

Coventry City Council Business, Economy and Enterprise Scrutiny Board 3

Date: 11th April 2018

Title: CWLEP Funding Update

1 Background

1.1 Since the inception of the Coventry and Warwickshire Local Enterprise Partnership in 2011 more than £450 million of funds have been managed to contribute to projects which further the Strategic Economic Plan for the region.

1.2 The total funds are made up of:

- Over £220 million in grant funding from the UK Government and the European Union
- £138 million in public sector funding
- £84.1 million in private sector funding

1.3 The UK Government and European funding programmes that have contributed to the development of the Coventry & Warwickshire region include the following:

Table 1 – CWLEP Funding

Programme	Funding £m	Date Secured	Type of Funding
Local Growth Fund (Growth Deal)	£131.8m	2014	Capital Infrastructure Funding for Cov & Warks
Growing Places	£12.3m	2011	Capital Infrastructure Funding for Cov & Warks
European Funding	£9.35m	2016	Business support – SME, Low Carbon and Innovation
Local Full Fibre Network	£5.5m	2018	Extending provision of full fibre network in Coventry, Warwickshire and Solihull.
Skills4Growth	£1.14m	2016	Skills Funding Programme for SMEs
Housing Infrastructure Fund	£35m	2018	Funding to establish 3 key housing developments in Coventry & Warks
Whitley South	£35m	2016	Capital funding for improvements to Whitley South Junction.
Total	£230.09m		

1.4 In recent years the CWLEP has taken a leading role in ensuring the local area pursues funding which drives key economic development in the area. This has included a successful bid in November 2017 by the CWLEP, Coventry City Council and WMG to be the home of the new £80 million National Battery Manufacturing Development Facility (NBMDf). This new facility will enhance the reputation of the region as a world leader in battery research and development. The £80m was awarded through a competition led by the Advanced Propulsion Centre, supported by Innovate UK as part of the Faraday Challenge - a £246m commitment over the next four years on battery development for the automotive sector.

2 CWLEP Aims/Priorities

2.1 The CWLEP's 2016 Strategic Economic Plan (SEP) outlined the ambition, priority and objectives of the CWLEP which are reflected within its funding portfolio. The SEP identified targeted interventions across five pillars of activity:

- Unlocking Our Growth Potential.
- Advanced Manufacturing & Engineering.
- Growing Our SMEs.
- Growing Our Talent.
- Culture & Tourism

These five pillars are what the CWLEP believe to be key contributors to GVA growth in the Coventry and Warwickshire area. Table 2 details the projects delivered by the CWLEP as listed under one or more of the five pillars of activity (Table 2).

2.2 The CWLEP Objectives outlined in the SEP include:

- Improve Coventry & Warwickshire's economic competitiveness.
- Address the existing productivity gap between the CWLEP area and the UK average.
- Ensure strong road, rail and broadband connectivity across the full CWLEP area.
- Become a global centre for R&D in Advanced Manufacturing and Engineering.
- Create a supportive environment within which businesses can grow and prosper.
- Invest in employment and skills provision to meet evolving demands of employers, providing a world-class apprenticeship offer.
- Grow the creative and cultural industries with Coventry becoming UK Capital of Culture 2021.

Table 2 – CWLEP Projects Aligned to the Strategic Pillars

Unlocking our Growth Potential	Advanced Manufacturing and Engineering	Growing Our Talent	Growing Our SMEs	Culture and Tourism
<ul style="list-style-type: none"> Coventry Station Kenilworth Station Unlocking Development Sites Coton Arches A46 Stanks Very Light Rail CSW Broadband Friargate Connectivity Nuneaton Transformation A45 Corridor Coton Arches A46 Stanks Growing Places Whitley South Housing Infrastructure Fund Local Full Fibre Network 	<ul style="list-style-type: none"> National Transport Design Centre Trident Warks College R&D Steel Dynamic Routing WMG Academy Pre – Dev AME Expansion WMG Degree Apprenticeship Centre UK BIC 	<ul style="list-style-type: none"> Coventry College Advice Centre Warks College Construction Expansion Centre Warks College Stem Coventry College STEM Rugby Construction Technology and Innovation Centre Skills4Growth 	<ul style="list-style-type: none"> Venture House Duplex Fund SME Support Programme (ESIF) Green Business Programme (ESIF) Low Carbon Programme (ESIF) 	<ul style="list-style-type: none"> Warwick Arts Centre 20:20
Total: £166.2m	Total: £103.6m	Total: £3.2m	Total: £11.52m	Total: £2.0m

2.4 The aims within the CWLEP’s SEP are also clearly reflected within the City Council’s Economic Growth and Prosperity Strategy. Having coherent strategies both at a local and Coventry and Warwickshire level allows the CWLEP and CCC to be well placed to contribute locally, regionally and nationally, to execute the development of the emerging Industrial Strategy.

3 Governance and Structure

CWLEP Governance

3.1 The CWLEP has clear governance structure and this is documented in the CWLEP’s Assurance Framework¹. The CWLEP Governance Structure can be seen in Appendix one.

3.2 Following the 2017 Annual Conversation with BEIS the CWLEP was given an overall performance rating of good, which included its governance and delivery. It was recognised that the LEP’s approach to strategy development which is supported by the SEP refresh is considered exceptional.

“Stephen Jones, Director of Cities and Local Growth Unit said “I applaud your ambition to be ‘best in class’ and the fact that you actively seek to continuously improve governance”.

¹ https://www.cwlep.com/sites/default/files/cwlep_assurance_framework_2017_final.pdf

- 3.3** Each council within the CWLEP area has a seat on the CWLEP Board, including Coventry City Council which is represented by Cllr Jim O’Boyle.

Councils Role as Accountable Body

- 3.4** Coventry City Council is the Accountable Body for the Coventry & Warwickshire LEP funding. With the increasingly important role that the LEPs have, it is important to Government that there is a strong emphasis on ensuring that LEPs have the highest standards in place, and are able to act effectively as key drivers of growth in their places.
- 3.5** The City Council’s Economic Development Service acts as the Accountable Body for the CWLEP for a number of programmes including the Local Growth Fund (Growth Deal), Growing Places and Growth Hub Revenue funding. The Accountable Body is annually evaluated as part of their involvement for the CWLEP delivering the Growth Deal Programme. The latest evaluation for the 2016-17 Growth Deal programme identified the positive role undertaken by the Accountable Body:

“The overall governance and decision-making processes within the CWLEP are robust and transparent.”²

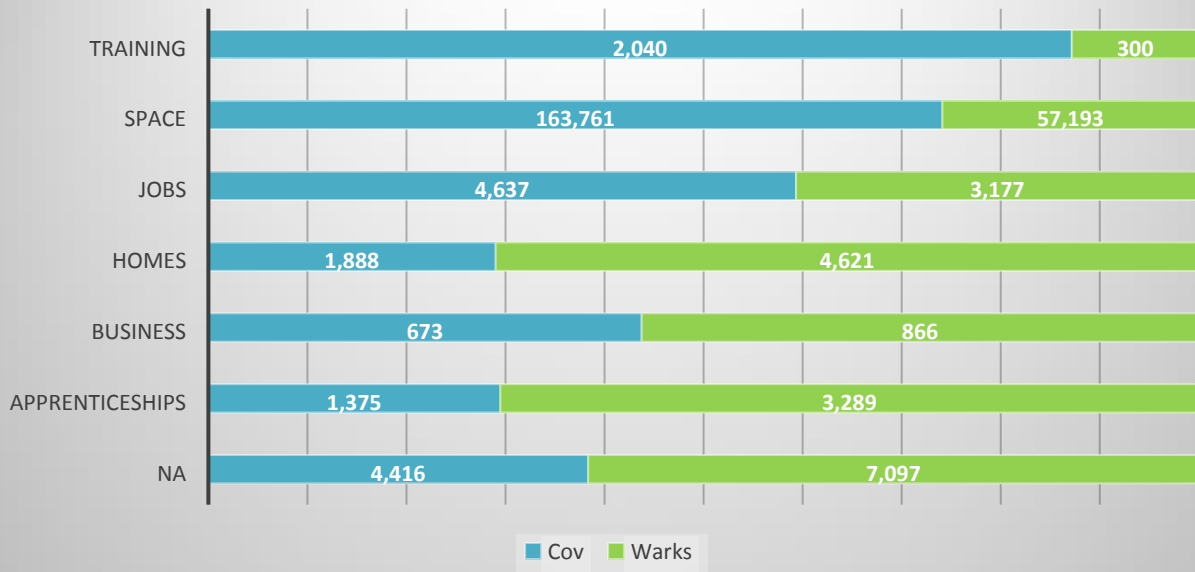
4 Coventry & Warwickshire Local Growth Fund

- 4.1** An example of a key programme that the CWLEP is responsible for delivering is the Local Growth Fund (Growth Deal). This is a significant £131.8m capital infrastructure fund that was awarded to the CWLEP by the Government in 2014. The programme runs from 2015-2021. Growth Deal currently operates 39 projects throughout the Coventry and Warwickshire area.
- 4.2** Growth Deal has and will have a significant impact on Coventry. The programme has already seen the completion of a number of projects within the city such as the new Advice and Science Technology Engineering and Maths (STEM) Centres at Coventry College, and the opening in May 2017 of the new National Transport Design Centre at Coventry University.
- 4.3** Going forward there are key projects that are currently progressing within Coventry including the well-publicised Very Light Rail scheme, Coventry Station Masterplan and City Centre Public Realm works. As part of the award of Growth Deal 3 funding in December 2015 further projects for the area are due to commence imminently including the new Degree Apprenticeship Centre at Warwick University and the work at Friargate.
- 4.4** The programme is delivering significant outputs for the locality including significant numbers of jobs, new apprenticeships, new commercial and retail space. Table 3 outlines the outputs the programme expects to achieve by 31st March 2021.

Table 3 – CWLEP Growth Deal Outputs

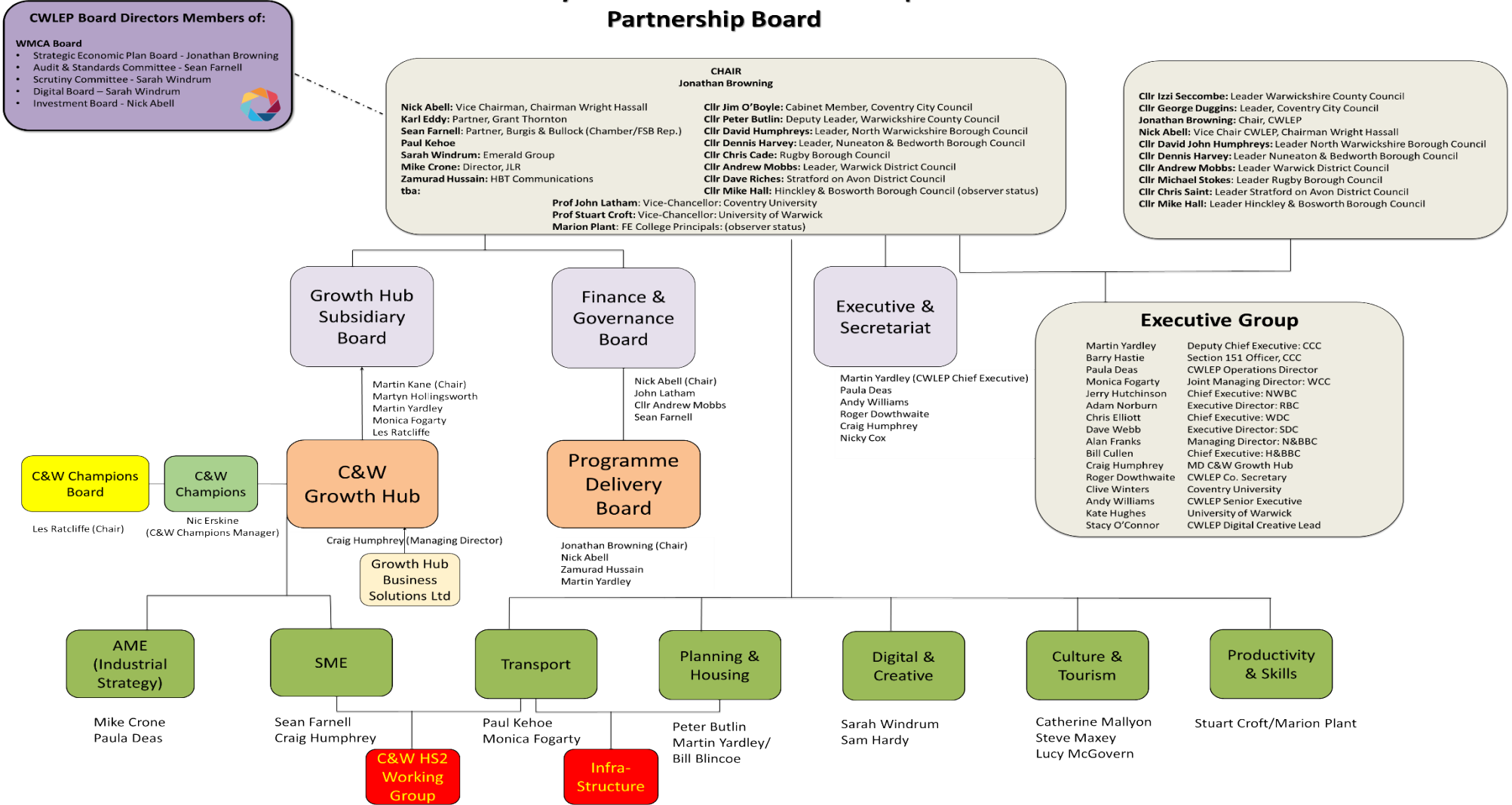
² Carney Green. Coventry and Warwickshire Growth Deal – 2016/17 Evaluation

Coventry & Warwickshire Growth Deal Outputs



APPENDIX ONE – CWLEP STRUCTURE

Coventry & Warwickshire Local Enterprise Partnership Board



APPENDIX TWO – GROWTH DEAL PROJECT LIST
Coventry Based Projects

Projects	Position	Location	Deliverer	CWLEP Funding (£m)
North-South Rail And Coventry Station Package (Infrastructure)	In Delivery	Coventry	Coventry City Council	27.5
National Transport Design Centre (Innovation)	Complete on site	Coventry	Coventry University	7.0
City College Advice Centre (Skills)	Complete on site	Coventry	City College Coventry	0.077
Coventry City Centre (Infrastructure)	Complete on site	Coventry	Coventry City Council	5.00
Coventry A45 (Infrastructure)	In Delivery	Coventry	Coventry City Council	0.95
Very Light Rail (Infrastructure/Innovation)	In Delivery	Coventry	Coventry City Council	2.46
Dynamic Routing (IVMS) (Infrastructure/ Innovation)	In Delivery	Coventry	Coventry City Council	2.489
City College STEM (Digital Industries Network and Telecommunications) (Skills)	Complete on site	Coventry	City College Coventry	0.220
R&D Steel GD extension (Innovation)	In Delivery	Coventry	WMG	1.00
WMG Academy Pre Development (Innovation/Skills)	In Delivery	Coventry	WMG	0.77
Warwick Arts Centre (Culture)	Contracting	Coventry	Warwick University	2.00
Friargate and City Centre Connectivity (Infrastructure)	Contracting	Coventry	Coventry City Council	11.80
AME Expansion (Innovation)	Contracting	Coventry	Coventry University	1.00
WMG Degree Apprenticeship Centre (Skills)	Contracting	Coventry	WMG	10.00

Warwickshire Based Projects

Projects	Position	Location	Deliverer	CWLEP Funding (£m)
Trident Apprenticeship Centre (Skills)	Complete on site	Warwickshire	Warwickshire College	1.300
Venture House (formerly Progress House) (Business Support)	Complete on site	Warwickshire	Stratford District Council	0.450
Connectivity To UK Central (DfT Reserved Scheme)	In Delivery	Warwickshire	Warwickshire County Council	19.600
A46 Stanks Junction (Infrastructure)	In Delivery	Warwickshire	Warwickshire County Council	4.100
Kenilworth Station (Infrastructure)	In Delivery	Warwickshire	Warwickshire County Council	3.490
Construction centre Leamington (Skills)	Complete on site	Warwickshire	Warwickshire College	0.239
Leamington STEM centre (Skills)	Complete on site	Warwickshire	Warwickshire College	0.160
Coton Arches (Infrastructure)	In Delivery	Warwickshire	Warwickshire County Council	2.000
CSW Broadband (Infrastructure)	Contracting	Warwickshire	Warwickshire County Council	1.00
Rugby Construction, Technology and Innovation Centre (Skills)	Contracting	Warwickshire	Warwickshire College	1.50
Rugby Parkway Station (Infrastructure)	Contracting	Warwickshire	Warwickshire County Council	4.00
A452 Europa Way Corridor (Infrastructure)	Contracting	Warwickshire	Warwickshire County Council	3.60
Nuneaton Town Centre (Infrastructure)	Contracting	Warwickshire	Warwickshire County Council	7.50

Combined Warwickshire and Coventry Projects

Projects	Position	Location	Deliverer	On site Start Date	Completion Date	CWLEP Funding (£m)
Growth Hub (Business Support)	Complete - ongoing monitoring	Coventry and Warwickshire	Growth Hub / CWLEP	15/16	Ongoing	0.328
Unlocking Development Sites (Infrastructure Programme)	In Delivery	Coventry and Warwickshire	Various	15/16	17/18	4.994
Duplex Fund (Business Support)	In Delivery	Coventry and Warwickshire	Coventry City Council	18/19	19/20	1.300

Examples of Publicity

The new Local Growth Fund Newsletter

CWLEP Coventry & Warwickshire
MIDLANDS ENGINE 850
100 Government

Local Growth Fund Coventry and Warwickshire

Welcome to the first Local Growth Fund e-newsletter which will provide an update on projects funded throughout Coventry and Warwickshire.

In 2017, the Government awarded £42.44 million to the Coventry and Warwickshire Local Enterprise Partnership (CWLEP) through the Local Growth Fund to invest in the area to help create jobs, support businesses and

Dynamic Routing

Article by **CHRIS MIDDLETON** 14/11/2017

INNOVATIVE APP TO REDUCE CONGESTION IN COVENTRY

Commuters in Coventry are being urged to trial an innovative research app which aims to reduce traffic congestion heading into the city centre.

The Intelligent Variable Message Systems (IVMS) is the first of its kind in the UK. It is designed to allow motorists to plan their travel along three main roads into Coventry from the M5 – the A46 Binley Road, the A444 and the A4600 Watgrave Road.

The ground-breaking project, which is known as Dynamic Routing, has received £2.5 million of funding from the Government's Local Growth Fund through the Coventry and Warwickshire Local Enterprise Partnership.

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R&D Steel

Article by **CHRIS MIDDLETON** 11/12/2017

NEW R&D STEEL FACILITY OPENS AT WMG

Businesses of all sizes in Coventry and Warwickshire can take advantage of a state-of-the-art facility to develop the next generation of lightweight steel products.

WMG (Warwick Manufacturing Group) at the University of Warwick has created a cutting-edge research, design and skills infrastructure zone in its advanced

North South Rail

Article by **CHRIS MIDDLETON** 03/11/2017

£82M COVENTRY STATION MAKEOVER TAKES A STEP FORWARD

New computer images have been released of the potential £82 million Coventry Station Masterplan which will transform part of the city centre.

The planning application for the multi-million-pound plans to regenerate the fastest growing station

A46 Stanks

Work on warwick traffic improvements to begin

IMPROVEMENTS to Warwick town centre are set to begin with the implementation of a 20mph zone.

Warwickshire College

AI centre opens at Royal Leamington Spa College in town