

GM BUSINESS BOARD (LEP)

SUBJECT: Local Growth Deal Programme Update

DATE: Wednesday 18th January 2023

FROM: Eammon Boylan, Chief Executive Officer, GMCA & TfGM.

PURPOSE OF REPORT:

This report provides an update to GMLEP on progress to deliver key elements of the Local Growth Deal (LGF) Programme (tranches 1, 2 and 3).

RECOMMENDATIONS:

The GM LEP Board is requested to:

1. Note the progress made in relation to the Growth Deal Transport schemes as set out in Sections 2, 3 and 4 of this report;
2. Note the progress made in relation to the Non-Transport Skills Capital and Economic Development and Regeneration (ED &R) programmes as set out in Section 5 of this report; and
3. Note the use of returned Life Sciences funds to proceed with Life Sciences 2, as set out in Section 5.5 of this report.

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BOLTON
BURY

MANCHESTER
OLDHAM

ROCHDALE
SALFORD

STOCKPORT
TAMESIDE

TRAFFORD
WIGAN

Equalities Impact, Carbon and Sustainability Assessment:

Impacts Questionnaire		
Impact Indicator	Result	Justification/Mitigation
Equality and Inclusion		
Health	G	The Growth Deal Programme provides improved public transport links and active travel opportunities
Resilience and Adaptation	G	The Growth Deal programme as a whole includes a series of measures designed to encourage economic growth through transport improvements to encourage modal shift to public transport and active travel and enhanced access to employment.
Housing		
Economy	G	The purpose of the Growth Deal programme is to support further economic growth in GM.
Mobility and Connectivity	G	The Growth Deal programme as a whole includes a series of measures designed to encourage modal shift to public transport and active travel.
Carbon, Nature and Environment	G	The Growth Deal programme as a whole includes a series of measures designed to encourage modal shift to public transport and active travel.
Consumption and Production		
Contribution to achieving the GM Carbon Neutral 2038 target		The Growth Deal programme as a whole includes a series of measures designed to encourage modal shift to public transport and active travel.
Further Assessment(s):	Carbon Assessment	
 Positive impacts overall, whether long or short term.	 Mix of positive and negative impacts. Trade-offs to consider.	 Mostly negative, with at least one positive aspect. Trade-offs to consider.
		 Negative impacts overall.
Carbon Assessment		
Overall Score		
Buildings	Result	Justification/Mitigation
New Build residential	N/A	
Residential building(s) renovation/maintenance	N/A	
New Build Commercial/Industrial	#DIV/0!	
Transport		
Active travel and public transport		The Growth Deal programme as a whole includes a series of measures designed to encourage modal shift to public transport and active travel.
Roads, Parking and Vehicle Access		The Growth Deal programme as a whole includes a series of measures designed to encourage modal shift to public transport and active travel.
Access to amenities		The Growth Deal programme as a whole includes new transport links and a series of measures designed to encourage modal shift to public transport and active travel.
Vehicle procurement		The Growth Deal Programme includes the purchase of new trams which will provide sustainable public transport within GM
Land Use		
Land use	N/A	
No associated carbon impacts expected.	 High standard in terms of practice and awareness on carbon.	 Mostly best practice with a good level of awareness on carbon.
		 Partially meets best practice/ awareness, significant room to improve.
		 Not best practice and/ or insufficient awareness of carbon impacts.

Risk Management:

There are no risk management considerations.

Legal Considerations:

There are no legal considerations.

Financial Consequences – Revenue

N/A

Financial Consequences – Capital

Financial Consequences – Capital, are referenced in paragraph 5.5 of the report.

Number of attachments to the report:

0

BACKGROUND PAPERS:

N/A

1 INTRODUCTION

- 1.1 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).
- 1.2 In March 2021, in line with the prevailing grant conditions, the Growth Deal Programme reported full spend of all of the LGF grant.
- 1.3 The projects which remained to be completed beyond March 2021 are being funded through 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 LGF TRANSPORT MAJOR SCHEMES

Overview

- 2.1 The Growth Deal Major Transport scheme programme is made up of fifteen schemes, delivered either by TfGM or Local Authority Partners.
- 2.2 Twelve of the Growth Deal schemes have progressed through Full Approval and are now either complete or 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.
- 2.3 Eight Major schemes, namely the Wigan Bus Station, MSIRR Regent Road/Water Street, Wigan A49 Link Road, Ashton Interchange, MSIRR Great Ancoats Street, Stockport TCAP, South Heywood Area Wide improvements and A5063 Trafford Road projects are complete.
- 2.4 Work to deliver the remaining 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 and recently completed schemes is provided within Section 3 of this paper.

3 LOCAL GROWTH DEAL INDIVIDUAL TRANSPORT SCHEMES UPDATE

South Heywood Area Wide Improvements

- 3.1 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 are now complete with an opening event having been held on 1st November 2022.

A5063 Trafford Road Improvements

- 3.2 The scheme was granted Full Approval and funding in June 2020, in line with the agreed Growth Deal governance arrangements and SCC awarded the main works contract in July 2020.
- 3.3 The impacts of Covid 19 and other external global pressures on the supply chain required an increase to the scheme's budget to ensure the benefits of the scheme are realised. The new signals have been commissioned and resurfacing work concluded in December 2022 and the scheme is now in the closeout stage..
- 3.4 Additionally, following a safety incident where cladding fell from a residential building adjacent to the Trafford Rd scheme, an area of works was delayed and subsequently removed from the main contract whilst the building was made safe. This has an impact on the cycling and footway provision Southbound however a temporary solution has been agreed and Salford City Council are planning for delivery of this element of the scheme at a later date.

3.5 Salford Central Station Enhancements

- 3.6 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 to maximise the benefits of the scheme.
- 3.7 TfGM and Salford City Council, in conjunction with Network Rail, have undertaken work to assess the potential to accommodate longer trains. During the development of the design, a number of operational concerns were identified including the positioning of track infrastructure for the Ordsall Chord, performance issues, and capacity challenges on this part of the network placing delivery constraints on the scheme. As such a strategic review has been undertaken and the Manchester Recovery Taskforce (MRTF), which is focused on improving performance and reliability, does not believe that calls at the proposed new platforms at Salford Central can be accommodated without impacting on the performance of the wider network.

- 3.8 To assess the impact and understand what additional infrastructure in the central Manchester area would be needed to make the new platforms at Salford Central operationally viable, modelling work will be carried out to assess timetable impacts and infrastructure requirements. TfGM will continue to work with Network Rail to identify potential funding solutions as well as timing opportunities to support this.
- 3.9 As a result, the station enhancement elements of the redevelopment scheme have been decoupled from the additional platforms initiative and are now being developed independently. The station enhancement scheme continues to meet the Growth Deal criteria and will undergo a health check to ensure the scheme continues to deliver the anticipated benefits.
- 3.10 Network Rail have now commenced the delivery of their complementary advanced renewals scheme on platforms 1 and 2, which will address the current accessibility issues on these operational platforms. This work, which is being undertaken in a station closure, is expected to be complete by summer 2023.

Wigan Gateway M58 Link Road

- 3.11 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. The Council has recently secured the necessary planning approvals for the scheme and appointed technical consultants to progress the detailed design. The impacts of Covid-19 and other external global pressures on the supply chain are being considered as part of the final design and cost estimate and, subject to the satisfactory conclusion of this exercise, a Full Approval Business Case is planned to be submitted in winter 2023.

Stockport Mixed Use and Interchange

- 3.12 Conditional Approval for the original Interchange scheme was granted in November 2015, in line with the agreed Growth Deal governance arrangements. A further Gateway Review to assess the subsequently developed Mixed Use scheme, which also incorporates residential apartments and a public park, was concluded in late 2019 and, in turn, approved in line with the agreed Growth Deal governance arrangements in May 2020.
- 3.13 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. Following a health check, the Stockport Interchange Mixed Use scheme was granted Final Full Approval in December 2021.
- 3.14 As previously reported, a temporary Travelshop was constructed and subsequently opened in January 2021 and an early works package to construct a temporary bus station on the site of nearby Heaton Lane car park was completed and brought into

operational use in August 2021, to enable bus operations to continue throughout the main construction works. A subsequent works package was then progressed to clear the main site in preparation for the main construction works, which commenced in January 2022 and are now progressing well on both the residential and transport elements of the scheme. The Interchange is currently forecast to open by spring 2024, with the residential element forecast to complete in autumn 2024.

Metrolink Service Improvement Package

- 3.15 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 regard 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 is complete and awaiting an update to the relevant tram supervisory software in order to allow it to be brought into operational use.

Carrington Relief Road (Spur Extension)

- 3.16 The scheme was granted Conditional Approval in January 2020. The new infrastructure is intended to relieve congestion on the A6144, the principal road serving the communities of Carrington and Partington, to enable further development to take place and to provide significant network improvements to facilitate future active travel and public transport improvements.
- 3.17 The scheme has now identified a preferred option and is progressing the design and planning application. Additionally, enabling works packages are being developed to relocate plant and industrial infrastructure within the land required for the scheme.
- 3.18 Following a full review of the scheme costs, the impacts of Covid-19, inflation and additional active travel scope have resulted in an increase in the total budget required to deliver the scheme which it is intended will be secured from non-Growth Deal funding. Whilst the budget for the scheme has increased, the anticipated benefits of the scheme remain strong and will be formally recorded within the Full Business Case submission which is anticipated in 2024.

Oldham Town Centre Regeneration and Connectivity

- 3.19 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 are being 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. Full Approval has now been achieved for all three packages.

- 3.20 The first package was successfully completed in spring 2021. The remaining two sites are being delivered by Oldham Council through a Strategic Partnership Arrangement and commenced in spring 2022. Work is progressing well on site and all works are currently forecast to be complete by summer 2023.

Salford Bolton Network Improvement (SBNI)

- 3.21 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.
- 3.22 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.
- 3.23 In Bolton, following the conclusion of Delivery Package 5 (Bradshawgate) in December 2022, all schemes are now complete. Works on the Salford Delivery Package 3 (A666 North) are complete. Works on Salford Delivery Package 3 (A6 / Frederick Rd) and Delivery Package 8 (Walkden Park & Ride) are due to complete in the first quarter 2023 whilst works on Delivery Package 3 (A666 south) are due to commence in spring 2023.
- 3.24 Following the outcome of a tender exercise the final reserve scheme in the SBNI Programme (Salford Delivery Package 7 - A580 junctions) is now being progressed. Salford Delivery Package 7 will involve the upgrading of the A580/Lancaster Road and A580/Worsley Rd junctions to improve their efficiency, enhance facilities for pedestrians and provide journey time savings for bus passengers and general traffic. The scheme has been developed by Salford City Council in partnership with TfGM and is now progressing through formal governance and the final approvals to enable delivery to commence during the first quarter of 2023.

4 LOCAL GROWTH DEAL ADDITIONAL PRIORITIES AND MINOR WORKS

Overview

- 4.1 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.
- 4.2 The Minor Works programme is a package of 61 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 14 initiatives focuses on rail, bus and Metrolink passenger improvements, multi-modal ticketing and highways (SCOOT / MOVA) enhancements.
- 4.3 Significant progress has been made in taking forward the Minor Works programme. 66 of the Minor Works and Additional Priority schemes are now fully complete with the remainder either in delivery or progressing towards approval.
- 4.4 With the support of TfGM’s Programme Management Team, 73 mini-Business cases have now been approved by the GM Transport Strategy Group (TSG). The remaining 2 schemes require further development before they can be considered for approval.
- 4.5 Delivery programmes continue to be monitored, the majority of Minor Works and Additional Priorities schemes will be completed by the end of the current financial year.

5 NON-TRANSPORT UPDATE

- 5.1 GMCA’s Skills Capital 2017-2020 Programme has now completed its commissioning. The £79 million programme has been allocated to fourteen FE Capital projects, ten of which are now complete and four of which are in delivery. The four ongoing projects are making significant progress towards completion 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.
- 5.2 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 is now complete and operational. The college hosted an opening ceremony in April 22 which was attended by GMCA. The centre has been designed in consultation with construction employers with aims to bridge the skills gap in the construction industry.
- The Manchester College City Centre Campus Digital & Creative centre is progressing well in its delivery and building handover was achieved in September 22. The College's part refurbished/ part new build Openshaw Campus is complete and hosted an official opening in December 21. The remaining elements of the College's wider estates transformation programme are making good progress towards completion, with the project aiming to fully complete by spring 23.
- Construction and building handover completed on Oldham College's Construction Centre in March 21 and the facility has been in use since the start of the academic year in September 21.
- Bury College campus improvement works completed in April 21. Site works are also progressing on the new Bury College health innovation STEM centre, with forecast build completion given for spring 23.
- Work is progressing on the final round 3 project, Hopwood Hall Engineering Centre, with full planning permission granted in September 21. The project cost has increased post tender, however, this has been approved and will be funded from the college's own cash reserves. GMCA attended a launch event for the centre in March 22 with build completion expected in early 23.

5.3 Economic Development & Regeneration (ED & R) Projects includes a portfolio of thirteen varied projects such as University capital projects, Life Sciences, Productivity Programme, Cyber Innovation Hub, housing and commercial business investment. Nine projects are now complete and four are in delivery. The four ongoing projects are making significant progress towards completion and we have an established programme monitoring function in place to monitor the agreed outputs of our investments over the next 3-5 years, following completion.

5.4 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) brings together art and design with technology and computing all under one roof. Works completed in November 22 and an official opening was hosted and attended by GMCA colleagues in June 22.
- The University of Manchester's Christabel Pankhurst Centre will be investment in the development of advanced health materials, digital technology and precision medicine; the virtual Institute officially launched in January 21. The discovery of an underground oil tank on site caused the project some delays. Despite this, the project is now approaching building handover with a forecast completion of early 23.

- 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. The operator has now been appointed.
- Growth Company's Productivity Programme completed from LGF perspective at the end of March 22. The programme aimed to create growth and jobs for GM business, and across the programme lifetime has supported over 2500 enterprises and created 2451 jobs.

Life Sciences

5.5 As part of the original programme £10m was also invested into a Life Sciences Fund alongside Cheshire & Warrington LEP, Cheshire East Council and Bruntwood. This was a 15-year Venture Capital fund investing in Life Sciences businesses across the region. The nature of the investments and the extended time frame for any funds to return meant that the quantum and timing of returns could not be predicted. However, GMCA agreed in May 21 to reinvest any money returned from the fund into the second Life Sciences Fund, which was established in May 2022. Small returns are now being received and ringfenced for investment into the second Life Sciences Fund.

6 RECOMMENDATIONS

6.1 Recommendations are set out at the front of this report.

Eamonn Boylan

Chief Executive Officer, GMCA & TfGM