

GROWTH DEALS 3 FACTSHEET – South East Midlands (including Northamptonshire) Local Enterprise Partnership (LEP)

1. How much is the Government investing in South East Midlands as part of the Growth Deal programme?

	Growth Deal One (July 2014)	Growth Deal Two (Jan 2015)	Growth Deal Three (Nov 2016)
Local Growth Fund Award	£79.3m SEM £67.3m Northamptonshire	£46.7m SEM £9m Northamptonshire	£59.04m
Total Award	£261.34 million		

2. What will this new funding deliver?

This new tranche of funding is expected to deliver:

- **Leyland Trading Estate in Wellingborough** - investment to address a critical development viability issue to support the delivery of a £4.4 million SME industrial workspace development on the established Leyland Trading Estate, in Wellingborough, a key identified growth area;
- **Catesby Aerodynamic Research Facility in Daventry** - creation of an enclosed test track using a former rail tunnel near Daventry to give the UK a competitive advantage in vehicle testing and technology. The site will also house a 4.5 acre science park;
- **Luton Cultural Quarter Creative Cluster in Luton** - the creative cluster is a network of four former Hat Factory buildings in the Cultural Quarter, creating a new centre for the Creative and Digital Industries. The LEP projects this will create 160 permanent jobs through the provision of 28,000 sq. ft. of new creative business spaces;
- **MAHLE Real Driving Emissions Centre in Northampton** - building a new R&D vehicle test chamber, which will be unique in the UK;
- **Millbrook Wet Grip in Central Bedfordshire** - to specify, construct and install a UK-unique test facility for the development, validation and certification of automotive tyres in respect of their wet handling and braking behaviour;
- **A509 Wellingborough development link** - the proposed A509 Isham bypass. Its aim is to alleviate traffic-related problems in the village of Isham and accommodate the aspirations for growth in Wellingborough and Kettering. It will also tackle congestion along the existing A509;
- **Northampton North West relief road between the A248 Harlestone Road and A5199 Welford Road** is necessary to enable and unlock further development in Northampton and relieve pressure on existing local highway network;
- **M1 A6 link in Central Bedfordshire** – provision of a new 2.7 mile-long link road between the M1 and A6 to form a northern bypass for Luton; and
- **Bedford Southern Gateway** - developing and improving the Information Technology Systems on the main artery into Bedford town centre.

3. What has previous funding delivered?

This builds on previous Growth Deal investments in the South East Midlands, which have funded the following projects:

- Woodside Link - £20 million;
- Bletchley Station - £1.5 million;
- Smarter routes into Employment, Luton, Dunstable - £0.8 million;
- Bedford Western Bypass - £2.5 million;
- Northampton College (Daventry Campus) - £6.5 million;
- London Luton Airport Highway Access - £1.2 million;
- Joining up St. James Mill Road - £0.6 million;
- Leighton Linlade Engineering and Construction Skills Centre - £2.5 million;
- A421 dualling from Fen Farm to M1 J13 Milton Keynes - £23.5 million;
- A45 Daventry Development Link (Northamptonshire) - £14 million;
- A43 Phase 1b Northampton to Kettering improvements (Northamptonshire) - £7.9 million;
- Stanton Cross (Northamptonshire) - £9 million;
- Smart Commuting (Northamptonshire) - £3.5 million;
- Smart Corridors (Northamptonshire) - £3.5 million;
- Wooton Hall Park Access improvements (Northamptonshire) - £1.7 million;
- Tresham College rebuild, Wellingborough (Northamptonshire) - £11.4 million;
- Broadband expansion project - £4 million;
- Multi-user Environment for Autonomous Vehicle Innovation (MUEAVI pronounced 'Movie' Cranfield) - £3 million;
- Waterside North (Aylesbury) - £3.3 million;
- Advanced Electrical Design and Electronics Centre (Bedford College) - £2.5 million;
- Vulcan Ironworks (Northampton EZ) - £6.3 million;
- Bedford I-WORX project - £2.5 million;
- Millbrook Technology Park - £3.8 million;
- Campaign for Medicine (Buckingham University) - £2 million;
- Milton Keynes Gallery expansion - £1.3 million;
- Bedford Town Centre regeneration (inc Batts Ford Bridge) - £11 million;
- London Luton Surface Access - £20 million;
- A43 Phase 2 Northampton to Kettering improvements (Northamptonshire) - £6.5 million; and
- Food and Drink Technology Academy at Moulton College (Northamptonshire) - £3.5 million.

4. How will this benefit the local community?

The Strategic Economic Plans for the South East Midlands, including Northamptonshire, have ambitions to deliver around 108,000 new jobs and 83,000 new homes over the five years between 2015/16-2019/20, increasing to 170,000 new jobs and c.130,000 new homes over the ten years between 2016/17-2025/26.

The projects being supported will address some of the key barriers and challenges that are preventing the area achieving its full potential. This level of investment and focus is ensuring that the South East Midlands remains a significant net contributor to the national economy. Priorities for investment include:

- Addressing the infrastructure constraints to ensure that even greater numbers of new homes are built to meet the ever-increasing needs of the growing population;
- Addressing skills issues that businesses constantly identify as a barrier to growth.

5. How will this benefit local businesses?

There is enormous potential to build on the area's current success by encouraging growth in higher value added sectors by focusing on innovation, science and research through higher education institutions such as Cranfield University, and business supply chain activity such as the Silverstone F1 cluster. There is widespread business engagement particularly with SMEs.

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

There is strong local commitment to deliver significant new housing, which is unparalleled in a greater south east context, providing much needed and affordable homes for the area's fast growing population and the neighbouring markets of London, Cambridge and Oxford.

The local authorities in this area have ambitious plans to deliver around 130,000 new homes by 2025/26. Most of these are in sustainable urban extensions such as the 5,500 new homes to the east of Kettering and 14,800 in the Priors' Hall development on the outskirts of Corby. Around half of the planned new homes have planning consents.

7. How does this announcement link to wider economic growth in the area?

The South East Midlands, including Northamptonshire, is a key part of the Oxford-Milton Keynes-Cambridge Growth Corridor and in November 2016 the National Infrastructure Commission published their interim report into the corridor. The Government welcomed the report and, in addition to funds allocated via the Local Growth Fund, which will be used to support growth in the corridor, the Government committed £27 million of development funding for an Oxford to Cambridge expressway, to bring forward £100 million to accelerate construction of the East West rail line western section and to allocating £10 million in development funding for the central rail section.

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.

South East Midlands LEP has secured additional investment so far that will help to fund a number of projects:

- **Northampton Waterside Enterprise Zone.** The Enterprise Zone continues to successfully deliver against its targets. To date a total of 1,865 new positions have

been created and 32 new businesses have started up in the Zone. A total of just under £200 million of private sector investment has been leveraged into the EZ.

- **Luton Enterprise Zone.** The delivery of the Enterprise Zone continues to be focused on setting the right foundations to create the right opportunities for development and getting the required infrastructure into place.
- **Growing Places Fund - £24.5 million**
 - £7 million of this was ring-fenced for use in the Northampton Waterside Enterprise Zone
 - St Peters Gateway Infrastructure Development of site 11 to enable Cosworth expansion
 - Electric Corby
 - Kettering Green Energy Park
 - Silverstone
 - Corby Northern Orbital road
 - (Northamptonshire) Business support and grants to SMEs
- **Regional Growth Fund - £53.8 million**
 - Round 1: GM £9.67 million for the Vauxhall Vivaro Van
 - Round 2 and exceptional RGF: Luton Borough Council received nearly £25 million to rebuild M1 Junction 10a, which could unlock 6,900 jobs by 2015 and a further 6,500 jobs by 2026
 - Round 3: £1.2m programme on high performance technologies including motorsport
 - Round 4: SEM and Northamptonshire have a joint £4 million programme on R&D in motorsport
 - Round 4: £1.75 million to SEMLEP from Lancaster University through its Wave 2 Growth Hub programme, to fund SEMLEP's Velocity Growth Hub
 - Round 5: Millbrook Proving Ground (Bedfordshire) £1.95 million and Hayward Tyler (submersible pumps) of Luton £3.49 million
 - Round 5: Dalepak Limited awarded £1.30 million to support the company's automated packaging for online ordering.
 - Round 6: Hybrid Air Vehicles - £3.4 million
- **EU funding – €96.4 million**

Communities Secretary Sajid Javid said:

"This Government is backing the South East Midlands with this new £59 million funding pot. Exciting projects to benefit include a new centre for creative and digital industries in Luton and an emissions testing centre in Northampton.

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

Dr Ann Limb CBE DL, Chair of South East Midlands Local Enterprise Partnership, welcomed the announcement saying:

"The receipt of £59 million of funding in our area will enable South East Midlands Local Enterprise partners to deliver some much needed and exciting projects such as the Luton Cultural Quarter creative cluster and the Mahle Real Drive Emissions Centre in Northampton. This programme of investment will provide necessary infrastructure to deliver more new homes and jobs and improve skills and productivity.

“The South East Midlands and Northamptonshire area is one of the country's major growth areas and I look forward to working with the Government to enable greater economic development across South East Midlands and Northamptonshire local authorities.”