

Telford & Wrekin Local Plan: Examination in Public

Matter 4: Economy

South Newport Strategic Employment Area

EiP Reference: K28

1. This note confirms that the UK Government's Department for Business, Energy and Industrial Strategy (BEIS) has awarded Growth Deal Three funding to the Marches LEP to help deliver the Enterprise and Science Park at Newport (Employment Allocation Site E27).
2. A copy of the letter from the LEP and details of the BEIS announcement are attached.
3. The final extent of funding has yet to be confirmed.
4. The Council wishes to forward this information to the inspector as he writes up his report following the Examination in Public to demonstrate that there is national and regional (LEP) support for the allocation. The award of Growth Funding from the LEP provides further confirmation of the deliverability of this site.



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By E-mail

13 March 2017

Dear Mr Maher

Newport Innovation & Enterprise Package

As you are aware, the above mentioned development formed part of the Marches Local Enterprise Partnership's Growth Deal 3 submission, which requested investment within a programme of work to deliver jobs and housing growth within our area.

I am writing to advise you that, on Thursday 9 March 2017, the government announced its support for this development. This follows a full assessment of the submitted business case for the scheme, now culminating in the initial award of £6.364m Local Growth Funding to ensure delivery. You can read the detail of the government's announcement on the government website at the following link:-

[https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/597933/The Marches Factsheet.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/597933/The_Marches_Factsheet.pdf)

Yours sincerely,

Gill Hamer
Director - Marches LEP

c.c. Graham Wynn OBE, Chairman Marches LEP

GROWTH DEALS 3 FACTSHEET – The Marches Local Enterprise Partnership (LEP)

1. How much is the Government investing in The Marches LEP as part of the Growth Deal programme?

	Growth Deal One (July 2014)	Growth Deal Two (Jan 2015)	Growth Deal Three (Nov 2016)
Local Growth Fund Award	£75.3 million	£7.7 million	£21.9 million
Total Award	£104.9 million		

2. What will this new funding deliver?

This new tranche of funding is expected to deliver:

- NMiTE** - New Model in Technology and Engineering - a new university based in Hereford will provide a unique and highly innovative, real-world teaching approach where engineering businesses have a central role in curriculum development and teaching. It will support business innovation and commercialisation through opportunities for greater academic and commercial integration, supporting 230 companies in the first five years and 350 graduates per year;
- Hereford Centre for Cyber Security** will build on investment in the Hereford Enterprise Zone. It will capitalise on local expertise in cyber security including specialist support from the University of Wolverhampton and will collaborate with the new university in Hereford (NMiTE) when it is operational. Creating 185 jobs, it will provide ready access to consultancy support and shared facilities significantly enhancing the environment for investment, enterprise, and innovation;
- Newport Innovation and Enterprise Package** involves development of a new Enterprise and Science Park which the LEP estimates will bring 950 high value jobs to the growing market and university town of Newport. It will facilitate provision of high tech business start-up and incubation space, training and higher level skills development, and collaboration between local businesses and Higher Education. The LEP estimates that the package could also kickstart delivery of more than 1,000 essential new houses including starter homes in the Newport area - a key element of the Marches contribution to meeting government housing priorities;
- Investing in Our Future Workforce** is a Marches-wide project which will provide capital investment in training facilities, technical equipment and enterprise incubators in a number of local colleges. The LEP estimates this will facilitate enhanced employment and progression opportunities for 3,700 learners, and improved pathways into entrepreneurship. This will strengthen vocational IT and technical skills pathways through traineeships, apprenticeships and work experience in higher level digital and technical skills for key local sectors (eg engineering, agri-tech, environmental, IT, healthcare and construction), meeting the needs of local employers; and
- Shrewsbury Flax Mill Maltings** project will facilitate the redevelopment of the historic Main Mill providing training facilities for young people, and incubators which will be supported by the University Centre Shrewsbury. The funding will remediate 2 hectares of brownfield land surrounding the historic Flax Mill complex and provide

essential infrastructure to unlock the provision of up to 120 new homes by private developers.

3. What has previous funding delivered?

This builds on previous Growth Deal investments in The Marches, which have funded the following projects:

- Supporting local businesses by extending **super-fast broadband** across Shropshire, Herefordshire and Telford and Wrekin;
- **Telford Growth Package** - Improvements to key junctions; utilities and infrastructure delivering strategic employment and housing extension sites;
- **Hereford City Centre Transport Package** - A new link road, enabling a major mixed-use development, integrated with the city centre, delivering retail, leisure, tourism, employment, housing, and multi-modal transport hub;
- **Telford Land Deal** – working with the Homes and Communities Agency to unlock further housing and jobs growth in Telford. This initiative will have the potential to recycle profits for future investment across the whole of the Marches LEP area;
- **Shrewsbury Integrated Transport Package** – Six major junction upgrades on main arterial routes, managing traffic and transport initiatives, improve public realm and wayfinding to reduce congestion and improve capacity on the transport network to meet demand created by jobs and housing growth within the town's sustainable urban extensions;
- **Telford Eastern Gateway** - M54 J4 improvements and on-site infrastructure delivering 31 hectares of serviced employment land only 12 miles from the new Jaguar Land Rover engine plant;
- **Oxon Link Road** – Link road to support the growth of Shrewsbury through sustainable urban expansion accelerating the release of land for employment and housing;
- **South Wye Transport Package** - Transport improvements to the south of Hereford which supports 1,000 new jobs and 1,000 new homes and further development of the Enterprise Zone;
- **Telford Bus Station** - Relocation of the bus station as part of the town centre redevelopment, opening up new retail space and improved connectivity. It will also unlock 9.1 hectares of retail development land for development providing 300 direct jobs; and
- **Skills Capital Projects** – To provide upgraded equipment and facilities at several training centres, enabling significant improvement in manufacturing sector training & skills development.

4. How will this benefit the local community?

This additional element of their Growth Deal will focus upon increasing opportunities for business innovation and improving local workforce skills development. This will benefit local communities across the Marches through increased access to better training infrastructure and job opportunities including higher skilled, higher salaried positions.

According to the LEP, in total the Marches Growth Deal could create 2,100 new jobs and 1,300 new homes as well as securing £62.7 million public and private sector investment.

5. How will this benefit local businesses?

These Growth Deal 3 funded projects will retain and increase higher level skills locally which will benefit businesses, and encourage collaboration between business and Higher Education, innovation and growth through all priority projects including: the business-led NMITE, Investing in Our Future Workforce, Hereford Centre for Cyber Security, Newport Innovation and Enterprise Package and Shrewsbury Flax Mill Maltings.

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

Growth Deal funds via Newport Innovation & Enterprise Package will kick-start delivery of essential new housing in the Newport area - 1070 new homes of which 60 will be starter homes - a key element of the Marches contribution to meeting government housing priorities including delivery of essential starter homes. The Shrewsbury Flax Mill Maltings project will remediate 2 hectares of brownfield land surrounding the historic Flax Mill complex and provide essential infrastructure to unlock the provision of up to 120 new homes by private developers.

7. How does this announcement link to the Midlands Engine?

Through the Local Growth Fund, central government has already agreed £1.5 billion worth of investment in the Midlands, supporting locally-led projects to boost economic growth. This additional funding round will provide an extra boost of **£392 million** to LEPs based in the Midlands. This funding will be used to provide vital investment for transport, infrastructure, skills, innovation and business-support projects, acting as a catalyst for growth and building towards the Prime Minister's vision of an economy that works for everyone, up and down the country.

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.

The Marches LEP has successfully secured additional investment so far which will help to fund a number of projects:

- **Growing Places Fund:** In 2012, the Marches LEP was allocated £8.1m from the Growing Places Fund to support a revolving capital investment fund, the Marches Investment Fund to enable projects to come to fruition. The Agricultural Engineering and Innovation Centre at Harper Adams University received £750,000 from the Marches LEP, becoming the first project to benefit from the fund. The Centre has created 22 jobs to date and several hundred graduates entering the engineering

sector. It will act as a catalyst for businesses in research and education, innovation and skills transference, within the related engineering fields. A further loan of £720,000 to a Telford-based firm will create 220 new jobs in the Halesfield area;

- **Hereford Enterprise Zone** funding: It was agreed in December 2014 that the Hereford Enterprise Zone could reinvest £17 million of retained rates in site infrastructure which assisted, to date, in achieving: 1,500 jobs (with 350 on site so far), 20.5 hectares of land sold for development and 19,000 sq m commercial floorspace built and operational. 350 people are employed by companies on the zone which aims to have attracted around 4,200 jobs by 2022;
- **Regional Growth Fund**: The LEP was awarded £1.5 million in each of the Regional Growth Fund rounds 2 and 4 for The Marches LEP Redundant Building Grant Scheme managed by Herefordshire Council.
- **€122.5 million of EU funding** for The Marches LEP area; and
- Funding from the DfT's large local majors programme to develop a business case for the Shrewsbury North West Bypass.

Communities Secretary Sajid Javid said:

"This Government is backing Herefordshire, Shropshire and Telford and Wrekin with this new £21.9 million funding pot. Exciting projects to benefit include a new university in Hereford, and a new enterprise and science park in Newport.

"This new funding will help create jobs, boost skills and give businesses support."

Graham Wynn OBE, Chairman of the Marches Local Enterprise Partnership, said the Growth Deal would make a real difference to the regional economy. He said:

"We want to create high quality jobs and the economic conditions for businesses to flourish - this funding will help us do exactly that. Investment in developing a highly skilled workforce will help our businesses to grow, inspire them to innovate and in turn, create even more jobs.

"Working with our local authority partners in Herefordshire, Shropshire, and Telford and Wrekin, we have a strong track record in delivering schemes which really make a difference to the lives of people who live and work here. We're looking forward to meeting in the coming weeks to decide on funding and progress with these new projects."