

## **GREATER CAMBRIDGE GREATER PETERBOROUGH GROWTH DEAL**

The Greater Cambridge Greater Peterborough Growth Deal will release some of the area's significant potential for growth, delivering over 3,000 new jobs and building 4,350 new houses by 2020. The Deal will provide significant transport upgrades across the LEP area, addressing key bottlenecks and building on commitments already made in the Greater Cambridge City Deal. It will help to provide businesses with the support they need to grow by investing in new innovation and incubation centres and by improving access to business support products, such as the LEP's expanded Agri-Tech initiative. The Deal will also ensure that people across the LEP area have the skills that businesses need for future growth, by establishing a new technical and vocational centre at Alconbury Enterprise Zone and investing in a new centre of excellence at Peterborough Regional College.

The Growth Deal, subject to a satisfactory conclusion of the funding agreement, will bring together local, national and private funding to focus on three key priority areas as identified in the LEP's Strategic Economic Plan:

- Driving innovation and supporting business growth;
- Improving transport connectivity to enable business and housing growth; and
- Growing the skills base to support expanding sectors

The Greater Cambridge Greater Peterborough LEP has secured **£71.1m from the Government's Local Growth Fund to support economic growth in the area – with £17.1m of new funding confirmed for 2015/16 and £20.4m for 2016/17 to 2021.** This includes:

- as part of the Government's ongoing commitment to the Greater Cambridge Greater Peterborough LEP a provisional award of a further £19.5 m of funding for projects starting in 2016 and beyond; and
- £14.1 m of funding which the Government has previously committed as part of Local Growth Deal funding to the area.

This substantial investment from Government will **bring forward at least £40m of additional investment from local partners and the private sector. Combined together this will create a total new investment package of £111.1m for the Greater Cambridge Greater Peterborough LEP.**

The investment through this Growth Deal is complementary to the £100m investment over the period to 2020 secured through the Greater Cambridge City Deal for the Cambridge and South Cambridgeshire area. The SEP set out a strong linkage between the ambitions of the City Deal and this Growth Deal.

By 2021, this Deal will create at least 5,000 jobs and allow 7,000 homes to be built.

The Greater Cambridge Greater Peterborough LEP brings together local businesses, universities and third-sector representatives alongside the local authorities for Cambridgeshire, Cambridge, Peterborough, Huntingdonshire, Fenland, East Cambridgeshire, Rutland, South Cambridgeshire, King's Lynn and West Norfolk, Forest Heath, North Hertfordshire, St Edmundsbury and Uttlesford.

## **Summary of the Greater Cambridge Greater Peterborough LEP Growth Deal projects and funding**

The Greater Cambridge Greater Peterborough Growth Deal brings together different funding streams designed to support local growth and a share of the new Local Growth Fund.

<b>Greater Cambridge Greater Peterborough LEP Local Growth Fund breakdown (£m)</b>			
	<b>2015/6</b>	<b>2016 onwards</b>	<b>Total</b>
<b>Local Growth Fund award</b>	17.1	20.4	37.5
<b>Previously committed funding</b>	4	10.1	14.1
<b>Provisional allocation to projects starting in 2016/17 and beyond</b>	-	19.5	19.5
<b>Total</b>	21.1	50	71.1

These totals exclude match funding for European Social Fund skills activities. The total amount of European Social Fund skills activity LEPs have planned in their draft strategies over the 7 year programme is currently just over 1 billion euros. Actual skills European Social Fund match will be used on the basis of the skills activity which is delivered at LEP level according to their final strategies.

**Greater Cambridge Greater Peterborough Enterprise Partnership and Central Government have agreed to co-invest in the following jointly-agreed priorities:**

- **New facilities for The Welding Institute (TWI), to support their expansion to the Alconbury Weald Enterprise Zone**, bringing more high-skilled jobs, supporting growing businesses in high-tech sectors and acting as a further catalyst for growth at the site
- **Establishing a new Technical and Vocational Centre at Alconbury Weald Enterprise Zone**, with a focus on built environment and engineering technical expertise in particular, supporting not only the development of the Zone itself, but growth across the wider LEP area
- **Bourges Boulevard** – an important transport scheme in Peterborough City centre which will free up employment and housing land, providing improved access to the railway and bus stations, as well as pedestrian and cycling facilities
- **Agri-Tech Growth Initiative** – expanding an existing, highly-successful, programme that helps Agri-Tech businesses to develop and commercialise agricultural research and products, supporting supply chain development and upskilling in this growing sector
- **Cambridge Biomedical Innovation Centre** – creating a new innovation centre to provide business space for small firms at the growing Campus next to Addenbrookes Hospital
- **Haverhill Innovation Centre** – a new centre on Haverhill Research Park to support business growth in the ICT, biotechnology and Agri-Tech sectors, established jointly with New Anglia LEP, building on both Partnerships' previous investments at the site
- **A605 Whittlesey Access phase 1** – addressing a key bottleneck on this road at the Kings Dyke level crossing, between Whittlesey and Peterborough, supporting housing and employment growth in both locations

- **A47 Junction 20** – improving this key interchange with the A15 in Peterborough, releasing both housing and employment land to support economic and housing growth
- **Wisbech Access Strategy** – funding the project development work to assess options for supporting growth in and around Wisbech by, for example, the possible reconnection of the March-Wisbech railway line
- **Peterborough Regional College Food Manufacturing and Processing Centre of Excellence** – creating a dedicated food manufacturing education and training resource to support the training needs of the local businesses.

**Local flexibility over Growth Deal programme:** The Government recognises the significant steps that the Greater Cambridge Greater Peterborough LEP has taken to deliver a successful and achievable Local Growth Deal and that the programme agreed in this Growth Deal represents a step up in the ambition of, and therefore expectations on, the LEP. The LEP will be expected to deliver all the projects in the Deal document and to achieve this the Government will disburse funds to the LEP quarterly in advance – with any changes to projects agreed each quarter. The Cities & Local Growth Unit will work closely with the LEP to resolve any outstanding concerns that will allow the Greater Cambridge Greater Peterborough LEP to achieve increased flexibility ahead of the first payments in April 2015.

The Growth Deal does not amount to an endorsement of everything in the submitted Strategic Economic Plan. All development decisions for specific proposals must go through the normal planning process and be guided by local plans taking into account all material considerations.

## The Greater Cambridge Greater Peterborough Growth Deal

The investment secured by the Deal will be focused on three key areas to deliver transformative growth:

**Driving innovation and supporting business growth:** The Deal will build on the LEP’s internationally-recognised strengths in the Agri-Tech, food processing, IT and telecommunications, biomedical and life sciences sectors by increasing commercial space available to businesses and improving their access to a range of business support services. The Deal will create two new centres (at Cambridge and Haverhill) to translate more world-leading research into commercial propositions. The Haverhill Innovation Centre is a joint project with New Anglia Local Enterprise Partnership demonstrating its importance to the area. The Deal will also create a new Growth Hub to act as a “one stop shop” directing businesses towards existing national and local sources of business support. The Growth Hub will also focus on a bespoke scheme to support growth in the area – providing additional funding to support the existing Agri-Tech Growth Initiative. The Deal will also support the expansion of The Welding Institute to Alconbury Enterprise Zone in Huntingdonshire. In addition, Greater Cambridge Greater Peterborough LEP and ConnectingCambridgeshire will commit to improving SME voucher take up as part of the Super-connected Cities Programme.

Greater Cambridge Greater Peterborough LEP commitments	Central Government commitments
<ul style="list-style-type: none"> <li>• Invest in two centres to drive innovation and commercialisation of research: £1m private sector funding for the Cambridge Biomedical Innovation Centre and £5m in the Haverhill Innovation Centre (including £4m from private sector, £1m from public sector)</li> <li>• Invest £8.7m to support the expansion of The Welding Institute (TWI) to the Alconbury Weald Enterprise Zone (including £5.1m from private sector, £3.6m from European Structural Funds).</li> </ul>	<ul style="list-style-type: none"> <li>• Invest in two centres to drive innovation and commercialisation of research: £1m in the Cambridge Biomedical Innovation Centre and a further £1m in the Haverhill Innovation Centre</li> <li>• Invest £3.6m to support the expansion of The Welding Institute (TWI) at Alconbury Weald Enterprise Zone.</li> </ul>
<ul style="list-style-type: none"> <li>• Securing £200,000 of European funding in 2015/16 to support the delivery of the local Growth Hub</li> <li>• Provide a clear model for coordinating and simplifying business support so that it joins up national, local, public and private support and creates a seamless customer experience for businesses, which makes it easy for them to get the right support at the right time</li> <li>• Support the Growth Hub by securing private sector investment of £1.4m in the Agri-Tech Growth Initiative</li> <li>• Support extension of superfast broadband coverage to 90% of UK premises by 2016, via existing broadband projects, Greater Cambridge Greater Peterborough LEP will commit to work with local partners and BT to support delivery. To support extension of superfast broadband coverage to 95% of UK premises by 2017, Greater Cambridge Greater Peterborough LEP will also work with local partners to help ensure match funding is in place for the next</li> </ul>	<ul style="list-style-type: none"> <li>• Provide £300,000 funding to the LEP for Growth Hub business support coordination, subject to the Growth Hub meeting minimum conditions that reflect the position agreed by the Government review on business support and services. The Growth Hub will be supported by an investment of £1.55m in the Agri-Tech fund</li> <li>• UKTI will commit to effectively communicating its strategic priorities to LEPs and where possible help them access relevant opportunities. UKTI has doubled the number of Partnership Managers to sixteen. This will ensure that UKTI can work more closely with LEPs and help build their capability to secure more inward investment</li> <li>• The Technology Strategy Board recognises the important and valuable role that LEPs are playing in promoting and supporting innovation, and is committed to developing strong and effective relationships with LEPs both individually and collectively to build on this. The Technology Strategy</li> </ul>

round of projects.	Board is committed to supporting LEPs in developing the emerging Growth Hubs and in exploring how LEPs can help drive up local business awareness and engagement in Technology Strategy Board programmes and initiatives.
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**Improving transport connectivity to enable business and housing growth:** in order to create the right environment for growth in the area, the Government will commit to a number of measures aimed at enabling the LEP to take a more active and strategic role in transport and infrastructure planning. In addition, the Greater Cambridge Greater Peterborough Growth Deal will invest in a package of measures to enhance transport connections, ensuring growth benefits the entire area. The projects will address issues of congestion and unreliable journey times, enable housing and enhance public transport connections. This investment sits alongside a £14.1m funding package already confirmed by the Department for Transport and previously allocated to Local Transport Bodies – which the LEP continues to support, and a substantial proportion of the £100m investment previously secured through the Greater Cambridge City Deal.

<b>Greater Cambridge Greater Peterborough LEP commitments</b>	<b>Central Government commitments</b>
<ul style="list-style-type: none"> <li>• Invest in a package of key transport interventions: £8.2m in A605 Whittlesey Access phase 1 (King’s Dyke) (including Network Rail, private sector and local authority contributions); £4m in A47 Junction 20 (£2m from local public sector and £2m from private sector)</li> <li>• Ensure Wisbech Access Strategy is progressed on time to inform both capital bids in future Deal rounds and Network Rail investment planning</li> <li>• Ensure the Local Transport Authority provides a full business case for St Neots to the Cambridge Public Transport project</li> <li>• Progress on the development and delivery of the priority transport schemes identified by the relevant Local Transport Bodies that are fundable within available pre-allocated Local Growth Fund resources.</li> </ul>	<ul style="list-style-type: none"> <li>• Invest in a package of key transport interventions: £5m in A605 Whittlesey Access phase 1 (King’s Dyke) (including £2.5m in 2015/16)</li> <li>• Invest £3m in A47 Junction 20 (including £2.5m in 2015/16)</li> <li>• Invest £10.5m in Bourges Boulevard (including £3m in 2015/16)</li> <li>• £1m has been allocated to Greater Cambridge Greater Peterborough LEP to support the development of a package of measures to support growth and regeneration, improve accessibility and address congestion in and around the town of Wisbech. Government will provide up to a further £10.5m for scheme delivery for the Wisbech Access Strategy, on condition that the development work results in an acceptable and deliverable package of transport measures</li> <li>• Provisional allocation of £9m to St Neots to the Cambridge Public Transport project starting beyond 2016/17, subject to provision of full business case</li> <li>• The A142 Ely Southern Bypass was identified by the LEP as a high priority project. Planning permission for the scheme is currently being considered separately by the local planning authority and a decision is expected in September. Subject to planning permission being granted, Government will explore funding options with local partners to inform</li> </ul>

	<p>future Local Growth Fund allocation decisions</p> <ul style="list-style-type: none"> <li>• Government will engage with the LEP to examine the potential to release Government land and property to promote local economic growth and / or housing development.</li> </ul>
<ul style="list-style-type: none"> <li>• Ensure partners facilitate the delivery of 43,500 new homes (3,000 as a result of the A47 investment; 350 at Bourges Boulevard and 1,000 via the A605 Whittlesey Access phase 1 (King's Dyke) project).</li> <li>• Continue to work with LEP partners to identify opportunities to accelerate delivery of permitted housing and housing allocations in Local Plans.</li> </ul>	
<ul style="list-style-type: none"> <li>• The Local Enterprise Partnership to take a more proactive role in consultation on long-term rail planning and franchise specification. Local authorities will work with the LEP to co-ordinate their approach.</li> <li>• The Local Enterprise Partnership agrees to take a more proactive role in consultation on long-term strategic road network planning. Local authorities will work with the LEP to co-ordinate their approach.</li> </ul>	<ul style="list-style-type: none"> <li>• The Department for Transport and Network Rail commit to more proactive engagement of the Local Enterprise Partnership in the long-term rail planning process (e.g. Route Studies) and in rail franchise specification through targeted local engagement of the Local Enterprise Partnership as part of an enhanced consultation process. The Department for Transport also commits to encourage bidders for franchises to identify and take into account the priorities of Local Enterprise Partnerships and other key local stakeholders as part of the franchising process, and will also encourage Train Operating Companies to continue with, and enhance where possible, their engagement with Local Enterprise Partnerships as key local stakeholders.</li> <li>• The Highways Agency commits to developing a more proactive and collaborative approaches to promoting national and local growth and commits to continue building strong relationships and working arrangements with Local Enterprise Partnerships and the Local Enterprise Partnership Network, in the same way as with Local and Combined Authorities and the Local Government Association. Through its Route Strategies, the Highways Agency will engage the Local Enterprise Partnership in better understanding the challenges and opportunities associated with the network and to develop evidence based long-term plans to bring about much needed local economic growth and development, and commits to providing each Local Enterprise Partnership with a named contact, generally the relevant regional director. The Highways Agency commits to forming a Growth and Economic Development Group to support Local Enterprise Partnerships at a national and sub-national level, and a draft licence published on 23rd June 2014 for</li> </ul>

the new Highway Agency company includes a requirement to co-operate, which will underpin the arrangements described above.

**Growing the skills base to support expanding sectors:** Improving skills levels is a key factor in stimulating local growth and taking advantage of new economic opportunities. Government is committed to ensuring that adult skills provision is increasingly responsive to the needs of business and supports local economic growth and jobs.

The Growth Deal will invest in two projects to address the shortage of high-level skills in key growth sectors across the area. The investments will help to progress the LEP's work to better align the provision of Further Education with local business need, including in the areas of Agri-Tech and food, IT and digital. The new Technical and Vocational centre at Alconbury Weald will provide additional momentum behind the Enterprise Zone, and in its first phase will include teaching space, and a single centre for Apprenticeships and wider information, advice and guidance for young people. The Peterborough Centre of Excellence will include a food manufacturing production line to support students and local businesses in the design and manufacture of processed food products. Local businesses will also be able to hire these facilities to test new products and train their staff.

Local Enterprise Partnerships are well-positioned to enhance the current Careers Information, Advice and Guidance offer by influencing the shape of provision so that it meets the needs of the local economy. Moreover, they have the ability to link employers with education providers; can have strategic influence over skills supply; and have the ability to coordinate local services towards a shared goal.

<b>Greater Cambridge Greater Peterborough LEP commitments</b>	<b>Central Government commitments</b>
<ul style="list-style-type: none"> <li>• Secure investment of £350,000 in Peterborough Regional College's Food Manufacturing and Processing Centre of Excellence</li> <li>• Secure investment of £1.8m in the Technical and Vocational centre at Alconbury Enterprise Zone</li> <li>• On careers advice, the LEP to continue with its project 'The Skills Service' to facilitate stronger linkages between education providers and local businesses. The LEP will also work with relevant local stakeholders to communicate LEP priorities and the LEP will align its offer to the National Careers Service (NCS) providers ahead of the new service's roll-out in October 2014 in order to augment the service.</li> <li>• Consider skills implications as part of decision taking on growth strategies</li> <li>• Clearly articulate and evidence their skills priorities in the light of strategic national and local growth opportunities and communicate them to the Further Education and skills sector</li> <li>• Continue to positively engage the Further Education and skills sector in key strategic partnerships via its</li> </ul>	<ul style="list-style-type: none"> <li>• Invest £350k in Peterborough Regional College Food Manufacturing and Processing Centre of Excellence</li> <li>• Invest £10.5m in the Technical and Vocational centre at Alconbury Enterprise Zone (with £1.1m in 2015/16)</li> <li>• On careers advice, the Government will work with the LEP to help ensure that local employer priorities are fed into the operations of the new national Careers Service providers in the LEP</li> <li>• Government, through the Skills Funding Agency, will support the process to ensure that provision meets local priorities and that increasing responsiveness is delivered through a three-pronged approach: <ul style="list-style-type: none"> <li>○ Procurement of new provision: The LEP will be involved throughout the process, and providers' track records against LEP requirements will be considered as part of this assessment</li> <li>○ Accountability: Providers will be required through their funding agreements with the Agency to explain to the LEP details of their provision and planning. We are testing ways in which they can be most effectively held to account for being responsive to local economic priorities.</li> <li>○ Allocations and Intervention: In future years</li> </ul> </li> </ul>

<p>Skills Strategy Group</p> <ul style="list-style-type: none"> <li>• Recognise where the private sector has a responsibility to invest in skills provision and work with business and the skills system to realise that investment</li> <li>• The Government expects the Greater Cambridge Greater Peterborough LEP to open up new jobs associated with the Local Growth Fund to local unemployed and long-term unemployed people working closely with local and national back to work initiatives. This would be part of a wider expectation that local areas use the Social Value Act, drawing on best practice across local councils and central expertise in maximising social value.</li> </ul>	<p>providers' records in delivering to LEP requirements will be taken into account when setting allocations and triggering interventions. From 2015/16 the Skills Funding Agency will take into account the outcomes of the Skills Incentive Pilots in Stoke and Staffordshire, the North East and West of England, in making allocations to those providers in scope; subject to evaluation of the pilots, these mechanisms will be rolled out to other LEPs in future years</p> <ul style="list-style-type: none"> <li>• Government will set out revised information for the LEP on how it can take advantage of this approach and options for seeking advice if provision is not responsive to their needs. The Skills Funding Agency will publish information during Summer 2014 on how LEPs can influence the use of all skills budgets in their localities, and the steps they can take if they are dissatisfied with the pattern of delivery</li> <li>• Government will seek to improve the provision of skills data for LEPs and will develop and publish new reports that will quantify and assess responsiveness to local skills needs. In the Summer of 2014 the Skills Funding Agency will provide all LEPs with a data set that updates them on the provision delivered in their areas.</li> </ul>
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**As part of the deal, the LEP will:**

- **Review governance:** The business-led LEP board brings together local businesses, universities and third-sector representatives, with five of the LEP's 13 councils elected to represent the local authority community on the LEP Board. In addition, the local authorities have formed a Leaders' Committee which will take responsibility for delivering and funding the local government related actions of the Growth Deal and wider Strategic Economic Plan. The Leaders' Committee will identify pooling of powers and funding that will facilitate successful delivery of the plans.
- **Ensure implementation and demonstrate success,** by accepting the funding agreement, and by tracking progress against milestones and agreed core metrics and outcomes in line with a monitoring and evaluation framework. This will include agreeing monitoring metrics and reporting arrangements with the Government by September 2014. The LEP will also produce an evaluation plan for the projects contained in the Deal before April 2015.
- **Ensure value for money** by developing robust processes that will guide local decision-making. This will include agreeing an assurance framework with the Government by September 2014, building on existing local and national frameworks
- **Communicate the ongoing outputs and outcomes of the Deal to the local community and stakeholders** by publishing the Growth Deal and reporting regularly, and publically, on their progress to implement the strategy, ensuring that local people understand how Government money is being spent via the Growth Deal,



and what the benefits are for them and the area. The Cities and Local Growth Unit will continue to work with the LEPs on communications activities, and help make the links with other Government communications teams.

Funding for projects starting in 2016/17 will be subject to conditions that Government will discuss with the LEP over the next few weeks and months, along with establishing the best timetable for the project, taking into account practicalities and affordability.

The Government commits to opening discussions with the LEP right away on its priorities for the next round of Growth Deals.