

## COVENTRY AND WARWICKSHIRE GROWTH DEAL

Coventry and Warwickshire is recognised as a globally important hub in advanced manufacturing and engineering, with business and research links across the world. Advanced manufacturing and engineering directly employs 34,000 people in Coventry and Warwickshire accounting for 10% of employment, 57% greater than the UK average overall and 500% greater than the UK average for the automotive industry.

The Coventry and Warwickshire Growth Deal, subject to a satisfactory conclusion of the funding agreement, will support the local area's aspirations to build on its advanced manufacturing and engineering strengths by investing in:

- New transport infrastructure which will improve connections with other cities and towns and tackle congestion on the area's roads.
- Driving innovation in advanced manufacturing and engineering through the provision of new R&D and business support facilities.
- Supporting businesses to flourish through the provision of effective business advice and support.
- Growing local skills and talent through investment in Further Education Colleges.

The Coventry and Warwickshire Local Enterprise Partnership has secured **£74.1m from the Government's Local Growth Fund to support economic growth in the area – with £13.6m of new funding confirmed for 2015/16 and £20.5m for 2016/17 to 2021**. This includes:

- as part of the Government's ongoing commitment to the Coventry and Warwickshire LEP a provisional award of a further £24.7 m of funding for projects starting in 2016 and beyond; and
- £15.3 m 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 £30m of additional investment from local partners and the private sector. Combined together this will create a total new investment package of £104.1m for the Coventry and Warwickshire LEP.**

The Coventry and Warwickshire Local Enterprise Partnership brings together: Warwickshire County Council, the Districts of North Warwickshire, Nuneaton and Bedworth, Rugby, Stratford-on-Avon and Warwick, Coventry City Council, Coventry University, the University of Warwick and private sector representatives.

By 2021, this Deal will create at least 1,000 jobs and allow 1,000 homes to be built.

### **Summary of Coventry and Warwickshire LEP's Growth Deal projects and funding**

<b>Coventry and Warwickshire Local Enterprise Partnership Local Growth Fund breakdown (£m)</b>			
	<b>2015/6</b>	<b>2016 onwards</b>	<b>Total</b>
<b>Local Growth Fund award</b>	13.6	20.5	34.1
<b>Previously committed funding</b>	4.6	10.7	15.3
<b>Provisional allocation to projects starting in 2016/17 and beyond</b>	-	24.7	24.7
<b>Total</b>	18.2	55.9	74.1

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.

Coventry and Warwickshire Local Enterprise Partnership and Central Government have agreed to co-invest in the following jointly-agreed priorities:

- **Delivery of the North-South Rail and Coventry Station scheme**, which will improve passenger capacity and secure an increase in train service frequency between Coventry-Bedworth-Nuneaton and a bay platform at Coventry Station
- Provision of new **Advanced Manufacturing and Engineering “Grow On” Space** for small and medium enterprises at Ansty Park in Rugby. This new facility will complement the work of the Manufacturing Technology Centre already on site.
- Develop a new **Skills Centre at Coventry City College**. This will provide support for young and unemployed people in acquiring skills for employment, and for marginalised groups to acquire basic skills especially English and mathematics.
- Develop a new **Apprenticeship Centre at Warwickshire College**. This investment will enable the college to purchase new equipment and refurbish college buildings, which will provide additional apprenticeship training in advanced manufacturing and engineering.
- Provision of **new business start-up facilities in Stratford Upon Avon** by converting an existing local authority building into a ‘state of the art’ facility.
- Delivery of the **Coventry City Centre road access** project that will enable housing growth, support retail regeneration and city centre employment accessibility.

**The following projects have provisional allocations starting in 2016/17 and beyond:**

- Delivery of the **A46/A425/A4177 Stanks road network scheme**. This will enhance access to services and facilities. This includes enhancing access to Warwick town centre and facilitates future employment and housing growth.
- Delivery of the **A5 Corridor scheme**. This will enable the dualling of the A5/A47 Longshoot to Dodwells which will: reduce congestion, improve journey time reliability, and support economic activity in Warwickshire and Leicestershire.
- **Improve links to UK Central, Birmingham Airport & High Speed 2 (HS2)**. This scheme will improve key junctions connecting the major employment sites of Warwick University, Whitley, Coventry and Warwickshire Gateway and Ansty (via the enhanced A46 corridor) to major national and international gateways.

**Local flexibility over Growth Deal programme:** The Government recognises the significant steps that Coventry and Warwickshire Local Enterprise Partnership has taken to deliver a successful and achievable Local Growth Deal and that the programme agreed in this Growth Deal represents a step up in the ambition of, and therefore expectations on, the Local Enterprise Partnership. The Local Enterprise Partnership will be expected to deliver all the projects in the Deal document and to achieve this, the Government will disburse funds to the Local Enterprise Partnership quarterly in advance –

with any changes to projects agreed each quarter. The Cities & Local Growth Unit will work closely with the Local Enterprise Partnership to resolve any outstanding concerns that will allow Coventry and Warwickshire to achieve increased flexibility ahead of the first payments in April 2015.

The Growth Deal does not amount to an endorsement of everything submitted in the Local Enterprise Partnership's Strategic Economic Plan. 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.

## **Coventry and Warwickshire Local Enterprise Partnership Growth Deal**

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

### **New infrastructure that will improve connections and tackle congestion and support housing and employment sites**

Coventry and Warwickshire's economic strengths in advanced manufacturing and engineering rely, in part, on the quality of local transport infrastructure. Local partners recognise that the area already has relatively good connectivity to the national road and rail network. Building on this the Growth Deal will enable further investment on priority infrastructure projects that will:

- Enhance transport links further and stimulate further business investment.
- Connect people to key housing and job locations as well as provide vital connectivity to UK Central, Birmingham Airport and HS2.
- Ensure people have easier access to further education and training facilities across Coventry and Warwickshire.

To deliver this there will be: investment in Coventry Station and track and signalling works between Coventry and Nuneaton, better access to Coventry City Centre for pedestrians, cyclists, cars, and public transport, improved signalisation and capacity enhancement of the Stanks junction in Warwick and immediately adjacent junctions on the A425 and A4177, dualling of the A5 between the A5/A47 Longshoot and A5/A47/B4666 Dodwells junctions, and major enhancement to the capacity of key junctions on the A45.

<b>Coventry and Warwickshire Local Enterprise Partnership commitments</b>	<b>Central Government commitments</b>
<ul style="list-style-type: none"> <li>• Invest £29.4m of local funding between 2015 and 2018 to take forward the North South Rail and Coventry Station scheme</li> <li>• Invest £2.0m of local funding between 2015 and 2018 to take forward the Coventry City Centre road access scheme</li> <li>• Invest £0.3m of local funding in 2016/17 to take forward the A46/A425/A4177 Stanks, Warwick scheme</li> <li>• The Local Enterprise Partnership and partners agree to the Local Enterprise Partnership taking a more proactive role in consultation on long-term rail planning and franchise specification, and provide a co-ordinating role between constituent local authorities</li> <li>• 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</li> </ul>	<ul style="list-style-type: none"> <li>• Invest £4.9m of Local Growth Fund in 2015/16 and a further £15.1m from 2016/17 onward to take forward the North South Rail and Coventry Station scheme</li> <li>• Invest £2m of Local Growth Fund in 2015/16 and a further £3m from 2016/17 onward to take forward the Coventry City Centre road access scheme</li> <li>• Provisional allocation of £3.1m of Local Growth Fund in 2016/17 to take forward the A46/A425/A4177 Stanks, Warwick scheme</li> <li>• Provisional allocation of £2m of Local Growth Fund in 2016/17 onward to take forward the A5 Corridor scheme</li> <li>• Provisional allocation of £19.6m of Local Growth Fund from 2017/18 onward to take forward the Connectivity to UK Central, Birmingham Airport &amp; HS2</li> <li>• The Department for Transport and Network</li> </ul>

<p>between constituent local authorities</p> <ul style="list-style-type: none"> <li>• By March 2015, as per its offer in the Strategic Economic Plan, the Local Enterprise Partnership will undertake a review its housing requirement and publish updated figures.</li> </ul>	<p>Rail commit to more proactive engagement of the Local Enterprise Partnership in the long-term rail planning process (e.g. Route Studies) and in rail 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> <ul style="list-style-type: none"> <li>• 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 Local Enterprise Partnership 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.</li> </ul>
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## Driving innovation in Advanced Manufacturing and Engineering

Coventry and Warwickshire has retained and developed its technical and engineering strengths and has a presence of large advanced manufacturing and engineering businesses which are critical to future growth. Companies such as Aston Martin, BMW, Jaguar Land Rover and Tata have chosen Coventry and Warwickshire as a base to do business. Many technology businesses based in Coventry and Warwickshire have been at the forefront of materials technology and the development of innovative products. Advanced manufacturing and engineering is the foundation of the Coventry and Warwickshire Local Enterprise Partnership (CWLEP) Strategic Economic Plan. The Growth Deal supports interventions which will accelerate research and development. This includes investing in a brand new facility at Ansty Park Rugby to provide early support to nurture new companies, spun out of the intellectual property rights generated by the Manufacturing Technology Centre and local academic partners. There will also be a new Apprenticeship Training Centre based at Warwickshire College in Leamington Spa to focus on the current and future skills needs of this sector.

Coventry and Warwickshire Local Enterprise Partnership commitments	Central Government commitments
<ul style="list-style-type: none"> <li>• Invest £2.268m of local funding between 2015 and 2021 to take forward the Ansty Park, Rugby Advanced Manufacturing and Engineering Grow On Space project.</li> <li>• Invest £1.3m of local funding in 2015/16 to take forward the development of a new Apprenticeship Centre at Warwickshire College.</li> </ul>	<ul style="list-style-type: none"> <li>• Invest £4.7m of Local Growth Fund in 2015/16 and a further £2.4m in 2016/17 to take forward the Ansty Park, Rugby Advanced Manufacturing and Engineering Grow On Space project.</li> <li>• Invest £1.3m of Local Growth Fund in 2015/16 to take forward the development of a new Apprenticeship Centre at Warwickshire College.</li> </ul>

## Supporting businesses to flourish

Coventry and Warwickshire believes that it is important to equip local people with the confidence, knowledge and skills necessary to start and sustain a new enterprise as well as providing tailored support for businesses as they look to grow. Building on the business support Clearing House, established as part of the Coventry and Warwickshire City Deal, this deal will further support Coventry and Warwickshire Local Enterprise Partnership to achieve more business start-ups – most especially in Stratford upon Avon where business formation rates are yet to regain lost ground. Here the Local Enterprise Partnership will provide coaching and mentoring services and space for entrepreneurs to develop an idea into a viable business. In addition, this Growth Deal will enable the continued development and expansion of the Coventry and Warwickshire Business Support Clearing House, through the provision of additional revenue funding for 2015/16.

Coventry and Warwickshire Local Enterprise Partnership commitments	Central Government commitments
<ul style="list-style-type: none"> <li>• Invest £3.7m of European Structural Investment Fund funding in 2015-2021 to take forward the development of Business Start-up activities including delivery in Stratford on Avon.</li> <li>• Provide £6m of public and private funding in 2015/16 to support the delivery of the local growth hub.</li> </ul>	<ul style="list-style-type: none"> <li>• Invest £0.5m of Local Growth Fund in 2015/16 to take forward the development of Business Start-up facilities in Stratford on Avon.</li> <li>• Provide £0.4m funding to Coventry and Warwickshire Local Enterprise Partnership for growth hub business support coordination, subject to the growth hub</li> </ul>

<ul style="list-style-type: none"> <li>• 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. Coventry and Warwickshire LEP should work closely with Greater Birmingham &amp; Solihull and Black Country LEPs on aligning appropriate Growth Hub activity.</li> <li>• Coventry and Warwickshire Local Enterprise Partnerships and Coventry City Council will commit to continuing SME voucher take-up as part of the Superconnected Cities Programme. To support extension of superfast broadband coverage to 90% of UK premises by 2016, via existing broadband projects, Coventry and Warwickshire LEP will commit to: <ul style="list-style-type: none"> <li>○ Working with local partners and BT to support delivery.</li> <li>○ Support extension of superfast broadband coverage to 95% of UK premises by 2017.</li> <li>○ Coventry and Warwickshire LEP will also work with local partners to help ensure match funding is in place for the next round of projects.</li> </ul> </li> <li>• Coventry and Warwickshire Local Enterprise Partnership and Coventry City Council will commit to boosting SME voucher take-up as part of the Superconnected Cities Programme. To support extension of superfast broadband coverage to 90% of UK premises by 2016, via existing broadband projects, Coventry and Warwickshire Local Enterprise Partnership will commit to work with local partners and BT to support delivery that will enable extension of superfast broadband coverage to 95% of UK premises by 2017. Coventry and Warwickshire Local Enterprise Partnership will also work with local partners to help ensure match funding is in place for the next round of projects.</li> </ul>	<p>meeting minimum conditions that reflect the position agreed by the Government review on business support and services.</p> <ul style="list-style-type: none"> <li>• The Technology Strategy Board is committed to supporting Local Enterprise Partnerships in developing the emerging Growth Hubs and in exploring how Local Enterprise Partnerships can help drive up local business awareness and engagement in Technology Strategy Board programmes and initiatives.</li> <li>• UK Trade &amp; Investment will commit to effectively communicating its strategic priorities to Local Enterprise Partnerships and where possible help them access relevant opportunities. UK Trade &amp; Investment will double the number of Partnership Managers to 16. This will ensure that UK Trade &amp; Investment can work more closely with Local Enterprise Partnerships and help build their capability to secure more inward investment.</li> </ul>
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## Growing local skills and talent

Providing better paid employment opportunities for residents is a clear priority for the Coventry and Warwickshire Local Enterprise Partnership. While creating job opportunities is fundamental it is also important to ensure that there are the right people with the right skills to meet employer demand. As well as needing technical skills employers seek wider skills such as planning, organisation, customer handling, problem solving, team working, communication, and basic literacy and numeracy. To help with this the Growth Deal will invest in the development of a community based skills centre at City College in Coventry where young people can learn these skills and receive support into employment. Local Enterprise Partnerships are well-positioned to enhance the current Careers Information, Advice and Guidance offer by influencing the shape of provision so that it meets the needs of the local economy. Moreover, they have the ability to link employers with education providers, can have strategic influence over skills supply, and have the ability to coordinate local services towards a shared goal. 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.

Coventry and Warwickshire Local Enterprise Partnership commitments	Central Government commitments
<ul style="list-style-type: none"> <li>• Invest £0.3m of local funding in 2015/16 to take forward the new Skills Centre at Coventry City College.</li> <li>• The Government expects Coventry and Warwickshire Local Enterprise Partnership to 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 would be 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.</li> <li>• Coventry and Warwickshire Local Enterprise Partnership will facilitate stronger linkage between education providers and local businesses and will also work with relevant local stakeholders to communicate its priorities and align its 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.</li> <li>• Coventry and Warwickshire Local Enterprise Partnership will consider skills implications as part of decision taking on growth strategies. It will clearly articulate and evidence its skills priorities in the light of strategic national and local growth</li> </ul>	<ul style="list-style-type: none"> <li>• Invest £0.3m of Local Growth Fund in 2015/16 to take forward the development of a new Skills Centre at Coventry City College.</li> <li>• Government commits to working with Coventry and Warwickshire Local Enterprise Partnership to help ensure that local employer priorities are fed into the operations of the new National Careers Service providers in Coventry and Warwickshire.</li> <li>• 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: <ul style="list-style-type: none"> <li>○ Procurement of new provision: LEPs will be involved throughout the process and providers' track records against LEP 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</li> </ul> </li> </ul>

<p>opportunities and communicate them to the Further Education and skills sector. It will positively engage the Further Education and skills sector in key strategic partnerships e.g. Skills and Employment Boards. It will 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.</p>	<p>account to LEPs for delivery.</p> <ul style="list-style-type: none"> <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; subject to evaluation of the pilots, these mechanisms will be rolled out to other LEPs in future years.</li> <li>● 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.</li> <li>● 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.</li> </ul>
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As part of the deal, the Coventry and Warwickshire Local Enterprise Partnership will:

- **Strengthen Governance:** Coventry and Warwickshire Local Enterprise Partnerships is accountable to its local communities, people and businesses. The Coventry and Warwickshire Strategic Economic Plan has been developed through wide consultation with stakeholders and should be publically available through publication on the Local Enterprise Partnership website. Coventry and Warwickshire Local Enterprise Partnerships is now asked to publish its Growth Deal and report regularly and publically on progress in implementing it. Coventry and Warwickshire will also deliver its commitment, made in its City Deal, to establish an Economic Prosperity Board by Spring 2016. Coventry and Warwickshire LEP will also
  - Work with its constituent local authorities to review and strengthen the supporting local authority partnership arrangements. The outcome of which will be mutual agreement on priorities and funding to support the delivery of the Growth Deal and the wider Strategic Economic Plan. Details and dates to be agreed as part of the Local Enterprise Partnership Monitoring Framework.

- Ensure it delivers on its commitment, made in its City Deal, to establish an Economic Prosperity Board. The timetable for setting up an Economic Prosperity Board will depend on the Government making changes to legislation. Subject to this, it will seek to establish the Economic Prosperity Board by Spring 2016.
- Review the structure and resourcing of the groups below Board level and revise, where necessary, to ensure that activities, resources and powers are aligned and focused on delivery of the Growth Deal and wider Strategic Economic Plan, with clear reporting lines to the Board. Details and dates to be agreed as part of the Local Enterprise Partnership Monitoring Framework.
- Develop and implement, as per its offer in the Strategic Economic Plan, new delivery structures and joint teams that will take forward local growth initiatives. Details and dates to be agreed as part of the Local Enterprise Partnership Monitoring Framework.
- **Ensure implementation and demonstrate success:** 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.

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.