

NEW ANGLIA LEP GROWTH DEAL

The New Anglia Local Enterprise Partnership Growth Deal aims to transform the economy of Norfolk and Suffolk and establish the New Anglia area as a centre for global business excellence through focused investment in the area's infrastructure and ensuring businesses have the supply of skilled workers and support to grow. The New Anglia LEP brings together the counties of Norfolk and Suffolk and their constituent authorities.

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

- Enabling business growth
- Enhancing transport connectivity and sites suitable for growth
- Meeting labour market demands

The New Anglia LEP has secured **£173.3m from the Government's Local Growth Fund to support economic growth in the area – with £32.5m of new funding confirmed for 2015/16 and 29.3m for 2016/17 to 2021.** This includes:

- as part of the Government's ongoing commitment to the New Anglia LEP a provisional award of a further £20m of funding for projects starting in 2016 and beyond; and
- £91.5m 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 £120m of additional investment from local partners and the private sector. Combined together this will create a total new investment package of £293.3m for the New Anglia LEP.**

Summary of New Anglia Growth Deal projects and funding

By 2021, the Deal will create at least 6,000 jobs; allow 900 homes to be built and more than 350 new Apprenticeships.

New Anglia LEP Local Growth Fund breakdown (£m)			
	2015/6	2016 onwards	Total
Local Growth Fund award	32.5	29.3	61.8
Previously committed funding	27.3	64.2	91.5
Provisional allocation to projects starting in 2016/17 and beyond	-	20	20
Total	59.8	113.5	173.3

The table above includes the provision of £2,140,200 loan funding (subject to due diligence) to Taylor Wimpey UK to accelerate the delivery of 495 homes on the Lodge Farm, Hampdens View, Costessey site.

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

New Anglia LEP and Central Government have agreed to co-invest in the following jointly-agreed priorities:

- **Bury St. Edmunds Eastern Relief Road-** Construction of a relief road to enable housing and employment land in Bury St. Edmunds.
- **Beccles Southern Relief Road-** Construction of a new relief road to provide faster access to Beccles Business Park and the Enterprise Zone at Ellough Airfield.
- **Growing Places Fund-** Extension of the existing fund to kick-start investment in homes and business infrastructure.
- **Growing Business Fund-** Extension of the existing scheme to help SMEs grow and create new employment by providing grants towards the cost of investment.
- **Norfolk and Suffolk Better Broadband Programmes-** Programme to support the extension of broadband coverage, with the aim of reaching 95% by 2017.
- **Haverhill Innovation Centre-** Creation of an innovation centre focussing on local strengths in life sciences and advanced manufacturing. This is a joint project with the Greater Cambridge, Greater Peterborough LEP.
- **Process Engineering Centre & Renewal Catering and Hospitality Facilities at Lowestoft College–** Enabling the next stage of development of a national centre for Maritime, Offshore and Energy Studies at Lowestoft College.
- **Higher Skills Science, Technology and Management Centre, College of West Anglia –** Development of a new Higher Skills Centre serving West Norfolk and Fenland to promote the attainment of higher skills and higher qualifications in the area.
- **Construction and Agri-tech facilities, Easton and Otley College, Easton Campus –** Enabling building of a new construction training centre and new agri-tech laboratory areas to accommodate employers demands.

Provisional allocations to the following projects starting in 16/17 and beyond:

- **Lowestoft River Crossing Options–** Assessment of the options for a third river crossing in Lowestoft
- **Attleborough Sustainable Transport–** Town centre transport improvements including sustainable transport measures and maintenance of the main road network to support growth in and around Attleborough
- **Thetford Sustainable Transport–** Improvements to Thetford town centre including the Thetford-Croxton Road cycle link and maintenance of the main road network.
- **Ipswich Radial Corridor–** Package of sustainable transport measures to improve traffic flows into Ipswich.
- **Bury St. Edmunds Sustainable Transport–** Package of sustainable transport measures to make walking, cycling and travelling by public transport easier for short journeys.
- **Great Yarmouth Package –** Measures to connect key employment and business sites, maintain the existing road network and ease congestion.

Local flexibility over Growth Deal programme: New Anglia LEP has demonstrated strong partnership arrangements which deliver collective decisions, has articulated a clear and deliverable vision for growth in the area, and has established strong financial monitoring procedures and cross local authority collaboration. Government will disburse funds to the LEP annually in advance. The New Anglia LEP will be expected to deliver the projects highlighted in the Deal, but will have flexibility over the management of these projects in order to deliver the greatest economic benefits to the area. Any significant changes to the projects will need to be discussed with the Government in advance.

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 New Anglia LEP Growth Deal

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

Enabling Business Growth

The Growth Deal will invest in a package of projects to support the growth of businesses across the New Anglia LEP area. Government will support investment to extend the LEP's existing Growing Business Fund, which provides small grants to small and medium sized businesses towards the cost of investment to create new employment and growth. Funding will also be provided to support the extension of broadband rollout to 95% of the LEP area this has been highlighted by the LEP as a key factor to support the growth of businesses.

The New Anglia LEP has also secured funding to further develop the Business Growth Programme, established through the Greater Ipswich and Greater Norwich City Deals. This Growth Hub will provide coordinated business support to all small and medium sized businesses across the LEP area and is a key component of the LEP's Strategic Economic Plan.

New Anglia LEP commitments	Central Government commitments
<ul style="list-style-type: none">• Leverage £16m private sector investment in the Growing Business Fund;• Invest £2.3m in 15/16 in the Haverhill Innovation Centre; (£0.7m ESIF; £1m from Growing Places Fund; and £0.6m private sector. This is a joint project with Greater Cambridge and Greater Peterborough (GCGP) LEP who will be contributing £1m GPF, £1m LGF and £0.7m ESIF)• To support extension of superfast broadband coverage to 90% of UK premises by 2016, via existing broadband projects, New Anglia 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, New Anglia LEP will also work with local partners to help ensure match funding is in place for the next round of projects;• Provide £0.5m of public and private funding in 2015/16 to support the delivery of the local growth hub;• 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;• Development of LEP proposals for locally tailored support for rural businesses, working with Defra;• The LEP will undertake a robust evaluation of its Growth Hub, with the aim of becoming a model for identifying the most effective business support interventions. The LEP will work closely with Government to gather detailed data on the Growth	<ul style="list-style-type: none">• Invest £12m to extend the existing Growing Business Fund (with £4m to 15/16);• Invest £1m in the Haverhill Innovation Centre in 15/16;• Invest £10m in the Norfolk and Suffolk Better Broadband Programmes (with £5m in 15/16);• Provide £0.35m 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.• 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 16. This will ensure that UKTI can work more closely with LEPs and help build their capability to secure more inward investment;• 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 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;• DEFRA will work with New Anglia LEP to help them develop their proposals for locally tailored support for rural businesses, as well as helping them identify possible sources of funding or other support

Hub and follow best practice on evaluation.	<p>mechanisms, including the use of European funds;</p> <ul style="list-style-type: none"> • Government is focusing on ensuring delivery of commitments under the RGF budget for 14/15 including the Growing Business Fund and are currently reviewing how best to achieve this. Achieving a good fit between existing funding sources and the Local Growth Fund will be a factor in any decision. Government commits to work through this with New Anglia LEP, but at this stage cannot pre-empt any final decision; • Government supports the creation of a simplified process for managing the New Anglia LEP's Small Grant Fund and Growing Business Fund schemes, that has the potential for reduced administrative burden and simplifying the offer for potential applicants. Government commits to working with the New Anglia LEP to explore synergies between the schemes.
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Enhancing Transport Connectivity and Sites Suitable for Growth

The Growth Deal supports a package of projects that will help enable the development of key growth locations across the New Anglia economy. Significant investment in the Bury St. Edmunds Eastern Relief Road and the Beccles Southern Relief Road will assist further development in important housing and employment sites. In addition, a £10m extension to the LEP's existing Growing Places Fund will enable infrastructure investment for sites across Norfolk and Suffolk. In addition, subject to due diligence, Government will provide £2.1m of loan funding through the Local Growth Fund (Housing Infrastructure) to Taylor Wimpey developer to accelerate the delivery of 495 homes on the Lodge Farm, Costessey site.

New Anglia LEP commitments	Central Government commitments
<ul style="list-style-type: none"> • Invest £9.3m in the Bury St. Edmunds Eastern Relief Road (including pre committed LTB funding); • Invest £5m in the Beccles Southern Relief Road (including pre committed LTB funding); • Lever in £40m in the Growing Places Fund; • Invest £0.375m in the Lowestoft Third River Crossing; • Invest £3.2m in Ipswich Radial Corridor (including pre committed LTB funding); • Invest £0.5m in the Bury St. Edmunds Sustainable Transport Package; • Deliver between 850 to 1500 new homes; • Create 2,787sqm of new employment space ; • Local authorities within the New Anglia LEP will borrow at the Public Works Loan Board project rate discount of 40 basis points below the standard Public 	<ul style="list-style-type: none"> • Invest £5.7m in the Bury St. Edmunds Eastern Relief Road (with £4m in 15/16); • Invest £2m in the Beccles Southern Relief Road in 15/16; • Invest £10m investment the Growing Places Fund (with £4m in 15/16); • Provisional allocation of £0.1m in 16/17 and beyond for the Lowestoft River Crossing; • Provisional allocation of £4.6m in 16/17 and beyond for the Attleborough Sustainable Transport project; • Provisional allocation of £2.3m in 16/17 and beyond for the Thetford Sustainable Transport Package; • Provisional allocation of £1.8m in 16/17 and beyond for Ipswich Radial Corridor; • Provisional allocation of £2.3m in 16/17 and beyond for the Bury St. Edmunds Sustainable Transport

<p>Works Loan Board rate to support strategic infrastructure investment which forms part of the overall Growth Deal package;</p> <ul style="list-style-type: none"> • Confirm projects that will be supported by investment through borrowing at the Public Works Loan Board project rate and an indicative borrowing profile with HM Treasury before the borrowing is accessed; • Build Private Rented Sector knowledge base and expertise across the LEP area; • Understand tenant demand, building types and delivery mechanisms specific to the region; • Identify the most appropriate Build to Rent investment models, including, if appropriate, use of the Governments Private Rented Sector Guarantee Scheme; • Develop a Private Rented Sector Business and Delivery Plan identifying exemplar projects, potential delivery partners and investors; • The New Anglia LEP and partners agree to the LEP to take a more proactive role in consultation on long-term rail planning and franchise specification; and provide a co-ordinating role between constituent local authorities; • Agrees to take a more proactive role in consultation on long-term strategic road network planning and provide a co-ordinating role between constituent local authorities; • New Anglia Local Enterprise Partnership and partners commit to improving surface access to Norwich Station to / from key residential and employment areas; • New Anglia LEP and local planning authorities commit to working together to deliver the housing provided for in Local Plans. • Progress on the development and delivery of the priority transport schemes identified by the Norfolk and Suffolk Local Transport Body that are fundable within available pre-allocated Local Growth Fund resources. 	<p>Package;</p> <ul style="list-style-type: none"> • Provisional allocation of £9m in 16/17 and beyond for the Great Yarmouth Package; • Subject to due diligence, Government will provide £2.1m of loan funding through the Local Growth Fund (Housing Infrastructure) to Taylor Wimpey developer to accelerate the delivery of 495 homes on the Lodge Farm, Costessey site; • Confirms that a total of up to £20m will be made available to New Anglia in 14/15 and 15/16 at the Public Works Loan Board project rate discount of 40 basis points below the standard Public Works Loan Board rate; • To provide ongoing support from the Homes and Communities Agency and the Private Rented Sector Taskforce to: <ul style="list-style-type: none"> ○ Grow the knowledge base; ○ Help build capacity within the LEP and its key partners; ○ Help identify and access the specialist expertise required to underpin the Private Rented Sector Business and Delivery Plan; ○ Help develop the LEP's Private Rented Sector Business and Delivery Plan identifying and helping to evaluate key projects; • 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; • 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
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	<p>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 the new Highway Agency company includes a requirement to co-operate, which will underpin the arrangements described above;</p> <ul style="list-style-type: none"> • DfT commits to continue to work with the LEP and rail industry partners in identifying options for improving journey times along the Great Eastern Main Line. Under the auspices of the “Norwich in Ninety Taskforce” DfT will support the development of a robust business case setting out the benefits of such investments for potential funding during railway Control Period 6.
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Meeting Labour Market Demands

The Growth Deal includes a substantial package of measures to enhance skills levels in the area to enable young people to take advantage of jobs in growing sectors, including energy, agri-tech and advanced manufacturing. Through the deal, the LEP will invest in upgrading existing college facilities, including a process engineering centre and hospitality facilities at Lowestoft College to ensure they are able to meet the demands of 21st century.

The Government remains committed to helping all young people to achieve their potential and specifically to reduce long-term youth unemployment. As part of this commitment, the Government provided £4m through the Greater Ipswich City Deal for a ‘Youth Guarantee’ across the local area, to ensure that every young person is either in education, offered an apprenticeship, work related training or work within three months of leaving education or becoming unemployed. Alongside this Growth Deal, the Government expects New Anglia LEP to deliver against its commitments towards youth employment.

DWP, in partnership with local authorities and the voluntary and community sector organisations, is for the first time intervening early with 16-17 year olds not in employment, education or training and not in receipt of an income based benefit, to help them re-engage with education, employment with training, or training. New Anglia LEP is a site of the first part of the pilot, located in Norfolk, which will test whether the skills, experience and professional links of the Jobcentre Plus work coach can add real value to the offer delivered by LAs to 16-17 year olds, and how effectively they can support 16-17 year olds not in employment, education or training to re-engage in participation. The Jobcentre Plus work coach will offer one to one, individualised support, acting as a single point of contact for labour market advice. This, and three other early tests, will be rolled into a full national pilot from Autumn 2014.

Government welcomes New Anglia LEP’s ambition to strengthen the link between education providers and businesses in the local area. Through the Growth Deal, Government will work with New Anglia LEP to explore the feasibility of implementing a programme of Enterprise Advisers in line with Lord Young’s recommendation in his review ‘Enterprise for All’, in addition to wider school-business linkage activities. Advisers would be volunteers drawn from local private and public sector organisations and would advise head teachers and teachers on how employers can engage with schools.

New Anglia LEP commitments	Central Government commitments
<ul style="list-style-type: none"> • Invest £1.1m in a Process Engineering Centre and renewal of Catering and Hospitality facilities at Lowestoft College (College contribution) • Invest £0.45m in a Higher Skills Science and Technology Management Centre at the College of West Anglia (College contribution) • Invest £1.75m in construction and Agri-tech facilities at Easton and Otley College (College contribution); • Create up to 696 new Apprenticeships by 2020 • Commits to work with Government to explore the design of a programme of Enterprise Advisers to advise schools on how to drive employer engagement. • To facilitate stronger linkage between education providers and local businesses. We will also work with relevant local stakeholders to communicate our priorities and align our offer to the National Careers Service providers ahead of the new service's roll-out in October 2014 in order to augment the service; • Will consider skills implications as part of decision taking on growth strategies; • Will 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; • Will positively engage the further education and skills sector in key strategic partnerships e.g. Skills and Employment Boards; • Will 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. • Will 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. Alongside this Growth Deal, the LEP, as a partner of the Greater Ipswich City Deal, will deliver against its commitments towards youth employment. 	<ul style="list-style-type: none"> • Invest £10m in a Process Engineering Centre and renewal of Catering and Hospitality facilities at Lowestoft College (with £4.9m in 15/16) • Invest £6.5m in a Higher Skills Science and Technology Management Centre at the College of West Anglia (with £3.5m in 15/16) • Invest £2.5m in construction and Agri-tech facilities at Easton and Otley College (with £2m in 15/16) • Commits to work with the LEP to explore the design of a programme of Enterprise Advisers, in addition to wider school-business linkage activities, and allocate funding for such a project subject to further discussions. • Commits to working with New Anglia LEP to help ensure that local employer priorities are fed into the operations of the new National Careers Service providers in the LEP area; • Through the Skills Funding Agency, 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"> ○ Procurement of new provision: LEPs will be involved throughout the process and providers' track records against LEP requirements will be considered as part of this assessment ○ Accountability: Providers will be required through their funding agreements with the Agency to explain to LEPs details of their provision and planning and we are testing ways in which they can be most effectively held to account for being responsive to local economic priorities. The Skills Funding Agency is trialling Skills Incentives Pilots from 2014/15 in Stoke and Staffordshire, the North East and West of England, designed to explore the mechanisms through which providers will account to LEPs for delivery. ○ Allocations and Intervention: In future years 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

	<p>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"> • Set out revised information for LEPs on how they 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; • 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.
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As part of the deal, the LEP will:

- **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.