

## £65.2M EXPANSION OF GROWTH DEAL BOOSTS LOCAL PLAN FOR HEART OF THE SOUTH WEST ECONOMY

The Heart of the South West Local Enterprise Partnership has agreed an expansion to its Growth Deal with the Government which will see an extra £65.2m invested in Heart of the South West between 2016 and 2021. This is in addition to the £130.3m of funding committed by the Government on 7 July 2014. Over the lifetime of its Deal (2015-2021) the Local Enterprise Partnership estimates that up to 22,000 new jobs could be created, 11,000 new homes built and that it has the potential to generate £260m public and private investment.

The additional proposed projects include:

- Further funding for a Low Carbon Innovation Centre in **Bridgwater**, which will support the development of the Hinkley Point C nuclear power station.
- Providing universal **superfast broadband** coverage by tackling the next 5% of premises in hard to reach, largely rural, areas.
- An Electronics and Photonics Centre, based at the White Rock Business Centre in **Paignton**, providing incubation for start-up businesses and highly specialised equipment for more developed companies.
- **South Yard, Plymouth**: funding for site separation and remediation activities to boost the Plymouth City Deal's flagship marine campus scheme.
- An **Unlocking Growth Fund** to invest in projects across the area that will boost employment at key sites. Possible schemes likely to be put forward include Claylands strategic employment site in Torbay; Holsworthy Agri-Business Park in Devon; a new enterprise centre in Wiveliscombe, Somerset; and a range of sites linked to Plymouth's Marine Industries Production Campus.
- The creation of a collaboration centre at the heart of the Met Office Environmental Futures Campus at **Exeter** Science Park, linked to one of Europe's most powerful supercomputers.
- The delivery of Phase 2 of the **Exeter Science Park** Centre.
- A package of transport schemes including: **major improvements at Junction 25 of the M5**; the creation of a **new link road in Plymouth** between the A38 Parkway and the major growth area at Derriford/Seaton Barracks; and a **new junction at Tiverton** giving access to Tiverton Eastern Urban Extension from the A361.

The Heart of the South West Growth Deal is part of a long term plan to devolve at least £12 billion from central government to local economies. The plan aims for every part of the country to be a motor of growth for the national economy – building on the strength of the Heart of the South West.

## Quotes

The Prime Minister said:

“Giving local communities the power and the money to unlock growth and development and make the spending decisions that work for them is a key part of our long-term economic plan to secure a brighter future for Britain and ensure a recovery for all.

“And this is happening right across Devon and Somerset, in Plymouth and Torbay, with more money announced today for key projects to boost the local economy as part of the multi-million pound expansion of the Government’s Growth Deals.

“And because the money will be in the control of a partnership of local community, business and civic leaders it means it will go on the things that really matter to people and businesses here.

“That is what Growth Deals are all about, backing local people and investing in the infrastructure, housing and skills that will drive forward local economies, create more jobs and opportunities for hardworking people and supercharge all parts of our country.”

The Deputy Prime Minister said:

“A quiet revolution is underway in Somerset, Devon, Plymouth, Torbay and across the country, as Growth Deals signal the death of the culture where Whitehall calls the shots. I’ve seen for myself the difference it makes to give this region more power over skills, over business support, over infrastructure spending.

“I am delighted to announce the expansion of the Heart of the South West Growth Deal today.

“The Coalition Government has been relentless in our efforts to sort out the public finances and set firm foundations for growth. Growth Deals help create a stronger economy and a fairer society by boosting local economies, and providing more jobs, better transport and affordable homes.”

Chair of the Heart of the South West Local Enterprise Partnership, Steve Hindley said:

“This is fantastic news and a great success for our area - the funds allocated to the Heart of the South West in this expanded Growth Deal will accelerate economic growth across the area and will help the Local Enterprise Partnership build upon what has already been achieved.

“Investing in our infrastructure will help us to safeguard and create new jobs, build new homes and improve transport and connectivity to provide greater prosperity for all.

“Following a development process with partners we submitted a range of projects from across Devon, Plymouth, Somerset and Torbay - our objective is to ensure that each project will benefit as many people and businesses across the area as possible, to make the biggest impact.

“We are really pleased to have secured this allocation of funding – competition between ourselves and the other 38 LEPs across the country was fierce, so this is a real achievement.”

Councillor Tudor Evans, LEP Board Member and Leader of Plymouth City Council, said:

“The Local Enterprise Partnership has worked closely with its partners in Devon, Plymouth, Somerset and Torbay to secure funding in this expanded Growth Deal negotiations – the funding we’ve been allocated is a great result for the area and will help build the economic growth we all desire.

“The £35.4m support for enhancements to our transport infrastructure, including at Junction 25 of the M5 and the Forder Valley Link Road are strategically vital to our ambitions and will make a major contribution to delivering growth.

“The extension of the Connecting Devon & Somerset Broadband programme in particular is welcome news: the £6m funding from the Growth Deal will support greater superfast broadband coverage to our area, including many businesses and puts us well on the way to achieving 100% coverage.

“The Unlocking Growth Fund is an exciting project that will to unlock employment sites and develop business locations across the Heart of the South West, helping to boost productivity and create jobs.”

## FACTSHEET

### 1. How much is the Government investing in Heart of the SW as part of the Growth Deal?

	Initial Growth Deal (July 2014)	Expansion – additional funding awarded (Jan 2015)	Total Expanded Growth Deal
<b>Local Growth Fund</b>	£130.3m	£65.2m	<b>£195.5m</b>

### 2. What proposed projects will this new tranche of funding deliver?

- **Bridgwater:** further funding for a Low Carbon Innovation Centre (supports Hinkley) this top-up will help deliver 170 jobs and 2,000 sq m of conferencing, meeting and additional collaborative innovation space.
- Tackling the next 5% of premises in hard to reach areas, largely **rural**, to give universal superfast broadband coverage, creating 400 jobs.
- An Electronics and Photonics Centre, based at the White Rock Business Centre in **Paignton** will create 220 jobs and provide incubation for start-up businesses, as well as highly specialised microelectronics and photonics equipment for more developed companies.
- **South Yard, Plymouth:** funding for site separation and remediation activities to boost the Plymouth City Deal's flagship marine campus scheme, supporting 30-40 businesses and 159 jobs.
- An Unlocking Growth Fund to invest in infrastructure required to bring forward strategic employment sites at key locations leading to creation of 667 jobs, plus managed workspace. The Fund will give the Heart of the South West a flexible local programme to invest in projects across the area. Examples of schemes likely to be put forward under this fund include: Claylands strategic employment site in Torbay; Holsworthy Agri-Business Park in Devon; a new enterprise centre in Wiveliscombe, Somerset; and a range of sites for development across the area, linked to the Marine Industries Production Campus agreed as part of the Plymouth & Peninsula City Deal.
- A project to provide a collaboration centre at the heart of the Met Office Environmental Futures Campus at **Exeter Science Park**, aligning world leading researchers with key commercial partners around one of Europe's most powerful supercomputers. Creation of 158 jobs and 30,000 ft<sup>2</sup> innovation space.
- Phase 2 of the **Exeter** Science Park Centre will offer space for businesses which have evolved or outgrown the incubation space within Stage 1 (currently under construction), supporting 200 jobs and 30,000 sqft of floorspace.

- A package of transport schemes including: **Taunton** M5 Jct 25. Major junction improvement including access to a proposed strategic employment site and the A358 Henlade by pass, supporting 3000 jobs. **Plymouth** – Forder Valley Link Road. Creation of a new link road between the A38 Parkway and the major growth area at Derriford/Seaton Barracks. Supports 1800 jobs and 600 houses. **Tiverton** - a new junction giving access to Tiverton Eastern Urban Extension from A361 North Devon Link Road 600 jobs and 1520 houses.

This adds to the projects that were announced in July 2014, including:

- **Hinkley Point C new nuclear power station** - a range of investments in skills, innovation and vital road and rail links; including working in partnership with West of England and Gloucestershire LEPs on nuclear skills:
  - Bridgwater College and Hinkley Point Training Agency – to train local people to take advantage of job opportunities at the new nuclear power station
  - Huntworth Transport scheme and Taunton station upgrade
  - Low Carbon Innovation Centre – a new building to help companies who supply to Hinkley to take advantage of the opportunities presented by the new power stations.
- **Maximising productivity, employment and innovation**
  - Growth Hub: providing even more support and advice to local businesses following the announcement of the Hub in the Plymouth and Peninsula city deal and Regional Growth Fund, in partnership with Cornwall and Isles of Scilly LEP.
  - Exeter Science Park Environmental Futures campus with the Met Office. Investment in innovation centres and science parks in Exeter, Plymouth and Bridgwater will help start-up and grow dynamic businesses in sectors likely to see the biggest growth in the next ten years, areas like Environmental Futures, marine renewables and nuclear energy
  - Plymouth Science Park Phase 5
  - Somerset College STEM skills investment to help young people in Somerset get the skills they need to work in science, technology, engineering and manufacturing.
  - A new 'Mobile 4G Connectivity' scheme will be launched to improve access to mobile internet in parts of the South West which currently have poor coverage.
- **Improved transport networks**
  - A range of road improvements in and around Torbay, Plymouth, North Devon, Yeovil and Exeter
  - providing roundabouts and signage upgrades in places like Barnstable, Newton Abbott and Plymouth; road schemes like the A382 upgrade and road

widening at Bridge Road Exeter; and to improve provision for cycling with schemes like Plymouth Eastern Corridor

- Allowing the building of new roads to key employment and housing sites in Exeter, Sherford and North Plymouth

### **3. How does this benefit the people of Heart of the South West?**

The Low Carbon Innovation Centre at Bridgwater, the Electronics and Photonics Centre in Paignton, and the further development of Exeter Science Park following the announcement of the Met Office's new supercomputer, secure the region's status as a centre for innovation. Alongside investment in the South Yard marine industries campus in Plymouth and other sites across the region, this will mean new training and employment opportunities for the people of the Heart of the South West. Major transport improvement schemes in Plymouth, Taunton and Tiverton will help people to get about and enable new housing sites to be developed. And this investment, alongside the extension of superfast broadband to a further 13,500 premises, will help people can take advantage of the new training and employment opportunities available.

According to estimates by the LEP, the Growth Deal could bring to Heart of the South West:

- Up to 22,000 Jobs
- Up to 11,000 Homes
- Up to £260m public and private sector investment

### **4. What is the benefit for local businesses?**

Building on the investment announced in July 2014, Growth Deal announcement, the Growth Deal will promote innovation and creation of higher value jobs through investment in innovation centres. Investment in innovation centres in Bridgwater, Exeter and Paignton will support key growth sectors including nuclear, electronics and environmental futures. The Plymouth and Peninsula City Deal is well on track to deliver its targets and this will be enhanced by further investment in South Yard and other marine sites across the LEP area. And further employment sites will be opened up at Taunton, Tiverton and Plymouth with key transport investment.

### **5. Facts and figures**

The Growth Deal builds on significant recent investment in growth opportunities in Heart of the SW including:

Growing Places Fund total allocation: £21.5m, which is already being invested to support growth across the region.

Plymouth & the South West Peninsula City Deal: As a result of the deal, the region is benefiting from £34 million of local and national public sector investment and leveraging in over £72 million of private sector investment into the area, increasing to £262m over the long term.

Regional Growth Fund: Heart of the South West LEP area has to date received £80.2m investment from the Regional Growth Fund, and could also benefit from £5.9m invested in neighbouring LEPs.

Coastal Communities Fund: £9,529,911