mainly due to external factors. It is clear that WBC have the capacity, capabilities and experience to manage and deliver infrastructure projects

8. Outputs

8.1. The outputs and outcomes expected from the project are:

- Public Leverage of £14.591m
- Help to unlock 19ha of mixed use, leisure and B1/B2 office space
- Create 372 jobs
- 500 new homes

8.2. Other indirect benefits of the scheme are:

- Increase in the attractiveness of Warrington as a place to live;
- Temporary jobs during construction;
- Improved access to jobs as well as supporting economic growth and physical regeneration at Centre Park and in the Town Centre;
- Making Warrington a more attractive place for businesses to invest;
- Journey time savings for commuters, business users and Transport Providers;
- Increased resilience and reliability of the highway network;
- Reduced pedestrian and cyclist severance between the Town Centre and Centre Park Business Park; and

- Contributing to the achievement of air quality objectives.

9. Atkins Independent Appraisal

9.1. Atkins has carried out an appraisal of the project and given the project an **overall score of 2: requirements substantially met**. The scores shown on the independent assessment as follows:

Management Case	1: Requirements Fully Met
Commercial Case	1: Requirements Fully Met
Financial Case	1: Requirements Fully Met
Economic Case	2: Requirements Substantially Met
Strategic Case	1: Requirements Fully Met

- 9.2. The reason for the score of 2 for the Economic Case is that the appraiser felt “Ideally some of the more likely options considered could have been subject to quantitative assessment to establish the highway network's level of service prior to selection of the preferred option.” The traffic modelling which helped informed the options was originally carried out in 2015 new guidance has since emerged and also some of the assumptions with regard to developments included in the model have changed.
- 9.3. However, the value for money statement reports a **BCR of 6.5** which is significantly higher than the figure of 4.9 presented in the outline business case. A scheme with score above 4 is classed by the DfT as “Very High Value for Money”.
- 9.4. There is a strong strategic and economic rationale for doing the scheme which has been supported by the appraisal.

10. Appendices

Appendix 1 - Independent Assurance Report