

£7.2M EXPANSION OF GROWTH DEAL BOOSTS LOCAL PLAN FOR WORCESTERSHIRE ECONOMY

The Worcestershire Local Enterprise Partnership has agreed an expansion to its Growth Deal with the Government which will see an extra £7.2m invested in the Worcestershire LEP's between 2016 and 2021. This is in addition to the £47m 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 4000 new jobs could be created, 1200 new homes built and that it has the potential to generate £100m public and private investment.

The additional proposed projects include:

- Enabling critical local infrastructure development unlocking sites for employment and housing land through a flexible package of interventions including investment for 20 acres of employment provision at Evesham Vale Park.
- Supporting business development, expansion and entrepreneurship through targeted grants.
- Delivering opportunities for new skills provision by funding new facilities for local FE colleges and training providers, with a strong emphasis on engineering and associated skills leading to 600 more apprenticeships and 3000 higher level skills qualifications by 2020.

In addition, The Government has recognised the need for capacity improvements to the A4440 south of Worcester and on the A38 around Bromsgrove to help support growth. As part of Growth Deals announced in July 2014, the Government committed £12m to support the next phase of A4440 capacity improvements, which are due to take until 2018 to be constructed. The Government will work with Worcestershire County Council as the local highways authority to determine how further stages of the A4440 and improvements to the A38 can be taken forward.

The Worcestershire 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 Worcestershire area.

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 here in Worcestershire, 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 Worcestershire 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 Worcestershire more power over skills, over business support, over infrastructure spending.

“I am delighted to announce the expansion of the Worcestershire 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.”

The LEP Chair Peter Pawsey said:

“The fact that Worcestershire is receiving an additional £7.2m to the original Growth Deal allocation of £47m is great news for the County. The funding announced today will promote business growth, create and safeguard an estimated 400-500 jobs, leverage £15-£25m from the public and private sectors as well as further improve skills by 2020.

The Worcestershire LEP is currently focusing on delivering the schemes which were funded in the first part of the Growth Deal, with significant progress already having been made, and these schemes will be added to that programme. We are also working with Greater Birmingham & Solihull Local Enterprise Partnership on how the money allocated within the Growth Deal for North Worcestershire can be used to the best effect.”

Councillor Simon Geraghty, Deputy Chair of Worcestershire County Council LEP Board Member, said:

“The schemes which have been awarded funding today are outlined in the County’s 10 year Strategic Economic Plan and so will benefit Worcestershire’s economy for years to come.

The business growth grants build on successes we have seen through schemes such as the Worcestershire Expansion Programme and the skills capital fund will bring significant improvements to educational buildings and facilities. The funding will also further open up commercial developments by improving infrastructure with a particular focus on sites such as Vale Park, Evesham. This is great news for the whole of Worcestershire.”

FACTSHEET

1. How much is the Government investing in Worcestershire as part of the Growth Deal?

	Initial Growth Deal (July 2014)	Expansion – additional funding awarded (Jan 2015)	Total Expanded Growth Deal
Local Growth Fund	<i>£47m</i>	<i>£ 7.2m</i>	£54.2m

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

The additional funding will deliver the following programmes:

- **Employment and Housing Infrastructure Fund**

The programme will be used to unlock the development potential of sites across the County through the provision of infrastructure. This will include 2 key projects – Evesham Vale Park comprising on site and off site works for a business park/employment land with an agri-tech focus and Redditch Eastern Gateway, comprising off site highways works to access a 16 ha Game Changer employment site in North Worcestershire. Overall programme will provide at least 24ha of serviced development land by 2020.

- **Business Growth Fund**

The programme will offer capital grants to SMEs, largely in our key sectors, to remove barriers to business growth to include refurbishment of premises, new premises, new equipment, etc.

- **Skills Capital Fund**

The LEP executive will work with FE college principals to develop a programme of investment. The programme will develop capital skills projects that address the skills gaps in the County preventing business growth. The Programme will deliver 600 new Apprenticeships by 2020 & 3000 Higher Level skills qualifications by 2020.

In addition, The Government has recognised the need for capacity improvements to the A4440 south of Worcester and on the A38 around Bromsgrove to help support growth. As part of Growth Deals announced in July 2014, the Government committed £12m to support the next phase of A4440 capacity improvements, which are due to take until 2018 to be constructed. The Government will work with

Worcestershire County Council as the local highways authority to determine how further stages of the A4440 and improvements to the A38 can be taken forward.

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

- **Hoobrook Link Road** - Joint local transport project with Greater Birmingham and Solihull Local Enterprise Partnership enhancing the redevelopment of former British Sugar site and enabling faster transport links for local business.
- **Malvern Hills Science Park** - Development of space for existing high tech / cyber security business and enabling more space for new businesses on the park.
- **Centre of Vocational Education** - Support for engineering apprenticeships and vocational training by providing space and facilities in partnership with a specialist training provider.
- **Southern Link Road** - Key transport improvements tackling congestion and opening up sites for employment and housing growth.
- **Flood Alleviation** - Reduce negative transport impacts on Worcestershire businesses and homes through a package of road resilience improvements to reduce the impacts of flooding.
- **Worcester Tech Park** - Development of new space for manufacturing, offices, research and development and logistics providing and securing jobs and investment.
- **Superfast Broadband** – Extension of the Superfast Broadband Roll Out Programme providing improved broadband internet access to the rural areas of Worcestershire
- **Worcestershire Parkway Station** - a new mainline station for Worcestershire improving connectivity and journey times to major centres.
- **Kidderminster Railway Station** – again by working in partnership with GBS LEP, supporting improvements to the station enabling better sustainable transport links and connectivity for Kidderminster.

3. How does this benefit the people of Worcestershire?

The Growth Deal will promote growth in Worcestershire through enabling employment and housing development through a programme of targeted local infrastructure support, supporting business expansion and development through targeted grants to support growth and enhancing skills provision, particularly for engineering and higher level skills.

According to estimates by the LEP, the Growth Deal could bring to Worcestershire:

- Up to 4000 Jobs
- Up to 1200 Homes
- Up to £100 million public and private sector investment

4. What is the benefit for local businesses?

As well as much needed infrastructure improvements, the Growth Deal confirms additional funding for direct support for business expansion and additional funding towards provision of new facilities for Further Education Colleges and training providers.

5. Facts and figures

The Growth Deal builds on significant recent investment in growth opportunities in Worcestershire including:

Growing Places Fund total allocation: £5.5m

Regional Growth Fund: Worcestershire LEP area has to date received £6.5m investment from the Regional Growth Fund, and could also benefit from £28.5m invested in neighbouring LEPs