

£20.3M EXPANSION OF GROWTH DEAL BOOSTS LOCAL PLAN FOR THE LEICESTER AND LEICESTERSHIRE ECONOMY

The Leicester and Leicestershire Local Enterprise Partnership has agreed an expansion to its Growth Deal with the Government which will see an extra £20.3m invested in Leicester and Leicestershire between 2016 and 2021. This is in addition to the £80m 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 3000 new jobs could be created, 1300 new homes built and that it has the potential to generate £160m public and private investment.

The additional proposed projects include:

- **Connecting Leicester Wave 2** – creating a thriving Leicester City Centre through investment in quality public realm and improved access, supporting up to 500 jobs and enabling private sector investment in the key sites for commercial development;
- **Melton Mowbray Livestock Market Improvements** – safeguarding up to 200 jobs and securing the long-term future of Melton Mowbray Livestock Market by rationalising the existing 34,000 sq.m site and unlocking 7,000 sq. m land to enable the creation of a new food, drink and rural economy hub;
- **Midland Mainline Market Harborough Improvements** – Investment for significant station and rail track improvements at Market Harborough, which will improve journey times to and from London;
- **Leicester and Leicestershire Workspace Programme** – investment to develop 20,000 sq. m commercial workspace; attracting up to 60 new businesses to priority growth areas in Leicester City and County, enabling clustering within key sectors and creating up to 300 jobs.

The Leicester and Leicestershire 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 Leicester and Leicestershire area.

Quotes

The Prime Minister said:

“Giving local communities the power and the money to unlock growth and development and make the spending decisions that work for them is a key part of our long-term economic plan to secure a brighter future for Britain and ensure a recovery for all.

“And this is happening right across Leicester and Leicestershire, 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 Leicester, across Leicestershire and all of 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 the area more power over skills, over business support, over infrastructure spending.

"I am delighted to announce the expansion of the Leicester and Leicestershire 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.”

Nick Pulley, Chair of the Leicester and Leicestershire LEP said:

“This additional £20 million funding from expanding our Local Growth Deal will boost our total Growth Deal funding to in excess of £100 million. This is by far the biggest capital regeneration fund to be received in Leicester and Leicestershire to date. This will be a crucial addition to the development of our local economy. Importantly, it will enable four new strategic economic projects to be kick-started, which between them, are set to generate up to £60 million private sector leverage and create over 1,000 new jobs over the next six years.”

Sir Peter Soulsby, City Mayor said:

“Today’s announcement is excellent news for businesses and communities in our city and county. I am particularly pleased that funding has been secured for the next phase of our Connecting Leicester project, which will further improve the public realm in the city centre and make Leicester even more attractive for residents and

investors. Expansion plans for our workspace project have also secured funding, allowing us to build on the success of DOCK by providing new grow-on space for small businesses. Today's announcement shows that the Government recognises the success of these schemes and I welcome this endorsement of the work that we're doing in Leicester."

County Council leader Nick Rushton said:

"I'm delighted with the announcement of a further £20m in Growth Deal support, especially the funding being made available to regenerate the Cattle Market in Melton Mowbray, provide new and improved business workspace in Coalville and in rural areas as well as an upgrade to the Midland Mainline rail network through Market Harborough. These funds, added to the Growth Deal announcement last year and our own investment in supporting the economy, will help ensure the further growth of businesses and create new jobs in the county."

FACTSHEET

1. How much is the Government investing in Leicester and Leicestershire 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>£80.0m</i> | <i>£20.3m</i> | <i>£100.3m</i> |

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

The additional funding will deliver the following projects:

- **Connecting Leicester Wave 2** – An access and public realm improvement scheme in Leicester City centre including 5,500m street and 15,000 sq. m public realm improvements to increase footfall, retail spend, create up to 500 new jobs and unlock the area for future commercial developments.
- **Melton Mowbray Livestock Market Improvements** – Improvements to 34,000 sq. m Melton Mowbray livestock market to ensure its continued operation on the site and unlocking 17,000 sq. m potential for future development, safeguarding up to 200 jobs and increasing visitor spend.
- **Midland Mainline Market Harborough Improvements** – Improving the journey time for non-stop passenger and freight train services on the Midland Main Line, through the realignment of the rail infrastructure at Market Harborough. The investment will also be used for station improvement works at Market Harborough in conjunction with Derby, Derbyshire, Nottingham & Nottinghamshire LEP and Leicester and Leicestershire and Sheffield City Region LEP.
- **Leicester and Leicestershire Workspace Programme** – A commercial workspace programme to develop 20,000 sq. m new floor space; creating up to 300 jobs and attracting up to 60 new businesses within priority growth areas (Leicester, Coalville, Lutterworth and Quorn).

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

- **MIRA Partnership Engineering Training Centre** - a new training centre at the Enterprise Zone providing 2,500 training places
- **Leicester Waterside** - Regeneration of derelict and vacant land on the Waterside and Abbey Meadows areas

- **Leicester College** - 280 additional training places per year in Motor Vehicle Engineering training and Construction training
- **Great Central Railway** - 18 mile extension of the steam railway from Leicester to Ruddington
- **Local Sustainable Transport Fund Rd 2 (Hinckley)** - Sustainable Transport improvements to reduce congestion and improving connectivity
- **Leicester & Leicestershire Broadband** - Extension to superfast broadband programme, extending coverage across the city and county
- **Leicester Strategic Flood Risk Management** - Programme to reduce flood risk to 2,100 homes and flood damage costs to businesses by £22m
- **North City Centre Access Investment Programme** - improve 4km of highways; enable the development of 10ha of employment and housing sites

3. How does this benefit the people of Leicester and Leicestershire?

The Growth Deal focuses on significant investment to improve transport connections, reduce travel to work times and accelerate the development of key commercial sites:

- Investment in access and public realm improvements in Leicester City Centre will increase the availability of shops, leisure and cultural activity, and help connect key parts of the city centre through cycle and walking improvements. Rail line and station improvements at Market Harborough will reduce passenger journey times to and from London and enhance passenger accessibility in the station.
- Redevelopment work at Melton Cattle Market will help secure the long-term future of a key asset and a vital component in the rural economy within Leicestershire and the wider East Midlands.
- Investment in the Leicester and Leicestershire Workspace programme will provide much needed workspace to facilitate economic development within key priority areas not fulfilling their commercial potential.

According to estimates by the LEP, the Growth Deal could bring to Leicester and Leicestershire:

- Up to 3,000 jobs
- Up to 1,300 homes
- Up to £160m public and private sector investment

4. What is the benefit for local businesses?

The Growth Deal includes a package of measures to unlock commercial sites, provide much need workspace in key areas of the City and County, and improve business travel to and from London:

- Investment in access and public realm improvements will enhance the attractiveness of South West sector of Leicester City Centre, improve economic activity through increased shopper and visitor footfall, plus increase employment opportunities. The regeneration of vacant and derelict sites will enable new commercial developments including 6,000 sq. m at the New Walk Centre.
- The Growth Deal confirms additional funding for 20,000 sq. m commercial workspace in Leicester and Leicestershire to provide start-up and expanding businesses with quality premises needed by ambitious companies.
- Investment will provide modern facilities to safeguard the Melton Mowbray Livestock Market Livestock Market, ensuring that visitor spend continues within Melton Mowbray town centre, and unlocking 17,000 sq. m land to enable the creation of a new food, drink and rural economy hub.
- Investment will enhance business travel on the Midland Main Line to and from London through improved journey times and facilities for rail travel, which is of crucial importance to business throughout Leicestershire, Leicester City and most of the East Midlands.

5. Facts and figures

The Growth Deal builds on significant recent investment in growth opportunities in Leicester and Leicestershire including:

Growing Places Fund total allocation: £13.41m

Enterprise Zone funding: MIRA EZ was successful in securing £17.6m (RGF) to fund off site infrastructure improvements including enhanced highway capacity on the A5; sustainable transport improvements; and upgraded power supply. Also, £12.9m (LIF) to fund on site infrastructure, which will unlock land for development.

City Deal: £16m: The Leicester and Leicestershire City Deal will ensure that all 16-24 year olds have the opportunity to access education, training, apprenticeships or employment opportunities. It will also offer support to businesses to employ young people and increase demand for apprenticeships and other employment and training initiatives.

Regional Growth Fund: Leicester and Leicestershire LEP area has to date received £42.9m investment from the Regional Growth Fund, and could also benefit from £16.35m invested in neighbouring LEPs.