

“Releasing our  
**potential**”

**95,000**

more jobs

**Improved**  
productivity

**10,000**

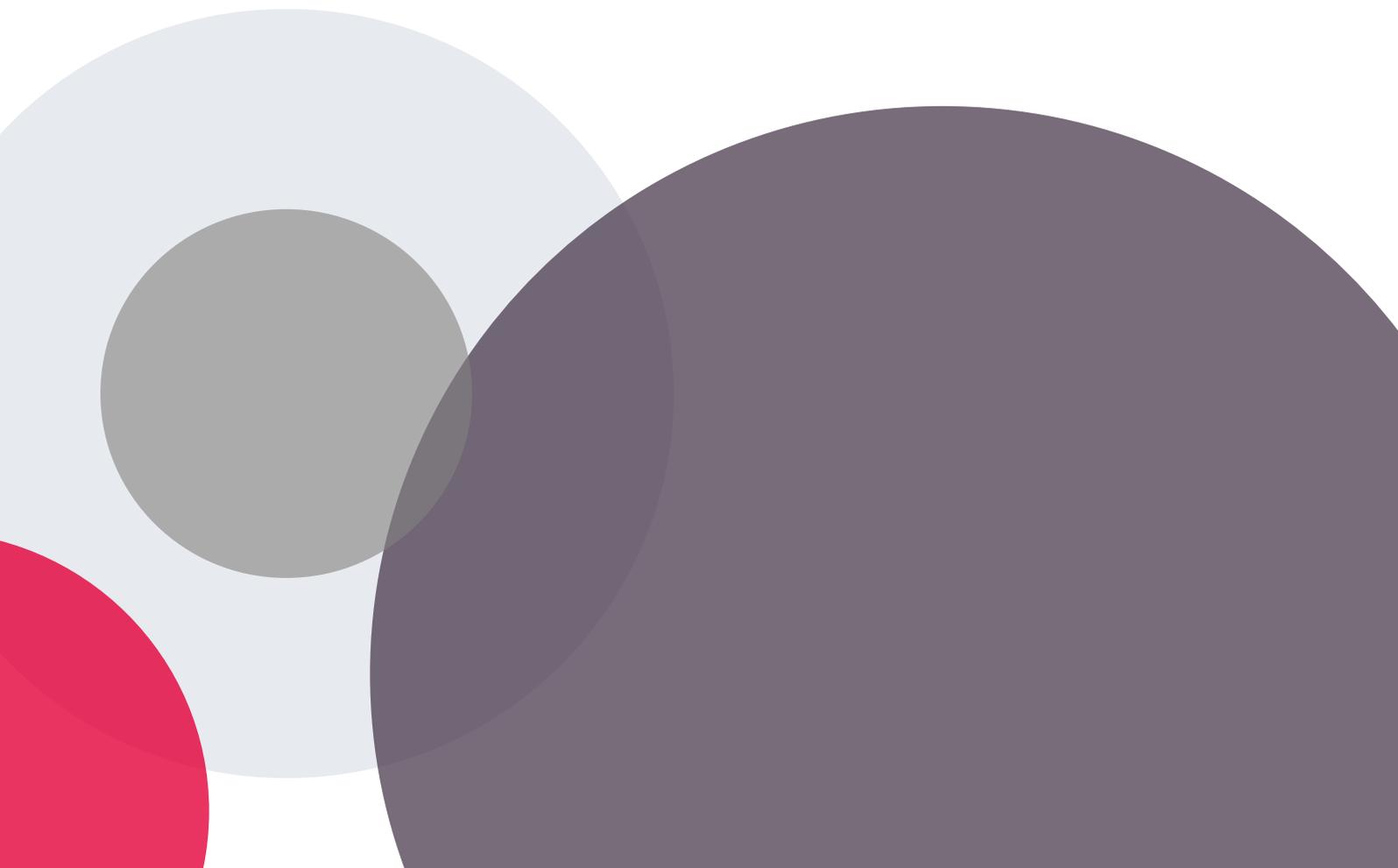
new businesses

**117,000**

new houses

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## Our Ambition

We are ambitious to transform the economy of Norfolk and Suffolk and establish the New Anglia area as a centre of global business excellence.

Our Strategic Economic Plan (SEP) sets out our ambition to harness our distinct sector strengths and our natural assets to deliver more jobs, new businesses and housing.

Our plan commits us to work with government and local partners to deliver:

- **95,000 more jobs:** In 2012 there were some 760,000 jobs in the New Anglia area. The East of England Forecasting Model predicts that continuation of pre-existing investment plans will see this grow by 63,000 by 2026. Our Strategic Economic Plan will significantly increase this business as usual number by 50 per cent to 95,000
- **10,000 new businesses:** Small businesses are the lifeblood of our economy – accounting for more than 95 per cent of businesses in the area. By 2026 we will create a further 10,000 businesses. This equates to an average increase of 1,000 per year compared with an average increase of 516 per year between 2004 and 2008 and an average decrease of 615 per year between 2009 and 2011
- **Improved productivity:** Gross Value Added (GVA) per job in the area was £36,244, some 10% below the UK average of £40,007. The East of England Forecasting Model predicts that pre-existing investment plans will see this gap remain. Our Strategic Economic Plan will enable us to extinguish the gap by 2026 when gross added value per job will equal the national average
- **117,000 new houses:** Our local authorities have set ambitious house building targets to support economic growth. By 2026 we will have delivered at least 117,000 new houses in the New Anglia area – key local plans have the flexibility to deliver more if the demand arises. This equates to a 32% increase in delivery compared with the period 2001-12

The New Anglia area has strengths in many of the sectors with the greatest potential for growth – advanced manufacturing and engineering, agri-tech, energy, ICT and digital creative, and life sciences.

Our area is also fortunate in its natural and cultural assets, making it a very attractive place to live and work.

But we are at a tipping point.

To unlock the potential in our key sectors and to create new jobs and businesses requires focussed investment by local partners and Government to improve the area's infrastructure and ensure business has a supply of skilled workers and the right support to grow.

We have made good progress already in partnership with Government with the signing of City Deals for Greater Norwich<sup>1</sup> and Greater Ipswich and the development of our Enterprise Zone in Great Yarmouth and Lowestoft.

In addition our Growing Places Fund (GPF) is investing £16m in kick-starting homes and business infrastructure across the New Anglia area, and our Growing Business Fund (GBF), supported by £12m from the Regional Growth Fund, will create 600 jobs and lever in £48m of private sector funding by the end of 2014.

Investment by the Government in the A11 in Suffolk and Norfolk, the A14 in Cambridgeshire and the Northern Distributor Road around Norwich will also unlock more jobs and growth.

But we have the ambition and potential to go much further, to capitalise on this investment and deliver more jobs, businesses and homes.

Pooling of business rates by authorities in Norfolk and Suffolk shows the appetite for local authorities to work across boundaries and to invest in growth.

The decision of Norfolk and Suffolk County Councils plus the New Anglia Local Enterprise Partnership to invest in the A14 outside their areas shows a commitment to provide local funding for national schemes.

**Andy Wood**, Chairman



**Mark Pendlington**, Chairman Designate



<sup>1</sup> <https://www.gov.uk/government/publications/city-deal-greater-norwich>

## Our SEP at a glance

- Chapter 1: Our Growing Economy. We explain the key strengths and weaknesses of our economy and what we will address in the following chapters
- Chapter 2: Growth Sectors. We describe the five high impact sectors that can deliver improved productivity to our economy and the four underpinning sectors that provide most of our jobs
- Chapter 3: Green Economy Pathfinder. We have been chosen by the Government to be a Green Economy Pathfinder and we explain what this means and how we can use it to grow our economy
- Chapter 4: Enterprise and Innovation. We explain the challenges facing businesses in our economy, the help they need and how we are going to provide it for them
- Chapter 5: Skills. We need a better-skilled workforce employed in more productive jobs, which we can only create through employer-led training
- Chapter 6: Growth Locations. We have identified key areas and corridors for growth in jobs, productivity and housing. This chapter describes those places and explains what transport infrastructure they need to grow
- Chapter 7: Broadband, mobile and other infrastructure. We are committed to deliver better broadband across the whole of our area and we must also make sure our utilities and other infrastructure are in place
- Chapter 8: Providing more homes. We have very ambitious plans for more homes and we need to make sure they get built
- Chapter 9: EU/SIF proposals. We will receive European funding to spend on growth and our spending plans are aligned with the priorities of this SEP
- Chapter 10: Governance. We will build on the strong track record and robust governance of the LEP and partners to deliver this SEP

## NORFOLK & SUFFOLK



Image: Sizewell

## Executive Summary

We are ambitious for Norfolk and Suffolk and our goal is to firmly establish the New Anglia economy as a centre for global talent and business excellence.

We are targeting by 2026:

- 95,000 more jobs - which is 50 per cent higher than forecast
- 10,000 new businesses - which is more than double previous trends
- 117,000 new homes - which is 30 per cent higher than previous delivery
- Increased productivity (added value per job) to equal the national average - increasing Gross Value Added (GVA) from £36,000 a job to £40,000 on present numbers

## Our Growing Economy

Our plan is to capitalise on our global strengths in areas such as agri-tech and life sciences, energy, ICT and creative digital, to accelerate growth in our economy.

We are building from firm foundations. New Anglia is growing strongly. In population terms, the Norwich and Ipswich urban areas are among the ten fastest growing urban centres in the country and have both been awarded Wave Two City Deals. The employment rate in New Anglia has been above the national average for the past decade. We have a strong and diverse business base.

However, on many economic measures of performance, New Anglia is a middle-ranking economy. The total size of the New Anglia economy was around £27.5bn in 2011 – the 14th largest LEP area economy (of 39).

The disparity between high growing employment and a middle ranking economy is largely down to one factor – low productivity. GVA per job in New Anglia was £36,244, some 10% below the UK average of £40,007.

Therefore the central focus of our Strategic Economic Plan is to drive growth in our high impact sectors in order to create new high value jobs and to work with existing businesses to improve their productivity and competitiveness.

We will achieve this through focused support for business and innovation, an improved skills system which better meets the needs of employers, and targeted infrastructure investment enabling businesses to connect and compete.

## Sectors

Our plan identifies five high impact sectors which offer the opportunity for rapid growth in absolute terms and productivity. These are sectors in which we already have national or international leadership, link with the Government's Industrial Strategy and would benefit from focused support.

- **Advanced Manufacturing and Engineering** employs over 24,500 people in more than 1,000 businesses and is worth £1.5bn pa in GVA to the New Anglia economy. We have several clusters, including automotive, civil and military aviation and pharmaceuticals.
- **Agri-tech** – using technology to add value to the agriculture, food and drink sector - was prioritised in the government's Industrial Strategy. Whereas the UK economy only grew by 4% in GVA terms between 2007 and 2010, food processing grew by 13% and agriculture by 25%. The sector offers huge commercial potential for New Anglia.
- **Energy** employs 7,700 people directly in New Anglia, and thousands more indirectly, and is worth about £994m pa with a GVA per job of £129k. We have a long standing North Sea oil and gas industry, now expanding into offshore wind. There is a third nuclear plant proposed at Sizewell and we have several biomass plants being developed across our area. In short the country's most complete energy offer.
- **ICT/Digital Culture.** The ICT sector is worth £1.3bn to New Anglia, with over 1,400 companies employing 10,300 people and GVA of £131k per head pa. BT's global research centre based at Martlesham, has a cluster of other businesses around it, as do our universities – including digital cultural expertise at Norwich University of the Arts.
- **Life Sciences** is worth £132m pa and employs over 3,000 people in 200 businesses, with GVA of £122k per head. We have a world class research cluster at Norwich Research Park, with other research and business activity across the area covering everything from humans to horses, fish and plants.

We have also identified four underpinning sectors which are the largest employers in our economy and which we will continue to support in order to improve their productivity and competitiveness:

- **Agriculture and food and drink** production employs over 10% of the workforce generating £2.2bn pa GVA. Our farms produce 12% of all England's cereal production and 20% of the UK's vegetables. We supply food and drink to the country's supermarkets and our artisan products are a draw for our visitors.
- **Financial and insurance services** contribute £3.1bn GVA or 13.4% of New Anglia's total and employs almost 21,000 people (3.2% of employment). As well as regional businesses, Norwich and Ipswich host a concentration of national and international insurance companies.
- **Ports and logistics** are worth £1.3bn to New Anglia and employ over 23,500 people. The Port of Felixstowe handles 40% of the country's container traffic and its continued expansion needs good transport links. Ipswich is the country's largest port for grain export; Great Yarmouth and Lowestoft and smaller ports serve the North Sea energy sector.
- **Tourism and culture** employ about 74,000 people. Tourism is worth £1.3bn in GVA to New Anglia. We have the Broads, the Norfolk and Suffolk coast, and special attractions like Newmarket, Centre Parcs and Dedham Vale. Norwich is ranked 6th in the UK for day visitors and many of our towns have strong tourism offers. Tourism is underpinned by a strong cultural offer including the Aldeburgh and Latitude festivals.

## Green Pathfinder

In addition to supporting our high-impact sectors we intend to strengthen our leadership role in the green economy.

The links between green growth and our key sectors from energy to manufacturing, agri-tech to ICT, tourism to financial services provide significant opportunities for new businesses and jobs.

The LEP was selected by Government in 2012 as ideally suited to lead the UK's transition to a green economy across three focus areas: low carbon, natural capital and social capital. We have an objective of providing 1,000 ha of Wild Spaces in our area. We will also focus on other objectives that are also important to our SEP:

- **Energy efficiency:** for example, biomass energy and carbon capture and storage, in which we already have expertise.
- **Green investment:** for example, Green Deal for household energy efficiency which provides an opportunity for small businesses as well as benefiting householders.
- **Business resource efficiency:** for example, through the Grants4Growth programme, which provides advice and technical assistance to small businesses.
- **Resilience:** for example, by planning for more water storage capacity, crucial for a dry part of the country with intensive farming, and flood defences.

## Enterprise and Innovation

Our strategy is focused on creating more high value jobs and improving the productivity of existing businesses. To achieve this, businesses need to make better use of support and that support needs to be targeted towards productivity growth.

Our take up of national business support schemes is well below the national average. Businesses told us that support was too fragmented and hard to access, so we created our Business Growth Programme which brings everything together and includes:

- **Growth Hub** – a comprehensive web-based access and referral system that connects businesses to all the different packages and providers and can track their progress.
- **Business Start-Up support** – provided by a range of local and national, generalist and specialist agencies, and tailored for businesses.
- **Access to Finance** – a comprehensive suite of grant and loan schemes in a simplified programme that maximizes EU and private sector leverage.
- **Encouraging Innovation** – Connecting businesses to national providers.
- **Access to markets** – Connecting businesses to UKTI for exporting advice and inward investment, as well as creating more local procurement opportunities.
- **Rural** – More help tailored to the special requirements of rural businesses.

We also have four successful specialist innovation centres already in operation:

- **Hethel Engineering Centre**, near Norwich (Advanced Engineering)
- **OrbisEnergy**, Lowestoft (offshore energy)
- **Innovation Martlesham** (ICT)
- **Norwich Research Park** (Life sciences)

We would like to expand this network, initially with another centre focused on life sciences at Haverhill Research Park, with some support from the Local Growth Fund.

We have already made a lot of progress on our Business Growth Programme. We have set up a web portal, used Regional Growth Fund to provide business advisors and some financial help, and we have started to engage national providers. But we need to go further and faster in order to achieve our targets for new businesses and higher value jobs.

We have a detailed business plan describing what we will deliver and how we will do it. In return, we need funding to replace Regional Growth Fund (which expires 2014/15) and to match European funding. We also need funding flexibility from the government and co-operation from providers to bring all our activities into one programme.

## Skills

To attain our goal of more high value jobs and more productive businesses, we need to improve our skills system. Our resident workforce is ageing, low skilled and low paid. As a result, many of the available high value jobs go to an imported workforce. Our businesses tell us that they struggle to find skilled employees, especially for the scientific and technical jobs in our high impact sectors. Concurrently, worklessness and a lack of social mobility reduce the prospects for individuals.

At the same time our universities tell us there needs to be more higher level opportunities for their graduates.

We have used the two City Deals to bring businesses, providers and local authorities together and develop an effective strategy. In 2013 we published a Skills Manifesto and set up a Skills Board to extend the strategy across our whole area. Our European funding strategy targets the same objectives. Much of our strategy is devoted to improving processes, using existing funding streams more effectively and making national programmes relevant for local employers. The objectives include:

- We intend to set up a New Anglia Skills Investment Fund that gives employers more control over skills programmes and incentivises them to provide training. We need the Education and Skills Funding Agencies to align their funding to this.
- We also want a Skills Capital Investment Programme that channels existing UK and European funding towards our priorities, including moving some higher and further education courses close to our innovation centres and major business parks. For this we will need Local Growth Fund.
- Our ambition is to match skills programmes with business needs much more accurately, beginning with a new Skills Database that will enable long term planning. We particularly want to do more in coastal towns, using our existing Innovation Voucher scheme and extending a post-216 bursary scheme from the Coastal Communities project.
- To tackle high levels of youth unemployment in our area, we propose a range of initiatives to raise employer awareness and to provide better information to school leavers. Our ambition is for the Department for Education and the Department of Work and Pensions to cooperate by aligning funding and devolving some programmes.

## Growth Locations

New and expanding businesses need space to grow and high quality infrastructure to help them be productive and competitive.

We have identified all the places in our area that host high impact sector activity and are expected to grow by 1,000 jobs and 1,000 dwellings over the relevant Local Plan period. For each growth location, we have set out the priority sectors supported, the housing and jobs expected to be delivered and the place-specific interventions necessary to deliver this growth – most of which are transport related. Our growth locations have a diverse mix of high impact sector activity, but the smaller locations have mainly advanced manufacturing and agri-tech, with more life sciences in the southwest which is closer to Cambridge. The locations are:

- Greater Norwich and Greater Ipswich, which can build on their City deals and include all our high impact sectors.
- Lowestoft and Great Yarmouth, which are designated a Centre for Offshore Renewables, have an Enterprise Zone and are to be an assisted area.
- Attleborough, Thetford, Mildenhall, Brandon and Newmarket along the A11.
- Felixstowe, Stowmarket and Bury St Edmunds along the A14.
- Kings Lynn and Downham Market.
- Sizewell (and its nuclear power station).
- Haverhill and Sudbury in South Suffolk which both have over 30% manufacturing employment.
- Fakenham and Wells in North Norfolk, which is becoming a service base for North Sea energy.

As well as growing all these places, we need to connect them within each other and the rest of the country by the rail and strategic road networks. We have a clear plan for these networks which are managed by Network Rail, the rail franchises or the Highways Agency. We want to work more closely with them to ensure their priorities dovetail with our local plan. So important are these networks to our local growth, that there are also a number of junctions and bottlenecks where we would like to fund scheme development, helping support the case for their inclusion in Highways Agency or Network Rail capital programmes.

To deliver the required investment, we will rely on the private sector as much as possible, either directly or through developer contributions. We are also contributing several public sector development sites. We use Growing Places Fund loans for smaller sites, which has been so successful it is oversubscribed, even though the first loan has already been repaid. As part of the Greater Norwich City Deal, local authorities can have discounted borrowing from the Public Works Loan Board, to be recouped from developer contributions.

We want to build on this success and are asking for:

- An additional £10m for our Growing Places Fund over two years to enable us to continue making loans.
- The PWLB Discount Rate scheme to be extended across our area with an additional £20m made available.

Our bid to the Local Growth Fund will deliver the priorities already identified in our Local Transport Board programme. We are offering significant leverage – with local contributions accounting for £140m out of our £400m transport programme 2015/21.

- The largest element of our 2015/16 bid (which is scaleable) is to unlock a number of key development sites which already have large local funding contributions.
- We have included smaller amounts to deliver packages associated with Local Sustainable Transport Fund bids.
- We would also like smaller amounts so that we can carry out scheme development on the national networks.

## **Broadband, Mobile and Other Infrastructure**

The government has a programme to bring superfast broadband to an average of 90% of the UK by 2015, but most rural areas would fall below the 90% average. So, Norfolk and Suffolk have joined another programme to bring superfast broadband to 80% of rural areas by 2015. This has been so successful to date that we want to take up additional funding to reach 95% coverage by 2017.

We are asking for £10m of LGF funding to match our £10m local contribution. As we already have an appointed supplier, we are confident we can deliver.

Flood defence, especially coastal management, is an important issue for New Anglia and we have already used some Growing Places Fund to help fund a new flood barrier for Ipswich. We ask that government commits to reviewing the Environment Agency's budget for contributions to local flood defences. We also ask that it builds in flexibility to enable local schemes to start and then to recoup local contributions as they become available.

We are also asking for a number of flood schemes to be considered for LGF funding.

## **Housing**

We are planning for a further 117,000 homes to 2026, which represents a 30% increase on historic delivery rates. We intend to accelerate delivery wherever possible and encourage local authority partners (in line with government guidance) to prepare up to date estimates of housing need and to plan accordingly.

To deliver on this scale requires opening up a lot of big development sites. Land values in New Anglia make viability a challenge when the extra cost of infrastructure is taken into account. We are using local authority borrowing combined with CIL, Growing Places Fund, surplus public sector land and other mechanisms to help. In return, we need Local Growth Fund to unlock the sites identified in our Growth Locations chapter. We would also like some softer assistance from the government:

- Better planning to give large site owners and infrastructure providers confidence to invest.
- Help to get foreign-controlled banks to talk constructively about stalled sites they own.
- £15m of additional borrowing headroom on Housing Revenue Accounts, for more affordable housing.
- Help from the Homes and Communities Agency to develop a viable Private Rented Sector model for our area.

## **EUSIF**

New Anglia has been allocated about £94m European funding to spend 2014-20, split between European Regional Development Fund (£40m) European Social Fund (£40m) and European Agricultural Fund for Rural Development (£13m). These funds have to be matched by 50% local contributions, so the total programme has a value of £188m.

This money has to be spent against specified themes but we are allowed to decide the proportion spent on each theme. We consulted widely before deciding the allocations, which also fit the objectives of this SEP. We then submitted a separate EU Structural and Investment Fund Strategy (ESIFS) to the government. We expect the money to become available in late 2014, or early 2015.

Our ESIFS has been developed in parallel with our Strategic Growth Plan and our prioritisation supports the SEP's aims of creating new high value jobs and improving the productivity of existing businesses.

European funding therefore will be a key resource to help deliver many aspects of the SEP, including, but not exclusively, skills and workforce development, enterprise and innovation and low carbon growth.

## Governance

New Anglia LEP was established as a company limited by guarantee in 2011. The board has seven private sector members (chosen by open recruitment), one representing higher and further education and six from local authorities. The two counties, Norfolk and Suffolk, and the two biggest urban areas, Norwich and Ipswich, have board members and the district authorities from each county chose one member.

The board is supported by a small executive team which complements (rather than duplicates) the work of local authorities and other organisations.

We aim to be as transparent as possible, publishing our proceedings on our website, holding a public annual general meeting and working closely with business organisations and others. We also consulted widely and publicly on our strategy including on this SEP and our European funding strategy.

To strengthen our governance, we will be setting up a formal structure of sub-groups or boards that mirror the framework of this SEP. Each will have a public/private sector mix and will report to the LEP main board which will remain the decision making body. The boards will be:

- Green Economy Pathfinder (already established).
- Enterprise and Innovation (being created as part of the City Deals).
- Industrial skills (already established).
- Programmes (to oversee Growing Places Fund and the Enterprise Zone).
- Local Transport (described in the Negotiation Document, the successor to the Local Transport Body).
- ESIF LEP Area Partnership sub-committee (being established)

We will also create a formal link between the LEP and the Local Authorities Leaders Boards and the City Deal Boards. In addition we will continue developing our sector groups, which have a consultative role.



# 1

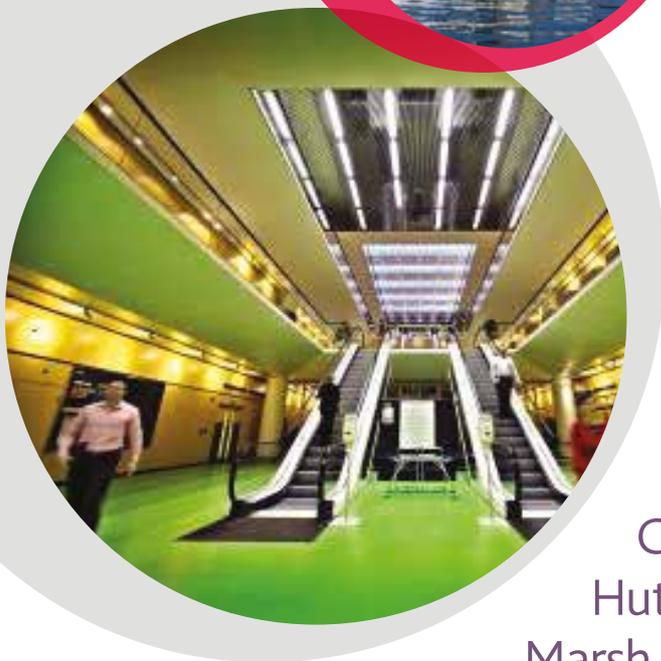
## Introduction - Our Growing Economy



## Our Economy

- 1.1 Our economy is growing strongly<sup>2</sup>. In population terms, the Norwich and Ipswich urban areas are among the ten fastest growing urban centres in the country enabling them to achieve Wave 2 City Deals<sup>3</sup>.
- 1.2 The employment rate in the New Anglia area has been above the national average for the past decade. Our employment base has shown resilience during the recession, with a drop from 2008 to 2012 of just 0.4%, compared with other comparable areas such as the Lincolnshire LEP (drop of 4.1%) and Northamptonshire (drop of 2.5%)<sup>4</sup>.
- 1.3 We have a strong and diverse business base in the New Anglia area. Our region is home to major national and international businesses; SMEs are an equally important asset to our economy with over 90% of businesses employing fewer than twenty people<sup>5</sup>.

Image: Ipswich Waterfront



- 1.4 However, on many economic measures of performance, the New Anglia area is a middle-ranking economy. The total size of our economy was around £27.5bn in 2011 – the 14th largest LEP area economy. The rate of economic growth across the area during the period 2001 to 2011 was 3.5% per annum, the average for England, and the 14th highest growth rate of the 39 LEP areas<sup>6</sup>.
- 1.5 There were 54,800 active enterprises in the New Anglia area in 2011. This equates to 34 enterprises per 1,000 people – placing the area on the national average<sup>7</sup>.
- 1.6 From 2004 to 11, our growth rate in business stock was below the national average, and the start-up survival rate has been hit by the economic downturn. In 2006, the one-year survival rate was 97%; by 2010 it had fallen to 89%.
- 1.7 The disparity between high growing employment and a middle ranking economy is largely down to one factor – low productivity. Gross Value Added per job in the New Anglia area was £36,244, some 10% below the UK average of £40,007.
- 1.8 Norwich and Ipswich urban areas are growing fast but they are only medium sized cities by UK standards and they only account for about a quarter of the New Anglia area's population<sup>8</sup>. Some smaller towns are still growing strongly in terms of employment but not necessarily in terms of productivity. Meanwhile, data for Suffolk<sup>9</sup> suggests that there are almost as many VAT-Registered businesses in rural areas as in urban, and there are actually more micro-businesses and self-employment in rural areas.

Some well-known New Anglia businesses are Adnams, Aviva, Baxter Healthcare, Bernard Matthews, Birds Eye, Bosch, British Sugar, BT, Colmans (Unilever), Copella, EDF Energy, Genzyme, Greene King, Group Lotus, Hutchison Ports, Jeyes, Mars Foods, Marsh, Swiss Re, Virgin Money and Willis.

<sup>2</sup> ONS mid-year estimates

<sup>3</sup> <https://www.gov.uk/government/publications/city-deal-greater-norwich> and <https://www.gov.uk/government/publications/city-deal-greater-ipswich>

<sup>4</sup> NALEP Economic Profile, 2013

<sup>5</sup> ONS – UK Business: Activity, Size and Location, 2013

<sup>6</sup> NALEP Economic Profile, 2013

<sup>7</sup> NALEP Economic Profile, 2013

<sup>8</sup> ONS mid-year estimates

<sup>9</sup> 'Evidencing Rural Need' (ACRE / OCSI, 2011)

Our Ambition

Track record of success

- ✓ City Deals for Greater Norwich and Greater Ipswich
- ✓ Enterprise Zone for Lowestoft and Great Yarmouth
- ✓ Infrastructure investment through Growing Places Fund
- ✓ Business investment through Growing Business Fund
- ✓ Greater cooperation and pooling of resources between local authority partners
- ✓ Partnership with Government on strategic infrastructure such as A11, A47 the Norwich to London rail line and BDUK Broadband rollout

**New Anglia LEP secures £3.9 million to support 1,000 businesses**

The New Anglia Local Enterprise Partnership (LEP) has secured £3.9 million from the Government to support 1,000 businesses in the region.

The funding will be used to support a range of businesses across the region, including start-ups, small and medium-sized enterprises, and large businesses.

The LEP is a partnership between the local authorities of Norwich, Great Yarmouth, Lowestoft, and Great Ipswich.

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homes 24 jobs 24

**Suffolk/Norfolk: New Anglia performing better than national Regional Growth Fund**



**Going green makes sense for business**

WESTMINSTER: Major launch for 'pathfinder manifesto'

By Paul Gutter

GREEN PERSPECTIVE: Business leaders and local authorities get together in the Palace of Westminster yesterday to outline how the region is becoming a green industrial hub for the rest of the country.

The New Anglia Local Enterprise Partnership launched its 'Leading the Way' green economy pathfinder manifesto with a special reception hosted by Lord Dubs, the Conservative MP for Great Yarmouth.

To give the manifesto government backing it was joined by Business Minister and Norfolk, Suffolk and Devon MP Norman Lamb.

The manifesto details how the LEP will support green businesses through a range of measures including:

- Providing access to green finance
- Supporting green innovation
- Promoting green skills
- Encouraging green procurement
- Supporting green infrastructure

Through these measures the LEP believes it will be able to support green businesses to grow and create jobs in the region.



GREEN PERSPECTIVE: Former Suffolk County Council's Green Party councillor and now Business Minister Norman Lamb.

**Chamber and LEP join forces to deliver growth hub**

The New Anglia Local Enterprise Partnership and Suffolk Chamber will be helping to support at least 1,000 businesses, and create 200 business startups and 200 new jobs, after securing £3.9 million of Regional Growth Funding as part of the Ipswich and Norwich City Deal.



**Minister checks out New Anglia's enterprise zone**

By ANNABELLE DIXON Business writer

Communities minister Anne Fitzhugh paid a visit to Norfolk and Suffolk's new enterprise zones in Lowestoft and Great Yarmouth for making Britain the best place to start and grow a business once more.

Mr Fitzhugh met the manifesto director of strategy company Strategic which is based in Norwich Park. She is set to meet other senior officials in South Norfolk, Great Yarmouth.

By the project's completion, the area will have 100,000 jobs, creating an economic engine which will support 100,000 jobs in the region.

The work programme will be supported by the Government's Growing Places Fund.



Visit: Communities minister Anne Fitzhugh.

Part of the five zones of the region have had their Local Enterprise Zones (LEZs) approved. Six out of seven of the New Anglia enterprise zones LEZs have been approved to the secretary of state with the seventh awaiting final agreement. The LEZs enable developers to build on undeveloped zone land within the boundaries of the zones.

With 45 companies considering investing in the region, Mr Fitzhugh said the enterprise zones will be marketed as a UK Trade and Investment (UKTI) priority area.

Suffolk managing director Steve Aldred, the Mr Fitzhugh said:

**Skills manifesto aims to create 65,000 new jobs**

Ben Woods Business writer

Business leaders in Norfolk and Suffolk are set to launch a new blueprint detailing a vision to create 65,000 new jobs in the two counties by 2025.

Skills and employment minister Matthew Hancock will launch a skills manifesto drawn together by the New Anglia Local Enterprise Partnership at its conference in November 2014. More than 100 business leaders and



New Anglia Local Enterprise Partnership chairman Andy Wood welcomes the manifesto idea.

education experts helped shape the manifesto which follows two skills summits in Norfolk and Suffolk where employers have highlighted measures which could help improve

**United in bid for a better rail service**

EAST ANGLIA: 'Once-in-a-generation' manifesto to be launched today

By Paul Gutter and Chris Harris

A MANIFESTO billed as being a 'once-in-a-generation' document will be launched today.



Train on platform. Photograph: GILL SMITH



**New Anglia launches its wish list for the region**

Shawn Lowthorpe Business writer

The plan for growth sets out a vision and strategy and invites you to help shape our plan and inform the

good for business and leisure travellers use and out of East Anglia. This is sure to only be good for releasing our economic potential and ensuring a sustainable economic future for our region.

Former trains, more tracks and increased services are among the major improvements demanded in the document, which is backed by many council and MPs.

Some MPs had reintroduced earlier drafts, including Labour's Life Line for Ipswich, who said the original proposal was "Norwich's

general hubbub and North with MP Dr Dan Poulter, the Conservative MP for Great Yarmouth and Great Ipswich. It is thought that the manifesto had been read out at the House of Commons by the Conservative MP, Mr Poulter, in the House of Commons.

Mr Poulter said: "The



Image:  
Wind Turbines

- 1.9 We also need to ensure that economic growth and job creation are distributed evenly across Norfolk and Suffolk communities. Research commissioned by New Anglia LEP demonstrates that our initial priority in this area would be on fostering Economic Equality between men and women in the workplace. The focus is therefore on achieving measures that foster gender equality that leads to economic growth and yields significant benefits to local businesses.
- 1.10 By 2026 we will also have delivered at least 117,000 new houses in the New Anglia area – key local plans have the flexibility to deliver more. This equates to a 32% increase in delivery compared with the period 2001-12.
- 1.11 To achieve our ambitions, we have worked with business representative organisations - such as the Federation of Small Businesses and Chambers of Commerce. A Liaison Group has tested our draft plans against the aspirations of their members. We also identified the fastest growing and the most important sectors in our economy; we created sector groups led by business and they identified what our priorities should be.
- 1.12 We will achieve our ambitions by:
- Investing in high growth, high impact sectors alongside our traditional strengths
  - Capitalising on our Green Economy Pathfinder status
  - Encouraging enterprise and innovation
  - Providing a higher skilled workforce
  - Improving connectivity in growth locations across our area

- Investing to deliver superfast broadband and other infrastructure

1.13 Our strategy is aligned with our plans for European funding and delivery is backed up by strong governance.

1.14 In the rest of this chapter, we set out the challenges that our strategy needs to address. In the following chapter we explain the more important sectors of our economy in more detail.

## High Impact Sectors for Growth

1.15 Building on the aims of the UK Industrial Strategy (which has a strong focus on sector prioritisation and support), we have identified five high impact sectors which are highlighted throughout our plan as a particular focus for targeted interventions:

- Advanced Manufacturing and Engineering
- Agri-tech
- Energy
- ICT and Digital Creative
- Life Sciences

1.16 In identifying these sectors as “high impact”, we have considered a number of factors:

- Links to the sector priorities identified in the Government’s National Industrial Strategy
- Coverage in the latest UKTI report/heat map indicating nationally significant assets in each LEP area
- Potential to deliver high GVA per job per annum and higher value jobs<sup>10</sup>
- Whether potential interventions have been clearly defined and are likely to demonstrate high additionality; in other words, growth would not occur “naturally”

## Our Underpinning Sectors

1.17 These high impact sectors apart, the New Anglia area’s economy is heavily weighted towards four long-established sectors which underpin our performance. They are agriculture (of which agri-tech is a part), financial and business services, ports and logistics, and tourism and culture<sup>11</sup>. These underpinning sectors are essential to create new employment and they also deserve our attention and support.

<sup>10</sup> East of England Forecasting Model, 2013

<sup>11</sup> Business Register and Employment Survey, 2012

<sup>12</sup> New Anglia Sector Growth Strategy, 2013

<sup>13</sup> New Anglia Sector Growth Strategy, 2013

<sup>14</sup> New Anglia Sector Growth Strategy, 2013

- 1.18 The agriculture, food and drink sector as a whole is the largest single sector by jobs in the New Anglia area, with over 10% of the workforce generating £2.2bn pa GVA. Our rural economy accounts for 12% of all England's cereal production, 20% of the UK's vegetables, 20% of its potatoes and 50% of its sugar beet.
- 1.19 Financial and insurance services generate GVA of £3.1bn or 13.4% of total GVA. The sector employs almost 21,000 people in the area representing 3.2% of total employment<sup>12</sup>.
- 1.20 The ports and logistics sector is worth £1.3bn to the East Anglian economy and employs 23,521 people (2010). Sector employment is forecast to grow by 4% in the next three years<sup>13</sup> despite our ports being more productive in terms of labour per tonne handled than other major UK ports (EEDA Ports Study, 2011).
- 1.21 Tourism and culture accounts for around 10% of total employment in the New Anglia area. The area has rich and diverse tourism assets including the Broads, the UK's only wetland National Park. Norwich is ranked 6th in the UK for day visitors and King's Lynn, Bury St Edmunds and Ipswich all have strong tourism offers<sup>14</sup>. The tourism sector is also heavily dependent on the cultural sector to provide a strong draw.
- 1.22 All of these underpinning sectors have an important role to play, providing jobs and growth throughout our wider economy along with other significant employers, such as care and construction.

Image: Michael Fallon visiting wind farm



## Green Economy Pathfinder

- 1.23 In the New Anglia area, our goal of promoting growth is closely linked to our priorities for the environment. Our Green Economy Pathfinder Manifesto 2012-2015 sets out our ambition to achieve sustainable, low-carbon growth, skills development and employment. The global shift towards a low-carbon economy puts the area in a strong position to grow and commercialise the work carried out in its universities, research centres and science parks.
- 1.24 In addition, our Green Economy chapter sets out the significant opportunity for the New Anglia area in the low carbon environmental goods and services (LCEGS) market and New Anglia's Pathfinder target of developing 25% of the growth in the UK's LCEGS sector and associated jobs by 2015. This could involve companies from the high impact sectors, including energy, agri-tech or manufacturing/engineering sectors.

Image: Greater Norwich City Deals signing





## **Enterprise and Innovation**

1.25 In 2011 there were 54,800 active enterprises in the New Anglia area, equating to 34 businesses per 1,000 residents, on a par with the national average. Three quarters of our businesses employ four people or fewer and a fifth of businesses employ between 5 and 20 people<sup>15</sup>. Over the past 30 years, nationally, more employment growth has occurred in Small and Medium sized Enterprises (SMEs) than in larger businesses<sup>16</sup>.

1.26 However, there are fewer businesses being created in the New Anglia area than the national average, with a start-up rate of 5.3 new businesses per 1,000 of the working age population compared to a national average of 6.8. Business start-up rates have reduced significantly since the economic downturn, suggesting that it has become harder to establish a new enterprise in the region in recent years.

1.27 The New Anglia area ranks 16th of all LEPs for the number of patents per capita over the five years from 2007 to 2011<sup>17</sup>. The area recorded an annual average of 7.9 inventor patent registrations (over the five years from 2007 to 2011) per 100,000 residents in 2011, against a national average (England) of 9.3. Essex (10.2) recorded higher levels of patenting, as did the Greater Cambridge Greater Peterborough (GCGP) area, which ranked highest, with an annual average of 44.9 inventor patents (2007 to 2011) per 100,000 residents<sup>18</sup>.

## **Skills**

1.28 The New Anglia area is predominantly a low-skill, low-wage economy. At school-leaving age, only 73.9% of students in Norfolk and 74.8% in Suffolk had five or more GCSEs (grade A\* to C). The national (state-funded) average is 83.2%. In 2012, 29.8% of the area's working-age population were qualified to at least degree level (Level 4+) compared with the England average of 34.2%. Participation in higher education is also poor; King's Lynn, Great Yarmouth and Lowestoft have some of the lowest rates of access in England<sup>19</sup>.

1.29 The New Anglia area's working-age population has fewer qualifications than the England average; placing us 26th of 39 LEPs. However, we have a lower percentage of people with no qualifications at all, ranking 16th in 2012. Our businesses face skills shortages and a lack of a skills "pipeline" for our emerging sectors to source the skills they need locally<sup>20</sup>.

1.30 Despite buoyant overall employment levels, we are very concerned that a specific cohort of 20-24 year-olds were disadvantaged by the recession and, as a consequence, continue to experience difficulties finding work.

## **Growth Locations and Transport**

1.31 In order to prioritise our investment in infrastructure, we have identified all the locations that make a contribution to growth by hosting high impact sector activity and are expected to grow by 1,000 jobs and 1,000 dwellings over the relevant Local Plan period. These locations need investment in schemes that directly unlock employment or housing sites; that provide access to the trunk network; and packages of investment in sustainable urban transport. In addition, the national rail and road networks need more capacity.

1.32 In a predominantly dispersed rural economy with a network of small and medium sized towns, connectivity and travel times are major obstacles to productivity. Faster connections, through better strategic road and rail links, are vital to improve productivity and access to markets.

## **Broadband, Mobile and Other Infrastructure**

1.33 Broadband and mobile phone coverage and speed are well under the UK average. Rural areas are particularly poorly served, with some having no coverage at all. While this is being addressed in the New Anglia area by projects with contributions from the Government's BDUK fund, there is some way to go, to achieve the coverage and speeds we need.

1.34 In parts of the area there are challenges in relation to power and water availability. The basic infrastructure required for growth – energy, water, flood defences - can be a constraint but it can also be an opportunity if correctly exploited.

## **Housing**

1.35 The need to allocate land for housing development, and to ensure that the housing is delivered, is a high priority nationally. Housing in the New Anglia area remains relatively affordable by national standards (albeit lower prices are offset by lower wages). However, we see housing affordability and availability as a key competitive advantage in attracting inward investment.

1.36 The number of dwellings planned sets a very demanding target. There are a number of barriers to delivering both the scale of housing required, such as infrastructure provision, and meeting local need through the private rented sector and new affordable housing.

<sup>15</sup> NALEP Economic Profile, 2013

<sup>16</sup> Small Businesses, Job Creation and Growth: Facts, Obstacles and Best Practises (OECD)

<sup>17</sup> NALEP Economic Profile, 2013

<sup>18</sup> NALEP Economic Profile, 2013

<sup>19</sup> NALEP Economic Profile, 2013

<sup>20</sup> NALEP Economic Profile, 2013

# 2

## Our Sectors



**2.1** Our strategy identifies five high impact sectors which offer the opportunity for rapid growth in jobs and productivity. These are also sectors in which we have an innovative and global leadership through geography and through key assets:

- **Advanced Manufacturing and Engineering**
- **Agri-tech**
- **Energy**
- **ICT and Digital Creative**
- **Life Sciences**

**2.2** It is important to emphasise that we do not see these sectors as being self-contained silos. For example, the growth of agri-tech - which is central to the Government's Industrial Strategy and where the New Anglia area has a national profile – will involve our manufacturing/ engineering companies, our food and drink ones and our life science research organisations. We can grow much faster by exploiting these overlaps and synergies between sectors.

## Advanced Manufacturing & Engineering

### Key facts

- Sector employs over 24,500 people and is worth £1.5bn GVA to the New Anglia Economy
- Wide range of distinct specialisms, including automotive, aviation, energy, refrigeration, boat building, food processing machinery, building materials and medical technologies and devices manufacturing. Some world-leading companies in their fields
- Great Yarmouth/Lowestoft is one of the UK's six Centres of Offshore Renewable Engineering (CORE)
- Hethel Engineering Centre (HEC) is the regional hub for innovation and technology and is expanding to meet the demand for incubation space

**2.3** Advanced manufacturing describes companies using a high level of design or scientific skills to produce innovative and technologically complex (high value) products and processes. The industry is changing, with a shift from metal to composite materials or oil to renewable and biological substances, industrial biotechnology, plastic electronics and new aerospace technologies. The sector employs over 24,500 people in more than 1,000 businesses and is worth £1.5bn in GVA pa to the New Anglia economy. GVA per head per annum in 2010 was £60,261.

Image: Laser Cutting Metal



**2.4** There are several clusters of advanced manufacturing businesses in the New Anglia area. There is a long established network of businesses along the A11 Corridor from Norwich to Cambridge with a focus on automotive engineering. It includes the Snetterton motor racing circuit, car companies Group Lotus and Caterham, and their supply chains.

**2.5** There is an emerging civil aviation cluster based around Norwich International Airport (NIA) and the key businesses, KLM UK Engineering and Air Livery, supported by the University of East Anglia and Norwich University Technical College are looking to develop an aviation skills academy. The Greater Norwich City Deal<sup>21</sup> includes scope for interventions to strengthen this cluster.

**2.6** There is a key cluster at RAF Marham where state of the art facilities have been established to deliver in-depth maintenance of the current and future generation of military fighter aircraft. RAF Woodbridge and RAF Wattisham are home to specialist military engineering units.

**2.7** There is a concentration of offshore engineering businesses in Lowestoft and Great Yarmouth, and equipment manufacturing supporting both primary production and food processing. This will be strengthened by the designation of Assisted Area Status for the two towns. There are also strong concentrations with overlaps into agri-tech and life sciences, in Sudbury and Haverhill, with firms such as Philips Avent and Genzyme.

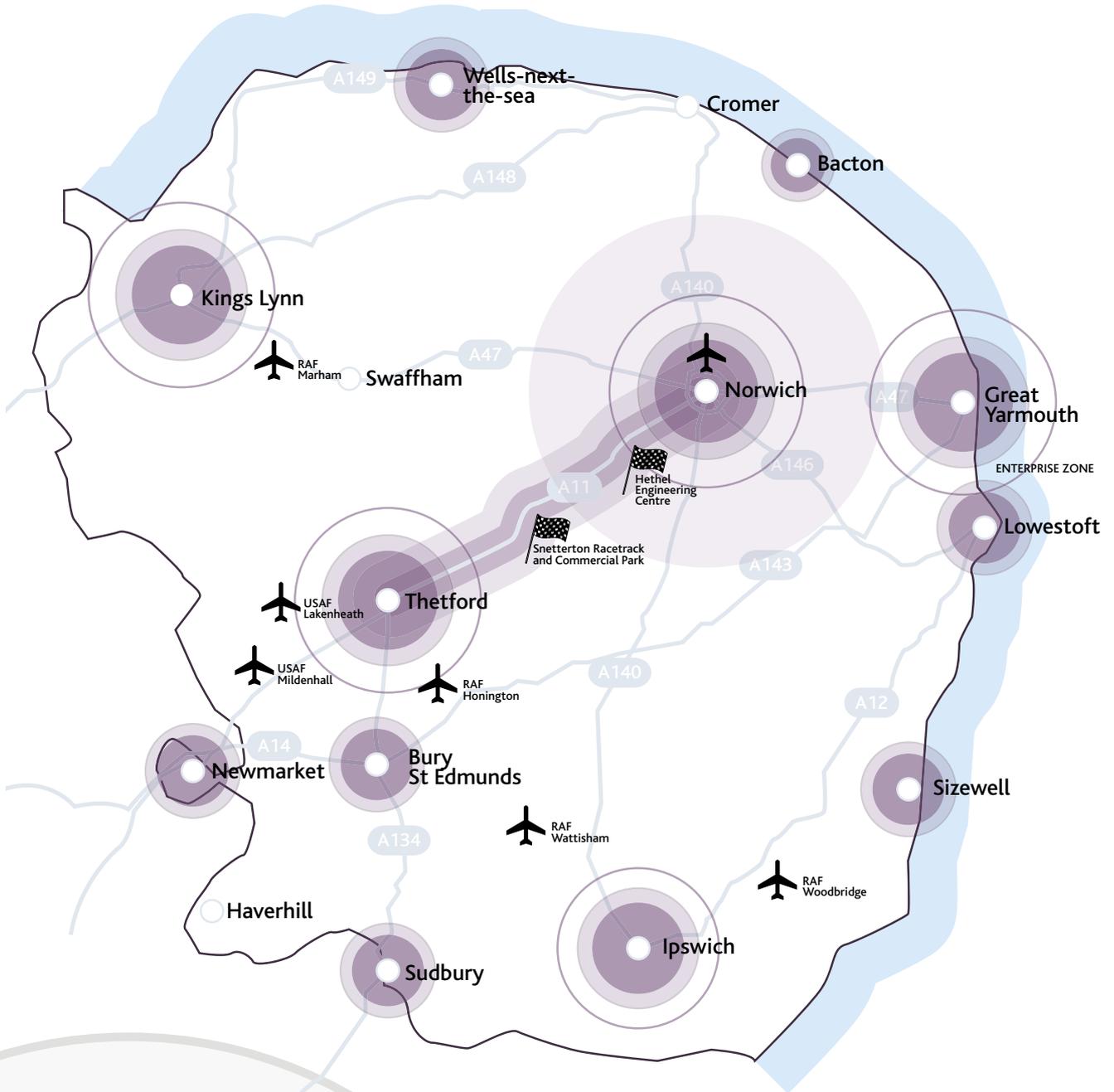
**2.8** There are other important businesses in the field of agri-tech engineering, refrigeration, composites, boat building, food processing, machinery building materials and medical technologies and devices manufacturing. A number are world-leading companies in their respective fields.

**2.9** Hethel Engineering Centre (HEC), close to the Group Lotus factory in the A11 corridor, is the regional hub for innovation and technology, fostering links between business and prominent research institutions and developing expertise in areas such as composites, food and automotive technology.

**2.10** The New Anglia Advanced Manufacturing and Engineering Group (NAAME), sees growth coming from strengthening local networks, innovation and pilot programmes (pre-market trials). The establishment of networking initiatives across areas such as food, automotive and composites, led by business based organisations such as HEC, will drive innovation in manufacturing and engineering and establish clusters of supply chain related businesses.

<sup>21</sup> <https://www.gov.uk/government/publications/city-deal-greater-norwich>

# ADVANCED MANUFACTURING AND ENGINEERING



## MAP KEY

-  Automotive sector
-  Aerospace
-  Clusters of Activity/  
Manufacturing and Engineering businesses
-  Local Enterprise Partnership
-  Automotive Corridor



## Agri-tech

### Key facts

- Agriculture food and drink sector worth £2.2bn GVA pa and accounting for almost 10% of the New Anglia area's GVA
- UK agriculture GVA grew by 25% 2007-10
- Significant potential to grow through agri-tech developments<sup>22</sup>
- The New Anglia area accounts for significant proportions of the UK's agricultural production
- Household names based here include Adnams, British Sugar, Colmans, Greene King, Linda McCartney, and Bernard Matthews
- Ground-breaking research developing drought-resistant crops and 'nutraceutical' foods
- Support from £3.2m Eastern England Agri-tech Fund and £20m Agri-Investment Fund (from Adapt UK)
- City Deal for Greater Norwich seeks to deliver an additional 7,000 life sciences and agri-tech jobs<sup>23</sup>

2.11 The agriculture, food and drink sector as a whole is the largest employer in the New Anglia area with almost 13% of the workforce generating £2.2bn pa GVA. Our rural economy accounts for 12% of all England's cereal production, 20% of the UK's vegetables, 20% of its potatoes and 50% of its sugar beet.

2.12 Some of the most significant food and drink companies in Europe have a major presence in the New Anglia area (Adnams, Bernard Matthews, British Sugar, Linda McCartney, Greene King, Marel, Muntions, Colmans (Unilever), Kinnerton). The area also has a concentration of dynamic, innovative small to medium sized companies (Frank Dale Foods, Dodman Ltd, Micronizing).

2.13 In recent years, a significant and growing part of the food economy is the local quality food offer. This is closely linked to tourism, with many businesses emphasising local sourcing and it adds value and supports green economic growth.

2.14 The sector as a whole is characterised by low added value. GVA per capita was £27,433 (2010) across Suffolk and Norfolk<sup>24</sup>. So, both the Government's Industrial Strategy and our own sector strategy have therefore prioritised agri-tech – those parts of the agriculture, food and drink sector where it is possible to use technology to add value.

2.15 The sector offers huge commercial potential for the New Anglia area. Whereas the UK economy only grew by 4% in GVA terms between 2007 and 2010, food processing grew by 13% and agriculture by 25% over the same period<sup>25</sup>.

2.16 Agri-tech – adding value to agriculture through the use of technology - is as much a strategy as a sector and there is a strong overlap with life sciences and advanced manufacturing. The joint collaboration of our agri-tech and life sciences sectors is central to our ambition to develop a super-cluster, leveraging both their combined strengths.

2.17 Together with Greater Cambridge Greater Peterborough LEP (the lead partner) we have set up the Eastern England Agri-tech Growth Initiative. This programme uses £3.2m of Regional Growth Fund (RGF) to support agri-tech business start-ups and to bring new products to market. The money will also go to build a new translation centre where scientists and farmers can work together on new projects. The programme will create and safeguard over 500 jobs, create 25 new businesses and up to £30m in net GVA per annum.

2.18 Complementing the support to SMEs, offered by the RGF programme, the Adapt Group at UEA has launched a £20m agri-investment Fund. These form part of the Greater Norwich City Deal which aims to deliver an additional 7,000 life sciences and agri-tech jobs<sup>26</sup>.

Image: Norwich Research Park

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<sup>22</sup> New Anglia Sector Growth Strategy, 2013

<sup>23</sup> <https://www.gov.uk/government/publications/city-deal-greater-norwich>

<sup>24</sup> New Anglia Sector Growth Strategy, 2013

<sup>25</sup> DEFRA 2012 and ONS 2013

<sup>26</sup> <https://www.gov.uk/government/publications/city-deal-greater-norwich>

<sup>27</sup> New Anglia Sector Growth Strategy, 2013

## Life Sciences

### Key facts

- Private sector contribution approximately £132m pa, employing over 3,000 people, with GVA of £122k per head
- With close links to agri-tech, the sector has huge potential for jobs growth<sup>27</sup>
- Norwich Research Park (NRP) is Europe's largest single site concentration of research, training and education institutions in health, food and environmental sciences, with an annual research budget of over £100m, over 2,700 scientists and 11,000 further staff
- NRP organisations produce world leading research on the global 'Grand Challenges' facing society e.g. drought-resistant crops
- Life sciences specialisms at University Campus Suffolk
- CEFAS – the Centre for Environment, Fisheries and Aquaculture Science is the UK's most diverse applied marine science centre, covering climate change, marine diversity and fish and shellfish health and hygiene
- Strong presence in Newmarket (equine bloodstock cluster), Mildenhall and Haverhill (high value bio-manufacturing) and major pharmaceutical companies

2.19 Life sciences is a world-class cluster for the New Anglia area, with established industry representation, including multinationals and distinct research specialisms borne out of leading-edge research facilities and expertise. It is worth £366m per annum to the area with over 3,000 people employed in the private sector with an average of £122k GVA per head per annum. With close links to agri-tech, this sector has been recognised as having huge potential for jobs growth. Businesses in the region include Genzyme, Baxter Healthcare, Stratech, Nestor Pharmaceuticals, Limgrain UK Ltd, AFS Animal Care, Rossdales, Parburch Medical Developments.

2.20 Norwich Research Park is a world class centre for life sciences. It is home to three of the UK's eight Biotechnology and Biological Sciences Research Council (BBSRC) Institutes and a cluster of six world class institutions, all within a 1km radius: John Innes Centre (JIC) the Institute of Food Research (IFR), the Sainsbury Laboratory, the Genome Analysis Centre and the University of East Anglia (UEA), which, together with the Norfolk and Norwich University Hospital (NNUH), form the NRP. The NRP includes the Centrum which will be a hub building providing new commercial laboratory and office accommodation as well as a business centre.

2.21 It has a global reputation for research in Agri-Food, Health and Environmental Sciences. JIC was recently ranked 1st in the world for plant sciences, IFR 2nd for food sciences, and UEA is ranked in the top 1% of HE institutions in the world and third for geo-sciences citations.

2.22 NRP is also a major employer – 11,000 jobs across research and commercial activities, 2,700 scientists, 14,000 students – with a commercial expansion zone of 55 ha.

2.23 Biotechnology is building a strong presence at University Campus Suffolk (UCS), Ipswich with specialisms in stem cell research and regenerative medicine. There are plans for an Ipswich Innovation Centre on the waterfront combining life sciences with ICT and Digital Creative. Easton and Otley College also provides land based education.

2.24 There are important life science 'hubs' at Newmarket (equine bloodstock cluster), Mildenhall and Haverhill (high value bio-manufacturing). In recognition of its potential, the research park at Haverhill has been allocated £2m from New Anglia's Growing Places Fund programme. Major pharmaceutical companies are located near King's Lynn, Thetford, Haverhill, Great Yarmouth and Mildenhall, along with a wide range of companies specialising in advanced medical devices and healthcare products.

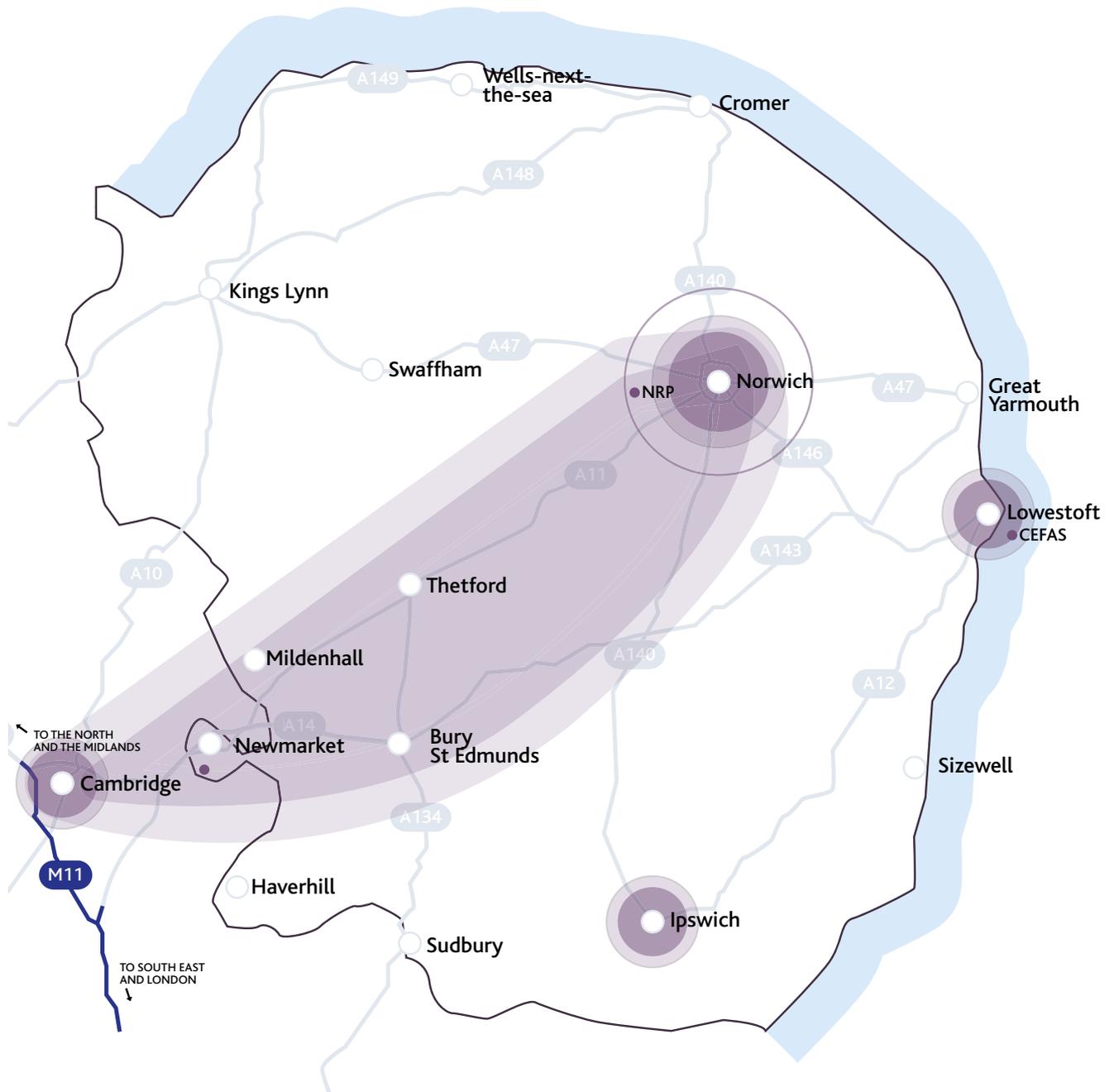
2.25 UEA Health Partners are collaborating to meet the growing need for health-related goods and services for an ageing population and has set up a node of the regional Eastern Academic Health Science Network. Norwich has strong credentials to be a centre for 'Connected Health, a model for healthcare delivery that uses technology to maximise resources by providing healthcare remotely. UCS is working with partners to combine underpinning technology with life sciences in order to develop technology-based solutions in healthcare.

2.26 UCS, NRP, CEFAS and private sector organisations are supporting the development and prospective actions of a Life Sciences Sector Group for Norfolk and Suffolk. Shared goals are being developed with ICT, focussing on cluster development in Norwich around the NRP, in Ipswich around UCS /Innovation Martlesham /BT, in Newmarket and Ipswich around bloodstock and Haverhill in pharmaceutical and life sciences.



Image: Centrum

# LIFE SCIENCES



## MAP KEY

-  Clusters of Activity
-  Local Enterprise Partnership
-  Life Sciences & Biotechnology Activity

### Norwich Research Park (NRP) including:

- John Innes Centre (JIC)
- Sainsbury Laboratory (TSL)
- Institute of Food Research (IFR)
- Genome Analysis Centre (TGAC)
- University of East Anglia (UEA)
- Norfolk & Norwich University Hospital (NNUH)
- Schools of Medicine & Pharmacy (UEA)



## Energy

### Key facts

- Sector worth £994m, employing 7,700 people. (£129k per job GVA)<sup>28</sup>
- 50 years' expertise in oil, gas and nuclear energy, with skills transferable to renewable technologies<sup>29</sup>
- Great Yarmouth/Lowestoft form one of the UK's six Centres of Offshore Renewable Engineering, as well as being one of the best performing Enterprise Zones in the country
- The New Anglia area hosts companies operating in global markets, e.g. 3 Sun, Gardline, Seajacks and SLP
- £14bn of investment expected over the next ten years to expand EDF's nuclear capacity at Sizewell
- Bacton Terminal processes 15 – 50% of the UK's natural gas
- OrbisEnergy is the regional innovation centre of excellence for offshore renewables

2.27 The energy sector employs 7,700 people in the New Anglia area, generating in the region of £994m. The sector is also one of the area's most productive, with GVA per job, of £129k. With 50 years' expertise in oil gas and nuclear energy, the area is well placed to deliver on the Government's Industrial Strategy energy priorities. The projected economic growth from off-shore wind and the potential from new nuclear generation are clear examples of how this sector can build on its substantial base but there are also many linkages to other sectors such as agriculture with advances in biomass and through the supply chain.

## Oil and Gas

2.28 The New Anglia area has a long history of involvement in the offshore energy sector, going back to the beginning of North Sea oil and gas in the 1960s. Our energy companies are operating in a wide range of global markets, including: offshore, marine, and subsea engineering, drilling technology and decommissioning capabilities; energy related products and services; and, air, land and sea logistics operations.

2.29 The offshore/onshore wind, and oil and gas developments are estimated to be worth £50bn over the next 10 years, and over £13bn on oil and gas alone was spent in 2013 in the southern North Sea. This will continue to present a significant opportunity for private sector investment in major initiatives such as: supporting skills development to meet employer labour demands; clean technology development; infrastructure and the supply chain.

## Offshore Renewables

2.30 So, the New Anglia area is well placed to capitalise on the rapid technological and market growth in renewable and low carbon sectors, along with significant investments in offshore wind and has already undertaken a number of successful steps to promote the sector.

2.31 The main focus for renewables in the New Anglia area is on the ports of Lowestoft and Great Yarmouth. Together they form one of six 'Centres for Offshore Renewable Engineering' (CORE) designated by the Government to help attract investment, particularly in wind farm assembly and manufacturing.

2.32 A key part of the offer is the Enterprise Zone (EZ) on sites across Great Yarmouth and Lowestoft. This is recognised as one of the best performing EZs in the country, in terms of jobs created and floor-space built, partly because we were able to use our own resources to help get development started.

2.33 We are keen to build on this momentum and therefore presented a strong case for Great Yarmouth and Lowestoft to be designated with Assisted Area Status which has been recognised with inclusion in the Government's draft map. This means projects can be given more support from New Anglia's Growing Business Fund and EU pot, thus making our Enterprise Zone even more attractive to inward investment.

2.34 We support the East of England Energy Group (EEEGR), a strong and well established energy group that is developing the East of England Energy Zone. NALEP and EEEGR have worked together to create a model of joint working in the East that could become a national exemplar.

2.35 While Lowestoft and Great Yarmouth are the main centres for offshore renewables, there are smaller centres elsewhere. The newest and fastest growing is in North Norfolk, where the port of Wells and the business facilities at Egmore are developing as a hub for servicing established windfarms.

2.36 The Bacton Terminal in north Norfolk processes up to 50% of the UK's natural gas and offers longer term potential to act as a European hub for the storage of gas and captured carbon.

## Nuclear

2.37 The New Anglia area also has a centre of nuclear energy expertise at Sizewell in Suffolk covering all the stages of a plant's life. Sizewell A is going through the process of decommissioning and Sizewell B will follow at the end of its operating life in 10-20 years. Meanwhile Sizewell has been identified by Government as one of eight sites suitable for new nuclear power stations. The development of the proposed new 3.2 GW power station (Sizewell C) is expected to result in an investment of over £14

<sup>28</sup> New Anglia Sector Growth Strategy, 2013

<sup>29</sup> New Anglia Sector Growth Strategy, 2013

# THE EAST OF ENGLAND ENERGY ZONE



Image: Orbis Energy, Lowestoft

## MAP KEY

-  Biomass Station
-  Wind Farms
-  Nuclear Power
-  Gas Fired Power
-  Round Two Wind Farm Lease
-  Round Three Wind Farm Zone: East Anglia Array
-  Current Gas Fields
-  New Gas Field Discoveries Since 2000
-  Ports
-  Clusters of Activity
-  Train Lines

billion over 10 years and the creation of as many as 25,000 jobs over the lifetime of the construction and 5,600 during the peak of its 7-9 year build period. Upon completion, the station would also create a further 900 operational jobs for at least 60 years.

## New Technology

2.38 Companies in the two counties are also exploring 'early stage' subsectors such as carbon capture and storage, biomass energy, fuel cell technology and biofuels. Sita UK are building the Suffolk Energy from Waste Plant and there are already proposals to use its excess heat to grow tomatoes in a 230 job business. British Sugar has also established the UK's first bio-ethanol plant at Wisington in Norfolk, with the product derived from sugar beet by-products.

## ICT and Digital Creative

### Key facts

- ICT sector worth £1.3bn to the New Anglia area, with over 1,400 companies employing 10,300 people with GVA at £131k per head pa<sup>30</sup>
- Adastral Park is BT's global research and development HQ and home to the Innovation Martlesham ICT cluster
- UEA School of Computing Sciences provides expertise to Government and companies such as Apple, HP & IBM
- Norfolk County Council with HP Microsoft and Vodafone are launching a cloud based data sharing hub
- UEA working with Universities of Kent and Essex in "Big Data" collaboration
- Norwich University of the Arts and University Campus Suffolk set up Digital Creative Industry Group

2.39 ICT companies bring £1.3bn to the Norfolk and Suffolk economies, with over 1,400 companies employing some 10,300 people with GVA at £131k per head per annum. ICT is a sector in its own right and supports other sectors. There is also a strong overlap in the New Anglia area with digital creative industries. We have two ICT clusters, in Greater Ipswich and Greater Norwich urban areas and a digital creative cluster in Norwich.

2.40 BT's Global Centre for Innovation and Growth is based at Adastral Park in Martlesham on the edge of the Ipswich urban area. About 4000 people work there for BT and for international technology companies like Alcatel-Lucent, Cisco, Ericsson and Fujitsu. BT is proposing to expand Adastral Park to create more research and development facilities.

2.41 It is also home to the Innovation Martlesham ICT cluster, where over 50 businesses have taken up residence, generating 240 jobs since 2009. Early negotiations are underway to discuss Innovation Martlesham activities being expanded to link with Ipswich waterfront and the University Campus Suffolk where the Ipswich Innovation Centre will combine life sciences with ICT and digital creative. Ipswich is also a pilot for the Technology Strategy Board's Smart Cities programme.

2.42 BT commissioned 'The Social Study 2013' which estimated that BT enables about £618m of GVA in the New Anglia area and supports 7,280 direct, indirect and induced jobs. This demonstrates the potential for IT businesses to make a significant contribution to the wider economy.

2.43 BT is already looking at the scope to encourage 'virtual clusters' in digital and other sectors by extending the reach of existing clusters to companies elsewhere in the region. As well as linking people it could include the development of a "Centre of the Internet of Things" hosted at Adastral Park with physical and virtual links to partners across the region.

2.44 The School of Computing Sciences at the University of East Anglia was commended in the national Research Assessment Exercise 2008 for its collaboration with industry, and the School continues to build upon this. Commercial projects led by the School have included work with Apple, Aviva, HP and IBM.

2.45 UEA graduates are developing a hub for Norfolk County Council, Hewlett Packard (HP) and its partners Microsoft and Vodafone to realise Norfolk's digital ambition to transform local services and share data.

2.46 UEA, and the Universities of Kent and Essex, have significant expertise in Big Data and Digital Heritage, particularly visualisation, geographical information systems and online curating. They have signed a five year collaboration agreement to take forward developments in this area.



<sup>30</sup> New Anglia Sector Growth Strategy, 2013



Image: Innovation,  
Martlesham

- 2.47 Norwich University of the Arts (NUA), University Campus Suffolk (UCS) with the private sector have set up the Digital Creative Industry Group whose aims include:
- Showcasing the capabilities of the graphic design and communications sub-sector and exploiting digital production and marketing opportunities
  - Developing incubation facilities in Ipswich and Norwich to support digital business start-ups
- 2.48 NUA has already received funding from HEFCE's Catalyst Fund and the LEP, to support the creation of a Digital Innovation and Incubation Centre. Work on creating a suitable building to establish and develop new businesses has started in Norwich, and there is interest for a similar facility in Ipswich.
- 2.49 The City Deal for Greater Norwich<sup>31</sup> seeks to support the Digital Creative cluster based around NUA, the EPIC television production studios and the fast-growing cluster of digital creative businesses in Norwich city centre. It aims to deliver 1,000 additional digital creative jobs.
- 2.50 The LEP is supporting the production of an ICT Business Directory for both counties and associated research by the IP Network<sup>32</sup>.

## Financial and insurance services

### Key facts

- Sector makes largest contribution to the New Anglia area's GVA - £3.1bn or 13.4% of total and employs almost 21,000 people (3.2% of employment)
- Norwich is the largest general insurance centre in the UK and hosts the National Skills Academy for Financial Services, one of the first of its kind in the UK
- Ipswich also has a strong insurance sector, with a specialism in marine insurance
- Businesses include Aviva, Axa, LV, Marsh, Moneyfacts, Virgin Money, Royal Bank of Scotland, Swinton, Swiss Re and Willis

- 2.51 Financial services make the largest contribution to GVA of £3.1bn or 13.4% of total GVA. Financial and Insurance Services employ almost 21,000 people in the area representing 3.2% of total employment<sup>33</sup>.
- 2.52 Norwich is the largest general insurance centre in the UK and home to several large companies including Aviva (previously Norwich Union), Marsh, Moneyfacts, Virgin Money, Royal Bank of Scotland, Central Trust Capital and Swiss Re. Ipswich is home to insurance firms AXA and Willis, each employing in excess of 1000 people as well as LV, Swinton Insurance, Aviva and several high street banks. Ipswich is also developing a specialism in marine insurance. There are also significant businesses in King's Lynn (Adrian Flux), Great Yarmouth (BNP Paribas).

## Ports and logistics

### Key facts

- Sector worth £1.3bn, employing over 23,500 people
- Sector grew between 2008 and 2010 and expected to grow over the coming three years
- Felixstowe is the UK's largest container port with 40% of national traffic
- Ipswich, the UK's largest grain exporting port
- Gt Yarmouth offers the shortest sea crossing to the Netherlands and close to offshore arrays
- East of England ports assessed as more productive than other major UK ports
- Wells-next-the-Sea has been a port and a largely natural safe-haven for ships and boats for at least 600 years

- 2.53 The ports and logistics sector is worth £1.3 billion to the East Anglian economy and employs 23,500 people (2010)<sup>34</sup>. Sector employment is forecast to grow by 4% in the next three years. Our ports are more productive in terms of labour per tonne handled than other major UK ports<sup>35</sup>. The ports have an estimated business turnover of £5.4 billion, includes 3700 businesses and showed an increase in employment between 2008 and 2010 (of 4%), when many other sectors declined.

- 2.54 Felixstowe is the UK's largest container port, handling 40% of national container traffic. The port employs over 2,700 people directly and a further 10,000 jobs are based in related industries. Felixstowe has already undergone significant development with additional quayside created and a brand new railhead. Capacity is expected to grow by an additional million containers by 2025 and further infrastructure improvements are being developed that will enable it to handle the latest mega-vessels (the number of which is set to increase rapidly). With overall UK container traffic likely to grow steadily, there are opportunities for further growth through diversifying Felixstowe's bulk-breaking and post-processing capabilities.

- 2.55 Together with Ipswich and Harwich (in Essex), Felixstowe forms a vital gateway to the UK and to the Midlands in particular. It also generates high volumes of traffic on the A14 trunk road and the Felixstowe-Nuneaton railway. Ipswich is the UK's largest grain exporter; Eastport (Great Yarmouth) and Lowestoft are also important to the local economy and service the North Sea energy sector.



## Tourism and Culture

### Key facts

- Tourism worth approximately £1.3bn in GVA to the New Anglia area and almost 68,000 jobs (10% of employment), and many more indirect jobs
- Cultural and Heritage Sector has over 1,000 businesses, directly employs 5,800 people and has a direct GVA of £83.6m, further increased by 50% with induced, tourism-related spend
- Unique natural assets - e.g. the Broads National Park, Brecks, Fens, North Norfolk Coast, Salthouse Marshes, the Dedham Vale and Suffolk Coast and Heaths AONBs – and heritage sites, such as Norwich (the most complete medieval city in Britain) and Sutton Hoo, in Suffolk
- Norfolk & Norwich, Aldeburgh and Latitude Festivals have an international profile

scene, which plays a distinct role in making the area attractive to entrepreneurs, employers, investors and visitors<sup>37</sup>.

2.60

All of these key sectors have an important role to play, providing jobs and growth throughout the wider New Anglia economy. They make important contributions to our growth locations. They will continue to be actively supported by the LEP - through our business growth, skills and infrastructure developments in particular. These sectors will actively be encouraged to develop synergy with our high impact sectors; for instance, the excellent existing cultural and tourism offer can benefit from the major developments in ICT and Digital Creative; and the Ports and Logistics sector benefits from Energy sector developments.

2.56 Norfolk and Suffolk have rich and diverse tourism assets including the Broads and the heritage coast with its traditional seaside resorts such as Great Yarmouth, the 3rd largest by value in England. Norwich is ranked 6th in the UK for day visitors and King's Lynn, Bury St Edmunds and Ipswich all have strong tourism offers.

2.57 The area is also home to Newmarket (for horse racing), Center Parcs at Elveden and festivals such as Latitude, Aldeburgh and the Norwich & Norfolk Festival. Suffolk is also gaining a reputation as 'Constable and Gainsborough country'. A strong cultural sector is also a major strength.

2.58 The overarching public/private partnerships - Visit Norfolk and Visit Suffolk - are working with their destination management organisation (DMO) partners to promote each county's unique offer, as well as collaborating on joint marketing, where appropriate. The LEP is currently supporting the Cultural Sector which aims to establish a portfolio of 'must see' cultural highlights that will increase visitor numbers by 5% a year - in line with Visit England growth predictions.

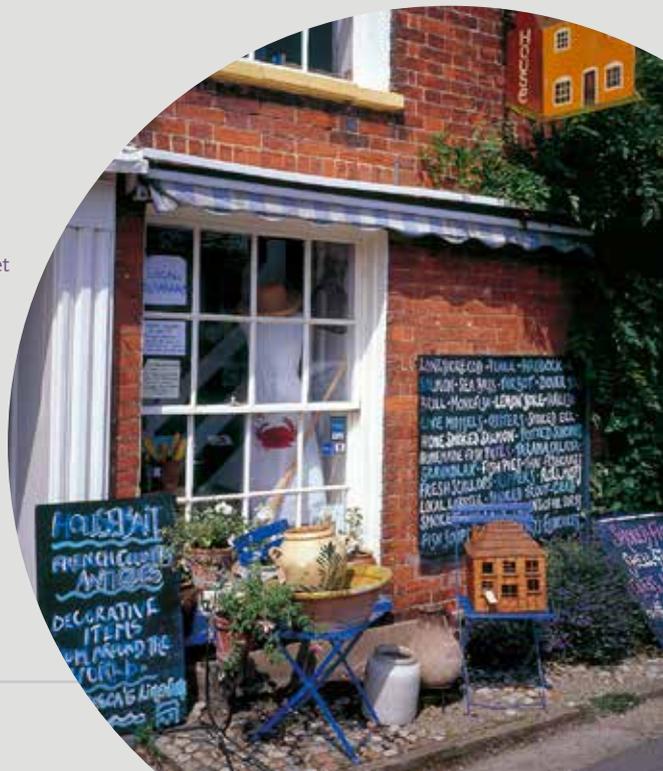
2.59 The 'Cultural and Heritage' sector has over 1,000 businesses, directly employs 5,800<sup>36</sup> people and has a direct GVA of £83.6m. These figures increase by 50% when including induced, tourism-related spend. Both Ipswich and Norwich have a lively creative and cultural

Image:  
Newmarket  
Races

Image: Woodbridge  
Kyson Point



Image:  
Burnham Market



<sup>31</sup> <https://www.gov.uk/government/publications/city-deal-greater-norwich>

<sup>32</sup> The IP Network is a special interest group, led by Suffolk Chamber of Commerce, run in partnership with Innovation Martlesham. The IP Network is open to businesses involved in the hi-tech industry, in particular, information and communications technology (ICT).

<sup>33</sup> New Anglia Sector Growth Strategy, 2013

<sup>34</sup> New Anglia Sector Growth Strategy, 2013

<sup>35</sup> EEDA Ports Study, 2011

<sup>36</sup> New Anglia Cultural Impact Analysis, May 2012, Shared Intelligence

<sup>37</sup> New Anglia Cultural Impact Analysis, May 2012, Shared Intelligence



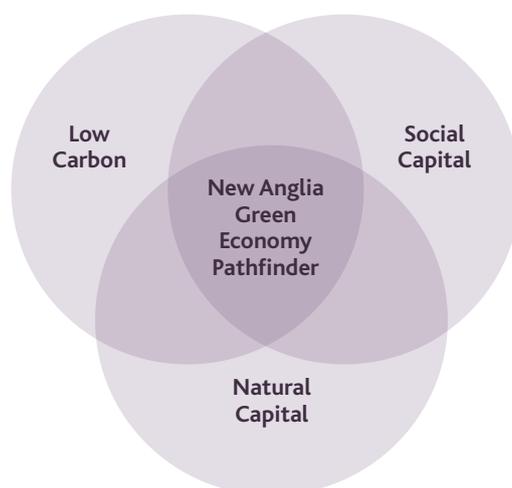
# 3

## Green Economy Pathfinder

“ A green economy is not a sub-set of the economy at large – our whole economy needs to be green. A green economy will maximise value and growth across the whole economy, while managing natural assets sustainably.<sup>38</sup>”

### Low Carbon

Innovation, finance, resource efficiency and energy



### Social Capital

Employment, skills development and community cohesion

### Natural Capital

Landscape, tourism, farming, food, wildlife and quality of life

- 3.1 The LEP was selected by Government in 2011 to lead the UK's transition to a green economy across three focus areas: low carbon, natural capital and social capital<sup>39</sup>.
- 3.2 Our ambition is to strengthen the New Anglia economy by creating more productive jobs. We will do this by building on our distinctive competitive economic and environmental advantages to ensure our area is home to businesses playing a prime role in driving the sustainable growth of the UK economy.
- 3.3 In focusing on building a green economy, we are harnessing the New Anglia area's strengths to support the global shift to low carbon energy. The joining up of clean technology, life sciences and ICT offers a unique combination in the area, and is epitomised by the work of the University of East Anglia's Adapt Team. Through the universities, research centres, science parks, agricultural and forestry technology we are offering world-class innovation and exportable skills. The area's well-established "all energy" base embraces oil, gas, nuclear and both onshore and offshore renewables.
- 3.4 We are harnessing our natural capital in different ways. An abundance of the highest quality farmland supports many food and drink producers of repute; exemplified by the East of England Co-operative Society Ltd, a strong social capital movement in our area through its "locally sourced" brand. Tourism is a major sector, thanks to a beautiful, abundant and diverse bank of natural assets. The natural capital of the area encompasses iconic landscapes, valuable biodiversity, valuable water resources, rich soils and diverse outdoor recreation opportunities, all of which form a quality environment giving employees and businesses a desirable location to live and work.
- 3.5 Supporting the development of those businesses across the New Anglia area that deliver low carbon goods and services (LCEGS) is crucial to our green economic growth. The area has sales of £2.95bn from 1,224 LCEGS companies employing 21,399 people (3% of all UK sales). The green economy will be worth £50bn to the region over the next 25 years and has consistently grown faster than the economy in general; also 1 in 12 jobs in the area are directly dependent on natural capital<sup>40</sup>.
- 3.6 Green Infrastructure (GI) is a network of high quality multifunctional green spaces, water bodies and other environmental features. Delivering GI across the New Anglia area will contribute to a wide range of economic, environmental and quality of life benefits. It will also support the delivery of the Green Economy Pathfinder manifesto objective of 1000ha of wild spaces by 2020, improving the quality of life and supporting inward investment. The enhanced environment provided by GI supports the visitor economy, attracts and retains skilled labour and increases resilience. Provision of GI plays an essential role in fulfilling the legal requirement under the Habitats Directive for development plans and projects to avoid any potential detrimental impacts on environments of international importance, of which we have many.

<sup>38</sup> New Anglia Green Economy Pathfinder Manifesto, May 2012

<sup>39</sup> HM Government's "Enabling the Transition to a Green Economy" 2011.

<sup>40</sup> <http://www.NewAnglia.co.uk/wp-content/uploads/2013/11/Green-Economy-Manifesto.pdf>

3.7 Our priorities for action are:

- Maximise funding and investment that benefits the green economy
- Champion action that links valuing, investing and growing natural capital with economic growth
- Drive down costs by highlighting and enabling action on Business Resource Efficiency
- Enable innovative, entrepreneurial and radical solutions to business opportunities utilising the knowledge at our world class education and research centres
- Develop the skills and supply chain to support the green economy
- Create 1,000 ha Wild Spaces

Image: Thermal Imaging



Image: Reed Cutter



## Energy

3.8 As described in the Sectors chapter, development in the energy sector, much of it focused around offshore renewables and nuclear, is estimated to be worth £50bn to the New Anglia area over the next 10 years. Companies in the two counties are exploring and developing subsectors of the energy industry such as carbon capture and storage, biomass energy, fuel cell technology, wood-fuel and other biofuels.

3.9 Enabling householders to improve the energy efficiency of their homes utilising Government backed incentives is a significant opportunity for SMEs who are able to undertake this type of work, as well as the obvious benefits to householders of smaller bills. It is estimated that in Suffolk alone there are £800m worth of improvements that could be made to existing properties<sup>41</sup>. Local authorities in the area are working in partnership with energy companies and local installers to promote and enable this energy saving activity. Recently an allocation of £3.3m from the Department of Energy and Climate Change for Suffolk local authorities to assist with developing this opportunity for local businesses was confirmed. Norfolk has submitted a similar bid for £1.3m.

3.10 We will:

- Develop skills locally to meet the needs of the sector
- Support the growth in demand for low carbon energy to enable a virtuous circle of energy innovation and carbon reduction
- Support the roll out of major energy efficiency programmes targeting domestic properties

## Investment

3.11 The development of the Green Economy in the New Anglia area is a bankable opportunity for inward investors within the context of size and growth profile of the LCEGS sector and the positive manner in which this sector is growing internationally. The LEP will develop low carbon criteria to assess and judge the appropriate nature of inward investment opportunities to ensure they deliver our Green Economy aspirations and to establish this as an important part of our economic attraction. Close cooperation with the DEFRA family of organisations has developed in producing this plan, particularly with Natural England, Environment Agency and the Forestry Commission.

3.12 The natural environment plays a huge part in quality of life and in our existing and future competitiveness. Factors cited by companies in favour of investing in our area include quality of life and the environment; the natural environment supports the recruitment of skilled staff by businesses as well as key sectors such as tourism, agriculture, food and drink. This also underpins all other types of capital (financial, human and social) and is an essential foundation of our economy, society and prosperity.

3.13 The LEP, with Wild Anglia Local Nature Partnership piloted the DEFRA Local Economic Development and Environment Tool Kit which assessed our growth aspirations against the ability of the environment to support and deliver the growth. The findings will be used to maximise economic opportunities presented by the environment while mitigating and adapting to any threats. This will support the development of sustainable growth locations; a "growth ready" approach in "Wild Anglia" that will value our natural capital.

3.14 Our Green Economy Pathfinder manifesto contains a target to create 1,000ha of new wild spaces by 2020. Whether in the form of new nature reserves (important to tourism growth and quality of life) or fundamental green infrastructure in our new developments (key to our mental and physical health), the enhancement of spaces for wildlife and people remains an important building block for economic growth (as well as quality of life) and inward investment in our area. It also supports the Government's aspiration to enhance ecological networks ensuring our natural environment is resilient to climate and other changes.

3.15 We will:

- Develop low carbon and sustainable development criteria to guide inward investment decisions to ensure they support the growth of the green economy
- Influence the allocation of EU funding to support the Low Carbon Economy, support investment in climate adaptation and in our natural capital
- Work with Wild Anglia Local Nature Partnership, utilising expertise at University of East Anglia, to develop understanding of the value of natural capital and the extent to which it supports our society and economy
- Champion delivery of the GEP manifesto objective for Wild Spaces, through partnership project activity or through the planning system, to create 1000ha of new wild spaces by 2020 providing a range of economic benefits through tourism and inward investment as improvements to mental and physical health

## **Business Resource Efficiency**

3.16 Improving the cost, energy and resource efficiency of the New Anglia area's businesses will improve their profitability, enable greener economic growth, and relieve some of the pressure on our infrastructure and natural capital. We will work alongside business and Government (in particular BIS and Defra) to develop a clear route map for a business resource efficiency process, establishing a common vocabulary on the drivers for realising associated business benefits (reduced costs, comparative advantage, business growth and resilience). We will use our considerable experience and expertise to support the roll-out and replication of best practice in business resource efficiency and support services: evaluating, communicating and applying key learning for a responsive 'green business services' approach that builds support where it is actually needed.

3.17 The Grants4Growth business support package is a significant programme in the New Anglia area offering funding to enable SMEs to reduce their emissions and related costs. Grants for Growth has attracted a large amount of European funding and is drawing down significant private sector match in rolling out this programme across four LEP areas. In Suffolk under the "Creating the Greenest County" initiative there is a comprehensive package of support for businesses to improve resource efficiency and reduce energy costs. The most recent addition to the package is the Suffolk Carbon Leaders programme which, over a 2 year period, will provide 170 SMEs with 4 days of expert energy management consultancy. The primary aim is to deliver energy reductions from this target sector, but also engage more widely through supply chains of recipient businesses and to drive the market for local LCEGS sector businesses.

3.18 Cross LEP roll out of this type of Carbon Leaders Programme is estimated to require a funding package of £400k per year to expand current provision as a meaningful project across the LEP area. Such a project would expect to engage about 2,300 businesses creating ongoing carbon and cost savings of 10,000 tCO<sub>2</sub>e or £2.5 million annually.

3.19 We will:

- Support simplified access to business services promoting resource efficiency
- Promote examples of business leaders to normalise sustainable business practices
- Develop the existing successful business resource efficiency programmes to maximise the economic potential of this work for SMEs

## Resilience

- 3.20 The East of England is the driest part of the country and water supply is critically important, not only to agriculture but to businesses, homes as well as the environment. Some of our major sectors, including food and agriculture are particularly vulnerable as well as many manufacturing and engineering clusters which require a stable water supply.
- 3.21 The Norfolk and Suffolk coast has always been a dynamic environment, its soft coastline endlessly reshaped by the power of the sea. Coastal businesses and communities are increasingly aware of the reality of coastal change and the need to adapt. With increased pressure from climate change, population growth and food security it is more important than ever that water resources and coastal infrastructure are at the centre of planning for the future, and tackled in a coordinated manner.

3.22

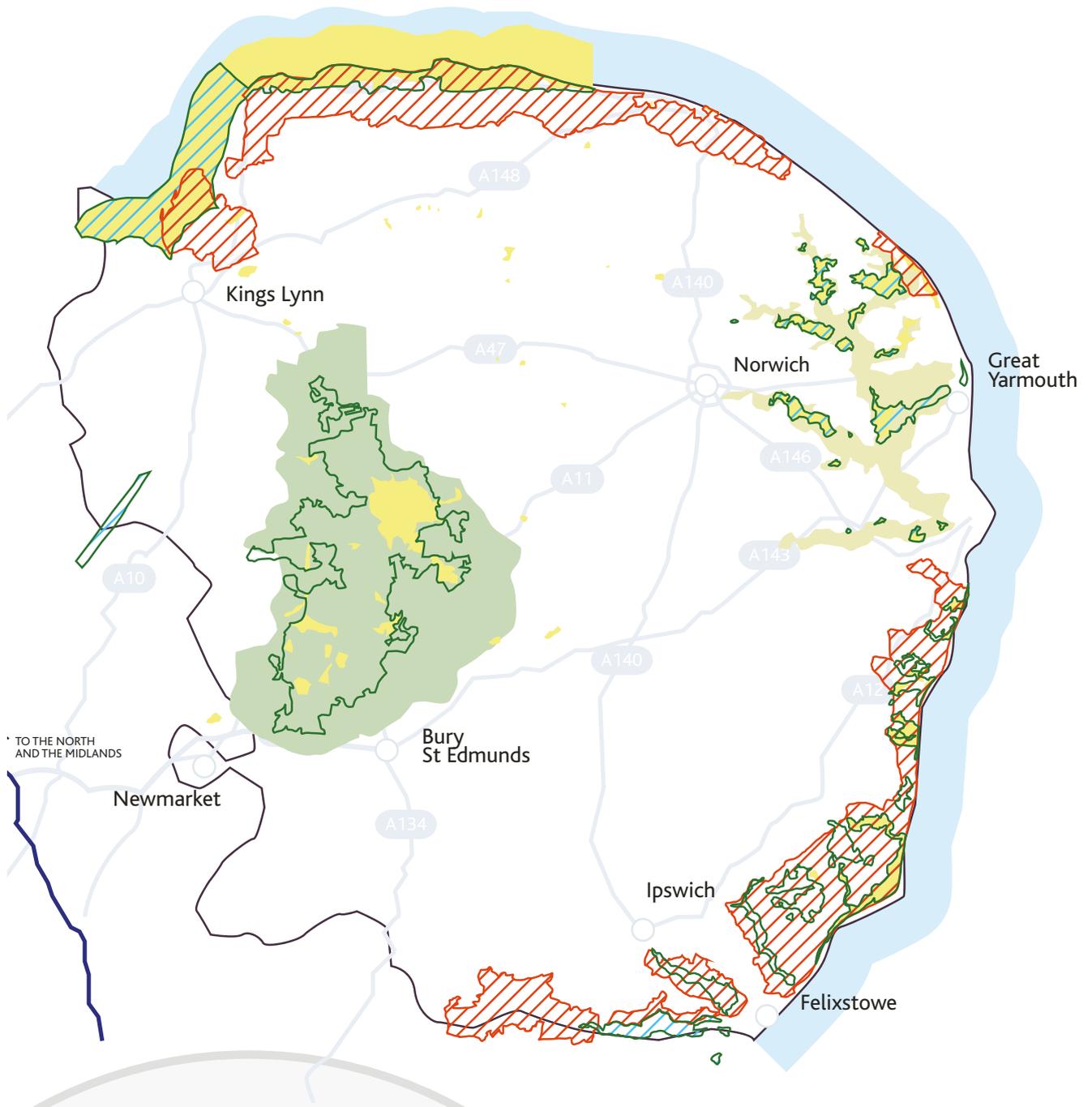
We will:

- Continue to develop and deliver support for businesses to better understand the risks to their own operation and supply chain, enabling them to cope with extreme weather and other risks linked to our changing climate
- Develop new models of investment planning and engagement between public and private stakeholders
- Ask Government agencies to work in partnership, take a flexible approach to funding mechanisms and implement practical solutions within the regulatory framework
- Work with all sectors to develop practical solutions to join up water resource planning, flood risk management planning and coastal protection as appropriate
- Liaise between the Government, water companies, landowners and local authorities, to ensure that we are ready to draw on sustainable advantages arising from the Water Bill



Image: Westminster launch of the Green Economy Pathfinder Manifesto  
Minister Norman Lamb with Mark Pendlington, Chairman of the Green Economy Pathfinder Board and Andy Wood, Chairman of New Anglia LEP

# ENVIRONMENTAL ASSETS



## MAP KEY

- |   |                 |   |                        |
|---|-----------------|---|------------------------|
|  | Key Settlements |  | SAC                    |
|  | Ramsar          |  | The Broads             |
|  | AONB            |  | Brecks                 |
|  | SPA             |  | Norfolk & Suffolk Area |

# 4

## Enterprise and Innovation



- 4.1 In 2011 there were 54,800 active enterprises in the New Anglia area. Our aim is to increase the number of enterprises and their productivity.
- 4.2 Our business liaison group said that business support is too fragmented, leading to low take-up. There are some excellent initiatives but it is very difficult for businesses to know if they are receiving good advice. There is also a lack of coordination between providers, which means that they do not refer businesses to other services they might need.
- 4.3 Across the New Anglia area, take up of national schemes such as Growth Accelerator and those run by the Manufacturing Advisory Service (MAS) and the Technology Strategy Board (TSB) are significantly lower than the national average.
- 4.4 Finance is also a major issue for small businesses. It has become harder to access, more expensive and requires greater levels of security. It can also be withdrawn, or more punitive terms imposed at very short notice when the business itself appears to have experienced no appreciable changes in its circumstances. Added to this, business confidence remains fragile, with many businesses running low on cash reserves, and therefore remaining reluctant to invest in new opportunities.
- 4.5 We need more innovation from our businesses. We can help them by building stronger links between the Technology Strategy Board and our regional innovation centres. In particular we want to:
- Establish OrbisEnergy as one of the major delivery partners for the new national Catapult Centre for Offshore Renewable Energy
  - Support the developing relationship between BT at Adastral Park and the Catapult Centres for the 'Connected Digital Environment', 'Satellite Applications', and 'Future Cities'
  - Link up Hethel Engineering Centre with the work of the High Value Manufacturing Catapult Centre
  - Exploit links between the Norwich Research Park and the national Agri-tech Strategy
- 4.6 We are working with our universities to encourage more students and graduates to set up businesses, in particular through the enterprise centre at the University of East Anglia, the digital centre for innovation at the Norwich University of the Arts and the incubation activity at the University Campus Suffolk.
- 4.7 Businesses located in rural areas can sometimes need specific help, as they can struggle to find the support they need and struggle to attract the right skills they need to grow and develop. Larger businesses operating in rural areas can sometimes exhaust the local skills pool, even with regards to lower level skills. Lower paid employees also find it more difficult to access work, especially if the location is not accessible by public transport.

- 4.8 Although there is already excellent business support activity provided through a range of partners, such as Chambers, FSB and the Enterprise Agencies of NWES and MENTA, the challenges that the New Anglia economy faces, demands a more joined up approach, bringing together a far greater number of partners from across the public, private, education, social and community sectors, to ensure that businesses can easily access high quality business support when they need it.

### **Business Growth Programme**

- 4.9 In response to this challenge, the LEP has worked with a wide range of partners to create the 'Business Growth Programme'. This is an overarching framework for all business support within our area.
- 4.10 Under the Business Growth Programme businesses at all stages of development and growth can gain easy access to impartial advice and guidance through one route. The services they access may be provided by either public or private organisations, and be delivered as either part of national business support provision, or be more locally based.

- 4.11 The Business Growth Programme provides three levels of support:
- Lower Level provides day-to-day information, about tax, legislation, general business funding, etc
  - Intermediate Level provides more specialist support, such as Growth Accelerator, MAS, UKTI services, or sector support. Our aim is to move as many businesses as possible from Lower to Intermediate Level
  - Higher Level will include highly specialist sector support and access to schemes such as the EU's Framework Programme 7. The number of companies accessing this level of support has traditionally been low across Norfolk and Suffolk, but we know that by taking the right approach we can increase this over time

4.12 We have secured £3.9 million of Wave 2 City Deals RGF funding, to establish the 'Business Growth Programme' in 2014/15. We are also using the existing European Regional Development Fund and drawing on a range of ad hoc funding to deliver individual elements of our programme. This is administratively complex and creates overlaps and gaps in our support.

4.13 We would prefer to create a unified programme delivered as part of our EU Structural Investment Fund Strategy. This approach also means that we can ensure that delivery risks are kept to a minimum and we can make best use of local match funding from both the public and private sectors. In order to fit with this ambition, we have divided the programme into six areas of activity:

- Growth Hub
- Business Start-Up support
- Access to Finance
- Encouraging Innovation
- Access to markets
- Rural

Given uncertainty regarding the deployment of EU structural investment funds, we are seeking Local Growth funding in 2015/16, matched with local authority, LEP and private sector funding, to ensure the success of the Business Growth Programme.

## Growth Hub

### Our Offer

4.14 Since 2011, the LEP has developed a 'Business Information Portal', a web based system that signposts businesses to over 500 specific business support services from both the public and private sectors. The Portal matches the needs of businesses with provision from over 350 organisations and gives the businesses a choice of providers that they can call upon for the support they require when they need it.

4.15 The LEP and its partners has secured just over £700,000 of the £3.9m of funding for the Business Growth Programme to develop the portal into a Growth Hub, which will support businesses across the area.

4.16 The Growth Hub provides a single referral system to all our business support. In addition, it has a Client Management System that will enable partners to track businesses and ensure that they receive the support they require. It will also enable us to identify groups or clusters of business support needs, whether place, sector, or topic based. We can then provide more support where there are gaps in provision.

4.17 Access to the Growth Hub will be through the Growth Hub Portal, through the national Business Support Helpline, and through nine 'on the ground' Business Growth Advisors who will provide proactive support for businesses.



- 4.18 During the first year of operation (2014/15), the Growth Hub is expected to engage with 3,000 individuals and businesses, helping to create 180 jobs and safeguarding at least 260 through signposting to business support services. This figure is anticipated to grow significantly once the Growth Hub becomes established.
- 4.19 During 2014, we are also undertaking a series of Roadshows, visiting 50 key settlements across the New Anglia area to proactively engage with businesses at a local level and provide face to face business advice to over 1,000 businesses. This activity is based on a pilot of five events in 2013 and is being delivered in collaboration with private sector sponsors to the tune of £10,000. We envisage repeating this activity on an annual basis, subject to sponsorship of the programme of events.
- 4.20 For 2015/16 we are seeking £300,000 of Local Growth Fund to continue the operation of the growth hub, with subsequent years funded through our structural investment fund strategy, this will ensure the sustainability of the business growth programme. This funding will be matched by £500,000 from local partners.

### Our Ask

- 4.21 The Wave 2 City Deals RGF only provides funding for the Growth Hub to operate for twelve months. Thereafter any delays in the availability of EU funding would jeopardise the whole of our Growth Hub activity.
- 4.22 Our ask is that Government makes the New Anglia Growth Programme a priority for ERDF funding and also provides £300,000 of Local Growth Fund during 2015/16 to cover any delay in EU funding becoming available.

## Business Start-up Support

### Our Offer

- 4.23 As well as providing a referral service for start-up advice, we also need to provide direct support. We have allocated £750,000 of the Wave 2 City Deals RGF funding to the expansion and enhancement of current start-up schemes across the New Anglia area, including the Cavendish Consortium's 'Ready for Business scheme' delivered by NWES, and MENTA's 'Enterprise Engagement Scheme'.
- 4.24 Norfolk County Council has developed a scheme with local district councils, to provide face-to-face advice and guidance through their 'Enterprise Norfolk' programme, delivered through district based local contracts.
- 4.25 Other more specialist advice and guidance on potential 'high growth' start-ups is provided by other partners including the Eastern Enterprise Hub and Hethel Engineering Centre.
- 4.26 The current Wave 2 City Deals money is time limited and cannot be used to match other public sector investment in start-up support.

### Our Ask

- 4.27 As part of the Business Start-up Programme, in 2015/16 we are seeking £400,000 of Local Growth funding which will be matched by £400,000 of local funding to develop the New Anglia start-up programme. In subsequent years we will use a match of ERDF funding and other locally sourced public funding to sustain the programme until 2020.
- 4.28 We are also seeking increased flexibility and greater access to national providers of specialist start-up advice and guidance, including specialist advice provided by the Technology Strategy Board and the network of Catapult Centres across the UK.
- 4.29 By merging start-up support into a single comprehensive programme of activity, our approach will enable us to provide both generic and specialist support for business start-ups, including access to support for those living in more remote rural areas.

## Access to Finance

### Our Offer

4.30 Ensuring businesses have access to finance and funding at all stages of development is crucial to economic growth and job creation. The LEP has been working with partners to introduce a range of products where there is clear market failure, to supplement and complement the finance provided by mainstream banks and funding sources. The key products operating to date include:

- **Growing Business Fund** is a £12m RGF funded scheme to help SMEs to grow and create new employment by providing grants of between £25,000 and £500,000 towards the cost of investment. As at 1 March 2014, £2.3 million in grants has been awarded to 26 projects, attracting over £17 million of private match funding, including money from banks. These projects will create over 400 new full time jobs within the New Anglia economy in the next two years. Between now and May 2015, the fund is projected to create over 2,000 jobs, almost twice the original projected target
- **Small Grants Fund** has been developed as part of the Growing Business Fund to provide smaller grants for businesses – following a report from the Federation of Small Businesses. We allocated £1.4 million of RGF funding from the Wave 2 City Deals to create the Fund. It offers grants between £5,000 and £25,000 and is open to all SMEs, including newly formed enterprises
- **Grants4Growth** is a two-year programme of free, confidential and impartial support for SMEs, in the East of England and Lincolnshire, valued at £11 million. The programme provides direct technical assistance and grants to SMEs to install resource efficiency measures to help them grow. At 1 March 2014 the programme has awarded 61 grants valued just over £450,000, with over £4 million of private matched funding, and will result in over £6 million in efficiency savings. The New Anglia LEP accounts for over half the grants and 40% of the value of grants approved to date
- **Energy Grant 500+** is the small grants scheme of the Grants4Growth Programme. The scheme provides quick and easy access to grants of up to £1,000, for SMEs to install resource efficiency devices. The scheme has only recently been launched, but is already seeing a significant demand for support
- **Agri-tech Fund** is a £2 million RGF fund operating across Norfolk, Suffolk and Cambridgeshire to support the growth in the Agri-tech sector. The fund is operated by the Greater Cambridge Greater Peterborough (GCCP) LEP, with New Anglia LEP a key partner. Operating in a similar way to the Growing Business Fund, the scheme is specifically targeted at developing innovation within the agri-tech sector
- **Low Carbon Innovation Fund** is a venture capital fund that operates under the current East of England ERDF Programme and comes to an end during 2014. Under the proposed programme for 2014-2020, we have agreed to opt in £3 million of our allocation towards the programme moving forward



## Our Ask

4.31 The majority of funding for these schemes comes from Rounds 3 and 4 of the Regional Growth Fund and the current ERDF Programme, both of which come to an end in 2015. We are seeking funding to continue the operation of these schemes and to be able to operate them as a single fund as far as possible. We therefore have a number of asks.

4.32 We ask to extend the defrayal period available to SME's by 12 months, to May 2016 for the current Round 3 and Round 4 RGF funded Growing Business Fund. On the basis of experience gained so far and in order to better address the needs of SME's we are working with, we would like the opportunity to work with government to enable SME's to execute their projects over a longer period of time, but within the overall monitoring period of the fund.

4.33 We ask for an additional £4m for 2015/16 from any RGF underspend to top up our Growing Business Fund. This will maintain the momentum of the scheme, as the remainder of the original Growing Business Fund allocation from 2013/14 and 2014/15 is defrayed to successful SME applicants and the additional funding is made available to new applicants to the fund. The additional funding will deliver £16m in private sector leverage and create 400 new jobs.

4.34 To summarise, as a result of our ask above, over the monitoring period the Growing Business Fund will create in excess of 1,800 new jobs and will lever in over £64m in private funding to match our contribution.

4.35 We want the flexibility to merge the Small Grant Fund with the Growing Business Fund.

4.36 We are supporting GCGP's bid for £1m of Local Growth Fund to ensure the continuation of the Agri-tech Fund, albeit at a lower level than the current scheme. This will lever in £3m of private sector investment.

4.37 We are also seeking to continue the aims of the Grants4Growth and Energy Grant 500+ schemes through the forthcoming ERDF and other EU programmes. This will deliver £3 million resource efficiency in SMEs between 2015 and 2020, and bring in £9 million of match funding from other sources.

4.38 Low Carbon Innovation Fund - we have agreed under the proposed EU structural investment fund plan to contribute £3m of our ERDF allocation to develop a new programme moving forward.

## Innovation

### Our Offer

4.39 We operate a £750,000 'Innovation Voucher Scheme', which provides specialist support from the University of East Anglia, University Campus Suffolk and Norwich University for the Arts. The scheme gives businesses access to specialist advice, consultancy, student interns and access to facilities to the value of £10,000 per SME, to be matched on a pound for pound basis from the businesses taking part. Up until May 2015, it is projected that the scheme will engage around 50 businesses, generate around 40 new jobs and lead to an increase in GVA of around £5 million for those businesses receiving support.

4.40 Two of the Business Growth Programme's 'Growth advisors' are also specialists in innovation support, providing a signposting service to the most appropriate innovation support for individual businesses and acting as an information hub for a wide range of innovation support.

4.41 Our ambition is to double the take up of innovation support. We are working with the Growth Accelerator Programme to increase take up from 144 businesses in 2013 to at least 300 per annum and we plan to opt in to Growth Accelerator schemes under the forthcoming ERDF programme period to access £200,000 funding.

4.42 In the same way, we are working with the Manufacturing Advisory Service to increase take up from 114 businesses in 2013 to at least 230 per annum and we plan to opt in under the forthcoming ERDF programme period.

4.43 We are also seeking to increase both the number and value of grants awarded by the Technology Strategy Board and that of the EU's Framework Programme 7 for innovation.

4.44 We are actively seeking to improve engagement with the national Catapult Centres, which currently provide no support in the New Anglia area.

4.45 We currently have four very successful sector based innovation centres in the New Anglia area:

- Norwich Research Park - a cluster of 11,000 employees including 2,700 highly specialist scientists with knowledge in biotechnology, healthcare, nutrition, medical technology, low carbon energy and ICT. The new enterprise centre at UEA will house and make more accessible the business support services the university offers
- Adastral Park (& Innovation Martlesham) – BT's Global Research and Development HQ at Adastral Park in Martlesham currently employs 3,500 people, with over 600 others employed in SMEs around the cluster, and is world leader in terms of digital communications and where

Broadband technology first developed. BT is proposing to expand activity on the site further to deliver its R&D facilities and to ensure the park's leading position in digital technology and innovation continues, including technologies for 5G communication and space sector transport

- Hethel Engineering Centre, adjacent to the Lotus complex near Norwich, was developed to act as an incubator for engineering and technology firms. Since 2006 it has assisted the establishment of over 200 businesses and provides a wide range of business support to tenants and the wider engineering community
- OrbisEnergy is located at the most Easterly point in the UK and serves the emerging southern North Sea offshore activity, the largest market in the world for large-scale offshore wind farms. OrbisEnergy is the flagship for businesses keen to capture the economic benefits from offshore wind, wave and tidal technologies. Designed using cutting-edge environmentally friendly technology, the 3,300 square metre building is a worldwide centre of excellence for this vastly expanding industry

4.46 The New Anglia LEP is working with the Greater Cambridge Greater Peterborough LEP to provide a centre accessible to the agricultural areas of Norfolk and the Fens which supports and encourages innovation and business development in activities associated with agri-tech.

## **Our Ask**

4.47 We are seeking support to continue our existing activity as well as to raise awareness of the opportunities provided by national support and programmes. We also have ambitions for further innovation centres at Haverhill and Ipswich and to roll out the funding model of the Hethel Engineering Centre.

4.48 It is vital that the two innovation specialist Growth Advisors, forming part of the Business Growth Programme, continue this key activity. The cost of these two posts is contained within the request to maintain our Growth Hub.

4.49 The continuation of the New Anglia 'Innovation Voucher' scheme, will enable businesses to receive local innovation support and we are seeking £2 million of ERDF to secure the continuation of the scheme between 2016 and 2020. It is estimated that this investment will engage over 250 businesses, generating over 200 new jobs and £25 million of increased GVA. However, this needs funding during 2015/16 and we are therefore seeking £300,000 of Local Growth Fund which will be matched by local partners to bridge the gap between our current RGF funded activity and EU structural funds.

4.50 Given our sectorial strengths and growth potential, we also wish to see more support from the National Catapult Centres, particularly those supporting High Value Manufacturing, Cell Therapy, Offshore Energy, Satellites, Digital Economy, Future Cities and Transport. This support will complement the support provided by the local innovation centres and that of the innovation specialist Growth Advisors and encourage cross sectorial investment.

4.51 We request that Government put in place more support to encourage the commercialisation of research in spin off companies and supports our aim to enable local and national knowledge assets to work together more effectively across the emerging sectors within the industrial strategies.

4.52 We have an immediate ambition to create an Innovation Centre at Haverhill Research Park, focussing on local strengths in life sciences and advanced manufacturing. The Park has already received and repaid a joint Growing Places Fund loan from the New Anglia LEP and GCGP to provide the main infrastructure (a project launched by the Secretary of State for Communities and Local Government and mentioned in the 2013 National Infrastructure Plan). We would now like to help create a £6 million project that would catalyse development of the Research Park itself. We and GCGP are together seeking £2.5 million of Local Growth Funding during 2015/16 to support this activity.

4.53 In the medium term we want to establish an Ipswich Innovation Centre on Ipswich waterfront. The centre would provide a focal point to inspire, mentor, educate and support a generation of entrepreneurs in Ipswich.

4.54 The estimated capital cost is £10 million. Ipswich Borough Council has pledged £425,000 of match funding for Phase 1 of the project, which will see the expansion of Innovation Martlesham to the waterfront. Follow on costs for three years have also been allocated (subject to a business case).

4.55 Higher Education Institutes across the New Anglia area have agreed to match fund Local Growth funding for the project. In turn this would enable us to access other sources of finance for the project such as EU structural funds and Technology Strategy Board programme money. However, the concept is still under development at this time and more detail will become available towards the end of 2014.

4.56 The success of the Hethel Engineering Centre as a sector focused intervention has already been mentioned. In the medium term a number of additional locations across the New Anglia area are being suggested as potential locations for centres based around Manufacturing, Aviation Engineering and Low Carbon Construction. A funding model has been established whereby a mixture of EU and other grant funding, together with loan funding, could be used to deliver the necessary capital investment.

## Accessing Markets

4.57 Traditionally local partners have worked with UKTI on attracting inward investment and growing exports within companies. However, much of this work has been disjointed, leading to a lack of awareness of UKTI services and to a poor response to inward investment inquiries. The LEP has worked with partners to develop a better understanding of the services provided by UKTI, to increase levels of cross referral and drive up the numbers of businesses accessing support to both export and to actively promote inward investment into the New Anglia area.

## Support for Exports

### Our Offer

4.58 We are supporting UKTI to sign up 10,000 businesses from the East of England, in the next three years, as part of a national programme to get 100,000 more companies exporting by 2020. As part of this, Norfolk and Suffolk County Councils have joined with Essex County Council, to exploit its long standing cultural relationship with Jiangsu province, in China. There is also a business engagement initiative with Norfolk and Suffolk Chambers of Commerce.

### Our Ask

4.59 The close working relationship with UKTI, Norfolk and Suffolk Chambers, and other partners is crucial if we are to build long term relations with existing businesses, and to ensure that these continue to invest and grow as well as deliver practical advice and training in processes for international trade. As part of this process we wish to allocate £300,000 per annum of our ERDF allocation towards the UKTI opt in, for the period 2015 to 2017.

## Inward Investment

### Our Offer

4.60 The New Anglia LEP currently responds to "leads" from UKTI via the two county councils who have entered into a Memorandum of Understanding with UKTI and the National Investment Service, setting out responsibilities for foreign direct investment. This approach is working well and all New Anglia local authority partners will continue to work together closely. Examples of joint working include:

- A Memorandum of Understanding with New Anglia LEP to service the work within UKTI's 'UK First Approach'
- Commissioning an Inward Investment Director for the Energy

sector

- Promoting Norfolk and Suffolk to the Jiangsu province of China
- Marketing the Enterprise Zone in Lowestoft and Great Yarmouth
- Creating specialist posts in each county to manage enquiries, deliver an Investor Development service, research and promote assets and liaise with UKTI

4.61 Both counties, in association with district councils and sector specialists, are working with UKTI to deliver an investor development programme, whereby a number of key accounts will be managed to ensure those businesses are provided with whatever support necessary to retain their investment, or to grow, as appropriate. There is an agreed list of companies where UKTI is the lead agency – Category C businesses. In addition, the local partners will maintain a further visit programme for businesses described as Category D.

4.62 Working together, we are increasingly attracting the interest of national UKTI sector specialists and this gives us a far better chance of getting onto the shortlist when enquiries are handled at national level. Our assets link up well with UKTI's initiative to establish and resource a number of Investment Organisations that are being charged with pulling together all of the key assets within key sectors and promoting them internationally.

4.63 We will continue to promote the New Anglia area, with Norfolk and Suffolk promoted separately when appropriate, as a considerable amount of effort has been expended already in establishing marketing material, branding and other activity. However, we will also continue to develop joint initiatives, particularly where they focus on sectors common to both counties, such as the East of England Energy Zone. There will be no attempt to create a brand or market presence for the New Anglia area as it is not a name that most inward investors would recognise.

4.64 Inward investment from both new companies and growing companies already based in the area provides significant opportunities, particularly those based around the emerging offshore energy and nuclear supply chains. We and the Chambers of Commerce are working with EDF and offshore wind developers to ensure that local businesses understand the opportunities that will be available.

### Our Ask

4.65 UKTI are intending to commission sector specialists, to develop a better offer, target key companies and bring new jobs into the country – at a cost of around £100,000 pa. This would support six sector-focused visits by key UKTI staff per year to the New Anglia area to understand our offer.

4.66 Our ask of Government is to establish a stronger working partnership between New Anglia LEP and national UKTI activities, with a particular emphasis on the following activities :

- Raised levels of promotion of our Enterprise Zone and Core offer
- Support from the UKTI sector teams to cover our key sectors and link with our activities
- Support in identifying companies that will trade in the area
- An increase in companies receiving trade support (pre opt in)
- Support to prepare propositions from UKTI

## Improving Local Procurement

### Our Offer

4.67 Developing local supply chains is crucial to growing local businesses, particularly SMEs. In the energy sector the Norfolk and Suffolk Energy Alliance has agreed a supply chain strategy for the two counties. For the ICT sector, the IP Network – a special interest group led by the Suffolk Chamber of Commerce is open to businesses involved in the hi-tech industry, in particular information and communications technology (ICT). Hethel Innovation has carried out extensive research into a large number of engineering, manufacturing, science and ICT based sectors, to map and understand the supply chains, skills bases, R&D activity and cross sector linkages.

4.68 Both County Councils use a variety of methods to raise awareness of buying opportunities via their websites ('Suffolk Sourcing' and Norfolk's e-procurement portal). The Councils are committed to working closely with Chambers of Commerce and other groups in the voluntary and private sectors to embed good practice in commissioning, procurement and contract management, promote early engagement, simplify processes and improve access to opportunities throughout the supply chain.

### Our Ask

4.69 Local procurement provides a significant opportunity to develop local supply chains. As part of the New Anglia Business Growth Programme, we will work with partners to proactively promote local procurement opportunities through the Growth Hub. Financial support for this activity is covered by our Growth Hub request, earlier on in this section.

## Rural Specific Support

### Our Offer

- 4.70 Our strategy is designed to be equally effective for urban and rural areas, especially in sectors like agri-tech and tourism which have a strong rural element. Our Growth Hub ensures that urban and rural businesses have easy access to high quality business advice and guidance. However, there are parts of the rural economy that require more specialist support and it is vital that we make best use of the resources available to support all rural businesses.
- 4.71 There is significant evidence from organisations such as Community Action Suffolk that community-owned shops, pubs, and community facilities and services produce valuable jobs and contributions to their local economies and at the same time serve to sustain many of the rural communities. Funds from Defra and the 2014-2020 EU funding programme are being sought to target bottom up, community-led local development to support in our proposed interventions. Individual areas will be required to develop Local Development Strategies steered by Local Action Groups, with priorities for activity steered by the LEPs Strategic Economic Plan and the LEPs EU Structural Investment Fund. It is anticipated that the community led local development approach will create 600 new jobs and 80 new micro enterprises.

### Our Ask

- 4.72 In order to stimulate faster and more widespread growth, employment and economic activity in rural areas, it is proposed that a network of Rural Growth Advisors be linked to the Norfolk and Suffolk Growth Hub. This would be based on the successful former Norfolk Rural Business Advice Service, which provided specialist advice to rural businesses.
- 4.73 The advisors would be focused on one or more existing area zoned for development, such as an under-utilised business park or brownfield site and would aim to create jobs in these areas. In these identified locations, we would anticipate local authorities introducing Local Development Orders or other suitable measures to speed up planning and to encourage the development of suitable premises for new and growing businesses.
- 4.74 Potential locations for this activity have already been identified and it is estimated that a further £300,000 would be required to enhance the current 'Growth Hub' proposal to include such a network of rural hubs, with £150,000 coming from local partners and £150,000 coming from the Local Growth Fund between 2015-2020.

# 5 Skills



5.1 Our ambition is to develop a locally responsive skills system that transforms skills from an economic barrier to a growth enabler. To achieve this we have three priorities :

- Creating a skills system that will meet our future economic needs and raise individual achievement and aspiration
- Growing talent in our priority sectors
- Helping people get into work

5.2 In common with the national Industrial Strategy, all of our sectors with high growth potential require excellence in science, technology, engineering and mathematics. Our plans will build science, technology, engineering and mathematics capability across the whole education and skills system. We have already made a strong start with our skills strategy for the energy sector.

### Our Workforce Challenges

5.3 Our key challenge is that our resident workforce is ageing, low skilled and low paid. As a result many of the available high value jobs go to an imported workforce. This will continue to happen if we cannot increase our higher and graduate level skills in the workforce. Concurrently, worklessness and a lack of social mobility reduce the prospects for individuals.

5.4 Our recent Business Skills Survey<sup>42</sup> and the LEP's Business Skills Summits emphasised how the local skills deficit is holding back growth. Some 17% of employers report consistent skills gaps and hard-to-fill vacancies.

5.5 The occupations in most frequent demand were professionals, skilled trades and technicians within science, technology, engineering and mathematics disciplines across our high impact sectors. This situation will worsen due to our ageing workforce. Given that one in four employers with identified skill gaps are doing nothing to remedy the situation, and three in ten provided no training in the past year, a key priority for the New Anglia area is to provide leadership to enable employers to address these emerging shortages.

5.6 Average pay in the New Anglia area is below national levels<sup>43</sup> and our workforce is poorly qualified to meet the future skills demands<sup>44</sup>, especially in science and technology. The proportion of the workforce qualified to NVQ Level 4 and above is 4.6% below the national average<sup>45</sup>. This trend is also reflected at levels 1, 2 and 3. Higher Education participation in some areas is also very low, with King's Lynn, Great Yarmouth and Lowestoft having amongst the lowest rates of participation in England.

5.7 Unemployment, including long term worklessness, also remains high, especially among the young. The rate of youth unemployment in both Ipswich and Norwich has been higher than both the national and regional averages for over a decade. This is

exacerbated by poor education performance with GCSE attainment consistently failing to meet national levels, especially in Norwich, Ipswich, Great Yarmouth, Lowestoft and King's Lynn. Alongside this, 40% of our local graduates enter non-graduate jobs and too few enter our SME sector.

5.8 We have made real progress in developing our education and skills provision over recent years, including the establishment of UCS in Ipswich, but we need to further accelerate the role of our further and higher education institutions in driving growth in our key sectors and locations to secure the step changes needed in our workforce skills, particularly in science and technology. We see the opportunity to align this with our existing innovation assets at Hethel, Norwich Research Park, CEFAS and Innovation Martlesham.

5.9 Our final challenge is our physical infrastructure. While parts of our further education estate are in good repair and fit for purpose, other sites have suffered long term under investment and require urgent refurbishment if we are to achieve the step change in science and technology skills we need. Our existing higher education infrastructure is also highly variable; there are still significant 'cold spots' in HE participation aligning to areas where the local facilities are poor. We need to raise HE aspiration and achievements and we need further investment in higher skills facilities to achieve this. We are also committed to using the opportunity of this growth deal to be more innovative in the way skills capital funds are invested to achieve our goals. We have provided further information about the skills infrastructure challenges we face in the Negotiation Document which sets out our Skills Capital Programme.



<sup>42</sup> Suffolk and Norfolk Employers' Skills Survey 2013

<sup>43</sup> ONS Annual Survey of Hours and Earnings 2012, workplace-based median annual earnings

<sup>44</sup> NALEP Economic Profile, 2013

<sup>45</sup> ONS Annual Population Survey

## Our Skills Manifesto and Skills Board

- 5.10 In November 2013 we published our New Anglia Skills Manifesto which makes a long term commitment to skills. In it, we explain how we will develop a locally led, responsive skills system by:
- Enabling employers to play a leading role, so that the workforce will truly meet the needs of the economy
  - Supporting individuals to make informed choices about their futures
  - Recognising the pivotal role of schools, colleges, universities, training and voluntary sector providers in achieving our vision and ensuring attainment and progression to the highest level
  - Forming a strong and enduring partnership, with each of us committed to playing our part in delivering long term, sustained action

5.11 Our Skills Manifesto has been developed based on the extensive body of skills data we already have, augmented by the most recent feedback from our business community. In September 2013 we hosted two LEP Skills Summits to enable further debate with all parties about skills priorities. The summits generated clear messages regarding the top concerns for businesses:

- Young people and their advisers do not have good information about the local economy and job opportunities or adequate business connections.
- Young people seeking work do not have the personal employability skills or understanding of work required by employers.
- We need to address specific skills shortages that will impact on our key growth sectors both among new entrants and the existing workforce.

## A dedicated board for skills in New Anglia

5.12 We have established a LEP Industrial Skills Board, reporting to the New Anglia LEP Board, to drive our skills programme. It is chaired by a member of the LEP Board to ensure close linkage to the main board, led by employers to strengthen their role and involves delivery partners and relevant Government agencies to achieve coherence of approach. The Skills Board will provide the leadership to ensure the delivery of the actions and commitments within the

Skills Manifesto; lead on the campaign to involve the private sector and make recommendations to the LEP Board regarding future skills strategy and investment decisions regarding EU Funding, Skills Capital and the Single Growth Fund.

## Greater Ipswich and Greater Norwich City Deals

5.13 The City Deals<sup>46</sup> have provided a catalyst for developing a much deeper and more effective partnership between businesses, providers, local authorities and the LEP. The Greater Ipswich City Deal has been employer led from its inception, with chairmanship from the Chief Executive of Ipswich Building Society and active involvement throughout from the Chambers of Commerce, local branches of the Institute of Directors and the Federation of Small Businesses. Equally the Greater Norwich Deal, by working closely with employers on the Norwich Research Park and with KLM at Norwich International Airport, is seeking to create a system under which local people are better prepared to access opportunities locally.

5.14 Our local authorities have also played an integral role in enabling us to secure our ambitious skills programme and have committed their resources, alongside ours, to deliver change. For example, our LEP Skills Investment Fund aligns local and national public funding with private sector investment to create an overall fund of £4 million to enable local employers to secure Skills Deals with the LEP. This demonstrates commitment from all parties and puts employers in the lead.

5.15 Our partnership with learning providers has also been strengthened through the two City Deals. Our FE and HE partners have helped to shape the LEP Skills Board and will be represented on the Board itself. They have also formed the Norfolk and Suffolk Colleges group to enable them to take a proactive role in shaping and delivering the LEP's skills programme. We are also working closely with the Skills Funding Agency (SFA) to develop a joint approach to future skills investment and senior Agency representatives for both Education Funding Agency (EFA) and SFA are members of our LEP Skills Board

5.16 In summary, we are well placed to deliver. We have a clear and widely owned skills strategy and well developed partnerships across business, providers and other partners, supported by the necessary governance arrangements to maintain the long term focus on skills necessary to achieve our ambitions.



## Our Skills Priorities

- 5.17 Through our City Deals we have already committed to achieving the following skills outcomes:
- Leverage of at least £10m increased private and local public investment in skills through new investment and more effective alignment to future growth needs over the life of the Deal
  - Establishment of new employer led pathways into our growth sectors
  - 5,000 new apprenticeships by 2019
  - Halve 16-24 year old unemployment in Greater Ipswich by 2016 using a new approach through our Youth Guarantee
- 5.18 Through this Growth Deal we will commit to sustaining momentum to build on these outcomes beyond the life of the City Deals. Our longer term outcomes for 2024:
- We will have a well-established and effective local skills system, aligned to the needs of our key growth sectors and responsive to the changing requirements of our economy
  - We will be a national leader in science and technology education and training with cutting edge training facilities and an excellent skills offer for all ages, resulting in a plentiful supply of well qualified residents to meet the demands of new and existing businesses in our high impact technology sectors and key growth locations
  - At least 50% of New Anglia employers will have gained the New Anglia Kite Mark recognising their commitment to invest in up-skilling their workforce and supporting young people into work
  - The LEP Skills Investment Fund will have resulted in a significant increase in the level of employer investment in skills, having successfully supported skills deals that can drive growth in our high value sectors and key growth locations
  - We will have refined our model for supporting young people into employment and rolled out our successful approach across the whole LEP area resulting in a dramatic reduction in youth unemployment rates
  - Learning about and for work will be embedded into the curriculum of schools and colleges across the LEP area and all our young people will have access to high quality information about the local economy, enabling them to make better informed choices about their future and linking them to the key opportunities in their locality

## Creating a skills system that will meet our future economic needs

### The Challenge

- 5.19 Across the LEP area our workforce is poorly qualified to meet the future skills demands; overall we have too few people qualified at higher levels and too many people with very low or no qualifications. While many of our young people are successful, too many of those who are well qualified are underemployed in jobs not utilising their skills and abilities, or do not have skills in the science and technology disciplines particularly needed to drive growth in our high impact sectors.
- 5.20 While we have developed improved working arrangements with the national funding bodies, the current funding approach used by the Skills Funding Agency (SFA) and the Education Funding Agency (EFA) is still highly centralised and does not take sufficient account of the needs of the local economy nor does it optimise the benefit of public investment for both learner and employer to drive growth. Often critical qualifications required to gain access to employment are ineligible for funding.
- 5.21 Consequently the skills funding system leaves us unable to secure co-investment from the private sector. Our LEP business skills survey indicated that the majority of SMEs invest less than £10,000 per annum in skills and training and, as the Richard Review of Apprenticeships recognised, SMEs face 'extra challenges' investing in training and skills. Local SMEs tell us they would like to do more but need a package that works for them.
- 5.22 Although recent investment by both our providers and Government has resulted in improvements in our skills infrastructure, we still do not have the specialist facilities we need to achieve the excellence in science and technology skills we need if we are to capitalise on the high growth opportunities coming to our region.

### Our Offer

- 5.23 The Skills Board will build on the work established through City Deals to further develop a new way of planning skills investment that is more responsive to driving growth, working with our local providers, the SFA and EFA to ensure skills funding and European Social Fund (ESF) is better aligned to local economic need. The new Norfolk and Suffolk Colleges' Group will be a key partner in taking this forward and we are already committed to working closely with the SFA to deliver the programme outlined in the EU SIF and are in well advanced discussions regarding an opt-in partnership.

<sup>46</sup> <https://www.gov.uk/government/publications/city-deal-greater-norwich> and <https://www.gov.uk/government/publications/city-deal-greater-ipswich>



5.26 A key project for Suffolk is the establishment of a full independent University of Suffolk (i.e. University Campus Suffolk) gaining independence, degree awarding powers and university title. This project has the full support of the LEP Board.

## **Growing talent in our priority sectors and supporting businesses**

### **Our Ask**

5.27 To do this we will need:

- A formal commitment from the SFA and EFA that ensures skills funding spent in our LEP continues to be progressively more closely aligned to local priorities, in particular placing more focus on high growth and priority sector skills. We propose that this commitment should be developed on a similar basis to the approach we have agreed with the SFA and ESF funding from 2014 onwards and work agreed through City Deal, alongside working closely with the Norfolk and Suffolk Principals Group and training providers.
- A commitment from BIS to draw on the learning of the NALEP Skills Investment Fund and involve us in shaping the new Employer Ownership Fund; and to prioritise commitment of further SFA and Employer Ownership Funding beyond 2016 to enable us to sustain and develop the NALEP Skills Investment Fund where we have demonstrated success with this model.
- A commitment from BIS to invest £164.9m over the period 2015-2024, matched by £69.1m of local funding. Within this total we are seeking £26.763m in 2015/16 and £20.137m for 2016/17. All our projects proposed within the period 2015/16 are investment ready with the necessary preliminary works and planning processes in place and projects for 2016/17 are well advanced in their development and will be ready for investment in 2016.
- A commitment from DfE, BIS and HEFCE to align other public investments in skills capital assets in the New Anglia area with the LEP Skills Capital Investment Plan and to enable us to have the necessary flexibilities as set out in Negotiation Document to maximise the collective impact of our combined investment

5.24 The LEP and its partners will have established and tested a model for the New Anglia Skills Investment Fund that will give employers more control over how skills funding is spent and rewards employers who invest in skills that will drive future growth for our economy. In future years we will seek to grow the successful elements of the fund, and continue to innovate new ways to increase employer investment. We will find ways to secure further funds to support this programme, including exploring the potential to include European funding through the SIF, subject to the national agencies aligning a greater proportion of their investment alongside ours.

5.25 We will deliver a Skills Capital Investment Programme which will prioritise investment that drives our capacity and excellence in science and technology through a combination of renewing our college estate and investment in innovative new approaches to skills training in partnership with the private sector. Through this programme we will also promote the development of HE/FE Clusters linked to our major key growth assets such as Hethel Engineering Centre, Norwich Research Park, Haverhill Research Park, Suffolk Business Park, the East of England Energy Zone, and the Great Yarmouth-Lowestoft Enterprise Zone and seek to address the low participation rates in HE particularly in King's Lynn, Great Yarmouth and Lowestoft. Our full proposal for our capital programme is set out in the Negotiation Document.

5.28 There is already strong evidence that our most significant job growth will be in science and technology sectors requiring higher level skills (Level 3 and above). Without action, very few local people will be equipped to access these roles. Employers such as BT, Perenco, Gardline, Hutchison Ports, Pepsico Copella and Delphi are already reporting skills shortages hampering their growth potential. Currently we have too few young people excelling in mathematics and the sciences and insufficient proportions continuing to study these subjects beyond the compulsory phase. While we have some

excellent programmes, the quality and sufficiency of education in mathematics, science and technology is too variable to create the excellence we need and young people are often not aware of the high value job opportunities these subjects will afford. This shortage of workforce skills spills over into education and training and it is also very challenging to recruit the teachers we need to train the next generation of scientists and technologists.

- 5.29 Given that much of the workforce capacity we will need will come from the existing workforce, there is also insufficient focus on up-skilling current employees in readiness for the new science and technology opportunities that growth in our high impact sectors will open up. We need to use our local assets, including our designation as a Centre for Renewable Offshore Engineering and the potential nuclear plant at Sizewell to address this challenge.
- 5.30 To maximise the benefits of growth opportunities we need to focus our attention on the skills solutions that will reap most benefit. To secure this we will need to identify the best ways in which national skills funding can be aligned with local investment, to achieve our goals.

## Our Offer

- 5.31 The LEP, in partnership with local authorities, employers and providers will create a Skills Data Service that can provide better information to inform skills decisions. We will share our enhanced data with national agencies on a routine basis. We will invest in quality skills data that can support local industry leaders and the LEP Skills Board to make more accurate projections about future skills needs and will support the development of a skills investment plan for each of our high value growth sectors.
- 5.32 The Skills Board will work with LEP sector groups to ensure skills investment plans are in place for our highest priority sectors and growth locations. Plans will set out the current and future demand for skills at all levels, opportunities for new joint ventures with our HEIs and HEI partners and set out practical actions which businesses, learning providers and the LEP will jointly deliver to meet sector/location need. Plans will be funded through seeking more targeted use of existing public skills funding alongside employer investment and where appropriate use of European programmes as set out in the SIF. As part of this we will:
- Focus our resources on developing the capacity and capability of the education and training system to deliver excellence in mathematics, science and technology skills to align to the needs of our local area and to support delivery of the national industrial strategies. As part of this commitment we will develop a large-scale mathematics and science excellence programme in partnership with schools and colleges and develop an enhanced local package to attract new high performing maths, science and

technology teachers.

- Further develop the innovation voucher concept building on current projects being delivered through the University of East Anglia and support our HEIs, colleges and training providers to develop their capacity to play a more active role in Inward Investment activities that are targeted towards our economic priorities.
- Work with our local higher and further education providers to develop a new offer to enhance management, leadership, project co-ordination and entrepreneurship skills in our high growth potential sectors. We will commit a portion of our ESF funding to this priority as set out in the SIF.

## Our ask

- 5.33 To do this, we will need:
- Commitment from Government, as part of the implementation of the National Industrial Strategies, to match local private, public and EU investment through investing in the CORE to take a lead role in a science, technology and maths excellence programme.
  - Commitment from Government to support our CORE through investing in the development of a post-16 bursary scheme to support young people into the energy sector, building on the early outcomes from the Coastal Communities project
  - Support from Government to align national teacher recruitment initiatives into the science and technology subjects with our enhanced local offer and extend these into the post-16 sector to attract the best graduate teachers and lecturers into the New Anglia area.

## Helping people get into work

### The Challenge

- 5.34 In the New Anglia area, long term unemployment and numbers of young people who are NEET is too high with persistent concentrations in our future growth locations, most notably Ipswich, Great Yarmouth, Norwich and Lowestoft. When young people do secure employment it is often short term or part time, low skilled, low paid work and does not lead to a sustainable future for them and their families.
- 5.35 Two challenges are at the root cause of this problem. Firstly young people often receive poor advice regarding their career options while at school, they are not offered sufficient opportunities to connect with employers and they make ill-informed decisions about their future pathway to sustainable employment. Secondly there are too few employment opportunities for young people of all abilities. To help overcome these challenges we need to create many more apprenticeships, including

those for post A level students, and work experience opportunities to help young people learn about and access work.

are responding to local need and will make an investment to ensure the long term unemployed leaving the Work Programme are receiving the support they need to progress into sustained work. Our plans for this are included in the SIF.

## **Our Offer**

5.36 Local authorities, schools and colleges will work with NALEP to develop a better way to bring business into the classroom from primary age. The LEP will ensure that 50% of employers in the New Anglia area are signed up to NALEP's Employer Kite Mark which recognises the contribution that employers make to support our future workforce and challenge more employers to play their part.

5.37 The LEP Skills Board will promote information about the destinations of young people leaving school and college to parents and employers to provide better information to young people and their supporters about those schools and colleges that best prepare young people to progress into work.

5.38 Local partners will build on their early successes to establish a Local Apprenticeship Hub for employers and young people working in partnership with the National Apprenticeship Service. The new service will work closely with the Growth Hub and continue the momentum behind apprenticeships already evident in this area. We will continue to prioritise local investment in apprenticeships beyond 2017, including through ESF where appropriate, and promote apprenticeships across the ability range. We welcome the new approach to apprenticeship funding that places employers in the lead and as part of our local apprenticeship service we are exploring how best to develop effective support for local employers to take on their new role, including the potential for group purchasing and business to business feedback on training provided.

5.39 The LEP will support the innovative projects being developed across the area to support more young people, including those in rural areas, into work. Norwich for Jobs is already operational as is NALEP's Big Lottery Talent Match Project; the Greater Ipswich Youth Guarantee Project will begin to work with the young unemployed in Autumn 2014. Our EU Structural Investment Fund plans also align closely to the delivery of this activity in the 2014-2020 funding period.

5.40 We will ensure that welfare to work providers

5.41 We will seek to develop a new approach to basic skills delivery where this is impacting upon economic growth or is an impediment to the future career potential of individuals.

## **Our ask**

5.42 To do this, we will need:

- Ofsted to implement its recommendation regarding inspection of Information, Advice and Guidance (IAG) in schools and place real significance in the inspection frameworks on this critical aspect of education provision through making clear judgements relating to careers advice and guidance, preparation for employment and the destination outcomes for young people at each stage
- DfE to invest alongside us in the most effective strategies for bringing employers into the classroom and raising awareness of work, in particular aligning the planned national procurement for Work Inspiration with our local education/employer programmes.
- That the National Apprenticeship Service should flex their national telephone employer helpline system to enable Suffolk businesses to be diverted directly to our local apprenticeship service on a pilot basis. We will commit to adhering to the same minimum service standards. This will streamline the support for employers and make best use of the collective local and national investment in apprenticeships.
- The Government to commit to rolling out and investing with us in the best elements of the Youth Guarantee and Youth Job Centre Model, subject to refining the model to achieve the best possible impact following the learning from the Greater Ipswich pilot
- DWP to devolve funding for the future delivery of national employment programmes to LEPs, including successors to the Work Programme and Youth Contract

# 6

## Growth Locations



- 6.1 We have identified all the locations in our area that host a high impact sector activity and are expected to grow by 1,000 jobs and 1,000 dwellings over the relevant Local Plan period. These locations need investment to directly unlock employment or housing sites; to provide access to the trunk network; and they need packages of investment in sustainable urban transport that reduce car-borne congestion. In addition, the national rail and road networks need more capacity.
- 6.2 As well as our major urban areas, we have identified two groups of towns along the A14 and A11 corridors that taken together can make an important contribution to overall growth, as well as some individual towns that make an important contribution to sector growth. These are identified on the Growth Locations map.
- 6.3 For each growth location, we have set out the priority sectors supported, the housing and jobs expected to be delivered and the place-specific interventions necessary to deliver this growth
- 6.4 We recognise that many other towns and villages in the New Anglia area can make a vital contribution to growth and may also need support, albeit on a smaller scale. Through our transport investment, Growing Places Fund, PWLB borrowing and through our programmes for Enterprise and Innovation and Skills and Training, we will maintain the flexibility to provide this support.
- 6.5 This Strategic Economic Plan explains how we will provide more jobs, productivity, and housing. However, we recognise that there should be, and are, plans to invest in many other kinds of infrastructures and services - schools, hospitals, community facilities, town centre regeneration, healthcare for the elderly and so on – in order to achieve flourishing urban centres and sustainable economic growth.
- 6.6 Inevitably, the largest proportion of interventions (by cost) relate to transport. Some of the infrastructure required can only be provided by Government and its agencies. However in some cases we can offer to speed up progress by undertaking preliminary design work. Other infrastructure is normally organised locally and will be funded by a mixture of LGF and local contributions from the public sector and developers.
- 6.7 We have thus prioritised our local transport interventions for each location into three main categories (with, inevitably, a few exceptions):
- Scheme development of junction and other improvements on the national trunk road and rail networks
  - Schemes to unlock employment or housing growth directly
  - Urban transport packages. These sustainable transport programmes include public transport, walking and cycling schemes; network management measures and maintenance schemes directed towards the main road network
- 6.8 For ease of reference, we have collected all the detail on transport programmes into the separate Negotiation Document. This describes each proposed transport scheme in more detail, including its cost, timing and benefits. Negotiation Document also deals with Value for Money and governance.

## **Greater Norwich**

- 6.9 The Greater Norwich area has the largest economy<sup>47</sup> in the New Anglia area and will see the largest concentration of growth<sup>48</sup>. It is a world leader in life and environmental science, technology and manufacturing. The Norwich urban area - and its immediate surroundings (Norwich City Council and parts of Broadland and South Norfolk) - has a population of around 250,000<sup>49</sup>, 150,000 jobs<sup>50</sup>, and two universities. Norwich also attracts over 5 million visitors per year<sup>51</sup>.
- 6.10 A City Deal<sup>52</sup> has been agreed with Government focussing on turning world class knowledge and ideas into world class jobs.
- 6.11 Partnership working has a long history across the Greater Norwich area<sup>53</sup> which has an adopted Joint Core Strategy, and a Growth Board set up to deliver the City Deal and growth plans. The Greater Norwich Development Partnership has agreed a programme of essential infrastructure, linked to the Joint Core Strategy.
- 6.12 The Norwich Northern Distributor Road is fundamental to the delivery of the overall scale of growth, the remainder of the transport package that supports growth, and key elements of the City Deal. It is a funded "tail" scheme currently progressing through the Nationally Significant Infrastructure Projects process.

<sup>47</sup> Business Register and Employment Survey

<sup>48</sup> Joint Core Strategy for Broadland, Norwich and South Norfolk

<sup>49</sup> ONS mid-year estimate

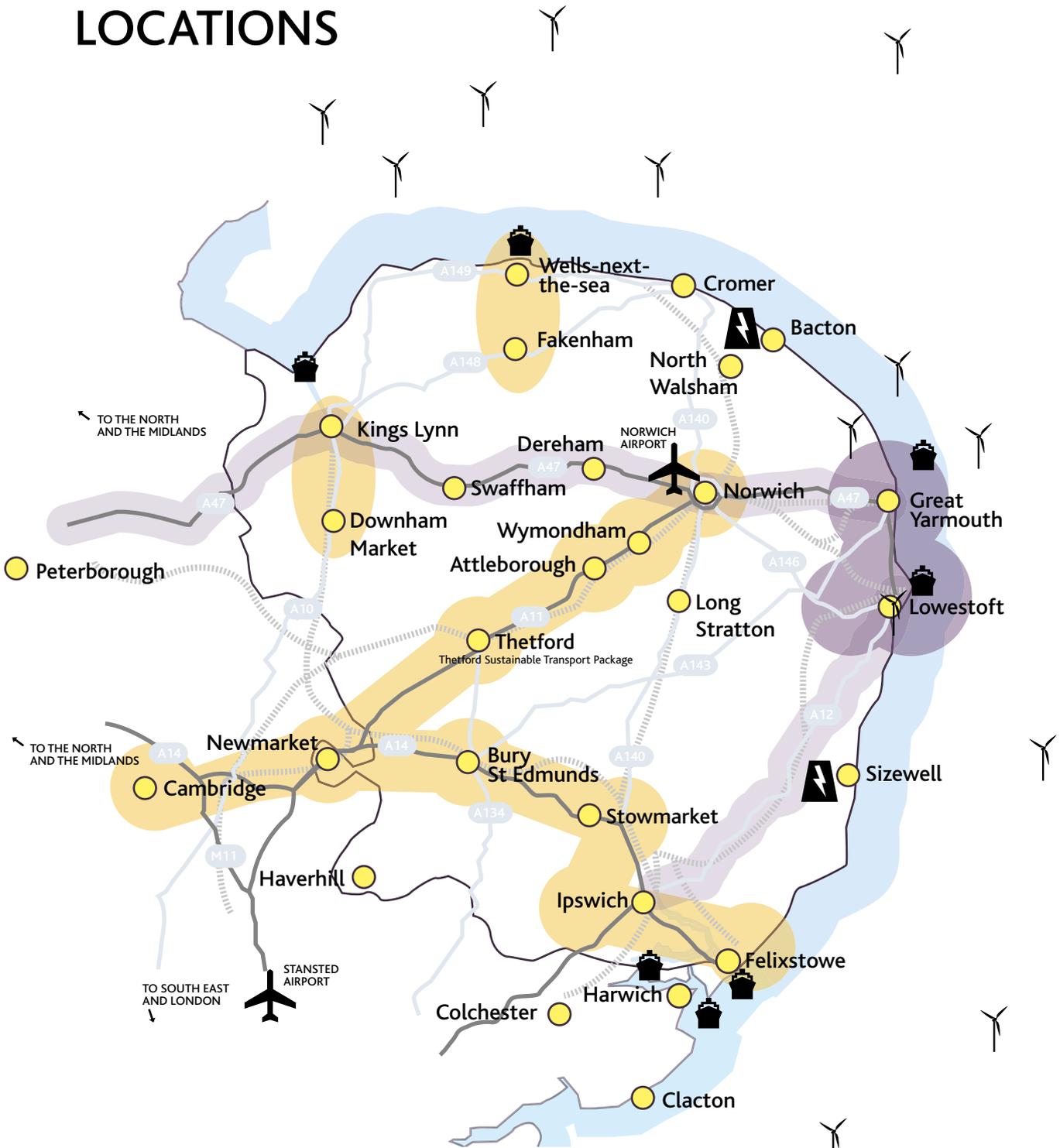
<sup>50</sup> Business Register and Employment Survey

<sup>51</sup> Visit Norwich

<sup>52</sup> <https://www.gov.uk/government/publications/city-deal-greater-norwich>

<sup>53</sup> <http://www.gndp.org.uk/>

# GROWTH LOCATIONS



## MAP KEY

-  Major Energy Infrastructure
-  Wind Farms
-  Ports
-  International Airport

-  Trunk Routes
-  Primary Routes
-  Rail Routes

-  A12/A47 Key Links
-  Growth Location
-  Enterprise Zone
-  Growth Corridor

Map not to scale

- 6.13 The deal has an investment requirement of approximately £440 million to unlock housing growth to the value of £2.3 billion, delivering the target figure of 37,000 homes by 2026 and to provide the headroom to bring forward 3,000 additional homes. In addition it will support delivery of 40,000 jobs (the JCS target of 27,000 plus a further 13,000). The vast majority of these homes and jobs are focussed on Norwich and its immediate surroundings<sup>54</sup>. Growth is focussed on Norwich city centre, the south west quadrant and the north east quadrant.
- 6.14 Norwich city centre has the highest concentration of employment in the New Anglia area. The plan is to add at least 100,000m<sup>2</sup> of new office space (providing capacity for 8,000 jobs), around 20,000m<sup>2</sup> of retail space and 3,300 new dwellings.
- 6.15 The city centre already has a vibrant digital creative cluster based around the expanding Norwich University of the Arts, the EPIC television production studios and including a number of other fast-growing digital creative businesses.
- 6.16 As well as digital creative, the city centre supports 'e-growth' across much of the county which is intrinsically linked to growth associated with the north east quadrant (high tech manufacturing and advance engineering benefit from prime airport location and energy) and south west quadrants (food, farming and agri-tech and health and life sciences).
- 6.17 The south west quadrant is home to the Norwich Research Park (NRP) (described in Chapter 4). NRP and the private sector have worked with the local authorities to bring forward expansion plans including 60 ha of land with planning permission. The quadrant also has the Longwater employment area (over 13ha available), Easton College, the Royal Norfolk Showground and the proposed Food Hub in Easton.
- 6.18 The quadrant also has 8,000 dwellings planned on surrounding strategic sites - Bowthorpe (1,000 dwellings), Cringleford (1,200 dwellings), Hethersett (1,200 dwellings), Wymondham (2,200 dwellings) and Easton/Costessey (1,400 dwellings) plus 1,300 remaining dwellings on strategic sites already under construction.
- 6.19 Outside this south west area, nearby Long Stratton is allocated 1,800 new homes and around 15 hectares of employment land. This will provide a bypass on the A140 removing peak-time traffic congestion and a bottleneck on the main road between Norwich and Ipswich.
- 6.20 The North East Quadrant provides a focus for advanced manufacturing and the energy sector (including low carbon). This quadrant includes Norwich International Airport with its associated employment areas, a complex of existing business parks centred on Broadland Business Park, and the Rackheath ecotown proposal.
- 6.21 Undeveloped strategic employment sites that have planning permission or that are identified in Local Plans in the quadrant include Broadland business parks (40ha), Rackheath (25ha), Norwich International Aeropark (40ha) and Norwich International Airport Business Park (30ha). Growth in the quadrant includes a mixed use development that is truly strategic in scale - with the North East Growth Triangle providing for 10,000 dwellings (4,000 already approved). Part of this area is the site of the proposed Rackheath ecotown.
- 6.22 Strategic green infrastructure plays a crucial role in delivering the scale of growth planned and includes a comprehensive network incorporating a Broads Buffer Zone and a number of linked parks in the north east quadrant, and a new country park in the south west quadrant.
- 6.23 Our local transport priorities reflect the adopted Norwich Area Transportation Strategy:
- The planned scale of growth cannot be delivered without the capacity provided by the Northern Distributor Road, which will also relieve congestion and provide strategic connections between the A47/A11 and Norwich International Airport. This road has already been included in the Government's funding programme and is proceeding through the Nationally Significant Infrastructure Projects (NSIP) process
  - Associated A47 Postwick junction improvements to access key development locations in the north east quadrant are funded and construction is starting in Spring 2014
  - A47 junction improvements in south west quadrant (Thickthorn A11 and Longwater A1074 junctions) are vital to deliver housing and employment developments. Our offer is to fund the scheme development of these in 2015/16 so that they can be included in the Highways Agency national road programme as early as possible
  - There is a short-term need to improve the access to the Norwich Research Park and open up the next phase of development
  - The Wymondham Subway Link provides improved access under the railway line and unlocks 1,250 houses on the south-east side of Wymondham and employment sites. We could deliver this scheme in 2015/16

<sup>54</sup> <https://www.gov.uk/government/publications/city-deal-greater-norwich>

- Hethel / Wymondham sustainable transport package would connect the existing and planned population of Wymondham to our flagship employment site at Hethel and could be delivered in 2015/16
  - We are also looking to accelerate delivery of some development sites by providing access. The Norwich International Airport Aeropark and some of these NE quadrant housing sites are already programmed for intervention by 2014/15
  - City centre initiatives to improve access and the public realm, and area-wide improvements to bus rapid transit (BRT), integrated ticketing and information, together with a package of wider area improvements covering local rail services, cycling and walking and Smarter Choices initiatives, like travel planning. These form a phased programme spread over five years to which we have already committed some funding – but they could be accelerated
  - South-west and North-east sustainable transport packages to improve labour market access between housing growth and key employment sites
- 6.25 Ipswich itself is the administrative and retail centre of Suffolk, has a significant port and attracts over three million visitors a year. It is a centre for education, including University Campus Suffolk (UCS) which offers teaching and research in key sectors including medicine and public health, tourism, business, technology, and the creative industries.
- 6.26 Greater Ipswich has strong growth prospects, especially in the ICT sector, centred on BT's Adastral Park and the Innovation Martlesham initiative. There is also a strong business and financial services sector, especially in insurance which is a growing specialism. Greater Ipswich has also agreed a City Deal with Government. The focus is tackling our low skill, low wage economy and the SEP interventions are in line with this.
- 6.27
- 6.28 Our City Deal for Greater Ipswich includes:
- Ensure that the workforce has the skills needed to support future growth sector businesses by creating an employer-led skills system
  - Creating a youth guarantee to ensure every young person has access to employment education or training
  - Create more high skilled employment for more high skilled workers
  - Deliver a co-ordinated plan for business support and the supply and management of small business premises e.g. incubation space for the SME sector
  - Build a stronger partnership with University Campus Suffolk and the colleges, to support enterprise and innovation in these priority sectors and to develop an appropriate local labour supply for their expansion

## Greater Ipswich

6.24 Greater Ipswich is the largest urban area and the significant economic driver in the southern half of the LEP area. It has a population of over 150,000, and over 80,000 jobs. The town was recently identified in the Centre for Cities report "Cities Outlook 2014" as being one of the fastest growing towns in the country with high population growth (5th out of 64) and a high employment rate (6th). Greater Ipswich incorporates Ipswich itself and parts of the surrounding districts of Mid Suffolk, Babergh and Suffolk Coastal. There are plans for 13,000 new homes and 17,000 new jobs in the period to 2026.

6.29 Connectivity is vital to the well-being of Ipswich and the other towns along the A14 which connects the Port of Felixstowe to the Midlands. Improvements to the A14 will help alleviate the traffic congestion in Ipswich which is expected to increase by 15% - 20% by 2032. Eliminating the effects of congestion could generate up to £509m in local GVA pa. The main interventions required to improve travel to, within and around Ipswich are:

- Ipswich Radial Corridor Improvements is a phased programme connecting the town centre to three major employment areas in east, west and south east Ipswich. The first phase could start in 2015
- The Ipswich Garden Suburb rail bridge in 2016 is required to open up access to development sites for 3,500 homes
- Three major junctions on the A14 at Ipswich will require upgrades: J57 and A14/A12, J55 Copdock and J58 A14/A12 Seven Hills improvements. The Orwell Bridge will also require capacity enhancements in the longer term. Our offer is to fund the scheme development of these from 2015/16 so that they can be included in the Highways Agency national road programme as soon as possible

6.30 Two important projects for the Greater Ipswich area that have significant transport, regeneration and skills dimensions are the Cornhill Regeneration project and the High Street Campus Project. The Cornhill Project will transform the town's main square into a modern dynamic and much used space incorporating the current pedestrianised highway and private spaces into an internationally renowned square. The Campus Project will be the town's cultural hub providing quality teaching and learning spaces with numerous apprenticeship opportunities and enhanced transport connections with the main town centre network.

6.31 A new crossing of the Wet Dock is an aspiration in the Suffolk Local Transport Plan and the adopted Core Strategy. A new bridge, provided as part of the re-development of the Wet Dock island site will open up a significant area of the development

## Lowestoft and Gt. Yarmouth

6.32 Great Yarmouth and Lowestoft have a combined population of over 130,000 and the towns are part of a larger economic sub-region in the northeast of the LEP area.

6.33 Lowestoft and Gt. Yarmouth have a strong base in manufacturing and food and drink processing, including large employers such as Birds Eye. Manufacturing has seen job losses over the last decade but there is potential to attract new investment in the sector. The two towns also have strong tourism and leisure industries which have potential for growth.

6.34 However, the main opportunity for growth is the energy sector. The area is a major base for the construction, operations and maintenance and servicing of offshore energy production - oil, gas, wind and tidal energy - in the North Sea. There is a broader supply chain of energy-related businesses, including design, engineering and manufacturing for the renewable energy industry.

6.35 The area has been designated one of six Centres for Offshore Renewable Engineering (CORE), and will receive a comprehensive package of business support. Additional investment in wind energy – including the 6,000 km<sup>2</sup> East Anglia Array – will significantly boost activity related to offshore renewables.

6.36 The Lowestoft-Great Yarmouth Enterprise Zone has four sites in Suffolk (46.2ha) and two in Norfolk (75.5ha) designated for energy businesses, offshore engineering, and ports and logistics. They all have their own Local Development Order to speed development. Energy related development is also being promoted on the Energy Park at South Denes and Power Park in Lowestoft. There are also two established innovation centres at OrbisEnergy (Lowestoft) and Beacon Park (Great Yarmouth).

6.37 Incentives include business rates relief worth up to £275,000 over five years; simplified planning regulations; and Government support for the provision of super-fast broadband. Business rates growth within the Zone will be retained by the LEP to support economic priorities for at least 25 years. It is estimated that the Enterprise Zone as a whole will create up to 9,000 direct jobs and 4,500 indirect jobs by 2025<sup>55</sup>.

- 6.38 Housing growth includes plans for around 2,000 dwellings in Great Yarmouth<sup>56</sup> and 2,700 in Lowestoft<sup>57</sup>
- 6.39 The two towns suffer from congestion arising from bottlenecks, at key locations, including North Quay and Haven Bridge in Great Yarmouth and Lowestoft Bascule Bridge. Both towns have limited river crossings forcing traffic onto a few congested routes. Our infrastructure programme is aimed at tackling these.
- 6.40 The regeneration and growth of both towns is held back by flood risk in some key locations. Investment in flood defences will be required to realise the towns' economic potential.
- 6.41 Our priorities for action include:
- Local authorities, the LEP and other partners working to address barriers to growth in the two towns – and meeting the needs of the energy industry
  - Securing Assisted Area Status
  - Delivery of riverside regeneration sites including overcoming flood risk
  - Successful delivery of the Enterprise Zone, including extension of business rates relief beyond five years
- 6.42 Our transport priorities are:
- The Beccles southern relief road can be constructed in 2015/16, opening up the Ellough Airfield Enterprise Zone for more development
  - We can start design of 3rd crossings in Lowestoft (2015) and Great Yarmouth (2017) so that they can be included in the Highways Agency national programme as soon as possible
  - There are medium term requirements for station improvements and for phased sustainable transport improvements to both towns to reduce car use
  - We also want to widen Denmark Road in Lowestoft which carries A12 through traffic in the medium term.
  - We need improvements to A47 and A12 junctions to maximise access to the enterprise zone sites<sup>58</sup>

## **A11 Corridor Norwich to London**

- 6.43 The A11 connects Norwich to Cambridge and London. It is paralleled by the Norwich-Cambridge rail line that also connects to the Midlands and beyond at Ely. The corridor links Norwich and the market towns of Attleborough, Thetford, Brandon, Mildenhall and Newmarket.
- 6.44 The northern part of the corridor has strong potential to develop its advanced manufacturing sector with a focus on Hethel Science and Technology Park and Snetterton.
- 6.45 Proximity to Cambridge makes the southern part of the corridor a focus for the Life Sciences sector. There are also agri-tech and engineering centres along the corridor.
- 6.46 Economic growth in the corridor is supported by housing growth planned at Attleborough<sup>59</sup> (4,000) and Thetford<sup>60</sup> (5,000), Brandon (730), Mildenhall (1,070) and Newmarket (1,230)<sup>61</sup>.

### **Attleborough**

- 6.47 Attleborough is planned to increase in size by 4,000 dwellings. This will require major urban extensions and radical changes to the town centre.
- 6.48 Our medium term transport priorities for Attleborough are:
- Attleborough Town centre transport improvements
  - Attleborough A11/B1077 link road to release the major expansion area

### **Thetford**

- 6.49 Thetford is a centre for agri-tech and tourism. Our ambition is to deliver a 5,000 home mixed use urban extension and open up new areas of employment land in the town
- 6.50 The main transport priority for Thetford is the medium to long term need to improve the junctions on the A11 round the town. These are currently grade-level roundabouts that are approaching capacity and will constrain growth within the town.

<sup>55</sup> New Anglia Local Enterprise Partnership

<sup>56</sup> Great Yarmouth Borough Council Core Strategy Publication Draft

<sup>57</sup> Waveney District Council Core Strategy

<sup>58</sup> <http://www.norfolk.gov.uk/view/NCC111643>

<sup>59</sup> Breckland District Council Core Strategy and Attleborough and Snetterton Heath Area Action Plan

<sup>60</sup> Breckland District Council Core Strategy and Thetford Area Action Plan

<sup>61</sup> Based on figures taken from the draft amendment to the Forest Heath District Council Core Strategy, subject to consultation, examination and adoption.

## **Mildenhall**

- 6.51 Mildenhall is a smaller town with advanced manufacturing capacity partly connected with the USAF airbases nearby. As well as housing expansion, there are proposals to expand the main industrial estate.
- 6.52 The main transport priority is the medium to long term need to provide a grade separated junction on the A11 at Fiveways (the southern end of the last section to be dualled).

## **Newmarket**

- 6.53 The area around Newmarket is known as the birthplace and global centre of thoroughbred horse racing, underpinning major economic sectors including horse training, breeding and bloodstock, and equine health (overlapping with the biotechnology sector), and related tourist economy. As well as the traditional horse-racing industry, it is a developing centre for life sciences.
- 6.54 The medium to long term transport priorities for action in Newmarket include public transport links to other towns and A14/A142 (J37) capacity improvements.

## **Brandon**

- 6.55 Brandon is subject to very severe congestion partly because of a level crossing in the town centre. There is an ambition to create a relief road with a new rail crossing that would also open up to significant new development include at least 730 dwellings. This proposal is likely to have high private sector leverage.

## **A14 Corridor – Felixstowe to Newmarket**

- 6.56 Felixstowe, Ipswich, Stowmarket and Bury St Edmunds are marked as areas for significant economic growth.

## **Felixstowe**

- 6.57 The Felixstowe peninsula will provide 1,760 new homes and the Port of Felixstowe is undergoing significant expansion – which will be a catalyst for growth across the Suffolk economy. The port has undergone a major expansion, which will grow its processing

capacity from around 3.5m TEUs (“twenty foot equivalent containers”) to 6 million TEUs by 2020. The global economic recovery and increasing volumes of trade with emerging economies are likely to drive continued growth in port traffic.

- 6.58 Driven partly by new technology, there is a trend to undertake more goods processing and trans-shipment in and around ports themselves, rather than sending goods in bulk to processing facilities in other locations such as the Midlands. We will seek to maximise the use of existing port land and to bring forward more employment sites for port-related use. We will work with partners to identify key sites for port-related activities, which may be further along the A14 corridor.

- 6.59 The transport priority for Felixstowe is to deliver the port’s obligation to upgrade the rail corridor between Felixstowe and Ipswich and to ensure that the design delivers maximum benefits to the surrounding area.

## **Stowmarket**

- 6.60 Stowmarket is the largest settlement in Mid Suffolk. It is the focus for growth in the district<sup>62</sup>, concentrated on its existing industrial base, including manufacturing, agri-tech and the ports and logistics sector.

- 6.61 A new junction 49 off the A14 to the northwest of the town has recently been created which opens up areas for housing development and a limited amount of employment land. The main area for employment expansion on the south-eastern side of the town is also well served (by Junction 50) and growth is supported by the Highways Agency. Stowmarket is well placed to deliver growth of over 1,900 dwellings.

## **Bury St Edmunds**

- 6.62 Bury St Edmunds is the sub-regional centre for West Suffolk and has grown strongly over the last two decades. The town is the home of the Greene King brewery, and a major British Sugar processing factory and there are also large technological companies, including Sealeys, Vintens, Roper Industries and STL Technologies. UKTI has identified the town as one of the biggest hotspots for agri-tech activity in the UK.

- 6.63 Growth has been sufficiently strong that the town faces an employment land shortage, especially as many of the older brownfield sites have been converted to housing. There is also a need to provide for higher value research uses. A masterplan for a 68-hectare extension, with up to 15,000 jobs to the Suffolk Business Park has

recently been approved and there is an adjacent site that could deliver 6,000 homes.

6.64 Our transport priority for 2015/16 is the scheme that includes the construction of the Eastern Relief Road from Moreton Hall and improvements to the A14 junction 45 at Rookery Crossroads, which would unlock all this development.

6.65 There are also ambitions to improve access to the A14 at J42, J43 and J44.

### **King's Lynn and Downham Market**

6.66 King's Lynn sits at the junction of the A47 with the A10 and A17. It has a population of around 40,000<sup>63</sup> and a significant employment base. King's Lynn is the main retail, leisure and cultural centre and economic driver for a wide rural area of some 200,000 population. It is linked by the A10 and the parallel railway line with Downham Market and beyond to Ely, Cambridge and London. This corridor will support growth in hi-tech manufacturing and advanced engineering, food, farming and agri-tech and digital research.

6.67 The area also has two strategic employment sites:

- RAF Marham is one of the largest and busiest bases in the RAF. Around 5,000 people are employed on the base which also hosts Rolls Royce and BAE Systems<sup>64</sup>
- The National Construction College/Construction Industry Training Board at Bircham Newton is the largest construction training provider in the UK and Europe. It provides training to more than 30,000 people each year including 700 apprentices on a 500 acre site<sup>65</sup>

6.68 There is a target of 5,000 additional jobs by 2021 with an increase in the proportion of higher skilled jobs and 8,000 dwellings in the corridor by 2021<sup>66</sup>. The majority of these will be sited in Kings Lynn, including in an expansion area to the southeast of the town.

6.69 Priorities for transport include:

- The Lynn Sport Link Road opens up development of an additional 500 dwellings in the south east quadrant of King's Lynn as well as easing congestion in the town centre. The road can be delivered in 2015/16.
- From 2016 onwards there is a need to start planning improvements to the junctions of the A47 (particularly Hardwick A47/A10)<sup>67</sup>.

### **Other growth locations**

#### **A12 and Sizewell**

6.70 As well as being a commuter and HGV route into Ipswich and Lowestoft, the A12 carries traffic to the market towns of Beccles, Woodbridge, Melton, Saxmundham, Wickham Market, and Halesworth. It is also a key route for tourists visiting the Suffolk Coast and Heaths Outstanding Area of Natural Beauty, the coastal town of Southwold, and the Broads further north. It is heavily congested at peak times of the working day and in the holiday season.

6.71 The construction of the Sizewell C Nuclear Power Station is both an opportunity and a challenge. It will need business support, skills training and housing, and require detailing forward planning with EDF the site owner. Over the lifetime of its construction it will create 25,000 new jobs, with 5,600 at peak construction. It will contribute to daily traffic flows possibly reaching over 20,000 vehicles per day on the A12<sup>67</sup>. This will have a severe adverse impact on the economy.

6.72 Our transport priorities include:

- A bypass of Stratford St. Andrew, Farnham, Little Glemham and Marlesford is needed to keep HGV traffic off of the A12 through these villages. Although the main part of spend on this is due to take place in 2018 to 2021, Suffolk County Council will start preparatory work in 2015/16 to ensure that the scheme is ready to utilise funding when it becomes available.

<sup>62</sup> Mid Suffolk District Council Core Strategy

<sup>63</sup> ONS mid-year estimates

<sup>64</sup> RAF

<sup>65</sup> National Construction College

<sup>66</sup> Borough Council of King's Lynn and West Norfolk Core Strategy

<sup>67</sup> Sizewell C: Socio-Economic Study Technical Report (OSID 2011 – unpublished)

## Haverhill

- 6.73 Haverhill has strong economic links to Cambridge and a large proportion of residents commute to work in Cambridgeshire and Essex. The population increased by just under 23% between 2001 and 2011 to reach 27,041<sup>68</sup> and it is now the fourth largest town in Suffolk, after Ipswich, Lowestoft and Bury St Edmunds.
- 6.74 The largest sector by employment is manufacturing (31.2% compared with 8% nationally<sup>69</sup>). However, this includes several important life sciences businesses such as Genzyme, Sigma-Aldrich and Intas Pharmaceuticals.
- 6.75 The Haverhill Research Park is targeting higher value life sciences and its infrastructure has already been supported through a joint Growing Places Fund loan from NALP and GCGP. This has already been repaid from early disposal of housing land. Our proposal is to support an incubator building at the park with joint funding from GCGP.
- 6.76 Our transport priorities include:
- Haverhill NW relief road. A new road to reduce congestion and unlock up to 1,000 houses.
  - Haverhill A1307 corridor improvement. This is a joint proposal, with GCGP undertaking the bulk of the scheme, to reduce congestion and improve travel times on a key link between Haverhill and Cambridge

## Sudbury

- 6.77 Sudbury, on the Essex border, is home to some 22,000 people<sup>70</sup>. The town is a centre of advanced manufacturing, with traditional industries such as silk production alongside multi-national firms like Siemens Healthcare Diagnostics. Manufacturing accounts for nearly 30% of employment in Sudbury and, contrary to the national trend, the sector is growing – up by some 17% since 2009 compared to a national decline of -3%<sup>71</sup>. Overall employment in Sudbury has also grown by a greater proportion than the rest of the county, up by some 6%.
- 6.78 The town needs more employment land, particularly to support advanced manufacturing. The Chilton Woods site, mainly owned by Suffolk County Council, could provide about 20ha of additional employment land (for 2,500 jobs) and 1,000 new dwellings. Our focus is to unlock this opportunity. A new spine road is needed to service the land and a new electricity connection to the grid 8kms away is needed.

<sup>68</sup> Census 2001 and 2011

<sup>69</sup> Business Register and Employment Survey

<sup>70</sup> ONS mid-year estimates

- 6.79 Our transport priorities are:

- Develop the Sudbury Chilton Woods spine road to unlock the development site
- Carry out preparatory work on the Sudbury Western by-pass to relieve a significant pinch point on the A134 which passes through the centre of the town

## Fakenham/Wells

- 6.80 This corridor links the market town of Fakenham to the port of Wells. Businesses servicing the offshore energy industry operate through the port. Growth will support the energy, (including low carbon) sector particularly on the 28ha employment site at Egmere where development will be facilitated through a proposed Local Development Order. Fakenham has continued to see employment development through the last few years and around 10ha of additional employment land is identified. Key housing growth includes provision for around 1,000 dwellings at Fakenham<sup>72</sup>.

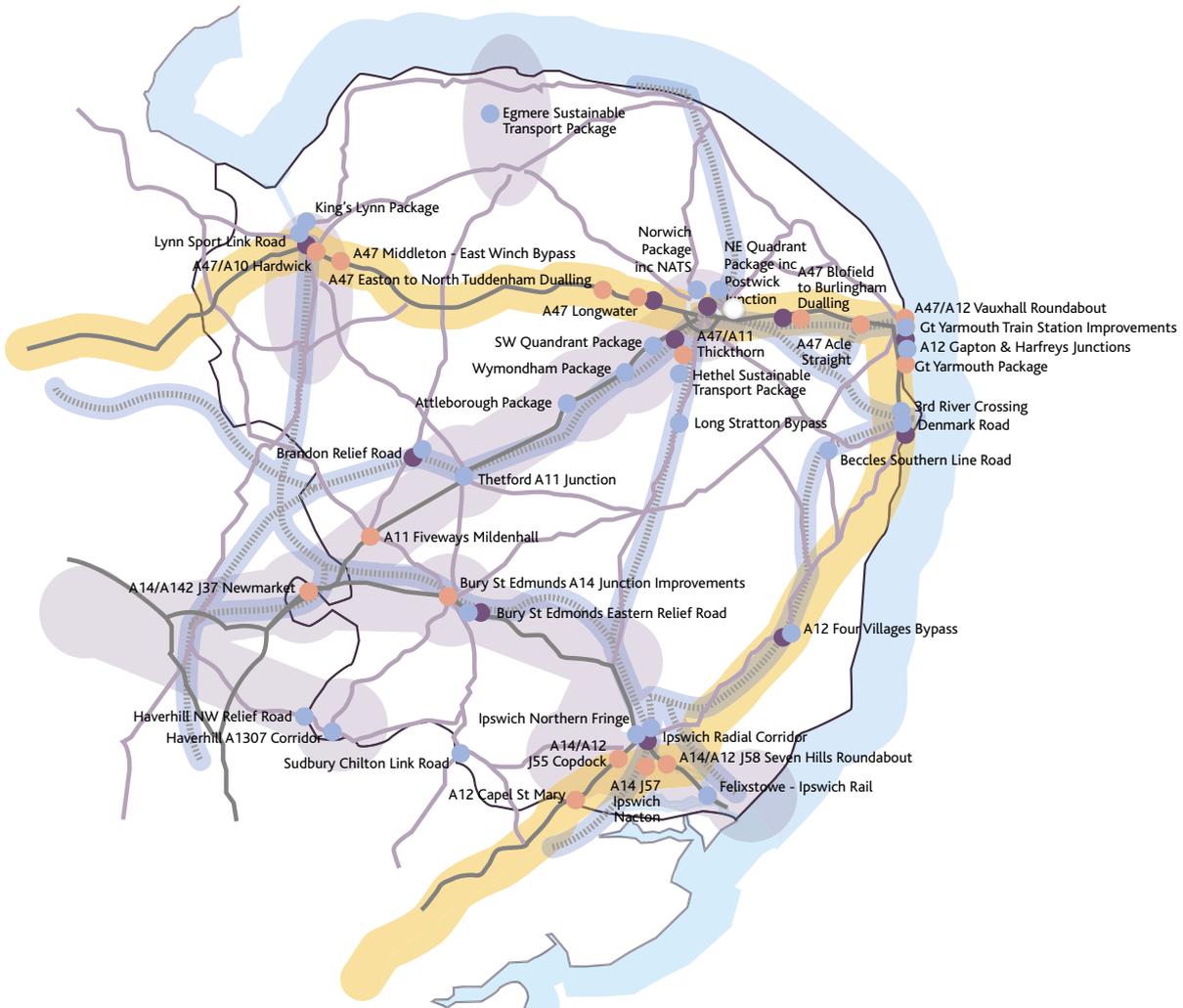
## North Walsham

- 6.81 The North Walsham area offers potential for housing and jobs growth in the context of north east Norfolk.

<sup>70</sup> Business Register and Employment Survey

<sup>71</sup> North Norfolk District Council Core Strategy

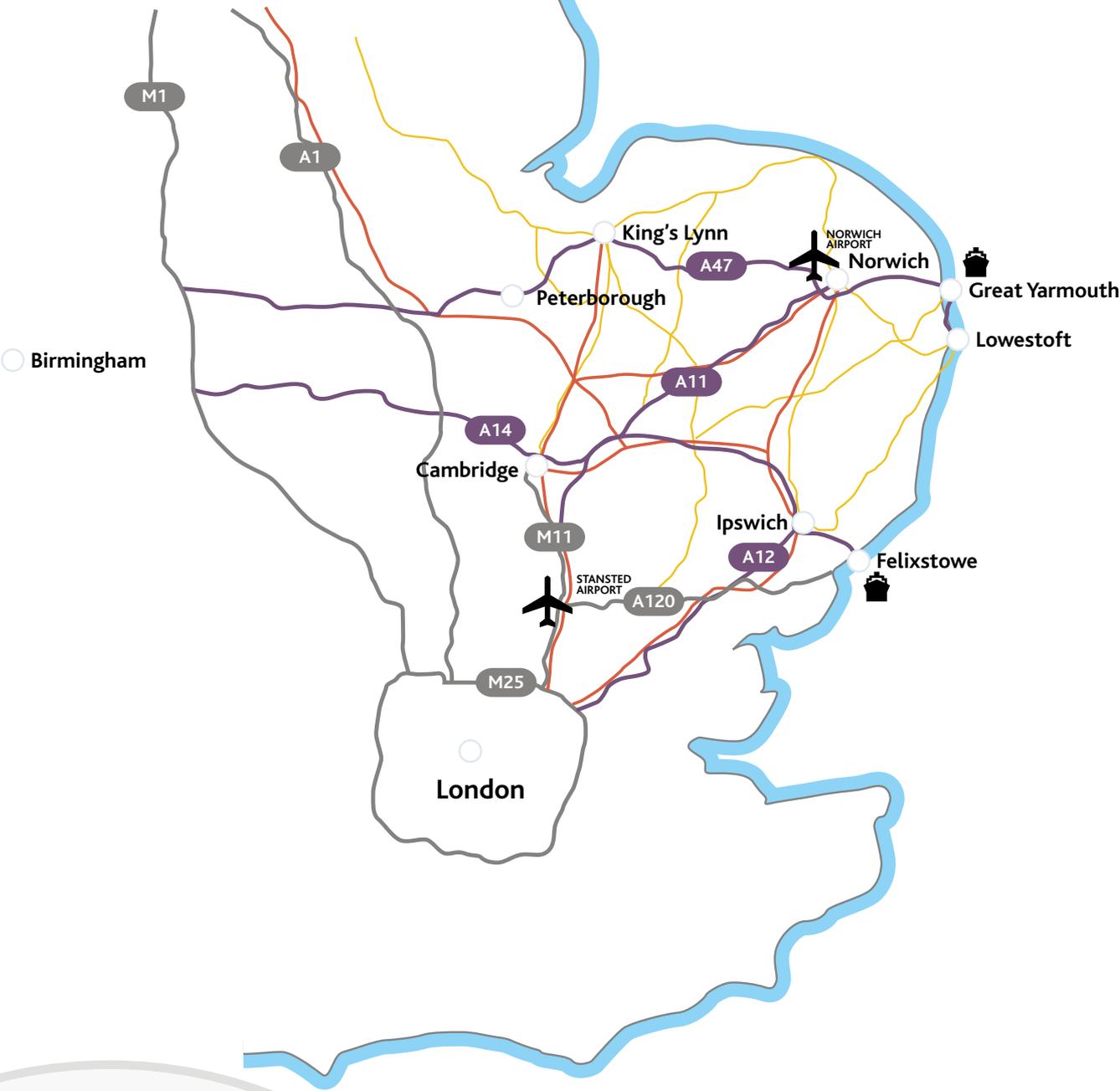
# TRANSPORT INFRASTRUCTURE



## MAP KEY

- |   |   |  |
|---|---|--|
|  LTB Priorities                      |  Trunk Roads     |  National Rail Improvements (Rail) |
|  National Network Improvement (Road) |  Principal Roads |  A12/A47 Key Links                 |
|  Single Local Growth Fund            |  Rail Routes     |  Growth Corridor                   |
|  Norwich Northern Distributor Road   |   |  |

# STRATEGIC CONNECTIONS



**MAP KEY**

- Strategic Trunk Road Connections
- Strategic Main Line Rail Connections
- Other Primary Road Routes

## Rail Network

- 6.82 As well as local transport improvements, we need additional capacity on the rail and trunk road networks that connect our urban areas to each other and to the rest of the country.
- 6.83 The Felixstowe to Nuneaton rail route runs parallel to the A14, connecting the port to the East Coast and West Coast Mainlines. This is an important line for freight and passenger services from Felixstowe, and connects the economies in the south of the area to each other and to the east coast mainline at Peterborough.
- 6.84 The Great Eastern Main Line connects Norwich and Ipswich to London. It requires better rolling stock, faster journey times and better reliability. Capacity into London Liverpool Street needs to be increased by four-tracking the line near Chelmsford.
- 6.85 The King's Lynn to London (via Cambridge) rail line. This is one of a number of routes passing through Ely, where further infrastructure is required in order to provide the full range of service requirements.
- 6.86 Rail routes from Norwich and Ipswich to Cambridge and Norwich and Ipswich to Peterborough are increasingly important for businesses. These require additional capacity to cater for our growing economy. In addition there are branch lines from Norwich to Sheringham, Great Yarmouth and Lowestoft and from Ipswich to Lowestoft. All these are important to the local economy and to the tourism sector.
- 6.87 The Chancellor has established a taskforce to look at improvements on the Norwich, Ipswich to London line which is co-chaired by the LEP. In addition a Rail Prospectus across the wider East Anglia area has been developed with stakeholders and has the backing of all the wider region's MPs and agreed with neighbouring LEPS (GCGP and South East LEP (SELEP))<sup>72</sup>. This shows the agreed rail needs to support the economy and will be refreshed later this year. The priorities are:
- More capacity, faster journey times and better quality on the Great Eastern Main Line
  - Improved freight connections with the Felixstowe Port to markets in Europe and throughout the UK
  - Better passenger connections between other major economic centres, particularly east-west links
  - More capacity into the main economic centres of Ipswich and Norwich

## Our asks and offers on the rail networks

- 6.88 The rail network is normally planned and financed by Government and Network Rail. However national prioritisation does not always fully reflect the contribution that rail improvements can make to local growth.
- 6.89 We ask that the Department for Transport and Network Rail work with the LEP and the two County Councils on the prioritisation of rail improvements. In return, we will contribute the funding needed for scheme development up to the point that the schemes are adopted into the national programme, and recover this contribution from LGF in due course.
- 6.90 We would expect rail schemes to be included in Government specifications for the franchises (or included in the train operator bids), or Network Rail's spending programmes. However, smaller scale access improvements to stations could form part of the sustainable package of measures within the urban areas and market towns funded from LGF or LSTF; or from the authorities' Local Transport Plan allocations. Full details of our proposals for different routes can be found in the Negotiation Document.



<sup>72</sup> <http://www.NewAnglia.co.uk/wp-content/uploads/2013/11/Rail-prospectus-for-East-Anglia.pdf>

## **Strategic road network**

6.91 The A14 connects the Port of Felixstowe to the Midlands. Port traffic is expected to grow significantly over the current decade with 97% of containers transported inland and 70% using the A14. So, we are pleased that major improvements to the A14 at Kettering and Calthorpe in Northamptonshire are underway. The Government also recently confirmed that major improvements on the A14 in Cambridgeshire will go ahead without tolling being introduced.

6.92 The A11 links Norwich to Cambridge and via the M11 to Stansted Airport, the M25 and London. It also creates the major growth corridor in Norfolk. Work to dual the last section of the road from Thetford to Barton Mills will be completed at the end of 2014, removing a notorious bottleneck.

6.93 The A47 trunk road route runs – initially as the A12 – from Lowestoft, via Great Yarmouth, Norwich and King’s Lynn to the A1 at Peterborough and onwards to the North and Midlands. It also links a number of growth locations.

6.94 The A47 Alliance<sup>73</sup>, which brings together stakeholders from all along the route including GCGP LEP, has a list of priorities, a number of which are already programmed for 2015–2021. These could release at least 10,000 jobs and at least an increase in GVA of £400m per annum across the New Anglia area. We welcome the Government’s commitment to Route Based Strategies across the whole of the trunk road network and to the Feasibility Study on the A47. These studies, together with the SEP, should provide the basis for future investment decisions on the trunk road network.

6.95 The A12 south of Ipswich connects Ipswich and Felixstowe to the M25 and London. The A120 runs through Essex from Harwich International Port westwards to Stansted Airport and the M11 beyond and could provide an effective alternative route to the A12 and A14. Although located in north Essex and hence within the South East LEP area, it is strategically important to the New Anglia area, both as a major economic growth area, with similar sectoral strengths and as a vital road link from Ipswich and south east Suffolk to Stansted Airport and the Port of Harwich. Connectivity to these key and nationally important transport interchanges is important to businesses in New Anglia.

## **Our asks and offers on strategic roads**

6.96 The strategic road network is normally planned and financed by Government and the Highways Agency. However, as with rail, national road prioritisation does not always fully reflect the contribution that road improvements can make to local economies. For example, a recent study by Ernst and Young concluded that:

- Nearly a quarter of Suffolk’s local GVA (c. £3.2bn) depends to a degree on the existence

and efficient operation of the A14

- The cost of congestion of the A14 to workers commuting in Suffolk is estimated in the region of £94m per annum
- If implemented today, an increase to the capacity of the local section of the A14 eliminating the effects of congestion could enable up to £509m in local GVA per annum and help create jobs in Suffolk

6.97 Our particular concern is the impact of congestion at trunk road junctions and other bottlenecks and especially the Orwell Bridge on local economic growth. We would like to extend the arrangements in the Greater Norwich City Deal<sup>74</sup> across the New Anglia area. We ask that the Department for Transport and the Highways Agency work with the LEP and the two County Councils on the prioritisation of trunk road improvements. In return, we will contribute the funding needed for scheme development of priority projects where we feel this is needed to accelerate their delivery up to the point that the schemes are adopted into the national programme and recover this contribution from LGF in due course.

## **Funding and Delivery Arrangements**

6.98 As a business-led LEP, our natural ambition is to attract as much private sector investment towards our infrastructure as possible. So, major private sector businesses are already investing in local schemes. For example, BT is investing in the Innovation Martlesham centre and the Port of Felixstowe is funding the Felixstowe-Ipswich rail improvements. We are also making use of contributions from developers on many sites (s106 agreements and Community Infrastructure Levy payments). Our local authorities are also contributing their own assets. For instance, the key housing sites at Lynn Sport (Kings Lynn) and Chilton Wood (Sudbury) are both local authority owned.

6.99 We are also proud of our success in creative use of funding to make limited resources go further. The LEP was allocated almost £18m of Growing Places Fund, a revolving loan fund, in 2012. In a public competition, we received 16 bids totalling £65m. The five projects selected after public competition will create a total of almost 8,000 jobs and the first loan has already been repaid. It has been recycled into a second wave of smaller projects.

6.100 As part of the Greater Norwich City Deal<sup>75</sup> we can also use local authority borrowing from the Public Works Loan Board at HM Treasury’s Project Discount Rate to forward fund infrastructure, such as transport or electricity substations, and unlock development. The investment is recouped through CIL and business rates growth or through direct agreements with developers.

6.101 Our bid for Local Growth Fund (LGF) funding is therefore the residual amount we need to deliver

our priorities, which have remained consistent over time. Our LGF priorities are the same as our Local Transport Board (LTB) priorities.

- 6.102 Both county councils also intend to submit Local Sustainable Transport Fund bids to support the capital infrastructure programme in the plan; Suffolk County Council will submit a bid for Bury St Edmunds whilst Norfolk County Council will submit a bid for the south west sector of Norwich. If Government announces further rounds of funding in future years, further bids will likely be made. Details are given in the Negotiation Document.

### **Our offer**

- 6.103 We will continue to use our own resources, including local authority assets and borrowing powers, to promote growth. We will also help Government deliver our priorities on the national networks by forward funding scheme development prior to schemes being included in the national programme. We estimate that we can provide £140m out of a total requirement of £400m investment over the SEP period.
- 6.104 Stakeholders will continue to work in partnership to agree priorities and commit resources to bringing forward schemes for delivery on the national road and rail networks
- 6.105 We will ensure delivery of a programme of value for money infrastructure schemes to bring forward growth. To do this, we will review the working arrangements of the LTB to bring it directly under the LEP Board and review its working arrangements to ensure the necessary protocols are in place. More details can be found in the Negotiation Document.

### **Our asks**

- 6.106 Government will recognise the co-ordinated work on the development of plans for growth and agree to deliver the programme of measures required on the national road and rail networks.
- 6.107 Our programme of strategic transport infrastructure investment is essential to deliver our economic objectives. Delivery of the complete programme relies on bringing together LGF with other local funding sources such as CIL. We are asking for the flexibility to make local decisions to reflect our priorities rather than LGF grant being tied to individual transport projects. Our strong governance structure will ensure local decisions that maximise the return on investment in transport infrastructure, responding to opportunities to accelerate housing and jobs growth.
- 6.108 We would like a further £10m Growing Places Fund in order to support our pipeline of applications. This funding is needed for the period 2015/16 to 2016/17

<sup>73</sup> [www.a47alliance.co.uk](http://www.a47alliance.co.uk)

<sup>74</sup> <https://www.gov.uk/government/publications/city-deal-greater-norwich>

as most of our current loan book is not due to repay until 2018/19 causing a two year stand-still in activities. We believe that our track record in using GPF shows that this will be a worthwhile investment.

- 6.109 We are asking Government to extend the PWLB Project Discount scheme across the whole of our area, beginning with Suffolk. We would expect to agree the individual programmes and projects to which this would apply, but we think that an initial allocation of £20m would be realistic.
- 6.110 Well-maintained transport infrastructure is vital to serve the needs of existing businesses. Without it the existing economies are unlikely to continue to perform and new growth is unlikely to come forward. Current levels of funding are insufficient to keep the networks in the same condition as they are today. In Norfolk, we intend to put a proportion of our LGF towards maintaining the strategic A and B network serving the growth locations in order to support the economies, which rely on these road links being kept in a suitable condition

### **Transport Delivery Plan**

- 6.111 In this chapter we have identified our short, medium and long term priorities to support growth. A detailed prioritisation of transport schemes for LGF funding and the LSTF (together with appraisal and governance arrangements) is provided in the Negotiation Document.

# 7

## Broadband, Mobile and Other Infrastructure



## Strategic Context

- 7.1 Participation in the global online economy requires access to high-speed broadband, which needs substantial investment in network infrastructure to bring high-speed broadband access within reach of all homes and businesses and people working on the move.
- 7.2 Commercial deployments of high-speed broadband network infrastructure have now reached more than two-thirds of premises across the UK. However, due to the network economics of high-speed broadband infrastructure deployments, the two-thirds of UK premises served commercially are concentrated in the densely-populated major towns and cities across the country, leaving the final third of premises in mostly rural areas beyond the reach of commercially-funded high-speed broadband deployments.
- 7.3 The lack of high-speed broadband is a particular challenge in both Norfolk and Suffolk, as both counties have highly-dispersed economies with as many businesses in rural areas as in urban areas. A large proportion of businesses in the New Anglia area will not be served by commercial roll-outs of high-speed broadband, which presents a significant barrier to economic growth.

## Rural Broadband

- 7.4 Norfolk and Suffolk were among the first counties to join the Government's Rural Broadband Delivery Programme, and to secure funding, State Aid approval, and to award contracts under a Broadband Procurement Framework, to deliver Superfast Broadband to over 80% of premises in both counties by the end of 2015. Norfolk and Suffolk are investing significant local funds (Norfolk £15m, Suffolk £11.68m) to match grants from DCMS.
- 7.5 The Norfolk and Suffolk Better Broadband Programmes are both now more than one year into three year deployment programmes, with more local communities in rural areas currently being enabled for Superfast Broadband every week.

## Value for Money

- 7.6 Government commissioned research showed that the current Rural Broadband Programme will deliver returns of £20 for every £1 invested. It will create an additional 56,000 jobs in the UK by 2024 and work involved in the current roll out will provide a £1.5bn boost to local economies. This corroborates independent economic research commissioned by Norfolk and Suffolk, which forecast the impact of better broadband on the New Anglia economy to be growth of over £2bn (GVA) and over 3,000 jobs over the next 15 years.
- 7.7 Superfast Broadband will also deliver significant benefits to consumers, and to the delivery of public services.

## Superfast Extension Programme

- 7.8 In the 2013 Spending Review, the Government raised its target for Superfast Broadband coverage to 95% by 2017, and allocated a further £250m to the Rural Broadband Programme.
- 7.9 A further round of funding is expected to be announced in the next Parliament to tackle the 'final 5%', with the Government committing £10m to a competitive fund in 2014 to trial alternative technology solutions for the 'final 5%'.
- 7.10 On 25th February 2014, DCMS announced Superfast Extension Programme funding allocations to each local body across the UK, with Norfolk and Suffolk receiving initial funding allocations of £5.59m and £4.82m respectively, subject to a requirement that DCMS funding has to be matched by local funding. However, there is a competitive element to the Superfast Extension Programme funding allocation process, and DCMS are open to bids for higher allocations, subject to local matched funding, within the overall level of programme funding available.
- 7.11 Norfolk and Suffolk have to submit Expressions of Interest to DCMS by 25th March 2014, and Requests for Funding to DCMS by 30th June 2014, in order to secure our Superfast Extension Programme funding allocations.

## Our Plan

- 7.12 Norfolk and Suffolk are committed to remaining at the forefront of extending Superfast Broadband coverage into rural areas: we want to be among the first, and we want to extend rural broadband coverage the furthest, in order to maximise the benefits for our areas.
- 7.13 The actual cost of further extending Superfast Broadband coverage in Norfolk and Suffolk, and the actual level of coverage that can be economically delivered, will ultimately have to be determined through a procurement process. However, based on our visibility of costs of the current deployment projects in Norfolk and Suffolk, we estimate the additional cost of extending Superfast Broadband coverage to 95% by 2017 across the New Anglia area is approximately £40m.
- 7.14 Norfolk and Suffolk have successfully positioned the New Anglia area at the forefront of extending Superfast Broadband into rural areas. We have established programmes and committed resources in place, to deliver over 80% coverage by the end of 2015. Subject to securing additional funding, we have the capability to complete a second round of broadband procurements under the existing Broadband Procurement Framework, and to award contracts during 2014, to further extend coverage with the aim of reaching 95% by 2017. We could begin the second round of deployments by early 2015, through 15/16 and 16/17, which is the period during which the additional funding would be required.

7.15 These second round broadband deployments are 'shovel-ready' projects that would be able to fully utilise allocated funding in 15/16 and 16/17. Further additional funding will be required from FY17/18 to match further Government grants likely to be announced in the next Parliament to address the 'final 5%'.

### Our Offer

7.16 Our offer is to extend the use of our current broadband delivery programmes in Suffolk and Norfolk to further extend Superfast Broadband into rural areas and be the first to maximise the coverage across the New Anglia area, with the aim of meeting our target of 95% coverage by 2017.

7.17 The LEP and local authorities are offering to commit a further £10m in addition to the existing £27m already allocated to achieve this goal.

### Our Ask

7.18 Our ask is for £10M Local Growth Fund (LGF) to match the local commitment..

7.19 We would also welcome a discussion on the appropriate scale of local match for any additional applications and the potential for contributions from the LGF.

### Mobile

7.20 Suffolk and Norfolk are supporting the delivery of the Government's Mobile Infrastructure Project (MIP). This involves working with local authorities to facilitate the planning and delivery process in order that erection of masts and deployment of services in the two counties is as attractive and streamlined as possible for suppliers.

7.21 The Government has allocated £150m via the MIP to deal with not spots, defined as no emergency signal from any of the four mobile providers within a 200 metre square.

7.22 There are a very small and similar number of 'Not Spots' included within the MIP for Norfolk and Suffolk. The A143 between Great Yarmouth and Haverhill will also benefit from improved mobile coverage. However, MIP will do nothing to deal with the main problems in our two counties:

- Varying levels of coverage from different providers in different parts of the area meaning you can get Vodafone in some places and would need one of the other three in other areas
- Overall general weak signal

### Our Offer

7.23 In Suffolk, Suffolk County Council is working with local media to deliver a campaign which aims to demonstrate evidence of demand for improved mobile services

### Our Ask

7.24 We hope to deliver new coverage in as many of the nationally identified not spots through the Government's Mobile Infrastructure Plan. We would like Government and providers to extend these improvements further and support further investment in 4G mobile infrastructure across Norfolk and Suffolk to enable rural businesses to compete on a level playing field with urban areas.



Image: A12

## Flood defences, flood mitigation and coastal management

- 7.25 The coastline of Norfolk and Suffolk is amongst the most vulnerable in the UK. Great Yarmouth, Ipswich, Kings Lynn and Lowestoft along with many smaller places are threatened by flooding from the sea, rivers and extreme rainfall. Flood mitigation works are necessary to protect existing homes, commercial properties and transport infrastructure.

### Our Offer

- 7.26 We will continue to work in partnership to deliver local flood mitigation measures to increase resilience to flooding that will enable growth. We will also enable third party funding to be directed towards flood mitigation in line with the Government's "beneficiaries pay" principle and to enable future growth.
- 7.27 We are prepared to commit further Growing Places Fund funding to flood defence schemes, if our request for additional funding is supported

### Our Ask

7.28 We ask that Government commits to reviewing the Environment Agency's budget for contributions to local flood defences. We also ask that it builds in flexibility to enable local schemes to start and then to recoup local contributions as they become available. In addition, we ask for a constructive dialogue with the Government about how to programme and deliver new flood defences.

7.29 We are seeking funding from the Local Growth Fund to support key flood defences and coastal management work. Details are set out in our Negotiation Document.

## Regulated Utilities

- 7.30 The regulated utilities - supplying electricity, gas, water and waste water treatment - are now private sector businesses, but heavily regulated by Government agencies.
- 7.31 We are seeking funding from the Local Growth Fund to support key flood defences and coastal management work. Details are set out in our Negotiation Document.
- 7.32 Secondly, at a strategic level, the LEP has a role in ensuring that the planning and development of supply networks is co-ordinated with demand from users. While local authorities usually undertake infrastructure planning in connection with their local plans, it is hard for them to carry out this role effectively at a large enough scale. Moreover, the bulk of demand comes from existing private sector businesses rather than from new development.
- 7.33 The New Anglia area is one of the driest parts of the country, with a thriving agricultural and food production sector that is water-intensive. The Water Bill now before Parliament is likely to make fundamental changes to the way water supply is planned and supplied. We believe LEPs operate at the right scale to assist in coordinating the planning and provision of utilities supplies.
- 7.34 Finally, at more local level, new connections to the network are usually a cost to developers. The regulatory framework in this area is extremely complex and sometimes leads to market failure in the shape of co-ordination problems or free riders. There is often a need for forward funding to correct this. Examples in our area include:
- Electricity connections & reinforcement at: Bury St Edmunds, Ipswich, Kings Lynn, Lowestoft, Norwich, Rendlesham, Snetterton, Sudbury, Thetford & Wymondham
  - Water Supply at Ipswich & Norwich
  - Waste Water, including treatment plants, at Attleborough, Bury St Edmunds, Ipswich, Kings Lynn, Lowestoft and Norwich

### Our Offer

- 7.35 With partners we will take a stronger co-ordinating role in utilities planning and supply. We will also intervene to prevent market failure where appropriate.

### Our Ask

- 7.36 We require the freedom and flexibilities to use our increased allocations of Growing Places Funding and PWLB borrowing to forward fund connections to the network where necessary to unlock development.

8

Housing  
Growth



- 8.1 Housing is a key part of the infrastructure needed to support employment growth. House builders are major employers and contributors to the local economy. Each new home built in the New Anglia area is equivalent to £36,700 more (in GVA) to the economy. We will promote the business and environmental opportunities arising from developing new housing and from improving the efficiency of the existing housing stock<sup>76</sup>.
- 8.2 Approximately 5,200 firms in the New Anglia area build new or improve the existing housing stock. There are around 740,000 dwellings; around 85% are in private ownership; slightly higher than the England average (82%). Of the remaining, affordable stock, around 60% is managed by registered providers such as housing associations. Housing associations are also significant employers and are linked closely to the local economy through the management and maintenance of their housing stock<sup>77</sup>.
- 8.3 House building is a powerful stimulus for growth and supports around 1.5 jobs directly and 2.4 additional jobs in the wider economy for every home built. The right housing in the right locations can attract skilled labour, new entrepreneurs and inward investment. Changes in employment, such as the use of short-term contracts for specialists, will influence the housing market<sup>78</sup>.
- 8.4 Housing in the New Anglia area remains relatively affordable by national standards (albeit lower prices are offset by lower wages). However, we see improved housing affordability and availability as a key competitive advantage in attracting inward investment to our area. In a recent survey, 83% of business managers in the East of England agreed that the cost of buying a home was a problem in their local area and 74% said that building affordable new homes would stimulate the local economy<sup>79</sup>.
- 8.5 The need to allocate more land for housing development and to ensure that the housing is delivered remains a high priority nationally. In the New Anglia area we have a high percentage of adopted Local Plans and historically, local authority partners have placed a high priority on meeting housing need. We are committed to increase delivery by over 30% compared to historic rates. Through the use of CIL, PWLB borrowing and other funding methods we are committed to supporting delivery.
- 8.6 Private rented accommodation is a growing market, particularly for young people who want flexibility or are not in a position to buy. Our focus on higher skilled and more mobile labour, will require a housing offer for those employees. We will explore this requirement in new partnerships with new investment models as well as management approaches by established and trusted landlords such as housing associations and local authorities.
- 8.7 As part of our offer, we will undertake detailed research to understand the growth in this sector, location, numbers and type, rental levels, affordability, nature of landlords in order to more effectively target resources and intervention to stimulate housing delivery and target particular sector needs.
- 8.8 Whilst new development tends to be the focus in addressing additional needs and demands, the existing stock will form the main component in meeting the overall need and demand. With the ageing population and the provision of more home-based care, the existing stock may not meet the needs and aspirations of older people, many of which are already resident in the area. Given the value of assets of older households, there is potential for new homes to meet the aspirations of this market, freeing up some of the existing stock for new households. Local authorities in both Norfolk and Suffolk will be undertaking primary research into the needs and aspirations that will inform future strategies and, critically, the investment decisions of developers.

<sup>76</sup> East of England Forecasting Model (based on 100,000 homes)

<sup>77</sup> BRES (2012), DCLG (2013)

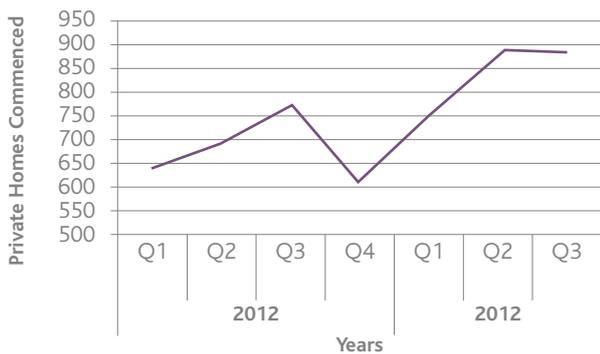
<sup>78</sup> Construction Skills

<sup>79</sup> [http://s3-eu-west-1.amazonaws.com/doc.housing.org.uk/Editorial/Comres\\_Affordable\\_Housing\\_Line\\_Managers\\_Survey.pdf](http://s3-eu-west-1.amazonaws.com/doc.housing.org.uk/Editorial/Comres_Affordable_Housing_Line_Managers_Survey.pdf) ]

## Housing Development and the Economy

8.9 Like most other parts of the country, the housing market has been weak since the recession. The impact on the supply of new homes was more severe across the New Anglia area than the UK average. Current completion rates in the area are only 38% of those delivered in 2007-08, whereas the national equivalent figure is 55%. However, there are some encouraging signs the housing market has started to recover and that more and more new homes are being built (see figure 1).

Figure 1. New Housing Building – Private Dwellings Commenced (DCLG)



8.10 Access to mortgage finance remains challenging and the requirement for a large deposit excludes many potential purchasers – a 20% deposit for an average priced house in Suffolk costs over £40,000 – twice the median income. The Government’s Help to Buy scheme is making an impact on demand and other lenders are coming forward to compete.

8.11 Whilst house prices in the New Anglia area are generally lower than in neighbouring areas of Essex and Cambridgeshire, there are pockets where there are exceptionally high house prices, for example, along the North Norfolk and Suffolk coasts. In these areas affordability remains a key concern in order to address local need.

8.12 Lack of suitable housing to meet local needs also has social impacts, can reduce the local availability of labour (including skills), and increase commuting distances.

8.13 Major development sites provide the opportunity for training and apprenticeships. Across Norfolk and Suffolk over 100 apprentices are supported by housing associations alone per year. Most employers and young people are still not sufficiently aware of the apprenticeship offer and too many do not value it as a good option. The new Local Apprenticeship Service will be a critical part of the process, and we will link new apprenticeships to new contracts.

8.14 The New Anglia area already has strong skills links with construction. The Construction Industry Training Board’s head office and its National Construction College, East is based at Bircham Newton in north west Norfolk. Further information can be found in the skills chapter.

### Planning

8.15 Local authorities across the New Anglia area are ambitious about housing growth as evidenced in the agreed Plans that provide for a further 117,000 homes to 2026, over 8,300 per year. This is more than 32% above the rates of delivery that were achieved between 2001 and 2012. Whilst brownfield land is being maximised, much of the growth that is planned is in the form of strategic expansions of urban areas, which need new roads and utility connections, but provide an efficient way of aligning housing and employment growth.

8.16 Strategic locations for housing development supporting economic growth, particularly our growing sectors are identified in the Growth Locations chapter.

8.17 The largest housing growth is planned for Greater Norwich where the planned rate of growth is 65%

higher than that achieved over 2001-2012. The largest single development proposal in the New Anglia area is the North East Growth Triangle on the edge of Norwich (within Broadland District), which includes 10,000 homes and 120ha of employment. This growth includes a series of inter-related new suburbs and the latest thinking on sustainable development through the Rackheath eco-community and the "Beyond Green" development. This scale of growth depends on the delivery of the Norwich Northern Distributor Road.

8.18 Across the New Anglia area there are also a number of smaller housing sites and mixed use sites that will be deliverable in 2015/16 provided the Local Authorities invest their available resources including Housing Revenue Account funding along with the investment opportunities (outlined in the growth locations chapter) to bring them forward ahead of schedule.

8.19 We have a proud track record of planning cooperation across local authority boundaries, with the most developed example being around Norwich where the partnership of authorities has developed the Joint Core Strategy for Broadland, Norwich and South Norfolk.

### Our offer

8.20 We have plans to deliver 117,000 homes by 2026. Although our housing targets are extremely ambitious, our offer is to accelerate delivery and to achieve them ahead of plan. At the same time we will encourage local authority partners (in accordance with Government guidance) to prepare up to date estimates of housing need and to plan accordingly.

### Our ask

8.21 To deliver the step change in housing supply and employment that we are proposing, we will need to open up a number of big development sites. These sites carry a significant amount of extra risk, requiring major upfront capital investment in infrastructure. Land values in the New Anglia area are often not high enough to bear all the cost of infrastructure and public investment is necessary to overcome constraints – most notably the Norwich Northern Distributor Road, on which the biggest area of new housing in New Anglia is dependent and the Bury Relief Road which will unlock 15,000 new jobs.

8.22 It only makes business sense for private sector developers (and the public sector) to invest in these major sites if they have confidence about the market demand and the annual take up rates they can expect throughout the life of any development. Planning guidance provides that if the infrastructure needed to open up a site is late coming forward (even if it is held up by legal objections) or development is delayed, alternative sites should be granted consent. This can increase competition and uncertainty and undermine both the private and public sector business cases for investment. As a result, developers may be less keen to invest in large sites and public sector investment may be less efficient. It also makes it very difficult for our local authorities to use their borrowing powers and be confident that they can recoup the money from developer contributions.

8.23 This is a complex technical area but we would welcome a constructive discussion with Government, in particular about how to better align the use of planning tools to public sector investment and to maximise confidence and certainty in local development markets.

### Unlocking sites

8.24 Sites with planning permission for thousands of homes are waiting to be developed (for example there are over 10,000 dwellings with planning consent in the Greater Norwich area). We need to understand and address the barriers to bringing these sites forward and accelerate the pace of development, which will stimulate economic growth and create both short and long-term employment. Housing providers across the New Anglia area would welcome a co-ordinated approach to forward-fund infrastructure which can unlock new sites.

8.25 One of the obstacles to speeding up housing delivery is the cost of the strategic infrastructure (especially transport) needed to unlock major sites. Forward funding can aid the overall viability of schemes and bring sites along more quickly but there is also an opportunity for the LEP to influence infrastructure providers to more closely align their own strategic or asset plans to housing delivery.

8.26 Some brownfield housing development has stalled due to the high costs of such development and the effects of the recession. For instance, at present there are seventeen sites around Ipswich alone which are waiting to progress and could provide in excess of 2,000 homes. If a developer is not signed up to a "back-to-back agreement", the risk of intervention to local authorities is greater and acts as a barrier to delivery.

- 8.27 Local objections to new homes often centre on infrastructure deficits and these can be reduced where there is a clear investment programme and accountability for the delivery and scheduling of infrastructure. However, in current market conditions these elements are often compromised to improve viability. As with all major infrastructure, housing needs to be brought forward at an appropriate time with aligned projects such as transport hubs, utility improvements and broadband.
- 8.28 To meet the needs of a growing economy and population, additional community infrastructure for recreation, education, healthcare and places to meet are necessary to maintain the provision of services and wellbeing of the local population. With larger developments, the community infrastructure needs to be provided and phased to meet the precise needs of the new community.
- 8.29 New Anglia LEP will help local partnerships and authorities coordinate private developers, utility companies and infrastructure providers to reduce uncertainty and align delivery, particularly with transport schemes and utilities infrastructure.
- 8.30 We have a number of sites which are now in the possession of bank lenders, who are not always willing to bring forward sites for development as quickly as possible. Some of them, especially those now controlled by non-UK Government agencies, have unrealistic expectations of value and are unwilling to negotiate with planning authorities.
- 8.31 To date, a variety of approaches have been successfully used to help unlock sites. Where appropriate, the affordable housing requirement has been reduced, to improve viability. CIL rates have been set in the light of private sector concerns about viability in current market conditions. We have also successfully bid for Local Pinchpoint Funding to unlock sites, especially in Great Yarmouth and Lowestoft.

8.32 However, our strategy is to use three funding strands that have proved to be the most successful in unlocking sites and in providing the flexibility to respond to changing market conditions.

- Housing Revenue Account investment
- Growing Places Fund
- PWLB

### **Our offer**

- 8.33 The SEP aligns our transport and housing programmes to prioritise unlocking sites.
- 8.34 We will use local authority Housing Revenue Account investment and general borrowing powers to accelerate delivery. Local authority partners can invest their available resources, including Housing Revenue Account funding to bring forward a number of development sites that will be deliverable in 2015/16 ahead of schedule. Our local authorities will also be prepared to intervene where needed to bring forward sites (subject to being able to recover costs).

### **Our asks**

- 8.35 We would like a further £10m Growing Places Fund in order to support our pipeline of applications. This funding is needed for the period 2015/16 to 2016/17 as most of our current loan book is not due to repay until 2018/19, causing a two year stand-still in activity (this ask is the same as that in paragraph 6.108 on page 65)
- 8.36 We are asking Government to extend the PWLB Project Discount scheme agreed as part of the Greater Norwich City Deal across the whole of our area, beginning with Suffolk. We would expect to agree the individual programmes and projects to which this would apply, but we think that an initial allocation of £20m would be realistic (this ask is the same as that in paragraph 6.109 on page 65).
- 8.37 Government assistance in dealing with non UK Government agencies to encourage them to bring sites forward for development.

## Public Sector land

- 8.38 Accelerated release of public sector land can play an essential role in driving growth. There are good examples in the New Anglia area: Norfolk County Council is a major landowner in the emerging "Beyond Green" scheme for 3,520 dwellings to the north of Norwich. Suffolk County Council is the major landowner of land for 1,050 homes in Sudbury. Elsewhere, as part of innovative partnerships with the Homes and Communities Agency (HCA), Norwich City Council are bringing forward 1,000 homes, Ipswich Borough Council are investing £5m in new affordable homes and Kings Lynn and West Norfolk and Great Yarmouth are also using their land to bring forward housing schemes. In other parts of the country LEPs have been the centre point for negotiations to bring forward major growth sites with public landowners such as the MoD and Health Authority land.
- 8.39 Land assembly is an issue in some areas especially when dealing with larger scale development and regeneration. In Ipswich, the completion of stalled sites is essential for regeneration but requires all landowners to co-operate. In Great Yarmouth, the Council has an appetite to assemble three sites along with a site already in its ownership to kick-start regeneration.

## Affordable Housing

- 8.40 Compared to neighbouring areas, Norfolk and Suffolk have lower property values that can sometimes inhibit the optimum benefit from development, particularly the delivery of much needed affordable housing. However, the Homes and Communities Agency, housing associations, the LEP and local authorities have successfully worked together on joint Local Investment Plans. In Ipswich, for example, the Local Investment Plan is delivering a further 386 homes on the waterfront, which are nearing completion, and a contribution towards the £53 million for flood defences to unlock land.
- 8.41 As the emphasis has shifted away from capital subsidies for affordable homes, new forms of financing are required not only to deliver new affordable homes, but provide more certainty to developers on the mixture of properties. New forms of financing include: joint ventures and local housing companies, asset-backed vehicles, land assembly and partnership investment such as through private rented models. A mixture of approaches is likely to be needed to address specific challenges in the delivery of new homes. However, as yet, there is not an established mechanism to attract institutional investment to market housing in the area, but examples exist elsewhere.
- 8.42 Housing associations are set to develop 2,086 new affordable homes in the New Anglia area between 2011 and 2015, adding £204m to the economy and supporting around 4,400 jobs. Ipswich Borough Council, for instance is investing £6m a year on new housing. In 2012 Saffron Housing Trust issued a bond for £125m which will drive the development of 1,000 homes across Norfolk. Set against this, challenging viability on market housing sites is tending to reduce the contribution of affordable housing from this source.
- 8.43 The local authorities with their own housing stock are bringing forward new houses through the Housing Revenue Account (HRA). The county councils are also investing in housing, Norfolk County Council has committed £1m, through its Infrastructure Fund, to support a brownfield redevelopment of 233 homes in King's Lynn and Suffolk County Council is funding the planning stage for 1,050 homes in Sudbury to accelerate delivery. In addition, local authorities are already linking New Homes Bonus investment in economic and housing growth.

8.44 Six local authorities are developing new affordable housing with ambitious programmes to develop approximately 1,000 new dwellings, working in partnership with registered providers and other developers. The programme is, however, unable to continue at this rate as local authorities will reach the housing revenue account (HRA) headroom ceiling – a borrowing limit set by Government - by 2018/19 with some reaching this earlier; Mid Suffolk has relatively small headroom available to make further investment. Current constraints on programmed dwelling numbers that can be delivered and dates when headroom will be reached are summarised in the table below.

	Dwellings	Headroom Reached
Ipswich	290	2016-17
Babergh	130	2017-18
Mid Suffolk	52	2017-18
Norwich	250	2017-18
Waveney	200	2017-18
Great Yarmouth	75+	2018-19

### Our Offer

8.45 The Government announcement of an additional £300m headroom to deliver a further 10,000 homes is welcomed, which broadly equates to £30,000 per dwelling. Our offer is that local authorities across the New Anglia area could accelerate their current building programmes and deliver an additional 500 dwellings over the period 2014-19. This could be achieved through developing public sector land (Ipswich and Norwich), purchasing sites and new affordable homes provided as part of S106 agreements. The capacity to deliver would need to be sustained to avoid the programme coming to a halt beyond this period. We would support any move to increase the level of the Right to Buy receipt retained by the local authorities for investment in new supply.

### Our Ask

8.46 Our ask is that a further £15m headroom is made available (based on the average rate per dwelling above) to enable the extra housing to be delivered.

### Private Rented Sector Development

8.47 Currently, we do not have a robust Private Rented Sector (PRS) offer, because institutional investment is concentrating on areas with higher prices and greater housing shortage. However, PRS is essential to deliver housing on the scale required in the New Anglia area.

### Our Offer

8.48 Our offer is to provide local investment and risk sharing to enable a suitable PRS model to deliver. This would include working with Registered Housing Providers, local land owners and local authorities in the delivery as well as the ongoing management of future stock.

### Our Ask

8.49 Our ask is to work with the HCA to develop a funding model for larger scale private rented development recognising that viability of institutional investment is a challenge but that, with local investment and the sharing of risk, a model to meet identified demand could emerge.

8.50 There are some areas where Government could provide support or relax existing constraints affecting delivery at a national level. A relaxation of the right-to-buy legislation (exempting market rented housing from the right) would assist local authorities to create a sustainable portfolio of market rented accommodation; an important element with the emphasis on getting more institutional investment in the private rented sector.

9

EU/ SIF



- 9.1 The New Anglia LEP submitted the final version of its EU Structural and Investment Fund Strategy (ESIFS)<sup>80</sup> at the end of January 2014, in line with the Government timetable. This follows submission of a draft Strategy in October and considerable further refinement and focus. Our notional allocation of European funding for the period 2014-2020 is €94.5m (around £81m), to be split equally between European Regional Development Fund (ERDF) and European Social Fund (ESF) priorities. In December 2013, Defra announced a further allocation of €16.25m (around £13m) of European Agricultural Fund for Rural Development (EAFRD), specifically for use in rural areas, bringing the total Programme value to £94m, or £188m with match funding added.

Fund	EU allocation		Total Spending (matched)	
	€	£	€	£
ERDF	47,250,000	40,455,450	94,500,000	80,910,900
ESF	47,250,000	40,455,450	94,500,000	80,910,900
EAFRD	16,255,751	13,015,876	32,511,502	26,031,752
Total	110,755,751	93,926,776	221,551,502	187,853,552

- 9.2 The Strategic Economic Plan and European Structural and Investment Fund Strategy (ESIFS) are complementary documents. Both can be standalone in their own right, but their strength is as one.

- 9.3 ERDF and ESF funding is allocated to 'Thematic Objectives', which are prescribed by the European Commission. In our Strategy, we have allocated ERDF and ESF funding as follows. This has been the result of significant stakeholder consultation, balanced with the known priorities of the LEP and partners.

Thematic Objective		ERDF	ESF	% spend	£ spend (m)
TO1	Innovation	✓		27.5%	11.13
TO3	SME competitiveness	✓		40%	16.18
TO4	Low carbon economy	✓		20%	8.09
TO5	Climate change	✓		5%	2.02
TO8	Employment and labour mobility		✓	19.5%	7.89
TO9	Social inclusion		✓	23%	9.30
TO10	Education, skills		✓	50%	20.23

- 9.4 In addition to the above, we have opted to allocate approximately 7.5% (£6m) to bottom-up economic growth through Community Led Local Development (CLLD).

- 9.5 In a similar way to ERDF and ESF, EAFRD funding is allocated to 'Measures'. In our Strategy, we allocated EAFRD funding as follows. However, given the lateness in the release of the allocations for EAFRD, this is subject to change.

Article	Measure	Spending proportions	EAFRD	Match	Total Value
14	Building knowledge and skills in rural areas	25%	£3,253,969	£3,253,969	£6,507,938
15	Advisory Services				
19	Business Development	25%	£3,253,969	£3,253,969	£6,507,938
20	Basic Services, inc. broadband	25%	£3,253,969	£3,253,969	£6,507,938
35	Co-operation, inc. tourism	25%	£3,253,969	£3,253,969	£6,507,938
	<b>TOTAL</b>	<b>100%</b>	<b>£13,015,876</b>	<b>£13,015,876</b>	<b>£26,031,752</b>

<sup>80</sup> <http://www.newanglia.co.uk/wp-content/uploads/2014/01/New-Anglia-LEP-EU-Investment-Strategy-January-2014-Final-version-for-Government-310114.pdf>

9.6 We are currently unclear as to the timescale for the start of the EU funding programmes, though we would expect it to be late 2014 / early 2015. In this section we introduce, at headline level, how the two strategies will co-exist and 'become one' going forward. This is best achieved by a brief assessment of how the ESIF will support the emerging priorities of the SEP, chapter by chapter.

## **Growing our key sectors**

9.7 The ESIFS was the starting point for a focus on smart specialisation – targeting investment where growth can be maximised through unlocking potential suffering from certain market failures or blockages. This is still work in progress. The SEP defines the sectors that the LEP wants to intervene in and how. The ESIFS will follow suit, being one opportunity for resourcing action against SEP priorities. In the absence of a final SEP at the time our ESIFS was finalised, our ESIFS does not propose specific sector interventions, but is generic enough to respond to the direction of travel in the SEP. This will include ERDF support for business and sector development, cluster activity as well as ESF support for skills and workforce development in a way that is responsive to employer demands. We have confirmed our decision to 'opt in' to the Low Carbon Innovation Fund for England Financial Instrument to provide equity investment into SMEs, though the exact details of this are to be finalised.

## **Enterprise and Innovation**

9.8 In the ESIF, we have chosen to allocate around 67% of our ERDF allocation (approximately £27.3m) to Thematic Objective 1 (Strengthening research, technological development and innovation) and Thematic Objective 3 (Enhancing the competitiveness of SMEs) combined. This signals the importance of investment in these areas, with focus on start-up and existing businesses, and social enterprise.

9.9 The Growth Hub elements of the Greater Ipswich and Greater Norwich City Deals<sup>81</sup> will form the key platform for co-ordinated and comprehensive enterprise support across the LEP geography. We expect that ERDF will play a key role in the sustainability and expansion of these activities from 2015 onwards. With limited EU funding available, it is important that this money is spent in areas where impact and return on investment will be greatest, making existing physical assets work even harder for growth. Where the LGF might target investment in infrastructure, ESIF resources can be more usefully utilised for supporting delivery of complementary activities. We will focus ERDF spend on innovation and enterprise in the following broad areas:

- Increase the provision of business support and finance for all stages of business start-up, development and growth and for investment in improving productivity and resource efficiency. This will include multiple products and forms of finance, including support for investment readiness
- Provision of multi-faceted support for growing existing businesses, start-up and early stage business creation and development, including support and encouragement for entrepreneurship and self-employment
- Support for SMEs, individually and through collaborative supply chains, to target new domestic and international markets through assistance with export
- Enabling and building collaborative research between business, research institutions, academia and the public sector – with a particular focus on products, technologies and spatial investment zones, that support the growth of the NALEP priority sectors and the emerging NALEP smart specialisation strategy
- Investment in the commercialisation of new and existing research, products and processes
- Some limited physical infrastructure, such as equipment and demonstrator facilities, to support innovation and clustering, and collaborative networking

9.10 We have decided not to pursue a standalone Financial Instrument through ERDF as our allocation did not facilitate this. We will, however, use ERDF to add value to business finance provision through the use of delegated grants, including for the provision of support for business resource efficiency.

9.11 It is likely that the LEP will opt-in to the national programme enhancements being offered by UKTI-Trade, the Manufacturing Advisory Service and Growth Accelerator, though the exact terms of potential opt-ins are to be determined.

<sup>81</sup> <https://www.gov.uk/government/publications/city-deal-greater-norwich> and <https://www.gov.uk/government/publications/city-deal-greater-ipswich>

## **Skills**

9.12 As with our approach to sectors and to enterprise and innovation, our ESIFS will play a complementary role in delivering some of the key activities required – rather than creating new needs and priorities. We recognise the key importance of skills and will therefore allocate around half of our ESF funding allocation to Thematic Objective 10 (Investing in education, skills and lifelong learning) – approximately £20.2m over the programme period. Our ESF funds will support some of the commitments made in our recently published Skills Manifesto and will also support some of the identified actions on skills in the City Deals<sup>82</sup>. More specifically, we shall target ESF funding on skills in the following broad areas:

- Developing new and flexible projects which are aligned to sector specific Skills Investment Plans - this could include provision at Level 3, 4 and above.
- Increase and widen participation in Science, Technology, Engineering and Mathematics
- Deliver better links between business and young people and give them an improved understanding of the local economy and/or build the skills they need to successfully enter employment, including starting and growing their own business
- Support businesses, particularly small and medium sized enterprises, to provide additional apprenticeships, graduate placements, internships or other activities which enable young people to develop the skills they need to be successful
- Additional or innovative approaches to supporting adults to improve their basic skills leading to employment or progress within work

9.13 It is likely that the LEP will opt-in to the Skills Funding Agency national offer, though the exact terms of the potential opt-in is to be determined.

9.14 We will also allocate approximately 20% (£8m) of our ESF funding to Thematic Objective 8 (Promoting employment and supporting labour mobility) and around 23% to Thematic Objective 9 (Promoting social inclusion and combatting poverty). Our focus on social inclusion will be about addressing barriers to work, training and education.

## **Growth Locations / Infrastructure (transport)**

9.15 Capital funding will be limited through the ESIFS, due in part to the size of the allocation but also to EC or UK Government restrictions on the use of ESIF resource for large scale infrastructure projects such as roads and broadband in 'more developed regions'. However, ESIF funding can be used to help support delivery of revenue activity in growth locations.

## **Inward Investment**

9.17 Government guidance suggests that inward investment should not be a core component of ESIF activity, though there may be scope for some complementary activity where this is part of a wider scope of interventions. UKTI have only released an opt-in for their Trade service, not their Inward Investment service. Whilst we are likely to opt-in to this service, its focus will be on increasing market penetration of overseas economies rather than on inward investment.

<sup>82</sup> <https://www.gov.uk/government/publications/city-deal-greater-norwich> and <https://www.gov.uk/government/publications/city-deal-greater-ipswich>

# 10

## Governance



- 10.1 Making the most of the opportunities presented by our Strategic Economic Plan requires strong leadership and robust governance.
- 10.2 We intend to achieve this by building on our existing LEP governance model which has put New Anglia LEP in a good position – enabling us to be fleet of foot, but accountable to stakeholders locally and nationally for our use of public funds.

**Our governance model to date**

- 10.3 Our Local Enterprise Partnership was established as a company limited by guarantee in 2011 with a balanced membership of local authority, business and education leaders. The guiding principle of the LEP has been “led by business and supported by the public sector”.
- 10.4 The LEP board is supported by a small executive team, which also draws upon wider local authority resources. Suffolk County Council has the role of accountable body for the partnership.
- 10.5 The board has been steadfast in not creating a “bureaucratic machine”, instead making efficient use of local authority and private sector partner resources. This has gone beyond the accountable body role, creating strong cross authority teams, across both counties, and with close involvement of bodies such as the Chambers of Commerce and FSB.
- 10.6 Our board comprises 14 directors. Seven are appointed from the private sector, recruited through an open and transparent recruitment process. One is selected from our 14 university and college principals to represent HE/FE sector.  
  
Six local authority members make up the remainder of the board. Of the six, the leaders of Norfolk and Suffolk County Councils have permanent seats on the

board, together with the leaders of Ipswich Borough Council and Norwich City Council as the principal urban area. The remaining 12 local authorities select one leader from Norfolk and one from Suffolk to represent their interests.

- 10.7 Board agendas and papers are published on the LEP website and there is an annual general meeting where directors are held to account in public.
- 10.8 As the remit of the LEP has increased, structures to support the main LEP board have evolved. We have for example established a Green Economy Pathfinder board, bringing together business, academia, Government agencies and local authority partners in support of our national role as the Green Economy Pathfinder.
- 10.9 We have also established a Local Transport Body covering Norfolk and Suffolk and supported the development of new boards to deliver and oversee our two City Deals covering the largest urban centres of Greater Norwich and Greater Ipswich. All three boards have local authority membership to ensure democratic accountability, but also strong business representation and leadership.
- 10.10 We have ensured all local authorities are actively involved in the work of the LEP through regular engagement meetings with district and borough council members.
- 10.11 We continue to strengthen the business leadership of the LEP through the development of sector groups, enabling businesses to have direct input into the development and delivery of our sector strategy. We also work with business through our business representatives liaison group enabling the FSB, IoD, Chambers of Commerce and others to ensure business priorities are at the heart of the LEP strategy.

## **Developing our governance model**

- 10.12 Our existing governance structure has shown itself to be robust, transparent and accountable as evidenced by the rapid progress we have made with our Enterprise Zone, Growing Places Fund and Growing Business Fund. However we recognise that additional responsibilities require the refinement and strengthening of governance structures.
- 10.13 The LEP board will remain the primary decision making body for the Strategic Economic Plan, enabling transparent and efficient decision making.
- 10.14 We will build on our strong partnership model which sees six Local Authority Leaders, seven private sector representatives and one HE/FE representative sitting as Members of the LEP Board taking decisions on funding allocations. These Leaders will be individually accountable to their authorities and through them to the electorate.
- 10.15 In addition we will formalise the role of the Leaders Groups in Norfolk and Suffolk as the place where those Leaders who sit on the LEP Board take the views of their fellow Leaders and ensure that decisions meet the needs of the whole LEP area. In return each Leaders Group will ensure that local authorities collectively support delivery of the SEP through their mainstream activities and spending decisions, including the allocation of pooled business rates.
- 10.16 Within each local authority, Scrutiny Committees will from time to time examine the performance of the LEP. The LEP Board and officer team will be prepared to attend Scrutiny Meetings to answer questions about LEP activities and performance. 'In addition the LEP will continue its member engagement meetings where leaders and economic development portfolio holders from all authorities meet quarterly to scrutinise and influence the work of the LEP.

## **Accountable Body**

- 10.17 Suffolk County Council is willing to act as the default Accountable Body for funding streams emanating from this Plan.
- 10.18 Suffolk County Council undertakes to operate robust and integrated fund management arrangements to assist the LEP in using funds to maximum effect. As the accountable body, Suffolk County Council will comply with best practice, be auditable and transparent. A Partnership Agreement will be put into place between the LEP and Suffolk County Council to ratify the county council's role and responsibilities in this area.
- 10.19 The County Council is experienced in this field and is already acting as the Accountable Body for a number of dedicated New Anglia programmes and projects such as the Growing Business Fund and Growing Places Fund. The operation of these schemes has shown that they are resourced to undertake full AB duties. These include ensuring that the appropriate

audit and decision processes are in place and able to withstand inspection from relevant Central Government departments. All these arrangements are cleared and endorsed by SCC's Finance Director

- 10.20 We will establish a series of focused LEP sub-boards to oversee key aspects of the delivery of the Strategic Economic Plan, covering transport, infrastructure, skills and enterprise. These will be chaired by LEP Board members who will report back to - and be held accountable by - the remainder of the Board for the delivery of the SEP in the areas covered by the sub-group. Responsibility for delivery will be devolved to these sub-groups; responsibility for allocation of funds will remain with the LEP Board.

## **Local Transport Body**

- 10.21 The Norfolk and Suffolk Local Transport Body was set up to deal with devolved local major scheme funding. The LTB agreed and adopted a joint working agreement and assurance framework setting out the constitution of the body and the means by which it would assess and appraise schemes for funding and manage delivery.
- 10.22 The LTB will be refreshed to become a formal sub-board of the LEP with responsibility for overseeing and managing delivery of the transport infrastructure element of the SEP.
- 10.23 The LTB membership will be an elected member from each of the two county councils and the LEP private sector board member who leads on transport matters.
- 10.24 The LEP board will remain the ultimate decision making body, but decisions regarding day-to-day programme management will be devolved to the LTB.
- 10.25 More detail on this board, including how the two county councils as highways authorities will be held accountable for delivery of transport projects, how risk will be managed and how progress will be monitored is covered in the Negotiation Document.

## **Industrial Skills Board**

- 10.26 A Norfolk and Suffolk Industrial Skills Board has been established as part of the Greater Ipswich and Greater Norwich City Deals. The board operates as a formal sub-board of the LEP with responsibility for overseeing and managing matters relating to skills.
- 10.27 The board is chaired by a LEP board member and comprises a balance of representatives from business, local authorities and skills providers.
- 10.28 The LEP board will remain the decision making body, but the Industrial Skills Board will be responsible for the day to day management and implementation of funding secured from the Local Growth Fund.

## **Enterprise and Innovation Board**

- 10.29 A Norfolk and Suffolk Enterprise and Innovation Board is being established as part of the Greater Norwich and Greater Ipswich City Deals.
- 10.30 The board will operate as a formal sub-group of the LEP with responsibility for overseeing and managing matters relating to enterprise and innovation. This will include managing the performance of the LEP's Growth Hubs programme.
- 10.31 The board will be chaired by a LEP board member and will comprise a balance of representatives from the private and public sectors.
- 10.32 The LEP board will remain the decision making body, but the enterprise and innovation board will be responsible for day to day management of relevant funds secured from the Local Growth Fund , such as Growing Business Fund.

### **Programmes Board**

- 10.33 The LEP is establishing a sub-board focused on its infrastructure programmes, chiefly its investments made under the Growing Places Fund and the Enterprise Zone.
- 10.34 The board will be made up of LEP board members and will give the opportunity for greater oversight of these programmes, in terms of monitoring impacts and outcomes and making recommendations to the LEP Board on funding decisions.
- 10.35 The LEP board will remain the decision making body – but day to day responsibility will be devolved to the programmes board.

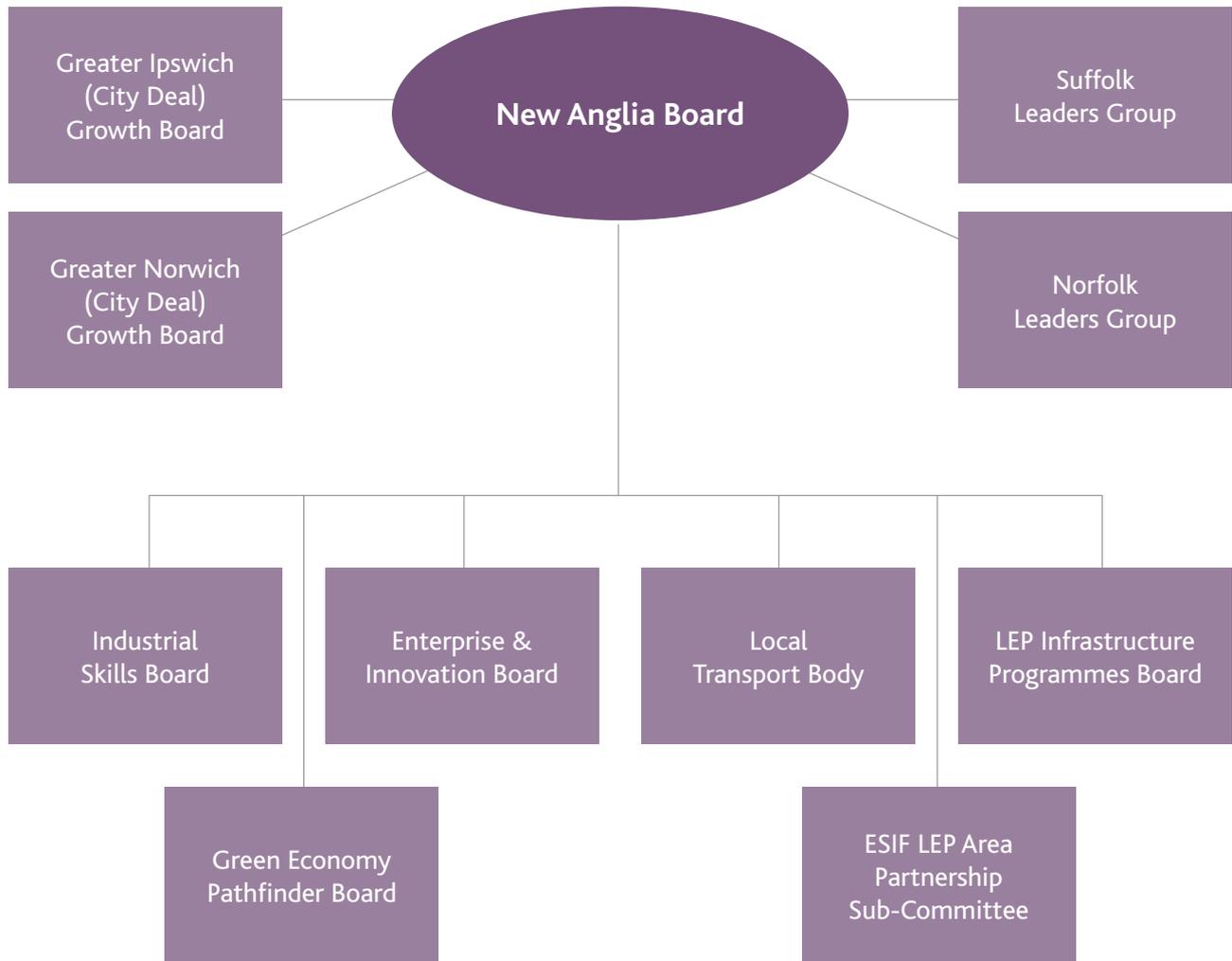
### **Other boards**

- 10.36 The LEP will continue to support existing boards including the City Deal boards for Greater Norwich and Greater Ipswich. These already have a critical role in delivering the aims and ambitions set out in the City Deals and will have a key role delivering any additional responsibilities agreed through a Growth Deal.
- 10.37 The LEP will support its Green Economy Pathfinder board, which will continue to act as a LEP sub-board. The LEP will also continue to support its sector groups, which will act as advisory and consultative groups for the LEP.
- 10.38 The LEP is developing a sub-board in line with Government and EU guidance to fulfil its role in relation to EU Structural and Investment Fund Strategy. The membership of this sub-board will be in line with EU guidelines.

### **Consultation on the Strategic Economic Plan**

- 10.39 Our journey towards the current Plan started in January 2013 as we proactively engaged businesses across New Anglia to help us shape the development of the plan, and to achieve buy-in towards strategic priorities for investment.  
  
We held a number of engagement events during February and March 2013 targeted at businesses, local authorities and other organisations to seek their views on the strengths, opportunities and barriers relevant to growth in Norfolk and Suffolk.
- 10.40 Our consultation built on our existing Sector Strategy developed with our business-led sector groups. These groups identified sector priorities to underpin the Strategic Economic Plan.
- 10.41 We have engaged business organisations, such as the Federation of Small Businesses and Chambers of Commerce, to identify and agree our actions for the plan. A LEP Business Representative Liaison Group was established and has tested our draft plans against the desires and aspiration of their business members.
- 10.42 The initial period of consultation in the summer of 2013 resulted in the submission of detailed feedback from over sixty organisations and businesses. This was the foundation for our Towards a Growth Plan document published in summer 2013 – setting out our key strengths, opportunities and areas for focus.
- 10.43 Widespread consultation was also completed during summer and autumn 2013 for the New Anglia European Strategic Investment Framework which sets out our proposals for projects and programmes that will attract funds under the 2014-2020 EU Common Strategic Framework. This consultation included interests such as voluntary and environmental organisations and has also directly informed the Strategic Economic Plan.
- 10.44 We continued to meet regularly with partners across New Anglia in developing our plan and launched a second consultation period for the Strategic Economic Plan in autumn 2013.
- 10.45 Following the submission of our draft Strategic Economic Plan in December 2013 we undertook a third round of consultation during January and February 2014.
- 10.46 Responses have been received from a wide range of organisations from individual businesses such as BT to business representative groups including the FSB and Chambers of Commerce, all colleges and universities, all local authorities, the voluntary sector and national agencies.

Governance diagram



## GLOSSARY

<b>CEFAS</b>	Centre for Environment, Fisheries and Aquaculture Science
<b>CIL</b>	Community Infrastructure Levy
<b>CLLD</b>	Community Led Local Development
<b>CORE</b>	Centres of Offshore Renewable Energy
<b>DMO</b>	Destination Management Organisation
<b>EAFRD</b>	European Agricultural Fund for Rural Development
<b>EEEGR</b>	East of England Energy Group
<b>EFA</b>	Education Funding Agency
<b>ERDF</b>	European Regional Development Fund
<b>ESF</b>	European Social Fund
<b>ESIFS</b>	EU Structural and Investment Fund Strategy
<b>EZ</b>	Enterprise Zone
<b>GCGP</b>	Greater Cambridge Greater Peterborough
<b>GEP</b>	Green Economy Pathfinder
<b>GBF</b>	Growing Business Fund
<b>GI</b>	Green Infrastructure
<b>GPF</b>	Growing Places Fund
<b>GVA</b>	Gross Value Added
<b>HCA</b>	Homes and Communities Agency
<b>HEC</b>	Hethel Engineering Centre
<b>HEI</b>	Higher Education Institute
<b>HRA</b>	Housing Revenue Account
<b>IAG</b>	Information, Advice and Guidance
<b>IFR</b>	Institute of Food Research
<b>JIC</b>	John Innes Centre
<b>LCEGS</b>	Low Carbon Environmental Goods and Services
<b>LEP</b>	Local Enterprise Partnership
<b>LGF</b>	Local Growth Funding
<b>LSTF</b>	Local Sustainable Transport Fund
<b>MAS</b>	Manufacturing Advisory Service
<b>NAAME</b>	New Anglia Advanced Manufacturing and Engineering Group
<b>NALEP</b>	New Anglia Local Enterprise Partnership
<b>NIA</b>	Norwich International Airport
<b>NNUH</b>	Norfolk and Norwich University Hospital
<b>NRP</b>	Norwich Research Park
<b>NSIP</b>	Nationally Significant Infrastructure Projects
<b>NUA</b>	Norwich University of the Arts
<b>NWES</b>	Norfolk and Waveney Enterprise Services
<b>PRS</b>	Private Rented Sector
<b>PWLB</b>	Public Works Loan Board
<b>RGF</b>	Regional Growth Fund
<b>SEP</b>	Strategic Economic Plan
<b>SELEP</b>	South East Local Enterprise Partnership
<b>SFA</b>	Skills Funding Agency
<b>SGF</b>	Small Grant Fund
<b>SME</b>	Small and Medium Sized Enterprise
<b>tCO<sub>2</sub>e</b>	Tonnes of carbon dioxide equivalent
<b>TSB</b>	Technology Strategy Board
<b>UCS</b>	University Campus Suffolk
<b>UEA</b>	The University of East Anglia

## **Our Strategic Economic Plan has been developed in partnership with and endorsed by a wide range of stakeholders**

### **Local authorities:**

Babergh District Council  
Breckland District Council  
Broadland District Council  
Forest Heath District Council  
Great Yarmouth Borough Council  
Ipswich Borough Council  
Borough Council of King's Lynn and West Norfolk  
Mid Suffolk District Council  
North Norfolk District Council  
Norwich City Council  
Norfolk County Council  
South Norfolk District Council  
St Edmundsbury Borough Council  
Suffolk Coastal District Council  
Suffolk County Council  
Waveney District Council

### **Members of Parliament:**

Peter Aldous MP  
Richard Bacon MP  
Henry Bellingham MP  
Therese Coffey MP  
George Freeman MP  
Ben Gummer MP  
Matthew Hancock MP  
Norman Lamb MP  
Brandon Lewis MP  
Dr Daniel Poulter MP  
David Ruffley MP  
Keith Simpson MP  
Chloe Smith MP  
Elizabeth Truss MP  
Simon Wright MP  
Tim Yeo MP

### **Colleges and universities:**

University of East Anglia  
University Campus Suffolk  
Norwich University of the Arts  
Great Yarmouth College  
College of West Anglia  
Norwich City College  
Suffolk New College  
Lowestoft College  
West Suffolk College  
Easton and Otley College

### **Business representative groups and Voluntary, third sector:**

Suffolk and Norfolk Chambers of Commerce  
Federation of Small Businesses  
Country Landowners and Business Association  
Norfolk and Suffolk Community Foundations

### **Businesses:**

Abellio Greater Anglia  
BT  
Innovation Martlesham  
EDF Energy  
Sustrans  
Lift share  
Norwich Research Park  
Port of Felixstowe  
Visit East Anglia  
Norwich International Airport

### **Agencies and organisations:**

DEFRA  
Natural England  
Forestry commission  
Environment agency  
Broads Authority  
National Housing Federation

### **Sector boards:**

East of England Energy Group  
Tourism ( Visit Norfolk and Visit Suffolk)  
New Anglia Advanced Manufacturing & Engineering Board  
Financial Services  
Food, Drink & Rural Economy Board  
Cultural Board  
Digital Creative Board  
ICT (IP Network Group and Innovation Martlesham)  
Ports & Logistics  
Life Sciences  
Green Economy Board

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