

Part 1 - Gateway	
LUF 2 CRITERIA	Ellesmere Port Response
Allowance Checks in England, Scotland and Wales	
Please confirm which bid allowance you are using: - Constituency - Transport	Constituency allowance
For bids using transport allowance, is your bid at least 90% investment in the transport theme?	Not applicable (not a transport bid)
Confirm that the bid does not exceed £20m	No – the bid is seeking £13,378,478 from Levelling up Funding.
Do you have more than 3 component projects	No – the proposal includes 3 proposed projects.
Joint Bid – Joint organisations need to complete a proforma.	Not relevant – the bid is being submitted by and on behalf of Cheshire West and Chester Council (CW&C). No other organisations are involved.
Gateway Criteria for all bids	
1.1 Confirmation that some funding will be incurred in 2022/23. Eligible expenditure in 2022/23 could include capital development costs.	Yes - [Redacted] is proposed to be incurred in 2022/23.
Appendix 1– Complete costings and planning workbook	Attached as Appendix 1.
Applicant Details	
Applicant details	<p>Bid Manager – [Redacted] Economic Growth Programme Manager (Ellesmere Port) – Cheshire West and Chester Council [Redacted]</p> <p>Senior Responsible Officer contact details: [Redacted] Director of Housing and Economy - Cheshire West and Chester Council [Redacted]</p> <p>Chief Finance Officer contact details: [Redacted] Section 151 Officer – Cheshire West and Chester Council [Redacted]</p> <p>Local Authority Leader: [Redacted] Leader - Cheshire West and Chester Council [Redacted]</p> <p>LUF enquiry lead: [Redacted] Economic Growth Programme Manager – Cheshire West and Chester</p>

	[Redacted]
Consultancy companies involved	CBRE, Optimised Environments Ltd (OPEN), WSP, Workman LLP, Cascade Productions Int Ltd.
Where is bid being delivered?	England
VAT number (if applicable)	945 1011 54

PART 2 – Subsidy Control and State Aid Analysis

All applicants must establish if the direct award of LUF funds could constitute a subsidy.

2.1 All applicants must establish if the direct award of LUF funds from UK Government could constitute a subsidy. Applicants must consider whether any of the planned activities meet each of the four characteristics which indicate if it would be considered a subsidy. If any for the four responses is a no then the award is not considered to be a subsidy. Guidance on subsidy control

2.1.1. Is the support provided by a 'public authority' and does the support constitute a financial (or in kind) contribution such as a grant, loan or guarantee?	No.
2.1.2 Does the support measure confer an economic advantage on one or more economic actors?	No. The project will deliver mixture of public goods (active transport infrastructure, net-zero infrastructure) and works which are open to procurement, in line with Council adopted strategies and in compliance with the Public Contracts Regulations 2015 and will not confer an economic advantage on one or more economic actors over others in relation to production of certain goods or services or through the impact of the delivered project. There is no direct or indirect subsidy and no beneficial impact to one or more economic actors over others.
2.1.3 Is the support measure specific insofar as it benefits, as a matter of law or fact, certain economic actors over others in relation to the production of certain goods or services?	No. The project will deliver mixture of public goods (active transport infrastructure, net-zero infrastructure) and works which are open to procurement, in line with Council adopted strategies and in compliance with Public Contracts Regulations 2015 and will not benefit certain economic actors over others in relation to production of certain goods or services. There is no direct or indirect subsidy and no beneficial impact to one or more economic actors over others.
2.1.4 Does the support measure have the potential to cause a distortion in or harm to competition, trade or investment?	No. The project will deliver mixture of public goods (active transport infrastructure, net-zero infrastructure) and works which are open to procurement, in line with Council adopted strategies and in compliance with Public Contracts Regulations 2015 and

	will not benefit certain economic actors over others in relation to production of certain goods or services. There is no direct or indirect subsidy and no beneficial impact to one or more economic actors over others.
2.1.5 Did you respond 'Yes' to all the above? If so, the planned activities meet all four key characteristics which indicates it would be considered a subsidy.	No.
2.2 Please demonstrate how the direct award of LUF monies from UK Government to you (as the applicant) has been considered under each of the subsidy principles. This will involve consideration of the how the subsidy can be provided in accordance with the following Subsidy Control principles listed in the Subsidy Control Bill: If the proposed LUF activities do represent a subsidy and all principles have been met, the LUF application will be considered compliant. Please separate your response where there are multiple awards of subsidy.	N/A
2.2.1 Subsidies should pursue a specific public policy objective to remedy an identified market failure or to address an equity rationale such as social difficulties or distributional concerns ("the objective") Please demonstrate how your bid meets this principle.	N/A
2.2.2 Subsidies should be proportionate and limited to what is necessary to achieve the objective Please demonstrate how your bid meets this principle.	N/A
2.2.3 Subsidies should be designed to bring about a change of economic behaviour of the beneficiary that is conducive to achieving the objective and that would not be achieved in the absence of subsidies being provided. Please demonstrate how your bid meets this principle.	N/A
2.2.4 Subsidies should not normally compensate for the costs the beneficiary would have funded in the absence of any subsidy. Please demonstrate how your bid meets this principle.	N/A
2.2.5 Subsidies should be an appropriate policy instrument to achieve a public policy objective and that objective cannot be achieved through other less distortive	N/A

means. Please demonstrate how your bid meets this principle.	
2.2.6 Subsidies should be designed to achieve their specific policy objective while minimising any negative effects on competition or investment within the United Kingdom. Please demonstrate how your bid meets this principle	N/A
2.2.7 Subsidies' positive contributions to achieving the objective should outweigh any negative effects, in particular the negative effects on trade or investment between the Parties. Please demonstrate how your bid meets this principle.	N/A
2.4 Public authorities only. Please confirm if you will be disbursing the funds as a potential subsidy to third parties.	No.
Proforma 5 to be completed – signed by Chief Finance Officer	<p>Where applicants from public authorities have confirmed that LUF will be disbursed as a potential subsidy to a third party (e.g. delivery partner) they are expected to provide a statement of compliance from their Chief Financial Officer in completing pro forma 5</p> <p>- N/A - not required as no funding going to third party.</p>

PART 3 BID SUMMARY	
3.1 Bid Name	Transforming Ellesmere Port Town Centre
3.2 Please provide a short description of your bid, including the visible infrastructure that will be delivered/upgraded and the benefits that will be felt in the area. (100 words maximum)	
<p>Transforming Ellesmere Port will break the cycle of town centre decline through empowering people as entrepreneurs; delivering significant new footfall to galvanise private-sector growth and build on Ellesmere Port’s emerging status as a leading Low Carbon town of England.</p> <p>Project creates vibrancy and civic pride through a significantly reimagined low carbon/energy generating Market Hall with events and business start-up space; Active travel links into the town centre and unlocks new low carbon town centre living.</p> <p>Objective: boost civic pride, increase footfall to support business growth, and empowering local people to level-up themselves—with net zero objectives at its heart.</p>	
3.3 Please provide a more detailed overview of the bid proposal. Where bids have multiple components (package bids) you should clearly explain how the component projects are aligned with each other and represent a coherent set of interventions. (500 words)	
<p>Transforming Ellesmere Port has 3 core elements: unlocking a new low carbon town centre living offer; a reimagined Market Hall and improved active travel modes to deliver a diverse and vibrant town centre, broadening the demographic, and making Ellesmere Port a more attractive place to live and spend time in.</p> <p><u>Low carbon living offer:</u> The project will unlock new development through land amalgamation and preparation works, to assist with delivering a new low-carbon living offer within the town centre. This will extend the emerging offer of Whitby, in Ellesmere Port, as potential home to the UK's first hydrogen village – which could see up to 2,000 properties switching from natural gas to hydrogen for heating and cooking, as part of the Government's Ten Point Plan to accelerate the path to net zero by driving the growth of low carbon hydrogen across the country.</p> <p><u>Re-imagined Market Hall as entrepreneur and community hub:</u> Diversification of large (former superstore/loading bay) Market Hall providing new community, youth, entrepreneurial and flexible events space, as well as making significant improvements to the fabric of the building to maximise the thermal energy efficiency and be a net energy generator.</p> <p><u>Active Travel:</u> Deliver a new active travel link between the train station and primary shopping area/existing residential areas, to encourage a shift to more sustainable travel modes and to improve permeability within the town centre for pedestrians and cyclists.</p> <p>The intention is for Levelling Up Funding to act as a catalyst for future change – delivering new footfall and spending power, which will in turn stimulate more private sector investment, by repositioning the image of the primary shopping area (The Port Arcades and Market Hall) which suffers from low occupancy rates, and to help improve the market for a higher value town centre living offer.</p> <p>These proposals complement Cheshire West and Chester Council’s (CW&C) recent investment into the town, including:</p> <ul style="list-style-type: none"> • New bus station & road layout (£2m) to support bus operations, opened 2020. • Public sector office hub (£16m) opened 2022. 	

- Purpose-built theatre at Whitby Park opens 2022 (£2m CW&C and £0.45 Arts Council).
- [Redacted]

The bid will also complement the Shared Prosperity fund delivery of business support activity (which includes provision of a start-up programme for traders), the significant investment in HYNET and the strong growth of the industrial estates within the town.

Fundamentally this bid is a key project to address market failures in the town centre, but ultimately it needs to be viewed in the context of the wider investment and aspirations for the area, as a catalyst for private sector investment. The LUF bid is part of a wider programme to stimulate growth in Ellesmere Port, providing a holistic way of levelling up the area.

The project comprises specifically:

- Site amalgamation and preparation works to create larger viable housing site– includes demolition of empty former Civic Way Council offices (Appendix 6.4) [Redacted]The first phase would be delivered under LUF with additional delivery stages coming forward over medium term.
- A reimaged Market Hall and events space (5,945sqm) providing new community, youth, entrepreneurial and flexible events spaces, which will also deliver new footfall to support existing/new traders both in the Market Hall and attached Port Arcades Shopping centre. Includes significant improvements to the fabric of the building, to maximise the thermal energy efficiency of the building and be a net energy generator through PV panel installation. The new Market Hall offer will be complemented by new entrance civic space to provide spill out opportunities for food retailers & events and secure cycle parking, to reinforce cycling links between the town centre and surrounding residential areas to reduce vehicular dominance.
- Creation of a new 400m active travel route along Whitby Road from Railway Station to Market Hall and a reduced carriageway width along Wellington Road to the Market Hall, to prioritise walking/cycling. This enables active travel priority along key routes into town centre.

3.4 Please provide a short description of the area where the investment will take place. If complex (i.e. containing multiple locations/references) please include a map defining the area with references to any areas where the LUF investment will take place (500 words)

The response should provide a broad description of the area, with further detail given in question 3.5 below. If complex (i.e. containing multiple locations/references) please include a map defining the area with references to any areas where the LUF investment will take place.

The focus for the bid is Ellesmere Port town centre, within Cheshire West and Chester Borough. Ellesmere Port is located on the south-eastern Wirral Peninsula and has excellent links to Liverpool (11 miles north of the town), Chester (6 miles south) via the strategic road network (M53) and public transport via rail and bus. Within the broader locality Ellesmere Port benefits from key visitor attractions including Cheshire Oaks Designer Outlet village (2 miles from the town centre), Blue Planet aquarium and the National Waterways Museum (1.2 miles) collectively attracting over 8 million tourists per year. The town has a strong industrial and manufacturing focus with key employers such as Vauxhall and Essar at Stanlow (3.7 miles) and as part of HYNET, is in the process of converting to the UK's first low carbon oil refinery. Ellesmere Port forms part of a wider industrial opportunity growth area of the Mersey-Dee corridor identified in the Levelling Up White Paper – and has all the factors for agglomeration and success – apart from the underperforming town centre. See Plan 1, Appendix 3.1.

Despite the strengths of the wider area, Ellesmere Port town centre has been hollowed out by poor 1960s car-centric design and suffers from high business vacancy levels (26% retail vacancy in town centre). Many of the traditional retail outlets have closed, there is little office, leisure or visitor appeal due to the proximity of Cheshire Oaks Designer Outlet village and associated leisure offer and Liverpool City Centre. The Market Hall has

experienced dwindling footfall and anti-social behaviour and crime rates are considered to be high. And while there is a strong demand for housing in wider catchment –stimulated by the growth in the industrial investment – the town centre itself is dominated by social rented and single person dwellings with associated high clustering of deprivation within the town centre itself and the immediately adjacent residential areas. The focus of the funding is within the town centre itself and includes the area bounded by Whitby Road (A5032) to the north, Ellesmere Port railway station to the east, Stanney Lane to the west and McGarva Way to the south (Plan 2, Appendix 3.1).

Socio-economic and Demographic Baseline

Approximately 63,000 people live within the Ellesmere Port catchment, and it is a predominately urban area with a high population density. Ellesmere Port itself (postcode CH65) has a population of almost 30,000 and has a relatively young population compared to the rest of Cheshire West and Chester. The population is expected to grow by 5.8% between 2021- 2030 (source: (Experian Population Projection 2020).

The working age population (16-64) stands at c.18,100 adults - 61% of the population, which is in line with the national and Cheshire West and Chester council averages. The young population (0-15) is c.5,860 (20% of the total population), which is higher than the average for council and national averages. (Experian Current Year Estimates 2020).

Household compositions align with regional/national figures in town centre 44% of town centre households comprise single people with no children or couples with no children (22%). Together households without children account for over 66% of the housing market. The only noticeable diversion from national and regional figures is the proportion of single parent households (10.8%).

There are high levels of deprivation in the area with 16 of the lower super output areas (LSOA) within the top 10% most deprived neighbourhoods in the country, including Ellesmere Port Town Centre. Net disposable household income 2021 at LSOA falls below £10,000 in 3 areas and sits at or below £11,500 for all of the town centre compared to £18,500 CW&C average.

Ellesmere Port suffers from higher levels of unemployment (6.3%) compared to the rest of CW&C (2.7%) and the UK average (3.9%).

The business start-up rate across CW&C has declined by 8.8% between 2015-2020 remains below the national average. The number of new business births in 2020 was just 1650, 26% below that of Cheshire East despite the similar demographics and population size. In addition, the self-employment rate in Ellesmere Port & Neston Constituency is significantly below CW&C and national averages – standing at just 2.3% compared to 9.1% and 9.3% respectively.

Provide a short description of the transport project

400m Active travel infrastructure delivering LTN 120 compliant cycle infrastructure and pedestrian improvements linking the town centre (primary shopping area) to the Railway Station, following predominately the main Whitby Road - a high street of small independent shops with rented units above but experiencing high levels of vacant units - to York Road (entrance to the market hall and Port Arcades shopping centre).

The wider active travel network also extends onwards to the proposed new town centre living offer (Wellington Road to Coronation Road) and Whitby Park - which is the large principle leisure park for the town centre and is also home to the new theatre. Enhancements to Wellington Road will improve 3,562sqm of public realm space including new pedestrian/cycle path.

<p>Combined, this will create a pedestrian and cycle friendly direct route sustainably linking the town centre with residential offer, leisure, and railway station to encourage modal shift.</p> <p>Project also includes installation of new secure cycle parking infrastructure, linking active travel modes to market and events space.</p>		
<p>3.5 Please confirm where the investment is taking place (where the funding is being spent, not the applicant location or where the bid beneficiaries are located). If the bid is at a single location please confirm the postcode and grid reference for the location of the investment. If the bid covers multiple locations please provide a GIS file. If this is unavailable please list all the postcodes / coordinates that are relevant to the investment. For all bids, please confirm in which constituencies and local authorities the bid is located. Please confirm the % investment in each location.</p>		
<p>Transforming Ellesmere Port town centre project is seeking Levelling Up Funding and investment for key interventions within Ellesmere Port town centre, with the bid being centred around key sites in and around Wellington Road, CH65 0BZ. The grid reference pertaining to this site is SJ40176 75930. See Plan 3, Appendix 3.1.</p> <p>The bid is fully located within Cheshire West and Chester Council’s administrative boundary. The bid is fully within MP Constituency: Ellesmere Port and Neston.</p>		
<p>Location Information</p>	<p>Location 1 CH65 0BE SJ 39814 75916 21%</p>	
	<p>Location 2 CH65 0HW SJ 40175 76104 74%</p>	
	<p>Location 3 CH65 8AD SJ 40181 76359 5%</p>	
<p>3.6 Please confirm the total grant requested from LUF (£).</p>		<p>£13,378,478</p>
<p>3.7 Please specify the proportion of funding requested for each of the Fund’s three investment themes</p>	<p>Regeneration and town centre</p>	<p>95%</p>
	<p>Cultural</p>	<p>0%</p>
	<p>Transport</p>	<p>5%</p>
<p>3.8 Please tick one or more subcategories that are relevant to your investment: Regeneration Commercial Civic Residential Other Cultural Arts & Culture Creative Industries Visitor Economy Sports and athletics facilities Heritage buildings and sites</p>	<p>Commercial Civic Residential Active Travel</p>	

<p>Other</p> <p>Transport</p> <p>Active Travel</p> <p>Buses</p> <p>Strategic Road</p> <p>Rail</p> <p>Aviation</p> <p>Maritime</p> <p>Light Rail</p> <p>EV Infrastructure</p> <p>Local Road</p> <p>Other</p>	
<p>3.9 Please provide details of any applications made to other funding schemes for this same bid that are currently pending an outcome. Where a successful outcome might lead to you no longer requiring the LUF grant please provide details and confirm when might you expect the outcome to be known. (150 words)</p>	
<p>There are no other funding bids pending and no identified other sources of funding. Application is not contingent on match funding from any other funding sources. Proposed LUF project is deliverable with the LUF monies and CW&C match funding only.</p>	
<p>Bidders are invited to outline how their bid will promote good community relations, help reduce disparities amongst different groups, or strengthen integration across the local community</p>	
<p>The Transforming Ellesmere Port town centre bid has been carefully curated to respond to stakeholder comments and aspirations, with the overarching aim of strengthening civic pride in the town which will be delivered through the LUF proposals. The centre-piece of the bid is a reimagined Market Hall which will become the hub of community activity within the town, bringing a wide demographic together to enjoy key events, promote social well-being and inspire the community (through the proposed entrepreneurial hub for example). Through the proposed capital works and complementary events programme, civic pride will be bolstered, and community cohesion strengthened.</p> <p>The design has taken account of key sectors of the community, including more vulnerable groups, to ensure it appeals to all. The proposals will introduce a Changing Places standard toilet to enable people with disabilities and their carers to have better access to shops and amenities in the town centre, and the focus on improving pedestrian links will support re-prioritisation away from vehicles - enabling people who don't have their own vehicle, predominately the poorest and elderly, to have better access to the primary shopping area as well as people able to access leisure and railway station more easily on foot and by bicycle.</p> <p>A key part of the bid is to better connect the town centre with existing communities (a number of which are deprived groups), through better active travel measures, new public realm and providing an improved amenity on their doorstep for them to enjoy and benefit from. The town will be strengthened further with the addition of new high-quality housing, appealing to existing communities but also appealing to a wider demographic which will improve the appeal of the town, increasing spend per head within the town centre, and support key local businesses and independents. This will help retain and growth shops/amenities in the town centre which will particularly benefit those without a vehicle or on low incomes who may not have ability of funds to access designer outlet village or city locations.</p> <p>The market hall is popular focal point for Ellesmere Port, but it is clear from engagement, that is not used by the wider, more affluent catchment of the town. Two pilot events were held in 2021, (food and drink focused</p>	

events) which attracted large audiences and boosted trade not only for the event stall holders but also for the market itself. The proposals aim to build on these pilots to create a dedicated event space, which will encourage the wider catchment into the town centre more frequently, which will not only boost trade, but also promote social integration. The new entrepreneurial hub also aims to break down perceived barriers to start-up in business and will strengthen integration between different socio-economic groups.

PART 4 STRATEGIC FIT

4.1 Member of Parliament Endorsement (GB Only)

See technical note section 5 for Role of MP in bidding and Table 1 for further guidance.

4.1.1 Has an MP given formal priority support for this bid?
Appendix 2

Yes

No

4.1.2 Please confirm which MP has provided formal priority support

Justin Madders

4.1.3 Which constituency does this MP represent?

Ellesmere Port and Neston

4.2.1 Describe what engagement you have undertaken with local stakeholders and the community (communities, civic society, private sector and local businesses). How has this informed your bid and what support do you have from them? (500 words)

An overarching vision for Ellesmere Port was first prepared in 2011, which identified need to improve bus accessibility and public sector consolidation/future needs. Engagement included bus operators, stakeholders, customers and public services – and resulted in the first phase of works to relocate the bus terminal, a revised road layout to support bus access and delivery of The Portal (a public sector hub).

Aligned with this, a Town Centre Improvement Advisory Body and Development Board (EPDB) was established – chaired by the private sector, taking a Place-improvement approach to town and industrial areas. Membership includes local MP, University of Chester, Cheshire College South & West (SW), Cheshire Oaks (McArthurGlen) Outlet Village, Cheshire Police, ForHousing, third sector organisations, local ward Members and key employers including Vauxhall, Peel and Essar. This group was instrumental in pushing for the development of the masterplan framework following a progress & future programme review in 2017 to support the town centre, which is ultimately reflected in the LUF proposals.

In 2018, an extensive community and business consultation took place including events at the Market Hall, library, shopping centre, community foodbank and church to capture those hard-to-reach and was accompanied by questionnaires (Appendix 4.1, Document A) sent to local residents and businesses. Staffed events were held in October at Cheshire College SW and 6th form (University Church of England Academy) to capture younger people's views; and at Local & Family History Society and Little Sutton Community Action to capture the wider rural catchment resident's views. Focus groups were held with ward members, EPDB, Advisory Body and in-depth (1:1) meetings were held with University of Chester, Liverpool University, Brio (leisure provider), ASDA, DIAL (Shop Mobility), and Oasis Youth Centre as well as small business representatives. All of the landowners of Coronation Road were engaged at this time.

From this process, a draft Masterplan Framework was prepared, and a 6-week consultation undertaken including online & paper questionnaires (1,500) and 1:1 meetings. The response to this process has fundamentally shaped the LUF bid:

- **Need to increase footfall to support diversification** - 70% of respondents wanted to see more food and beverage and events and to attract new businesses into centre.
- **To retain but improve the Market Hall offering** – respondents saw Market Hall as key anchor & community asset – but wanted enhancement including a clearer layout, Wi-Fi, wider offer and alternate use of 'flea-market' (former loading bay) for events.
- **Pedestrian accessibility** – need to improve pedestrian access

- **Town Centre Living offer** – whilst mixed views on housing - respondents supported this where it increased footfall and spend to help stimulate new shops/amenities.

The 2021 Our Place Survey Findings (1,300 representative citizen panel) showed that overall 87% of borough wide respondents were satisfied with their local area as a place to live – but for Ellesmere Port the dissatisfaction rate was 40% and 40% of EP residents said did not feel they belonged to the area – compared to 27% across the Borough.

In addition, in 2021 under High Street Taskforce (HSTF) pilot, (MHCLG funded) key stakeholders reviewed masterplan in light of pandemic and reducing occupancy. Engagement included walking tours and series of MS-TEAMS meetings with EPDB, Healthbox CIC, Cheshire West Voluntary Action, Action Transport Theatre, Port Arcades, Canal River Trust, market traders, local businesses, the Family History Society, elected members and housing partners. This Pilot brought specific focus to the Market Hall as an “underutilised asset” that needs “improving to interior and exterior and a platform for new businesses/stall holders who will attract those who live and work in the area that currently don’t use the market” and also identified a need to improve public realm to support ease of movement, dwell time and increased housing to provide a more mixed demographic of families and young professionals who will increase footfall.

Engagement with traders was undertaken in 2021 and 2022 to understand key issues and ambitions. This identified the need to improve the trading environment (still looks like old superstore/loading bay – see Appendix 3.3, Images 1-6), improved entrances; need for improved signage; Wi-Fi, upgraded toilets (including gender-neutral baby-changing and disabled facilities) and provide events to encourage footfall. From this, two pilot events were held – these were very popular despite the pandemic; many attendees commenting that as residents they had rarely come into centre, other than to go directly to supermarkets. These events increased footfall between 145-152% (based on an average Saturday footfall in 2021) and traders reported 20-25% increased turnover. Engagement also identified some innovative suggestions around flexible environment to host weekly craft, community groups or home-based trader sessions – so that the space could be seen as a place for community and to foster entrepreneurship.

All of these elements form a core part of the LUF proposal.

[Redacted]

Local stakeholders were consulted as part of LUF preparation with 1:1 discussion held in May/June 2022 including Chair EPDB, Action Transport Theatre and Cheshire College. These stakeholders noted that importance of a proposed flexible events space and benefits of diversification within the Market Hall as well as better outdoor/spill out space. The private owners of the Port Arcades Shopping Centre (Adhan Group) are very supportive of the bid and its ambitions to increase footfall (Appendix 4.1, Letter 8). They [Redacted] acknowledge that this project will act as a catalyst for private sector, which in turn will reduce vacancy levels and increase their business case for future investment.

Ellesmere Port was identified as a pilot for GP Active Prescribing, after extensive engagement with public health professionals, link workers and community stakeholders, recognising issues with excess weight and poor health in this deprived area. Identification of these issues has helped to shape and inform the proposed active travel element of this bid, which will encourage walking and cycling and in turn lead to improved health outcomes. The design of the active travel route from the station to the primary shopping area was part of a formal LCWIP process which included stakeholder engagement.

4.2.2 Has your proposal faced any opposition? Please provide a brief summary, including any campaigns or particular groups in support or opposition, and if applicable, how will you work with them to resolve any issues. (250 words)

The Ellesmere Port Masterplan Framework was positively received and there was clear backing for pedestrian and Market Hall enhancements. The MP is very supportive of proposals to increase dwell time, allow spill out space for business and to develop flexible space to allow for events which will bring in a wider catchment and stimulate private sector food and drink.

[Redacted]

4.2.3 Do you have statutory responsibility for the delivery of all aspects of the bid?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
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For Northern Ireland transport bids, have you appended a letter of support from the relevant district council	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A
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4.3.1 Please provide evidence of the local challenges/barriers to growth and context that the bid is seeking to respond to. (500 words)

Local Context
 Ellesmere Port is a growth area which benefits from its strategic location close to Liverpool (11 miles) and M56 (2 miles) and is seeing significant levels of investment in innovation in the supply and use of hydrogen – with Hynet the UK’s leading Track 1 industrial decarbonisation project and the emerging location of Whitby in Ellesmere Port as home to the UK’s first potential hydrogen village, as part of the Government’s Ten Point Plan to accelerate the path to net zero by driving the growth of low carbon hydrogen across the country, placing the UK at the forefront of the clean energy innovation. The Hynet project reaches across the North West and Wales, with a history of innovation and industrial heritage, the region is perfectly places to lead the low carbon energy transition. (Appendix 4.1).
 Despite the strengths of the wider area, Ellesmere Port town centre lags significantly behind Borough, Regional and National indices in most of the identified ‘capitals’ in the White Paper especially matrices including deprivation, productivity, wages, economic well-being, and civic pride:

- GVA growth lags regional and national levels: 0.7% CW&C; 0.9% North west and 1.9% nationally (GVA growth 2009-2019);
- Business inception rate has fallen across CW&C by 8% between 2015 and 2020, and start-up rate is 26% below Cheshire East (Metrodynamics Business Support Findings based on 2020 ONS business births).
- Only 2.6% Ellesmere Port & Neston Constituency are self-employed, compared to CW&C average 9.1% and GB rate of 9.3% (CW&C Annual Population Survey 2021).
- Claimant count is 6.3% (May 2022) compared to Borough average (2.7%) or GB (3.9%) (Claimant Count May 2022).
- 20.6% of workers are employed in elementary occupations (compared to CW&C and GB average of 11.2%) and the ward significantly lags every comparator on skills and occupations to borough and national averages (2021 paycheck disposable income data)
- 93% of ward (Central and Grange) residents live in Q1 IMD rank – compared to just 16% in CW&C and 20% nationally and together with adjacent wards of Rossmore and Wolverham – mean that all of Ellesmere Port is on the 10% most deprived IMD rank in England – despite the overall borough being less deprived as a whole (Central & Grange Ward 2019 Ward Profile).
- Over 50% of housing is rented (35.9% socially rented) compared to 27% rented (14% socially rented) – and the level of Council tax benefit is significantly higher at 25.9% compared to 12.5% (Central & Grange Ward 2019 Ward Profile).

- Of the 46 wards in the Borough, the three central wards² of Ellesmere Port all sit within the four most deprived and Net disposable household income 2021 at Lower Super Output Area (LSOA) falls below £10,000 in 3 areas and sits at or below £11,500 for all of the town centre LSOA compared to £ 18,500 CW C average (Appendix 3.2, Figure 1)

The offering in Ellesmere Port Town Centre is mainly value and convenience led, with significant retailers including ASDA, ALDI, Iceland Food Warehouse, Boots, Wilkos and Home Bargains. Vacancy rates are high in the town centre (c. 26% compared to a high street 11.2% average (Springboard - <https://www.spring-board.info/>), and which does not account for the large number of charity shops (additional 6%) which have taken up previously vacant units (Appendix 3.2, Figure 2).

Footfall data (Appendix 3.2, Figure 3) suggests a fall of circa 58% between 2019-2021, and while some of this ground is being made up following an end of COVID-19 restrictions, the high levels of vacancy and low-end focus is not sufficient to recover unless public-sector intervention is instigated.

[Redacted]

The Market Hall is located within a former food supermarket building and has had very little intervention since being first established. As a result, there are few windows and therefore light, poor thermal/energy retention and the lack of segregated space means that it does not create an environment which is conducive for dwell time and spend. The former loading bay is used as an occasional flea market and it is extremely dark, cold and uninviting as either a shopping or community space. The entrance points to the main Market Hall have no real pedestrian forecourt or spill-out space for events (so cars abut entrance) and from the north (Whitby Road), there is no visible entrance from the main road. The current stall vacancy rate is 32% and the peripheral edges (away from seating) are effectively 'dead-zones. (See Appendix 3.3, Images 1-6).

Analysis of housing transactions (May 2021 to May 2022) demonstrates low values/demand for flats but a good market for semi-detached and detached properties. Despite this clear demand for terraced/mews/town house style properties, the market has failed to respond, and new build records (2020-2022) show only 40 entries (Land Insight) suggesting a lack of market interest or opportunity to provide new market value housing within the town centre. The key challenges are therefore to address include the oversupply of retail floorspace, the market's failure to deliver aspirational housing in a town centre location despite the new high paid jobs being generated locally, and the lack of pride of place.

4.3.2 Explain why Government investment is needed (what is the market failure)? (600 words)

An integrated redevelopment is required to ensure that needs and opportunities are capitalised to deliver long-term sustainable growth. The masterplan represents the optimal solution to increase the activation of Ellesmere Port with greater footfall, higher spend and stimulation of commercial sector and self-employment. The redevelopment will also support improved sustainable access to town centre services through enhanced active-travel linkages, which in turn will increase access to amenities and employment for residents from deprived communities.

Interventions are associated with the following market failures:

Public goods - active travel infrastructure is provided for benefit of society and may be used without cost. These are under-provided at present given they are non-excludable in supply and non-rival in demand, and developers do not tend to benefit from their provision; they are typically underprovided by the market in developments. The Market Hall investment includes substantial works for net-zero interventions which would not be commercially deliverable without recourse to public subsidy and the wider works to create youth and community spaces are also considered to be a public good, given that a willing investor/developer would not intervene to ensure this is deliverable for the local community.

Linked to the above, it is considered that there are **negative externalities** in place. As per the Levelling Up White Paper, it is recognised that spatial underperformance creates a spiral of decline in the 6 capitals and that negative spaces have consequential negatives for other businesses (compounding reduced footfall and spend) which deter investment or reduce sustainability of existing firms, which in turn also reduces amenities and job opportunities within the local community. This results in negative externalities which discourage new businesses to develop and creates issues with crime and anti-social behaviour. The public investment therefore delivered by the LUF project will address key negative drags and help address the under-utilised space, to deliver increased footfall and stimulate the private sector; without which the 6 capitals are likely to decline. Equally, the creation of new high quality town centre living alongside an improved offer within the town centre will generate wider benefits and positive externalities through the enhancement of regional assets, as well as building demand and capacity within supply chains and other linkage effects. The creation of an improved new town centre will result in wider benefits including to adjacent landowners and developers within the immediate vicinity of the site.

Imperfect information exists – the lack of a developed town centre housing market within EP contributes to a lack of awareness of the potential opportunities and demand for premises. There is clear market failure in the housing market in terms of delivering homes for young professionals and families in Ellesmere Port town centre as demonstrated by the fact that despite the high job growth associated with HYNET and expanding industrial sector (6,000 additional jobs by 2030) the market has failed to respond, and new build records (2020-2022) show only 40 records. Without LUF investment, the Ellesmere Port masterplan will not progress at all due to the existing barriers and viability issues in place.

Assessment of site viability has indicated a negative value associated with new build homes on the town centre sites due to abnormal costs associated with site acquisition, site clearance and perceived low sale values in an unproven and untested market. Landowners and developers, including Registered Providers, have expressed an interest in proceeding with new housing delivery, subject to the demonstration of demand and viability but limited new residential development in the town centre means limited evidence on values (a lack of comparables), increasing developer risk and thus creates caution for attracting new development in the area. It is considered that there is institutional failure given the complexity of land ownerships across the town centre sites, and thus needs to be coordinated effectively to ensure the regeneration comes forward comprehensively. In the absence of public intervention, individual plots/sites will not provide the required high-quality infrastructure and public realm which is needed to ensure an attractive town centre. The proposed redevelopment and creation of new housing without the necessary active travel infrastructure could also exacerbate existing transport issues.

The viability challenge has increased given inflationary pressures resulting in higher build costs, and the specific aspirations of delivering low carbon housing, which is untested in the new build market in EP; developers are likely to reduce investment in net-zero elements where not regulated. This project is seeking funding to respond to this viability gap and will work with the development partner (once appointed) to unlock the low carbon urban living offer which would not come forward without public co-investment.

4.3.3 Please set out a clear explanation on what you are proposing to invest in and why the proposed interventions in the bid will address those challenges and barriers with evidence to support that explanation. As part of this, we would expect to understand the rationale for the location. (Limit 750 words)

LUF investment is being sought to catalyse the regeneration of Ellesmere Port town centre. Key components include:

Catalysing future town centre living:

- **Site acquisition, land assembly and enabling works** across 2.85ha to unlock development sites for a new town centre living offer, delivering 182 new low-carbon dwellings which will start to create a new residential market within the town centre.

- Project will act an extension to the £8.4m Hydrogen Village pilot to retrofit homes (announced April 2022) in Ellesmere Port and will explore extending delivery into new homes, helping to prove the market for new hydrogen powered low carbon housing – the first such potential scheme in UK.

Re-imagining of the Market Hall and creation of new entrepreneurial space:

- **Provision of new 2,180 sqm flexible events space** in former loading bay (currently used as occasional flea market) to broaden offer, host key events to widen demographic reach and boost footfall, building on success of previous pilot events in 2021 (20% increase in turnover to Market Hall)
- **Creation of new 430sqm entrepreneurial space**, to create an innovation hub for business start-ups, and flexible space to trade to address low start-up & self-employment rates and help stimulate ‘self-help’ approach to levelling up.
- **Amenity improvements** including installation of Wi-Fi, new Changing Places toilets, children’s play area, youth and key community space which will create a new asset for the town centre, improving well-being and pride in place.
- Delivering **environmental efficiency improvements** through a fabric first approach to secure the long-term sustainability of the building and energy generation.
- **Enhancement of 1,329sqm public realm and new 3,965sqm multi-functional spill-out space** for businesses and events to enhance pedestrian entrance.

Active travel improvements:

- **400m Active travel infrastructure** delivering LTN 120 compliant cycle infrastructure and pedestrian improvements linking the town centre to the wider active travel network specifically a new route between the Railway Station and Market Hall/adjacent retail and public services hub (Whitby Road to York road) – and onwards to the proposed new town centre living offer (Wellington Road to Coronation Road) and Whitby Park (theatre). This will create a pedestrian and cycle friendly direct route sustainably linking the town centre with residential offer and railway station to encourage modal shift.
- Enhancements to Wellington Road will improve an additional **3,562sqm** of public realm space.
- Installation of **new secure cycle parking infrastructure**, linking active travel modes to Market Hall and events space.

Ellesmere Port has been selected as the preferred location for town centre improvements in Cheshire West and Chester Borough Council (and Ellesmere Port and Neston constituency) due to high levels of deprivation and inequality compared to both Borough and National averages with 3 LSOAs being within the top 10% most deprived neighbourhoods.

The proposed development will catalyse future improvements across the town centre, supporting existing Council investment that has already been made (bus station/road alignment to support public transport and new Portal hub) as well as complementing pipeline investment in a new health hub ‘Health on the High Street’ initiative. CW&C and other public sector partners own key sites within the town centre including the Market Hall and civic way offices which, collectively, creates an opportunity to transform the area with a new town centre living offer and high-quality amenity provision. The project is highly deliverable.

A comprehensive master planning approach has been selected as the preferred option, given it generates the most positive impact and change for the town centre compared to a piece-meal scheme. Other options explored included:

- Redevelopment of the Civic Way site only – a ‘quick win’ given this is within Council ownership with approved planning permission for demolition of existing structures – but transformational change would be limited.
- Redevelopment of Coronation Road sites only – in isolation would fail to deliver the step-change and new town centre living offer.

- Improvements to Market Hall limited to energy efficiency only – these proposals would not address the fundamental challenges to support Levelling Up of residents by facilitating more entrepreneurial space and would not enhance appeal to encourage wider demographic use.
- New public realm and landscaping – Done in isolation, the public realm would not address the fundamental challenges within Ellesmere Port.
- Active travel route – from railway station to town centre –while helping deliver modal shift, this wouldn't be sufficient to deliver transformational change as the reasons to visit would remain limited.

How the planned interventions will address the identified challenges and barriers

The preferred option will catalyse the wider transformation of EP centre through a series of complementing interventions which will bolster the long-term sustainability of the town, making it attractive to broader demographic and in turn, help address longer-term retail vacancy challenges, unlock sites for high-quality town centre living offer (strengthening the town's residential population), and ensure that existing/proposed communities are sustainably connected to a public transport nodes.

The proposals will address long-term economic challenges through providing new employment opportunities and fostering a spirit of entrepreneurialism and community within the reimagined Market Hall, which in turn will generate a strong sense of place and new pride within the town centre, particularly with the new flexible events space.

Local housing need will be addressed through unlocking 182 new dwellings.

Sustainability and environmental credentials are a core theme running through the bid. New dwellings will make the most of new technologies (potentially aligned with Hynet infrastructure), the Market Hall's façade and external fabric will be enhanced to ensure greater efficiencies, and the new active travel route will encourage modal shift, as well as promote better health and wellbeing within the community.

4.3.4 Please explain how you will deliver the outputs and confirm how results are likely to flow from the interventions. This should be demonstrated through a well-evidenced *Theory of Change*. Further guidance on producing a Theory of Change can be found within HM Treasury's Magenta Book (page 24, section 2.2.1) and MHCLG's appraisal guidance. (Limit 500 words)

The key interventions of the LUF investment of £13.378m and £1.486m match funding from Cheshire West and Chester Council will support and catalyse the delivery of the following outputs:

- A reimagined Market Hall delivering new community provision, a new public wi-fi hotspot installed, 2,180sqm new flexible events space and 430sqm entrepreneurial space to encourage new business start-ups and collaboration.
- 300sqm new youth, community space and children's facilities; new customer toilets and Changing Places accessible standard toilets.
- 2.85ha of brownfield land cleared and unlocked for new residential development.
- Enabling delivery of 182 new dwellings
- 3,965sqm of new public realm to the south of the Market Hall.
- 4,891sqm of public realm enhanced
- New trees/ soft landscaping planted
- Installation of new green walls
- 400m new cycle way created
- Re-prioritisation of Wellington Road for pedestrians and cyclists.

These outputs are expected to result in the following outcomes:

- Measurable increased footfall to the Market Hall and key events (20%) by 2025.
- Measurable increase in the number of people attending cultural events.
- Measuring increase in the spend generated when people attending events.

- Measurable increase in let floorspace in Market Hall (at least 15% reduction from 2022 vacancy level); - business investment.
- Measurable increase in let floorspace across wider town centre (at least 10% reduction from 2022 vacancy level)- business investment.
- Measurable increased in self-employment and business start-ups (increase to 6% by 2025).
- Positive perceptions of Ellesmere Port town centre (from residents, occupiers and investors – narrowed gap on Citizen survey on satisfaction with town centre – to CW&C average.
- Creation of new employment opportunities.
- Mode Shift – from private car to walking and cycling using new active travel routes within the town centre.
- Improved air quality.
- Improved health and wellbeing of residents.

See attached Theory of Change and Logic Model (Appendix 4.2)

4.3.5 For package bids you should clearly explain how the component projects are aligned with each other and represent a coherent set of interventions. (250 words)

The Ellesmere Port town centre project includes three key project components:

- Component 1: comprises the creation of 400 metres of new active travel routes, with new walking and cycling infrastructure leading from Ellesmere Port Railway Station through to the town centre;
- Component 2: Reimagined low carbon Market Hall as community and entrepreneurial hub and flexible events space,
- Component 3: Catalysing a low carbon town centre living offer

The elements align with and mutually reinforce one another:

- The new active travel route will enable residents to travel more sustainable to the improved amenities.
- The modal shift will reduce use of cars – making the town centre a more attractive place to dwell (and have pride in).
- Carbon reduction interventions across all components to support shift to net-zero.
- Facilitation of new town centre living offer to support footfall the Market Hall and wider town centre offer.
- Improved amenities and events space to help capture and retain footfall in the town centre.
- Re-imaged space within Market Hall to attract new footfall.
- Re-imaged entrepreneurial spaces to support local residents to start up in business.
- Co-location of youth and community space within the Market Hall to help cross-stimulation with entrepreneurship and promote self-determination/social mobility.
- Improved sense of place and generate benefits for existing and proposed businesses along Marina Drive, promoting increased footfall and dwell-time.

4.3.6 For package bids you should clearly explain how the component projects are aligned with each other and represent a coherent set of interventions. (250 words) Applicants should also briefly set out how other public and private funding will be leveraged as part of the intervention (500 words)

The proposals will help to catalyse future development within the town centre as follows:

- Hydrogen village (£8.4m) Ellesmere Port has been shortlisted to become the UK’s first potential hydrogen village (funding includes £3.38m provided by Ofgem under the net Zero Pre-construction Work and Small Net Zero projects Re-opener). Properties will be retrofitted with a free ‘hydrogen-ready’ gas boiler upgrade, and hydrogen will be supplied from 2025 for the duration of the 2-year programme, to help prove the use of hydrogen in decarbonising heating across the country. The LUF proposal fully aligns and potentially extends this offer and will make the Ellesmere Port offer more comprehensive and compelling, with Cadent providing full support of the scheme to help achieve their ambitions (see letter of support - Appendix 4.1, Letter 5)

- Private sector investment will be leveraged into the development sites (Civic Way and Coronation Road) as part of future housing delivery packages. The expectation is that a developer partner will be procured and appointed to deliver the town centre living element of the scheme.
- Improvements to the Market Hall and creation of new entrepreneurial spaces will encourage new business start-ups within the town centre.
- £700,000 Active Prescribing project (outcome of bid to be announced July 2022) will be fully aligned with LUF to encourage active travel. Sustrans have been awarded money by Dft to help Local authorities design active travel schemes. Sustrans have worked on designing walking and cycling improvements to LTN 1/20 standard in the Overpool area of Ellesmere Port within our Local Cycling and walking infrastructure Plan so the LUF bid will add value to this work and will help leverage future funding by having a fully integrated route. The LUF bid is not dependent on this funding should it not be successful.

4.4 Alignment with the local and national context

In this section, applicants should clearly articulate their alignment with any relevant local and national strategies and objectives concerning investment, infrastructure and levelling up. Applicants should explicitly state how the bid will substantially support the delivery of local and national policy objectives.

4.4.1 Explain how your bid aligns to and supports relevant local strategies (such as Local Plans, local economic strategies or Local Transport Plans) and local objectives for investment, improving infrastructure and levelling up. (Limit 500 words)

The bid aligns with:

Ellesmere Port Vision and Strategic Framework (2011)

Set out the vision for regeneration via 7 key strategies: The bid aligns strongly by transforming the public realm, Market Hall at the heart of the town centre, delivering high-quality and sustainable housing and improving legibility and permeability across the town centre including active travel infrastructure connections to key locations.

Cheshire West and Chester Local Transport Plan (2017-2030)

Sets out strategy to provide & manage well maintained, safe, integrated, sustainable transport network. Proposed pedestrian/cycling infrastructure included in the bid promotes modal shift to active travel, reducing carbon emissions and improving health fully aligned with strategy.

Ellesmere Port Town Centre Masterplan (2018/19)

Although not formally adopted, this set out vision/objectives for EP Town Centre and responded to significant engagement. Priorities were diversification to increase resilience of commercial centre, strengthening civic and community functions, improving pedestrian access, addressing vacancies, improving the quality of the environment, and improving opportunities for town centre living. The bid directly responds to the engagement and aligns with masterplan including: providing new events and community spaces within the Market Hall; diversifying offer to support new enterprises and increase footfall to add resilience across the town (& reduce vacancies); improving legibility across town, quality of the public realm and providing new residential use.

Cheshire West and Chester Local Plan (2010-2030) (Part 1) Strategic Policies (Adopted Jan 2015) and Part 2 Land Allocation and Detailed Policies (Adopted July 2019)

Part 1 of the local plan sets the overall vision, strategic objectives, spatial strategy and strategic planning policies for the borough to 2030. Part 2 details the proposed land allocated and detailed policies including creating desirable place to live/work, enabling access to range of high-quality homes, opportunities for healthy lifestyles and adapting positively for climate change. The bid aligns local plan including: providing improvements to public realm to encourage healthy living, improve the environment, sustainable housing location on brownfield land, regeneration

of the most deprived areas of the borough, and promoting a competitive town centre environment via diversification of the Market Hall. The improvements to the Market Hall and proposed residential development will also support low carbon technologies in line with this policy.

Climate Emergency response plan (2019)

Sets out the scale of the challenge and actions to achieve carbon neutrality by 2045. Bid fully aligns with this, including replacing heating systems in Market Hall to low-carbon alternatives, deliver renewable energy or energy efficiency projects and promoting housing which has renewable energy generation or home heating systems aligned to renewable alternatives.

Cheshire Council Plan (2020-2024)

Corporate visions and priorities for 2020-2024 include tackling the climate emergency; creating more good jobs; have healthier communities, living longer more independent lives; see more neighbourhoods that are great places to call home; and ensure an efficient and empowering council. The bid supports this plan by taking introducing low carbon technologies, improving active travel infrastructure across the town centre to encourage healthy living, providing new high-quality residential development and improving the public realm to create a great place to live for new and existing residents. The Market Hall will be economically self-sustaining once completed and future proofed against (current) aging customer/trader base ensuring financial efficiency longer term.

Cheshire West and Chester Inclusive Economy Prospectus and Action Plan 2021

Prioritises reducing poverty and inequality, combatting climate emergency, supporting wellbeing, and enhancing the vibrancy, improving transport access to jobs with increased public/active travel to break down barriers that residents face. Project fully aligns with proposals as will deliver net-zero infrastructure, increased access to public and active travel, provides improved public realm and community space to support well-being and break down social isolation and through delivery/footfall improvements will facilitate new business investment and new jobs within an area experiencing economic inequality.

Local Cycling and Walking Infrastructure Plan (2020)

CW&C adopted a Local Cycling and Walking Infrastructure Plan (LCWIP). The strategy covers 2020-2030 and adopted new culture for promoting active travel and encouraging increased levels of walking/cycling – and set out how to achieve this by improve, enhance and extend our network of pavements, footpaths and cycle routes. The LUF proposals include part of the LCWIP Concept Design covering the area between the Train Station and York Road.

Cheshire West Place Plan 2020

Vision is to reduce inequalities, increase years of healthy life and promote mental and physical health and wellbeing for everyone in Cheshire West. The bid aligns though pedestrian/cycling connectivity -model shift to active travel, improved quality of environment and increased community well-being through enhanced civic and community events space helping to reduce social isolation and promote pride of place.

Cheshire West & Chester Stronger Futures Plan (2020-24)

Outlines how CW&C works with communities, businesses and partners to recover from COVID-19 and to build a stronger future. Bid aligns with objectives: reducing CW&C’s carbon footprint; supporting new/existing businesses via improvements to the Market Hall, improving sustainable transport infrastructure and green spaces via improvements to the public realm and enabling low carbon residential development to deliver regeneration and drive local growth.

Cheshire West and Chester Health Improvement Strategy (2018-2022)

Bid aligns by creating environments that support people to move more, via the prioritisation of pedestrian and cycling trips and encourages engagement with leisure, shopping and parks.

4.4.2 Explain how the bid aligns to and supports the UK Government policy objectives (500 words)

The Levelling Up White Paper identifies factors that will help to drive levelling up; this bid will contribute to the following:

Physical capital – providing new active travel infrastructure and unlocking new housing

Human capital – enabling greater community wellbeing through providing dedicated space within the reimagined Market Hall, increasing aspirations through providing a new entrepreneurial hub to encourage new business start-ups, and in ensuring pride in place which will directly enhance health and wellbeing of the local community.

Intangible capital – encouraging innovation through providing a new entrepreneurial hub and co-location with new youth facilities will help stimulate youth interest in entrepreneurship & trading.

Financial capital – supporting the creation of new business start-ups through providing collaboration space.

Social capital – encouraging a strong community through provision of an attractive and diverse town centre with a focused community offer, improved public realm and pride in place which in turn will reduce anti-social behaviour and localised crime rates.

Institutional capital – Inspiring the local community to have greater ownership in their place, encouraging local leadership and providing new spaces to build capacity and the capability of the local community to enable them to 'level up'.

The bid also aligns with and supports the White Paper missions:

Boosting productivity, pay, jobs and living standards – provision of new entrepreneurial spaces within the Market Hall will provide opportunities for new businesses to set up within the town centre, creating employment & self-employment (moving people away from benefit dependence) and enabling self-reliance for local residents to raise their own living standards.

Skills – creation of entrepreneurial hub within the Market Hall will provide spaces for local residents, including young people, to learn entrepreneurial skills (programmes delivered by SPF and Healthbox – see Appendix 4.1, Letter 11).

Improving health through provision of new active travel infrastructure which will encourage increased levels of physical activity and help to improve life expectancy in the town centre and improve air quality through modal shift from private car.

Wellbeing – The comprehensive regeneration of the town centre, improved built environment, along with greater opportunities for physical activity and community engagement through events/meeting and community spaces within the Market Hall, will help to improve mental and physical wellbeing amongst new and existing residents. .

Pride in Place – Improvements to the quality of the Market Hall, public realm and addressing key gateway brownfield sites within the town centre will increase residents' pride in Ellesmere Port.

Housing – The bid will enable the provision of new high-quality, low carbon residential development, delivering starter homes for young professionals and families.

Crime – Improvements to the public realm will increase civic pride and natural surveillance in the town centre., helping to contribute to a decrease in anti-social behaviour and vandalism.

Clear Air Strategy & Net Zero Strategy – The proposals will re-prioritise pedestrians and cyclists through new active travel infrastructure. This will encourage travel via the cleanest modes (active travel and modal shift to public transport) and reduce dependency on the private car, which in turn will improve the air quality within the town centre. The proposed built form through this bid aligns with the remit of the Clean Growth Strategy, ensuring a fabric first approach and delivering efficiency savings within the Market Hall (including the provision of PVs), as well as encouraging innovation within the residential sector and delivering new net-zero housing with the opportunity for hydrogen power, as well as exploring sustainable building methods.

Decarbonising Transport (DfT, 2021) - This sets out the Government's commitments and actions required to decarbonise the transport system and achieve Net Zero Carbon. The proposed Active Travel infrastructure provides a positive change towards Net Zero Carbon.

UK Government's Hydrogen Strategy (BEIS 2021) – Sets out Governments plans to unlock £4bn of investment in blue and green generation, storage and usage this decade and deliver on PM's 10-point plan for a green industrial revolution. This includes the development of HYNET in Ellesmere Port and the emerging Hydrogen Village pilot – in Whitby, Ellesmere Port. This project strongly aligns with strategy by adding value to HV retrofit through

expanding this to include low carbon new homes – and provides a sustainable residential location for young professionals employed in the hydrogen sector.

4.4.3 Where applicable explain how the bid complements / or aligns to and supports existing and / or planned investments in the same locality. (100 words max per fund)

Construction of new bus station and road layout on Civic Way (Opened Nov 2020) – CW&C invested £2m into the public realm and sustainable travel infrastructure within the town centre to improve perceptions and legibility of the town centre and to encourage a modal shift to sustainable travel modes, which ties in with the proposed public realm improvements and active travel infrastructure proposed in this bid.

'The Portal' - Construction of new state of the art 52,000sqft public service hub on Wellington Road. CW&C and LEP invested £16m into the new building opened in May 2022. The facility provides officer footfall to town centre and provides residents with access to essential public services including Jobcentre Plus

Whitby Park Action Transport Theatre – provision of new theatre and cultural venue in Whitby Park in the town centre, to provide a venue for professional and aspirational performances. £2.5m has been invested in the scheme (£2m CW & C and £450k Arts Council). Development opens summer 2022.

[Redacted]

Shared Prosperity Fund – CW&C have been awarded £12.6m from the fund to cover a 3yr period. The investment plan includes the provision of a start-up programme for traders

HYNET – UK's leading industrial decarbonisation project, including a £750m low carbon hydrogen hub at Stanlow Refinery in Ellesmere Port, will begin converting natural gas into low carbon hydrogen from 2025, to be distributed by a new pipeline network (see letter of support – Appendix 4.1, Letter 6).

Hydrogen village - (£8.4m) Ellesmere Port has been shortlisted to become the UK's first potential hydrogen village (funding includes £3.38m provided by Ofgem under the net Zero Pre-construction Work and Small Net Zero projects Re-opener). Project will retrofit 2,000 homes with a free 'hydrogen-ready' gas boiler upgrade, and hydrogen will be supplied from 2025 for the duration of the 2-year programme. The LUF proposal fully aligns and extends this offer

[Redacted]

Sustrans Low Traffic Neighbourhoods - Sustrans is supporting CW&C in Concept Design work funded through the Department for Transport. Design options focus on the Princes Road and Regent Street east-west corridors between the High Street and Sutton Way, for potential low traffic neighbourhoods, building on the traffic calming measures already in place. The LUF proposals tie in completely with these designs, integrating at the Princes Road/Whitby Road junction in the east, and at the Civic Way/Sutton Way junction in the west. Investment in the LUF scheme is safe in the knowledge that there are progressed designs to build up the area wide network.

Social Prescribing Active Travel – CW&C secured £100k funding from DfT to develop a social prescribing programme. The scheme's GPs in the area will be prescribing active travel to residents. The outcome of the final stage funding of £700k is expected at the end of July 2022. The funding closely aligns with the LUF bid's proposed active travel infrastructure along Whitby Road, which aims to facilitate more active modes of travel enabling people to have confidence to use active modes.

Youth investment fund – proposition is under development to look at improved youth provision and will come forward as a future phase

4.4.4 Please explain how the bid aligns to and supports the Government's expectation that all local road projects will deliver or improve cycling and walking infrastructure and include bus priority measures (unless it can be shown that there is little or no need to do so). Cycling elements of proposals should follow the Government's cycling design guidance which sets out the standards required. (Limit 250 words)

The LUF bid fully aligns with the government's expectations that all local road projects will deliver or improve cycling and walking infrastructure. A core component of the bid is an investment in active travel infrastructure, to better connect the town centre and Market Hall with the adjacent residential areas, making travelling on foot or by bike the natural choice for a significant number of local journeys.

The proposals are designed to remove and/or convert local journeys undertaken by car to sustainable modes. This has been approached via the use of incentives, in the form of high-quality dedicated active travel facilities and public realm, and disincentives, in the form of traffic management measures. These interventions will enable the key corridors served by local buses, and the bus hub itself, to operate with more reliable journey times.

The active travel proposals align with the Borough's adopted Local Cycling & Walking Infrastructure Plan (LCWIP) 2020 forming the council's long-term investment plan. CW&C invested in progressing designs works, in line with latest guidance for priority elements including corridor linking Ellesmere Port Railway Station to town centre High Street. The LUF project will deliver this critical element delivering to DfT's Gear Change and the Cycling & Walking Investment Strategy national guidance standards. Both walking and cycling proposals align with the design guidance and standards as set out in the Design Manual for Roads & Bridges (DMRB) and Cycle Infrastructure Design (Local Transport Note 1/20).

4.4.5 Please tick to confirm which of the following Levelling Up White Paper Missions (p.120-21) your project contributes to:

- Living Standards
- Research and Development (R&D)
- Transport Infrastructure
- Digital Connectivity
- Education
- Skills
- Health
- Wellbeing
- Pride in Place
- Housing
- Crime
- Local Leadership

And write a short sentence to demonstrate how your bid contributes to the Mission(s).

The Ellesmere Port town centre bid aligns with a number of the Levelling Up White Paper Missions, particularly in ensuring greater pride in place, through the regeneration of the town centre and investment into key services (a reimagined Market Hall), alongside an overall greening of the town centre and enhanced public realm and public spaces. These interventions will improve the community's wellbeing and sense of self, which coupled with opportunities for bolstering the entrepreneurialism within the town, will increase aspirations (up/re-skilling, seeking higher value employment opportunities, etc).

Physical capital – providing new active travel infrastructure and unlocking opportunities for new housing.

Human capital – enabling greater community wellbeing through providing dedicated space within the reimagined Market Hall, increasing aspirations through providing a new entrepreneurial hub and improved facilities to encourage new business start-ups, and in ensuring pride in place which will directly enhance the health and wellbeing of the local community.

Intangible capital – encouraging innovation through providing a new entrepreneurial hub.

Financial capital – supporting the creation of new business start-ups through providing collaboration space.

Social capital – encouraging a strong community through provision of an attractive and diverse town centre offer, with a focused community offer, improved public realm and pride in place, which in turn will reduce anti-social behaviour and localised crime rates.

Institutional capital – Inspiring the local community to have greater ownership in their place, encouraging local leadership and providing new spaces to build capacity and the capability of the local community to enable them to 'level up'.

Annex A –

Project 1 - Catalysing future town centre living

Catalysing future town centre living by undertaking site acquisition, land assembly and enabling works to unlock 2.85ha of brownfield land for a new low carbon town centre living offer.

Provide a more detailed overview of the project

Catalysing future town centre living:

- Site acquisition, land assembly and enabling works across 2.85ha to unlock development sites for a new town centre living offer, delivering 182 new low-carbon dwellings which will start to create a new residential market within the town centre.
- Project will act as an extension to the £8.4m potential Hydrogen Village pilot to retrofit homes (announced April 2022) in Ellesmere Port and will extend delivery into new low carbon homes, helping to prove the market for new low carbon housing.

The component aligns strongly with other elements as:

- it will regenerate redundant or underused sites in the town centre - helping to increase town centre footfall and spend to help stimulate new trade and help sustainability of existing traders
- it will create a pedestrian/cycle through-link from Whitby Park (main leisure park and theatre) to Wellington Road - and by new active travel links on Wellington Road and onwards from York Road to Railway Station - will create a simple permeable route for existing and new residents to access key destinations within the town centre

Provide a short description of the area where the investment will take place for this project

This project is located to the south-west of Ellesmere Port Town Centre. The sites are split into two key parcels, to the north and south of Wellington Road.

The northern parcel contains what is now the currently vacant, former Civic Way CW&C council offices, and is bound to the north by the A5032 Whitby Road, Ellesmere Port Civic Hall to the east, the Civic Way car park to the south and the B5132 Stanney Lane to the west. It is approximately 650 metres from the Market Hall.

The southern parcel contains a number of properties/vacant plots on land on either side of Coronation Road, The land is bound to the north by Wellington Road, by the rear of the properties along Park Rd to the east, McGarva Way to the south and the B5132 Stanney Lane to the east. The main leisure park, Whitby Park which contains the new theatre is immediately to the west of Stanney Lane. [Redacted]

The site is circa 300 metres from the northern parcel [Redacted]

This component of the bid does not include a transport element but it is linked as the proposed new active travel route will provide sustainable access for the proposed community to access Ellesmere Port train station by active travel modes via Whitby Road.

CH65 0BE

39814 75916

% of Project Investment – [Redacted]

Ellesmere Port and Neston – 100%

Cheshire West and Chester – 100%

Total LUF grant requested for this project – £[Redacted]

Regeneration and Town Centre – 100%

Value of Match Funding - £[Redacted] (Council resource)

Value For Money

The provision of new housing is enabled on the cleared site, which aims to enhance the viability of this part of Ellesmere Port by enabling the provision of high quality, environmentally neutral (ie supporting net zero objectives) suitable for professional and community wide population requiring affordable town accommodation.

[Redacted]. The site will bring together plots on Coronation Road and plot on Civic Way as a first phase of residential development (with latter phase continuing subject to further

These units should support housing for approximately [Redacted]people. The well-being valuation of the new housing has been estimated on a 50% well-being satisfaction rate for households (and 20% for those employed). The benefits are assumed over 25 years and discounted at 3.5% and 2% inflation to yield a NPV of £37.74.5m. Total well-being benefits are therefore at estimated at almost £42.539m (including employment – see below).

The additional Gross Disposable Household Income from the housing proposal should add net additional GDHI of just over £1755m which after taking account of additionality the NPV benefit should amount to £11399.5m over 25 years discounted at 3.5% and 2% inflation.

Overall BCR 2.25

Project BCR 1.23

Non-monetised benefits for this project

The major impact is ‘signalling’ to the marketplace of a desire to upgrade the public realm, events and housing offer in Ellesmere Port that should ultimately induce major catalytic investments. The scope of impacts that could ensue include (but not limited to):

- Forecast well-being valuation of the housing development are estimated at NPV of £42.5m .
- Catalytic Investment - an assessment of the potential local development opportunities has been undertaken which identifies a number of sites which have a latent but clear link to improvement to this part of the town. These are sites where this project could genuinely induce a ‘pump priming’ effect on the wider area.
- Net Zero – the project expects to adopt energy saving options for the housing units which should generate CO2 savings over the life of the project.
- Increase in high quality town housing targeted at young professionals and the wider community.
- Reduced crime and threat of its incidence through greater footfall and ‘eyes on the street’/ natural surveillance.
- creation of active travel route from Whitby Park to Wellington road will create a permeable walking/cycle route to key destinations (Park/theatre -

As a number of these benefits have not been included within the economic case for the bid, it is likely that the benefits achieved through the proposed schemes have been underestimated, which would further strengthen the Value for Money case.

Does this project include plans for some LUF grant expenditure in 2022-23?

Yes

Could this project be delivered as a standalone project?

Yes - the project could be delivered as a standalone project

Demonstrate that activity for this project can be delivered in 2022-23

[Redacted]

Statutory Powers and Consents

List separately below each power/consents etc. obtained for this project

Planning permission has been secured for the demolition of Civic Way offices. This was secured on 14th May 2020 (planning reference:20/00073/FUL).

Outstanding statutory powers/consents

Planning permission will need to be obtained for the demolition of the Coronation Road buildings (once acquisition and vacant possession has been secured).

[Redacted]

A developer partner is to be appointed for the delivery of the residential units. The developer partner will be responsible for securing detailed planning permission for the housing (outputs which are to be catalysed).

Annex B –

Project 2 - Re-Imagined Market Hall

Reimagining of the Market Hall (former supermarket/loading bay) to create new entrepreneurial space to support business start-up; flexible events space to diversify use and broaden customer base and new civic amenity and community spaces (children's play area, youth chill-out zone, Changing Place toilets) wifi, layout improvements as well as substantial environmental efficiency improvements, pv panels & windows to let in light and improve thermal efficiency of building. New public realm areas surrounding the market hall entrances to create pedestrian and cyclist friendly area and spill out space for businesses in new civic forecourt.

Provide a more detailed overview of the project

Reimagining of the Market Hall and creation of new entrepreneurial space:

- Provision of new 2,180 sqm flexible events space in former loading bay (currently used as occasional flea market) to broaden offer, host key events to widen demographic reach and boost footfall, building on success of previous pilot events in 2021 (20% increase in turnover to market)
- Creation of 430 sqm new entrepreneurial space, to create a new innovation hub for business start-ups, and flexible space to trade to address low start-up & self-employment rates and help stimulate 'self-help' approach to levelling up .
- 300 sqm of amenity improvements including installation of wifi, new Changing Places toilets, children's play area, youth and key community space which will create a new asset for the town centre, improving well-being and pride in place.
- Delivering environmental efficiency improvements through a fabric first approach to secure the long-term sustainability of the building and energy generation.
- Creation of 3,985sqm new public realm entrances and multi-functional spill-out space for businesses and events to enhance pedestrian entrance

Provide a short description of the area where the investment will take place for this project.

The project will take place in the existing market hall, which is a former food supermarket and loading bay. The building is linked to the main privately owned shopping centre (Port Arcades) to form the primary shopping area of Ellesmere Port Town centre. A new public sector hub has been built adjacent to the Port Arcades which opened in 2022 (400 metres) together with a newly opened bus interchange (400 metres). The building is surrounded by an extensive car park (1148 spaces) which is also shared by two convenience food stores (ASDA & ALDI).

The housing sites proposed (project 1) are less than 600 meters from the market hall and will be directly linked by new active travel infrastructure (project 3).

CH65 0HW

40175 76104

% of Project Investment – [Redacted]

Ellesmere Port and Neston – 100%

Cheshire West and Chester – 100%

Total LUF grant requested for this project - [Redacted]

Regeneration and Town Centre – 100%

Value of Match Funding - £[Redacted] (Council resource)

Value For Money

The net impact of the employment associated with the Market Hall is as follows:

-New jobs minus displaced baseline = 7 net additional jobs and NPV c. £2.66m GVA over 10 years discounted 3.5% and 2% inflation

-Safeguarding – no change

-Well-being impacts of new household employment estimated at £291k per annum based on the HMT well-being appraisal guidance factored at 20% for the lower band (ie £10k). NPV over 25 years discounted at 3.5% and 2% inflation estimated at £4.84m

- Welfare labour supply benefits of the new jobs are based on recommended MHCLG methodology which it is assumed 5% of jobs will be occupied by new entrants and there will be a 40% welfare impact for these jobs (net 2%) yielding in this case £0.05m of benefits.

Meanwhile, visitors associated with the proposed events space create the following benefits:

Annual net additional benefit of £4,050,844, as set out in Table 5.4, Appendix 5.

Running then a 10 year NPV at 3.5% and 2% inflation on these totals yield and NPV of :

Wellbeing NPV of £9.65

Visitor spend NPV of £24.59

Total benefit (NPV £M) of £34.24 over 10 years, given the level of increased footfall and ability to provide and deliver additional events.

The target area of public realm works is near 2/3rds of a hectare of key renewal areas. This will enhance the area’s attractiveness to visitors more generally in the area but also suppress potential crime spots in this part of the town:

- A 15% reduction in crime incidence could be assumed through the proposed development by combination of public realm improvements, visual exposure and more ‘eyes on the street’ notwithstanding perceived uplift in community. The total NPV value of crime savings is calculated over 10 years at 3.5% discount rate and 2% inflation as £1.07m.

- Public realm improvements has an NPV value over 10 years and with 2% inflation and discounted at 3.5% of £0.66m.

Overall BCR 2.25

Project BCR 2.65

Non-monetised benefits for this project

The major impact is ‘signalling’ to the marketplace of a desire to upgrade the public realm, events and housing offer in Ellesmere Port that should ultimately induce major catalytic investments. The scope of impacts that could ensue include (but not limited to):

- Catalytic Investment - an assessment of the potential local development opportunities has been undertaken which identifies a number of sites which have a latent but clear link to improvement to this part of the town.

These are sites where this project could genuinely induce a ‘pump priming’ effect on the wider area.

<p>- Visual / Aesthetic improvements – the redevelopment of the Market Hall and the public realm works should together provide a more attractive, accessible and appealing facility for visitors to frequent.</p> <p>- Improved health and wellbeing of residents</p> <p>- Net Zero – the project expects to adopt energy saving options for the market hall which should generate CO2 savings over the life of the project (potential for energy generation in excess of usage has been identified but not fully modelled).</p> <p>- Reduced crime and threat of its incidence through greater footfall and ‘eyes on the street’/ natural surveillance. As a number of these benefits have not been included within the economic case for the bid, it is likely that the benefits achieved through the proposed schemes have been underestimated, which would further strengthen the Value for Money case.</p>
<p>Does this project include plans for some LUF grant expenditure in 2022-23?</p> <p>Yes</p>
<p>Could this project be delivered as a standalone project?</p> <p>Yes - the project could be delivered as a standalone project</p>
<p>Demonstrate that activity for this project can be delivered in 2022-23</p> <p>It is anticipated that subject to receipt of LUF funding, the initial stakeholder engagement activities would commence at the end of 2022/start of 2023. In addition to this the design team would be appointed in late 2022, to begin works on the detailed design of the scheme, which is anticipated to continue onwards into 2023 to prepare for a planning submission date of August 2023.</p>
<p>Statutory Powers and Consents</p> <p>To date there are no statutory consents secured for this project, albeit an initial design has been prepared which will be developed further as the project progresses.</p>
<p>Outstanding statutory powers/consents</p> <p>Planning permission will be required to undertake the external changes to the updated Market Hall. CW&C will lead on preparing the planning application following the appointment of a design team. The programme for obtaining planning permission is by October 2023, subject to luf announcement in Oct 2022.</p>
<p>Annex C –</p>
<p>Project 3 - Active Travel Improvements</p> <p>Package of active travel interventions across Ellesmere Port Town centre to improve permeability and legibility, including provision of a new cycle link between the train station and primary shopping area and the re-prioritization of Wellington Road for pedestrians and cyclists.</p>
<p>Provide a more detailed overview of the project</p> <p>Provision of the following active travel interventions across Ellesmere Port town centre:</p> <ul style="list-style-type: none"> - 400m Active travel infrastructure delivering LTN 120 compliant cycle infrastructure and pedestrian improvements linking the town centre to the wider active travel network specifically a new route between the Railway Station and Market Hall/adjacent retail and public services hub (Whitby Road to York road) – and onwards to the proposed new town centre living offer (Wellington Road to Coronation Road) and Whitby Park (theatre). This will create a pedestrian and cycle friendly direct route sustainably linking the town centre with residential offer and railway station to encourage modal shift. - Enhancements to Wellington Road will improve an additional 3,562sqm of public realm space. - Installation of new secure cycle parking infrastructure, linking active travel modes to Market Hall and events space.
<p>Transport project location details for this project</p> <p>400m Active travel infrastructure delivering LTN 120 compliant cycle infrastructure and pedestrian improvements linking the town centre (primary shopping area) to the Railway Station, following predominately the main Whitby Road - a high street of small independent shops with rented units above but experiencing high levels of vacant units - to York Road (entrance to the market hall and Port Arcades shopping centre).</p> <p>The wider active travel network also extends onwards to the proposed new town centre living offer (Wellington Road to Coronation Road) and Whitby Park - which is the large principle leisure park for the town centre and is</p>

also home to the new theatre. Enhancements to Wellington Road will improve 3,562sqm of public realm space including new pedestrian/cycle path.
 -Combined, this will create a pedestrian and cycle friendly direct route sustainably linking the town centre with residential offer, leisure, and railway station to encourage modal shift.
 Project also includes installation of new secure cycle parking infrastructure, linking active travel modes to market and events space.

CH65 8AD
 40181 76359
 % of Project Investment – [Redacted]
 Ellesmere Port and Neston – 100%
 Cheshire West and Chester – 100%
 Total LUF grant requested for this project – £[Redacted]
 Transport – 100%
 Value of Match Funding - £[Redacted]

Value for Money

The target area of public realm works is near 2/3rds of a hectare of key renewal areas. This will enhance the area’s attractiveness to visitors more generally in the area but also suppress potential crime spots in this part of the town:

- A 15% reduction in crime incidence could be assumed through the proposed development by combination of public realm improvements, visual exposure and more ‘eyes on the street’ notwithstanding perceived uplift in community. The total NPV value of crime savings is calculated over 10 years at 3.5% discount rate and 2% inflation as £1.07m.
- Public realm improvements has an NPV value over 10 years and with 2% inflation and discounted at 3.5% of £0.66m.
- An assessment to measure the impact the current value of the new pedestrian and cycle routes of 400m which are based on the DfT uplift tools indicates a value of £0.57m.

Overall BCR 2.25
 Project BCR 0.63

Non-monetised benefits for this project

There are limited non-monetised impacts from this project. The major impact is ‘signalling’ to the marketplace of a desire to upgrade the public realm, and support the change to active nodes - to prioritise walking/cycling over vehicular journeys - especially for journeys under 1 mile, and together with Project 1 and 2 should ultimately induce major catalytic investments across the town centre. The scope of impacts that could ensue include (but not limited to):

- Catalytic Investment - an assessment of the potential local development opportunities has been undertaken which identifies a number of sites which have a latent but clear link to improvement to this part of the town. These are sites where this project could genuinely induce a ‘pump priming’ effect on the wider area.
- Visual / Aesthetic improvements – the redevelopment of the Market Hall and the public realm works should together provide a more attractive, accessible and appealing facility for visitors to frequent.
- Mode Shift – from private car to walking and cycling using new active travel routes within the town centre.
- Improved air quality
- Improved health and wellbeing of residents
- Reduced crime and threat of its incidence through greater footfall and ‘eyes on the street’/ natural surveillance.
- Benefits associated with improved safety for pedestrians and cyclists as a result of the proposals
- Health benefits accrued by school and college students that may use the route to access educational establishments

As a number of these benefits have not been included within the economic case for the bid, it is likely that the benefits achieved through the proposed schemes have been underestimated, which would further strengthen the Value for Money case.

<p>Does this project include plans for some LUF grant expenditure in 2022-23?</p> <p>Yes</p>
<p>Could this project be delivered as a standalone project?</p> <p>Yes - the project could be delivered as a standalone project</p>
<p>Demonstrate that activity for this project can be delivered in 2022-23</p> <p>Subject to receipt of the LUF funding, the following activities would be undertaken in year 2022/2023:</p> <ul style="list-style-type: none"> - November 2022 to January 2023 – Engagement with businesses and residents regarding proposed changes - December 2022 to March 2023 – Detailed design and modelling undertaken - March 2023 – Legal orders for unblocking roads issued
<p>Statutory Powers and Consents</p> <p>There are no legal orders in place to deliver this project, but these will be progressed as the detailed design develops and traffic modelling has taken place.</p>
<p>Outstanding statutory powers/consents</p> <p>Legal orders will be required to deliver the active travel project. These will be progressed as the detailed design develops and traffic modelling are being undertaken, with orders anticipated to be issued in July 2023.</p>

Part 5 – Economic Case

5.1.1 – Up-to-date evidence to demonstrate scale and significance of local problems and issues (500 words)

It is estimated that over 63,000 people live within the Ellesmere Port town centre catchment area and is a predominately urban areas with a high population density. The population is expected to grow by 5.8% between 2021- 2030 (Experian Population Projection).

Statistics taken from CW&C’s Ward Profile dashboard (2020) demonstrates that 93% of ward (Central and Grange) residents live in Q1 IMD rank, compared to just 16% in CW&C and 20% nationally. Ellesmere Port, together with adjacent wards of Rossmore and Wolverham, is in the 10% most deprived IMD rank in England -demonstrating high levels of deprivation in Ellesmere Port and inequality across the borough.

Ellesmere Port residents suffer from below average incomes. Based on the 2021 paycheck disposable income data for CW&C, Ellesmere Port residents have a net disposable household income sits at or below £11,500 for all of the town centre LSOA (2021) and below £10,000 in three LSOA places, which is significantly below the £18,500 CW&C average. There is also an above average benefits claimant count of 6.3% in Ellesmere Port compared to Borough average (2.7%) or GB (3.9%) (May 2022).

The ONS Gross Disposable Household Income analysis (2019) shows that at a Borough-wide level, the income per capita places the Authority 108th out of 377 – however, the per capita rate for EP town centre LSOA are below even those of lowest authority (11, 708) – meaning that residents aren’t just lagging at a national level but also that there is significant disparity within the borough.

Based on Census (2011) data, 20.6% of workers are employed in elementary occupations (compared to CW&C and GB average of 11.2%), with the ward significantly lagging every comparator on skills and occupations to borough and national averages.

In Ellesmere Port, over 50% of housing is rented (35.9% socially rented) compared to 27% rented (14% socially rented) – and the level of Council tax benefit is significantly higher at 25.9% compared to 12.5% (CW&C Ward Profile dashboard - 2020).

Business birth rate has fallen across CW&C by 8% between 2015 and 2020 (Metrodynamics Business Support Findings based on 2020 ONS business births). In addition to this, only 2.3% Ellesmere Port & Neston Constituency are self-employed, compared to CW&C average 9.1% and GB rate of 9.3% (CW&C Annual Population Survey 2021).

Experian economic data (2020) has been accessed for the CH65 postcode to understand the current housing market in Ellesmere Port. Analysis found low values for flats, suggesting that the existing stock is in lower demand compared to houses (particularly semi-detached) which have comparatively high values. Detached properties achieve significantly above average values for Ellesmere Port.

New Build records for May 2020 to May 2022 show only 40 records, suggesting a lack of market interest or opportunity to provide new housing within the town centre.

The town centre suffers from high vacancy rates due to an oversupply of retail floorspace compared to changing demand patterns. The GOAD Plan was accessed in May 2022 (last surveyed Oct 2021) and reviewed during site visit in May 2022 (Figure 5), which showed a vacancy rate of c.26% in the town centre, not accounting for the additional 6% of retail units since replaced by charity shops. The market hall also suffers from high vacancy rates, 32% in market hall and 70% in flea market (provided by market manager in May 2022).

Footfall counters in the Port Arcade showed footfall fell by c.58% on average between 2019-2021, whilst counters in the market showed that average Saturday visitors (historically busiest day) has almost halved between 2020 and 2022 (Appendix 7). Combined with car park usage data, which shows a drop of c.11% between 2017-2020, this demonstrates a trend of declining popularity of the town centre.

A Low Zero Carbon (LZC) report was undertaken for the Market Hall in March 2021. This report noted that the Market Hall currently consumes 122,720kWhrs/annum of energy, equating to 775, 479kgCO₂/annum in Green House Gas (GHG) emissions. Whilst current energy bills for the market are c.£100,000 a year (2021-2022). The report also set out that the provision of LZC technologies such as photovoltaic panels, LED lighting and new energy systems could reduce carbon emissions by over 40,000kg CO₂ per annum.

Ellesmere Port also suffers from high levels of anti-social behaviour and crime, with 2019 Ward profile data for Ellesmere Port Central and Grange Ward demonstrating an ASB rate of 59.5 per 1,000 (compared to 26.2 for CW & C and 25.7 for England) and total crime rate of 168.5 per 1,000 (compared to 73.4 for CW & C and 77.6 for England).

Active travel to address challenges of poor health

Central and Grange ward in Ellesmere Port is home to 10,300 of the borough's residents. 9,553 residents (93%) live in quintile 1 with 709 (7%) in quintile 2. The ward level data for this ward highlights that:

- Excess weight in children is above both the Cheshire West and Chester average and the England average, with the year six average being significantly higher (National Child Measurement Programme 2015-2016 to 2017-2018).
- 9.1% of the population reports poor health, higher than both the Cheshire West and Chester and England average
- Adult obesity for the borough is 63.5%. Ward level data is not available, but we know there is a link between deprivation and obesity with 93% of the ward ranking within quintile 1 of the Index of Multiple Deprivation.

Public Health England Fingertips website highlights that for Central and Grange wards, the life expectancy and causes of death data are worse than the England average. Within Ellesmere Port, deaths from circulatory disease, coronary heart disease, and respiratory diseases are significantly higher than the England Average when standardised for age (52%, 86% and 46% respectively).

Air quality is not the only cause of these high figures, but it is now understood that it will potentially play a significant role, alongside exercise, to improve these health issues. There are four Air Quality Management Areas (AQMA's) in the CW&C borough, one of these locations is in Ellesmere Port town centre.

The Propensity to Cycle Tool baseline results for Ellesmere Port illustrate there is currently a relatively low level of cycling for commuting across the town, for example 3% cyclists versus 56% car drivers in the central LSOA of Ellesmere Port Town Centre.

5.1.2 – Please demonstrate the quality assurance of data analysis and evidence for explaining the scale and significance of local problems and issues. Please demonstrate how any data, surveys and evidence is robust, up to date and unbiased. (500 words)

The data analysis and evidence base referenced above has been robustly assured using approved known data sets, such as IMD, where possible. Any wider regional data has been used alongside more granular Ward data to reflect the spatial location of the proposed project. The most recent data sources have been reviewed where possible, with data collected over a number of years in many cases, providing a summary of the local trends over the past few years.

Locally collected data such as footfall and car parking usage provide information on an even more granular level, providing evidence of distinct local issues such as falling footfall in the Market Hall. Again, this data has been collected over a number of years to help understand the long-term trends and patterns in the town centre.

Data to inform the active travel interventions has included a range of health, air quality and modal split data to fully understand the baseline scenario. Data in relation to the health challenges present in Ellesmere Port was also collected to inform the Cheshire West and Chester GP prescribing pilot bid, focusing on the Central & Grange Ward within Ellesmere Port, which covers the town centre area. This data was collected from a range of sources, including Cheshire West and Chester Ward Profiles (2019), National Child Measurement Programme (2015-2016 to 2017-2018) and Public health England Fingertips Data (2015-2019) to ensure a robust data set.

As part of the 'Ellesmere Port Town Centre Masterplan', a total of 1,500 questionnaires were distributed, with a 15% overall return rate. These were distributed amongst local businesses, residents and students within the town centre and response could be returned by post or online to ensure a wide demographic of people could be included in the consultation. The qualitative nature of the responses allows for opportunities and constraints within the town centre to be noted from various perspectives and ensures responses provided are not biased towards a certain response

5.1.3 – Please demonstrate that the data and evidence supplied is appropriate to the area of influence of the interventions. (250 words)

Whilst localised data for the town centre is limited, where possible, more granular ward or town centre data has been utilised to ensure the evidence is relevant to the area of intervention. Specific data has been provided for areas contained within the intervention area (car parking usage, footfall, engagement) to ensure that the evidence provided gives an indication of the current performance of the town centre, specifically in relation to the proposed areas of intervention. Where available ward or LSOA level data from IMD and Paycheck data has been used. Parliamentary constituency data on business start-up rates has also been used.

The interventions proposed as part of this bid are all located within Ellesmere Port Town Centre, which is within the area consulted on as part of the Ellesmere Port Town Centre Masterplan Public Engagement. Questions were

asked in relation to the following areas: retail offering, Market Hall and flea-market, town centre car parking, Whitby Road, cultural activities, evening economy and housing within the town centre. The responses to these questions have then directly fed back into the LUF bid proposals.

5.2.1 – Please provide analysis and evidence to demonstrate how the proposal will address existing or anticipated future problems. Quantifiable impacts should be forecasted using a suitable model. Theory of Change evidence should be identified and reference. (750 words)

The LUF investment will be used to directly address and respond to the key challenges experienced within Ellesmere Port town centre. As previously referenced within our strategic case response, the primary issues within Ellesmere Port are the high levels of deprivation and the poor performance of the town centre, which results in low footfall, dwell-time, increasing vacancies and poor-quality built environment.

The town centre fails to meet the needs of the local community, given the lack of a diverse town centre offer, nor does it attract a broader demographic with the necessary spending power to support and sustain local businesses. Ellesmere Port Market Hall sits at the heart of the failing town centre and suffers from high vacancies (32% in Market Hall and 73% in flea-market), low energy efficiency and poor quality internal and external environment.

The preferred option will catalyse the wider transformation of Ellesmere Port town centre through a series of complementing interventions to bolster the long-term sustainability of the town, making it attractive to broader demographic, addressing longer-term retail vacancy challenges, unlocking sites to enable a high-quality town centre living offer, and ensuring that existing/proposed communities are sustainably connected to a public transport nodes.

In order to support this change and deliver the impact a Theory of Change (Appendix 4.2) process was conducted to identify key issues and that quantifiable outputs generated through the project are likely could be both delivered and will deliver change.

Unemployment/Low incomes

Issue

Unemployment at 6.3% in Ellesmere Port, higher than rest of Cheshire West and Chester (2.7%) and UK (3.9%),. Net disposable household income sits at/below £11,500 for all of the town centre LSOA's (2021) and below £10,000 in three LSOA's in Ellesmere Port, which is way below the £18,500 CW&C average
Self-employment rate in Ellesmere Port & Neston Constituency (2.3%) is significantly below CW&C (9.1%) and national averages (9.3%).

Action

Creation of 430qm entrepreneurial space (and start-up support via linked SPF programme)
Creation of 2, 180 sqm events space to support home-based business trading opportunities
Revised market layout to increase trader occupancy levels driven by new footfall
Unlock sites for 182 new dwellings

Outcomes

Encourage new business start-ups and collaboration.
New homes will increase socio-economic integration across the town centre & broaden demographic and household spending power

Impact/Transformation

Increased household income & spending power within Ellesmere Port residential population

Increase in self-employment and business start-up rates (target 6% increase by 2025).
Improved living standards and access to new employment opportunities
Rising aspirations driven through increased socio-economic integration

Forecast methodology

The employment impacts has been assessed for the project taking detailed account of

- The displacement effects on the current employment in the development area.
- Safeguarding the current scale and scope of stalls in the Market Hall to both retain and enhance the offering to the local and wider population. Whilst the space and number of stalls will be consolidated this should be sufficient to support the same employment levels but at the same time increase the scope and quality of the local offering.
- Employment supported through the entrepreneurial and specialist workshop facility will be wholly new and unique to this part of Ellesmere Port.
- Employment is also considered within the new population created through the proposed housing in terms of Well-being benefits.

Employment forecast over 10 years (ie net – following the development) discounted at 3.5% and inflation where appropriate is 2% per annum. Metrics used for income include GVA per filled job for CWAC deflated to current 2021 prices (employment) and Gross Domestic Household Income for CWAC deflated to current prices (household income). Additionality for GDHI is estimated at 64% justified on the basis of enhanced provision locally.

Income calculated using HCA Additionality and Density guides. Forecast over 10 years (ie net – following the development). Summarised additionality assumptions are :

Additionality has been taken account of as follows:

- A1 (Market Stalls):
 - o D/W - High (75%)
 - o Displacement – Low (25%)
 - o Leakage Rates – Low (10%)
 - o Multiplier 1.25
 - o Final Additionality 0.07
- B1B (Entrepreneurial Hub):
 - o D/W - None (0%)
 - o Displacement – Low (10%)
 - o Leakage Rates – Low (10%)
 - o Multiplier 1.25
 - o Final Additionality 1.01

The net impact on employment is then:

New jobs minus displaced baseline = 7 net additional jobs and NPV c.£2.66m GVA over 10 years discounted 3.5% and 2% inflation

Safeguarding – no change

Well-being impacts of new household employment estimated at £291k per annum based on the HMT well-being appraisal guidance factored at 20% for the lower band (ie £10k). NPV over 25 years discounted at 3.5% and 2% inflation estimated at £4.8m

Welfare labour supply benefits of the new jobs are based on recommended MHCLG methodology which it is assumed 5% of jobs will be occupied by new entrants and there will be a 40% welfare impact for these jobs (net 2%) yielding in this case £0.05m of benefits

Crime Rates

Issue

High levels of anti-social behaviour (ward rate of 59.5 per 1,000) compared to the rest of CW&C (26.2) and England (25.7).

High levels of crime (168.5 per 1,000), compared to the rest of CW&C (73.4) and England (77.6).

Action

Enhancement of 4,891sqm of public realm
Provision of 3,965sqm of new public realm
300sqm of new youth & community spaces within the Market Hall
Enabling new housing to increase town centre population

Outcome

Increased town centre population & footfall providing natural surveillance
Decreased crime and anti-social behaviour
Public realm and crime benefits equating to £1.07m (NPV) over 10 years

Impact/Transformation

Increased safety for local community
Improved perceptions of place- increasing dwell time and spending
Decreased cost of crime

Forecast methodology

Crime Reduction – crime is a particular feature of this part of the town – with the growing fear of it. According to the latest crime statistics for this particular part of Ellesmere Port a total of 649 crimes are committed annually. The current value of crime savings is estimated at £1348 per incident in current prices. (GME / Home Office). A 15% reduction in crime incidence could be assumed through the proposed development by combination of public realm improvements, visual exposure and more ‘eyes on the street’ notwithstanding perceived uplift in community. The total NPV value of crime savings is calculated over 10 years at 3.5% discount rate and 2% inflation as £1.07m.

Health and Wellbeing

Issue

Lower life expectancy in Central & Grange ward than England average.
9.1% of the population reports poor health, higher than CW&C and England averages.
Poor air quality with AQMA area within Ellesmere Port town centre.
IMD Health/disability deprivation, town centre LSOAs within top 10% nationally.
Resident dissatisfaction with town centre
Poor quality public realm

Action

Creation of new civic space south of Market Hall
Provision of new 2,180sqm events space
Enhancement of 4,891sqm of public realm
Provision of 3,965sqm of new public realm
Provision of new 400m cycleway between Train Station and York Road
Installation of new secure cycle parking infrastructure

Outcome

Promotion of active travel from increased permeability
Wellbeing benefits equating to £9.32 (NPV)
Mode shift from private car to walking and cycling
Improved air quality

Impact/Transformation

Improved liveability of town centre

Restored pride in place and wider perceptions of Ellesmere Port

Forecast methodology

Employment / visitors population well-being enhancements and spending Based on the latest HMT guidance – Well Being Guidance for Appraisal (2021) and established visitor benefit metrics from DCMS Culture and Heritage Data Bank (2021) . Visitor spending approximated at £45 per person for non-event patrons. Forecast for 10 years and discounted at 3.5% and 2% inflation as appropriate. Employment attribution of 0.2 and population at 0.5 for wellbeing at the lower band level of the satisfaction range (ie £10k). Additional visitor well-being assessed for all events scheduled and visitor spending for market hall days only. GVA scalar (ie retained income) at 40% for visitor spending.

The target area of public realm works is 8,856sqm of key renewal areas. This will enhance the area's attractiveness to visitors more generally in the area but also suppress potential crime spots in this part of the town (the value of which is calculated separately by an estimated savings forecast). This should provide a strong complementary interface across areas supporting both employment and visitor forecasts. The amenity value of the public realm has been calculated as follows:

Public Realm sqm (new 100% and renovated @20%) - 8856sqm

PR in ha – 0.8856

Amenity Value - £122,065

Amenity Value of EP scheme (£) - £247,426

This has an NPV value over 10 years and with 2% inflation of £2.02m.

An assessment was based on the DfT guidance and Uplift tools. Forecast over 20 years to measure the impact the current value of the new pedestrian and cycle routes of 400m which are based on the DfT uplift tools indicates a value of £0.57m.

Housing

Issue

Lack of housing, suppressing vibrancy and creating dead spaces

Lack of market interest/opportunity to provide new market value housing within the town centre.

Social housing dominance creating narrow demographic

Action

Acquisition and demolition of sites on Civic way and Coronation Road.

Enabling the provision of a range of high-quality residential uses, including apartments, townhouses and larger family homes.

Outcome

Increased resident population by [Redacted]

Diverse demographic with increased spending power

[Redacted]

Impact/ Transformation

Increased footfall and spending sustaining independent and diverse retail/f+b

Improved perceptions of town centre

Catalytic regeneration benefits for Ellesmere Port community

Increased land values and improved viability

Forecast methodology

New housing is proposed on the cleared site which is designed to enhance the viability of this part of EP by providing high quality, environmentally neutral (i.e. supporting net zero objectives) suitable for professional and community wide population requiring affordable town accommodation. [Redacted]

These units should support housing for approximately [Redacted]The well-being valuation of the new housing has been estimated on a 50% well-being satisfaction rate for households (and 20% for those employed). The benefits are assumed over 25 years and discounted at 3.5% and 2% inflation to yield a NPV of £37.7m. Total well-being benefits are therefore at estimated at almost £42.5m (including employment).

In terms of the wider or longer-term outputs / impacts that should materialise from the programme of works then these are summarised as follows (but are not included in the quantitative BCR assessment):

Forecast gross household income that should ensure from the development are estimated at £12m per annum which over a period of 25 years and adjusted for inflation and discounted at 3.5% indicates an estimated NPV of £113m net additional household income to this part of Ellesmere Port.

Forecast well-being valuation of the housing development are estimated at NPV of £42.5m

Visual / Aesthetic improvements – the redevelopment of the site and the public realm works should together provide a more attractive, accessible and appealing facility for visitors to frequent.

Catalytic Investment - an assessment of the potential local development opportunities has been undertaken which identifies a number of sites which have a latent but clear link to improvement to this part of the town. There is a wide mix, scope and status associated with these sites. However, a number of sites have been identified as offering leveraged investment where this project was to go forwards as intended. These would provide a mix of businesses and employment locally.

Net Zero – the project expects to adopt energy saving options for the housing units which should generate CO2 savings over the life of the project.

A Theory of Change (ToC) summary table and a Logic Model for the proposed scheme is presented as Appendix 4.2.

5.2.2 – Please describe the robustness of the analysis and evidence supplied such as the forecasting assumptions, methodology and model outputs. Key factors to be covered include the quality of the analysis, the quality of the evidence and the accuracy and functionality of the models used. (500 words)

The assumptions have been based on a range of forecasts, baseline evidence, expert property advice and public consultation. These assumptions have then informed the economic modelling which has been undertaken by an independent specialist.

Details of the proposed events calendar and visitor numbers anticipated within the new events space has been provided by CW&C and specialist market advisers Workman and Cascade and have been moderated against pilot events in 2021.

CBRE’s economist has developed a comprehensive cost benefit analysis (CBA) model for the project based on assumptions and best practice as outlined in the HM Treasury Green Book, including, for example, the level of

Optimism Bias that has been assumed in the modelling. In terms of benefit modelling, the inputs have been directly informed by the Green Book and associated published Government guidance:

- The Land Value Uplift forecast is based on DCLG and VOA valuations which are considered to be a robust source from which to provide a reasonable estimation of the LVU for the site in question. Value adjustment has been made using the HMT Deflator to bring these up to current prices. The area which drives the valuations have been measured independently by specialist consultants (OPEN) to provide the necessary accuracy in value uplift.
- The wellbeing benefits felt by residents/ visitors to Ellesmere Port town centre has been calculated using a robust wellbeing valuation technique as outlined in the HMT Green Book.
- The amenity benefits from enhanced public realm have been informed by the MHCLG Appraisal G.

Whilst the main focus of DCLG based appraisals has centred on Land Value Uplift (LVU) this project has a cocktail of benefits. The project's main focus is a mix of retail consolidation, upgrading amenity and enabling high-quality housing alongside active travel for pedestrians and non-motorised movement around this part of the town. Put simply the direct (and indirect) value base of this project lies with:

- The visible aesthetic improvement to the area
- The public realm improvements that go along with these which should increase the visitor attractiveness of the area more generally which will draw some contributory value as well through suppressing latent or emergent anti-social or criminal issues
- New (high quality) employment
- The direct increase in local population (and thus employment)
- Safeguarding existing employment with an enhanced venue and offering
- The forecast increase in visitor numbers and projected spending locally therein
- The (latent) well-being uplift that should materialise amongst visitors to events and the local population
- Ensuing LVU from the development

Alongside which we have considered the wider (catalytic) benefits including:

- Potential wider ancillary investments upgrading land, developments or retail offerings that could at least in part be attributed to this development in LVU terms.

This has been the key feature of the EIA. Garnering the key quantitative information to feed the economic models has been an iterative process where the interface between the new housing and population, public realm improvement and crime suppression, consolidating current employment, new event space, the programming requirements to fill the new space and the ability to attract the scale of visitors within the visitor catchment market area has been a challenge.

However, by taking account of baseline and market testing that has already taken place and the current throughput supported by current staffing levels then it has been possible to secure a reasonable estimation of throughputs and benefits. Importantly this development is designed to provide 'over-and above' facilities which are considered highly additional to the current offering in CW & C and this has fed into the additionality assumptions proposed.

Therefore, whilst acknowledging that there are several retail and event venues within and outside the proposed catchment area (ie CW&C) the proposals are still considered highly additional. This facility alongside the proposed investment is considered different with a different offering thereby limiting displacement and leakage effects and supporting a reasonable sub-regional multiplier as proposed / assumed.

5.3 Analysis of costs and benefits

5.3.1 – Please explain how the economic costs of the bid have been calculated, including the whole life costs. (500 words).

The economic costs have been estimated from the financial forecasts produced for the project. The financial costs are detailed below:

[Redacted]

TOTAL - £14,864,976

The optimism bias is defined as follows:

Housing [Redacted]- standard building (upper bound no mitigation).

Public Realm [Redacted]- standard building civil engineering (with mitigation).

Active Transport -[Redacted]- civil engineering (with mitigation – this supersedes the default standard 15% used in the AMAT model).

Market Hall - [Redacted]- standard building (upper bound no mitigation).

The optimism bias mitigation for the civil engineering works are detailed at Table 5.2, Appendix 5.

[Redacted]

5.4 Value for money

5.4.1 – Please provide a summary of the overall Value for Money of the proposal. This should include reporting of Benefit Cost Ratios (BCR).

(500 words)

If a BCR has been estimated, please provide the BCR of the proposal below.

If you only have one BCR, please enter this against the 'initial' BCR.

'Initial' BCR (single bid)

'Adjusted' BCR (single bid)

The multi-modal scheme induces a range of benefits which are fairly complex to put together. The focus of the project includes:

- New Housing
- Market hall development and Public realm
- Active transport benefits

A mix of outputs are generated from these components, and these are summarised as follows:

- [Redacted]housing units with the overall impacts related to population increase, employment opportunities, improved welfare and income.
- Enhancement and creation of 8,856sqm of public realm which will enhance the overall public amenity space provided, increase the quality of the public realm and provide more natural surveillance which will help to reduce anti-social behaviour and crime rates.
- Provision of 400m of Off-road cycle track / pedestrianisation which will generate health and accessibility benefits.
- A redeveloped Market Hall building providing 80 stall market area, events area, entrepreneurial space and storage. This will generate employment opportunities, generate increased number of visitors to the market and wider town centre, improve overall well-being through events and providing training.

The Impacts have been assessed by the following methods:

- Land Value Uplift - The area of development land associated with the housing scheme has been assessed for Land Value Uplift post development.
- Population - The gross population has been estimated using two methods : Method 1 using average housing occupation density for Ellesmere Port; and Method 2 using a weighted analysis of occupancy by units size for the scheme.
- Employment - Employment is based on the total space allocated for employment purposes within the market hall net of any loss incurred from existing employment within the site to outside the area. HCA guidance has been applied to convert space to FTE using the appropriate density levels for the space allocated
- Income - Income has been measured using standard reference ONS tables – ie Regional Productivity Tables and Regional GDHI tables for 2022 and brought up to current prices using the latest HMT GDP deflators.
- Public amenity space / reduced crime levels - Public amenity area is defined within the masterplan for the project and calculated by specialist architects OPEN.
- Health and accessibility benefits - Specialist consultants (ie WSP) have been commissioned to measure the effects of the proposed improved active transport systems.
- Employment, population and visitor well-being enhancements and additional visitor trade spending -Employment and population well-being measured through the most recent guidance provided by HMT using the Wellby assessment. Events visitors well-being / satisfaction is measured through unit benefit valuation which is estimated at £57 per person according to DCMS DataBook 2021. Market Hall spending is based on the STEAM current spending per head by visitors for the CW&C area at £45 pp per day.

The key assumptions underpinning the estimation process for these metrics are :

- Population impact – Estimated from the number of dwellings to be provided.
- Employment impact - Calculated using HCA Additionality and Density guides. Forecast over 10 years (ie net – following the development). Summarised additionality assumptions are outlined in Table 5.8 (Appendix 5.1).
- Income impact - Forecast over 10 years (ie net – following the development) discounted at 3.5% and inflation where appropriate is 2% per annum. Metrics used for income include GVA per filled job for CW&C deflated to current 2021 prices (employment) and Gross Domestic Household Income for CW&C deflated to current prices (household income). Additionality for GDHI is estimated at 64% justified on the basis of enhanced provision locally.
- Land Value Uplift - Assessment by CBRE against the housing development site

- Public amenity space / reduced crime levels - Forecast over 10 years with 2% inflation applied to the benefits and discounted at 3.5%. The public amenity benefit is sourced from DCLG guidance adjusted to current prices. Crime rates are locally based statistics - value is based on GMCA / Home Office estimates.

- Health and accessibility benefits - Based on the DfT guidance and Uplift tools. Forecast over 20 years.

- Employment / visitors population well-being enhancements and spending - Based on the latest HMT guidance – Well Being Guidance for Appraisal (2021) and established visitor benefit metrics from DCMS Culture and Heritage Data Bank (2021) . Visitor spending approximated at £45 per person for non-event patrons. Forecast for 10 years and discounted at 3.5% and 2% inflation as appropriate. Employment attribution of 0.2 and population at 0.5 for wellbeing at the lower band level of the satisfaction range (ie £10k). Additional visitor well-being assessed for all events scheduled and visitor spending for market hall days only. GVA scalar (ie retained income) at 40% for visitor spending.

LVU

The nominal LVU of the project has been assessed by CBRE and is summarised as follows:

[Redacted]

[Redacted]

Housing

The provision of new housing is enabled on the cleared site, which aims to enhance the viability of this part of Ellesmere Port by enabling the provision of high quality, environmentally neutral (ie supporting net zero objectives) suitable for professional and community wide population requiring affordable town accommodation.

[Redacted]

These units should support housing for approximately [Redacted]. The well-being valuation of the new housing has been estimated on a 50% well-being satisfaction rate for households (and 20% for those employed). The benefits are assumed over 25 years and discounted at 3.5% and 2% inflation to yield a NPV of £37.7m. Total well-being benefits are therefore at estimated at almost £42.5m (including employment – see below).

The additional Gross Disposable Household Income from the housing proposal should add net additional GDHI of just over £175m which after taking account of additionality the NPV benefit should amount to £113m over 25 years discounted at 3.5% and 2% inflation.

Employment

The forecast employment has been assessed for the project taking detailed account of:

- The displacement effects on the current employment in the development area
- Safeguarding the current scale and scope of stalls in the Market Hall to both retain and enhance the offering to the local and wider population. Whilst the space and number of stalls will be consolidated by a 1/3 this should be sufficient to support the same employment levels but at the same time increase the scope and quality of the local offering
- Employment supported through the entrepreneurial and specialist workshop facility will be wholly new and unique to this part of Ellesmere Port.
- Employment is also considered within the new population created through the proposed housing in terms of Well-being benefits.

Taking account of additionality, we have assessed the level of displacement and leakage rates as set out in Table 5.8, Appendix 5.1.

The net impact of the employment is:

- New jobs minus displaced baseline = 7 net additional jobs and NPV c. £2.66m GVA over 10 years discounted 3.5% and 2% inflation
- Safeguarding – no change
- Well-being impacts of new household employment estimated at £291k per annum based on the HMT well-being appraisal guidance factored at 20% for the lower band (ie £10k). NPV over 25 years discounted at 3.5% and 2% inflation estimated at £4.8m
- Welfare labour supply benefits of the new jobs are based on recommended MHCLG methodology which it is assumed 5% of jobs will be occupied by new entrants and there will be a 40% welfare impact for these jobs (net 2%) yielding in this case £0.05m of benefits

Visitors

The forecast increase in visitors has been assessed for the project taking detailed account of:

- The taster/baseline of events that have been run within the current facility
- Benchmark studies in particular capacity utilisation, number of productions / performance rates for this size of venue
- The proposed uplift in the number of events, performances etc expected after the re-development of the facility in its entirety (ie including Housing, Public Realm etc)
- The forecasts are based on increasing visitor numbers based on the baseline events already tested. This remains a conservative estimate given this target remains below the expected benchmark capacity utilisation for a multi-modal sub-regional facility as proposed. Total events scheduled is 80- per year (this compares with for example around 250 events in a traditional facility). Total additional attendants at events are estimated at c.35,000 pa supplemented by an average increase in retail footfall to the market hall of between 800 – 850 a day. Total footfall is therefore forecast to increase by 322k per year. The local benefits will be divided between 'well-being' benefits for those attending events and visitor spending for additional non-event footfall. Additionality is assessed for each type of events and non-event footfall as shown in Table 5.9, Appendix 5. This yields the following annual net additional benefit of ££4,050,844, as set out in Table 5.10, Appendix 5. Running then a 10 year NPV at 3.5% and 2% inflation on these totals yield and NPV of :
- Wellbeing NPV of £9.65
- Visitor spend NPV of £24.59
- Total benefit (NPV £M) of £34.24 over 10 years, given the level of increased footfall and ability to provide and deliver additional events.

Public Realm

The target area of public realm works is near 2/3rd hectare of key renewal areas. This will enhance the area's attractiveness to visitors more generally in the area but also suppress potential crime spots in this part of the town (the value of which is calculated separately by an estimated savings forecast). This should provide a strong complementary interface across areas supporting both employment and visitor forecasts. The amenity value of the public realm has been calculated as follows:

Public Realm sqm (new @50%) 6410.5

PR in ha 0.64105

Amenity value (£ per ha) £122,065

Amenity value of EP scheme (£) £78,250

This has an NPV value over 10 years and with 2% inflation and discounted at 3.5% of £0.66m

Crime

Crime Reduction – crime is a particular feature of this part of the town as well as the growing perception and fear of crime and anti-social behaviour. According to the latest crime statistics for this particular part of Ellesmere Port then a total of 649 crimes are committed annually. The current value of crime savings it estimated at £1348 per incident in current prices. (GME / Home Office). A 15% reduction in crime incidence could be assumed through the

proposed development by combination of public realm improvements, visual exposure and more ‘eyes on the street’ notwithstanding perceived uplift in community. The total NPV value of crime savings is calculated over 10 years at 3.5% discount rate and 2% inflation as £1.07m.

Active Transport

An assessment to measure the impact the current value of the new pedestrian and cycle routes of 400m which are based on the DfT uplift tools indicates a value of £0.57m.

The total net benefits contributing directly to the BCR are summarised below:

GVA (Labour Supply Benefits) – NPV £m £0.05
Public Realm - NPV £m £0.66
Crime reduction savings - NPV £m £1.10
LVU - NPV £m [Redacted]
Travel Benefits - NPV £m £0.57
Mkt Hall & Events (10 years) - NPV £m £34.24
Total Benefits - NPV £m £39.31

In terms of the wider qualitative outputs then these are summarised as follows (but are not included in the quantitative BCR assessment):

- Forecast gross household income that should ensure from the development are estimated at £12m per annum which over a period of 25 years and adjusted for inflation and discounted at 3.5% indicates an estimated NPV of £113m net additional household income to this part of EP
- Forecast well-being valuation of the housing development are estimated at NPV of £42.5m
- Visual / Aesthetic improvements – the redevelopment of the site and the public realm works should together provide a more attractive, accessible and appealing facility for visitors to frequent.
- Catalytic Investment - an assessment of the potential local development opportunities has been undertaken which identifies a number of sites which have a latent but clear link to improvement to this part of the town. There is a wide mix, scope and status associated with these sites. However a number of sites have been identified as offering leveraged investment where this project was to go forwards as intended. These would provide a mix of businesses and employment locally.
- Net Zero – the project expects to adopt energy saving options for the housing units which should generate CO2 savings over the life of the project.

GVA (Labour Supply Benefits) - £0.05
PR - £0.66
Crime reduction - £1.10
LVU - [Redacted]
Travel Benefits - £0.57
Mkt Hall & Events (10 years) - £34.24
Total - £39.41
Costs (with OB) - £17.21
BCR - 2.25

This is an initial BCR since the latest cost increases indicate that the OB rate may require adjustment although the forecast inflation rate (ie 5.3% 1st ¼ 2023) suggests that prices should stabilise by the time funding is secured and capital works start. Notably the proposed OB uplift is well above the 2023 forecast inflation.

This is a demonstrably strong BCR for the project (ie 2.25) based on realistic assumptions regarding the direct benefits from this proposal. According to the Value for Money assessment it demonstrates high value for money

Have you estimated a Benefit Cost Ratio (BCR)?
Yes
Estimated Benefit Cost Ratios
Initial BCR 2.25
5.4.2 Please describe the non-monetised impacts the bid will have and provide a summary of how these have been assessed, including the expected scale of these impacts. These will be factored into the overall Value for Money assessment of the bid.
<p>The major impact is ‘signalling’ to the marketplace of a desire to upgrade the public realm, events and housing offer in Ellesmere Port that should ultimately induce major catalytic investments. The scope of impacts that could ensue include (but not limited to):</p> <ul style="list-style-type: none"> • Forecast gross household income that should ensure from the development are estimated at £12m per annum which over a period of 25 years and adjusted for inflation and discounted at 3.5% indicates an estimated NPV of £113m net additional household income to this part of EP • Forecast well-being valuation of the housing development are estimated at NPV of [Redacted] • Visual / Aesthetic improvements – the redevelopment of the Market Hall and the public realm works should together provide a more attractive, accessible and appealing facility for visitors to frequent. • Catalytic Investment - an assessment of the potential local development opportunities has been undertaken which identifies a number of sites which have a latent but clear link to improvement to this part of the town. These are sites where this project could genuinely induce a ‘pump priming’ effect on the wider area. • Net Zero – the project expects to adopt energy saving options for the housing units which should generate CO2 savings over the life of the project. • Mode Shift – from private car to walking and cycling using new active travel routes within the town centre. • Improved air quality • Improved health and wellbeing of residents • Increase in high quality town housing targeted at young professionals and the wider community • Reduced crime and threat of its incidence through greater footfall and ‘eyes on the street’/ natural surveillance. • Benefits associated with improved safety for pedestrians and cyclists as a result of the proposals • Health benefits accrued by school and college students that may use the route to access educational establishments <p>As a number of these benefits have not been included within the economic case for the bid, it is likely that the benefits achieved through the proposed schemes have been underestimated, which would further strengthen the Value for Money case.</p>
5.4.3 Please provide an assessment of the risks and uncertainties that could affect the overall Value for Money of the bid. (250 words)
[Redacted]
5.4.4 We would expect an Appraisal Summary Table, to be completed to enable a full range of impacts to be considered. This should be consistent with the relevant appraisal guidance for the bid. For Regeneration or Cultural bids, the Appraisal Summary table should be consistent with the DLUHC appraisal guidance. Any additional evidence to support your responses to this section should be referenced within your responses (5.1.1 – 5.4.3) and attached as a single annex.

Part 6 - Deliverability	
6.1.1 – Please confirm the total value of your bid (LUF grant + match funding).	
	The total value of the bid is £14,864,976
6.1.2 – Please confirm the value of the capital grant you are requesting from LUF.	
	The total value of LUF funding requested is £13,378,478
6.1.3 – Please confirm the value of match funding secured. Where match funding is still to be secured please set out details below. If there any funding gaps please set out your plans for addressing these. (250 words)	
	<p>The total value of match funding secured is £1,486,498 which will be funded from Council’s capital budget. This funding has been secured (Appendix 8) and forms part of the agreed Capital Programme 2022-2026 which was agreed on 17th February 2022 at full Council.</p> <p>In addition, this decision was ratified as part of approval to submit LUF application (Council Cabinet meeting 08 June 2022).</p> <p>There are no funding gaps for delivering the proposals included in LUF</p>
6.1.4 – If you are intending to make a land contribution (via the use of existing owned land), please provide further details below and confirm who currently owns the land, details of any restrictions and the estimated monetary value. (250 words)	
	N/A
6.1.5 – Please confirm if your budget includes unrecoverable VAT costs and describe what these are, providing further details below. (250 words)	
	The budget does not include any unrecoverable VAT costs. All input costs are expected to be recoverable by the Council as the works undertaken will be in line with its core functions.
6.1.6 Please describe what benchmarking or research activity you have undertaken to help you determine the costs you have proposed in your budget. Please advise on any assumptions. (750 words)	
	<p>We have benchmarked the proposed construction budget against a number of sources of cost information. The primary data points being projects delivered local to the site, which have been completed within the last 12 months or ongoing where possible. This establishes the expected range of costs (as indicated below). Following the review, we have identified our view of the amounts to be included within the forthcoming Levelling Up Fund application submission. The data samples have been regionally adjusted to Ellesmere Port and Q2 2022.</p> <p>Following the review, we have identified our view of the amounts to be included within the forthcoming Levelling Up Fund application submission. The data samples have been regionally adjusted to Ellesmere Port and Q2 2022.</p> <p>Civic Way office demolition benchmark</p>

In terms of the Civic Way offices demolition, in 2019/20, a soft marketing exercise was held to engage with experienced and qualified contractors working in demolition. This involved site visits with five contractors who supplied detailed cost elements for works and were then sense-checked by a qualified QS and compared against other contracted works undertaken by the Council. As part of this process the timescale for mobilisation and delivery was identified, together with detailed discussion on risk assessment. The identified costs at this time have been reviewed by a QS in May/June 2022 with allowances for inflation.

Market Hall refurbishment benchmark

Three comparable projects in the North West geography were assessed by size (m2), location, end use amongst other criteria to inform benchmarking of costs. Based upon this position the current scheme cost planned sits above the mean cost of the three comparable projects but comfortably within the upper and lower ranges of the broader data set. The cost position is reflective of the carbon reduction initiatives and incorporation of high quality materials to the facade and envelope noted within the project design that are considered unique to Ellesmere Port comparative to CBRE's recent and ongoing experience. Therefore this scheme is considered acceptable in comparison to our benchmark data

The key financial observation taken from the benchmark projects are:

- Lowest cost comparable project = Project C: [Redacted]
- Highest cost comparable project = Project E: [Redacted]
- Mean cost of comparable projects = [Redacted]
- Ellesmere Port cost estimate = [Redacted]

The above data considers the construction cost components only and is exclusive of the following total project costs:

- Site acquisition.
- Demolition and any applicable remediation.
- Abnormal cost items.
- Professional fees.
- Risk and inflation contingency allowances.
- Legal, developer and funding fees; and
- VAT.

[Redacted]

Active Travel

WSP have prepared a cost estimate for the LUF - Public Realm and active travel elements. Benchmark rates have been obtained from a range of sources including the Building Cost Information Service (BCIS), Spon's pricing publications and recent tender returns from schemes of a similar nature. Where appropriate rates and prices cannot be applied to bespoke items, allowances have been made for indicative purposes only. Allowances for bespoke items are based on historical project data and would be subject to change upon receipt of supplier quotes (if obtained).

6.1.7 – Please provide information on margins and contingencies that have been allowed for and the rationale behind them. (500 words)

Risk and contingency allowances have been estimated [Redacted] the Market Hall and active travel elements of the base works cost estimate with separate allowances made for each of the following:

[Redacted]

[Redacted]

[Redacted]

6.1.8 – Please set out below, what the main financial risks are and how they will be mitigated, including how cost overruns will be dealt with and shared between non-UK Government funding partners. (You should cross refer to the Risk Register). (750 words)

A Risk Register (Appendix 6.4) has been prepared for the project which includes a full list of current risks and the proposed mitigation measures.

The main financial risks are set out in more detail below. All risks identified at present are owned by CW&C, but some risks will be transferred to the contractor/s upon appointment. Mitigation measures are set out below:

- Prolonged negotiation for land acquisition - Engagement with landowners first took place in 2018 as part of the overarching masterplan development. As part of LUF development, we have updated and engaged with them on aspirations. The next stage of negotiations can only occur once funding certainty is known, but there remains a risk that seller aspirations are above market values. To mitigate this risk, negotiations will be led by Council's Commercial Property manager, [Redacted], who has extensive experience of managing such agreements and land purchase requirements [Redacted]

- Market Hall Scope creep [Redacted]- The Council has already undertaken early engagement with specialist market consultants (Workman and Cascade) to help inform design concept and to determine the critical success factors required to deliver the transformational change which will still work on a practical level for existing stall holders. There is always danger of scope creep, but this will be managed under the proposed governance of the project. The Council has extensive experience of delivering major projects through its construction delivery team and has strong governance structures in place to manage the delivery and avoid scope creep.

- Inflation increases - leading to an increase in project costs and impacting on overall project budget. There is also uncertainty on the cost of proposed materials to deliver the project, and the impacts of Covid-19 and Brexit are affecting the availability of key materials and their associated costs. In order to mitigate this, inflation increase will be carefully monitored as the project progresses. If required, the project through its construction delivery team and has strong governance structures in place to manage the delivery and avoid scope creep. [Redacted]

- Project Cost Overruns – there is a risk that the total development costs will exceed the project budget available. To mitigate this, regular project team meetings will be in place managed by SRO and Project manager together with contractors once appointed under a Prince 2 structure to review the management of decisions which affect costs. In the event of costs exceeding the budget envelope available for the project, the project team will consider value engineering and/or seeking additional match funding to address any cost overruns.

- Inability to incur Levelling Up Funding within annual allocations – A risk is that the programme delays, potentially due to supply chain pressures or delayed decision making on milestones, could result in expenditure slippage. As mitigation we will hold regular project progress meetings to ensure the projects and critical path are on track across the programme. CW&C will keep in regular contact with DLUCH team and should slippage occur, the project manager, with prior approval from DLUCH could also consider virement of LUF funding between component parts to achieve overall delivery. Suitable contingency has been built into the programme in any event, and the spending profile is considered to be conservative.

- Levelling up Funding bid is not successful – There is a financial risk that CW&C will not secure successful LUF funding in round 2. As mitigation, the project team would respond to any feedback and re-submit for the Round 3 funding opportunity. The project will not proceed without LUF.
- Inflationary increases impacting cost of Civic Way demolition - This risk has been mitigated against by reviewing detailed cost profiles by QS [Redacted], cost escalation risks have been minimised through the preparation of full asbestos survey for inclusion in the tender pack. The tender will be available for full open tender via The Chest North West Procurement portal ([Redacted]) and a thorough competitive tendering process will help to reduce price escalation.
- Inflationary increases impacting on market scheme and active travel – the risk has been mitigated through an allowance of additional client contingency [Redacted]

What are the financial risk on the local community?

Given that works to the Market Hall will require a short period of closure, there is a risk that local residents will not be able to access existing stalls within the market for a short period of time To mitigate this risk, contracted works will be scheduled to period with lowest impact (between Jan-March), the option of a temporary trading base within the flea-market will be made available[Redacted]

At the point of moving to the construction stage, the project team will ensure that risks are owned, or jointly owned, by the party best able to manage the risk. This will be supported by a strong risk management approach throughout the design and delivery stage. Through risk assessments and workshops, the team will ensure there is a clear understanding how each party intends to handle the risk.

In addition, the Council will consider using an NEC4 Option C contract, a target price with activity schedule. This type of contract includes a pain/gain share mechanism, whereby the contractor pain share will be fixed at the award stage for a project cost over a certain limit. The share mechanism thresholds are currently under review, but current proposal is for the contractor share to be 100% over 102.5% of the target costs. This will help to limit the Council exposure to cost overruns.

6.1.9 If you are intending to award a share of your LUF grant to a partner via a contract or sub-grant, please advise below.

NB: You must ensure any further disbursement of the grant is done so in accordance with subsidy controls and public procurement rules.

N/A

6.1.10 What legal / governance structure do you intend to put in place with any bid partners who have a financial interest in the project?

N/A

6.2 Commercial

6.2.1 – Summarise commercial structure, risk allocation and procurement strategy setting out rationale for strategy and other options considered and discounted. Procurement must be made in accordance with all relevant legal requirements/duties (1500 words).

The approach to procurement has had to consider the breadth of workstreams and activity that are required to progress the project, including (but not limited to): multi-disciplinary design team, environment, modelling and appraisal, communication / engagement, and construction/demolition works across the three main components.

Any procurement activities are supported by CW&C procurement team, which continuously promotes best procurement practice, manages risk, and supports council teams to understand and develop their requirements. The procurement team ensures all procurement is fully compliant with laws and regulations, achieves best value for money, champions Social Value, generates income through commercialisation and harnesses Innovation. The value of the current CW&C Procurement Contracts Register is in excess of £1 billion.

All relevant procurement guidance will be implemented in line with council policies which have recently been updated to incorporate latest regulations and introduce social value policies. In addition, all guidance including relevant parts of Sourcing and Consultancy Playbooks and Construction Playbooks and DLUHC guidance will be fully considered within the procurement processes for project implementation, and the timeline has considered the appropriate time required to ensure sufficient and robust processes can be followed, informed by best practice and latest regulations on Local Authority regulations.

In 2021, the council implemented a social value strategy (Appendix 6.6) and will utilise the national TOMS and Social Value Portal for bid evaluation and contract management. An evidence-based equality analysis (Appendix 6.5) has been undertaken for the site to ensure equality is embedded into the project from the outset.

This builds on the Council's strong track record of delivery in this regard – for example The Portal Public sector hub delivered 508 weeks of apprenticeships, 50 weeks of training and 12 work placements for local people as well as 84 FTE jobs and in excess of £20m was spent in supply chain with companies within 30 miles including multiplier spend. The Social Value Policy has a number of innovative aspects in that it not only scores tenders against returns (benchmarked against threshold stages per contract levels) but also places weights on key themes – so for example, it scores not only on hours to support young people in work employed through the contract, but also gives additional weighting to numbers of weeks of meaningful work, and meaningful work experience (6 weeks+) at or above the Real Living Wage. In this way, the Council aims to weight contracts in favour of those that deliver tangible economic benefits to local young people so that they can learn and gain experience but also have a sustainable income which not only incentivises young people to see the value of work but also supports re-spend into the local economy.

There are a number of key contracts to be procured

1. Demolition Civic Way offices – [Redacted]
2. Multi-skilled consultancy appointment to include Market Hall RIBA stage design and planning consultants.
3. Main contractor (active travel, Market Hall and public realm works).
4. Demolition and site preparation works (Coronation Road).
5. Developer appointment (housing sites).

Demolition Civic Way Offices

[Redacted]

In 2019/20, a soft marketing exercise was held to engage with experienced and qualified contractors working in demolition with regards to Civic Way Offices. This involved site visits with five contractors who then supplied detailed cost elements for works, which were then cross referenced by a QS and compared against other contracted works undertaken by the Council. As part of this process, the timescale for mobilisation and delivery was identified, together with a detailed discussion on risk assessment. The identified costs at this time have been reviewed by a QS in May/June 2022 with allowances for inflation.

The Civic way demolition works are being openly procured via The Chest North West Procurement portal following soft market testing with the contractors as noted above. [Redacted]. It is felt appropriate to have a fully open

tender, with minimum standards of qualification/experience and relevant indemnity insurances in place, as there is only a limited supply of contractors that operate in the area and therefore there is no need to narrow process through a PQQ or framework tender process. The contractor will need to provide a Principal Health & Safety design lead as a delivery requirement and there will be fortnightly site meetings. The Council will maintain a separate risk register and will undertake weekly reviews of the contractor's risk register to ensure industry best practice and all health and safety standards are maintained.

Risk management will be an ongoing process and the strategy will be further developed, based on industry best practice and the normal processes and procedures of CW&C and its partners.

Multi-skilled consultancy appointment to include Market Hall RIBA stage design and planning consultants. CW&C propose to undertake a review of procurement and delivery options to assess the different delivery routes ahead of determining a preferred option. This may include open procurement via The Chest, a two stage tender process or a mini-competition using the Council's existing frameworks to tender for the package of design and planning works to take the LUF bid proposals through to RIBA Stage 3 and beyond. The key will be to ensure that the appointed team have the relevant skill-set and experience to develop the project, refine costs and ensure oversight of the main contractors. This will include the detailed design of the Market Hall and associated public realm works. The appointed multi-disciplinary team will lead on finalising the design for the Market Hall and external public realm space, reviewing costings at key stages of the process, and will be responsible for leading on preparing and submitting a detailed planning application for the works, including stakeholder engagement. As part of the procurement process, multi-disciplinary teams bidding for the works will need to demonstrate track record, project delivery, adherence to the Council's Social Value strategy and meet the relevant standards in terms of minimum levels of insurance and health and safety standards. These gateway criteria will already be met where CW&C utilise a framework approach to appoint these services.

Transport consultants for Active Travel element

WSP has already been appointed by CW&C to prepare a detailed concept design for the active travel element and is part of a wider programme of works which includes the preparation of the LCWIP for Ellesmere Port.. WSP were procured through the Warrington Borough Council Transportation and Public Realm Consultancy Services Framework Contract (which is open to CW&C). Notwithstanding this, CW & C will need to re-tender to procure the detailed design and modelling works. This may be through the Warrington Transportation & Public Realm Consultancy Services Framework as part of a mini-competition process.

Main contractor (Active Travel, Market Hall and public realm works)

Once detailed design is confirmed, CW&C will lead on procuring a main contractor to deliver the package of works which includes the active travel element, Market Hall and associated public realm works. The intention is to consider using an NEC4 Option C contract, a target price with activity schedule which includes a pain/gain share mechanism, whereby the contractor pain share will be fixed at the award stage for a project cost over a certain limit. CW&C will likely procure the contractor via an existing framework albeit a full review of procurement/delivery options will be considered. Bidders will be required to demonstrate appropriate track record and quality of previous projects delivered, adherence to social value and innovation, and ensure that value for money is secured through the NEC4 Option C contract mechanism. CW&C has a highly experienced Construction and Development team that will support delivery of this contract. They are a dedicated resource within the Council for the delivery of major and medium sized capital construction projects. As such, they have a strong track record of successful project delivery through from Feasibility/options appraisal (RIBA Stage 1 and 2) to Completion and the end of the Defects period (RIBA 5/6). The team consists of experienced and qualified construction project managers, a planning advisor and an internal quantity surveying service.

Acquisition of Third Party Interests

CW&C propose to manage the negotiations in-house due to extensive expertise in this area, but will draw on already procured relevant services for preparing of Red book valuation reports to support the best value.

[Redacted]

Demolition and site preparation works (Coronation Road)

Once key assets are acquired, CW&C will procure a separate demolition contractor (building on the experience of the Civic Way offices project element) who will be responsible for demolishing the vacated and redundant buildings within the Coronation Road area. As with Civic Way demolition, the expectation is to use The Chest North West Procurement portal and have a fully open tender, with minimum standards of qualification/experience and relevant indemnity insurances in place, as there is only a limited supply of contractors that operate in the area and therefore there is no need to narrow process through a PQQ or framework tender process.

As per Civic Way demolition, the contractor will need to provide a Principal Health & Safety design lead as a delivery requirement and there will be fortnightly site meetings. The Council will maintain a separate risk register and will undertake weekly reviews of the contractor's risk register to ensure industry best practice and all health and safety standards are maintained.

Developer Partner appointment (housing sites)

CW&C will procure a developer partner to deliver housing on the cleared Civic Way and Coronation Road sites. CBRE will undertake further soft market testing to further establish the appetite of developers/ housebuilders/ Registered Providers to take on board the sites within Ellesmere Port town centre and lead on their development. In terms of procurement route, the likely approach will be to utilise Homes England's Dynamic Purchasing System, where bidders are pre-qualified and have suitable levels of financial standing, insurances, health and safety procedures and track record. CW&C will prepare a Developer Partner brief alongside CBRE. The procurement process will be a 2-stage process, including an initial Expression of Interest, and then asking those interested bidders (assuming less than 6 will be interested) to prepare and submit tender based on the development brief for low carbon homes, which will include an indicative housing layout, acknowledgement of the site constraints and opportunities, number of units and type to be provided, delivery programme and the land value offered for the development.

6.2.2. – Who will lead on the procurement and contractor management on this bid and explain what expertise and skills do they have in managing procurements and contracts of this nature? If the procurement is being led by a third party and not the lead applicant, please provide details below (500 words)

Procurement activities are led by the Senior Responsible Officer (SRO). The Project board reviews and agrees to any procurement strategy before implementation and calls for further scrutiny and assurances as and when required. The Project Board is chaired by the SRO, the Director of Economy and Housing. PRINCE2 principles will be applied to ensure the correct management of the project.

Project key resources have been identified and secured at this stage of the project. The project team comprises internal resources, with relevant expertise on key subject matters, namely finance, procurement, property, project management, markets, transport and legal. The project team is described in detail in the management dimension which includes team structure and governance charts for further clarity.

The Council's Procurement Team operates across the entire organisation and is pivotal to supporting the council in developing new, innovative and cost-effective ways of delivering its services and is involved in all stages of the procurement cycle. In doing so, the team continuously promotes best procurement practice, manages risk, and supports council teams to understand and develop their requirements.

The current team structure operates a Category Management approach and comprises 6.8 FTE's (1x Procurement Manager, 3x Category Specialists, 1x career graded Category Specialist, 2x Procurement Support Officers). The

Category specialist for Construction and development is CIPS qualified and worked at a senior procurement level in excess of 12 years. [Redacted] (procurement Manager) will act as procurement manager on the bid.

The team also ensures all procurement is compliant with laws and regulations, achieves best value for money, champions Social Value, generates income through commercialisation and harnesses Innovation. The value of the current Procurement Contracts Register is in excess of £1 billion.

The procurement team has continued to build upon the natural synergy with Contract Management as the teams have connected roles in the commissioning cycles joining up with commissioners to create a seamless function. The Procurement team are also able to provide low level contract management for those contracts that are low value or where full contract management is not required.

The council has completed a range of procurements for a variety of high value developments in the last few years including:

- Storyhouse (£37m) a large, mixed-use cultural building in Chester, includes a theatre, cinema, restaurant and the city library. It is housed in the remodelled 1936 Odeon Cinema, a grade-II-listed building, together with a newly built extension to hold the theatre auditorium
- 3 leisure centres at £12m each.
- Chester Northgate - £67.5m
 - o A six-screen cinema
 - o Cafés, bars and restaurants
 - o A new indoor market, see more at www.newchester.market
 - o New parking
 - o Office spaces
 - o New public square
- Chester Bus Station (£13m) to relocate the existing bus station to a new sustainable gateway building.
- The Portal (Public Sector Hub) at Ellesmere Port - £16m.
- The Council has also procured and successfully delivered highways projects: A51 Tarvin to Chester Improvement Scheme, A559 Chester Way / Leicester Street Roundabout, Sutton Weaver Swing Bridge and the Drainage tunnel project for Chester.

The Chester Northgate scheme is of particular relevance as it has included the creation of a new indoor market with revitalised food court and large public square to support spill out space, as well as the relocation of existing traders. The Council had to procure appropriate contractors to deliver against the needs of stall-holder aspirations and we have also simultaneously worked to increase and diversify the food uses within the new market to attract a new customer base within a key tourist destination. Extensive engagement with traders was required throughout the programme. The head of market development who led on this project will form part of the project team for Ellesmere Port delivery.

6.2.3 Are you intending to outsource or sub-contract any other work on this bid to third parties? For example, where you have identified a capability or capacity gaps. (750 words)

CW&C will require some activities to be outsourced to ensure the successful delivery of the project. A review of internally resources that can be allocated to the project has been carried out and a gap analysis exercise has identified both capability and capacity issues. A plan to fill these gaps has been developed and key procurement process added to the scheme programme. The following main areas have been identified:

- Business case and design services – CBRE, WSP and OPEN have been commissioned under the Constellia framework to support the development of the submission. Additional multi-disciplinary consultancy services will be procured to support the development of the design in line with RIBA principles.

- Project management/DLUCH liaison – Project will be led by internal team with experienced Economic Growth Programme Manager and will utilise CW&C's internal Capital Delivery team to manage works, including main contractor.
- Property – internal support from the Senior Investment and Asset Manager is being provided with external chartered surveyors.
- Legal – initial legal advice has been provided by CW&C Legal team; however external support will be procured by CW&C legal team to ensure sufficient capacity is allocated to the project if required.
- Transport and Highways – internal support from Head of Highways and Director of Transport and Highways has been provided, together with specialist external transport consultancy support. Additional transport modelling will be commissioned to inform proposed changes to accommodate active nodes on Wellington Road.

CW&C has a highly experienced Construction and Development team that will support the core project team to deliver the project. They are a dedicated resource within the Council for the delivery of major and medium sized capital construction projects. As such, they have a strong track record of successful project delivery through from Feasibility/options appraisal (RIBA Stage 1 and 2) to Completion and the end of the Defects period (RIBA 5/6).

Project team capacity and capabilities will be reviewed regularly, considering the delivery programme and future activities, to ensure any gaps are filled in line with the works programme. Once a procurement requirement has been identified, engagement with the supply chain will be carried out the Council's procurement team. Selection process will take both quality and price into account, ensuring the right split is applied attending to the works scope, complexities, and risks. All contracts will be reviewed and validated by both CW&C procurement and legal team to protect the council's interests. Where required, external legal and commercial reviews will be carried out (e.g. main construction contract due to the size of the contract).

The main design and construction contract will include a clear set of Key Performance Indicators (KPIs). This will be monitored monthly. Initially, any issues identified will be addressed proactively and the project team will try resolve by collaborative working. Issues requiring further action will be escalated through the monthly report, or via exception report, to the Project Board, chaired by the SRO.

The project board will review issues and decide course of action. Key suppliers are represented at board level by the Senior Supplier role, and therefore will have the opportunity to address key issues proactively to avoid any penalties being applied, however it will be ultimately the SRO decision to apply contractual penalties or use termination clauses included in contract should it be deemed necessary.

In addition, the contract will include a series of Hold points at key milestones, ensuring the supplier cannot progress to the next stage unless a Notice to Proceed has been issued by the SRO. Before a Notice to Proceed is issued, a review of the KPI's and an internal review of the health and performance on the contract will be carried out, further protecting CW&C interest at every key step of the delivery process.

The process for managing delivery partners would be as follows:

- The lead designer and main contractor would become senior suppliers on the project board (with regular meetings held between the two).
- QS would sign off works invoices and project manager.
- The KPI requirements will be listed as part of the scope of works in the procurement and this will include key monitoring requirements as part of measuring white paper capitals/Missions and matrices of levelling up as identified by DLUHC.

6.2.4 How will you engage with key suppliers to effectively manage their contracts so that they deliver your desired outcomes. What measures will you put in place to mitigate supplier/contractor risks and what controls will you implement to ensure they deliver on quality (1000 words)

CW&C project team takes a proactive approach to managing supplier relationships to manage their performance.

Through the life of the contract, monthly risk reduction meetings will be scheduled to ensure the risk register is kept up to date and risk mitigated and eliminated in a timely manner, with monthly update reports issued to the project board. In addition, PRINCE2 compliant processes are in place for the Project Manager to raise exception reports as and when required for the Project Board consideration, which includes Senior Suppliers representation, and the SRO decision if required. The Project Board can call for project assurance support to review the issues presented, providing further robustness to the approach. These mechanisms and approach ensure the correct management of risks throughout project delivery.

KPIs will be also subject to monthly reviews, providing a monthly status report to the Project board on the contractors and supply chain performance against the agreed set of objectives and project outcomes. To provide further assurances to the SRO, an independent assurance review will be commissioned.

A robust monitoring regime will be implemented with specialist support in place for subject matters, including for example a commercial manager to review the health of the contract on a regular basis and identify any issues that require improvement or the Council's intervention. This will ensure the project is managed correctly, issues tackled promptly, and drive performance by ensuring compliance with contract and works information conditions. A planner resource will also review programme submissions, tracking performance against agreed programme milestones and outputs to ensure delivery is as per agreed programme.

In addition to ongoing controls and monitoring regime, a benefit management and evaluation plan will be developed in line with the Monitoring and Evaluation Strategy for the LUF, which was published in March 2022, and the Magenta Book. This document provides an overview of the preferred option; presents the approach to benefits management and evaluation; describes the process evaluation methodology; details the approach to impact evaluation; outlines the economic evaluation considerations and contains the resourcing and governance for the benefits management and evaluation activity.

Following internal CW&C processes, due diligence will be carried out before entering any contracts. The procurement team, working with legal and finance internal support, will ensure financial health and other relevant checks are carried out on proposed suppliers. Only once those checks are passed satisfactorily, a contractual relationship would commence between the Council and the selected supplier.

As part of the demolition of Civic Way Offices, additional controls have been put in place to mitigate against supplier and contractor risk. This includes pre-assessment of asbestos through a fully invasive study and the allowance for asbestos management over and above the main contract of works. The contractor is required to appoint a Principal H&S designer to oversee works as part of the contract specification and minimum standards relating to qualifications and experience of similar works form a gateway to the tender process. The contractor and Principal Health & Safety design lead will meet fortnightly (or weekly if required) on site meetings and the Council will maintain a separate risk register and will undertake weekly reviews of the contractors risk register to ensure industry best practice and all H&S standards are maintained.

The Council has a dedicated Construction and Development team that oversees all construction works and major projects. As such, they have a strong track record of successful project delivery with experienced and qualified construction project managers overseeing all work on site. For this project, it is proposed that [Redacted] would

lead the support provided by the Construction and Development team. He is currently finalising the Northgate Phase One project (£60m) which included the redevelopment of Chester market and new cinema and new civic square.

The Council is very much aware of the risk and challenges posed by the current market volatility. With regards to payment provisions, Routine payments are based on defined costs plus fee. The project manager is responsible for assessing payments as per the agreed payment schedule. In addition, CW&C will procure an online contract management system, ensuring all relevant information is stored in a central location, in a structured and auditable manner. Contract cost and forecast will be monitored against agreed budget and contingencies, and any variations outside agreed parameters will be raised to the project board for review.

6.3 - Management

6.3.1 - Applicants should set out clearly how they plan to deliver the bid. The response should consider the following:

- Key milestones: The project plan needs to clearly identify the key capital build and construction phases and include the 'stage gates' that might be used to verify build and infrastructural works completed by any contractor/s. Timescales should be realistic and meet scheme requirements.
- Key dependencies and interfaces, resource requirements, task durations and contingencies.
- A description of roles and responsibilities of those involved in the project. Plans should identify the roles, responsibilities and resource for each activity – including a delineation of key responsibilities such as project management, finance etc.
- An understanding of the skills, capability, or capacity needed - some bids may require specialist skills. If specialist skills are required, they should be set out here.
- Arrangements for managing any delivery partners and the plan for benefits realisation.
- Engagement of developers/ occupiers (where needed).
 - The strategy and communication approach for managing stakeholders and considering their interests and influences.
 - Confirmation of any powers or consents needed, and statutory approvals e.g. planning permission and details of information of ownership or agreements of land/ assets needed to deliver the bid with evidence.
 - Applicants are encouraged to submit a detailed delivery plan to support their response to this question. The delivery plan should be proportionate and realistic to the bid submitted and the timelines presented should be feasible, allowing sufficient time for each phase of the programme.
 - Applicants are also encouraged to submit evidence of statutory consents/land acquisitions.

6.3b – Confirmation of Delivery Plan

The following is a summary of the Delivery Plan (Appendix 6.2).

Key Milestones

Residential work package -

Workstream 1 – Demolition of Civic Way Offices

Planning permission has already been secured for the demolition of the former Civic Way offices (Appendix 6.4).
[Redacted]

Subject to LUF announcement October 2022

[Redacted]

[Redacted]

[Redacted]

[Redacted]

Key dependencies/interfaces

The key dependencies and critical path are highlighted within the appended Delivery Plan (Appendix 6.2). A key milestone is the determination of Levelling up Funding, which is expected late October 2022 - outcome is a key gateway event.

Subject to LUF, detailed design developed and planning application for the Market Hall submitted [Redacted] with a duration of 13 weeks for determination. Pre-commencement conditions will be sought to be minimised through providing the necessary detail as part of the original submission pack. Following completion of RIBA Stage 4, an application for Building Regulations will be made.

Contractor Procurement process

The programme prepared with realistic/conservative timescales for all the activities and logic linked in order to show the critical path through the project. Where activities do not sit on the critical path, then these will have an element of contingency within the activity. The management of the programme and the delivery of the critical path activities will be a key role for the Project Manager on the project.

Sufficient contingency has been built into the programme to allow for some slippage. In any event, the programme will continue to be reviewed and assessed as the project moves through the detailed design process and through to construction.

Roles and responsibilities

The key stakeholders and their roles and functions are summarised below, and a full list is outlined in the accompanying Delivery Plan (Appendix 6.2). A robust and experienced delivery team has been identified, with clear roles and responsibilities. The structure follows PRINCE2 principles as follows:

Project Executive

[Redacted] the Director of Economy and Housing is designated as the SRO and the Project Executive under PRINCE2 methodology. Any delegation of these activities will be authorised and managed by the SRO. The SRO is also supported by [Redacted], Head of Capital and Strategic Finance, will lead on strategic oversight of project spend, financial risk identification and liaison with CW&C Capital Investment Board and financial monitoring. He will advise 151 Officer on financial progress and risk. The Project Executive appoints the project board and the project management team, and will be responsible for the corporate and strategic direction of the project, including:

- Ensuring the project meets its objectives, delivers the anticipated benefits, maintains its business focus and is well managed with clear authority, context and management of risk.
- Providing strategic direction, when required, to Directorates within Communities, Highways and Markets and,
- Providing approval to progress through key stages of delivery and the decision to spend and acting as the Change Authority

Project Board

This board will bring together Senior Officer team members from key Directorates including representation from Economic growth, Finance, Highways, Markets, Localities, and Car parking Management and Communications and is led by the SRO for the scheme, [Redacted] Director of Economy and Housing.

The Project Team will be led by the Project Manager, [Redacted] Economic Growth Programme Manager for Ellesmere Port. The Project Manager will be responsible for the day-to-day delivery of the scheme, including managing budget, risk and benefits. They will also provide regular updates to the Project Board, based on established mechanisms and to the Capital Projects Investment Board. The Project Manager will lead on engagement and communications in partnership with dedicated Council Communications support. Stakeholder engagement is a key component of this project given the stallholders/ market traders, local residents and businesses that will be affected by the works.

The Project Board also includes the Senior Users, represented by the Head of Market Development and Total Environment (Place Making Advisory Team), Head of Properties and Head of Highways.

Additional roles within the Project team

- Commercial Property Advisor – [Redacted] is a chartered surveyor employed with CW&C who will lead on land negotiations and acquisitions.
- Communications lead [Redacted] Senior Communication Manager - Environment and Communities will support Project engagement and communications activity, press and social media and advise on communications timescale and best practice.
- [Redacted] Market Development Manager for Construction & Regeneration Major Projects is a dedicated resource within the council to support capital schemes across the council's market portfolio. Together with [Redacted] the Ellesmere Port Market Manager, they will lead on engagement with market stall holders and customers as well as development planning for use of refurbished event space. Once completed [Redacted] will be the operational lead for the management of the asset over the long term,
- Further support will be provided from council's Construction and Development team that will support the core project team to deliver the project. They are a dedicated resource within the Council for the delivery of major and medium sized capital construction projects and include specialist planning advisers which sit outside of the planning department to support application development.

In addition, Economic Growth Programme Manager (Borough wide), [Redacted] will support with establishing LUF specific queries, monitoring and reporting as required.

Following procurement, the nominated Principal Designer under the Construction (Design and Management) Regulations 2015 is also a member of the Project Board, to ensure CDM considerations are a key component of the Project Board. The Project Board provides direction and advice to the project. The board sets the tolerances of each stage and performs the standard board duties under PRINCE2 methodology:

- Reviewing and challenging the delivery of the scheme (incl. schedule, budget and scope / quality);
- Providing project assurance.
- Providing formal briefings and updates on progress as required.

The project board will also include [Redacted] Senior Project Manager, Major Projects and Capital Delivery within the Construction and Development team that will support the core project team to deliver the project. He is a member of the dedicated resource within the Council for the delivery of major and medium sized capital construction projects and brings together experienced and qualified construction project managers, a planning advisor and an internal quantity surveying service. This team works closely with all the departments across the council to ensure a co-ordinated and integrated approach to project delivery which significantly de-risks the projects they deliver. For this project, it is proposed that [Redacted] would lead the support provided by the

Construction and Development team. He is currently finalising the Northgate Phase One project [Redacted] which included the new City Centre Rainfall Drain, redevelopment of Chester Market and new cinema and new civic square.

Arrangements for managing any delivery partners and the plan for benefits realisation

The Architectural, Structural and MEP engineering would be procured using established design consultants on frameworks that have a proven track record of successful delivery within CW&C. Construction industry frameworks would be the preferred route to appointing a suitable Main Contractor.

The process for managing delivery partners would be as follows:

- The lead designer and main contractor would become senior suppliers on the project board (with regular project team meetings held between the two).
- The QS would sign off works invoices alongside the project manager.

The KPI requirements will be listed as part of the scope of works in the procurement and this will include the key monitoring requirements, ensuring that the Capitals, Missions and Matrices as outlined in the Levelling Up White Paper are appropriately and robustly monitored.

The Council will retain the overall governance of the project and will ultimately be responsible for managing the professional team and contractor, once appointed. CW&C will be also supported by a dedicated professional team to provide additional capacity and expertise. The Project Team will meet on a fortnightly basis (more frequently when required) where progress is reported against the agreed action tracker. Update reports will be developed and reviewed before these are issued through the formal reporting process. These reports include key updates on delivery against the agreed schedule, budget, risks, issues, dependencies, and wider opportunities.

Approved programme reports will be taken to the Council's Capital Investment Board. Regular reporting is also provided to the Commissioning Governance Board. Other progress reports will be provided to the funders as and when required. Scheme information will be shared with various internal working groups as well as key external stakeholders where appropriate.

Engagement of developers/ occupiers for Coronation Road and Civic Way

The Council has a specialist capital delivery team function which oversee works and which act as a team of expertise for council led delivery. It is envisioned that a development partner would be brought on board to deliver the residential aspects of the scheme, albeit as outlined above, the residential outputs would be delivered out with the LUF timescales. The LUF funding will be used to unlock and enable the residential development to come forward, helping to resolve abnormal costs associated with land acquisition, land assembly and demolition.

Initial soft market testing is already taken place, and CBRE has spoken to potential interested parties. This engagement and dialogue will continue and will be used to help shape and scope out a suitable Developer Partner Brief to put out to the market. As outlined previously, the intention is to use Homes England's Delivery Partner Dynamic Purchasing System to procure a suitably qualified Developer Partner. Work on the Developer Brief will continue over the summer, with the intention of commencing the formal Developer Partner tendering process in October 2022.

[Redacted]

Further work will also be ongoing in terms of car parking which may result in the ability to redevelop some or all of the existing Civic Way surface car park. The indicative residential masterplan has been designed to accommodate

future development phases although these residential outputs have not been counted as part of the BCR calculation.

Stakeholder Engagement

Consultation with private landowners and key stakeholders will be undertaken as part of the project action plan.

Key stakeholders and their roles are as follows:

- DLUCH - Funds administration and management,
- Local Planning Authority - Determining planning permission
- Fire and rescue service - Consultee on detailed construction programme to minimise impact on operations
- Ellesmere Port Development Board - Private Sector led Board of Community stakeholders which acts as a key steering group on engagement
- Police department - Statutory consultee – Will support the production of the detailed construction programme to minimise impact on operations and be involved as the residential development of Coronation Road progresses.
- Service utilities – There are a number of services that will need diverting. This is a statutory process and CW&C will carry out these works in full compliance with the New Road and Street Works Act. CW&C and utilities providers are responsible to comply with statutory duties in this process.
- Local community - Will be represented by CW&C Council Members and local groups and will be part of the Project Board and integral for the successful delivery of the project
- Local Businesses and market traders – In addition to the local community/ local residents, existing local businesses within the market and Port Arcades are also key to ensuring the success of the development, as well as engaging with other businesses and occupiers who may be attracted to the new proposition and offer in Ellesmere Port which will be created as a result of the project

6.3.2 – Confirmation of ability to demonstrate beginning of delivery on the ground in 2022-23

The detailed delivery programme demonstrates significant activity will take place during financial year 2022-23. The programme will be reviewed regularly with a view to reducing timescales and bringing forward late activities, which will improve delivery and minimise risks.

Value of spend in 22/23 is £[Redacted]LUF funding to be incurred by 31st March 2023.

CW&C understand the importance of progressing with some initial activities and therefore have made budget provisions from within their own resources, to continue with works delivery in parallel to DLUHC review of the bid submission. CW&C would however expect these to be accounted for within their local match for this project, should the bid be successful (which is fully in line with guidance issued[Redacted]Subject to LUF funding the following initial works will be undertaken in 22/23:

- Civic Way site preparation is already well advanced, and works are due to be tendered week [Redacted]
- Traffic Modelling and Car Parking Assessment - Further studies will take place [Redacted]to support refinement of the project including additional traffic modelling and car park demand assessment, which can then feed into the design process subject to the Council securing LUF funding.
- Developer Partner and Demolition Contractor [Redacted]by January 2023 to support with the residential phases of the project.

- [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

This approach has been endorsed it by both MPs and has wide support.

6.3.3 – Risk Assessment (500 words excl. Risk Register)

- Barriers/level of risk to delivery;
- Risk management and mitigation;
- Roles/responsibilities relating to risk.

A risk register accompanies the LUF bid (Appendix 6.4), which identifies the key risks and opportunities identified at the time of the LUF bid submission. These risks have been identified through a combination of consultant input, officer experience and wide engagement with both internal and external stakeholders. Risks identified have been collated into a risk register (Appendix 6.4) that also includes a probability and impact matrix and identified mitigation. It includes opportunity risks if the project fails to secure funding. CW&C Directors and 151 Officer have reviewed the Risk Register to ensure the register is as robust as possible.

1. Risk management will be an ongoing process and the strategy will be further developed, based on best practice and the normal processes and procedures of CW&C.
2. Based on the scale of the project, risk identified and the current internal governance and auditing process within CW&C, further assurance activities have not been identified as required so risk management will be led by Project Board under proposed governance structure.
3. Further engagement with DLUHC will take place to ensure all funder requirements are complied with in terms of assurance levels.

Risk mitigation will be managed and supported by the construction and development team, providing:

- Detailed knowledge of the Council's estate.
- Use of construction and development's team independent planning specialist.
- Co-ordinated approach to a number of Council areas including Utilities and property.
- Ability to commence immediate starts at short notice

As part of the demolition of Civic Way Offices, additional controls have been put in place to mitigate against supplier and contractor risk. This includes pre-assessment of asbestos through a full invasive study and the allowance for asbestos management over and above the main contract of works. The contractor is required to appoint a Principal H&S designer to oversee works as part of the contract specification and achieve minimum standards relating to qualifications and experience of similar works form a gateway to the tender process. The contractor and Principal Health & Safety design lead will meet fortnightly (or weekly if required) on site meetings. The Council will maintain a separate risk register and will undertake weekly reviews of the contractor's risk register to ensure industry best practice and all health and safety standards are maintained.

Risk information will be kept up to date to facilitate accurate and effective reporting, with a need to communicate the risks and opportunities with the project team and those involved in scheme delivery to ensure they are understood. Dedicated risk reviews at key milestones and following any significant changes to the scheme will ensure the risk register is thorough and reflects the scheme. In doing so, we capture risks to overspend early and can intervene as appropriate.

For risks which require escalation as they cannot be resolved by the project team, the escalation of risks reported is expected to be as follows: (i) raised with Project Manager, (ii) raised with Project Board, and (iii) raised with

Corporate Management board. Please refer to governance structure chart included in the management case for clarity on escalation process.

The key risks identified within the risk register are detailed below, with a summary of the impact and proposed mitigation. These highlight risks to the scheme costs and programme associated with the design and construction of the scheme:

- Cost escalation (materials, labour etc.)
- Mitigation: Allowance for inflation over and above BCIS indices. Value engineering to be undertaken at detailed design stage.

[Redacted]

- Poor / unknown ground conditions
- Mitigation: Ensure robust GI survey. Early commissioning of GI. Design review.

- Market Trader Engagement
- Mitigation: Early engagement and consultation with traders.

- Third party buy in (acquisitions / Port Arcade etc)
- Mitigation: Early stakeholder engagement and consultation with landowners and leaseholders.

- Lack of developer/housebuilder interest
- Mitigation: Early engagement and consultation with developer to provide viable scheme

6.3.4 – Please provide details of your core project team and provide evidence of their track record and experience of delivering schemes of this nature.

Please explain if you are intending to sub-contract any of this work or if a third party is managing the project and not the organisation applying. (750 words)

Cheshire West and Chester have a highly experience Construction and Development team that would provide the core project team to deliver the project. They are a dedicated resource within the Council for the delivery of major and medium sized capital construction projects. The core project team will follow the structure set out in Appendix 3.2, Figure 4).

The individuals included within the project team are as follows:

- Project Executive (SRO) [Redacted] Director of Economy & Housing – supported by Project Executive Deputy – [Redacted] Chief Operating Officer.

- Senior Supplier (internal) – [Redacted], Head of Economic Growth.

- Senior Suppliers (external) – comprising Principal Design and Main contractors (subject to procurement)

Senior Users -

- [Redacted] Market Development Manager for Construction & Regeneration Major Projects is a Chartered Surveyor and Urbanist with over 40 years' experience in urban development in north west England. Working in the public sector [Redacted] has developed funding bids and strategies that have helped deliver countless major development and infrastructure schemes in and around Merseyside. Specifically, [Redacted] led the team that

delivered the £350m Edge Lane Masterplan in east Liverpool, as well as the International Gateway Strategy for south Liverpool and is the lead on Chester Market redevelopment which is part of Northgate phase 1 [Redacted] which opens in October 2022.

-[Redacted]Transport Manager, Transport and Infrastructure. [Redacted]has over 24 years in Local Government transport and highways experience developing major transport schemes, including active travel and sustainable modes. Working with partners to develop business cases making bid submissions and drawing down funding for delivery. Recent examples include multi million pound Local Growth Funded (3) A51 Tarvin to Chester Improvement Scheme, and Active travel routes on A5117, Sutton Way and Ellesmere Port to Chester Canal Towpath scheme. [Redacted]is lead on live bid with the DfT for Active Travel Social prescribing to transform the health and wellbeing outcomes for Ellesmere Port, so would provide suitable synergy between the town centre improvements and wider aspirations for active modes.

- [Redacted]Commercial Property Advisor – [Redacted]is a chartered surveyor with over 20 years' experience in property acquisitions and investment management across the private and public sector. He was fund manager of the co-operative group's £500m investment and development property assets, responsible for all decision making within the portfolio. Within the public sector he has worked with key stakeholders at a senior level to help deliver regeneration projects and develop further business opportunities.

- Economic Growth Programme Manager – Ellesmere Port internal resource [Redacted]is an economy and regeneration professional with over 20 years' experience in the design, management and delivery of European and non-European economic growth projects to support job creation, inward investment, cluster development and regeneration within both local authority and private sector settings. With responsibility for the Ellesmere Port regeneration programme [Redacted]will be the economic growth lead for the project and will ensure liaison with stakeholders, businesses and developer interests and facilitate broad engagement with the wider community across Ellesmere Port

- Project Assurance[Redacted]Head of Capital and Strategic Finance [Redacted]has over 25 years of experience in local government finance and leads a specialist major projects finance team that has managed the financial impacts, risk management and value for money of over £250m of capital projects over the last 5 years.

[Redacted]Senior Project Manager, Major Projects and Capital Delivery: He has extensive experience in capital project delivery. He is currently finalising the Northgate Phase One project which included the new City Centre Rainfall Drain and Chester Market.

In addition, to add support on engagement with DLUHC and synergy with wider levelling up delivery objectives and establishing of reporting processes [Redacted]Economic Growth Programme Manager (Boroughwide) – has over 25 years' experience of working in Regeneration and managing complex multi-funded regeneration projects including SRB, ERDF, ESF, EAFRD, CA, HE, LGF, GBF and FHSF funding streams, and will support the project in first year programme.

Further project support will be provided by the following:

- [Redacted]Energy Sector Specialist
- [Redacted]Ellesmere Port Markets Manager
- [Redacted]– Head of Property
- [Redacted]Senior Access Officer
- [Redacted]Landscape Architect Total Environment
- [Redacted]Locality Manager – Ellesmere Port
- [Redacted]Communications Officer

• [Redacted] Procurement Manager

An external project team has also been appointed to support the preparation of the bid and take forward the Developer Brief for the residential component. This includes CBRE (providing planning, development and cost consultancy support), OPEN (architectural and landscape design), WSP (active travel, highways and traffic modelling support) and Workman/ Cascade advising on the Market Hall elements.

The Construction and Development team have a strong track record of successful project delivery from Feasibility/options appraisal (RIBA Stage 1 and 2) to Completion and the end of the Defects period (RIBA 5/6). This team works closely with all the departments across the council to ensure a co-ordinated and integrated approach to project delivery which significantly de-risks the projects they deliver.

Recent projects successfully delivered include:

- Northgate Phase 1, Chester value £67.5m. A new modern market including a separate bespoke fit-out, new multi-story car park and cultural quarter including cinema with associated public realm in the centre of Chester's historic conservation area. The project has a significant archaeological element given its location over the site of the Roman Fort in Chester. The project has managed a complex range of stakeholders and dependencies given the requirements of its commercial tenants and city centre location. More information about the project including the new surface water drain below can be found here. This is on target to complete in October 2022.
- Northgate - New City Centre Rainwater Outfall, Chester, value £8.2m and was funded by a mixture of internal and external funding. This was a major investment in a new city centre rainwater drain which has reduced the risk of flooding and sewage outfalls into the River Dee plus reduced the energy needed to treat non-foul water. The works effected all the main highways around the city and as a result delivery was a major logistical and communications challenge. The project was also delivered at speed as the external funding element was awarded in November 2019 with commencement in March 2020.
- The Portal, Ellesmere Port, value £16m and was funded by a mixture of internal and external funding. This project was successfully delivered on time and to budget in March 2022 and was the creation of a new modern co-location working hub for the Council and other partners allowing rationalisation of the Council estate going forward.
- Storyhouse, Chester, value £37m and was funded by a mixture of internal and external funding. The refurbishment and extension of the old Odeon building in the heart of Chester to recreate the cinema, a new 800 seat theatre with Restaurant and bar areas. This also included the co-location of the Chester library to create a vibrant and popular new day and evening attraction for the city.
- Chester Bus Station, value £13m and was funded by a mixture of internal and external funding. This involved the relocation of the existing bus station to a new iconic building at a key gateway location within the city and included notable sustainability features such as a green roof.
- A559 Chester Way / Leicester Street Roundabout - In 2016, CW&C upgraded the A559 Chester Way / Leicester Street roundabout (in Northwich) and the scheme was funded with £3.4m of Government Local Pinch Point funding. The works utilised existing footways and verges to provide additional running lanes, access roads and parking areas, increasing the junction's capacity in order to support the regeneration and growth of Northwich (e.g. better access to Baron's Quay development). The scheme aimed to improve safety for drivers and cyclists.

6.3.5 – Please set out what governance procedures will be put in place to manage the grant and project.

We will require Chief Financial Officer confirmation that adequate assurance systems will be in place.

Council to confirm specific governance and assurance processes here

The Transforming Ellesmere Port Town Centre project will be delivered as a single project. As Scheme Sponsor, CW&C has the responsibility for putting in place all the necessary procedures and responsibilities to ensure that assurance is undertaken and that approvals are sought and obtained in a timely manner. Within CW&C, this role is undertaken by the Senior Responsible Officer (SRO).

CW&C has a number of critical roles and groups in relation to both assurance and governance. The governance structure of these roles is set out in Appendix 3.2, Figure 4 and detailed below:

- Scheme sponsor, responsible for developing the scheme and ensuring adequate funds and other resources to ensure its delivery.
- Capital Investment Board, providing oversight and monitoring of capital programme. The Capital Investment Board will receive monthly updates from project managers and more detailed quarterly reports on the project spend. This is overseen by Project Executive who chairs the Project Board;
- The Council also operates a Risk Officers Group, which is embedded into the major projects process and reports to the Council's Senior Management Board, which in turn reports to Cabinet and Scrutiny Committees as applicable. Projects of the scale of LUF do not normally report to the Risk Officers Group on a regular basis unless the RAG rating is deemed by Project Executive to warrant additional scrutiny and support.
- Financial responsibility to ensure proper financial governance, vested in the Chief Financial Officer (under Section 151 of the Local Government Act 1972), including in relation to funding of this scheme;
- The Local Planning Authority (LPA) in relation to assessing and deciding on planning matters relating to the scheme. The LPA is not part of the project team but performs a fundamental role in the approval process as an independent party; and,
- The Highway Authority, in relation to the highway network and its effective management and the Technical Approval of the proposed highways structures, in compliance with the Highways Act 1980 and Traffic Management Act 2004.
- In addition, the Council has additional duties under a range of legislation, including a duty to consult and duties under the Equalities Act 2010, which affect the governance of the scheme.

Alongside the governance roles in relation to this scheme, the Council also has in place a published Constitution which sets out how the Council works, together with procedures and timetables. CW&C's Finance and Contract Procedure, including the Council's Procurement Strategy, governs all aspects of the procurement of goods or services and the receipt and disposal of funding that may be required for the development, design, delivery, monitoring and evaluation of the Transforming Ellesmere Port Town Centre project.

6.3.6 If applicable, please explain how you will cover the operational costs for the day-to-day management of the new asset / facility once it is complete to ensure project benefits are realised. You should also consider any ongoing maintenance and servicing costs.

Please note that these costs are not covered by the LUF grant.

Future maintenance and renewal costs have been fully considered as part of the development of the business case. The new structures will be designed and built up to current standards, which includes CDM 2015 regulations, and all senior users, such as the market manager will be part of the technical approval process to ensure structures are fit for purpose.

The costs associated with the Market Hall enhancements are anticipated to accrue additional maintenance and day-to-day management costs, including:

- Evening security staff for F&B offering £[Redacted]
- Additional cleaning staff for F&B offering [Redacted]
- Marketing for Market Hall/Events Space £[Redacted]

The above costs will be supported through new income generated from event space activity which has been modelled to generate an income [Redacted] will cover the additional charges.

Despite the high level of stall vacancy, at present the Market Halls operational costs generates a small surplus of [Redacted]at and it is anticipated that through re-design and new footfall the number of empty stalls will

significantly reduce bringing in new income. In addition, the improved energy efficiency of the building and the energy generation delivered through the PV installation will deliver considerable savings compared to cost of energy costs for 22/23. The budgeted running costs of the market will therefore remain the same within the overall council budget, with the cost of maintaining new soft landscaping and greenwalls coming from significant anticipated savings from energy cost reduction.

Over the medium term, the energy assessment report (Appendix 6.11) has indicated that the level of PV panels could generate a surplus which could either be utilised to reduce Council overheads at other assets within the vicinity or could be sold back to the provider. Further modelling of this benefit will be undertaken as part of detailed design development (riba stage 3).

Monitoring and evaluation

6.4.1 Monitoring and Evaluation Plan: Proportionate plans including:

- Bid level M&E objectives and research questions;
- Key metrics covering inputs, outputs, outcomes and impacts, informed by bid objectives and Theory of Change (Tables E – Delivery milestones and F – Bid monitoring and evaluation (metrics, data sources, data collection regarding inputs, outputs, outcomes and impacts and beneficiaries))
- Resourcing and governance arrangements for M&E.

(1000 words)

CW&C will lead on programme level evaluation in terms of the wider Levelling-Up Programme and on project-specific monitoring and evaluation. This will include establishment of baseline in line with DLUHC towns fund criteria and submission of a Monitoring and evaluation plan, which is anticipated will form part of the MOU or grant funding agreement if the LUF funding is awarded. The M&E plan will set out, in line with DLUHC expectations, key monitoring points, responsibilities and targets (outputs and outcomes) in line with the LUF submission and logic model (Appendix 4.2), It is anticipated that there will be six monthly review points, together with interim reports to DLUHC delivery partner managers.

Some data sets are already in place and have been used to inform the strategic and economic case sections of this bid. Further analysis and baseline studies on transport will be undertaken to ensure a robust framework from which to successfully monitor project outputs and outcomes. The collection of baseline data is time sensitive, and CW&C will ensure that data is collected prior to the project starting to enable the impact of the project to be estimated upon its completion.

Further baseline work will be used to collate the following:

- Footfall counters are already in place to monitor footfall within Ellesmere Port Town Centre and within the Market Hall itself and consideration will be given for the need for additional counters
- Updated vacancy/GOAD mapping to show vibrancy/ vitality within Ellesmere Port, subject to LUF M&E plan requirements.
- Annual updated Market Hall trader surveys to understand vacancy rates and spending levels.
- Data on transportation modes – travel within Ellesmere Port town centre.
- Market catchment analysis for market will be established as part of engagement process to understand change over time as event space opens.
- Anti-social behaviour/ local crime statistics for the area in and around Ellesmere Port.
- Existing perceptions from visitors/community/businesses through undertaking perception surveys will take place as part of an ongoing engagement process – this will complement the well-established citizen panel already in place.
- Health and wellbeing data in terms of active travel improvements.

The Senior Responsible Office (SRO) will have overall responsibility for the benefits management and evaluation. The following key roles are anticipated:

- DLUHC: national evaluation team to review and approve this MEP to ensure the approach is consistent with overall LUF evaluation.
- SRO/Project manager: responsible for ensuring monitoring and deliverables shared with DLUHC.
- Project Team: day-to-day management of the process will be co-ordinated by the Project Manager with delegation where required.

The team will need to collect data on inputs, activities, outcomes and outputs. They will require preliminary information to be provided ahead of inception meetings taking place. Subsequent quarterly reporting will primarily focus on project expenditure, project progress, project changes and stakeholder engagement. Every 6 months, CW&C will also report on outputs and outcomes which are built into the Council's project management activities.

The project will be underpinned by key performance targets that will be monitored and reported at identified timescales to CW&C. CW&C will ensure the timely collection and reporting of key data sets through our existing project and programme-level monitoring processes as well as qualitative evaluation to monitor the impact of the project. Qualitative evaluation is implemented through a recognised organisational learning process. An organisational Learning Action Plan will be developed on a quarterly basis.

The Capital Investment Board, will provide oversight and monitoring of capital programme works. The project board will report to them with monthly updates monitoring spend and more detailed quarterly reports on the project spend and delivery. This is overseen by Project Executive who chairs the Project Board.

The Council also operates a Risk Officers Group, which is embedded into the major projects process and reports to the Council's Senior Management Board, which in turn reports to Cabinet and Scrutiny Committees as applicable. Projects of the scale of LUF do not normally report to the Risk Officers Group on a regular basis unless the RAG rating is deemed by Project Executive to warrant additional scrutiny and support.

Evaluation techniques will be dependent on the measurement and information that is being gathered and will include:

- Customer/visitor satisfaction surveys
- Place perception surveys
- Impact Monitoring Surveys
- Website and social media engagement

What you want to achieve through your project-level M&E -

The success of the Transforming Ellesmere Port town centre project will be measured against the following key questions:

- An increase in footfall and unit occupation year on year (including key events/ programmes) associated with the new events space and refurbished Market Hall.
- The extent to which the refurbishment and improvements to the Market Hall have a positive impact on the external perceptions of the place- specifically how this project will help to leverage in external and additional investment, above and beyond LUF monies, both into the Market Hall but also investment into the wider town centre. This will be measured through:
 - o Reduced vacancy rates within both the Market Hall and wider Ellesmere Port town centre.
 - o Business start-up rates
 - o Town centre satisfaction surveys

- The impact on health and wellbeing – both in terms of the active travel improvements but also in terms of helping to support and upskill the local community through addressing local unemployment levels.
- Ensuring the long-term sustainability of the Market Hall and wider town centre offering.
- The increase in catchment for events
- The proportion of residents who travel by more sustainable/ active travel modes at least once a week
- An increase in new businesses and employment opportunities, assisted by the entrepreneurial hub.
- A reduction in crime and anti-social behaviour

Our overall approach to M&E -

The Transforming Ellesmere Port town centre project is a single project but covers different components/ elements, including the refurbishment of the Market Hall, but also the enhanced and new public realm and better active travel links. The approach therefore to M & E will be a project-wide approach. CW&C will have monthly meetings to discuss progress against key outputs. The immediate focus will be on ensuring LUF investment is incurred within the programme timescales, and in the longer-term, post re-opening of the reimagined Market Hall, it will be key to continue monitoring the success of the project. This will be done through impact and qualitative assessments, which will be reported to the rest of the project team on a quarterly basis through outcome monitoring.

Our key deliverables and how will these be used and disseminated?

Quarterly progress reports will be produced throughout the project implementation and delivery and will continue for 10 years post construction. These will provide updates on key outcomes, outputs and targets. These reports will be used to provide updates to the project team.

Baseline data required is identified above. As the project progresses, and particularly when the schemes are completed, it will be important to review, monitor and establish the following:

- o Footfall Socio-demographic reach/ diversity of visitors
- o Modal data (within Ellesmere Port Town Centre)
- o Dwell-time
- o Health and wellbeing of residents
- o Attendance at events, catchment pull of events and spend per attendee to monitor uplift. during key events)
- o Impact on local unemployment / business start-up rates
- o Impact on anti-social behaviour/ localised crime rates

Our plan to collect baseline data in a timely manner

Baseline data will be collected through CW&C's 6-monthly organisational process.

Resourcing monitoring and evaluation elements

Subject to DLUCH requirements, CW&C staff can collect qualitative data which will be passed to an external company for analysis and evaluation or commission project specific evaluation assessment should this be a requirement.