Cabinet Meeting on Wednesday 17th September 2014

Achieving Economic Growth in Staffordshire –

Growth Deal

Philip Atkins, Leader of the County Council said:

“Creating the right conditions for Staffordshire’s economy to grow, and building on recent success to attract investment and create new quality jobs for local people while protecting existing jobs remains a top priority for the County Council. The prosperity and stability these jobs bring is crucial if we are going to deliver health and happiness for everyone in the county.

“I am pleased that the Local Enterprise Partnership has successfully negotiated a Growth Deal with Government worth over £82m, supporting the creation of 4,900 jobs.

“This Growth Deal will complement recent major gains including our City Deal with Government, attracting major new employers of the calibre of Jaguar Land Rover, and supporting our economic powerhouses such as JCB to expand operations locally. Collectively this places Staffordshire and Stoke-on-Trent stand on the threshold of developing one of the most important economies in the country outside London.

“Building on our heritage for big ideas, innovative technology and making the things that the people of the world need, we now have business investors beating a path to our door and a great position at the heart of the UK’s road, rail and air network.

“This Growth Deal is a true partnership between all local councils in the area, the business world and the education sector that will deliver better opportunities for Staffordshire people. We are all ready, able and keen to get on with the job”.

Report Summary:

Creating the right conditions for Staffordshire’s economy to grow is a top priority for the County Council, and this Growth Deal with Government will continue our work to help people access more good jobs and feel the benefits of economic growth. Our continued engagement and work with a range of partners through our Local Enterprise Partnership is fundamental to achieving improved prosperity for all.
In March 2014 the Stoke-on-Trent and Staffordshire Local Enterprise Partnership (SSLEP) submitted a long-term (2020) Strategic Economic Plan (SEP) for the area. The plan was developed with a range of partners and has five central objectives:

- A connected county
- Competitive urban centres
- Growth in key sectors
- A skilled workforce
- Stoke-on-Trent as a core city

The Government has used these plans to negotiate Growth Deals with all 39 LEPs nationally. These deals will provide funding from a single Local Growth Fund worth over £2bn nationally, along with a range of freedoms and flexibilities. All 39 LEPs are competing with each other for a share of the Local Growth Fund, which is four times over-subscribed for 2015/16.

The SSLEP negotiated with Government between April and July to agree which projects would receive funding in 2015/16. There were clear criteria set by Central Government when identifying which projects would receive funding, including: work having to start in 2015, deliverability, value for money and impact.

The SSLEP Growth Deal has secured £82.2m investment in 8 key economic growth projects that will deliver 4,900 jobs. This represents an investment into our economy, and into future job prospects and opportunities for Staffordshire people.

In conclusion the Growth Deal represents another successful opportunity to secure economic growth and create quality jobs across the whole of Staffordshire.

Recommendation(s)

I recommend that:

a. The County Council recognises the excellent opportunity the Growth Deal provides for the local area to unlock even more economic growth; and
b. The County Council continues to work with its partners through the Stoke-on-Trent and Staffordshire Local Enterprise Partnership to deliver the Growth Deal for Staffordshire and Stoke.
Cabinet –17th September 2014

Achieving Economic Growth in Staffordshire – Growth Deal

Recommendations of Cllr Philip Atkins - Leader
a. The County Council recognises the excellent opportunity the Growth Deal provides for the local area to unlock even more economic growth; and
b. The County Council continues to work with its partners through the Stoke-on-Trent and Staffordshire Local Enterprise Partnership to deliver the Growth Deal for Staffordshire and Stoke.

Report of the Deputy Chief Executive and Director for Place

Reasons for Recommendations:

1. The Local Growth Fund is a new national pot of money that brings together capital funding from the Department for Transport, the Skills Funding Agency, the Regional Growth Fund, and Homes and Communities Agency for 2015/16. The Government negotiated with Local Enterprise Partnerships from April to July to agree what money can be offered to their area from the new fund, based on a detailed strategic economic plan (SEP). This agreement is known as a “Growth Deal”, and the Stoke-on-Trent and Staffordshire Local Enterprise Partnership (SSLEP), county council and partners will need to work together to ensure these projects are delivered over the next few years.

Background

2. The Strategic Economic Plan for the SSLEP sets out the following vision, to create:

   “An economic powerhouse driven by the transformation of Stoke-on-Trent into a truly competitive and inspiring Core City and by accelerated growth in our County Corridors and urban centres.”

3. There are five central objectives at the heart of the plan:
a. Connected County: to build on our central location, excellent transport links and existing sites on the fringes of our towns and cities to deliver the right blend of new employment sites and help create the infrastructure to drive business growth, encourage inward investment and meet our labour market needs.

b. Competitive Urban Centres: to significantly enhance growth opportunities in attractive, thriving towns and urban centres across Staffordshire where people are eager to live, work and enjoy themselves.

c. Sector Growth: ensure globally-competitive innovation, investment and expansion in large and small businesses across our major sectors.

d. Skilled Workforce: to develop a modern and flexible skills development approach, which enables all people to develop new or improved skills to meet the needs of our growth sectors. As we boost the competitiveness of our businesses, we are determined to ensure local people also benefit.

e. Core City: rapid, planned growth of the conurbation centred on the city of Stoke-on-Trent which would be a critical economic driver of the wider area covering parts of Cheshire as well as Staffordshire. This will include developing a strong, competitive city centre brand for Stoke-on-Trent by offering the full mix of major city centre facilities, service and attractions.

4. The Strategic Economic Plan for the SSLEP sets out a five-year strategy for the area and identifies the key capital funded projects that could unlock economic growth and create new jobs for the area.

5. Through April to July all LEPs have been involved in negotiations with the Government to agree which projects will be supported from the Local Growth Fund based on criteria such as deliverability, impact and value-for-money. In particular the Government are focussed on projects that can begin delivery in 2015/16.

6. On the 7th July 2014 Central Government announced Growth Deals for all LEPs. For the Stoke-on-Trent and Staffordshire LEP they announced a Growth Deal worth £82.2m, delivering 4,900 jobs. The projects that will receive the funding are set out below:

- Build a new access from the A500 to reduce congestion and improve access to the Etruria Valley Enterprise Area and the City Centre.
- Bridge widening and local road improvements in Lichfield to access the Cappers Lane employment area and the Lichfield Park employment site.
- A new roundabout junction on the A34 to improve access to the Meaford employment site.
- New traffic controlled access and road widening for the Bericote Four Ashes employment site.
- Improvements to the Branston Interchange including signalisation of the roundabout and widening of the A38 slip roads.
- Build the new Stafford Western Access Route to ease congestion in Stafford and facilitate further employment and housing growth.
• **A Local Sustainable Transport Package** for Stoke-on-Trent and Staffordshire which will improve connectivity and reduce congestion, including projects to introduce smart ticketing, improve bus punctuality and improve city centre and urban traffic management.

• **An Advanced Manufacturing Skills Hub** that will provide the skills and engineers required for local priority sectors and grow traineeships and apprenticeship opportunities.

7. All projects will need to continue to develop robust business cases to draw down the funding made available by Central Government.

8. Delivery on these projects will start from April 2015, although for some projects work has already begun in preparation. Progress against project milestones will be reported to the SSLEP and Central Government on a quarterly basis, and reported through the county council’s transformation programme on a monthly basis.

**List of Background Documents:**

1. Stoke on Trent and Staffordshire Economic Plan – March 2014
2. Community Impact Assessment
3. Copy of Local Growth Deal letter

**Report Commissioner: Darryl Eyers**
Job Title: Deputy Director and Head of Economic Planning
Telephone No: 01785 278435
Email: darryl.eyers@staffordshire.gov.uk
Summary of Community Impact Assessment (including a Health Impact Assessment if applicable) for Achieving Excellence in Economic Growth

**NOTE: ALL SECTIONS OF THE TABLE ARE MANDATORY AND MUST BE COMPLETED**

<table>
<thead>
<tr>
<th>SCC's Priority Outcomes &amp; Impact Areas</th>
<th>Impact: (positive / neutral / negative)</th>
<th>Provide brief detail of impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prosperity, knowledge, skills, aspirations</td>
<td>Positive</td>
<td>The proposals will result in investment in all of these areas</td>
</tr>
<tr>
<td>Living safely</td>
<td>Positive</td>
<td>The proposals will lead to investment in sustainable transport improving safety</td>
</tr>
<tr>
<td>Supporting vulnerable people</td>
<td>Neutral</td>
<td></td>
</tr>
<tr>
<td>Supporting healthier living</td>
<td>Positive</td>
<td>The investment in sustainable transport will encourage healthier and more active lifestyles</td>
</tr>
<tr>
<td>Highways and transport networks</td>
<td>Positive</td>
<td>The proposals seek investment in these areas</td>
</tr>
<tr>
<td>Learning, education and culture</td>
<td>Positive</td>
<td>The proposals seek investment in skills infrastructure</td>
</tr>
<tr>
<td>Children and young people</td>
<td>Positive</td>
<td>The proposals seek investment in skills infrastructure</td>
</tr>
<tr>
<td>Citizens and decision making, improved community involvement</td>
<td>Neutral</td>
<td>As the proposals outline in the SEP are taken forwards they will involve community engagement</td>
</tr>
<tr>
<td>Physical environment including climate change</td>
<td>Positive</td>
<td>The proposals seek investment in green infrastructure and sustainable transport</td>
</tr>
<tr>
<td>Maximisation of use of community property portfolio</td>
<td>Neutral</td>
<td>There will be some opportunities within the programmes</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Equalities Impact</th>
<th>Impact: (positive / neutral / negative)</th>
<th>Provide brief detail of impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>Positive</td>
<td>The proposals will see improved skills facilities which will benefit employed people across their careers with young people benefiting particularly</td>
</tr>
<tr>
<td>Disability</td>
<td>Neutral</td>
<td>The proposals focus on</td>
</tr>
</tbody>
</table>
The economic infrastructure of Staffordshire. There will be benefits as new and improved infrastructure is provided. The investment in sustainable transport will include access for all improvements.

<table>
<thead>
<tr>
<th>Ethnicity</th>
<th>Neutral</th>
<th>National research indicates that there is higher unemployment rates for some BME communities and a lack of skills to compete for jobs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>Neutral</td>
<td>The proposals seek to benefit the whole economy of Staffordshire</td>
</tr>
<tr>
<td>Religion / Belief</td>
<td>Neutral</td>
<td></td>
</tr>
<tr>
<td>Sexuality</td>
<td>Neutral</td>
<td></td>
</tr>
</tbody>
</table>

### Impact / Implications

**Resource and value for money** (in consultation with finance representatives)

To date, the financial resources to develop the proposals included in the SEP are based on existing budgets. Following the recent announcement, the funding required to take these schemes forward to the next stage is under review. Individual Business Cases will be developed including the detail of the final funding packages for each project which will take into account any limited local contributions assumed within the SEP. These Cases will require ratification prior to works commencement.

**Risks identified and mitigation offered** (see corporate risk register categorisation)

It is recommended that
- The projects and programmes within the SEP for which the County Council is accountable are managed in accordance with the Corporate Risk Management Policy
- The risks for each strategic and supporting intervention have been identified in outline with mitigation. These should be developed as the negotiation with government proceeds
- The negotiations with Government are managed to ensure that proposals are deliverable and have a strong strategic fit.

**Legal imperative to change if applicable** (in consultation with legal representative)

None
Report Commissioner: Darryl Eyers