

Report to Pendle 3-Tier Forum

Lancashire Growth Deal – impact on Pendle

Background

1. The Lancashire Growth Deal, announced by Government on 7th July 2014, is a 6-year package of new investment worth over £360m, agreed between Government and the Lancashire Enterprise Partnership (LEP), which will realise the growth potential of the whole of Lancashire.¹ It is made up of £187m from the Competitive Local Growth Fund and £177m from public sector partners and the private sector.
2. Growth Deals are a partnership between the Government and LEPs where the Government responds to offers made by LEPs in pursuit of the shared objective of economic growth. They are a competitive bidding process with Government investing in those schemes and projects, put forward by LEPs as local priorities, which it thinks best delivers against its policy objectives.
3. Growth Deal investment builds on the LEP's established growth priorities, including: the Enterprise Zone; Preston, South Ribble & Lancashire City Deal; Boost; Superfast Lancashire; and Growing Places Investment Fund, as well as key economic assets including Lancashire's internationally recognised universities, colleges and high value business clusters.
4. The Growth Deal is underpinned by Lancashire's Strategic Economic Plan (SEP), which sets out the LEP's growth ambitions for the next 10-years.²
5. The recent Growth Deal announcement marks Government's first response to LEP's Growth Deal proposals. This is the first of what will become a continual process of Government devolving priority setting to LEP areas and then investing in those schemes which it feels best deliver against national policy.
6. Effective joint working between officers of Lancashire County Council and Pendle Borough Council, which has enabled schemes within this Growth Deal to come forward, will be required to ensure that a strong pipeline of projects is established that is capable of delivering future projects that have local economic benefit and respond to national policy goals.
7. This report provides an update to Pendle's 3-Tier Forum on specific elements of the Lancashire Growth Deal, with reference to the impact of the following on Pendle:
 - i. Burnley / Pendle Growth Corridor (East Lancashire road and rail links);
 - ii. the East Lancashire Cycle Network;
 - iii. Skills provision; and

¹ The Lancashire Enterprise Partnership is a collaboration of leaders from business, universities and local councils, who direct economic growth and drive job creation across Lancashire. Further details on the work of the LEP can be found via: <http://www.lancashirelep.co.uk/>

The LEP is chaired by Edwin Booth, Chairman of E H Booth Ltd and comprises a Board of Directors with 16 Members.

² <http://www.lancashirelep.co.uk/about-us/our-priorities/lancashire-strategic-economic-plan.aspx>

- iv. Funding for innovation and manufacturing excellence.

Burnley / Pendle Growth Corridor

8. The Burnley Pendle Growth Corridor is identified as a key project of the East Lancashire Highways & Transport Masterplan, focussing on improvements to the M65 corridor east of junction 7.³ The M65 plays an essential role in the economy of East Lancashire, connecting people and businesses internally as well as providing the primary means of access to Central Lancashire and the M6 as well as to Greater Manchester via the A56/M66. Volumes on the motorway have consistently grown since the motorway's completion. The economic importance of the M65 can be seen in the number of existing, developing and proposed employment and housing locations in the immediate vicinity of the M65.
9. Growth Deal has secured £8m of Competitive Local Growth Funding to form a £12m capital project which will deliver a 3-year programme of targeted highway improvements to junctions of the M65 east of junction 7. The funding will enable the capacity and operation of targeted junctions to be maximised to ensure that these critical parts of the highway network do not undermine or prevent anticipated economic opportunities and development to take place.
10. In Pendle this will focus on delivering improvements at junctions 12 and 13, with the initial focus likely to be on junction 13. These improvements will support existing and future employment and housing development at sites such as:
 - The extension to Lomeshaye Industrial Estate, Pendle Council's proposed Strategic Employment Site, which could create c16ha of developable employment land potentially leading to the creation of up to 2000 jobs over the next 10-years;
 - Trough Laithe Farm Site, Barrowford, Pendle Council's proposed Strategic Housing Site, along with further development of the adjacent business park;
 - Northlight (formerly known as Brierfield Mills) which will be a mix of employment, housing and leisure use;
 - Reedyford Mill which is currently marketed as a housing site but which has the potential for employment use that could lead to the creation of up to 200 jobs.
11. Improvements funded through the Corridor in Burnley will also have a positive impact on Pendle, in particular changes that will bring benefit to rail users. Proposals within the Corridor include improvements at Rosegrove railway station and extending car parking provision at the redeveloped Burnley Manchester Road railway station. These changes will improve access to rail services to Central Lancashire, Greater Manchester and West Yorkshire from these stations.

³ <http://www.lancashire.gov.uk/corporate/web/?siteid=5489&pageid=43429&e=e>

12. A schedule of works is currently being developed taking into account other programmed maintenance programmes, including changes to the network being delivered through committed planning approvals, such as at junction 14.
13. The remaining £4m of funding will come from local sources, whether that is from local authority (i.e. Lancashire County Council, Burnley Borough Council, and Pendle Borough Council), other grant or private investment.

The East Lancashire Cycle Network

14. The East Lancashire Cycle Network is a £5.9m scheme of which £2.6m is Competitive Local Growth Fund. The project will enable better cycle access between major residential areas and places of employment across East Lancashire.
15. Initial capital investment is likely to take place in Blackburn with Darwen, Hyndburn and Rossendale, although other areas could benefit if employment and housing schemes are brought forward which support the aims of the overall network.
16. Having secured capital investment through Growth Deal, Government has awarded a further £1.8m of revenue funding to a joint proposal from Blackburn with Darwen Borough Council and Lancashire County Council from the Local Sustainable Transport Fund. This will be used on initiatives to encourage greater cycle use and will include business engagement, business travel planning and grants to businesses that will encourage greater cycle use such as the installation of secure cycle parking and shower facilities. Targeting of and access to this Fund will be across East Lancashire, including Pendle.

Skills

17. The Growth Deal has secured £30m Further Education Skills capital for a programme of investment in Energy and Engineering facilities as well as estate renewal of poor quality college accommodation over 2015/16 and 2016/17. £14m of this has been initially allocated to 7 projects.
18. Within this Nelson & Colne College has been awarded £1.4m of Growth Deal towards a £2m project that will enable the expansion of their Engineering Department. This will increase the range of engineering courses and available places for full-time programmes and apprenticeships. The project will begin in 2015, subject to due diligence.

Innovation & Manufacturing Excellence

19. The Innovation & Manufacturing Excellence element of the announced Growth Deal concerns two specific initiatives that have countywide significance.
20. Growth Deal allocates £17m of Competitive Local Growth Fund investment towards Lancaster University's Lancaster Health Innovation Park. The Health Innovation Park will bring together University researchers, SMEs, health and

social care providers, older people and others, in an approach unique within the UK to improve the health and wellbeing of an ageing population. It will include a relocated Faculty of Health & Medicine, a "Later Life" Innovation Hub, a Medical Centre, and accommodation space for SMEs.

21. Growth Deal also sought a flexibility with government to establish a national Catapult Centre at the Lancashire Enterprise Zone site at Samlesbury, targeted at high-value manufacturing, working with the Manufacturing Technology Centre. Central Government has committed, through the Growth Deal, for the Technology Strategy Board and the Department for Business Innovation & Skills to work with the EZ in developing a dialogue with the national High Value Manufacturing Catapult.
22. Catapult centres are a network of world-leading centres designed to transform the UK's capability for innovation and help drive future economic growth in seven specific areas, one of which is High Value Manufacturing. The Catapult network are a series of physical centres where the very best of the UK's businesses, scientists and engineers work side by side on late-stage research and development, transforming high potential ideas into new products and services to generate economic growth.
23. The NW is the only region without such a facility and these proposals would allow SMEs to access technological, R&D and product/process improvement facilities.
24. Achieving progress with the Catapult in particular will have significant benefit across Lancashire's advanced manufacturing sector and the north of England, especially in Pendle given its inherent strengths in this sector.

Colne Foulridge Bypass

25. The Growth Deal announced for Lancashire in July does not include any funding for the Colne-Foulridge Bypass. Despite this Lancashire County Council is committed to undertaking traffic studies in support of the business case for the Bypass and there maybe opportunities to include the Bypass proposal in subsequent Growth Deal discussions.

Next Steps

26. The LEP will now work with Government and local partners to prepare a Delivery & Implementation Plan that will secure the Growth Deal funding announced. This will involve all project sponsors and stakeholders.

Further information

27. For further information with regard this report please contact:
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