



Greater Lincolnshire

Local Enterprise Partnership



Strategic Economic Plan Part 1: Our Plan

March 31st, 2014

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Part 1: Setting the scene

Foreword

from the Chair of the LEP, Ursula Lidbetter



A stable and strong economic future for every part of the UK depends on growth.

The Greater Lincolnshire LEP believes that our area has real potential to deliver sustainable growth and we're here to enable us all to achieve that.

We want to help businesses across Greater Lincolnshire create wealth and jobs, contributing to the local economy.

We want to increase the skill levels of people in our communities, giving them opportunities and allowing local businesses to recruit the talented employees they need to develop.

Our housing market also plays an important role in supporting the local economy. We intend to ensure that public and private finance work together to provide a wide range of homes to suit all budgets, in the right places to support business growth and stronger communities.

As a board, we have a vision for the future – a list of priorities.

It has been developed following detailed research into our area's strengths, talking to our businesses and drawing on the expertise of those in economic development, especially in local authorities and the education sector. We've listened to their concerns and ideas and they've been built into this Strategic Economic Plan.

Together we can make Greater Lincolnshire stronger.

Ursula Lidbetter

Ursula Lidbetter

Chair, Greater Lincolnshire LEP

These actions will create 13,000 new jobs, help 22,000 businesses and increase the value of the Greater Lincolnshire economy by £3.2 billion by 2030.

Introducing Greater Lincolnshire

Greater Lincolnshire contributes over £16 billion to the national economy.

It has a pivotal role in relation to the food security of the UK, growing more than one-eighth of the nation's food; it has significant competitive advantage in three of its defining and strongest industry sectors and has identified a further three sectors with real opportunities for substantial, and nationally important, future growth.

It is also an attractive option for investors; a range of factors come together to make it a great place to live and work:

- its own airport serving the business community, two enterprise zones and central location;
- two universities, two new university technical colleges and six colleges of further education;
- low housing costs and low crime rates;
- historic sites, beautiful countryside and miles of sandy beaches;
- pretty market towns as well as vibrant urban centres;

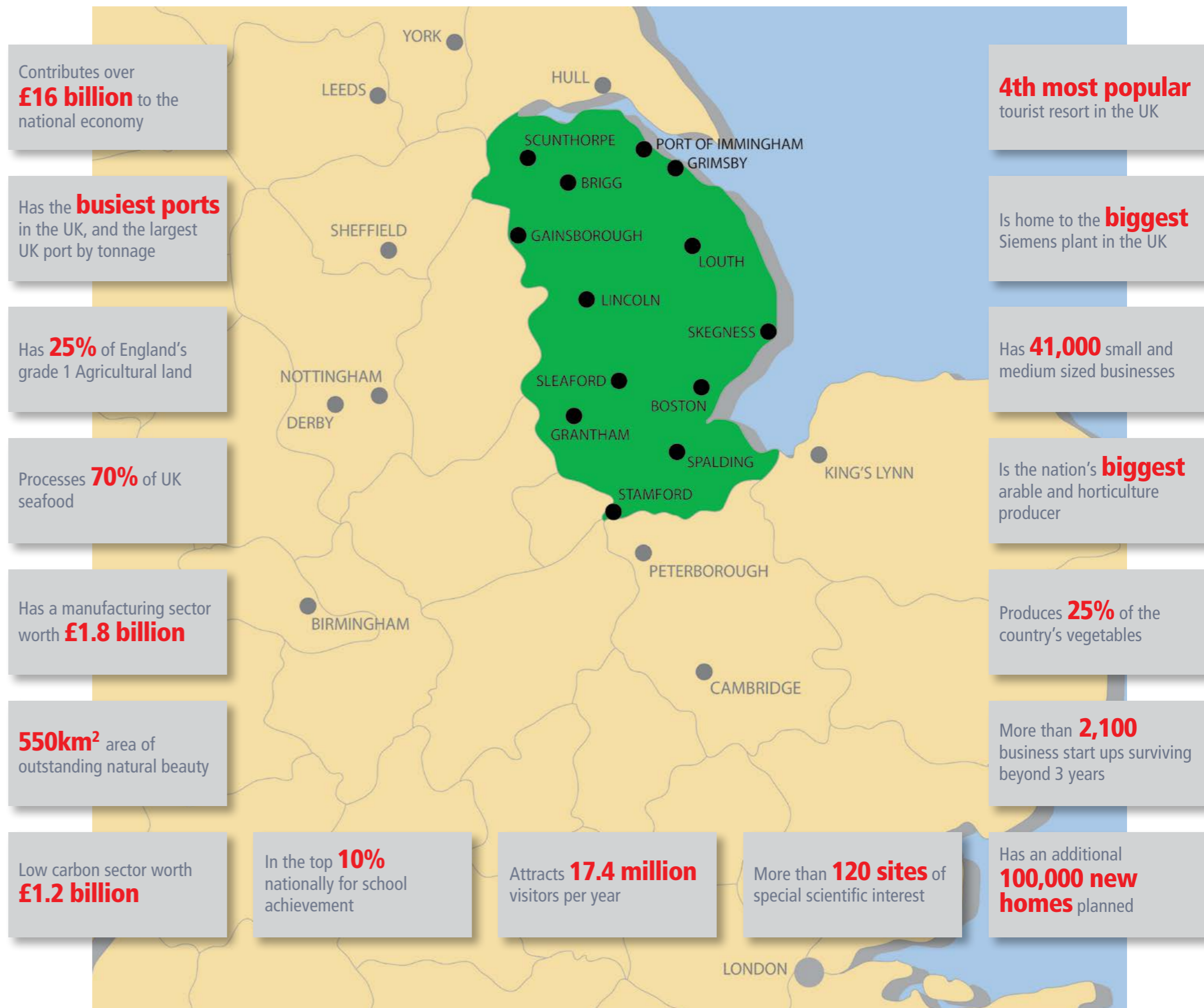
And it has real potential to deliver sustainable growth.

Almost 100,000 new houses are planned that will provide major growth opportunities along nationally important investment corridors.

And the small and medium-sized businesses in the area, over 40,000 of them, have massive supply-chain opportunities.

There are also factors that hold the economic growth of Greater Lincolnshire back. Transport bottlenecks, underdeveloped economic infrastructure and a risk of flooding are problems that need solving. Greater Lincolnshire is also very diverse; it has some of the most, and some of the least, deprived populations within its boundaries and, whilst employment levels are better than the national average overall, there is more to do to ensure that young people are able to take advantage of the work opportunities that are available.

The following pages describe the actions that the Greater Lincolnshire LEP will lead.



Our priorities for growth

Greater Lincolnshire’s priorities for growth are outlined below and are formed from the evidence base that we have developed, through commissioning studies, holding almost 100 face-to-face interviews with important businesses in the area, running board workshops and working with major partnerships to shape strategy.

Greater Lincolnshire plays an important role in the national economy by contributing to:

- food security
- manufacturing output
- the UK visitor economy
- our country’s housing needs.

Business leaders in our area have told us that their business will grow if they:

- are able to access the right skills and training
- can access new markets through innovation, supply chains, technology and financial improvements
- have confidence that there will be improved infrastructure and security
- can operate in a growing area, with vibrant housing and community provision that is recognised countrywide.

So we know that the following LEP investment will directly meet what businesses need to grow:

- innovation, technology and skills programmes tailored to need
- sector-specific schemes that give businesses the confidence to invest
- area-based schemes that unblock housing developments, improve transport and increase the vitality of our area.

We have taken these opportunities and turned them into five priorities and drivers for success, to help shape delivery programmes to best effect.

Our priorities and drivers for success are:

- 1 to drive the growth of the area’s three defining and strongest sectors that offer the most competitive advantage:
 - agri-food
 - manufacturing
 - visitor economy
- 2 to grow specific opportunities identified as future defining features of the area:
 - health and care
 - low carbon
 - ports and logistics
- 3 to drive this growth by putting expansion into new markets, modern telecommunications, infrastructure improvements and the skills of individuals and business owners at the forefront of what we do
- 4 to promote Greater Lincolnshire as a place for sustainable growth through improved transport infrastructure to connect us with national and international markets, enabling wider enjoyment of our world-class heritage sites, culture and strong communities
- 5 to recognise the need for new housing for the existing local population and those moving to the area, and to support balanced housing and economic development through promoting the area’s capacity to deliver high-quality growth.

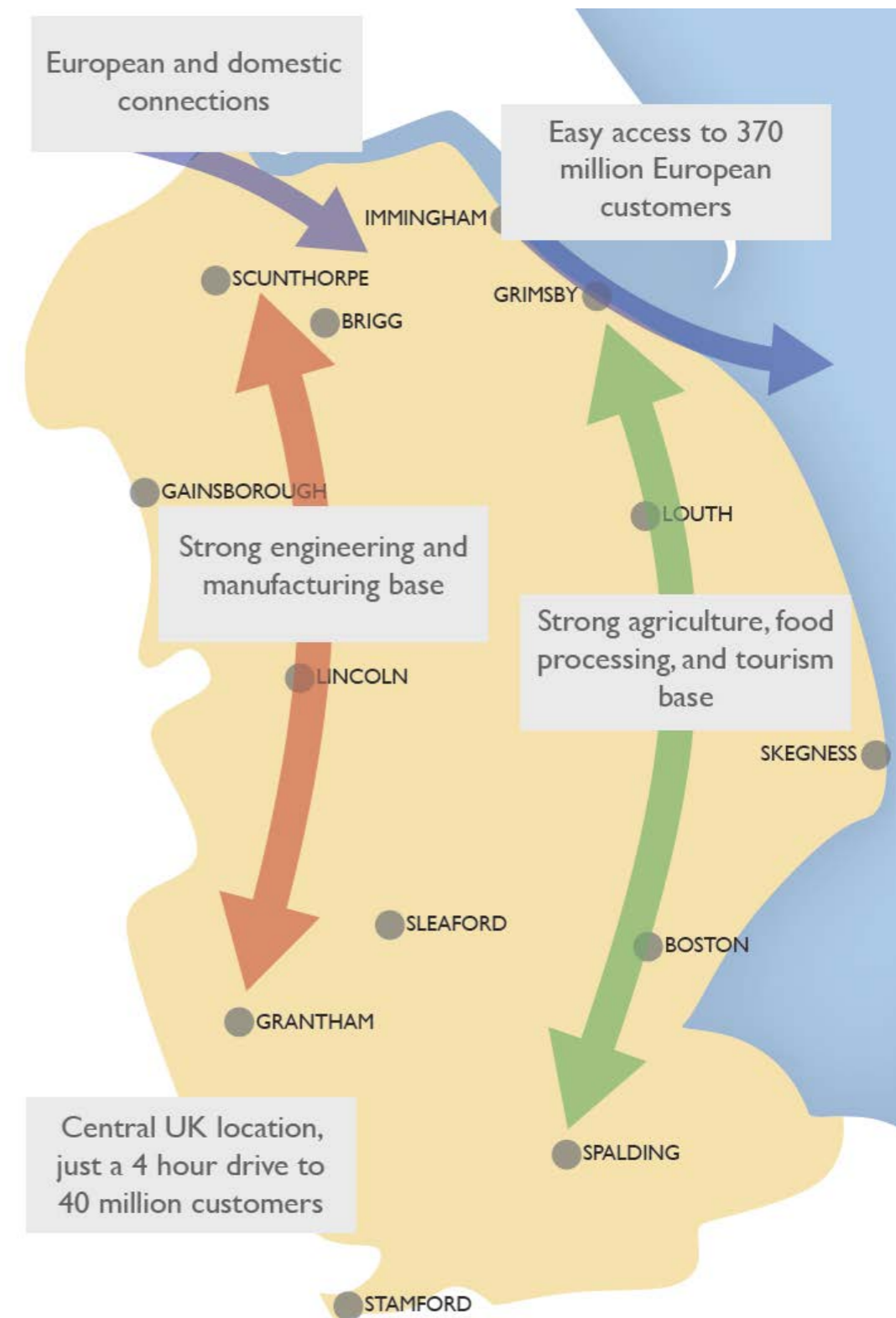
It is important that we recognise the large contribution our small businesses and our foreign-owned businesses will make to the success of this plan.

We also recognise the importance of the range of partners that will come together to deliver these priorities – local authorities, our schools, training providers, FE colleges, universities, Chambers of Commerce, the Federation of Small Business and our communities. There are a great number of very successful partnerships and networks across the area; we have an excellent track record of working together to achieve more.

These priorities underpin the individual sector plans that have been developed.

Each sector action plan will provide the detailed information that all of our partners, organisations and providers need to turn this overarching strategy into delivery projects.

Each sector-based action plan will, in turn, lead to themed plans, for example a Skills plan, an Innovation plan and a Promotion plan.



Delivering major projects – now – to meet our strategic priorities

The Greater Lincolnshire LEP recognises that our leadership of economic growth must be balanced with the facilitation of projects that give businesses the confidence to invest. Projects of varied scope and scale are being developed but we focus here on those that meet our immediate strategic priorities and can be delivered in 2015/2016 and 2016/2017.

The Greater Lincolnshire LEP will promote a package of deliverable projects benefitting the whole of the LEP area that offer a strong growth deal to the LEP. The projects will demonstrate a significant impact on our priority sectors, our housing numbers, and the infrastructure that we need to support growth.

The board has assessed our programme on the basis of:

- **Deliverability** – does a project have match funding and planning permission in place?
- **Whole area** – will the whole of the LEP area benefit from the overall package of schemes?
- **Growth deal** – does a project offer substantial direct outcomes that support economic growth? Do the outcomes represent good value for money, will the Single Local Growth Fund (SLGF) lever other funding, and is there a clear plan in place to realise the benefits of the project?
- **Priority sectors** – does a project directly support agri-food, tourism, engineering, care, ports, and low carbon? Is there a project that is available to all businesses?
- **Housing** – does a project directly create housing growth?
- **Infrastructure** – does a project provide critical infrastructure for growth?

Specific projects are identified throughout this strategic economic plan. As a result of our assessment, the projects that the Greater Lincolnshire LEP intends to lead are set out below. The projects are deliverable in 2015/2016, meet the priorities of the SLGF, and will have a strong impact locally.

Grantham southern relief road – will create 17 hectares of employment land and 1,600 housing units, leveraging £260m of private sector funding.

Boston quadrant – will create 4.5 hectares of employment land and 500 housing units, leveraging £78m of private sector funding.

Boole Technology Centre and Lincoln transport hub – will create 93 jobs, assist 219 businesses and open up 3.76 hectares of employment land.

Unlocking rural housing programme – will create 2,059 housing units.

Bishop Burton College, West Lindsey – will develop a new agricultural college creating 35 new jobs and assisting 410 businesses.

Innovation programme – will provide advice and support to 400 of Greater Lincolnshire's growing businesses.

Skegness western relief road – will create 31 hectares of employment land, leveraging £2.9m of private sector funding.

Grimsby Freeman Street and West & East Marsh Road – will assist 166 businesses and create 280 housing units.

Grantham College – will create 43 new jobs and assist 300 businesses.

Lincolnshire Lakes Blue and Green Infrastructure, Scunthorpe – will open up employment land and create 600 housing units.

Access to Employment Zones, North East Lincolnshire – will open up employment land and create 600 housing units.

Together, these projects will:

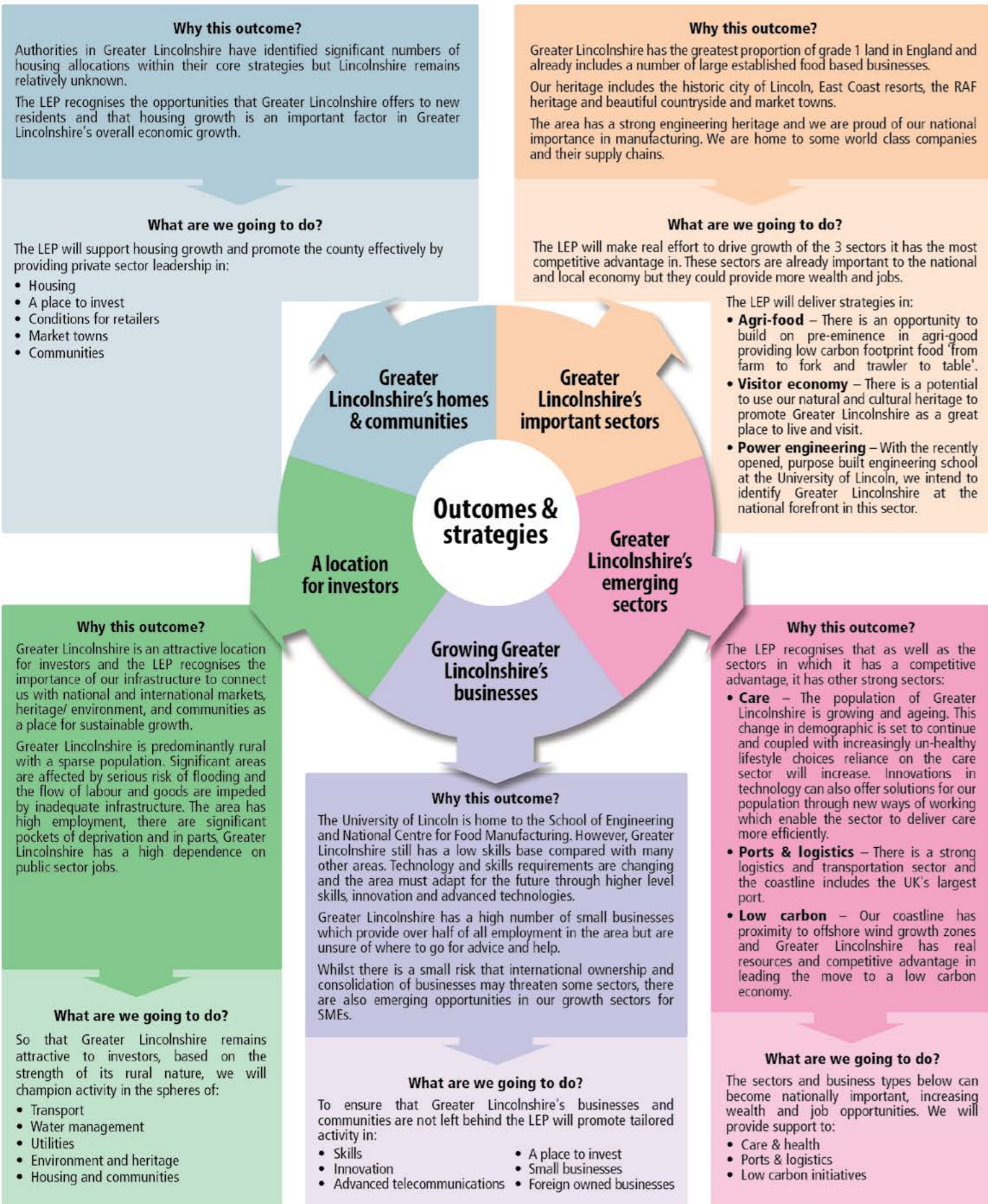
- open up 57 hectares of employment land
- create 7,799 housing units
- create 171 jobs
- assist 1,495 businesses.

In addition to these projects, the LEP is keen to promote the following projects through future SLGF, EU and local funding:

- **Sleaford regeneration infrastructure**
- **Lincoln east-west growth corridor**
- **Humberstone airport**
- **Sandtoft business park, Scunthorpe**
- **Access to business finance programme**
- **Rural Skills Hub, East Lindsey**
- **Lincoln to Nottingham rail route**
- **Spalding rail freight hub**
- **Boston waterways**
- **Spalding western relief road**
- **Transport pinch-point schemes**
- **Horncastle flood management**
- **Skegness sustainable transport**
- **Cleethorpes regeneration**
- **Grimsby ice house**
- **Berkeley Circle highway improvements**
- **Brigg relief road**

Further project detail can be found in the Project Appendix.





How government can help us meet our priorities

Freedoms and flexibilities

We want government to contribute by:

- investing in transport infrastructure to reduce bottlenecks and improve connectivity
- supporting our drive to deliver a skilled workforce that meets the needs of our economy
- protecting the area from flood thereby creating more confidence for investors

Our Strategic Economic Plan sets out ambitious targets to achieve the following by 2030:

- create 13,000 new jobs
- support 22,000 businesses
- increase the value of the Greater Lincolnshire economy by £3.2 billion by 2030
- deliver up to 100,000 new homes

Our proposals for Single Local Growth Fund investment in 2015/16 and subsequent years will make a major contribution to achieving these targets – but some substantial barriers to realising our long-term growth potential remain:

- despite our world-class port facilities, the road and rail infrastructure in much of the LEP area is under-developed and congested, constraining access to markets and supply chains and preventing the effective operation of our labour markets
- there is a need for long-term investment in flood defences and water management to unlock the potential for economic and housing growth in both coastal and inland areas; and
- youth unemployment and low skills levels in parts of Greater Lincolnshire constrain growth and limit access to opportunity for many young people.

Unlocking these barriers to growth will require a sustained, long-term approach to investment – there are no quick fixes.

LEP partners have begun the next stage of an evolving dialogue on collaboration.

As the LEP evolves, so too must our relationship with government to support more effective local partnership working. Alongside our offer to government, we wish to achieve a series of integrated flexibilities

and freedoms to achieve greater local influence in the key areas of policy and delivery that will complement local collaboration to unlock Greater Lincolnshire's latent growth potential. These include:

- securing a long-term (6+4 year) commitment of Department for Transport (DfT) capital programme allocations to the local transport bodies, supported by local matched funding, to facilitate comprehensive investment programmes in key growth corridors and underpin long-term enhancement of rail services.
- incentivising the achievement of challenging local growth targets by establishing an 'earn-back' model linked to infrastructure investment in the growth corridors. This would allow local authorities to retain 100% of the business-rate growth generated by its strategic employment sites over the next 15 years, over an agreed baseline, for reinvestment in the revolving fund. Our ask of government is a licensed exemption from the effects of business rate resets and levies for these sites over this period.
- securing a longer-term commitment to the allocation of Flood Defence Grant In Aid (FDGiA) for prioritised schemes that would deliver substantial benefits for existing communities and unlock housing/economic growth. In addition, we would pilot and test new approaches to project appraisal which reflect the economic impact of schemes in areas of low population or business density.

In light of the statistics that show that fewer of our 16–24-year-olds are qualified to Level 3 and Level 4 when compared with the UK average, we must prioritise support to our young people so that they continue in further education and progress to higher levels of qualification.

Across our 25–34 age range the challenge is even greater; from national averages we would expect around 40% of this age group to be qualified to at least Level 4, yet only 27% of our 25–34-year-old residents actually are. We must tackle this problem. We want to encourage and provide the best possible opportunities for residents who want to progress to further and higher education and meet growing employer demand.

To help us do this we ask government to provide flexibility around the requirement that those aged 24+ must have a Learner Loan. We would like to explore options for the 25–34 age range to be exempt from this.

A long-term commitment to infrastructure investment

A long-term commitment to infrastructure investment is critical to our efforts to accelerate economic and housing growth across Greater Lincolnshire. Current mechanisms for the allocation of DfT resources result in a relatively piecemeal approach to highways investment in our main growth corridors, limit the potential to unlock local match funding, and do not create the long-term certainty that private sector investors require. This acts as a significant barrier to growth.

Establishing a new 6+4-year allocation mechanism for DfT funds through the local transport bodies for priority schemes will address these constraints and underpin the establishment of a revolving infrastructure investment fund, supported by local public and private sector match funding, to focus investment in up to six main growth corridors. These include:

- **M180/A180** – Scunthorpe/Grimsby
- **A1** – Newark/Grantham/Stamford
- **A15** – Scunthorpe/Sleaford
- **A16** – Grimsby/Louth
- **A17** – Newark/Boston
- **A46** – Grimsby/Lincoln/Newark

and strategic rail routes including Lincoln-Newark-Nottingham and Doncaster-Cleethorpes.

Incentivising local growth

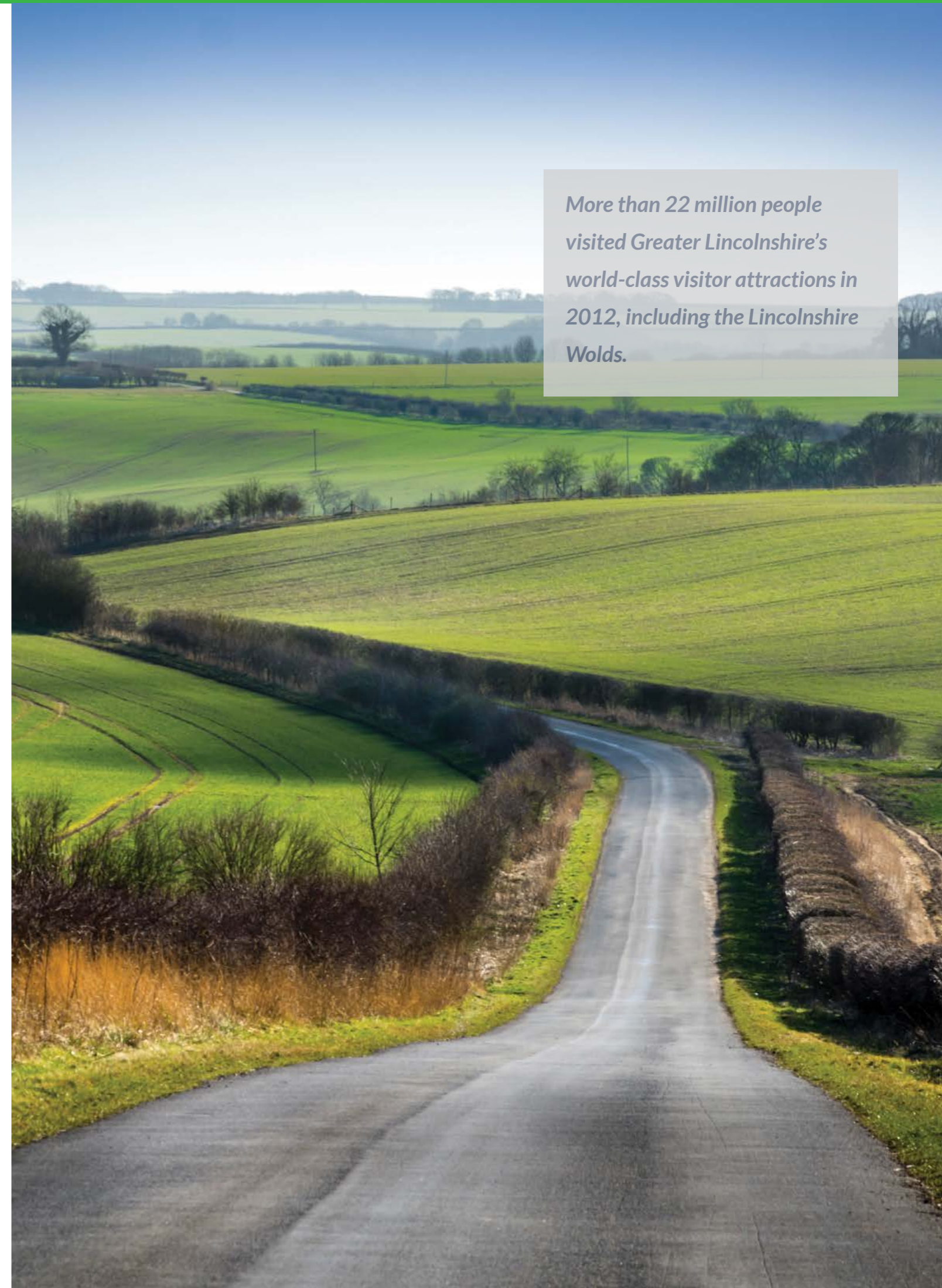
Building a long-term platform for road/rail investment in Greater Lincolnshire's strategic growth corridors will unlock barriers to growth and accelerate the development of key housing and employment sites

across the LEP area. Linked to our first ask in relation to the allocation of DfT funding, we propose to begin negotiations with government on the development of a growth incentive model linked to our collective ability to accelerate growth rates.

In return for a commitment from government to explore the potential for local authorities to retain (and reinvest through the proposed revolving fund) 100% of the uplift in business-rate growth across six to nine strategic employment sites over a 15-year period, we will:

- test the feasibility of establishing a revolving infrastructure investment fund underpinned by local match resources and including business rate returns, and prioritise future investments by the fund
- agree the schedule of strategic employment sites to be included within the earn-back model e.g. Science and Innovation Park, Teal Park, Humberside Airport and Europarc
- explore the potential to adopt simplified planning arrangements, including Local Development Orders, for the strategic sites identified for inclusion
- agree with government a series of baseline and 'stretch' targets in relation to employment, GVA and business-rate growth to monitor the operation and impact of the earn-back model.

More than 22 million people visited Greater Lincolnshire's world-class visitor attractions in 2012, including the Lincolnshire Wolds.





Part 2: Businesses

Growing UK plc: driving the competitiveness of our key economic sectors

Building on our strengths

Our economic strategy has a critical focus on growing our contribution to the economy of UK plc. We will do this by concentrating the activities and investment of the Greater Lincolnshire LEP in those sectors and areas where we can have the greatest impact; we have a strong mandate from the LEP Board to do so. This means building on our strengths – the economic assets with the greatest potential to:

- drive productivity and output growth
- capitalise on our knowledge/innovation base
- develop our export potential
- create a mix of entry-level, intermediate and highly skilled employment opportunities.

Through the Strategic Economic Plan, the LEP has identified and prioritised three core sectors where we can truly grow UK plc, support the whole range of small, medium and large businesses that make up our economy, and add real value to the government’s industrial strategy. These are:

- **agri-food:** Greater Lincolnshire has more grade 1 agricultural land than any other LEP in England, producing/processing over 12% of the UK’s food supply, including more than 70% of its seafood and 25% of its vegetables; the sector employs more than 68,000 people across the supply chain, with a diverse mix of businesses, including Cranswick plc, Greencore, Moy Park, Walkers and Young’s Seafood, alongside a wide range of primary producers.
- **manufacturing and engineering:** this sector contributes over £3.3bn (20%) of Greater Lincolnshire’s output, employs over 43,000 people and accounts for 42% of our exports; our manufacturing/engineering strengths encompass power engineering, petrochemicals/chemicals, steel manufacture and motorsport engineering, with global businesses including Siemens, Total, Phillips 66, Tata Steel and Pilbeam Racing Designs.
- **our visitor economy** is worth over £1.3bn per annum to the Greater Lincolnshire economy, supports over 39,000 jobs and has long-term growth potential; more than 22 million people visited Greater Lincolnshire’s world-class visitor attractions in 2012, including Lincoln Castle and Cathedral, the Lincolnshire Wolds and the vibrant coastal resorts of Cleethorpes, Mablethorpe and Skegness – the UK’s fourth most popular holiday resort.

Why focus on these sectors?

Greater Lincolnshire has a diverse base of almost 41,000 VAT/PAYE-registered businesses, with a higher proportion of microbusinesses and small/medium-sized enterprises (SMEs) than England as a whole. Our economic make-up is changing; although the number of employees in employment fell by 3.1% between 2009 and 2012, employment in the agri-food and manufacturing sectors remained stable. Public sector employment fell by 3.0% during the same period, as the Greater Lincolnshire economy rebalances in emerging from the recession.

Greater Lincolnshire’s economic output (GVA) was over £16.5bn in 2012, having grown by 3.8% since the onset of the recession in 2008. Although this is a positive sign of the area’s economic resilience and emergence from recession, GVA growth lagged behind that of the East Midlands (6%) and England as a whole (6.4%) over this period.

Workplace-based GVA per head in Greater Lincolnshire was just 72.7% of the UK average in 2012 – reflecting our particular mix of sectors, low economic participation rates in some parts of the GLLEP area and low levels of workforce productivity. This has resulted in Greater Lincolnshire’s status as a ‘Transition Region’ for the purposes of the European Union Structural and Investment Funds programme for the 2014–2020 period.

The importance of the contribution made by our agri-food, manufacturing and visitor economy sectors to the UK economy is highlighted in the table opposite. This shows that Greater Lincolnshire’s contribution to GVA from agri-food is four times the UK average and over one and a half times the UK average for manufacturing GVA. Both the agri-food and manufacturing sectors are over represented in employment terms compared to the UK average. The visitor economy performs near the UK average in terms of employment and output and, once consideration is given to GVA and employment in the retail sector that supports and is supported by, the visitor economy, its importance is clear.

Sector	Employment		Economic Value (GVA)	
	%	UK=100	%	UK=100
Retail/Wholesale	18	114	13	112
Financial & Business Services	14	60	14	46
Health & Care	14	107	11	120
Public Admin, Education & Defence	13	90	13	99
Agri-food	10	318	11	407
Manufacturing	9	127	13	151
Visitor Economy	8	86	5	96
Ports & Logistics	5	120	5	103
Construction	5	107	9	127
Other Services	2	93	2	84
Energy, Water & Waste	1	118	4	120
Communications	1	38	1<	27

Source: Business & Employment Register Survey 2012, Office for National Statistics; Local Economy Forecasting Model, Cambridge Econometrics 2013

Moving forward, Greater Lincolnshire will continue to punch above its weight in agri-food, manufacturing and the visitor economy. In doing so, we will grow our contribution to UK plc. The following sections summarise our proposals – including priority Single Local Growth Fund projects – for each of these sectors.

Bakkavor, a leading international manufacturer of fresh prepared foods and a revenue of £1.7bn, has 13 facilities in Lincolnshire employing around 5,000 people.





Agri-food

Our strategy

Greater Lincolnshire is already making a substantial contribution to the UK's agri-food sector, delivering more than 10% of UK output and helping to reduce the balance of payments, enhance natural food security, protect the environment and reduce carbon emissions. The area is unique in bringing together each stage of the food supply chain and for the diverse mix of producers and processors collaborating to drive up innovation, quality and productivity across the sector. We have nationally significant agri-food clusters in seafood (winner of BIS's national cluster award in 2010) and fresh produce.

To realise its potential, the sector must address some significant barriers to growth, including access to skilled labour, access to finance, energy costs and managing scarce water resources. In some parts of the LEP area, flood risk management and the protection of valuable production and processing assets remain a significant concern.

We will:

- **develop Greater Lincolnshire's role as a centre for world-leading applied agricultural science and technology research in opportunity areas including food engineering, working in partnership with the University of Lincoln and other key stakeholders as well as adjoining LEPs**
- **drive up product and process innovation across the agri-food supply chain, developing the role of key innovation hubs including the National Centre for Food Manufacturing, operated by the University of Lincoln, and the Humber Seafood Institute**
- **invest in the infrastructure required to support long-term growth of the sector, including development of the Ports of Immingham and Boston, and Humberside Airport's Perishables Hub and long-term investment in enhancing the capacity of the A15, A17 and the Spalding Rail Freight Hub and other key routes to market, and developing new, effective approaches to water resource management to improve water quality and storage**

- **increase the supply of high-quality food-grade industrial accommodation to support the growth of the agri-food sector**
- **build the capacity and competitiveness of supply chains across the agri-food sector and stimulate collaboration within and across supply chains to address issues including energy costs, water resource management and workforce skills**
- **develop our skills base to facilitate access to entry-level, intermediate and higher-skilled apprenticeships and employment opportunities across the agri-food sector, through partnership with the University of Lincoln and the network of Further Education Colleges across Greater Lincolnshire.**

Single Local Growth Fund priorities

Our SLGF priorities for 2015/16 for the agri-food sector are:

- **Spalding Rail Freight Hub:** infrastructure investment to facilitate the development of a 60 hectare rail freight interchange at Deeping Fen to support further growth of food processing activity in the southern part of the GLLEP area, promote intermodal shift and reduce carbon emissions
- **further expansion of Europarc,** the agri-food focused business park to the west of Grimsby on the A180 through infrastructure investment to unlock the next phase of development and substantial private sector leverage (developed jointly with the Humber LEP as part of the South Humber Bank programme)



Manufacturing and engineering

Our strategy

Greater Lincolnshire has a long and distinguished heritage in manufacturing and engineering, with significant concentrations of activity in metals manufacturing (North Lincolnshire), chemicals/ petrochemicals (North and North East Lincolnshire), power engineering (Lincoln), agricultural engineering (East Lindsey), rubber and plastics (East Lindsey), electrical machinery (Grantham/Stamford) and wood products (Boston).

In 2011, the University of Lincoln, in partnership with Siemens Industrial Turbomachinery Limited, developed the first new Engineering School in the UK in twenty years. Located in the heart of Lincoln at Brayford Pool, the School of Engineering is already achieving a reputation for its research excellence and innovative and proactive approach to engagement with business.

The low carbon economy is creating new opportunities for manufacturing and engineering businesses, initially focused on the offshore wind sector but embracing a much wider range of low carbon goods and services. Our businesses also face some common challenges – encompassing access to finance, new markets, innovation and a skilled workforce.

We will:

- **develop world-class, industry-focused research and development activity at the University of Lincoln School of Engineering alongside an extensive programme of business engagement to facilitate technology transfer and commercialisation of research**
- **continue to invest in business infrastructure to support the growth of our manufacturing and engineering sector, including major road improvements in Grantham, Spalding, Lincoln and the A180, developing a wider range of scheduled services from Humberside Airport, alongside enhanced surface access, and further investment in port infrastructure and encourage investment in rail services to improve national connections to support business travel, particularly Lincoln to London connections.**
- **maintain a supply of high-quality, serviced employment sites and premises across Greater Lincolnshire to support the attraction of inward investment and facilitate the expansion of existing businesses; this will include promotion of our existing Enterprise Zones (EZ) in North and North East Lincolnshire and exploring the potential to develop further EZ-based initiatives in other parts of Greater Lincolnshire**

- **develop an integrated package of business advice and support for manufacturing and engineering firms, drawing together exports support services from UK Trade & Investment (UKTI), the Manufacturing Advisory Service, University of Lincoln and other public/private sector providers**
- **encourage employer engagement in apprenticeships and workforce development through a range of measures to de-risk investment in training.**

Single Local Growth Fund priorities

Our SLGF priorities for 2015/16 for the manufacturing/ engineering sector are:

- **schemes to unlock development and housing land in order to help businesses meet supply-chain opportunities and to provide the people to work in the expanding sector. Particular schemes: Berkeley Circle and Sandtoft Business Park, Scunthorpe, Freeman Street/West and East Marsh Road and town centre improvements, Grimsby (developed jointly with Humber LEP)**
- **infrastructure and land assembly to unlock development of key sites within the South Humber Bank complex to support future growth of the renewable energy and chemicals/ petrochemicals sectors (developed jointly with Humber LEP)**
- **rail gauge investment between Immingham and the East Coast Main Line at Doncaster to enhance the rail freight capacity of the South Humber Line (developed jointly with Humber LEP)**



Visitor economy

Our strategy

With golden blue-flag beaches and resorts, historic sites, rolling hills, high-quality food, an iconic cathedral, bustling city centre and strong aviation heritage, Greater Lincolnshire has a wealth to offer the tourism sector. We are already investing in our most important assets, a £20m project will see the opening of a purpose-built Magna Carta Vault in Lincoln, doubling the number of visitors to Lincoln Castle and strengthening its role as a major UK centre for short breaks. Butlins has also recently completed a £13m investment programme at its Skegness resort.

In some parts of Greater Lincolnshire, our road and rail infrastructure remains a significant barrier to the growth of the visitor economy particularly the Lincoln to London rail connection. Further investment is required to broaden and deepen the network of attractions across the area to extend the average length of stay and visitor expenditure. In addition, there is a need to integrate the network of private sector-led destination management organisations which have responsibility for visitor marketing and promotion.

We will:

- **work in partnership with public and private sector partners to extend the network of visitor attractions across Greater Lincolnshire, building on our diverse heritage and landscape assets**
- **simplify and co-ordinate Greater Lincolnshire's online presence and work with the network of destination management organisations to develop a series of niche marketing campaigns based on our product strengths in partnership with Visit England**

Butlins Holiday Park in Skegness invested £13 million into refurbishing its pool complex which is the biggest single investment on the Lincolnshire coast for over 10 years.

- **enhance the quality of the visitor experience through supporting the development of the visitor accommodation/hospitality sectors and delivering investment in local visitor infrastructure – including parking, tourist information and other services, as well as extending the cultural programmes that have received significant backing from the Arts Council in the East of the County**
- **develop the customer service and other skills of the visitor economy workforce and work with key employers to develop apprenticeships and other pathways into sustained employment.**

We will take full advantage of future event opportunities. For example, in 2015 we will be hosting the British Cycling National Road Championships, the 800th Magna Carta Anniversary celebrations and the World Seafood Congress.

Nor can Greater Lincolnshire operate in isolation; Hull City of Culture 2017 is an example of how a major event close to our borders will provide additional impetus to our tourism growth.

Single Local Growth Fund priorities

Our SLGF priorities for 2015/16 for the visitor economy sector are:

- Skegness western relief road, opening up land for investment in visitor economy attractions and reducing a transport bottleneck that affects tourism traffic and potentially deters repeat visitors
- implementing a multifaceted resort renaissance programme for Cleethorpes, unlocking sites for major hotel, conference and leisure developments and integrating public-realm improvements with Environment Agency investment in upgrading the town's flood defences
- improving the capacity of the Nottingham to Lincoln rail link and enhancing the East Midlands Trains services, alongside improvements to the frequency of services between Doncaster and Cleethorpes to support the growth of the visitor economy
- creating a major new visitor centre, based on Lincolnshire's historical connection with the Royal Air Force and themed around the cold war, at RAF Scampton, north of Lincoln
- developing a major new heritage and leisure attraction centred on the mixed-use refurbishment of the grade II* listed Ice Factory at the Port of Grimsby (developed in partnership with Humber LEP)

Growing UK plc: developing our emerging sectors

Introduction

Alongside our focus on the three Greater Lincolnshire sectors which will make the most significant contribution to growing and rebalancing the UK economy, the LEP will champion the development of three emerging sectors with acknowledged growth potential in the medium/long-term, or where our partner LEPs will take a lead role.

- **The low carbon economy:** already worth £1.2bn per annum to Greater Lincolnshire and employing over 12,000 people, there are major opportunities for growth in offshore wind (linked to manufacturing/installation of turbines and in operations and maintenance activity) as well as in biomass, biofuels, energy from waste and the development of other low carbon or environmental goods and services; we will collaborate with our partner LEPs (Humber and New Anglia, both Centres of Offshore Renewable Excellence) to support delivery of some of this activity.
- **Ports and logistics:** Greater Lincolnshire's central location ensures that we can serve over 75% of the UK population within four hours' drive time and the Port of Immingham – the largest UK port by tonnage – is a key gateway to Europe and plays a vital role in supporting the UK energy sector through imports of oil, coal and biomass; the Ports of Grimsby (automotive import/export) and Boston (grain) and Humberside Airport (perishables) are also key assets, alongside a diverse logistics sector which employs 18,000 people.
- **Health and care:** our growing and ageing population and dispersed settlement pattern are driving opportunities for economic growth in Greater Lincolnshire's health and care sector, which currently employs 56,000 people and is worth £1.2bn per annum to our economy; opportunities include developing and embedding innovation across the NHS through the new Schools of Life Sciences and Pharmacy at the Lincoln Science and Innovation Park, deploying assistive technology and ensuring our housing stock can meet the 'whole-life' needs of residents.



Stow-based Freewatt has been responsible for installing nearly 6MW of solar energy at 700 different locations around the county – enough to power 2,000 homes and save a staggering 3 million tonnes of CO² per year in the process.



Low carbon economy

Our strategy

We are already at the forefront of the UK's emerging offshore wind sector. In North Lincolnshire, Able UK has now received consent to develop a new port facility and Marine Energy Park (forming part of a larger Enterprise Zone) with the potential to attract large-scale inward investment in the manufacture, storage, assembly and deployment of offshore wind turbines. This will create significant supply-chain opportunities across our manufacturing/engineering sectors.

The Port of Grimsby – cited in the Government's Offshore Wind Industrial Strategy – is developing its role as a UK centre for operations and maintenance (O&M), securing major investment from Centrica, DONG Energy and EON. We will collaborate with the Humber LEP and New Anglia LEP to take forward new opportunities in offshore wind.

The low carbon and environmental goods and services (LCEGS) sector offers much wider opportunities for Greater Lincolnshire – encompassing biofuels, biomass and other bio-energy initiatives and energy from waste. We are also working with businesses across all of our key sectors to develop their competitiveness through energy efficiency, waste management and other process-improvement support.

We will:

- continue to invest in the infrastructure to support the growth of the offshore wind sector, with a focus on our key Enterprise Zone sites (Able Marine Energy Park and Port of Grimsby) in partnership with Humber LEP
- raise awareness of supply-chain opportunities in offshore wind manufacturing/installation and O&M and build the capacity and capability of Greater Lincolnshire manufacturing and engineering firms to secure contracts (in partnership with Humber LEP and New Anglia LEP)
- work with our University Technical Colleges, FE Colleges, University, private training providers and manufacturing, engineering and energy sector employers to deliver an increase in low carbon apprenticeships and adult training opportunities

- support research and development and innovation activity across the LCEGS sector and promote technology transfer
- explore opportunities in new energies and technologies whilst preserving the area's attractive environment.

Single Local Growth Fund priorities

Our SLGF priorities for 2015/16 for the low carbon economy are:

- development of the Humber Energy Campus to increase the supply of young people and adults with the low carbon skills and deliver short-course training for employers, including investment in training infrastructure and provision at the employer-led CATCH training facility on the South Humber Bank (to be delivered in partnership with Humber LEP)
- delivery of an integrated supply-chain development programme (with MAS/UKTI – potentially covered through EUSIF)
- Greater Lincolnshire-wide energy-efficiency / waste-management programmes (again potentially EUSIF programme)
- Port of Grimsby Enterprise Zone infrastructure improvements and site assembly (to be delivered in partnership with Humber LEP)



Ports and logistics

Our strategy

With our international ports – the Ports of Grimsby and Immingham handled over 60m tonnes in 2012, making them the busiest in the UK – Humberside Airport and excellent road and rail links (including both the A1 and East Coast Main Line), Greater Lincolnshire is a natural hub for the logistics sector. Our ports and logistics sector will continue to underpin growth of agri-food, manufacturing and the low carbon economy, including offshore wind – as well as generating opportunities for wider growth.

We will:

- invest in strategic infrastructure projects which increase the capacity and competitiveness of our ports/logistics sector, including rail gauge improvements on the South Humber Line and a new rail freight terminal at Spalding
- support ABP, Humberside Airport and other key partners to attract new international freight services which strengthen export opportunities for Greater Lincolnshire's firms
- develop opportunities for port-centric logistics by attracting a higher proportion of containerised freight with an origin or destination in Greater Lincolnshire and the adjoining area
- support employers to invest in apprenticeships and adult training opportunities to generate entry-level, intermediate and higher-skilled jobs for Greater Lincolnshire residents.

Single Local Growth Fund priorities

Our SLGF priorities for 2015/16 for ports and logistics are:

- Spalding Western Relief Road – delivery of a relief road to reduce congestion based on the high number of HGV movements in the area, thus making the area more attractive for investment by logistics companies who are keen to locate close to the food production cluster but are deterred by congestion
- Port of Grimsby access and employment programme – to further develop job opportunities based on increased transport/logistics activity at the port, thereby contributing to the delivery of the Humber enterprise zone's ambitions (developed jointly with Humber LEP)
- rail gauge investment between Immingham and the East Coast Main Line at Doncaster to enhance the rail freight capacity of the South Humber Line (developed jointly with Humber LEP)
- Humberside Airport surface access improvements (developed jointly with Humber LEP)

FreshLinc has developed into one of the leading logistics service providers in the UK and Europe, and operates from state-of-the-art facilities in South Lincolnshire.



Health and care: innovation for living

Our strategy

Demographic change and the need to embed innovation and efficiency across the NHS and social care sector are driving the growth of Greater Lincolnshire's health and care sector. Our population is growing – but also ageing – rapidly and the number of people with long-term health conditions is also set to increase significantly over the next decade. All of these factors create challenges for the delivery of effective health/care services, which are exacerbated by Greater Lincolnshire's dispersed population; they also create significant opportunities for economic growth.

We will build on key assets, including the University of Lincoln's Schools of Life Sciences and Pharmacy and our research-focused clinicians to drive the development of innovative new products and practices and embed them across the NHS and wider health and care environment. We will also explore the deployment of assistive technologies to support new, innovative ways of helping people with long-term health conditions manage their illness in a community setting, and invest in our housing stock to ensure it meets the whole-life needs of residents, generating further demand for innovation. This will also drive the provision and take-up of superfast broadband in those locations not currently served

We will:

- **support research and development and innovation across the health and care sector, stimulating collaboration between clinicians, researchers and businesses through Knowledge Transfer Partnerships and related activity, centred on the Lincoln Science and Innovation Park**
- **develop Greater Lincolnshire's role as a 'living laboratory' to pilot and roll out assistive technologies to support the management of long-term conditions**
- **work with housing developers and registered providers to develop whole-life housing, personalised support packages and new models of supported living that promote independence, well-being and choice**

- **develop the skills base of the health and care sectors through enhanced information, advice and guidance, apprenticeships and adult training opportunities, to support long-term workforce recruitment and retention**
- **create opportunities for the frail, vulnerable and elderly to become a community resource through intergenerational schemes, volunteering schemes and involvement in research and development projects.**

Single Local Growth Fund priorities

Our SLGF priorities for 2015/16 for the health and care sector are:

- enabling infrastructure investment to unlock development of the Lincoln Science and Innovation Park, to include relocation of the School of Life Sciences and the provision of new incubator space
- developing apprenticeships and adult training programmes to improve access to employment opportunities in the health and care sector

Skills, innovation, technology and promotion

Small and foreign-owned businesses

Skills, innovation, technology and promotion are crucial to the growth of our businesses. Technology and skills requirements are changing. Our business successes, from the world's leading golf club manufacturer in the north of the area, to an international pyrotechnics company in the east, have gained market share through adapting to the future.

We do not want our important sectors, our businesses, and those seeking jobs within our communities to stand still. We will help them adapt for the future, and we will promote Greater Lincolnshire so that businesses get access to new markets and attract the qualified staff that they need into the area, as well as ensuring that our own residents are retained. We will also foster a local identity that they can associate their products with.

Before we outline the measures we will take to create the right conditions for business growth, there are two important groups of businesses that must be recognised.

Small businesses

Greater Lincolnshire has a strong and vibrant small-business community. These businesses are the hub of many communities and represent a chance to transform high streets, business parks and the local economy.

- Greater Lincolnshire has approximately 41,000 businesses, of which the vast majority are small and medium-sized enterprises (SMEs).
- 97% of Greater Lincolnshire businesses employ fewer than 50 people.
- Half of all employment in Greater Lincolnshire is provided by businesses employing less than 50 people, compared to 45% nationally.
- Businesses generally survive for longer in the area, particularly in Lincolnshire, which sees 60% of start-ups surviving for three years, compared to the national average of 58%.

Our research shows that the small-business community is often left with less help in comparison with larger businesses, which are more likely to receive support despite having the structures in place to enable them to access the information they need.

For example, our small businesses are often unsure of where to go for advice, they require help to get into new markets including public contracts, are unclear of skills training opportunities and struggle to attract finance. They are often overlooked when it comes to funding opportunities, such as the Regional Growth Fund, which puts spending levels at a much higher rate than a small business would be likely to apply for.

Our priority is to ensure that our SME community flourishes, creating more work opportunities (both employed and self-employed).

We will do this by:

- **creating a Growth Hub that will provide strategic coordination, through the development of a one stop shop to improve the access and reach of local and national business support offers**
- **creating the right conditions for growth, described in the next sections of this document**
- **making our businesses the best informed in the country so that they can take strategic decisions based on sound, impartial information**
- **improving access to finance and the ability to attract growth finance**
- **offering high-quality information, advice, and support to business start-ups.**

Foreign-owned businesses

Foreign-owned businesses are relatively few in the area but statistics show that they are more likely to invest locally and make a significant difference to the economy. The Greater Lincolnshire LEP and UKTI currently have 70 foreign-owned businesses on its Account Management list.

Our priority is to ensure foreign-owned businesses commit to investing and growing in our area, creating new jobs and opportunities.

We will do this by:

- **nurturing and supporting the foreign-owned businesses in the area so that they commit to investing locally**
- **ensuring that the owners of those businesses based here are aware of the benefits**
- **taking a 'can-do' approach to supporting their development and tailoring support to meet their needs.**

Skills

When our business community tells us about ‘skills gaps’ they are often describing different challenges: not being able to find the right skills within the local labour market and difficulty in recruiting experienced, higher-level and technically skilled workers from other areas; lack of interest to work in their particular sector and not being able to access the right training for their workforce, to name a few.

The current picture

Within the Greater Lincolnshire area we have two universities, six colleges of further education, a range of smaller, independent providers and two new university technical colleges.

Our large geographical area can be a barrier to employer-led skills training and development, because of a lack of available training facilities AND because in a large rural area it is difficult to achieve cohort numbers to make training economically viable.

There is also a very large number of training providers – over 400 – operating in the area. Businesses tell us that they are often inundated with ‘cold calls’ that lead to confusion about what training is available and what financial contribution they are expected to make.

We have fantastic GCSE results; the proportion of our school leavers obtaining a Level 2 qualification is amongst the highest in England.

The most recent statistics show that we don’t maintain this competitive advantage (Census 2011).

Fewer of our 16–24-year-olds are qualified to Level 3 and Level 4 when compared with the UK average. Across our 25–34 age range, the challenge is even greater – from national averages we would expect around 40% of this age group to be qualified to at least Level 4, yet only 27% of our 25–34-year-old residents actually are.

The proportion of 16–64-year-olds in Greater Lincolnshire with no qualifications is 6% higher than the England average, and, despite the exemplary school-leaver achievements, this gap is predominantly amongst our 16–34-year-olds.

Participation in vocational learning is increasing but has traditionally been lower than the national average.

In particular, we must support our businesses to plan for succession, because the population of Greater Lincolnshire is growing, and ageing.

Given that our current (Dec 13) youth unemployment accounts for 29% of all job seekers in Greater Lincolnshire, higher than the 25% nationally, we must make it our priority to support our young people and to help them continue in further education and progress to higher levels of qualifications, so that they can take advantage of the opportunities that are currently available and those that arise as we implement our growth plans.

We have a committed resource in the Employment & Skills Board to navigate the complexities of the skills system and have piloted activity that addresses barriers, so we already know that we can make a difference. We want to extend what we are already doing and introduce new goals with programmes to deliver them.

Our goals include:

- **supporting progression to higher-level qualifications; providing the best possible opportunities for residents who want to progress to further and higher education and meet growing employer demand**
- **seeking ways to ensure that all businesses, including those in rural areas, have access to good quality and relevant training provision, facilitating partnerships to overcome challenges of cost and accessibility**
- **stimulating demand for traineeships, new apprentices and higher-skilled opportunities**
- **supporting our SMEs to plan and deliver effective recruitment and induction strategies to create a better transition for young people from learning to the world of work.**

In developing our programme of growth we must not overlook our existing FE infrastructure. We know that a proportion of our FE estates will require refurbishment within the lifetime of this programme to 2020, and we expect a proportion of any skills capital allocation in 2016/17 to contribute to that aim.

Larrington Trailers - based in Boston - is a leading innovator in agricultural trailers and has a history of leading the way in new design concepts.

Innovation

The University of Lincoln is at the forefront of supporting innovation in the local business community, growing its research capacity and performance and driving transformational change. Effective partnerships enabled the recently built private sector-focused School of Engineering – the first of its kind for 20 years – and continues to deliver a wide range of business knowledge exchange schemes and support, directly meeting the needs of businesses. The National Centre for Food Manufacturing is working with the Technology Strategy Board and local businesses on a range of research projects. These important collaborations are supporting businesses to access finance that they would not have otherwise.

Innovation is vital for growth. It’s not just about pure advances in science and technology. An innovation is the implementation of a new or significantly improved product (good or service), process, or marketing method, or a new organisational method in business practice, workplace organisation or external relations. The minimum requirement for an innovation is that it must be new (or significantly improved) for the organisation.

On average, firms that create a culture of innovation development and delivery have four times the sales growth of non-innovating firms in the same sector. More than a quarter (27%) of UK labour productivity growth is directly attributable to private investment in innovation, with spill-over benefits generating a social return of a further 20-50% (BIS). Innovative firms are those which create internal capacity for innovation for the organisation to learn, develop and use the talents and creativity of its entire workforce to the full.

We want to ensure that our businesses are innovative, ambitious with workers who are more highly skilled, imaginative, productive and more highly paid.

Our goals include:

- **increasing our support for SMEs to collaborate with larger organisations, HEIs and with each other to take advantage of funding opportunities for skills, innovation and technology that they cannot access alone**
- **retaining more of our graduates through, for example, our successful intern programme**
- **building on the strengths of our innovation, enterprise and incubation centres, through increasing access to innovation support, knowledge, research and technical support**
- **developing sector ‘growth hubs’ which will provide a single access point to a targeted package of diagnostic, advisory, coaching, mentoring and business development programmes.**

The creation of sector-specific growth hubs will boost economic growth and improve co-ordination between local and national tiers. ‘Hubs’ will build on the BIS pathfinder www.businesslincolnshire.com, which increases marketing and signposting and builds the capacity and effectiveness of both public and private sector providers. This local information portal was built to address the lack of organised and accessible local and national information.

Importantly, hubs will maximise the reach of government support where local EU funds are used to expand the provision of national schemes (e.g. Manufacturing Advisory Service and Export Support). They will be tailored to focus on the support that local businesses require to grow and where the LEP can add most value – particularly innovation support, leadership and management training, investment readiness advice and digital economy exploitation.

Our longer term aim will be to build up to an Innovation Programme that comprises a co-ordinated package of knowledge-intensive business services, support for patenting and licensing, facilitating networks and access to research funding.

In 2012, Siemens spent £6m on modernising its gas turbine manufacturing plant at its city centre site and opened the new engineering school in collaboration with the University of Lincoln.

Technology and superfast broadband

Technology is already transforming our area. Our newly created digital hubs are demonstrating its benefit and impact. Lincolnshire County Council is leading one of the first roll-outs of superfast broadband in the country, and similar programmes are running in North and North East Lincolnshire. This improved infrastructure increases our current business competitiveness and makes us an attractive location for inward investors.

Our goals include:

- **developing initiatives that will encourage innovation in digital products and services**
- **ensuring that strategic business sectors have the skills necessary to integrate superfast broadband into their core business processes.**

Underpinning skills activity

Supporting growth across all our goals, we want to:

- change perceptions so we can stimulate demand amongst our young people for careers in our most important sectors and for vocational education, providing them with the knowledge they need to make informed decisions
- increase literacy and numeracy levels
- provide information and guidance so that young people make informed choices about their future
- ensure that the 'employability' skills business owners want are delivered to those that need them
- support business and community integration through ESOL programmes that are tailored to our particular need
- support adult lifelong learning, for example, by ensuring that the digital skills of the local population are improved, enabling better access to online services that will improve their quality of life
- deliver locally tailored activity that will produce better outcomes for the long-term unemployed
- ensure that skills programmes and activities are properly integrated so that they yield greater impact for local businesses and communities.

Promotion

Most businesses that we visited during this exercise asked the LEP to promote Greater Lincolnshire more widely. This was partly to attract qualified staff to the county, partly to help them to get into new markets, and partly to provide a local identity that they can associate their products with.

At the same time, many people, nationally and internationally, are unaware of the location and nature of Lincolnshire. There is, therefore, a strong role for both the public and private sectors in promotion.

Our goals include:

- **identifying and making accessible all marketing activity to date and finding practical ways of sharing information to ease co-ordination**
- **engaging more fully with local stakeholders who have identified marketing as an important priority about what they would be prepared to commit in resources, and how this could be taken forward**
- **working on short-term opportunities, notably 2015's high-profile media and events programme to celebrate Lincoln Castle Revealed and the Magna Carta and the 'SO' cultural festival in East Lindsey**
- **developing and implementing a champions scheme.**



Single Local Growth Fund priorities

Our SLGF priorities for 2015/16 for promotion are:

- Our programme of growth requires skills capital investment in 2015/16, and will, in subsequent years, include FE refurbishment costs. Investment in 2015/16 will be at Bishop Burton College (Riseholme) to establish a strong land-based FE facility, in partnership with significant employers in the East Lindsey area on a rural skills hub, and at Grantham College to strengthen the vocational and higher-level skills that it offers to the local business community
- A finance for business programme, to meet companies' major growth aspirations by offering them accessible finance where it is unavailable from traditional sources
- High quality business support schemes, focused on innovation and on investor development, to assist business leaders in growing their markets, becoming more profitable, and creating jobs
- We will be using our ESF allocation to unlock additional skills funding and to develop a range of skills programmes tailored to local need



Part 3: A place to invest

A place to invest

Greater Lincolnshire is an attractive option for investors; a range of factors come together to make it a great place to live and work.

So that Greater Lincolnshire remains attractive to investors, we will champion activity in:

- Housing and communities
- Environment and heritage
- Transport
- Water management
- Utilities

These activities focus on strengthening Greater Lincolnshire’s status as a place where people want to live, work, invest and visit and have been aligned with the various planning policy documents that are emerging or are already adopted across Greater Lincolnshire. There is a strong planning policy foundation on which to build delivery.

The Greater Lincolnshire LEP’s input will concentrate on actions that will renew and invigorate existing economic infrastructure as well as invest in new infrastructure necessary to support and enable this growth and safeguard the delivery of the strategic objectives outlined above.



Homes and communities

Housing and the economy in Greater Lincolnshire are inextricably linked. As a sector, it contributes substantially to the local economy – two jobs per house built¹. The Greater Lincolnshire LEP area is seeking to build 100,000 houses over the collective Local Plan periods. Generating investment in the area is essential to generate housing sales and to maximise build rates for developers. With increased economic development, sites that have planning approvals will see an increased incentive to build, causing increased housing delivery to meet the needs of residents now and in the future.

The housing market reflects how an area and its quality of life is perceived. New housing has the potential to attract and retain the workforce needed to enable the area to grow. The key sector activity will generate employment opportunities so employers need to attract people from the local and national labour markets. A key part of the offer to the applicant, other than the job opportunity, is the housing available to them. An area needs to provide attractive starter homes and family housing to enable people to achieve aspirations about their movement within the market.

Greater Lincolnshire will not attract new people by its housing offer alone. The night-time and retail economy will attract people into the towns and city, increasing spending. This includes retail opportunities across the spectrum from lower-cost food options to high-end supermarkets and boutique smaller local shops. We also need to ensure that we cater for differing interests within the entertainment offer. This sustains and generates an increased market for the service and leisure industry – generating more employment opportunities in the area.

Market towns and retail opportunities

Lincoln, Boston, Cleethorpes, Gainsborough, Grantham, Grimsby and Scunthorpe offer particular opportunities for growth. The market towns that operate around them, such as Brigg, Horncastle, Louth, Market Rasen, Sleaford, Spalding, Spilsby and Stamford, play a role within the identity of the county, providing attractive townscapes against the rural backdrop.

Shifting retail patterns, ageing townscapes and changing communication mechanisms have created challenges for the vitality of the market towns in Greater Lincolnshire. We will seek to provide opportunities for social enterprises and community groups to maximise their resource for service delivery, therefore enhancing the quality of community life in the area.

1. Chartered Institute of Housing

Enterprising communities

Greater Lincolnshire will remain a sustainable and vibrant area through investment in the enterprising communities found within it. The learning and skills opportunities will be enhanced by apprenticeships, community-led training, management and leadership opportunities and volunteering into employment.

We also support the creation of community hubs from which library services, training centres, community cafés, micro- and SME business support and networking can operate. There will also be capacity support for small businesses, including private, voluntary and community sectors – potentially leading to community investment projects, ICT innovations, support for Lincolnshire’s heritage, cultural programmes, and social enterprise development.

The growth opportunities presented will include investment in areas of towns that need to be enhanced to attract new town centre housing opportunities. Also, a series of larger sites are coming forward for development that will allow the housing offer to progress to meet the needs of new communities generated by the expected economic growth.

Support for rural affordable housing needs to be considered to enable the expected delivery of 20% affordable housing – negotiated by each Planning Authority.

The diagram below shows our employment land and housing growth ambition across the Greater Lincolnshire area. In order to achieve this level of growth we need to overcome the significant barriers that are currently impeding delivery. Our Local Authority partners share our ambitions to deliver housing. In Greater Lincolnshire, the barrier is not a lack of appetite for growth but issues relating to the specific nature of our area.

These include the predominance of smaller sites, the relatively low volume of housing-market activity, the need for regeneration in areas of poor-quality housing and to widen the range of the housing offer, lack of large developers and developer confidence, plus additional costs arising from the need for flood mitigation and infrastructure, which combine with low land values to create general viability issues.



Infrastructure and connectivity

To achieve planned, sustainable growth in the cities, towns and rural areas, road and rail links will be reviewed as part of the planning process. Infrastructure schemes will be identified to ensure houses can be delivered whilst minimising the impact on the wider transport network. Where funding cannot be obtained for schemes from a Local Authority alone, we will seek private sector leverage and match funding opportunities through the LEP process.

The whole plan contains many infrastructure projects that will require up-front funding from developers. In order to deliver this growth, we will explore ways by which we can fund the infrastructure then claim the costs back from developers over time.

Weaknesses to be addressed through identified projects:

- **Our low volume of housing market activity putting off national house builders**
- **The legacy and impact of poor quality affordable housing**
- **The restricted range of housing offer in some LEP areas**
- **The remoteness and poor external perception of the area**
- **The educational and cultural offer can appear weak in various market towns**
- **The opposition to more housing in more affluent villages**
- **Lack of public funding for regeneration and further cuts for example on welfare assistance**
- **The opportunity to enhance community facilities**
- **Costs of development of affordable housing.**

Single Local Growth Fund priorities

Our SLGF priorities for 2015/16 for infrastructure and connectivity are:

- **Grantham Southern Relief Road** – a link road that will open up land for housing and business development in one of the most strategically important towns in our area, showing a high quality gateway to visitors and investors alike
- **Boston distributor road** – a development, led by the private sector, to provide homes and employment land in Boston to meet the recognised skills and labour shortages in the area's agri-food sector
- **Lincolnshire Lakes** – an initial contribution to infrastructure that will open up land for housing development close to Scunthorpe, thereby taking advantage of the projected employment growth on the banks of the Humber
- **Sleaford regeneration route** – infrastructure to unlock land in and around Sleaford town centre for commercial and residential purposes. The Single Local Growth Fund will support the funding of critical infrastructure
- **Brigg Relief Road** – a route to unlock land in the market town of Brigg, again seeking to take advantage of projected job growth on the banks of the Humber
- **Rural housing unlocking fund** – a fund to provide investment in a series of defined medium-sized rural housing developments that have stalled due to a lack of finance. The fund will support named schemes, but has been developed as a programme in order to reduce bureaucratic costs to the LEP board and to DCLG/HCA.

The £22m restoration of Lincoln Castle will vastly improve the visitor offer and will open in time to celebrate Magna Carta's 800th anniversary in 2015.

Environment and heritage

Greater Lincolnshire's tourism and heritage sector and the local food and drink industry rely on our unique and special landscape to produce and market their offers.

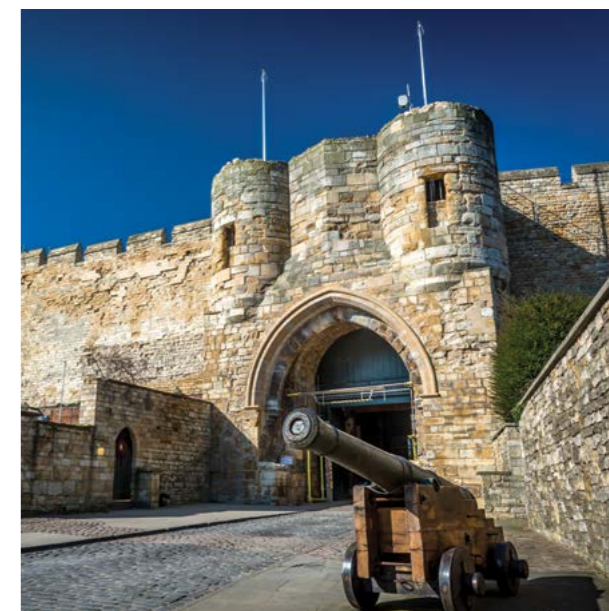
Food and farming, which contribute c.£1 billion to the local economy, is reliant on a good natural environment. The 'business' of protecting the natural environment is a growth sector in its own right across the UK, with an annual turnover of £54 million in 2010.

The importance of the natural environment to the economy is being increasingly recognised. As an example, over 52,000 people visited the seals at Donna Nook during November and December 2012.

It is important that we protect our rural economies and our natural environments, so that people are able to benefit from them, both economically and socially. We have an active Greater Lincolnshire Local Nature Partnership that has contributed to our plans.

Our goals include:

- **becoming a leader in agricultural innovation to ensure sustainable agricultural growth through application of technologies that reduce inputs, water use and soil impact**
- **establishing environmental tourism as part of wider destination-marketing strategies to diversify our visitor offer**
- **raising awareness of Greater Lincolnshire's natural environment and adding to the high-quality landscapes that will attract investment and the skills required for growth in all sectors**
- **supporting the role of skills-based learning and volunteering in the environmental sector as part of programmes to improve readiness to work and social inclusion**
- **supporting the work of Heritage Lincolnshire and the Lincolnshire Nature Partnership in order to protect and promote the area's natural and built resources.**



Transport

Demand for the movement of people and goods continues to grow across Greater Lincolnshire, putting increased stress on existing transport networks. Over 4 million lorry loads of goods per year add to pinch-points in traffic congestion, and poor access will weaken the future sustainability of the economy.

This is a major factor affecting the agri-food supply chain in terms of real cost and lost opportunity, as food production is extremely time-sensitive. For example, the vining pea crop requires processing within hours of being harvested and, in the summer months, vegetables need to have field heat removed as quickly as possible post-harvest, and products have to be delivered to end users in accordance with strict timetables.

The cost of freight is regularly cited as critical to business productivity.

Our tourism sector will benefit greatly from improved access on the east of the greater Lincolnshire area.

The Local Transport Plans in Greater Lincolnshire put economic growth and regeneration firmly at the heart of transport strategies. These can be summarised as:

Lincolnshire	North Lincolnshire	North East Lincolnshire
inter+intra-regional access to support a growing economy	facilitate economic growth	enable sustainable growth
access to services, jobs and leisure	protect and enhance the natural environment	improve journey times
well-managed and safe environment	improve transport safety and security	support regeneration and employment

Single Local Growth Fund priorities

Our SLGF priorities for 2015/16 for transport are:

- **Lincoln transport hub** – a public transport interchange which will provide a substantially improved service to commuters and visitors, increasing Lincoln city centre’s attractiveness for investment, and opening up brownfield land for further development
- **Lincoln east–west link development opportunities** – provision of business sites and premises alongside a new link road that will be used to alleviate congestion and to extend the footprint of Lincoln city centre, thus increasing attractiveness to investors
- **Transport pinch-point scheme** – a programme-based budget to provide funding for small-scale improvements in a group of named transport bottlenecks, relieving congestion and assisting with the movement of goods. The schemes are small in nature and have been grouped in a programme to reduce bureaucratic costs to the LEP and to the DfT
- **Sustainable transport schemes** in North Lincolnshire, North East Lincolnshire, and Lincolnshire in order to improve local transport, promote sustainability, and reduce transport’s negative impact on the environment.

The 110 bedroom DoubleTree by Hilton Hotel opened in 2013 and brought 70 new jobs to Lincoln – just one result of the millions invested in new hotels by city of Lincoln developers.

Water management

Water management is fundamental to Greater Lincolnshire, not only because it provides valuable services that underpin our environment, economy and quality of life, but also because of our geography.

We are developing an integrated approach to water that fully links flood risk, drainage and water-resources management so that we can maximise the services it provides, including drinking water, input for business, crop irrigation, tourism and recreation and improved biodiversity. This will move us from just managing water towards managing water sustainably and will help to **ensure Greater Lincolnshire is fit for the future, and improve our competitiveness.**

- Around 39% (2,761 km²) of Greater Lincolnshire lies within the flood plain and the area has been affected by a number of significant coastal and inland floods, most notably in 1953, 2007 and 2013.
- The Greater Lincolnshire area is also one of the driest in the country and is prone to drought. 2011/12 demonstrated the challenges and raised awareness of the need to adapt to this element of our changing climate.

Greater Lincolnshire is a major area of agricultural production and food manufacturing that contributes significantly to UK food security. Greater Lincolnshire accounts for 24% of all grade 1 agricultural land in England, the vast majority of which is protected by coastal flood defences. The fertility of the land has generated a thriving agriculture and food sector, which is a major employer in the LEP area. From a local base, the industry has expanded to manufacture food from both locally and internationally grown produce; in the north-east, production based on fishing represents further important diversification.

The UK’s food security relies upon Greater Lincolnshire’s agriculture, horticulture and food manufacturing industries. As such, water management in our area is a national priority and not simply a local one.

The Ports of Immingham and Grimsby are the largest ports in the UK by tonnage, and the area as a whole supplies around 1/8 of the total UK food consumption.

A further way in which Greater Lincolnshire will grow is in terms of population. The **100,000 new homes** needed by 2031 to meet this growth will bring economic growth but require a strong utility structure.

Security from flooding is a key infrastructure requirement for our economy.

The threat of flooding affects **developer confidence and development viability.** This includes not just the areas lying in the coastal flood plain but many communities inland. At Louth and Horncastle in the Lincolnshire Wolds, risk management authorities have combined their efforts to prepare flood resilience measures against significant flood risk that affects the potential of these towns to drive growth and provide development opportunities. The LEP wishes to seize this opportunity to harness the potential of effective flood risk management to boost local growth.

Our objectives objectives as set out in our 2014 ‘Business Case for Water Management’ report are:

- to encourage development through protecting land from development
- to undertake a detailed feasibility study into protection for the whole coastline of the Greater Lincolnshire LEP area
- to promote the schemes that have arisen from our private-sector-led review into water management
- to use water to support economic growth through irrigation, cooling, and other production processes.

Single Local Growth Fund priorities

Our SLGF priorities for 2015/16 for water management are:

- **Boston barrier** – the LEP urges government to start building the Boston Barrier soon, as this will contribute strongly to the attraction of investment to the town and surrounding area, as well as having flood management benefits. The LEP wishes to see the scheme extended so that it protects further development land in the town and generates water-based tourism.

Utilities

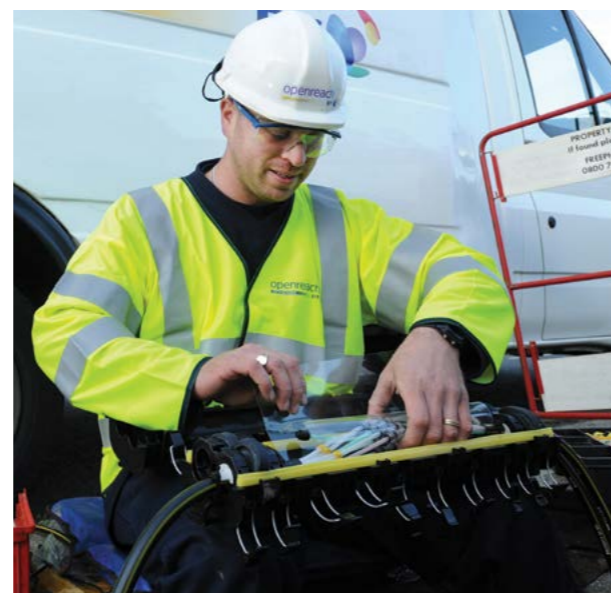
We know that providing a reliable infrastructure will allow us to reach our growth ambitions and potential.

Investments can stall due to the limited availability of utilities and the relative cost of upgrading them, so there is a need for a stronger dialogue between the utility companies and others, particularly at a local level.

The provision of affordable, 'fit for purpose' employment premises is dependent on the provision of sustainable infrastructure services: roads, water, sewerage, energy services and telecommunications. The provision of these services is equally critical to the growth of fully sustainable communities.

Our goals include:

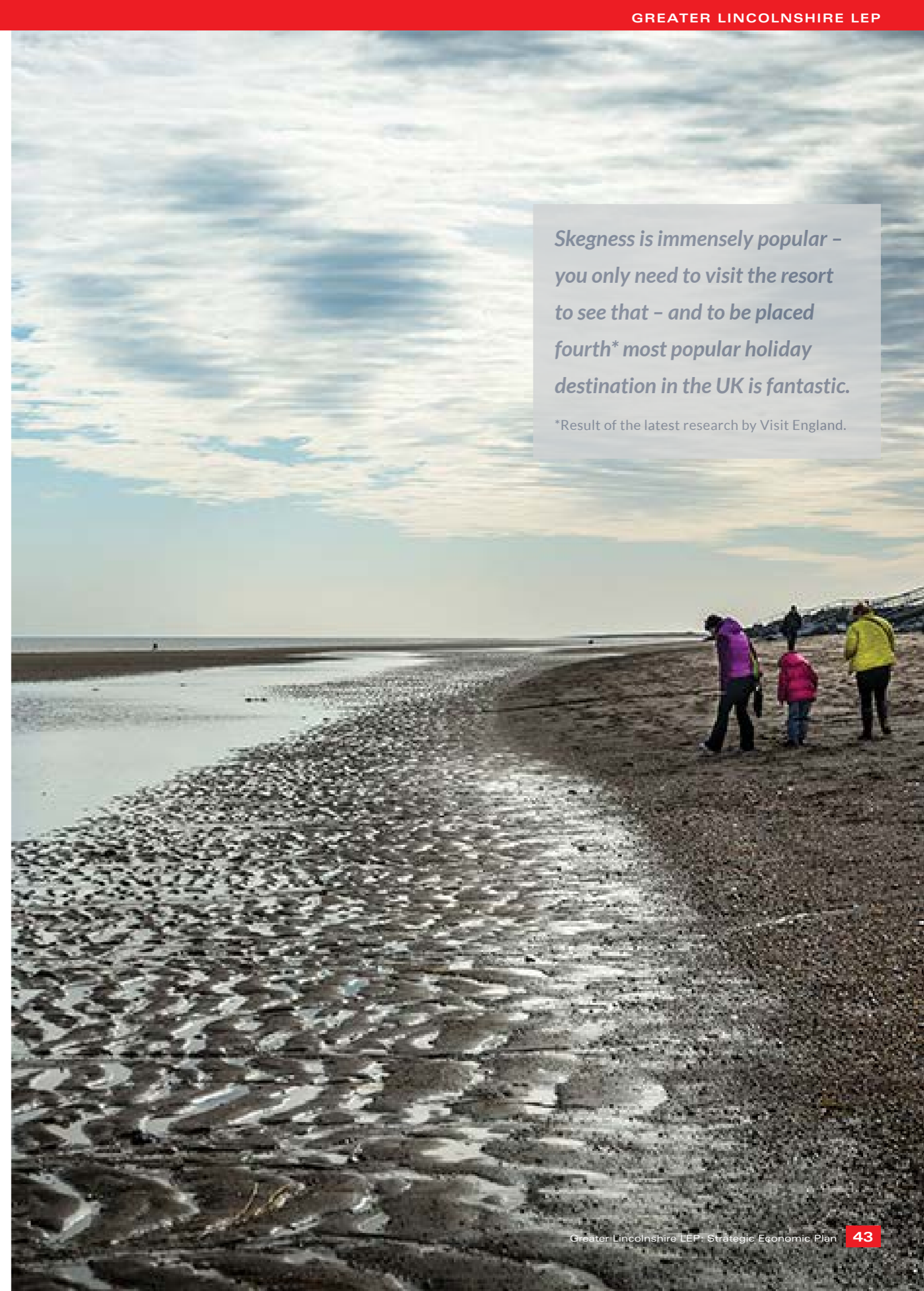
- taking a stronger role in dialogue with utility providers so that a better case can be made for investment in Greater Lincolnshire's utilities
- creating innovative approaches to finding the finance to unlock developments that have stalled as a result of utility costs
- ensuring a reliable utilities infrastructure to support growth
- delivering excellent digital communications and coverage; being a front runner in broadband and building on the current major investments already highlighted.



Obam Lift Services has grown year on year since its foundation in 2000 and currently turns over £1.6 million with a staff of 14.

Skegness is immensely popular – you only need to visit the resort to see that – and to be placed fourth most popular holiday destination in the UK is fantastic.*

**Result of the latest research by Visit England.*





Part 4: Outputs and impact

Outputs and impact

Ability to deliver/track record

The Greater Lincolnshire economy has performed better than other areas during the recent recessionary period, with year-on-year growth post-recession stronger than nationally.

In terms of employment, the area has consistently enjoyed a higher employment rate than nationally, particularly during the recession, and has only in recent times come into line with the national average.

Lincolnshire County Council is the accountable body for the Greater Lincolnshire LEP, and under the current 2007–13 EU programme it has delivered almost ¾ of the currently contracted strategic projects, with great success. This includes council investment of £37.7m, which has attracted £110.8m in grants, with advice and support provided to other projects attracting a further £13.7m for our partners.

A range of active and enterprising local partnerships are finding new ways to meet local needs, for example combining funding to deliver schemes at transport pinch-points, and new approaches to skills training.

The area's success is due to:

- active lobbying, research and partnership building
- knowledge of funding opportunities and the gaps in economic development provision that the local economy requires
- the ability to produce high-quality projects for funding – from project concept through bid writing and delivery
- a capital funding programme supported by levels of revenue that enable schemes to be designed, managed and delivered.

It is important to recognise that the Greater Lincolnshire LEP has already started work on delivering its ambitions and worked closely with business-led partnerships that support economic growth in the area.

For example the LEP has:

- opened an Invest and Grow fund to provide finance to businesses with growth ideas
- lent weight to the successful case for EU funding to match BDUK broadband schemes
- proactively advised companies on Regional Growth Fund applications, generating more than £25m in government grants to businesses in the area
- supported the successful South Humber Enterprise Zone submission and its implementation

- sponsored a series of studies into economic growth, including studies into sector opportunities and opportunities to collaborate with neighbouring LEPs
- supported the employer-led Lincolnshire & Rutland Employment and Skills Board to produce a series of skills-gaps reports
- actively lobbied government for recognition of innovative approaches to water management and for a direct London – Lincoln rail link
- supported employer-led groups such as the Lincolnshire Forum for Agriculture and Horticulture so that they can find innovative solutions to the problems and opportunities facing their sectors.

Based on this evidence of partnership working, track record of delivery and the stable nature of the local economy, the Greater Lincolnshire LEP is confident in its ability to lead the delivery of its Strategic Economic Plan.

Collaborative working

The Greater Lincolnshire LEP has always described its boundaries as permeable, so we are actively looking at opportunities for collaboration and joint working with areas outside of the LEP.

We have undertaken studies to identify future joint working opportunities – they include:

- increasing innovation in our food production sector
- strengthening the availability of technological support through strong higher education collaborations
- adapting skills provision through work with sector skills councils.

Using collaboration to drive economic growth is an important focus for the Greater Lincolnshire LEP.

This Strategic Economic Plan sets out the actions that the Greater Lincolnshire LEP will champion. It explains how we will achieve economic growth in support of our vision to 2030.

We have analysed what our actions are likely to achieve, based on the strong past performance that we had. This indicates that we will:

- increase the value of the Greater Lincolnshire economy by £3.2 billion
- assist 22,000 businesses
- create 13,000 jobs.

These assumptions are based on the value of the EU funding programme 2013/2020, and they assume that the EU funding will trigger investment on a 1:3 basis. The 2013/2020 allocation of EU funding to Greater Lincolnshire is 133m euros (roughly £115m). Our calculations are based on an assumption of a total spend of £390m and delivering schemes that meet our aims to:

- put skills, growing new markets, and modern telecommunications at the forefront of growing our businesses and sectors further (these are described as 'Business & Employment' schemes)
- make the most of Lincolnshire's attractiveness to investors through protecting what we have, improving connectivity, and increasing housing (these are described as 'Place' schemes).

Using both national research² and analysis of previous EU funding programmes, we anticipate that the following outputs could be achieved.

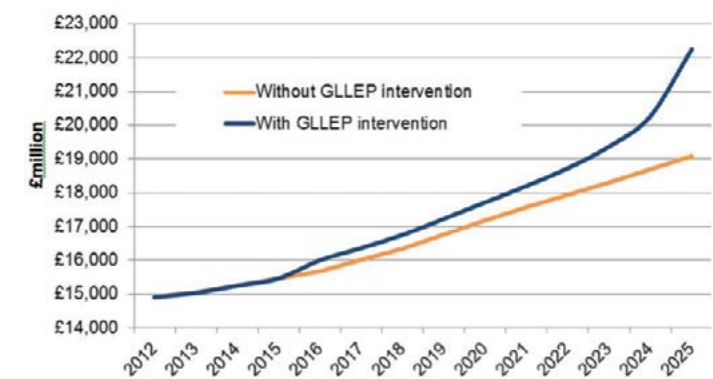
£1million spend =	Project Type		Average
	Business & Employment	Place	
Jobs created (gross)	52	22	37
Businesses assisted	112	22	67
GVA uplift	£11.9m	£5.7m	£8.8m

On the basis of the assumptions about funding available locally, between now and 2021 we can expect to spend around £153m on 'Business & Employment' projects, and around £237m on 'Place' projects. If that is the case, then we could anticipate achievements of the following order:

2. Valuing the Benefits of Regeneration, Department for Communities and Local Government, December 2010

£1million spend =	Project Type		Average
	Business & Employment	Place	
Jobs created (gross)	8,011	5,109	13,119
Businesses assisted	17,140	5,175	22,314
GVA uplift	£1.82bn	£1.35bn	£3.17bn

We have also projected what this might mean in terms of growth in the local economy over and above projected natural trends. The following is suggested:



There is very little in the way of national or local benchmarking data for us to rigorously test these figures against. However, there are various reports looking at the economic impacts of projects and assorted regeneration activities on which we can draw and get a feel for how realistic these figures are. For example, an independent audit of the East Midlands Development Agency found that every £1 it had spent resulted in £9 of economic growth in the region's economy. This is very close to the £1:£8.80 impact we are forecasting.

Specifically in terms of 'Place' projects, the Department for Transport have recently released some figures on projected outputs from 2014 construction activity, with results ranging from £1 spent : £2.3 in benefits in the Yorkshire and Humber region to £1 spent : £7.3 in benefits in the East. Overall, the national average worked out at £1 spent : £4.4 in benefits. Our projection of £1 spent : £5.7 in benefits is therefore higher than the national average but well within the range presented.

Even more recently, we have been made aware of some figures for spending by LEPs to date that suggests that around £1.5bn of spending on projects already underway will deliver in the region of 217,000 jobs. This works out at £1m spend creating 145 jobs, which is considerably higher than the £1m spend creating on average 37 jobs we are forecasting. However, it should be noted that without the detail of these various projects, it is difficult to know whether we are comparing like with like, so we have taken a conservative view based on our experiences locally.

Achieving value for money

Achieving value for money is critical for the Greater Lincolnshire LEP – and it is even more important due to the current fragile nature of local and national economies.

The Greater Lincolnshire LEP is seeking to achieve value for money through two routes:

- a) at programme-development level
- b) at individual project level.

Programme-development level

The LEP Board held a workshop on strategic priorities at its meeting in September 2013. As part of that workshop, it analysed the impact that initiatives can have on an area’s economy, and in particular the balance between business/revenue schemes and place/capital schemes. Further work on this – linked to the Treasury Green Book – will be done in the coming months in order to ensure that the LEP gets most value out of the funding programmes it has access to.

Individual project level

Firstly, the Greater Lincolnshire LEP will put a robust system in place to ensure that grants are additional and are not being used where they are not needed. This will contribute to getting best value from the programme.

Secondly, the appraisal process is expected to analyse the value for money of each project against set published criteria.

The GLLEP are also looking to achieve value for money through collaborations and targeted investment.

Projects that meet LEP objectives will agree a Service Level Agreement with the board so that performance can be overseen and managed.

A major focus of the GLLEP’s strategy is to consider how added value can be achieved through facilitating joint working and collaboration and through targeting investment towards projects that will foster improvements across sectors and specialisms. The high-level strategy is to look at projects that will facilitate clustering activity, share knowledge across sectors and specialisms, and develop systems and processes that will ensure any investment achieves the maximum value.

Consultation with key partners and industry leads, along with research and analysis, has enabled insights which point to huge potential within our business community, and to opportunities to develop creative and innovative interventions. These opportunities include the potential for the agri-food, logistics and renewable energy sectors in the county to work more closely to share knowledge and resources.



Conclusions and acknowledgements

Our Strategic Economic Plan sets out our vision for the future. It is ambitious, but deliverable.

We have worked closely with a range of partners to make sure that the plan meets local economic priorities and makes a positive contribution to national economic strategies too.

We are committed to achieving our objectives of:

- creating 13,000 new jobs
- assisting 22,000 businesses
- increasing the value of the Greater Lincolnshire economy by £3.2 billion by 2030

Communicating with the business community is vital. The board and secretariat will prioritise this through:

- Regular meetings
- Continued dialogue with the top 100 businesses
- Distributing a business friendly version of this plan

The Technical Appendix provides supplementary information for Government departments and other organisations looking for further detail.

The board of the Greater Lincolnshire LEP acknowledges the support that was given to the production of this plan by:

- The members of parliament for the Greater Lincolnshire area
- BIS Local (East Midlands) and other government officials
- The Greater Lincolnshire Leaders’ Forum
- The Greater Lincolnshire Lead Economic Development Councillors’ Forum
- The business community in Greater Lincolnshire who have given us substantial input both directly and through strategic partnerships such as the Employment & Skills Board
- Community, heritage and environmental partners in Greater Lincolnshire

