

## GROWTH DEALS 3 FACTSHEET – Tees Valley

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

	<b>Growth Deal One (July 2014)</b>	<b>Growth Deal Two (Jan 2015)</b>	<b>Growth Deal Three (Nov 2016)</b>
Local Growth Fund Award	£90.3m	£13.9m	£21.8m
<b>Total Award</b>	<b>£126m</b>		

### 2. What will this new funding deliver?

This new tranche of funding will deliver:

- A research, development, innovation and business growth programme that will support the creation of space for businesses to develop new products and processes, expand production facilities and invest in new plant and equipment.
- An economic infrastructure programme to support commercial and housing development
- A programme of investment in cultural assets that will increase the attractiveness of Tees Valley as a place to live, work and invest.
- A skills programme to support the creation of new jobs and equip young people with the skills required to meet the needs of employers

### 3. What has previous funding delivered?

This builds on previous Growth Deal investments in Tees Valley, which have been funded, or will be funded (\*subject to satisfactory due diligence):

- **Central Park** - enabling infrastructure works on the Enterprise Zone site.
- **Bank Top station**- a study into remodelling the station in Darlington to support better connectivity, improved journey times and the commercial development of the station.
- **Materials Processing Institute** – creation of an open access technology centre.
- **TWI Technology and Training Centre** at Teesside Advanced Manufacturing Park (TAMP) – to provide research and validation services for offshore wind tower manufacturers as well as for the oil and gas and sub-sea sectors
- **Cleveland College of Art and Design** – Hartlepool Campus redevelopment, upgrading existing facilities including construction of a new building for creative industries.
- **Hartlepool Innovation Skills Quarter** – phase 1 the project will deliver small scale, high quality workspace and studios, incubator space and business support for creative industries.
- **Tees Valley Business Growth Hub** – the capital funding element of a programme to provide a range of coordinated funding and advice services to business.

- **Ingleby Way/Myton Way** – road and junction improvements at Ingleby Barwick to support new housing.
- **A66/Teesside Park Interchange** – road access improvements
- **Sustainable Access to Employment programme** – a programme of transport schemes to support access to employment
- **\*Healthcare Futures Centre** – modular manufacturing units to house small scale biotherapeutic manufacturing.
- **National Horizons Centre** – a national centre for skills, leadership and innovation for horizon industries – biologics, industrial biotechnology, subsea engineering and digital manufacture and design.
- **\*Hartlepool Innovation Skills Quarter** – phase 2
- **\*A689 Wynyard road improvements**- signalisation and road widening to complement the Highways Agency Pinch Point scheme on the A19 junction.
- **\*Durham Tees Valley Airport** – new road to open up access to the south side of the airport for aviation-related activities.
- **\*Middlehaven Dock Bridge** – access improvements
- **\*Teesside Advanced Manufacturing Park phase 2 Technology and Research Centre** – creation of flexible research and development space for SMEs.
- **\*South Bank Wharf** – construction of a roundabout to connect the main highway to South Bank Wharf and open up access to the site which offers commercial potential for oil and gas rig decommissioning.
- **\*Billingham Bio Pharmaceutical Campus** – site clearance, road works and site remediation to enable the expansion of a major Biotechnology facility.
- **\*Kirkleatham Business Park** - purchase of land at Kirkleatham and servicing of the site with a spur road. This will be followed by the creation of a series of plots to be developed by companies to meet demand for business accommodation.
- **\*Skelton Industrial Estate** - provision of an access road and utilities to develop the estate onto an adjacent site. This is the primary commercial location in East Cleveland.
- **\*Hartlepool College of Further Education** – skills enhancement
- **\*Stockton Riverside College** – NETA Skills Centre
- **\*Kirkleatham Catering Academy** – a new Academy for catering skills

#### 4. How will this benefit the local community?

The Growth Deal will promote growth in Tees Valley through investment in research, development, innovation and business support, commercial property, housing, cultural assets and skills programmes that will secure employment and economic growth and make Tees Valley a great place to live, work and invest.

This will include investment in town centre locations that are most suitable for the retention and attraction of new high tech businesses and areas close to existing innovation facilities that have the potential to provide space for emerging technologies.

**5. How will this benefit local businesses?**

Local businesses will benefit from the creation of additional accommodation and access to funding to support investment in new plant and equipment. They will also benefit from having access to a workforce with improved skills levels that are better able to meet the needs of their businesses.

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

The deal will contribute to the delivery of more and better quality homes; increase home ownership by providing innovative approaches to private investment that best meet the needs of the Tees Valley housing market; and will deliver up to 3000 new homes.

**7. How does this link to the Northern Powerhouse?**

The Northern Powerhouse is a vehicle for addressing productivity gaps across the country and ensuring a stronger, more sustainable economy for all parts of the UK. Through the Local Growth Fund, central government has already agreed over £2.9 billion worth of Growth Deals in the North to help address these issues by supporting locally-led projects to boost economic growth. This additional funding round will provide an extra boost of **£556 million** to LEPs within the Northern Powerhouse. The funding will also build upon the innovation, improved business support, and major capital projects which have already led to economic growth in the North, acting as a catalyst for growth building towards the Prime Minister's vision of an economy that works for all up and down the country.

**8. What is the connection between devolution and the Local Growth Fund?**

As part of our efforts to deliver an economy that works for everyone, the Government is devolving wide-ranging powers directly from Whitehall to local people who know their areas best. Opportunities for growth are best identified by those with detailed local knowledge, and the Local Growth Fund enables places to tailor transformational interventions to local circumstances.

The Tees Valley devolution deal is one of 8 across the country – 7 of which have directly elected mayors. It means decisions that have previously been made in Westminster will now be made in the areas they affect most.

The Local Growth Fund will be brought together with the £450 million Tees Valley Combined Authority has secured through its devolution deal. With other public and private investment this will help Tees Valley achieve the ambitions set out in its Strategic Economic Plan to deliver by 2026 25,000 additional jobs and grow the economy by £2.8 billion.

## **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.

Tees Valley LEP and Combined Authority have successfully secured £641 million in additional investment so far which will help to fund a number of projects:

- **£450 million Gainshare funding** which will support delivery of the ambitions set out in the Strategic Economic Plan to create 25,000 additional jobs and add an extra £2.8 billion to the Tees Valley economy by 2026
- **£160.7 million EU funding** to support SME growth, skills development, sustainable communities and social inclusion, climate change and environmental protection and infrastructure across Tees Valley
- **£19.4 million from the Regional Growth Fund** to support investment in new and expanding businesses
- **£8.6 million from the Growing Places Fund** which is expected to support the creation of over 160 jobs
- **£2.6 million City Deal** which is supporting development of a low carbon action plan and the creation of district heat networks.

### **Communities Secretary Sajid Javid said:**

“As part of efforts to deliver an economy that works for everyone, the Government is devolving powers and resources directly from Whitehall to local people who know their areas best.

“That is why we’re giving £21.8 million new money to Tees Valley to give businesses the support and opportunities they need to achieve their potential – on top of the £104.2 million we have already awarded”.

This is in addition to the £450 million that Tees Valley Combined Authority has been given as part of its devolution deal.

### **Northern Powerhouse Minister Andrew Percy said:**

“Across the Northern Powerhouse local people will benefit from £556 million extra investment thanks to these growth deals.

“This is more government money directly invested into the Northern Powerhouse. It is further proof that we will back the people of the North with the resources they need to reach their full potential.”