

**HUNTINGDONSHIRE DISTRICT COUNCIL**

**Title/Subject Matter:** Growth Deal Round 2 (Strategic Economic Plan) Update

**Meeting/Date:** Overview & Scrutiny (Economic Wellbeing)  
6 November 2014

**Executive Portfolio:** Cllr Jason Ablewhite & Cllr Tom Sanderson

**Report by:** Nigel McCurdy - Corporate Director (Delivery)

**Ward(s) affected:** All

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**Executive Summary:**

The purpose of this report is to inform Members of work undertaken in collaboration with the GCGP LEP to marshal a collective and collaborative Local Authority response to the second round bidding process for Government Growth Deal funding, the purpose of which is to unlock or accelerate economic growth and development. The submission was required from the LEP by end October with outcome announcements expected in early December as part of the Governments Autumn Statement budgetary process.

The work has been led by Huntingdonshire District Council in conjunction with the LEP, to brigade the thirteen LEP Council partners and identify credible projects and an improved spatial growth context. The bidding approach was agreed by the LEP LA Leaders Board on 16 October and endorsed by the LEP Board itself on 25 October. The LA Leaders report is appended to this paper, along with the related Spatial Narrative.

Forty projects were initially proposed by Councils for consideration, along with eight Skills related initiatives. Ten proposals are agreed for the LEP's submission to Government (see Paragraph 6 of LA Leaders report). That package of projects is deemed to present a credible and cogent offer to Government for largely capital (and some revenue) support to deliver planned growth in housing and employment. Those projects are in presumed priority order. Those directly relating to Huntingdonshire are:

- A428/A421 corridor Scheme Development - A1(M) to Cambridge: feasibility of capacity improvements and infrastructure enhancements, to assists unlocking St Neots growth
- Huntingdon Northern Access (A1123/A141): transport and modal shift options around Huntingdon, St Ives and Alconbury Weald Enterprise Zone (EZ) connectivity.
- Strategic Water/Waste Water infrastructure: utilities provision to unlock EZ and Huntingdon growth.

Key issues to be aware of are:

- The size of the funding pot and Govt theme priorities are unknown, so measures of success are difficult to identify in terms of likely awards of funding - the approach has been to present the best package of credible projects, linked to a new Spatial Narrative, highlighting our collaborative approach and proven ability to deliver.
- This is a competitive process nationally, so all bids may not be successful, particularly if revenue based (it is predominantly a capital fund) - the LEP and LA Leaders are lobbying through all appropriate channels.
- As the bids are aimed at accelerating growth or unlocking the viability of schemes, if bids are unsuccessful, other funding routes will need to be explored, including the Growing Places Fund, transport funding pots (including Highways Agency Route Based Strategy options) and S106. Consequently there would be an impact on the timescales and viability of planned development, as acceleration or unblocking is less likely - ongoing discussions between this Council and Cambridgeshire County Council, along with the LEP and Highway Agency will identify any alternate revenue requirements needed to progress highway related schemes.

**Recommendation(s):**

It is recommended that Members note this work.

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## **ITEM 3: GROWTH DEAL Round Two**

### **SUMMARY FOR DECISION:**

- 1) To agree a Spatial Narrative and Vision to focus the Growth Deal Round 2 bidding process (Paragraph 5);**
- 2) To agree a list of priority projects for inclusion in Growth Deal Round Two bidding (Paragraph 6-10); and**
- 3) To endorse the approach to accelerating delivery of Round One projects (Paragraph 11).**

### **Growth Deal update**

- 1) Following the announcement of the Growth Deal in July, the Government immediately launched a further two overlapping processes in relation to the Growth Deal. The first was a request to identify what Round One projects could be delivered to an accelerated timetable, particularly spend on projects in the period up to the end of March 2015 (i.e. in advance of current funding date of April 2015). The second was a request for Round Two capital projects that would spend in the period 2016/17. The extent and origin of funding available for Round 2 remains unspecified.

### **Growth Deal Round Two**

- 2) As Leaders will recall, at the last Leaders meeting (13 August 2014 Minute 2 relates) it was agreed that the local authorities would collectively draw together a strong spatial narrative and provide senior officer support to the Round Two prioritisation of their potential projects.
- 3) This responds to Government feedback on Round One that they would like to see a better link between the SEP vision/strategy and the prioritisation of projects, a clear rationale on how the projects support growth by unlocking constraints or accelerating timescales, and with evidence of deliverability. Government has an expectation of mature conversations and ability to demonstrate locally a cohesive partnership approach. This should give greater focus on the key priority projects for successful growth, rather than a range of projects spread thinly across the whole LEP area. Positively, the feedback also suggested that many projects included first time round were considered strong and could be resubmitted for consideration in Round Two.
- 4) Nigel McCurdy, Corporate Director (Delivery), Huntingdonshire District Council is the lead officer for coordinating the local authority input, to bring more cohesion and agreement to this work. A Senior Sponsor Group (of senior officers from each local authority), supported by the LEP Executive, has led the call for Round Two projects, and has met both collectively together and in task groupings to identify and sift potential Round Two projects (excluding skills capital projects which have a separate assessment process).
- 5) The Spatial Narrative aims to give focus to the delivery of future growth and SEP projects, identifying and seeking to build on existing success and responded on a more planned basis to known growth pressures and economic opportunities. It has been led by the Joint Strategic Planning Unit and evolved through the Senior Sponsors Group. The document is attached at Appendix C. Endorsement is now sought from Leaders on the principles and approach of that document, accepting that presentational emphasis

will need to be further refined before submission as a key part of the Round 2 bid package. In essence the Spatial Narrative seeks to capture the following key points:

- That GCGP is strategically placed in the South East and along the London-Stansted-Cambridge-Huntingdonshire/EZ-Peterborough corridor (and the wider London-Cambridge-Oxford triangle) to respond coherently to growth pressures and economic opportunity as an 'Innovation LEP'.
  - That GCGP has consistently been a high growth area, with a track record of proven success and has made credible plans for that to growth to continue, but needs additional key infrastructure to make it work, rather than expecting to continue to keep squeezing the same infrastructure and expect it to work.
  - There are certain corridors (e.g. A14/A428/A1/A10) that will be delivering growth earlier than others, and should be prioritised.
  - Cambridge 'overheating' (as an issue we know is on Government's mind) can be coherently addressed via: spreading the heat (space for businesses to grow in places connected to Cambridge) along deliverable growth corridors; City Deal maintaining transport accessibility to the key recognised economic driver of Cambridge; and linking our innovation with manufacturing strengths in other parts of the LEP.
- 6) The Senior Sponsor Group has identified the following projects as 'category one' (i.e. meeting a strengthened spatial narrative for the area, the themes of the Strategic Economic Plan, with sufficient credibility around deliverability and outcomes related to new homes, jobs, facilitating movement and financial leverage):

**Round Two Category One package for 16/17 (in no particular rank order):**

- Ely Southern Bypass (£16m Growth Deal funding requested)
  - Growth Places Fund Extension (with a pipeline of potential bids seeking grants/loans) (£7.5m)
  - A428 Scheme Development, A1 (M) to Cambridge (£0.25m)
  - M11 Junction 8 Improvements / Stansted Airport (£5m)
  - Strategic Water/Waste Water infrastructure, Alconbury EZ/Huntingdon (£7m)
  - Riverside Opportunity Area, Peterborough (£2.5m)
  - Huntingdon Northern Access, A1123/A141 (£6m)
  - Strategic cycle link bridge (Chisholm Trail), Cambridge (£2.5m)
  - Key Worker housing demonstration programme, Cambridge (£0.2m)
- 7) The list of additional potential projects submitted by local authority partners as part of this process is shown in Appendix A. Whilst Paragraph 6 above identifies those projects collectively agreed by Senior Sponsors and GCGP officers as most worthy of submission and for which the endorsement of Leaders (and ultimately GCGP Board) is now sought, it is envisaged that a number of these additional projects would be prime candidates for accessing the Growing Places Fund. The broader intention of the local authority work identified by the Senior Sponsors Group is to maximise additional value of these collaborative arrangements by securing a 'pipeline' of projects, that can be used proactively and provide critical agility in responding quickly to other funding opportunities and potentially create a programme of project support across the wider GCGP economic geography. In essence, the Category 1 list at Para 4 provides the necessary greater spatial focus and cogent story to accompany the Round 2 bid, but those projects not listed therein may still attract alternate funding and direction

through GCGP and partners working strongly and transparently together on an ongoing basis.

- 8) The list of category one schemes represents the Senior Sponsors Group view of an appropriate selection of projects from a local authority perspective, based on the information submitted in more detailed project proformas and presents the strongest package of bids that reflects delivery of homes, jobs and movement whilst securing wider funding leverage. As part of the process of ensuring the Round Two bid reflects the views of the academic and business sectors, these schemes are being tested for fit with those sectors through a group led by David Gill, LEP Board member (who previously agreed to undertake the Round One Review).
- 9) The transport related schemes were prioritised at an officer level by the Local Transport Authorities, before being considered along with the wider range of projects by the Senior Sponsor Group. This drew on the significant work undertaken in prioritising transport schemes in Round One. Critically, the senior Sponsors Group recognised the inclusion of key transport related schemes in the Round 2 Category 1 list as important to secure the need for greater ease, frequency, mode and cost of movement, enabling flexibility in both workforce and goods. A member-level Local Transport Board meeting has been arranged for the 15<sup>th</sup> October, and their recommendations will be reported verbally to the Leaders meeting.
- 10) A number of skills related bids were submitted by local authorities. These have been added to the other bids submitted under the call for Skills Capital, and are being assessed separately. These are shown in Appendix B. In considering those projects, it will be important to be clear on the overall GCGP attitude and strategy for skills and how individual projects relate to and both complement and enhance existing FE opportunities, workplace learning and also, the planned Skills Vocational Centre at the Alconbury Enterprise Zone that has secured Round 1 funding provision (£10.5M).

## **Growth Deal Round One (and Zero)**

- 11) Government has also requested views on potential Round One projects that might be delivered to an earlier timetable, including in the months before April 2015 when Round One funding officially starts. The Government is looking at opportunities to use underspend this year, and draw down additional resources in 2015/16.
- 12) The Senior Sponsor Group took a view on potential 'acceleration' projects. This included potentially new projects if they could spend and complete by end March 2015, but that sight of which should not be lost in Round 2 bidding, i.e. a belt and braces approach to maximising scope for funding of critical projects.

### **Possible acceleration of Round One schemes to spend in 14/15:**

- Haverhill Research Park Innovation Building (£0.75m - £1m)
- Wisbech Access Studies (£0.05m - £0.1m)

### **Possible new schemes to use underspend in 14/15, in addition to any acceleration of Round One projects:**

- Development schemes: Peterborough Riverside Opportunity Area (£3.5m)/  
Wisbech Waterfront (£1m) /  
Peterborough Digital Hub (£1m)/  
Kings Lynn Nar Ouse Regeneration Area (£0.5m)
- Huntingdon Northern Access, A1123/A141, development work (£0.25m)

- Public transport related schemes in Cambridge (£0.33m)

**Possible schemes to bring forward if funds are also available in 15/16**

- Ely Southern Bypass £4m of £16m ask
- Local Sustainable Transport Fund (Capital) £2.9m
- Development schemes (as above): Riverside Opportunity Area (£5m) /  
Wisbech Waterfront (£1m) / Digital Hub (£1m) / NORA / EZ Hub (£2m)
- Strategic link bridge (Chisholm Trail), Cambridge (£2.5m)
- A428 Scheme Development, A1(M) to Cambridge (£0.25m)
- Key Worker demonstration programme, Cambridge (£0.2m)
- Huntingdon Northern Access, A1123/A141 (£0.25m)
- Eastern Industries, Peterborough (£3m)
- Whittlesey Station improvements (£1m)

**Next steps**

The views of the Leaders Group are requested, to endorse the both the Spatial Narrative and Category 1 Round 2 Project linked thereto as set out in this report (Paragraphs 5 and 6 refer), recognising also the wider development of a 'pipeline' or projects that can be matched to Growing Places and future funding opportunities. Views of the Leaders Group will be reported to the GCGP Board on the 27<sup>th</sup> October, at which the spatial narrative and final composite projects list needs to be agreed to submit to Government immediately after.

## Appendix A: All non-skills schemes

Project Title	Brief Description	Theme	Location	SEP funds requested (£m)	Total project investment (£m)
Riverside Opportunity Area phase 1	Regeneration - mixed use development of 117 acres of city centre brownfield land. This phase involves land remediation, improved site access, further acquisition of assets	Development	Peterborough	£5.0	£17.2
Strategic Water and Waste Water	Utility infrastructure - addressing an existing infrastructure deficit for potable and waste water networks: critically needed to support the planned growth aspirations (and address infrastructure constraints) for planned development across Huntingdonshire and specifically support early delivery of housing and employment at Alconbury Weald.	Development; Enterprise Zone	Huntingdon	£7.0	£14.0
Growing Places Fund Extension	Loan and Grant funding programme to provide gap funding to unlock residential and commercial development as well as business growth.	Development	All areas	£7.5	£15.0
Peterborough Digital Hub	Refurbishment of a vacant city centre club to provide a Digital Hub to support start-ups, micros and SMEs in the digital sector.	Development	Peterborough	£1.0	£1.6
Unlocking Growth in Oakham	Element 1: Flood mitigation scheme - for residential development of 55 homes: Element 2: New build business units	Development	Oakham	£1.2	£1.9
Wisbech Enterprise Park	Enabling works/access infrastructure - to facilitate 88 hectares (217 acres) mixed use site	Development	Wisbech	£6.0	£20.0
Littleport business centre and major company expansion	Commercial space - Gap funding for innovation centre 20,000sq ft., including increase parking for station and cycling/pedestrian link	Development	Littleport	£2.5	£4.0
Major mixed use commercial scheme, Soham Northern Gateway	Gap funding for private commercial development - mixed use, retail convenience, petrol station, pub/restaurant and B1/2	Development	Soham	£2.0	£6.2
Octagon Park Business Centre - Ely Innovation Centre	Gap funding for private development of innovation space - 15-20,000 sq. ft.	Development	Ely	£1.0	£2.6
Ramsey Northern Gateway	Gap funding for first phase infrastructure - 15.65 acres of commercial development space	Development	Ramsey	£0.3	£1.5
Sustainable Prosperity Through High Value manufacturing	Funding for incubator space - targeted at high-value manufacturing and conversion of concept to commercialisation.	Development	Enterprise Zone Alconbury	£3.0	£5.0
Newmarket Artificial all-weather Racehorse exercise track	Gap funding for new artificial track (gallops) to increase racehorse training capacity of Newmarket to 3750 horses	Development	Newmarket	£4.0	£8.0

Nar Ouse Employment Land Infrastructure	Road infrastructure and enabling works - 12 hectares of employment site	Development	King's Lynn	£2.0	£4.0
The Centre for Advanced Knowledge Engineering	Funding for Commercial/Incubation space - private development of two incubator buildings in bespoke facility to support business and research activities in advanced data 'engineering'	Development	Downham Market	£2.0	£6.0
Nene Waterfront Development Scheme	Gap funding for enabling works to accelerate the development of 200 houses on 4 hectares of waterfront, long vacant land.	Housing	Wisbech	£1.0	£20.0
St Neots Growth Forum	Town Centre Regeneration - establish a delivery focused regeneration and development partnership with responsibility and gap funding to deliver town centre and regeneration	Development	St. Neots	£5.8	£11.5
Cambridge Northern Fringe East	Feasibility and area action plan studies for northern fringe of Cambridge	Feasibility Study	Cambridge	£0.3	£0.3
Pilot scheme for innovative Key worker Housing	Pilot project - Funding mechanism to facilitate access to housing for those on middle to low incomes	Housing	Cambridge	£0.2	£0.2
Ely Southern By pass	Road Infrastructure - 1.7km of road connecting the A142 to Stuntney Causeway, including bridges over the Ely to Cambridge and Ely to Ipswich railway lines and the River Great Ouse, to relieve heavy congestion around Ely Station and remove constraint of low bridge and level crossing.	Transport	Ely		
Strategic cycle link: Chisholm Trail pedestrian/cycle bridge over the River Cam	Sustainable travel infrastructure - A new pedestrian / cycle bridge across the River Cam linking the north of Cambridge, the new Cambridge Science Park Station, the Science Park (and neighbouring business parks and innovation centres) to East Cambridge.	Transport	Cambridge		
A428/A421 short and long-term measures	Road Infrastructure - immediate improvements to roundabouts to accelerate delivery of 4,000 homes in St Neots and feasibility study to assess required interventions to deliver much needed capacity improvements on the A428 Caxton Gibbet to A1 Black Cat	Transport	St. Neots /A1 to Cambridge		
Cambridgeshire Sustainable Transport Future (LSTF)/ Smart City 16/17 onwards	Infrastructure and 'smart' transport systems - continuation of the Local Sustainable Transport Fund projects to maximise use of transport networks, including engaging with businesses and public. The Smart Networks element of the programme will focus on the use of data and emerging technologies to better use our network and create a platform for better town and city management. It will develop a more unified approach to connectivity.	Transport	Cambridgeshire		
Peterborough Sustainable Future (LSTF/Smarter Cities) 16/17 onwards	The delivery of high quality sustainable transport infrastructure to reduce vehicle travel demand alongside a 'smart' transport system to ensure the parkway network runs effectively and efficiently will directly enable Peterborough's growth set out in the Core Strategy.	Transport	Peterborough		



Huntingdon Capacity for Growth	Provide capacity for economic and housing growth in the Huntingdon and St Ives area <ul style="list-style-type: none"> <li>• HCG Phase 1: A1123 and St Ives town centre bus priority</li> <li>• HCG Phase 2: Junction improvements on the A141 Huntingdon Northern Bypass</li> </ul> Reconfiguring existing junctions to improve traffic flows on the A141, and future proof the junctions for cycling and walking links into the Alconbury Enterprise Zone. <ul style="list-style-type: none"> <li>• Huntingdonshire Capacity for Growth Feasibility Study</li> </ul>	Transport	Enterprise Zone / Alconbury Huntingdon		
M11 J8/A120	Transport infrastructure - upgrading of M11/A120 J8 interchange to provide capacity for growth until a major improvement can come forward to deal with projected long term growth. Facilitation of existing housing commitments and also the permitted growth planned over the next 10 years at London Stansted Airport.	Transport	Stansted Junction, Uttlesford		
Eastern Industries	Road and transport improvements - to unlock commercial development: Phase 1 - Fengate; Phase 2 – Parnwell	Transport	Peterborough		
Whittlesey Access Phase 3: Whittlesea Station	Improvements to Whittlesea Station including: car parking; information, signage, lighting, access and shelters; Anglia in Bloom; formation of friends of group; development of plans for platform extension and development as a parkway for Peterborough	Transport	Whittlesea		
Station Road Industrial Estate Improvement and feasibility study Uppingham	Feasibility study - on access improvements required for the Station Road Industrial Estate (SRIE) in Uppingham.	Transport	Uppingham		
March Junctions Package	Feasibility study - to assess technical and engineering issues	Transport	March		
Fenland Market Town Transport Strategies	Implementation of short and medium term transport project packages and feasibility for longer-term projects	Transport	Fenland various locations		
Fenland Railway Stations	Railway Station improvement feasibility and implementation: A package of improvements to upgrade the Fenland railway stations.	Transport	Fenland various locations		
Connected Infrastructure	Transport infrastructure improvements - Improved integration and communication between existing infrastructure systems which are connected but not unified in terms of communication technology. E.g. Variable Message Signs, Parking meters, Air Quality Stations, Real Time Passenger Information displays and Car Park information displays.	Transport	Cambridge		
Stanground Access	Road infrastructure improvement feasibility and implementation- roundabout at the Junction of the A605/B1095	Transport	Peterborough		
A47 Thorney to Wisbech/Walton Highway improvements	Road infrastructure feasibility - to assess route options for the future improvement of the A47 Trunk Road between Thorney and Walton Highway.	Transport	Wisbech		
Junction 18	Road infrastructure improvement - to increase capacity at this junction by improving the signals and improving the capacity of the entrance/exit arms. Also required removal of the footbridge over Junction 18 and under the A47 with	Transport	Peterborough		

	pedestrian phases being added to the signals.				
Soham Station	Rail infrastructure - continued feasibility, project development and implementation of a new station to serve Soham	Transport	Soham		
Enterprise Zone Hub / Commercial Bldg.	Provision of hub building offering amenity and support services to EZ campus	Development; Enterprise Zone	Enterprise Zone Alconbury	£2m	£4m
Oakham Town Centre Level Crossing Access feasibility study	Study into mitigation measures / alternative to Level Crossing due to additional freight trains between Nuneaton and Felixstowe and impact of resulting Level Crossing closures on Oakham	Transport	Oakham		
Integrated Transport Programme Rutland	Integrated transport programme, including Local Safety Schemes, Public Rights of Way, Cycleways and Footways, traffic impact reduction	Transport	Rutland		
Improvements to the current rail network and new rail infrastructure	Rail infrastructure improvements - Development and implementation of major improvements and upgrades to the strategic rail network serving the GCGP area and the wider region.	Transport Other	Various locations		

### Appendix B: Skills related schemes

Institute of Advanced Construction	Skills facilities -Network of 7 centres for higher level construction skills: teaching and learning facilities; upgrade of learner facilities; and relocation and upgrading of power infrastructure to learner facilities (to include demonstrator biomass boiler).	Skills	Bircham Newton		
Fenland Energy and Utility Skills centre	Skills and training facility - Self-contained collaborative, employer-led training provision delivering technical support, training, apprenticeships, best practice research for the construction, renewable energy and utility industry	Skills	Fenland		
Fenland Skills centre enhancements	Capital equipment - Expansion and development of equipment, technology and resources at existing skills centres/programmes	Skills	Fenland various locations		
Construction Plant Training simulators	Capital equipment - purchase of 6 construction plant simulators and associated costs	Skills	Bircham Newton		
Environmental and Sustainable construction hub	Create a construction, environmental and sustainability centre of excellence	Skills	Peterborough		
Composites Academy	Centre of technical excellence for quality assurance and materials testing, and lead on mould development and design, with autoclave facilities and CNC/clean rooms.	Skills	Huntingdonshire & Cambridge		
Highways and Civil Engineering Academy	Academy to provide industry standard facilities, to address skills shortages in highways and civil engineering, in GCGP as fastest growing area.	Skills	Huntingdonshire		
Motion Capture and Augmented Reality Studio	Development of a facility currently only available at a single other FE location in the country, to support the Advanced Manu, Biotech and Commoditised Creative industries	Skills	Cambridge		

Appendix C: Spatial Narrative

# Greater Cambridge Greater Peterborough Enterprise Partnership Local Growth Fund – Round 2 (2016/17) – Spatial Narrative

## Delivery Opportunity

The GCGP area is a major driver of the UK economy with a proven record of excellence in technological innovation and research and development<sup>1</sup>, bringing £30 billion GVA a year to UK plc. It has a national and international profile and influence, focused on Cambridge University and the knowledge-based economy, complemented by Peterborough's strengths in manufacturing and as a 'smart city' and with the Alconbury Weald Enterprise Zone strategically located along the Cambridge-Huntingdon-Peterborough growth corridor. Located within easy reach of London, national and international markets through London Stansted Airport and the east coast ports, with the right investment the GCGP LEP geography has considerable potential for further investment to unlock additional significant growth and benefit the local, regional and national economy. Our Round 2 projects have been framed collaboratively with partners and are focussed on releasing those opportunities.

Fig. 1 - GCGP area in a national context



The Greater Cambridge Greater Peterborough economy in particular has the potential to achieve the government's broad economic aims of rebalancing and restructuring the UK economy away from an over-reliance on financial services, including towards more international trade.

<sup>1</sup> Top ranked LEP for innovation in The LEP Network review: *Creating Successful Local Economies: Review of Local Enterprise Partnership area economies* (2012).

Businesses and public sector organisations are actively looking to exploit this wider potential, working in partnership and building on the area's strengths to deliver results. This includes developing the GCGP area's central role in the Cambridge- London- Oxford Triangle and the London-Stansted-Cambridge-Peterborough Corridor, strategically- linked areas which are driving the UK's economic growth and productivity. We are also delivering at Alconbury Weald the largest Enterprise Zone development in the South East, strategically located on north/south and east/west communication routes. This is a major part of our strategy to take the world-leading innovation in business (particularly of the Cambridge sub-region) and provide the physical business space for them to become commercialised within the UK, not leaking abroad.

**Fig. 2 – GCGP area in relation to London and surrounding area**



Business consistently says that its biggest challenges relate to skills and infrastructure provision. To accelerate growth in business we need to align skills provision with business demand. We need to raise peoples' aspiration to work in key skills areas and facilitate centres of excellence for key skills shortages, particularly in those sectors that support growth.

**Our Ambition**

As much as GCGP is leading on innovation it is also leading on the growth agenda. The area is one of the most rapidly expanding parts of the UK, particularly the cities of

Cambridge and Peterborough<sup>2</sup>, and Huntingdonshire spanning between, all with ambitious plans for the future. Advanced, credible plans for expansion of both of the area's core cities and five new settlements make it an exception in the generally constrained South East. This will deliver nearly 160,000 new homes. From 2002 to 2012, 64,000 additional homes were built across the area, 89% of the challenging growth targets in the former East of England Plan (a considerable achievement during a recession). Partners have shown a clear commitment to growth through the City Deal for Greater Cambridge, which will bring significant investment to the area; by committing funding to the A14 improvements; and by delivering other key infrastructure such as road access to the Addenbrookes Biomedical Campus. Continued partnership with government to invest in the on-going success of the area is critical to maintain and strengthen its vital contribution to the UK's economic recovery and growth.

The 2011 population of the GCGP area of 1.37 million is forecast to increase by around 300,000 by 2031. This represents a 21% increase, in relative terms one of the highest levels of growth across the wider south east. This reflects the area's economic success and attractiveness as a place to live and work. The local authorities have risen to this challenge with plans for 158,000 new homes over the next 20 years, well above the level suggested by national household projections. The target is to create at least 134,000 new jobs over the same period across a range of sectors.

### **How We Will Deliver Growth**

Local partners are actively planning to accommodate new houses and jobs. The twin cities of Cambridge and Peterborough are due to expand, with Huntingdonshire already the country's fastest growing shire District, but a core ambition is to spread benefits more widely across the GCGP area. The market towns in our area are an essential part of its economic success and future potential; many are set to grow significantly, for example planned growth in St Neots will double the town's size. By providing the right homes, business space and movement infrastructure we can enable more innovation to be translated locally into commercial delivery. Urban capacity and strategic extensions to our towns and cities is a major part of the response, but we also have ambitious plans for five new settlements. These are the developing new town of Northstowe, at Alconbury Weald alongside the Enterprise Zone, at Waterbeach and at Wyton and Bourne airfields<sup>3</sup>. Government has land ownership interests in several of these locations; we want to work in partnership to ensure that these significant developments are delivered in an effective and timely way.

Transport is critically important for sustainable economic growth, and much of the existing and future development capacity occurs along growth corridors, the strategic transport routes that are essential for moving people and goods within and through the area. The majority of these corridors are experiencing high traffic growth and capacity constraints. Journeys east-west are particularly constrained due to lack of interconnectivity for rail and lack of capacity for road. Travel demand is expected to grow by 23% across the GCGP LEP area to 2031, with increases of 28% in Cambridge and 30% in Peterborough forecast<sup>4</sup>. There are congestion problems on all of the key road radials into Cambridge, Peterborough suffers from junction capacity problems on the orbital parkway system and east/west movement is constrained along the A428 from Cambridge to the A1. Further growth will, therefore, need to be accompanied by investment in necessary infrastructure improvements.

The main growth corridors are:

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<sup>2</sup> Peterborough is the fastest growing city in the UK according to the *Centre for Cities*.

<sup>3</sup> Subject to confirmation in adopted Local Plans.

<sup>4</sup> Modelled forecasts informed by growth and DfT TEMPRO data.

- The A14, a nationally important corridor of movement connecting the Midlands with the east coast ports, which is also crucial locally to the delivery of Northstowe, Alconbury Weald and Wyton. Major improvements are planned to address the capacity constraints on the route from 2016.
- The A428, which has seen a 43% increase in traffic since 2001. The stretch between the A1 and A1198 is the only section of the strategic east-west route between Cambridge and Milton Keynes that is single carriageway. The economic case for dualling is compelling even without major development along the route. Proposals for a new settlement at Bourne airfield, expansion of Cambourne and a major expansion of St Neots add significant weight to the case for improvements.
- The A47 is the most important east-west route in the north of the LEP area, carrying up to 42,000 vehicles a day around Peterborough and 22,000 vehicles a day on the single carriageway stretch around Wisbech. Significant levels of growth on the route at Wisbech and King's Lynn require improvements to this strategic route.
- The A10 is a strategic north-south route with significant capacity constraints. It serves Cambridge, the proposed new town at Waterbeach, significant growth north of Ely and at King's Lynn.
- The M11 for connectivity with London and London Stansted Airport. Improvements to Junction 8 of the M11 are essential to facilitate access to London Stansted Airport and to unlock housing delivery, economic development and jobs.

In accommodating future growth, a multimodal approach is essential; highways capacity alone cannot accommodate all future travel demands. Transformational connectivity with additional capacity for all modes between key centres like Cambridge, Alconbury and Peterborough is needed to unleash the potential for this area. Indeed, in Cambridge, where despite growth of 20% over the last two decades, traffic levels into the city have remained static, as more than half the population in the City-region travel to work by walking, cycling and using public transport. Therefore enhanced capacity for sustainable alternative modes helps accommodate more trips on the network and facilitates growth. Further improvements are needed for the growth corridors, to encourage modal shift to support growth and enhance accessibility between key destinations.

**Fig. 3 – Strategic growth corridors and new settlements**



We recognise the need to prioritise scarce funds where they will have the most economic impact. Given the area's overall value and strategic location, coupled with its growth ambitions and track record of delivery, we believe the GCGP area will repay any investment now through further economic growth and innovation within and beyond its boundaries. As the macro-economic context begins to improve, there is an increased urgency for us to accelerate the delivery of our ambitions in order to ensure that we have the capacity to capture this next wave of growth to maximum effect for the national economy.

The growth corridors provide an important focus for investing in strategic infrastructure and development proposals that will bring forward new homes and jobs. Investment is particularly needed to enable more reliable and efficient access to the ports, airports and national and international markets via the strategic road and rail network; and to support strategic scale developments. Consequently, funding is needed to support Route Strategy work and scheme development, working with the Highways Agency to prioritise these key routes for improvement. Investment is needed to ensure that use of our existing assets is maximised in support of growth, and that more trips are accommodated by public transport, walking and cycling. This will help to reduce congestion on key routes, protect the environment and support the continued growth and economic prosperity of the area. 'Smart Cities' and 'Sustainable Travel' proposals are critically important to support people making informed choices and reducing the need to travel with investment in sustainable alternative modes and digital infrastructure.

We have set out a clear strategy and context for our ambitious growth plans. The scale of our growth ambitions brings with it opportunities and challenges. As well as investing in strategic infrastructure, it will be necessary to accelerate delivery and remove barriers to development as it comes forward. Providing all the necessary facilities, services and infrastructure in new developments has challenges for timely outcomes and the overall viability of projects.

The timing of necessary interventions will inevitably vary according to the scale and complexity of the development as well as its location. Accordingly, we have set out our priorities for investment across short, medium and longer-term timescales. This includes those priority projects for 2016/17 that will support the growth strategy and deliver the jobs and homes the area needs.