

DORSET GROWTH DEAL

The Dorset Growth Deal aims to unlock major growth in and around two of Dorset's most significant economic assets – Bournemouth Airport and the Port of Poole, as well as supporting Dorset's vibrant and diverse business base.

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 four key priority areas as identified in the LEP's Strategic Economic Plan:

- Enabling growth in key housing and employment sites
- Creating the conditions for growth
- Supporting Dorset businesses
- Growing the skills base

Dorset has secured **£66.4m from the Government's Local Growth Fund to support economic growth in the area – with £11.7m of new funding confirmed for 2015/16 and £42.4m for 2016/17 to 2021.** This includes £12.2m 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 **£530m of additional investment from local partners and the private sector. Combined together this will create a total new investment package of £596.4m for the Dorset LEP.**

By 2021, this Deal will create at least 25,000 jobs and allow 3,000 homes to be built.

The LEP brings together Dorset Council, Bournemouth, Poole, and Dorset District Councils.

Summary of Dorset Growth Deal projects and funding

Dorset LEP Local Growth Fund breakdown (£m)			
	2015/6	2016 onwards	Total
Local Growth Fund award	11.7	39.9	51.6
Previously committed funding	12.2	0	12.2
Provisional allocation to projects starting in 2016/17 and beyond	0	2.6	2.6
Total	23.9	42.5	66.4

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.

Dorset LEP and Government have agreed to co-invest in the following jointly-agreed priorities:

- **Port of Poole Infrastructure** – A package of schemes to improve access in and around the port of Poole, including maintaining a second bridge crossing and completing townside access to the port, to unlock growth at the port and new development sites in Poole

- **Bournemouth Airport Infrastructure** – A package of transport schemes to unlock suppressed growth at Bournemouth Airport, including the major renewal of the A338 spur road
- **Jurassica** – Preparatory work for a flagship new Jurassic Coast visitor centre on the Isle of Portland
- **ODIAC** – Funding to establish a research centre of excellence in orthopaedics at Bournemouth University, to grow Dorset's Orthopaedic Development and Innovation Accelerator Cluster (ODIAC) of innovative businesses in this field

Provisional allocations to projects starting 16/17 and beyond

- **Bournemouth and Poole College Engineering and Advanced Manufacturing** – New facilities for engineering and advanced manufacturing students to help close Dorset's high level skills gap in this key sector
- **Bournemouth and Poole College Financial and Business Services** – Refurbishment of facilities to equip the next generation of local entrepreneurs with the enterprise skills they need to succeed

Dorset LEP and Government view this deal as the first step in a multi-year process that will enable the LEP to secure further funding allocations in future years. As part of this process, additional projects will be considered for funding. This includes but is not limited to LEP priority projects such as:

- The Silicon South initiative to grow the creative digital sector in Dorset
- The Dorset Green Development project
- Holton Heath Trading Park
- The Gillingham Urban Extension

Local flexibility over Growth Deal programme: The Government recognises the significant steps that the Dorset LEP have taken to deliver a successful and achievable Local Growth Deal and that the programme agreed in this Growth Deal represents a step up in the ambition of, and therefore expectations on, the LEP. The LEP will be expected to deliver all the projects in the Deal document and to achieve this the Government will disburse funds to the LEP quarterly in advance – with any changes to projects agreed each quarter. The Cities & Local Growth Unit will therefore be working closely with the LEP on any amendments to the deal and supporting local partners to resolve any emerging issues such as the profile.

The Cities & Local Growth Unit will work closely with the LEP to resolve any outstanding concerns that will allow Dorset LEP to achieve increased flexibility ahead of the first payments in April 2015.

The Growth Deal does not amount to an endorsement of everything in the submitted SEP. 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 Dorset Growth Deal

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

Enabling growth in key housing and employment sites

A comprehensive multi-year package of transport schemes to enable growth in and around Bournemouth Airport and the Port of Poole, including the renewal of the A338 spur road, schemes to improve traffic flow at the key junction points close to Aviation Park of Hurn roundabout, Chapel Gate and the Blackwater Interchange, widening of the A338 from Cooperdean to Blackwater, key junction improvements across the Bournemouth and Poole conurbation, completion of Poole townside access to the port of Poole, major works to the Poole Bridge Approach to ensure that Poole continues to benefit from two bridge crossings and improvements to the A349 Gravel Hill to strengthen the embankments, improving the reliability of this important route into Poole from the national network.

In addition to these projects, the Government will ensure closer collaboration and joint working between the Homes and Communities Agency (HCA) and Dorset LEP as the LEP brings forward its plans for new homes in the area, with specific staff resource input into the Gillingham Urban Extension project. The HCA welcomes the Dorset bid into the Local Infrastructure Fund to progress a major housing project at Poole Power Station.

The Government will also engage with the LEP to examine the potential to release government land and property to promote local economic growth and/or housing development, and will explore with Dorset its ideas for town centre renewal.

In return, the Government seeks the LEP's commitment to work with local authorities to deliver the housing provided for in the relevant Local Plan.

Dorset LEP commitments	Central Government commitments
<ul style="list-style-type: none">• To invest £2.3m local authority funding in the Port of Poole infrastructure package• To invest £20.7m local authority funding in the Bournemouth Airport infrastructure package• Deliver 2,700 new homes – 2,500 around the Port of Poole and a further 200 around Bournemouth Airport, and 42,000 sq m of commercial floorspace at Bournemouth Airport• The LEP and local planning authorities commit to working together to deliver the housing provided for in Local Plans.	<ul style="list-style-type: none">• To invest £23.3m in invest in the Port of Poole infrastructure package• To invest £39.5m in the Bournemouth Airport infrastructure package, including £12.2m pre-committed Local Growth Fund for the A338 Spur Road project• To provide an experienced HCA surveyor (detail to be agreed) to assist with the Gillingham Urban Extension Project, with specific support around land assembly and the planning process and the continued support of HCA's Advisory Team for Large Applications• The HCA to work with the LEP to explore potential for Extra Care provision through the national competitive bidding process• The HCA to work with the LEP to provide clarity to any potential bidders into the Builders Finance Fund, which is available for development finance for schemes up to 250 units and is bid for competitively• Government Property Unit to engage with the LEP to examine the potential to release government land and property to promote

	local economic growth and/or housing development, and explore with Dorset LEP its ideas for town centre renewal.
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Creating the conditions for growth

In order to create the right environment for growth in Dorset, the government will commit to a number of measures aimed at enabling LEPs to take a more active and strategic role in transport and infrastructure planning. The Department for Transport and Network Rail will commit to more proactive engagement of Local Enterprise Partnerships in the long-term rail planning process (e.g. Route Studies) and in rail franchise specification. The Department for Transport and Highways Agency commit to proactively engage Local Enterprise Partnerships in the long-term planning of the strategic highway network (e.g. Route Strategies).

In taking forward new growth opportunities, the Environment Agency, Natural England, Forestry Commission and Marine Management Organisation will work closely with Dorset LEP in accordance with the Defra Network offer, and will participate, as appropriate, in any task and finish groups that may be set up to take forward funding. Infrastructure UK will also advise on joint working between Government agencies and the Dorset LEP to design solutions that take account of the interdependency of economic activity and local circumstances in taking forward growth projects.

Dorset LEP commitments	Central Government commitments
<ul style="list-style-type: none"> • The 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. • The LEP and partners agree to the LEP taking a more proactive role in consultation on long-term strategic road network planning and to provide a co-ordinating role between constituent local authorities. 	<ul style="list-style-type: none"> • The Department for Transport and Network Rail commit to more proactive engagement of the LEP in the long-term rail planning process (e.g. Route Studies) and in rail franchise specification through targeted local engagement of the LEP 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 the LEP 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 LEPs 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 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

	<p>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"> • Defra Agencies to engage with the LEP in accordance with the terms of the Defra Network Offer, and take part in any task and finish groups to take forward funding • Infrastructure UK to advise on joint working and holistic solutions for growth projects.
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Supporting Dorset businesses

A set of interventions aimed at supporting Dorset's vibrant and diverse business base, including initial investment in Dorset's flagship new Jurassic Coast visitor centre on the Isle of Portland, which when built will boost the visitor economy and associated sectors across the south coast as well as creating jobs in its own right. Investment will also be provided to establish a research centre of excellence in orthopaedics at Bournemouth University, to grow and attract innovative businesses in this field to Dorset.

The Growth Deal also includes revenue funding to strengthen the Dorset Growth Hub, to coordinate and deliver an effective business support offer to Dorset's businesses. 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. The Technology Strategy Board recognises the important and valuable role and 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.

In support of business growth through trade and inward investment, 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 sixteen. This will ensure that UKTI can work more closely with LEPs and help build their capability to secure more inward investment.

Dorset LEP commitments	Central Government commitments
<ul style="list-style-type: none"> • To take forward the preparatory stages of the Jurassica project • To take forward the capital elements of the Orthopaedic Development and Innovation Accelerator Cluster (ODIAC), which will support up to 50 learners, and seek ways to 	<ul style="list-style-type: none"> • To invest £0.3m in the Jurassica project • To invest £0.7m in Dorset's Orthopaedic Development and Innovation Accelerator Cluster • Provide £250,000 funding to the LEP for Growth Hub business support coordination,

<p>ensure associated projects are taken forward to develop the wider cluster</p> <ul style="list-style-type: none"> • Develop and operate the Dorset Growth hub in accordance with Government guidelines • 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 • Support extension of superfast broadband coverage to 90% of UK premises by 2016, via existing broadband projects, Dorset 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, Dorset LEP will also work with local partners to help ensure match funding is in place for the next round of projects. 	<p>subject to the Growth Hub meeting minimum conditions that reflect the position agreed by the Government review on business support and services.</p> <ul style="list-style-type: none"> • The Technology Strategy Board recognises the important and valuable role and 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. • 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.
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Growing the skills base

Improving skills levels is a key factor in stimulating local growth and taking advantage of new economic opportunities. Government is committed to ensuring that adult skills provision is increasingly responsive to the needs of business and supports local economic growth and jobs.

Local Enterprise Partnerships are well-positioned to enhance the current Careers Information, Advice and Guidance offer by influencing the shape of provision so that it meets the needs of the local economy. Moreover they have the ability to link employers with education providers, can have strategic influence over skills supply; and have the ability to coordinate local services towards a shared goal. To achieve this, Government and LEPs will work together to build stronger links between education providers and local businesses.

The Government has set out an indicative funding allocation for two skills capital projects in Dorset, which will provide new facilities for engineering and advanced manufacturing students to help close Dorset's high level skills gap in this key sector and facilities to equip the next generation of local entrepreneurs with the enterprise skills they need to succeed, at Bournemouth and Poole College.

Dorset LEP commitments	Central Government commitments
<ul style="list-style-type: none"> • Provisional allocation to projects starting 16/17 and beyond: indicative commitment to invest £4.6m local authority funding in new engineering and advanced manufacturing facilities at Bournemouth 	<ul style="list-style-type: none"> • Provisional allocation to projects starting 2016/17 and beyond: indicative commitment to invest £2m in new engineering and advanced manufacturing facilities at Bournemouth and

<p>and Poole College</p> <ul style="list-style-type: none"> • Provisional allocation to projects starting 16/17 and beyond: indicative commitment to invest £1.4m local authority funding in the refurbishment of financial and business services facilities at Bournemouth and Poole College • Consider skills implications as part of decision taking on growth strategies. • 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. • Positively engage the Further Education and skills sector in key strategic partnerships e.g. Skills and Employment Boards. • 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. • Facilitate stronger linkage between education providers and local businesses. Work with relevant local stakeholders to communicate our priorities and align the LEP's offer to the National Careers Service (NCS) providers ahead of the new service's roll-out in October 2014 in order to augment the service. • The Government expects Dorset LEP to 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. 	<p>Poole College, for a 16/17 start</p> <ul style="list-style-type: none"> • Provisional allocation to projects starting 16/17 and beyond: indicative commitment to invest £0.6m in the refurbishment of financial and business services facilities at Bournemouth and Poole College, for a 16/17 start • Work with Dorset LEP to help ensure that local employer priorities are fed into the operations of the new National Careers Service providers in Dorset. • 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 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 • 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
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	<p>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.</p> <ul style="list-style-type: none"> • 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:

- **Strengthen governance** by establishing a formally constituted Joint Committee bringing together all Dorset's local authorities, and continue to explore the formation of a Combined Authority or similar structure in the future.
- **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.