

GREATER MANCHESTER COMBINED AUTHORITY

Date: 26 March 2021

Subject: Local Growth Deal (1, 2 and 3) - Six Monthly Progress Update

Report of: Andy Burnham, Mayor of Greater Manchester, and Eamonn Boylan, Chief Executive Officer, GMCA & TfGM

PURPOSE OF REPORT:

The purpose of this report is to provide the Combined Authority with an overview of progress on the delivery of the Local Growth Deal (LGF) Programme (Tranches 1, 2 and 3), to ensure full Growth Deal grant spend by March 2021.

RECOMMENDATIONS:

The GMCA is requested to:

1. Note that the Local Growth Deal Programme is on target to achieve full Growth Deal grant spend by 31 March 2021;
2. Note the progress made in relation to the Growth Deal Transport Major Works programmes;
3. Note the progress made in relation to the Growth Deal Transport Minor Works and Additional Priorities programmes; and
4. Note the progress made in relation to the Non-Transport Skills Capital and Economic Development & Regeneration (ED &R) programmes.

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Equalities Implications:

The Growth Deal Transport programme is managed in line with current legislation and assessments are carried out by the promoters of each scheme.

Climate Change Impact Assessment and Mitigation Measures:

The Growth Deal Transport programme objectives are to introduce measures to enable economic growth within Greater Manchester. The programme contains measures to enable growth to be accommodated through improvements to the public transport network and to encourage increases in active travel.

Risk Management:

Risk management considerations are referred in paragraphs 5.2 and 5.3 of the report.

Legal Considerations:

Legal Considerations are referenced in paragraphs 5.2 and 5.3 of the report.

Financial Consequences – Revenue:

Financial Consequences – Revenue, are referenced in paragraphs 5.1, 5.2, 5.3 and 5.4 of the report.

Financial Consequences – Capital:

Financial Consequences – Capital, are referenced in paragraphs 5.1, 5.2, 5.3 and 5.4 of the report.

Number of attachments to the report: None

Comments/recommendations from Overview & Scrutiny Committee

N/A

BACKGROUND PAPERS:

None.

TRACKING/PROCESS	
Does this report relate to a major strategic decision, as set out in the GMCA Constitution	Yes
EXEMPTION FROM CALL IN	
Are there any aspects in this report which means it should be considered to be exempt from call in by the relevant Scrutiny Committee on the grounds of urgency?	N/A
GM Transport Committee	Overview & Scrutiny Committee

EXECUTIVE SUMMARY

- 1.1 This report sets out the progress made on the Local Growth Deal programme over the last six months, following the last update provided to the Combined Authority in September 2020. The report sets out progress on the Transport Majors, Minors and Additional Priorities and the Skills Capital and Economic Development & Regeneration (ED &R) Programmes (Growth Deal 1,2 and 3).

2. INTRODUCTION

- 2.1 The Local Growth Deal (LGF) announcements made by Government in July 2014, January 2015 and November 2016 confirmed capital funding for Greater Manchester in relation to a programme of Major Schemes, Minor Works, Additional Priorities, Skills Capital and Economic Development & Regeneration (ED &R) Programmes (Growth Deal 1, 2 and 3).
- 2.2 The Growth Deal Programme is in the final year of delivery, with all of the LGF grant now forecast to be spent by 31 March 2021, in line with the grant conditions.
- 2.3 The projects which remain to be completed beyond March 2021 will be funded by utilising non-Growth Deal funding. This will be achieved through using the local flexibility written into LGF under the 'Single Pot' principles following the GMCA approval of the introduction of additional projects into the LGF programme in July 2019 and July 2020. Recycled funding from these projects will be utilised to complete the full LGF programme.
- 2.4 This report provides an update in respect of the current position on, and recent progress in relation to, the various elements of the Growth Deal programme.

3. TRANSPORT MAJOR SCHEMES OVERVIEW

- 3.1 The Growth Deal Major Transport scheme programme is made up of fifteen schemes, delivered either by TfGM or Local Authority Partners.
- 3.2 Twelve of the Growth Deal schemes have progressed through Full Approval and are now in implementation (either in their entirety or on a phased Full Approval basis); with a further three schemes having secured Conditional Approval and now working towards the achievement of Full Approval.
- 3.3 Since the September 2020 update, the Oldham Town Centre Regeneration GD3 scheme has achieved Conditional Approval and phased Full Approval for the first package of works which is now on site.
- 3.4 Five Major schemes, Wigan Bus Station, MSIRR Regent Road/Water Street, Wigan A49 Link Road, Ashton Interchange and MSIRR Great Ancoats Street are now complete. Works are progressing on the Salford Bolton Network

Improvement Programme (SBNI), Stockport TCAP projects, Rochdale South Heywood Link Road, A5063 Trafford Road scheme (Salford), Oldham Town Centre Regeneration/Accessible Oldham and the final element of the Metrolink Service Improvement Package. Advance works are progressing on the Wigan M58 Link Road and Stockport Mixed Use Development schemes. Salford Central Station and Carrington Relief Road are in the final stages of development prior to moving into delivery.

4. INDIVIDUAL TRANSPORT SCHEMES UPDATE

- 4.1 Work to deliver all of the Major Schemes within the Growth Deal programme has been continuing in recent months. A brief summary of the current position in relation to each of these schemes is provided below.

South Heywood Area Wide Improvements

- 4.2 The scheme was granted Full Approval and funding in July 2020 in line with the agreed Growth Deal governance arrangements. The main works started on site in September 2020 and the Growth Deal elements of the works are expected to be completed by spring 2022.

Wigan Gateway A49 Link Road

- 4.3 The scheme was granted Full Approval and funding in February 2018 in line with the agreed Growth Deal governance arrangements. The scheme is now complete and was opened to the public on 26 June 2020.

Salford Central Station Additional Platforms

- 4.4 An initial redevelopment scheme for Salford Central was granted Conditional Approval in June 2016 in line with the agreed Growth Deal governance arrangements. However, in September 2016 GMCA requested the development of a revised scheme that would safeguard future rolling stock extensions and timetabling development with an associated phased approach to delivery, in order to maximise the benefits of the scheme.

- 4.5 TfGM and Salford City Council continue to work with the rail industry to develop the proposals for new operational platforms 3, 4 and 5. TfGM has undertaken a feasibility study to assess the potential to accommodate longer trains and, in conjunction with Salford City Council and Network Rail, has now identified a set of preferred infrastructure options to be taken forward for further design and development work. These options are now being progressed through the Network Rail Governance for Railway Investment Projects.

- 4.6 Network Rail has advised that the development of an advanced Network Rail renewal scheme on platforms 1 and 2 is underway, with an expected start on site in 2022.

MSIRR Improvements – Regent Road / Water Street

- 4.7 The scheme was granted Full Approval and funding in June 2018, in line with the agreed Growth Deal governance arrangements. The works were completed in January 2020.

MSIRR Improvements – Great Ancoats Street

- 4.8 The scheme was granted Full Approval and funding in October 2019, in line with the agreed Growth Deal governance arrangements. The works were substantially completed in February 2021.

Wigan Gateway M58 Link Road

- 4.9 The scheme was granted Conditional Approval in February 2018, in line with the agreed Growth Deal governance arrangements. In July 2020 GMCA granted approval of £1.9 million of Growth Deal 3 funding to facilitate the delivery of an advanced works package, including utility diversions and accommodation works, and these works are progressing well. Complexities in agreeing an appropriate design solution for the Network Rail structure affected by the link road have impacted the timescales for delivery. The Council has appointed technical experts to progress the detailed design of the scheme. A Full Approval Business Case will be submitted once the necessary powers and consents have been obtained, currently scheduled for spring 2022.

Wigan Bus Station

- 4.10 Works for the new bus station commenced on site in July 2017 and the bus station was opened to the public in October 2018, two months ahead of schedule.

Stockport Town Centre Access Plan

- 4.11 The Stockport Town Centre Access Plan (TCAP) is one of a small number of large and / or complex Local Growth Deal schemes for which Ministers decided that DfT should retain approval oversight.
- 4.12 The scheme is being delivered in three phases and Full Approval is in place for all phases of scheme.
- 4.13 All TCAP projects are being delivered under Stockport Council's STaR (Stockport Trafford and Rochdale) Alliance Framework, with the exception of one scheme at Travis Brow. The value and nature of the Travis Brow scheme required it to be procured through alternative arrangements and this was awarded through the Highways England Collaborative Delivery Framework in autumn 2017. The Travis Brow scheme is now complete and open to traffic, cyclists and pedestrians.
- 4.14 Works for the TCAP programme as a whole commenced on site in April 2015 and to date, 46 works packages have been completed and construction is progressing well on 2 further works packages. Wayfinding for the whole TCAP programme is also currently being rolled out. One work package is currently

at the final design development stage. All Growth Deal works packages will be completed by the end of March 2021.

Ashton-under-Lyne Interchange

- 4.15 The scheme was granted Full Approval and funding in February 2017 in line with the agreed Growth Deal governance arrangements. The new interchange scheme is now complete and was opened to the public in August 2020.

Stockport Mixed Use and Interchange

- 4.16 Conditional Approval for the original Interchange scheme was granted in November 2015, in line with the agreed Growth Deal governance arrangements.
- 4.17 A further Gateway Review to assess the subsequently developed Mixed Use scheme was concluded in late 2019 and, in turn, approved in line with the agreed Growth Deal governance arrangements in May 2020.
- 4.18 Full Approval for the scheme was granted in July 2020 to enable a staged series of contractual commitments to be entered into with the Main Contractor; noting that a further independent health check will be undertaken once the design and associated costs have been finalised and prior to main works commencing on site in 2021.
- 4.19 Early highway related works associated with an advanced enabling works package to construct a temporary bus station on the site of nearby Heaton Lane car park have been completed, and the temporary bus station construction works are currently being progressed. These works are due for completion in summer 2021. In addition, a temporary Travel Shop has been created and is now operational within an existing unit within the Mersey Square shopping precinct. Further enabling works are planned to commence on the main site in due course in parallel to Full Business Case submission that is currently scheduled for summer 2021, ahead of Main Contract award, currently scheduled for autumn 2021.
- 4.20 As previously reported, in order to mitigate project risk a decision was taken to progress the Stockport Interchange Bridge and associated highway works, through Stockport Council, as advanced works packages for the main Interchange scheme. The new bridge and highways works are complete and the bridge has provided more flexibility, a greater level of resilience, helped to ease congestion and improved pedestrian access within the town centre.

Salford Bolton Network Improvement Programme

- 4.21 The Salford Bolton Network Improvements (SBNI) scheme is being delivered via a number of Delivery Packages (DP). Each package comprises a series of interventions which focus on improvements to junction layouts, pedestrian access provisions, bus priority measures and cycle infrastructure, all of which have been developed in collaboration with Salford City Council and Bolton Council.

- 4.22 The Conditional Approval business case for the Salford Bolton Network Improvement programme was approved, in line with the agreed Growth Deal governance arrangements, in February 2016. The SBNI delivery packages are being delivered through a phased approval and delivery approach under the Growth Deal Minor Scheme Governance arrangements, as previously agreed.
- 4.23 Works on the Bolton Delivery Package 5 Phase 2 (Newport Street junction) were completed in winter 2020 whilst works on Bolton DP5 Phase 2 (Newport Street Interchange) are scheduled to start in spring 2021 and are currently scheduled for completion in summer 2021. Works on the Bolton DP 5 Phase 3 (St Peters Way junction) commenced in winter 2020 and are anticipated to be complete in summer 2021.
- 4.24 Works on the Salford Delivery Package 6 (Madams Wood Road) were completed in winter 2020 whilst works on Delivery Package 4 (Pendleton) and Delivery Package 3 (A666) are ongoing and are anticipated to be completed in summer 2021. Works are ongoing to finalise the development of the remaining reserve schemes within the programme with an overall programme completion currently forecast for spring 2022.
- 4.25 The status of all the delivery packages of work making up the SBNI programme is set out at Appendix A to this report.

Metrolink Service Improvement Package

- 4.26 Following the granting of Full Approval for this package of works in summer 2014, all of the 16 trams funded from the Growth Deal programme came into operational use in October 2016. With regards to the supporting infrastructure works associated with this package of improvements, the new wheel lathe has been installed in the Trafford depot and the new substations are operational. Work to install a new turn back at Sale commenced in January and is expected to be completed later this year.

A5063 Trafford Road Improvements

- 4.27 The scheme was granted Full Approval and funding in June 2020, in line with the agreed Growth Deal governance arrangements.
- 4.28 Salford City Council (SCC) contracted vegetation clearance works in January 2020 and a second package of enabling works commenced in June 2020 to carry out advanced utility diversion works, clearance of advertising units and installation of temporary CCTV for traffic monitoring/control.
- 4.29 SCC awarded the main works contract in July 2020, with access to site granted at the start of November 2020. The contractor has completed the management of the remaining utility diversion works and commenced full site clearance works. Work has also started to temporarily relocate traffic signal equipment to enable construction of the new junction configurations.
- 4.30 Works are currently programmed for completion in spring 2022.

Carrington Relief Road (Spur Extension)

- 4.31 The scheme was granted Conditional Approval in January 2020. The new road infrastructure is intended to relieve congestion on the A6144, the principal road serving the communities of Carrington and Partington and connecting to Sale and the M60 motorway, to enable further development to take place. Trafford Council is working with private sector partners to deliver these improvements as part of a wider scheme.

Oldham Town Centre Regeneration and Connectivity

- 4.32 Oldham Council has developed the programme for this Growth Deal 3 scheme, which is made up of a series of minor highway and public realm enhancement projects, each with a value of less than £5 million. These projects will be delivered through a phased approval and delivery approach under the Growth Deal Minor Scheme Governance arrangements, as previously agreed, and in line with the approach being adopted for Salford Bolton Network Improvement programme. Conditional Approval status has now been achieved for the full programme, and a mini-business case approved, subject to cost certainty, for the first of three works packages. The first package has been substantially delivered, with all work on all three schemes in the first package due to for completion on site in early April 2021. Mini business cases for the remaining two packages are being developed.
- 4.33 Oldham Council will be entering into a Strategic Partnership Agreement with a delivery contractor for the remaining works packages. This opportunity has been advertised and expressions of interest are currently being evaluated. The target date for an Agreement to be in place is the end of May with a view to work commencing on site in summer 2021 and being complete by spring 2022.

5. TRANSPORT MAJOR SCHEMES – FINANCIAL UPDATE

- 5.1 Claims for the reimbursement of expended costs from scheme promoters are being processed on an ongoing basis, in line with the agreed Major Schemes Capital Programme Guidance.
- 5.2 The previously approved arrangements for the cash flow of development work by scheme promoters are being kept under regular review and the quarterly Capital Expenditure Updates to the GMCA provide ongoing expenditure information in relation to these costs.
- 5.3 The monitoring of the financial position on the Growth Deal programme which takes places on an ongoing basis has identified a number of schemes with projected potential savings or overruns against the original budget. As the GMCA's Local Growth Deal budget is fixed, the ultimate cost risk is borne by the relevant scheme promoter, which is either GMCA, for TfGM promoted schemes, or the relevant Local Authority. The agreed arrangements for

dealing with these savings and cost overruns are being progressed, as set out in previous reports.

- 5.4 Work has continued with scheme promoters to ensure schedules and financial forecasts are regularly reviewed, and that risks and issues are identified and mitigated. As a result, the Major schemes programme is forecast to fully spend the remaining grant within the Growth Deal funding period to 31 March 2021. The projects which remain to be completed beyond March 2021 will be funded by utilising non Growth Deal funding as set out in paragraph 2.3.

6. ADDITIONAL PRIORITIES AND MINOR WORKS

- 6.1 The Growth Deal 1, 2 and 3 Minor Works initiatives are being delivered by the 10 GM Local Authorities and the Growth Deal “Additional Priorities” initiatives are being delivered by TfGM.
- 6.2 The Minor Works programme is a package of 59 highways, public realm, cycling, walking and associated measures; with the identified interventions being very much focused on supporting economic growth. The Additional Priorities programme of 15 initiatives focuses on rail, bus and Metrolink passenger improvements, multi-modal ticketing and highways (SCOOT / MOVA) enhancements.
- 6.3 Significant progress has been made in taking forward the Minor Works programme. In relation to GD1, GD2 and GD3 Local Authority Minor Works, since the last update report in March 2020, a further 5 mini-business cases have been submitted for review and have been approved by GM Transport Strategy Group (TSG). This means that 55 of the 59 Minor Works schemes now have an approved mini business case. TfGM will continue to work with scheme promoters with a view to securing TSG approval of the remaining mini-business cases at the earliest opportunity.
- 6.4 As previously reported, the focus of the TfGM-sponsored “Additional Priority” initiatives are centred around Rail / Metrolink passenger improvements, multi-modal ticketing, bus passenger facilities and highways key route network resilience.
- 6.5 A number of “Additional Priority” initiatives, in particular those related to Metrolink and Rail, have progressed to delivery stage. Full Funding Approval for 12 of the 15 “Additional Priorities” schemes have been achieved. The remaining schemes are currently in development and progressing well.
- 6.6 The Additional Priorities and Minor Works programme is forecast to fully spend the remaining grant within the Growth Deal funding period to 31 March 2021. The projects which remain to be completed beyond March 2021 will be funded by utilising non Growth Deal funding as set out in paragraph 2.3.

7. NON TRANSPORT UPDATE

- 7.1 GMCA's Skills Capital 2017-2020 Programme has now completed its commissioning. The £79 million programme has now been allocated to 14 FE Capital projects, seven of which have now been completed and seven of which are in delivery. All projects are expected to have completed or made significant progress towards completion by the end of March 2021 and we have an established programme monitoring function in place to monitor the agreed outputs of our investments for the next 3-5 years, following completion.
- 7.2 Skills Capital delivery highlights to date include:
- Completion of an Advanced Skills Centre for Tameside College located within the Tameside one shared service centre, which was shortlisted for the GM Chamber of Commerce Building of the Year award in 2019.
 - The creation of Future Skills 3, Salford City College based at Media City.
 - Refurbishment of Wigan & Leigh College Pagefield and Leigh campus to create centres of excellence in Engineering, Construction, Digital and Creative.
 - Tameside College Construction centre, The Manchester College City Centre Campus Digital & Creative centre and Oldham College's Construction centres are all in delivery and making good progress for 2021/22 opening with construction scheduled to be completed on Oldham College by the end of March 21.
 - Work is also progressing on Bury College's health innovation STEM centre and on the 2 final round 3 projects, Hopwood Hall Engineering Centre and Bury College improvements.
- 7.3 Economic Development & Regeneration (ED & R) Projects includes a portfolio of 13 varied projects such as University capital projects, Life Sciences, Productivity Programme, Cyber Innovation Hub, housing and commercial business investment. All of these projects will attract significant match funding and create jobs and growth in the region. All projects are now contractually committed and expected to complete or make significant progress by the end of March 21.
- 7.4 ED & R Delivery highlights to date include
- investment in equipment at the University of Manchester Graphene Engineering Innovation Centre (GEIC) to support industry led development of graphene applications in partnership with academics.
 - Manchester Metropolitan University's ground breaking School of Digital Arts (SODA) that will bring together art and design with technology and computing all under one roof and is scheduled to open in Sept 2021.

- The University of Manchester's Christabel Pankhurst Centre that will be investment in the development of advanced health materials, digital technology and precision medicine; the virtual Institute was officially launched in January 2021.
 - Investment into a new Cyber Innovation Centre based in Manchester City Centre which will capitalise on the city's opportunities in this sector and bring businesses together.
- 7.5 The Life Sciences investments continues to deliver creating jobs and enabling ventures in this field. Growth Company's Productivity Programme is creating growth and jobs for GM business, and to date has supported over 2300 enterprises and created more than 900 jobs.
- 7.6 Monitoring of the LGF non transport projects is ongoing with 2021 being a key year for completion of some major capital projects.

8. RECOMMENDATIONS

- 8.1 Recommendations are set out at the front of this report

Eamonn Boylan

Chief Executive Officer, GMCA & TfGM

Appendix A

SBNI individual Delivery Package current status

Bolton Delivery Packages	Scope	Status
DP 1 - Raikes Lane	Junction Improvement Scheme	Complete
DP 2 - Loxham Street/Moses Gate/Green Lane	Junction Improvement Scheme	Complete
DP 3 - Longcauseway	Junction Improvement Scheme	Complete
DP 4 - Farnworth	Bus Station Redevelopment/Town Centre Urban Realm Improvement Scheme	Complete
DP 7 - Bolton Bus Stop Upgrades	Bus Stop Accessibility Upgrades/Bus Shelter Installations	Complete
Bolton DP5 - Manchester Road Gateway (4 Phases)	Cycling and Walking and Capacity Junction Improvement Scheme	Delivery
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Salford Delivery Packages		
DP1 -Pendleton Junctions/Minor Schemes	Junction Improvement/Urban Realm Improvement Scheme	Complete
DP 5 - Salford Bus Stop Upgrades	Bus Stop Accessibility Upgrades/Bus Shelter Installations	Complete
DP2 – Swinton town centre	Junction Improvement Scheme	Delivery
DP3 - Irlam o'th Heights/A666 Bus Priority	Junction Improvement/Bus Lane scheme	Delivery
DP4 - Pendleton Town Centre	Town Centre Urban Realm Improvement Scheme	Delivery
DP 6 – Madams Wood Road, Little Hulton	Bus Priority Traffic Calming Measures scheme	Complete
DP 7 – A580 Junctions	Junction Improvement Scheme	Design
DP 8 – Walkden Rail Station Park & Ride	Park & Ride scheme	Design
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Programme Delivery Packages		
PDP1 - SCOOT/MOVA	Traffic signal capacity upgrades	Delivery
PDP2 - SCOOT Bus Priority	Traffic signal bus priority upgrades	Delivery