

## **NORTHAMPTONSHIRE GROWTH DEAL SUMMARY**

The Northamptonshire Growth Deal aims to deliver transformative growth in one of England's fastest growing counties. 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:

- Infrastructure, connectivity and housing
- Business and Innovation
- Skills

The Northamptonshire LEP has secured **£67.3m from the Government's Local Growth Fund to support economic growth in the area – with £9.1m of new funding confirmed for 2015/16 and £11.5m for 2016/17 to 2021.** This includes:

- As part of the Government's ongoing commitment to the Northamptonshire LEP a provisional award of a further £35.1m of funding for projects starting in 2016 and beyond; and
- £11.6m 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 £40m of additional investment from local partners and the private sector. Combined together this will create a total new investment package of £107.3m for the Northamptonshire LEP.**

By 2021, this Deal will create at least 2,000 jobs and allow 3,000 homes to be built.

The Northamptonshire Enterprise Partnership brings together Northamptonshire County Council and the districts and boroughs of Corby, Daventry, East Northants, Kettering, Northampton, South Northamptonshire and Wellingborough with the University of Northampton and businesses, social enterprises and colleges from across Northamptonshire.

### **Summary of Northamptonshire Growth Deal projects and funding**

<b>LEP Local Growth Fund breakdown (£m)</b>			
	<b>2015/6</b>	<b>2016 onwards</b>	<b>Total</b>
<b>Local Growth Fund award*</b>	9.1	11.5	20.6
<b>Previously committed funding</b>	9.7	1.9	11.6
<b>Provisional allocation to projects starting in 2016/17 and beyond</b>	-	35.1	35.1
<b>Total</b>	18.8	48.5	67.3

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

### **Northamptonshire and Central Government have agreed to co-invest in the following jointly-agreed priorities:**

- A45 Northampton to Daventry Development Link road which will bring significant environmental improvements for Flore, Weedon and Upper Heyford and allow the development of over housing and employment sites.
- Improvements to the A43 in Northampton including extra lanes, improved public transport and roundabout improvements allowing new housing and business sites to be developed

- Silverstone Metrology Centre: high precision measurement facility at a cost that is affordable for SMEs, enabling them to develop new products and processes.
- Stanton Cross: funding a new road bridge over the Midland Mainline railway, which will allow major new housing and business developments to the east of Wellingborough.

#### **Projects with provisional allocations**

- Smart Commuting: smarter, more timely and interactive public transport information to improve journey times and reliability and reduce congestion across the county
- Smart Corridors: improvements to the local bus network into Northampton to help public transport provision keep pace with housing growth
- A509 Wellingborough Development Link: building a bypass for Isham to reduce congestion, especially at peak times, and enable significant new housing sites to be developed
- Wootton Hall Park Access Improvements: improvement of access to Wootton Hall Park to enable significant public land holdings to be released for housing, employment and educational purposes
- Tresham College, Wellingborough: creating a new state of the art campus in the town centre with space of an additional 580 learners and additional capacity to support young people Not in Education Employment or Training and the unemployed

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 and that growth deal does not amount to an endorsement of everything in the submitted SEP.

## The Northamptonshire Growth Deal

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

### **Infrastructure, connectivity and housing**

The Northamptonshire Growth Deal will unleash the growth potential of many major strategic housing sites across the county. Major road improvements between Northampton and Daventry will unlock land which could see over 5,000 homes built, while in Wellingborough, the long-planned Stanton Cross sustainable urban extension gets the green light, due to funding for access roads and new infrastructure including a bridge over the Midlands Mainline.

The Deal will also ensure that the growth in Northamptonshire is sustainable by supporting investments in smarter and greener travel. There will be county-wide improvements to improve journey times and ease congestion with the adoption of new smarter technologies to provide real time travel information to commuters, while travellers in and around Northampton will get a boost due to new investment in sustainable bus services.

The deal also captures key commitments from Government to work even more closely with Northamptonshire to deliver growth. HM Treasury has agreed to explore with Northamptonshire whether or not even more projects could be supported above and beyond the list announced today through funding from the Public Works Loan Board. The LEP will have a stronger voice in strategic decisions being taken by the Department for Transport, Network Rail and the Highways Agency, and partners from across Government will continue to explore the exciting opportunities at Kettering East.

<b>Northamptonshire LEP commitments</b>	<b>Central Government commitments</b>
Invest £25.5m in the A45 Northampton to Daventry Development Link road	Invest £6m in the A45 Northampton to Daventry Development Link road (£2.6m in 2015/16)
Invest £15.5m in the A43 improvements in Northampton	Invest £5.3m in the A43 in Northampton (£5m in 2015/16) subject to dft scrutiny of business case
Invest £8.9m at Stanton Cross, Wellingborough	Invest £9m at Stanton Cross (£1.2m in 2015/16)
<b>Projects with provisional allocations</b>	
Invest £1m in the Smart Commuting programme	Invest a provisional £3.5m in Smart Commuting from 2016/17 to 2018/19
Invest £6m in the Smart Corridors programme	Invest a provisional £3.5m in Smart Corridors from 2016/17 to 2018/19
Invest £23.5 in the A509 Wellingborough Development Link	Invest a provisional £15m in the A509 Wellingborough Development Link from 2016/17
Invest £0.9m in the Wootton Hall Park Access Improvements	Invest a provisional £1.7m in the Wootton Hall Park Access Improvements in 2016/17
<b>Freedoms and flexibilities</b>	
Northamptonshire will confirm the package of projects that will be supported by proposed additional Public Works Loan Board (PWLb) investment, and a provisional borrowing profile, with HM Treasury before the borrowing is accessed.	The Government confirms that a total of up to £50m will be made available to Northamptonshire in 15/16 at the PWLB project rate discount of 40 basis points below the standard PWLB rate. This will support strategic infrastructure investment which forms part of the overall Growth Deal package.
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	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

<p>franchise specification; and provide a co-ordinating role between constituent local authorities.</p> <p>Progress on the development and delivery of the priority transport schemes identified by the Northamptonshire Local Transport Body that are fundable within available pre-allocated Local Growth Fund resources.</p> <p>The Local Enterprise Partnership agrees 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.</p>	<p>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 with Local Enterprise Partnerships as key local stakeholders.</p> <p>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 LEP 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.</p> <p>The Department for Transport will work with Northamptonshire Enterprise Partnership, SEMLEP, the local authorities and local partners to advise them on opportunities to release railway land to assist expansion of the Enterprise Zone. The release of railway land for redevelopment is subject to an independent regulatory process.</p>
<p>Kettering East: Northamptonshire will continue to work with Govt and local partners to ensure that information needed for the business case is as robust as possible, and to seeking to maximise local public and private sector match funding to the potential funding package</p>	<p>The Government remains committed to working with local partners through the Kettering East Strategic Partners' Group, which is chaired by the Homes and Communities Agency (HCA), to drive forward the delivery of the housing and employment growth at the Kettering East Development. This commitment has already been demonstrated through the provision of funding both in terms of capacity funding for Kettering Borough Council and Local Infrastructure Funding funding from the HCA for the private sector developer. We are now committing to ensure progress with the transport proposals for the Kettering East Development, this will be done by the Department for Transport and the Highways Agency taking forward the detailed development of the business case, scheme design, and determination of the</p>

appropriate planning process and delivery programme for the proposed new junction, 10a, on the A14. This will allow the consideration of the proposals for future investment decisions. In taking forward the development of the business case, the Government will look to finalise, with all Kettering East strategic partners, the potential funding package for the proposals on J10a and the Weekley Warkton bypass between Government, Northamptonshire LEP, SEMLEP, local authorities, other local partners and the private sector developer.

Government Property Unit will engage with the LEP to examine the potential to release government land and property to promote local economic growth and / or housing development

HCA will assist NEP in promoting programmes locally and steering priority developments towards opportunities for funding and support which is available through the HCA.

The Government will hold discussions with Northampton Borough Council to further consider their bid for an increase in their Housing Revenue Account borrowing limit to help support the development of new affordable homes.

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

## Business and Innovation

The deal will ensure that businesses benefit from complete broadband coverage across the county, and supporting the Northamptonshire Growth Hub's programme of support and advice for businesses.

The Growth Hub, a partnership between the LEP, county council and Northampton University, is already providing an invaluable service to businesses, and funding from the Local Growth Fund will ensure that it can sustain current services and begin to expand the range of services on offer. The LEP has also secured agreement from the Government that will ensure closer alignment with national support services run by the Government so that the Hub becomes a one-stop-shop for business support in the County.

Additional funding from the Local Growth Fund will enable the LEP and County Council to finish the roll out of broadband across the county. Broadband is vital to many businesses, and to SMEs in particular, and given the high number of SMEs in the county, this news will be particularly welcomed.

Investment in a new metrology facility at the Silverstone Technology Park will help Northamptonshire cement its reputation as the centre of the UK's high performance technologies industry. The facility will help SMEs in the sector to bring their products to market more speedily and directly supports the Government's Industrial Strategy for the automotive sector.

Northamptonshire LEP commitments	Central Government commitments
<p>Provide £400k of public and private funding in 2015/16 to support the delivery of the local growth hub.</p> <p>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</p>	<p>Provide £250k investment 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.</p> <p>UK Trade and Industry commits to effectively communicating its strategic priorities to the LEP 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.</p> <p>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.</p> <p>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.</p>
<p>Invest £0.72m in the Silverstone Metrology Centre, including £0.04m revenue funding for 2016/17 to support SMEs in the development of new product ideas and to create 4 apprenticeships.</p>	<p>Invest £0.3m in the Silverstone Metrology Centre in 2015/16</p>
<p>Support extension of superfast broadband coverage to 90% of UK premises by 2016, via existing broadband projects, SEMLEP will commit to work with local partners and BT to support delivery.</p> <p>To support extension of superfast broadband coverage</p>	<p>Provide the flexibility for Northamptonshire to re-allocate underspends on other projects in 2015/16 to enhance delivery of the Superfast broadband project, retaining the overall allocation to project which have slipped.</p> <p>If there are no underspends of LGF in 2015/16 to</p>

<p>to 95% of UK premises by 2017, SEMLEP will also work with local partners to help ensure match funding is in place for the next round of projects.</p> <p>Invest £10m to extend the Superfast Northamptonshire project to the final 10% of premises, including the 60 business parks across Northamptonshire to secure full coverage</p> <p>Prioritise any underspends in 2015/16 to support up to £2m further investment in this programme</p>	<p>support the Northamptonshire investment, Government will provide further funding up to that level to ensure that the additional superfast broadband is delivered</p>
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## Skills

As the Northamptonshire Strategic Economic Plan makes clear, there are parts of the county which do not punch their weight in terms of the level of skills and qualifications being attained by residents. A complete rebuilding and refurbishment of Wellingborough's Tresham Campus will target one such hotspot, and will not only increase by over 500 the number of learners the college can handle, but will enable a wider range of services to be offered to the unemployed and young people not in education, employment or training. The development will also have a positive impact on the economy of the town centre.

Northamptonshire LEP commitments	Central Government commitments
<p>Invest £4.9m in Tresham College, Wellingborough to enable a new campus to be constructed with space for 580 more learners and enhanced provision to support NEETs and the unemployed.</p>	<p>Invest a provisional £11.4m in Tresham College, Wellingborough</p>
<p>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. Northamptonshire LEP will</p> <ul style="list-style-type: none"> <li>• consider skills implications as part of decision taking on growth strategies.</li> <li>• 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</li> <li>• Positively engage the Further Education and skills sector in key strategic partnerships e.g. Skills and Employment Boards</li> <li>• 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</li> </ul>	<p>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:</p> <ul style="list-style-type: none"> <li>• Procurement of new provision: Northamptonshire LEP will be involved throughout the process and providers' track records against Northamptonshire's requirements will be considered as part of this assessment</li> <li>• 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.</li> <li>• 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.</li> </ul>

	<p>Subject to evaluation of the pilots, these mechanisms will be rolled out to other LEPs in future years</p> <p>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.</p> <p>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.</p>
<p>Northamptonshire will facilitate stronger linkage between education providers and local businesses. We will also work with relevant local stakeholders to communicate our priorities and align our 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.</p>	<p>Government commits to working with Northamptonshire LEP to help ensure that local employer priorities are fed into the operations of the new NCS providers in Northamptonshire.</p>
<p>Through the Growth Deal, Northamptonshire LEP will work with Government to explore the feasibility of implementing a programme of Enterprise Advisers in line with Lord Young's recommendation in his review 'Enterprise for All', in addition to wider school-business linkage activities. Advisers would be volunteers drawn from local private and public sector organisations and would advise head teachers and teachers on how employers can engage with schools.</p> <p>Northamptonshire LEP commits to work with Government to explore the design of a programme of Enterprise Advisers to advise schools on how to drive employer engagement.</p> <p>Northamptonshire LEP agrees to work with Government and local partners to explore how educational attainment in Northamptonshire schools can be improved</p>	<p>Government commits to work with the LEP to explore the design of a programme of Enterprise Advisers, in addition to wider school-business linkage activities, and allocate funding for such a project subject to further discussions.</p> <p>Government will work with Northants LEP to help develop their proposals on educational attainment in schools</p>

**As part of the deal, the LEP agrees to:**

- Improve planning performance:** ensuring the planning systems enable the delivery of sustainable, timely local growth. The LEP and local planning authorities commit to working together to deliver the housing provided for in Local Plans. The LEP should commit to supporting the seven local planning authorities in its area to ensure their development management systems operate efficiently, delivering timely decisions on applications for major development.
- Strengthen governance:** Northamptonshire LEP commits to working with its constituent local authorities to review and strengthen the supporting local authority partnership arrangements using the recently revised governance arrangements. These arrangements will be reviewed in six months and where necessary revised

to ensure that activities, resources and powers are aligned and focused on delivery of the Strategic Economic Plan, with clear reporting lines to the Board from sub-board group

- **NEETs:** Northamptonshire will 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 is 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.
- **Northamptonshire will continue to work in collaboration with SEMLEP** to ensure a seamless service to the businesses and residents of the overlapping areas.
- **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.
- **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.
- **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

**Local flexibility over Growth Deal programme:** Northamptonshire Enterprise Partnership has demonstrated strong partnership arrangements which deliver collective decisions, has articulated a clear and deliverable vision for growth in the area, and has established strong financial monitoring procedures and cross local authority collaboration. Government will disburse funds to the LEP annually in advance. Northamptonshire Enterprise Partnership will be expected to deliver the projects highlighted in the Deal, but will have flexibility over the management of these projects in order to deliver the greatest economic benefits to the area. Any significant changes to the projects will need to be discussed with the Government in advance.

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.