

THAMES VALLEY BERKSHIRE LEP GROWTH DEAL

The Thames Valley Berkshire Growth Deal will deliver growth by enhancing urban connectivity and addressing strategic infrastructure priorities across the LEP area. This will enable the delivery of essential housing at flagship sites in Newbury, Wokingham and Bracknell and improve access and reduce journey times across the LEP area. It will also bring businesses and students together at specialist science, technology, engineering and mathematics (STEM) facilities to provide a critical skills supply chain for the future Thames Valley Science Park.

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

- Delivering essential housing
- Enhancing urban connectivity
- Growing the STEM skills base and enhancing business support

The Thames Valley Berkshire LEP has secured **£96.9m from the Government's Local Growth Fund to support economic growth in the area – with £13.4m of new funding confirmed for 2015/16 and £2.0m for 2016/17 to 2021.** This includes:

- as part of the Government's ongoing commitment to the Thames Valley Berkshire LEP a provisional award of a further £67.0m of funding for projects starting in 2016 and beyond; and
- £14.5m 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 £20m of investment from local partners and the private sector. Combined together this will create a total new investment package of £116.9m for the Thames Valley Berkshire LEP.**

By 2021, this Deal will create at least 17,000 jobs and allow 10,000 homes to be built

The Thames Valley Berkshire LEP comprises six unitary authorities (Windsor and Maidenhead, Reading, Bracknell Forest, West Berkshire, Slough and Wokingham), business leaders, the community sector and the further and higher education sectors.

Summary of Thames Valley Berkshire Growth Deal projects and funding

The Thames Valley Berkshire LEP Growth Deal brings together different funding streams designed to support local growth, and with a share of the new Local Growth Fund.

Thames Valley Berkshire LEP Local Growth Fund breakdown (£m)			
	2015/6	2016 onwards	Total
Local Growth Fund award	13.4	2.0	15.4
Previously committed funding	3.6	10.9	14.5
Provisional allocation to projects starting in 2016/17 and beyond	-	67.0	67.0
Total	17.0	79.9	96.9

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.

Thames Valley Berkshire LEP and Central Government have agreed to co-invest in the following jointly-agreed priorities:

- **Solutions Labs** - three state of the art specialist STEM laboratories at Reading, Newbury and Slough Colleges
- **Bracknell Warfield Link Road** - A new road to enable 2,200 new houses at a Strategic Development Location in Bracknell
- **Bracknell Coral Reef** - This scheme will deliver improvements to the A322 Coral Reef roundabout reducing traffic congestion in Bracknell and supporting improved access between the M3 and M4
- **Newbury London Road Industrial Estate** - A new junction and road for the London Road Industrial Estate in Newbury to support future redevelopment
- **Slough Rapid Transit** - The Western and Central sections of the Slough Rapid Transit project to provide a continuous part-segregated bus priority route on the A4 between Slough Trading Estate, Slough town centre, Slough station and M4 Junction 5 at Brands Hill

Pre-allocated Local Transport Body funding is also delivering:

- **Newbury Kings Road Link Road** - This scheme will enable 1,500 new homes at the Racecourse Strategic Development location
- **Reading Green Park Railway Station** - A new railway station on the Reading and Basingstoke line and a package of facilities including a park and ride and short stay car park

Local flexibility over Growth Deal programme: The Government recognises the significant steps that the Thames Valley Berkshire 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 work closely with the LEP to resolve any outstanding concerns that will allow the Thames Valley Berkshire 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 Thames Valley Berkshire Growth Deal

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

- Projects that fund connectivity and transport schemes which will enable the delivery of essential housing
- Projects that will improve opportunities for our businesses and residents specifically through the Business Growth Hub and 'Solutions Labs' project

Delivering essential housing: A total investment package worth £7.6 million will release over 2,500 new homes in Bracknell and Newbury and 14,000 sqm of commercial space in Newbury. The Newbury London Road Industrial Estate scheme will deliver a new road junction and associated widening to provide access to the Estate and release its potential for redevelopment. The 13ha site will then provide 160-300 houses and apartments (including affordable housing), as well as up to 14,000 sqm of employment space, an 80 bed hotel, healthcare and community services. Newbury is already home to the Racecourse Strategic Development Location; additionally this investment will help to drive even more redevelopment. The Bracknell Warfield Link Road will release a Strategic Development Location to deliver 2,200 new dwellings, schools, a neighbourhood centre, Suitable Alternative Natural Green Space (SANGs) and other facilities. The link road crosses the middle of the site and will provide access for many critical development parcels.

The Government has also made a provisional commitment from 2016/17 onwards to the Wokingham Distributor Roads scheme, which will enable 10,000 homes at Wokingham's Strategic Development Locations.

Thames Valley Berkshire LEP commitments	Central Government commitments
<ul style="list-style-type: none">• Invest £1.7m in the Bracknell Warfield Link Road project.• Invest £0.5m in the Newbury London Road Industrial Estate project.• Deliver 2,500 new dwellings (2,200 in Bracknell, 300 in Newbury) and new community facilities.• Deliver the 1,875 permanent jobs (1,150 in Newbury; 770 in Bracknell).• Deliver 14,000sq ft of commercial space in Newbury.• Work with local authorities to deliver the housing provided for in Local Plans.• Support the six local planning authorities in its area to ensure they positively engage with the Duty to Cooperate to deliver strategic planning priorities and update their local plans in accordance with the timetable to be submitted as part of the LEP monitoring framework.	<ul style="list-style-type: none">• Invest £3.5m in 2015/16 for the Bracknell Warfield Link Road;• Invest £1.9m in 2015/16 for the Newbury London Road Industrial Estate project.• Commits to the following provisional allocations to projects starting in 2016/17 and beyond: Wokingham Distributor Roads (£24m).

Enhancing urban connectivity: Improving connectivity and reducing congestion is a top priority for Thames Valley Berkshire. This package of investments will support these priorities by delivering sustainable transport and improving access to and within this polycentric sub region.

The Slough Rapid Transit project will provide a part-segregated bus priority corridor along the A4, linking Slough trading estate to Slough town centre, Slough Crossrail station and M4 Junction 5 at Brands Hill. As well as facilitating public transport commuting to the town centre and trading estate, will provide a reliable link to Crossrail (and its later phase Heathrow Airport) for businesses.

The Bracknell Coral Reef project is part of a series of planned access improvements along the A322/A329 corridor between the M3 and M4 motorways. Coral Reef Roundabout is currently a significant pinch point, and – through improvements to the roundabout as well as other minor junction improvements – the aim is to reduce journey times at a relatively low cost.

The Government has also made provisional commitments to a suite of priority transport projects that start from 2016/17 onwards, including road widening and junction improvements in Slough and Bracknell Forest, mass rapid transit projects in Reading, segregated cycle routes in Reading, Wokingham, Windsor & Maidenhead and Bracknell Forest and improvements to Maidenhead railway station in anticipation of Crossrail. These projects will support the regeneration of town centres in Thames Valley Berkshire and the delivery of approximately 24,000 new houses to be built by 2026.

Thames Valley Berkshire LEP commitments	Central Government commitments
<ul style="list-style-type: none"> Invest £1.8 million in Slough Mass Rapid Transit. Invest £0.9 million in the Bracknell Coral Reef project. Invest £4.8 million into the following LTB schemes: Newbury Kings Road Link Road (£2.2) and Reading Green Park Railway Station (£2.6m). Deliver 5,792 jobs and 4,462 new dwellings (Bracknell Coral Reef). The Local Enterprise Partnership and partners agree to the Local Enterprise Partnership 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 Local Enterprise Partnership and partners agree to the Local Enterprise Partnership to take a more proactive role in consultation on long-term strategic road network planning and provide a co-ordinating role between constituent local authorities. Progress on the development and delivery of the priority transport schemes identified by the Thames Valley Berkshire Local Transport Body that are fundable within available pre-allocated Local Growth Fund resources. 	<ul style="list-style-type: none"> Invest £5.6m for the Slough Rapid Transit project, with a commitment to £3.6m in 2015/16. Invest £2.1m in 2015/16 in Bracknell Coral Reef project. Invest £8.7 million of pre-committed LGF into the following LTB schemes: Newbury Kings Road Link Road (£2.3m) and Reading Green Park Railway Station (£6.4m). Commits to the following provisional allocations to projects starting in 2016/17 and beyond: Sustainable Transport and Minor Schemes package (£4.75m), Slough A332 (£2.7m), East Reading Park and Ride (£2.9 million), South Reading MRT Parts 1 and 2 (£4.5m), Maidenhead Station Access (£6.8m), Slough A355 improvements (£4.4m), East Reading MRT (£15.6m), Bracknell Martin's Heron junction improvement (£1.4m). The Department for Transport and Network Rail commit to more proactive engagement of the Local Enterprise Partnership in the long-term rail planning process (e.g. Route Studies) and in rail franchise specification through targeted local engagement of the Local Enterprise Partnership 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 Local Enterprise Partnerships 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

	<p>with Local Enterprise Partnerships as key local stakeholders.</p> <ul style="list-style-type: none"> • 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 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. • Network Rail has committed to assess the feasibility of semi-fast services on the Great Western Main Line between Reading and London as part of the Western Route Study, within the rail planning process. • The Government has published terms of reference for a study on a new southern rail access to Heathrow airport, which is due to report in summer 2015. If the study identifies a viable scheme, the Government will initiate work to see if a funding package can be established. • Construction of a new rail link from the Great Western Main Line east of Slough to London Heathrow Airport (Terminal 5) to enhance access to Heathrow airport from Thames Valley and the West. Investment is subject to a satisfactory business case and conclusion of a satisfactory agreement with local partners including the aviation industry at London Heathrow Airport. Construction is programmed to commence during Control Period 5 (2014-19). Network Rail's indicative programme is to start construction in April 2017 with completion by December 2021.
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	<ul style="list-style-type: none"> • Department for Transport and Highways Agency agree to work closely with Thames Valley Berkshire Local Enterprise Partnership and local authority partners to bring forward the M4 SMART motorway scheme early to be considered for delivery in the early years of the Roads Investment Strategy (2015 to 2020) subject to due diligence. • Department for Transport is providing technical assistance to support discussions between Oxfordshire and Thames Valley Berkshire LEPs and local authorities on the potential impacts and way forward for a Third Thames Crossing.
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Growing the STEM skills base and enhancing business support: Investing in the ‘Solutions Labs’ with local Further Education partners will drive the skills development of the local workforce and complement the services of the Thames Valley Berkshire Business Growth Hub. Both will provide a supply chain to the new Thames Valley Science Park and secure better access to talented people and bright ideas.

In order to realise its growth ambitions, Thames Valley Berkshire needs more of its young people to be equipped for the job opportunities that are emerging through local tech-based businesses. In this context, this scheme brings together businesses to work with the area’s Further Education Colleges to shape curricula so that they are aligned – as far as possible – with the changing needs of tech-based businesses (particularly at technician levels). This project will refurbish existing buildings within, initially, three Further Education Colleges to create Solutions Labs. These Labs will provide the wherewithal for early stage prototyping. They will be used both as a state-of-the-art setting for teaching students (including higher level Apprentices), and as a resource which is available (on a commercial basis) to micro and small businesses across the area. The three Solutions Labs will differ from each other in terms of their technological focus: at Reading College, there will be an emphasis on engineering and science; at Newbury College, the Solutions Lab will be oriented towards fusion, mechanical and electrical engineering; and at East Berkshire College, the focus will be on engineering and science.

Government is also investing £250,000 of revenue funding to support the continuation of the Thames Valley Berkshire Business Growth Hub which is a crucial source of advice and expertise for the area’s Small and Medium Enterprises and micro businesses.

Thames Valley Berkshire LEP commitments	Central Government commitments
<ul style="list-style-type: none"> • Deliver a solutions lab with 850sq m of new floor space, 250 new jobs and various other outputs including: 130 L3 Apprentices; 210 Higher Apprentices; 220 L3 STEM qualifications; and 140 STEM traineeships. • 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 	<ul style="list-style-type: none"> • Invest £2.3m in 2015/16 for a Solutions Lab. • Provide £250,000 of revenue funding to the LEP for growth hub business support coordination, subject to the growth hub meeting minimum conditions that reflect the position agreed by the Government review on business support and services. • 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

<p>coverage to 90% of UK premises by 2016, via existing broadband projects.</p> <ul style="list-style-type: none"> • 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. The LEP will also work with local partners to help ensure match funding is in place for the next round of projects. • The Government expects Thames Valley Berkshire 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. • 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 encourage the coordination of local services towards a shared goal. To achieve this, Thames Valley Berkshire LEP will facilitate stronger linkage between education providers and local businesses. We will continue to work with relevant local stakeholders to communicate our priorities to the National Careers Service (NCS) providers ahead of the new service's roll-out in October 2014 in order to complement the service. • 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. To achieve this: • The LEP will consider skills implications as part of decision taking on growth strategies. • The LEP will clearly articulate and evidence their skills priorities in the light of strategic national and local growth opportunities and communicate them to the FE and skills sector. • The LEP will continue to engage positively 	<p>ensure that UKTI can work more closely with LEPs and help build their capability to secure more inward investment.</p> <ul style="list-style-type: none"> • The Technology Strategy Board recognises the important and valuable role that 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. • This Government remains committed to helping all young people to achieve their potential and specifically to reduce long-term youth unemployment. As part of this commitment, the government provided £2.4m through the Thames Valley Berkshire City Deal to support youth employment, including through an integrated support structure and work with the Behavioural Insights Team on applying behavioural insights to reducing youth unemployment. Alongside this Growth Deal, the Government expects Thames Valley Berkshire to deliver against its commitments towards youth employment. • In return, the Government commits to working with Thames Valley Berkshire to help ensure that local employer priorities are fed into the operations of the new NCS providers in the Thames Valley Berkshire area. • Government, through the Skills Funding Agency, will support the process to ensure that provision meets local priorities and that increasing responsiveness is delivered through a three-pronged approach: • 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
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<p>with the FE and skills sector in key strategic partnerships e.g. its Employment, Education & Skills Programme Group.</p> <ul style="list-style-type: none"> • The LEP will 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. 	<p>providers will account to LEPs for delivery.</p> <ul style="list-style-type: none"> • 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. • Government will 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 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. • Government will 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 working with their constituent local authorities to keep partnership arrangements under review
- **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

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.

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