



# SOLENT LOCAL ENTERPRISE PARTNERSHIP

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# TRANSFORMING THE SOLENT: SOLENT GROWTH DEAL 3



has directly supported 130 local businesses including the creation of over 70 new start-ups.

Furthermore, we are pleased to see some early results from work with Government to create the Solent Strategic Land and Infrastructure Board (SSLIB) with the very timely publication of the Solent Transport Investment Plan in 2016 which has allowed the area to respond positively and proactively to the new investment opportunities announced under the Local Large Transport Majors Fund.

In addition the completion of the Solent Area review provides us with renewed momentum and offers a valuable opportunity to realise the talents of our residents whilst supporting the development of our employment and skills base for the future.

We remain committed to transforming the Solent economy and our new proposal brings forward a new deal which will work for everyone in the Solent.

“ Since the agreement of the Solent Growth Deal, we have been working hard to help this world-class area achieve its full potential. We remain committed to building on this progress and our ask of government is a Local Growth Deal 3 settlement of £161.7m. In the period to 2025 this will unlock over £410m of local contributions and £1.4bn private sector investment, safeguarding and/or creating over 15,000 jobs, 1,000 new apprenticeships, unlocking 527,000 sq metres of new employment land and enabling 7,250 new homes.

This proposal seeks to provide a new strategic investment framework for the area and to underpin the refresh of our Solent Strategic Economic Plan (SEP). It will also enable us to build on the investment commitments already made, with a view to securing a greater level of commitment to the collective planning and delivery of our growth ambitions. Our five point plan is clear and we must:

- Address deficits in **traditional transport infrastructure**
- Address the serious and chronic **shortage of housing** in the Solent area.
- Develop the **skills that our economy needs to succeed**, with a continued focus on higher level skills, apprenticeships and STEM
- Ensure that **ideas and knowledge are at the forefront** of our approach
- Address the economic challenges on the **Isle of Wight**

The progress we have made during the first year of the Solent Growth Deal is a strong testament to the area and our ability to deliver. The £151.9m Solent Growth Deal has allowed the area to deliver a number of new infrastructure and skills capital projects in 2015/16. In addition we continue to support our SME business base and our small business growth programme



Gary Jeffries — the LEP Chairman

## DELIVERY OF OUR EXISTING GROWTH DEAL



► **The first year of our Solent Growth Deal has seen the delivery of a £40m capital programme which has:**

- unlocked 4150 new homes
- created 4000 new jobs
- unlocked 72,000 sq metres of new employment floor space
- delivered significant improvements in connectivity

The schemes that have been delivered include:

- Fareham and Gosport programme phase 1
- Investment in key transport interchanges in both cities
- Green infrastructure to unlock new housing
- New development land for employment
- 2 world class skills centres; delivering more apprenticeships in STEM and Advanced Manufacturing on the Isle of Wight and in Eastleigh
- A leading global centre of excellence for cancer immunology.

Another important element of our Solent Growth Deal and wider business support strategy has been the SME funding programmes, which to date have delivered:

- £7m grant funding allocated to more than 130 SME businesses in the Solent
- Support for high growth firms in the Solent
- Support for 70 new start-up businesses
- 1,200 jobs created / safeguarded
- The Solent Growth Hub has supported 15,000 businesses
- Dedicated SME SGF programmes with partner organisations that represent SME's including British Marine, Natural Enterprise, FSB and Composites UK.

Through the Solent Growth Deal we have invested more than £40m across the area in 2015 and work is already underway to invest a further £44m in 2016 to stimulate further growth.



CECAMM/Golden Bolt Ceremony



Dunsbury Hill Farm

## 1. CECAMM (CENTRE OF EXCELLENCE FOR COMPOSITES MANUFACTURING AND MARITIME TECHNOLOGY) ISLE OF WIGHT £10.9M LOCAL GROWTH DEAL INVESTMENT

► Building on the investment at MHI Vestas Offshore Wind, the Solent LEP has used capital funding available through the Local Growth Deal to support the Isle of Wight College’s ambitious plans to build a £12 million specialist centre for engineering, offering specialised education and training for around 600 students.

The new centre will create a world-class workforce and help to assure sustainable long term economic success for local people and the island as a whole. Due to open Spring 2017, the Centre of Excellence for Composites, Advanced Manufacturing and Marine (CECAMM) has been designed with guidance from Island employers to give students the skills needed for work, empowering the next workforce generation.

The new CECAMM Centre will offer students a choice of career first and course second. The focus will be to provide all of the knowledge and skills that any student will need to enter their chosen field and prepare them for work and/or higher study. The CECAMM curriculum will be created in partnership with local industry leaders to ensure that students gain the most relevant up to date industry knowledge.

**“This new centre will take us to a new level for advanced manufacturing and for attracting major businesses over to the Isle of Wight. It is an opportunity for our outstanding college to take island businesses forward, island employment forward and to train more people to do the jobs which the island does best”**

**Sarah McCarthy-Fry**, Financial Director at **GKN Aerospace Ltd.**

## 2. DUNSBURY HILL FARM, HAVANT, £4,540,000 LOCAL GROWTH DEAL INVESTMENT

► Dunsbury Hill Farm (DHF) is a strategically positioned development site with strong links to London via the A3 and wider Solent area.

Despite this huge potential, the DHF site currently has no means of vehicular access. Without the necessary investment in providing such access, development of the site is not possible. As a result, whilst there has been much interest from the private sector in occupying any developed employment units at DHF, the site has remained out of economic use for the last decade.

The Solent LEP has invested Local Growth Deal Funds in bringing forward a link road to the site which has proved the critical piece of infrastructure to catalyse wider investment and development totalling 67,534m<sup>2</sup> of employment-land and the creation of some 3,400 new jobs.

Since the investment, Fat Face has been announced as the first, anchor tenant at the site.

**Simon Ratcliffe**, infrastructure director at **FatFace**, said:

**“For some time we have been exploring options to expand our distribution facilities in order to support the company’s ambitious growth plans. Having considered a number of locations across the UK, we have decided to maintain our commitment to the Havant region. The new site will support our expansion plans whilst allowing us to better serve our customer base. We also look forward to continuing our support for local employment in the Havant area where our excellent staff, which now total 300 people in both Head Office and our existing distribution facilities, continue to drive this business forward.”**

## THE LOCAL GROWTH DEAL 3 PROPOSAL



Port of Southampton. Credit: Southampton City Council

► **Securing a new £161.7 million Local Growth Deal will, in the period to 2025, deliver a £572 million growth investment plan for the area; and:**

- Unlock over **£1.4 billion new private sector investment**
- Demonstrate strong collaboration between the LEP and the local area bringing forward **£410 million local contributions;** and
- Unlocking 527,000 sq metres of new **development land for employment** by supporting investment in critical infrastructure in the cities of Portsmouth and Southampton
- **Bringing forward an additional 7,250 new homes** with a focus on affordable housing, by supporting new developments like Centenary Quay in Southampton and flood defence protection in both cities to unlock new land for housing
- Support for at least 200 **high growth businesses** through our Solent Growth Fund
- A new £10.98 m innovation fund to support the **commercialisation of research and knowledge**, thereby encouraging innovation
- A new £34m skills programme to support the **delivery of 1000 new apprenticeships** to support our workforce
- New transport investment in a range of schemes such as Stubbington Bypass, access to the Western Docks in Southampton, Botley Bypass and BRT Phase 1B to support connectivity across the Solent region.

This will be a huge benefit to the local economy and is comparative to the outputs we are delivering through our existing Growth Deal arrangements. However, the step change in delivery achieved through this proposal will be seen in the wider leverage unlocked. We have the potential to **secure a wider investment of over £1.4 bn** which will bring the **total value of our deal to £2bn**. This represents a truly transformational opportunity.

Our proposal brings forward a very strong pipeline of activity that clearly engages with the government priorities around transport and infrastructure, housing and skills. The local area recognises the need to be responsive and agile and therefore the pipeline is scaleable and flexible and we have a portfolio of fully consented schemes with local funding in place. There is **strong local buy in** with a commitment to invest £410 million to support this proposal and a commitment to invest £38 million this year if the Local growth deal proposal is supported. £11 million has already been invested in a range of projects to ensure that they are ready to come forward now and with local growth deal funding confirmed they will be ready to commence in 2017.

Similarly there are a number of transformational projects that are in an advanced stage of development and will be ready to commence in 2018. All projects and programmes will complete by 2021 and we have the ability to accelerate delivery and bring activity forward should it be required.

In addition, the new proposal will continue to deliver new job creation and importantly, it will unlock higher levels of private sector investment and it is closely aligned with the emerging Solent devolution deal and the proposal to establish a Solent Mayoral Combined Authority (MCA).

We have been working with a wide range of partners in developing this proposal, including colleagues at Local Authorities, Members of Parliament and, critically, business and are very grateful to all those individuals and organisations that have offered their backing. Through this we have been able to focus the proposal on key projects that will unlock new housing and employment developments, address deficits in our transport connectivity and develop the skills and innovation are leading industries need to grow.