

## **Prosperous Select Committee – 5<sup>th</sup> September 2014**

### **Strategic Economic Plan and Growth Deal Update**

#### **Recommendations:**

1. That the Select Committee recognises the excellent opportunities the Strategic Economic Plan and Local Growth Deal provide for the local area to unlock even more economic growth;
2. That the Select Committee agrees a timescale for undertaking scrutiny of the delivery of those projects captured within the Growth Deal to ensure that maximum economic benefit is delivered to the county.

#### **Cllr Philip Atkins – Leader of the County Council**

### **Summary**

The Select Committee are asked to consider the significant progress made since considering the early development of the Strategic Economic Plans on the 17<sup>th</sup> October and 20<sup>th</sup> November 2013. Following the input of the committee into the shape of both the Strategic Economic Plan and EU Structural Investment Fund Strategy (EUSIFS), both have been signed off by the Stoke-on-Trent and Staffordshire Local Enterprise Partnership (SSLEP). As a result of the Strategic Economic Plan the SSLEP was able to negotiate a Growth Deal with Central Government that has unlocked £82m investment supporting the creation of 4,900 jobs. This is on top of recent significant gains secured by the SSLEP including the City Deal.

### **Report**

#### **Background**

The Select Committee considered the development of the two key Local Enterprise Partnership Strategies (the Strategic Economic Plan and EUSIFS) on the 17 October 2013. This was followed by an additional overview and progress meeting for the emerging Economic Strategies on the 20 November 2013, where the Committee had a chance to comment on and shape the emerging priorities within the strategies.

#### **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;

- 1.A connected county
- 2.Competitive urban centres
- 3.Growth in key sectors
- 4.A skilled workforce
- 5.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.

## **Background**

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.

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."

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.

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.

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.

On the 7<sup>th</sup> 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.

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

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.

**Link to Strategic Plan** – The people of Staffordshire will be able to access more good jobs and feel the benefits of economic growth. The long term positive impacts of economic growth also contribute to people being healthier and more independent, and feeling safer, happier.

**Link to Other Overview and Scrutiny Activity** – The Select Committee considered the development of the two key Local Enterprise Partnership Strategies (the Strategic Economic Plan and EUSIFS) on the 17 October 2013. This was followed by an additional overview and progress meeting for the emerging Economic Strategies on the 20 November 2013, where the Committee had a chance to comment on and shape the emerging priorities within the strategies.

**Community Impact** – See Attached.

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### **Appendices/Background papers**

Strategic Economic Plan

Growth Deal

Community Impact Assessment