

Stoke-on-Trent and Staffordshire City Deal



Executive Summary

The Stoke-on-Trent and Staffordshire City Deal is built around a flagship proposal for the UK's first at-scale, low carbon, heat network system. It will take advantage of the area's natural resources, support Stoke-on-Trent and Staffordshire's world famous advanced manufacturing and applied materials (e.g. ceramics) sectors, and the emerging energy and renewables growth sector.

It is a shared top priority for both councils and the Stoke-on-Trent and Staffordshire Local Enterprise Partnership to create more jobs for local people by encouraging economic growth. This City Deal is based on four connected strands: delivering a new and local approach to energy production; providing local and incoming businesses with support to develop the next generation of products and materials; developing local sites for new businesses or existing businesses to expand into, along with a strengthened local planning and development context; and bringing employers and education together to ensure residents have the skills and training that they and our businesses need to drive the economy forward.

Over its lifetime, Stoke-on-Trent City Council, Staffordshire County Council, and the Stoke-on-Trent and Staffordshire Local Enterprise Partnership estimate that delivery of the City Deal will deliver:

- The Stoke-on-Trent District Heat Network, supplied with deep geothermal heat energy, producing up to 45GWh per annum; lowering heat energy costs by up to 10%; saving approximately 10,000 tonnes of CO₂ per annum; and supporting 180 construction jobs, 30 permanent jobs, and 1,350 indirect jobs supported or safeguarded.
- The Keele University Smart Energy Network Demonstrator for the testing and evaluation of new lower carbon energy sources and scenarios, the application of which has the potential to save 37,300 tonnes of CO₂ per annum if applied to the Stoke-on-Trent District Heat Network (and more if applied to urban locations nationally and internationally); and support 120 construction jobs, 20 permanent jobs, and 300 indirect jobs; as well as supporting the UK renewables sector by 2021.
- The *Innovation for Growth in Stoke-on-Trent and Staffordshire* and *Stoke-on-Trent and Staffordshire Business Support Programmes*, engaging 1,300 businesses, primarily small and medium enterprises, to support the commercialisation of new technologies and expansion of high growth potential firms; directly creating or safeguarding 384 high value jobs by March 2016.
- The prioritisation of six strategic employment sites (108.6 hectares) for accelerated development, to be delivered through the proposed Stoke-on-Trent and Staffordshire Growth Deal, which could create about 21,000 jobs.
- A pilot for the improved alignment of learner demand and employer need through increased local influence over the Skills Funding Agency's Adult Skills Budget; and state-of-the-art engineering equipment and infrastructure as part of an Advanced Manufacturing Training Hub; contributing to 3,900 additional apprenticeships, 1,100 traineeships, and 9,000 people not in employment, education or training receiving employability skills training by March 2024.

Our signing of this document confirms our joint commitment to ensure full implementation of the City Deal for Stoke-on-Trent and Staffordshire, proposed by Stoke-on-Trent City Council, Staffordshire County Council and the Stoke-on-Trent and Staffordshire Local Enterprise Partnership; consistent with the attached detailed implementation plan. To ensure implementation and demonstrate success we will jointly track progress against milestones and outcomes.

Introduction

From a powerhouse of traditional industry to a centre of cutting-edge advanced manufacturing, Stoke-on-Trent and Staffordshire has always been an essential part of the UK economy. Home to some of the greatest innovators, entrepreneurs and brands in British industrial history, the area continues to be associated with innovation, and is the location of choice for many leading businesses. The core mission of the Stoke-on-Trent and Staffordshire Local Enterprise Partnership is to make the area the best place to do business in the UK, and there is evidence the area is making progress.

Working through the Stoke-on-Trent and Staffordshire Local Enterprise Partnership, the City Deal has involved collaboration between government, local government and over 40 other organisations, including businesses, education, and transport partners, taking a unique approach to supporting energy-intensive industries, and combining this with new approaches to realise the potential of the local economy.

Why do we need a City Deal?

For most businesses, energy accounts for a small proportion of total costs – less than 3% on average for the UK manufacturing sector.¹ However, the local economy features a high proportion of heavy energy users, from the ceramics sector to IT-related business. For these energy-intensive businesses, energy accounts for up to 35% of overall business costs. The average price of energy purchased by manufacturing businesses rose by 46% between 2007 and 2012². This City Deal will address this challenge, through a proposal that will begin the development of the UK's first at-scale integrated energy system, providing a solid foundation for continued economic growth and prosperity.³

Stoke-on-Trent and Staffordshire has a population of over one million. Located in the heart of England, 90% of the UK population can be reached within four hours or less.⁴ Excellent connectivity alongside the M6 and the West Coast Mainline provides access to global markets via international airports. There will also be significant economic opportunities from HS2 which need to be identified and optimised. The economic scale of the area is significant, with 33,225 businesses and 483,000 jobs, but about 21,000 jobs over ten years could be delivered through the Growth Deal.⁵

As well as energy, the City Deal will create the conditions for enterprise and innovation in the associated sectors, encourage development of key employment sites and equip the local workforce with the skills needed for the energy and advanced manufacturing economy.

¹ Estimated impacts of energy and climate change policies on energy prices and bills (Department of Energy and Climate Change, 2013).

² Prices of fuels purchased by manufacturing industry in Great Britain (average price increase for electricity and gas) (Department of Energy and Climate Change, 2012, updated 2013).

³ *Energy Security Strategy* states that "energy security is central to ensuring that the UK remains an attractive place to live and do business." (Department of Energy and Climate Change, 2012).

⁴ Source: UK Census 2011.

⁵ Businesses figure from UK Business: Activity, Size and Location (ONS, 2012); jobs figure from Jobs Density (ONS, 2011).

The Deal

The Stoke-on-Trent and Staffordshire City Deal is a deal to create more local jobs by encouraging economic growth. It is based on four connected strands: delivering a new and local approach to energy production; providing local and incoming businesses with support to develop the next generation of products and materials; developing local sites for new businesses or existing business to expand into, along with a strengthened local planning and development context; and bringing employers and education together to ensure residents have the skills and training that they and our businesses need to drive the economy forward.

To achieve this, City Deal partners will:

- Implement a major energy programme that will include a District Heat Network (Stoke-on-Trent) and Smart Energy Network (Keele University), and opportunities for energy provision at strategic employment locations.
- Create a joint Innovative Growth in Stoke-on-Trent and Staffordshire investment programme and a Stoke-on-Trent and Staffordshire Business Support Programme to provide funding and support to encourage growth amongst local businesses in priority sectors.
- Prioritise six strategic locations for use of the Local Growth Fund through Stoke-on-Trent and Staffordshire Growth Deal negotiations and encourage further development of the Central Business District in Stoke-on-Trent and the Keele University Science & Business Park.
- Conduct a pilot for the improved alignment of learner demand and employer need through increased local control of the Skills Funding Agency's Adult Skills Budget; and establish an Advanced Manufacturing Training Hub providing state-of-the-art engineering equipment and infrastructure.

City Deal partners estimate the City Deal will deliver:

- The Stoke-on-Trent District Heat Network, supplied with deep geothermal heat energy, producing up to 45 GWh per annum; lowering heat energy costs by up to 10%; saving approximately 10,000 tonnes of CO₂ per annum; and supporting 180 construction jobs, 30 permanent jobs, and 1,350 indirect jobs supported or safeguarded by 2021.
- The Keele University Smart Energy Network Demonstrator for the testing and evaluation of new smart energy scenarios, the application of which has the potential to save between 1,700 tonnes and 77,000 tonnes of CO₂ per annum if applied to households, business and other institutions connected to the Stoke-on-Trent District Heat Network (and more if applied to urban locations nationally and internationally); and support 120 construction jobs, 20 permanent jobs, and 300 indirect jobs; as well as supporting the UK renewables sector.
- *The Innovation for Growth in Stoke-on-Trent and Staffordshire and Stoke-on-Trent and Staffordshire Business Support Programmes*, engaging 1,300 businesses, primarily small and medium enterprises, to support the commercialisation of new technologies and expansion of high growth potential firms; directly creating or safeguarding 384 high value jobs.
- Prioritisation of six strategic employment locations for accelerated development, to be delivered through the Growth Deal, which could create about 21,000 jobs. It will also support a number of planning, local development, and public service transformation initiatives.
- A pilot for the improved alignment of learner demand and employer need through increased local control of the Skills Funding Agency's Adult Skills Budget; and state-of-the-art engineering equipment and infrastructure as part of an Advanced Manufacturing Training Hub; contributing to 3,900 additional apprenticeships, 1,100 traineeships and 9,000 people not in employment, education or training receiving employability skills training.

Geography

The City Deal area covers the City of Stoke-on-Trent and the County of Staffordshire. This is contiguous with the geography of the Stoke-on-Trent and Staffordshire Local Enterprise Partnership. The area has a population of 1.1 million people.

Key Elements of the City Deal

Energy

The Energy proposals are a major energy programme that will provide an integrated approach to energy security, helping protect the area's energy supply from short-term supply shocks, rising energy prices, and price volatility. They will be supplemented by a Low Carbon Task Force that will drive the transition to increased energy self-sufficiency and sustainability through energy-efficiency measures, and low carbon heat and power generation. Schemes include:

District Heat Network (Stoke-on-Trent): A total investment of £52.4 million in an energy network across Stoke-on-Trent, comprising a district heat network fed by deep geothermal energy. This investment comprises £20.2 million from government through the City Deal, £28.3 million private investment, and £3.9 million from Local Authority sources. Development will be in three phases:

- Phase 1a will connect a deep geothermal plant, funded by £17 million of private sector investment, with the Phase 1a of the heat network between Etruria Valley and the City Centre, funded by £7.5 million of capital grant from central government.
- Phase 1b will deliver the heat network throughout the City Centre (Hanley) to several key anchor tenants, linked to Phase 1a and Phase 1c, funded by £3.3 million of capital grant funding from central government. This funding will be matched by £3.3 million of private sector funding for the extension of the heat network into flat clusters and tower blocks, allowing large groups of social housing to be supplied with heat.
- Phase 1c will deliver the district heating spine in Stoke Town Centre, linked to Phase 1b. £9 million of capital grant funding from central government and £8 million of private sector investment to connect the network to businesses and housing.
- £3.4 million of Local Authority revenue funding (including £0.5 million of funds previously invested) will ensure that the District Heat Network project is robust, deliverable and financeable, spread across all three phases; with £0.4 million grant from Round 2 of the Department of Energy and Climate Change (DECC) Heat Network Delivery Unit and Heat Strategy and Policy Programme, with the potential for funding in later Heat Network Delivery Unit rounds of funding to strengthen the business case.
- Phase 2 is for the wider ambitions for sustainable energy provision across Stoke-on-Trent including: enhancements to local data communications and power networks in the city to be laid alongside the District Heat Network; opportunities for use of alternative energy sources such as geothermal mine water, waste industrial heat, and anaerobic digestion (and recoverable heat) as part of the integrated energy network; and extension of the heat network to businesses in the Etruria Valley and a greater proportion of social housing.

Smart Energy Network (Keele University): A £27 million Smart Energy Network Demonstrator at Keele University Science and Business Park. The Smart Energy Network will deliver a world class demonstrator facility for smart energy research and development, enabling the testing and evaluation of new and evolving energy technologies, and provide the opportunity to assess their efficiencies, both individually and combined, in terms of energy reduction, cost and CO₂ emissions. The City Deal will secure £5 million capital grant funding from the Department for Business, Innovation and Skills to align with £12 million of recent investment, £5 million of investment by Keele University and £5 million of European Structural and Investment Funding.

Energy from Waste (Four Ashes): Local partners are delivering a £140 million Energy from Waste Plant at Four Ashes in South Staffordshire, which will be operational and commissioned by March 2014. Through flexibilities agreed through the City Deal, a business case will be developed with government departments, including with the Department of Energy and Climate Change's Heat Network Delivery Unit, to assess the future potential to offer Combined Heat and Power to local facilities and businesses. This project has the potential to lever £8 million in private investment.

Combined Cycle Gas Turbine (Meaford): Local investment by the private sector in a Combined Cycle Gas Turbine power station at Meaford. This has the potential to add a Combined Heat and Power unit to a strategic employment site which could create 2,500 jobs. Currently in the consultation stage, the power station is planned to be operational by 2018.

Enterprise and Innovation

Enterprise and innovation will be delivered through two programmes: a joint *Innovative Growth in Stoke-on-Trent and Staffordshire* investment programme funded from central government; and a *Stoke-on-Trent and Staffordshire Business Support Programme* with funding from the University of Lancaster Business Support Programme Regional Growth Fund allocation.

The investment programme will support rapid growth in priority sectors by expediting commercialisation of Intellectual Property⁶. To deliver this programme, £3.1 million of central government funding has been allocated through the City Deal, along with £8.5 million of local private sector investment, £0.2 million of investment from Staffordshire University, and be supplemented by £0.1 million of local government funding. This will directly create or safeguard 384 high value jobs.

The Business Support Programme will provide focussed business support to encourage growth amongst existing companies and start-ups alike. Through the City Deal, £1.1 million of investment through the University of Lancaster Business Support Programme Regional Growth Fund allocation will be matched by local public sector investment of £1.0 million, including £0.6 million from the European Regional Development Fund. The Business Support Programme will be a joint service and have the following elements:

- A single point of contact / support for small and medium enterprises – to increase the number of referrals through to the Business Link Helpline. In addition, responsibility for local business support programmes will be transferred to the Business Support Programme.
- A means of promoting, adding value to, and providing a pipeline for, key government initiatives – service agreements will be established with national providers, enabling the Business Support Programme to influence delivery in certain geographies and/or sectors.
- Access to finance – a virtual ‘agency’ to link companies, entrepreneurs and their intermediaries to sources of finance will be established.
- Bespoke services to support business growth – two key examples of this include: enterprise coaches, to provide on-going help for start-ups; and supply chain development, to help local small and medium enterprises better access opportunities from prime contractors.

Through the Business Support Programme, providers of nationally funded programmes delivered in the local area (i.e. Growth Accelerator, Technology Strategy Board, Manufacturing Advisory Service, National Apprenticeship Service, UKTI, and other relevant programmes) will collaborate better through two components:

- Information and data – national providers will share information on what they are doing locally; how many companies and individuals they are supporting compared with national benchmarks. In return, the Business Support Programme will make available key data including, crucially, a funnel of companies and entrepreneurs for those providers.
- Service-level agreements on handovers – through the Business Support Programme, a seamless service for businesses will be developed, ensuring that there are effective handovers and sharing of information between providers, both national and local.

The Business Support Programme will engage 1,300 businesses (with 94 receiving in-depth support) and aims to deliver a 50% increase in use of national growth programmes.

⁶ The IGISS will include the launch of an International Business Plan Competition.

Sites, Infrastructure and Local Development

Sites and Infrastructure

Providing the right sites and infrastructure for business growth is essential to the delivery of Stoke-on-Trent and Staffordshire's Local Enterprise Partnership Strategic Economic Plan. Despite strong demand for employment site locations from businesses seeking to grow in Stoke-on-Trent and Staffordshire, there remain a number of obstacles which inhibit development. A number of strategic employment locations have been prioritised locally supported by the City Deal, based on their ability to potentially offer energy and support business growth in key sectors, of which six have been identified to be delivered through the future Growth Deal. These sites and projects will potentially support energy generation and bring wider benefits of maintaining and growing jobs in the UK, allowing local businesses to expand and increase job numbers, and encouraging Foreign Direct Investment.

The six strategic locations prioritised through the City Deal, and to be delivered through the Growth Deal, will provide 108.6 hectares of development land and start the process of creating about 21,000 jobs over the next decade, complemented by the City Deal delivering a mixture of energy solutions. They are Etruria Valley, Keele University Science & Business Park, City Centre Spine, Meaford, Branston Locks, and Lichfield Park. Once development has begun on the six strategic locations, delivering the longer list of priority sites will become the focus, beginning with Fenton and Blythe Bridge.

To deliver the sites and infrastructure proposals, over £100 million has been invested in the local economy. In addition:

- Stoke-on-Trent and Staffordshire Local Enterprise Partnership and local partners will continue to prioritise the strategic locations for use of the Local Growth Fund through Stoke-on-Trent and Staffordshire Growth Deal negotiations.
- Stoke-on-Trent and Staffordshire Local Enterprise Partnership and local partners will use £27 million of secured Public Works Loan Board discounted project borrowing to support the development of the Central Business District in Stoke-on-Trent.
- Further proposed local investment of £49.4 million in site development, as well as a further £1.8 billion of private sector investment in build and fit-out costs.
- Flexibility will be agreed in the contract governing the development of the Homes and Community Agency contingent asset at Keele University Science & Business Park.
- Stoke-on-Trent and Staffordshire Local Enterprise Partnership will input into any future investment planning processes (e.g. Highways Agency Route Based Strategies) that would determine the prioritisation of investment in congestion relieving schemes on the M6 in the Local Enterprise Partnership area.
- Stoke-on-Trent City Council will continue to discuss proposals for High Speed 2 with government.
- Stoke-on-Trent and Staffordshire Local Enterprise Partnership and local partners will undertake early engagement with the Environment Agency and Department for Food, Environment and Rural Affairs other relevant arm's length bodies to ensure that environmental impact and opportunities from the development are addressed.

Planning and Development

The Local Planning Authorities within the City Deal area have up-to-date Local Plans which are either approved or being developed. These will be published by March 2015, subject to statutory planning processes and related timescales. These plans set the local policies and strategies for local development, and are consistent with national policy. They contain robust housing supply forecasts to maintain affordability for existing and new residents. The Local Plans also contain monitoring systems, and under-delivery will be addressed with appropriate measures.

As part of the Local Plan process, and on an on-going basis where appropriate, Local Planning Authorities are reviewing the opportunity for levying a Community Infrastructure Levy alongside a mixed Section 106 / Section 278 developer contributions strategy to ensure that the optimum contribution towards the provision of strategic infrastructure can be secured. The Local Plans will be underpinned by an evidence base that includes local plan viability studies and up to date infrastructure delivery plans to set out the funding arrangements that are available to facilitate sustainable and affordable development. Also, as part of on-going processes and based on a sound business case, Local Authorities will also consider pooling of strategic economic development spend over a larger geographical area (e.g. Local Growth Fund or the example already developed through Make It Stoke-on-Trent and Staffordshire, the Local Enterprise Partnership's joint inward investment service).

Stoke-on-Trent City Council and Staffordshire County Council will make data regarding their local public assets publically available (including to the Government Property Unit) by Autumn 2014. In commitment to make best use of existing assets, Local Authorities will publish Asset Management Strategies by Autumn 2014. As part of this process, the two Local Authorities are agreeing to mirror other requirements currently on government of the Right to Contest and for land holdings to be open to challenge from the Government Property Unit. However, it is jointly agreed that this challenge will not have a negative impact on the ability of the Councils to bring forward development, rationalise holdings, or to pursue competitive dialogue for a local strategic property partner. To further support development locally, all Local Planning Authorities are actively considering how local planning processes can be simplified for commercial and residential development.

As part of the Growth Deal process, the Local Enterprise Partnership is developing an overarching Strategic Economic Plan. The Local Enterprise Partnership commits to publish a short and accessible summary that people and businesses in the local area can judge progress against. Finally, as part of the Local Enterprise Partnership and Local Authorities Commitment to transformation, the Local Authorities will publish a plan of how public services will be transformed locally.

Skills

Underpinning the investment is the need for skills, to ensure that local people can access the opportunities in the local economy. The skills proposals intend to secure the commitment of local employers to deliver, by 2024, 3,900 additional apprenticeships. 1,100 traineeships for young people (16 to 23 years old) not ready for a full apprenticeship will also be delivered, and employment skills training for 9,000 unemployed people. Local businesses will be supported to develop skills plans.

Complementing this, a £1.5 million Skills Funding Agency capital grant with a £1.5 million local match will establish Phase 1 of an Advanced Manufacturing Training Hub, with state-of-the-art workshops and classrooms at existing educational institutions across the city and county. These will allow training in renewable energy and engineering (including automotive and robotics) as a route to higher level Further Education qualifications and apprenticeships.

Through the City Deal, a national pilot regarding the Skills Funding Agency's budget allocation for skills training provision will take place across the City of Stoke-on-Trent and County of Staffordshire. In particular the pilot will ensure the Local Enterprise Partnership's priorities influence the Skills Funding Agency's Adult Skills Budget (subject to affordability). Beyond this, there will also be influence over withholding up to 5% from providers who are not delivering against these priorities.

The Stoke-on-Trent and Staffordshire Local Enterprise Partnership's Education Trust will also coordinate and ensure effective provision of careers Information, Advice and Guidance for young people, and develop a charter setting out the Education Trust's commitment for the provision of Information, Advice and Guidance to young people in Stoke-on-Trent and Staffordshire. To support this, Stoke-on-Trent and Staffordshire Local Enterprise Partnership have agreed a commitment for the National Careers Service to work closely together to understand the skills priorities of the local economy and provide up-to-date labour information. The Stoke-on-Trent and Staffordshire Local Enterprise Partnership will also work alongside the Department for Work and Pensions and providers of employment support and Job Centre Plus to support joint delivery of the Local Enterprise Partnership Skills Plan aligned to the skills required by local employers.

Key Deliverables

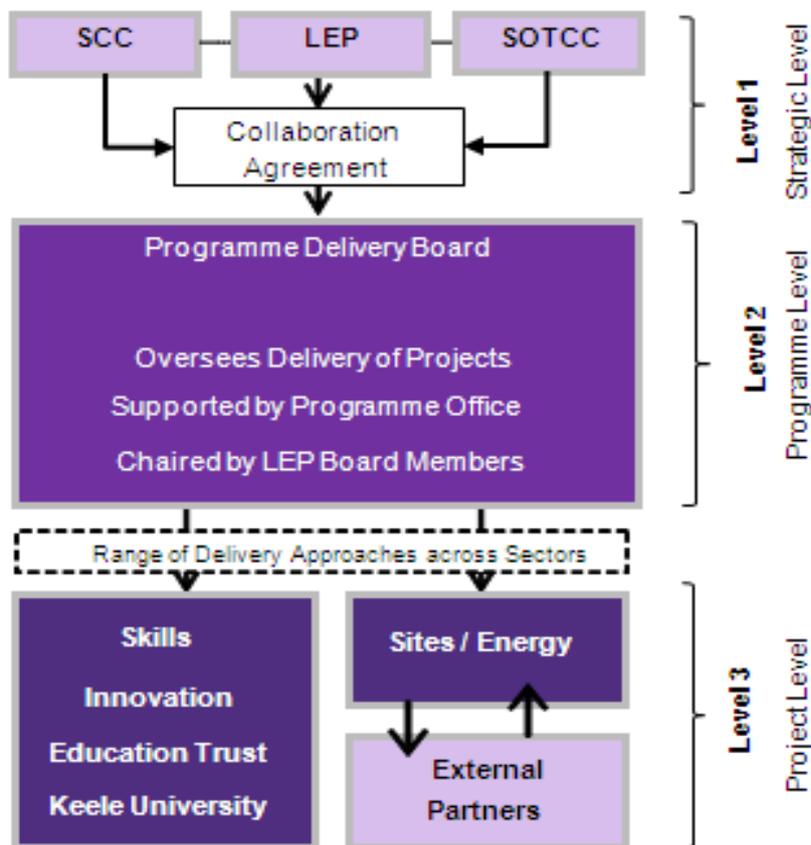
- The City Deal will bring forward four key energy projects and £67.4 million in investment. It will develop energy security in Stoke-on-Trent and Staffordshire, helping existing businesses and attracting new business. It will generate at least 45 GWh (equivalent) of heat energy per annum locally, for local use, and achieve energy efficiency savings of 49,000 tonnes CO₂ per annum.
- The Enterprise and Innovation proposals will create the Innovation for Growth in Stoke-on-Trent and Staffordshire and Stoke-on-Trent and Staffordshire Business Support Programmes, which will engage with 1,300 businesses, primarily small and medium enterprises, to support the commercialisation of new technologies and expansion of high growth potential firms. They will also directly create or safeguard around 400 high value jobs.
- Prioritisation of six strategic employment sites (108.6 hectares) for accelerated development, to be delivered through the Growth Deal, which could create about 21,000 jobs. It will also support a number of planning, local development, and public service transformation initiatives.
- The Skills proposals will contribute to 3,900 additional apprenticeships across an expanded range and levels of framework; 1,100 traineeships for young people not ready for a full apprenticeship; and employment skills training for 9,000 unemployed people.

Governance

The governance model for the delivery of the City Deal will comprise a City Deal Executive Board underpinned by a legally binding Collaboration Agreement between the parties, setting out clear Terms of Reference for responsibilities and accountabilities, supported by a shared private sector lead programme delivery mechanism. This agreement is a contractually binding on all the parties and this creates the stability for long term delivery by partnership. To deliver the outcomes of the City Deal our governance arrangements emphasise the need to make binding decisions with clear accountability led by the Stoke-on-Trent and Staffordshire Local Enterprise Partnership, Stoke-on-Trent City Council and Staffordshire County Council. The District and Borough Councils will continue to be engaged in the City Deal through membership of the Stoke-on-Trent and Staffordshire Local Enterprise Partnership and individual agreements on a project-by-project basis.

This model enables delivery of the City Deal to take place without delay. It also further develops the private sector leadership from the Stoke-on-Trent and Staffordshire Local Enterprise Partnership and the ability to be able to draw down on those skills and experiences to enable the City Deal to deliver successfully. It is also designed to complement the development of a Growth Deal.

The **City Deal Executive Board** will be chaired by the private sector, and be responsible for the strategic outcomes of the City Deal, through the mechanism of a legally binding Collaboration Agreement. The Collaboration Agreement will protect the delivery of the City Deal from changing political circumstances. The private sector led **Programme Delivery Board** will ensure a joined-up approach to programme delivery through a shared Programme Office, whilst harnessing the skills and knowledge of the private sector. It will be responsible for ensuring the delivery of the overall programme and report on performance on an exception basis to the Executive Board. **Project Delivery** will be managed on a project-by-project basis capturing private sector expertise and funding using a delivery vehicle most suited to the outcomes (e.g. Joint Ventures, Development Agreement, Service Agreement).



Annex 1: Summary of Commitments

Powerhouse for Energy

Stoke-on-Trent and Staffordshire Commitments	Government Commitments
<ul style="list-style-type: none"> • A £28.3 million private sector investment in the District Heat Network using a deep geothermal plant. • £3.4 million Local Authority investment, ensuring that the District Heat Network project is robust, deliverable and financeable, spread across all three phases. This is in addition to the value of the capital investment in the network. (This includes £0.5 million which has already been invested). • £12 million existing investment in Keele University Science and Business Park's base energy network, £5 million public (European Union Structural and Investment Funds) and £5 million private sector investment to develop a Smart Energy Network Demonstrator at Keele University Science & Business Park. • Secured £140 million of Private Finance Initiative investment in an Energy from Waste Plant, including £5 million of investment by Staffordshire County Council. • Subject to the completion of a feasibility study, develop a business case and secure £8 million private sector investment in a Combined Heat and Power Network in South Staffordshire. 	<ul style="list-style-type: none"> • A £19.8 million capital grant from Government to support delivery of Phase 1 of the District Heat Network, subject to the Department of Energy and Climate Change approving the appropriate due diligence. • £0.4 million of resource grant funding from the Department of Energy and Climate Change to support due diligence. • £5 million of Department for Business, Innovation and Skills funding to complete a Smart Energy Network Demonstrator at Keele University Science and Business Park. • Commitment to work with the local area where changes are made to tax incentives for unconventional oils and gases. • Support from the Department of Energy and Climate Change's Heat Network Development Unit to support the development of a business case for the proposed Four Ashes Energy from Waste Combined Heat and Power plant to provide energy to local businesses, homes and institutions. • Support from the government to facilitate negotiations and a feasibility study with the Government Procurement Service and Ministry of Justice in respect of long-term energy provision to HMPs Featherstone, Oakwood, and Brinsford from a South Staffordshire Combined Heat and Power Network. • Continued engagement by the Department of Energy and Climate Change and the Department for Business Innovation and Skills with Stoke-on-Trent and Staffordshire to deliver the Powerhouse for Energy proposal, in accordance with an implementation plan to be agreed.

Powerhouse for Enterprise and Innovation

Stoke-on-Trent and Staffordshire Commitments	Government Commitments
<ul style="list-style-type: none"> • Delivery of the Innovative Growth in Stoke-on-Trent and Staffordshire investment programme, leveraging £8.5 million private sector investment, £0.2 million of University of Staffordshire funding and £0.1 million of local funding, which will include: <ul style="list-style-type: none"> ▪ launching an annual International Business Plan Competition focused on entrepreneurs and small companies overseas who specialise in materials and energy engineering, attracting private equity and venture capital to support them. Many angel networks (e.g. Midven) already signed up. • A joint Stoke-on-Trent and Staffordshire Business Support Programme funded by £1.0 million of local public sector and European Union Structural and Investment Fund funding and leveraging £1.8 million of private sector investment, providing: <ul style="list-style-type: none"> ▪ a single point of support for small and medium enterprises; ▪ a pipeline of companies to increase participation in programmes such as Growth Accelerator, Technology Strategy Board, Manufacturing Advisory Service and UKTI's Export programmes, increasing the take up of all programmes locally by 50%; ▪ development of an Access To Finance Network, linking mentoring, sources of funding (venture, angel, loan, grant etc.) with entrepreneurs and companies seeking finance for growth; and ▪ bespoke services to support business growth, including providing 40 experienced mentors, and management and administration, as part of the MentorsMe initiative, through the local Chamber of Commerce; and providing coaches, networking and business intelligence for participants in the Start Up Loans 18-30 programme. 	<ul style="list-style-type: none"> • £3.1 million of funding allocated to Stoke-on-Trent and Staffordshire for the Innovative Growth in Stoke-on-Trent and Staffordshire investment programme, of which £0.3 million will be capital and £2.8 million revenue funding, to deliver against our priorities in applied materials, renewables and energy. • Specific support required from UKTI to promote annual International Business Plan Competitions, by raising the profile of the competition in 10 to 12 entrepreneurial hotspots and providing visa support for successful candidates. • £1.1 million of Regional Growth Fund allocation, through the University of Lancaster Business Support Programme, for the Stoke-on-Trent and Staffordshire Business Support Programme. • Improved engagement from local providers of Growth Accelerator, Technology Strategy Board, Manufacturing Advisory Service, National Apprenticeship Service, UKTI and other relevant government programmes (including those funded through Regional Growth Fund) with the Business Support Programme. For example, on information sharing and to ensure that there are effective handovers from the two local bespoke programmes and wider delivery. • Continued engagement with Stoke-on-Trent and Staffordshire to deliver the Powerhouse for Enterprise and Innovation proposal, in accordance with an agreed implementation plan.

Powerhouse for Sites, Infrastructure and Local Development

Stoke-on-Trent and Staffordshire Commitments	Government Commitments
<ul style="list-style-type: none"> • Local Authority investment worth over £100 million already in the local economy. • Prioritise six strategic locations initially for Local Growth Fund and Growth Deal negotiations, that could leverage £49.4 million private sector investment in site development, plus a further £1.8 billion in build and fit-out costs. • Stoke-on-Trent City Council to borrow £27 million through preferred Public Works Loan Board project rate to support the development of the Central Business District (secured November 2013). • All Local Planning Authorities will have published Local Plans by March 2015 subject to statutory planning processes and related timescales. • Stoke-on-Trent City Council and Staffordshire County Council to make their local public asset data publically available (including to the Government Property Unit) by Autumn 2014 and agree to the Right to Contest and challenge from the Government Property Unit. • Stoke-on-Trent City Council and Staffordshire County Council to publish Asset Management Strategies by Autumn 2014. • Local Planning Authorities will continue to review local planning processes to simplify them for commercial and housing development, as well as review potential simplifications to the building regulations process, where appropriate. • Local Planning Authorities to review the potential for Community Infrastructure Levy and publish schedules where appropriate. • Local Authorities to review potential for the pooling of strategic economic development spend. • The Stoke-on-Trent and Staffordshire Local Enterprise Partnership will publish a short and accessible summary of its Strategic Economic Plan against which people and local businesses can judge progress, as well as publishing a plan by the end of Autumn 2014 of how Stoke-on-Trent City Council and Staffordshire County Council will transform local public services. 	<ul style="list-style-type: none"> • Agreement of the definition of “market value” in the contract governing the development of the Homes and Community Agency contingent asset at Keele University Science and Business Park. • Stoke-on-Trent and Staffordshire Local Enterprise Partnership will continue to be engaged in any further investment planning processes (e.g. Highways Agency Route Based Strategies) that would determine the prioritisation of investment in congestion relieving schemes on section of the M6 within the Local Enterprise Partnership area. • The Government Property Unit agree that the Right to Contest and challenge will not have a negative impact on the ability of the Councils to bring forward development, rationalise holdings, or to pursue competitive dialogue for a local strategic property partner. • Continued engagement with Stoke-on-Trent and Staffordshire to deliver the Powerhouse for Sites, Infrastructure and Local Development proposal through the Growth Deal.

Powerhouse for Skills

Stoke-on-Trent and Staffordshire Commitments	Government Commitments
<ul style="list-style-type: none"> • The Stoke-on-Trent and Staffordshire Local Enterprise Partnership Education Trust will develop local employability programmes and incentivise the provision of local skills training to meet local business need. • Secure local employers to deliver 3,900 apprenticeships and work with local businesses to develop their skills plans. • £1.5 million local match for the Skills Funding Agency Further Education Capital Grant for 2013/14. • Deliver 1,100 traineeships for young people not ready for a full apprenticeship and employment skills training for 9,000 unemployed people. • The Education Trust will coordinate and ensure effective provision of careers Information, Advice and Guidance. • A charter setting out the Stoke-on-Trent and Staffordshire Local Enterprise Partnership Education Trust's commitment for the provision of Information, Advice and Guidance to young people in Stoke-on-Trent and Staffordshire. 	<ul style="list-style-type: none"> • To enable the Stoke-on-Trent and Staffordshire Local Enterprise Partnership, via the Skills Pilot to influence and incentivise skills provision, funded by existing Skills Funding Agency Adult Skills Budgets (subject to affordability) to meet demand-led local skills needs by enabling the LEP to instruct the Skills Funding Agency to withhold up to 5% of provider allocations where provision is not responsive to local priorities. • £1.5 million Skills Funding Agency Further Education Capital Grant for 2013/14 to establish Phase 1 of the Advanced Manufacturing Training Hub. • A commitment for the National Careers Service to work closely with the Local Enterprise Partnership to understand the skills priorities of the local economy and work together to provide up-to-date labour information. • Government to help develop stronger partnership arrangements between local Job Centre Plus managers and the Stoke-on-Trent and Staffordshire Local Enterprise Partnership Local Enterprise Partnership, to ensure joint delivery of the Local Enterprise Partnership Skills Plan. • Continued engagement with Stoke-on-Trent and Staffordshire to deliver the Powerhouse for Skills proposal, in accordance with an implementation plan to be agreed.