

**GROWTH DEALS 3 FACTSHEET – Leicester and Leicestershire Local Enterprise Partnership (LEP)**

**1. How much is the Government investing in Leicester and Leicestershire as part of the Growth Deal programme?**

	<b>Growth Deal One (July 2014)</b>	<b>Growth Deal Two (Jan 2015)</b>	<b>Growth Deal Three (Nov 2016)</b>
Local Growth Fund Award	£80 million	£20.3 million	£25.87 million
<b>Total Award</b>	<b>£126.17 million</b>		

**2. What will this new funding deliver?**

This new tranche of funding is expected to deliver:

- The development of the National Space Centre, providing a national hub for space research, learning, public engagement and innovation. Delivering around 600 jobs and supporting up to 100 businesses, this project will make a major contribution to the productivity challenge facing the city of Leicester including:

**1. Space Park: National Space Academy Extension**

An extension to the Space Centre's Academy, creating 850 sq. m of flexible event/exhibition space and facilitating an additional 7,200 school visitors per annum;

**2. Space Park: Infrastructure**

The remediation and servicing of 6 hectares of brownfield land, enhancement of nearly two miles of public footpaths and cycleways and unlocking 13 sqm of commercial floorspace (for purpose-built, flexible premises for businesses, set within a collaborative R&D environment); and

**3. Space Park Phase 1: Construction**

Construction of a new home for the University of Leicester's Institute for Space and Earth Observation Science, creating 200 jobs and providing 4,000 sq. m of high-specification research and development space with state-of-the-art facilities and laboratories.

- **M1/J23 and A512 Improvements**

Upgrading over one and a half miles of single carriageway to dual carriageway, remodelling the five junctions on the A512 and making improvements to J23 of the M1. Unlocking land for new homes and employment in Loughborough and enhancing facilities for pedestrians and cyclists.

All four projects are integral to the proposed Loughborough and Leicester Science and Innovation Enterprise Zone and will facilitate and stimulate development of the three sites. The Space Park will be situated on the Waterside Pioneer Park EZ site and the M1/J23 and A512 improvements improve access to both the Loughborough Science and Enterprise Park EZ site and the Charnwood Biomedical Campus EZ site.

### **3. What has previous funding delivered?**

This builds on previous Growth Deal investments in Leicester and Leicestershire, which have funded the following projects:

Initial Growth Deal (July 2014)

- A50/A6 improvements - £16.2 million;
- The MIRA Technical Institute (Hinckley);
- Leicester Waterside regeneration - £20 million;
- Leicester College Skills and Innovation Village - £3.27 million;
- Great Central Railway 'Bridging the Gap' (Loughborough) - £1 million;
- Local Sustainable Transport Fund Rd 2 (Hinckley) - £3.64 million;
- Leicester & Leicestershire Broadband - £3.1 million;
- Leicester Strategic Flood Risk Management - £7.5 million;
- North City Centre Access Investment Programme (Leicester) - £8.96 million;
- M1-Junction 22 / A42-Junction 13 - £4.64 million; and
- Lubbesthorpe SES Access - £3.25 million.

Growth Deal expansion (January 2015)

- Connecting Leicester Wave 2 - £7.2 million;
- Melton Mowbray livestock market improvements - £3.5 million;
- Midland Mainline Market Harborough improvements - £3 million;
- Developing Commercial Workspace: Coalville - £3.67 million;
- Developing Commercial Workspace: Dock 2 - £2.614 million.

### **4. How will this benefit the local community?**

The Growth Deal includes significant investment to improve highway capacity, reduce commuting times and accelerate the development of key housing and commercial sites in Loughborough while simultaneously providing improved facilities for pedestrians and cyclists.

Improvements to the public realm on the Waterside area and facilitating the development of the Space Park will provide enhanced wildlife and ecology benefits and provide improved footpaths and cycleways further opening up access to the city's riverside area.

The extension to the National Space Centre increases the STEM offer as well as providing more science and engineering related university courses and higher-level apprenticeship opportunities to people from the local community. The extension will also facilitate additional family and school visit opportunities, further stimulating interest in space and science related activities.

### **5. How will this benefit local businesses?**

The Growth Deal includes significant investment in the development of the National Space Centre in Leicester, which aims to become an internationally recognised world-leading hub for space and space-enabled industries, creating a vibrant community of large and small businesses working alongside researchers and academics. The Space Park will leverage research assets, deliver the skills required by the sector and foster a strong pipeline of the country's best students to flow into

businesses. The commercialisation of the science and technology at the Centre will have considerable benefits for businesses in the advanced manufacturing supply chains.

**6. How will this Deal help the Government work to deliver one million homes in this Parliament?**

The LEP estimates that the M1/J23 and A512 improvements could support the delivery of 4,000 new homes in Loughborough.

**7. How does this announcement link to the Midlands Engine?**

Through the Local Growth Fund, central government has already agreed £1.5 billion worth of investment in the Midlands, supporting locally-led projects to boost economic growth. This additional funding round will provide an extra boost of **£392 million** to LEPs based in the Midlands. This funding will be used to provide vital investment for transport, infrastructure, skills, innovation and business-support projects, acting as a catalyst for growth and building towards the Prime Minister's vision of an economy that works for everyone, up and down the country.

### **Other Sources of Funding for LEPs**

This is currently the last round of Growth Deals that will take place in this Parliament. However, LEPs are eligible to bid for many other sources of funding, which they can use to make investments in significant economic projects in their local area.

Leicester and Leicestershire LEP has successfully secured additional investment so far which will help to fund a number of projects:

- **Growing Places Fund** total allocation of £13.4 million. Projects that have been supported to date include Glenfield Park, Kirby Road/Ratby Lane (£1.6 million); Strategic M1 and A42 Junctions Improvements (£1.6 million); Glenfield Business Park on site infrastructure works (£1.5 million); Donnington Park Racing Ltd (£3.9 million);
- **Horiba MIRA Enterprise Zone (EZ)** has been successful in securing investment to fund off site infrastructure improvements including enhanced highway capacity on the A5; sustainable transport improvements; and upgraded power supply. Also, £12.9 million (LIF) to fund on site infrastructure, which will unlock land for development;
- **Leicester City Deal** to fund business support services, focusing on a new Business Growth Hub service, an SME enterprise grant scheme and the unlocking of 8 hectares of land to support the expansion of Loughborough University Science and Enterprise Parks;
- **Regional Growth Fund:** Leicester and Leicestershire LEP area has to date received £45.8 million investment from the Regional Growth Fund, and could also benefit from £16.3 million invested in neighbouring LEPs;
- **European Regional Development Fund:** €64.6 million;
- **European Social Fund:** €61.6 million;

- **European Agricultural Fund for Rural Development:** €3.8 million; and
- **DfT's Large Local Majors Programme:** Used to develop a business case for the Melton Mowbray eastern distributor road.

**Communities Secretary Sajid Javid said:**

“This Government is backing Leicestershire with this new £25.9 million funding pot. Exciting projects to benefit include the new Leicester Space Park and improvements to roads across the county.

“This new funding will help create jobs, boost skills and give businesses support.”

**Minister for Local Government Marcus Jones said:**

“This latest investment through the Local Growth Fund will help make Leicester a global hub for space technology. The extension of the National Space Centre’s Academy will encourage even more young people to explore space science, improve their skills and support them into careers in the sector.”

**Nick Pulley, Chair of the Leicester and Leicestershire Enterprise Partnership, said:**

“We put in a sizeable bid for Growth Deal funding last year and have been working hard to stress the importance of receiving funding in the LLEP area to boost growth of the LLEP economy.

“The LLEP boasts an excellent track record having secured over £100 million through the first two Growth Deal rounds, investing in projects such as the Leicester College’s Skills and Innovation Village.

“The £25.9 million Growth Deal allocation we will be receiving in this round will be split between the Space Park and Junction 23 of the M1. Both are both poised to start straight away and we will now be working with our partners to ensure that this welcome investment is allocated as swiftly as possible.”