

£38M EXPANSION OF GROWTH DEAL BOOSTS LOCAL PLAN FOR GREATER CAMBRIDGE GREATER PETERBOROUGH ECONOMY

The Greater Cambridge Greater Peterborough Local Enterprise Partnership has agreed an expansion to its Growth Deal with the Government which will see an extra £38m invested in Greater Cambridge Greater Peterborough between 2016 and 2021. This is in addition to the £71.1m 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 15,500 new jobs could be created, 10,000 new homes built and that it has the potential to generate £210m public and private investment.

The additional proposed projects include:

- The construction of a new Ely Southern Bypass, 1.7km of road connecting the A142 to Stuntney Causeway and relieving significant congestion in the city, supporting 4,500 jobs in Ely & 3,000 new homes.
- A £16.6m extension of the LEP's successful Growing Places Fund initiative, a loan and grant funding programme to provide funding to unlock residential and commercial development as well as business growth and up to 6,000 jobs.
- Contribute towards the creation of an Institute of Advanced Construction and a Highways & Civil Engineering Academy to create a new national centre for higher level construction skills, and a local centre to provide skilled labour for transport schemes.
- Development work for upgrading of M11 Junction 8 interchange, a scheme which has the potential to support significant acceleration of homes and the development of 18 ha of business land.

The Greater Cambridge Greater Peterborough 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 Greater Cambridge and Greater Peterborough area.

Alongside the Growth Deal, Government is also committing to support the work of the Mildenhall, Alconbury and Molesworth (MAM) Working Group which has been established following a US Department of Defence (DoD) review of its requirement for bases for US forces in Europe. As announced by the MOD on 8th January, the DoD has confirmed it will withdraw its base at RAF Mildenhall and consolidate activities currently located at RAF Alconbury and RAF Molesworth at RAF Croughton in Northamptonshire. These bases have long been part of the local communities and it is essential that Government and local partners do everything possible both to support the individuals affected by these forthcoming changes, but also to consider how best to quickly deploy the skills and assets at these sites for the benefit of their local economies.

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 across Cambridge and Peterborough, 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 Cambridge, Peterborough 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 Greater Cambridge and Greater Peterborough 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.”

Mark Reeve, Chairman of the Greater Cambridge Greater Peterborough Enterprise Partnership (LEP), said:

“We have worked hard to secure an additional £38 million of funding from Government to support the growth of our local economy by enabling 15,500 new jobs and allowing 10,000 new homes to be built.

“The Ely Southern Bypass is a long overdue scheme that will have a significant positive impact by enabling local growth and easing local congestion. The upgrading of Junction 8 of the M11 at Stansted Airport will unlock new homes and open up land for a business growth. Our extended Growing Places Fund will allow us to overcome even more barriers to growth. With a number of important infrastructure schemes in the pipeline, we need to ensure that we have a steady supply of trained workers to undertake the work, which is why the Institute of Advanced Construction and Highways & Civil Engineering Academy are such important elements of our plan.

“We are proud that our LEP, working with key partners, has been able to secure the funding needed to make it happen. Our focus now is to work with Government to find ways to bring forward the funding as soon as possible.”

FACTSHEET

1. How much is the Government investing in Greater Cambridge Greater Peterborough 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>£71.1m</i>	<i>£38m</i>	£109.1m

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

The additional funding will deliver the following projects:

- The construction of a new Ely Southern Bypass, 1.7km of road connecting the A142 to Stuntney Causeway and relieving significant congestion in the city, supporting up to 4,500 jobs in Ely and 3,000 new homes.
- A £16.6m extension of the LEP's successful Growing Places Fund initiative, a loan and grant programme to provide gap funding to unlock residential and commercial development as well as business growth and up to 6,000 jobs.
- Establishment of an Institute of Advanced Construction and a Highways & Civil Engineering Academy to create a new national centre for higher level construction skills and a local centre for skilled highways operatives.
- Development work for upgrading of M11 Junction 8 interchange, a scheme which has the potential to support significant acceleration of homes and the development of 18 ha of business land.

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

- 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.

3. How does this benefit the people of Greater Cambridge Greater Peterborough?

The Growth Deal will promote growth in Greater Cambridge Greater Peterborough by funding four key projects across the LEP area.

The Ely Southern Bypass will connect the A142 at Angel Drove to Stuntney Causeway, including bridges over the local railway lines and the Great Ouse and its floodplain, relieving the heavily congested Ely Station area and removing the constraint of the low bridge and level crossing on the A142. In doing so it will open up the redevelopment of the station gateway area, supporting 4,500 new jobs and 3,000 new homes in Ely.

Building on Government's previous £16.1m investment in the LEP's Growing Places Fund initiative the Deal commit a further £16.6m to the programme, enabling the LEP expand its loan and grant gap funding to unlock further residential and commercial development as well as business growth across the LEP area.

The deal will also contribute towards the establishment of an Institute of Advanced Construction and a Highways & Civil Engineering Academy to create a new national centre for higher level construction skills, supporting 5,000 learners, and a local centre for highway operatives supporting 270 learners.

In the southern part of the LEP area, the expanded deal will also fund development work to consider options for upgrading junction 8 of the M11, a scheme which has the potential to support the acceleration of homes and development of 18ha of business land.

According to estimates by the LEP, the Growth Deal could bring to Greater Cambridge Greater Peterborough:

- Up to 15,500 jobs
- Up to 10,000 homes
- Up to £210m public and private sector investment

4. What is the benefit for local businesses?

As well as much needed transport improvements in Ely and development work on junction 8 of the M11, the Growth Deal confirms an additional £16.6m of Government funding for the LEP's Growing Places Fund which will extend its loan and grant gap funding programme that is available to businesses across the whole LEP area. The Institute of Advanced Construction and the Highways & Civil Engineering Academy will also ensure that local businesses working in these sectors have access to the skilled workforce they need for continued growth. And this builds, of course, on the previous commitments made in July to expand the LEP's Agritech programme and to establish a new Growth Hub to support businesses across the whole LEP area.

5. Facts and figures

The Growth Deal builds on significant recent investment in growth opportunities in Greater Cambridge Greater Peterborough including:

Growing Places Fund total allocation: £16.1m, which is being successfully reinvested in a second round of projects by the LEP.

Enterprise Zone funding: Alconbury Weald EZ has been successful in securing £5m from the Department for Communities and Local Government's Building Foundations for Growth fund for landscaping, demolition, infrastructure, and utility work which will lay the groundwork for high-quality office developments.

Greater Cambridge City Deal: As a result of the Deal £100m over the next 5 years in a payment by results mechanism known as “Gain Share” which will be invested in infrastructure and up to £500m over the next 15-20 years if Cambridge is successful in using this to drive growth in the local area.

GCGP LEP area has to date received £21.8m of RGF and could also benefit from the New Anglia LEP’s ‘Growing Business Fund’ programme which has received £12m of RGF funding.