

## **£15M EXPANSION OF GROWTH DEAL BOOSTS LOCAL PLAN FOR GLOUCESTERSHIRE ECONOMY**

The GFirst LEP has agreed an expansion to its Growth Deal with the Government which will see an extra £15m invested in Gloucestershire between 2016 and 2021. This is in addition to the £62.5m 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 6000 new jobs could be created, 400 new homes built and that it has the potential to generate £220m public and private investment.

The additional proposed projects include:

- Support for fledgling agri-tech businesses – high tech incubation facilities at the Royal Agricultural University to support start-ups and promote innovation.
- Investment in the regeneration of the Blackfriars and Quayside areas in Gloucester City Centre for domestic and commercial use.
- Support for retail entrepreneurship by providing high street incubation space in Gloucestershire.
- Promoting the growth of Gloucestershire Airport by improving key infrastructure at the site.
- Further additions to the planned Gloucestershire Renewable Energy, Engineering and Nuclear skills centre at Berkeley:
  - A new Cyber Security Training and Conference Centre to build Gloucestershire's skills base in this fast-growing sector.
  - An Advanced Renewable Energy Resource Centre delivering STEM skills development, experimental research and specialist business and domestic market support in renewables.

The Gloucestershire 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 Gloucestershire 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. That’s 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 Gloucestershire and across 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 county more power over skills, over business support, over infrastructure spending.

"I am delighted to announce the expansion of the Gloucestershire 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.”

The LEP Chair Diane Savory said:

“I’m absolutely thrilled that the Government has continued to recognise the huge economic potential in Gloucestershire. The latest announcement reflects the Government’s confidence in the strength and ambition of Gloucestershire’s Strategic Economic Plan, to stimulate significant private sector investment and drive business expansion. I am delighted that this confidence has resulted in a substantial increase in the amount of funding Government is investing in Gloucestershire.

Today’s announcement empowers GFirst LEP to work even more closely with the private, public and voluntary sectors, adding exciting new initiatives to those that are already underway. This targeted investment will be transformative, unlocking development land which will deliver much needed housing and jobs, supporting innovation in Agri-tech and Renewable Energies, as well as developing skills in Retail and Cyber security.

The Gloucestershire Growth Deal brings together different funding streams designed to support local growth and we’re now able to unlock the economic potential across the county to create thousands of new jobs, increase exporting opportunities, fuel business expansion and firmly promote Gloucestershire as the county for inward investment.”

Councilor Steve Jordan, Leader of Cheltenham Borough Council and a Board Member of GFirst LEP said:

“We are extremely delighted at the number of exciting new projects that have received funding in this latest announcement, adding considerably to the original Growth Deal. These cover a broad range of themes including, infrastructure, innovation, skills and business support, that are expected to deliver more jobs and housing within Gloucestershire, as well as support innovation across the county.”

**FACTSHEET**

## 1. How much is the Government investing in Gloucestershire as part of the Growth Deal?

	Initial Growth Deal (July 2014)	Expansion – additional funding awarded (Jan 2015)	Total Expanded Growth Deal
<b>Local Growth Fund</b>	<i>£62.5m</i>	<i>£15m</i>	<i>£77.5m</i>

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

- **Incubation space at the Royal Agricultural University** for rural and Agri-tech businesses.
- **Regeneration of Blackfriars and Quayside** areas of Gloucester - land remediation, demolition and clearance and infrastructure works.
- **High Street Incubation premises** in Gloucestershire to support retail start-ups.
- **A Cyber Security Training and Conference Centre**, extending the planned Gloucestershire Renewable Energy Engineering and Nuclear Skills centre at Berkeley.
- **New infrastructure at Gloucestershire Airport**, to enable the development of additional aircraft hangars
- **An Advanced Renewable Energy Resource Centre** with research labs, incubation space, energy storage and connection facilities, facilities for wind, wave, solar, biomass and geothermal energy development and a visitor demonstration centre.

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

- **The Growth Hub** – providing businesses in target sectors with advice and skills support they need to grow and activities to improve awareness of career opportunities in STEM (Science, Technology, Engineering & Maths) subjects, apprenticeship take-up, graduate retention and start-up activity in younger entrepreneurs.
- **GREEN (Gloucestershire Centre of Excellence in Renewable Energy, Engineering and Nuclear Skills)** – redevelopment of Berkeley power station to provide a STEM training centre.
- **Growth Zone** – ensuring the availability of employment land around the M5 corridor.

- **Enablers for Growth** – transport projects that will accelerate economic growth across the County:
  - A419 Corridor Improvements
  - Improved access to Berkeley
  - A40 Regeneration Areas - Package 1 - Kings Quarter Bus Station
  - A40 Regeneration Areas - Package 1 - Lydney Transport Strategy

### **3. How does this benefit the people of Gloucestershire?**

The Growth Deal will promote growth in Gloucestershire by supporting the creation of new jobs and homes in key sectors and locations throughout the county.

According to estimates by the LEP, the Growth Deal could bring to Gloucestershire:

- 6000 jobs created or safeguarded
- 400 homes
- £220m public and private sector investment

### **4. What is the benefit for local businesses?**

Much needed work to redevelop the Blackfriars and Quayside areas of Gloucester will provide new commercial opportunities. Additional funding will support retail entrepreneurship in Cheltenham, and innovation in agri-tech around the Royal Agricultural University. New infrastructure at Gloucestershire Airport will enable the private sector to construct and develop additional aircraft hangars. The Growth Deal also confirms funding for facilities to address local skills gaps in the growing cyber security and renewable energy sectors.

### **5. Facts and figures**

The Growth Deal builds on significant recent investment in growth opportunities in Gloucestershire including:

Growing Places Fund total allocation: £8.5m

Regional Growth Fund: Gloucestershire LEP area has to date received £2.5m investment from the Regional Growth Fund, and could also benefit from £5.9m invested in neighbouring LEPs. It includes Regional Growth Fund awards to Gloucestershire companies:

- GE Aviation - to refit laboratory facilities and purchase R&D equipment: £1.25m
- SPP Pumps Limited: £1.12m

Coastal Communities Fund: £1,225,913

DfT pinch point funding of £2.193m for improvements to the A417 Walls and C&G Roundabout, Gloucester.

Around £255m funding announced in the 2014 Autumn Statement to dual the A417 'Missing Link' at the Air Balloon roundabout near Birdlip.