The West of England Local Enterprise Partnership (LEP) is a partnership between business and the four West of England local authorities, tasked by the Government with driving economic growth and creating jobs in the region.
It’s been an exciting year, one that has seen a general election, progress made towards a more devolved UK and steady growth for the UK economy.

Here in the West of England, we’ve got on with the job in hand of maintaining and furthering our status as an economic powerhouse for the UK, with an economy worth £26bn a year, contributing £10bn to the Treasury.

What you’ll find in this report is key intelligence on exactly what the LEP is all about: how the various parts of the partnership work to support economic growth and businesses on the ground across the four local authority areas of Bath & North East Somerset, Bristol, North Somerset and South Gloucestershire.

There’s also information about our submission for a package of devolved powers that will deliver a £2bn+ increase in annual GVA; a major step forward that builds on the excellent joint working between the four unitary authorities and business.

We have clearly demonstrated our ability to manage devolved funding and responsibilities through our City Deal.

This further proposition will enable our strong regional economy to grow even faster to the benefit of the UK and everyone who lives and works here.

Our job as a LEP is to provide the framework for growth, both for those employers already here and those looking to move in. It’s also to make sure the wider issues of housing and infrastructure development keep pace with demand, thus making sure those in the West of England continue to enjoy the great quality of life that is such a differentiator for us. I hope you find this Impact Report useful.

Colin Skellett
Chairman, West of England LEP
£26 BILLION

A year economy

£10 BILLION

Contribution to the Treasury
The West of England LEP was created as part of the first round of LEPs in 2011 and we published our Strategic Economic Plan in March 2014.

This identified five priority sectors for the region:

- Advanced Engineering and Aerospace
- Professional Services
- Creative and Digital
- Low Carbon
- High Tech

Based on the ambitious plans set out in the Strategic Economic Plan through the Growth Deal, we secured a total of £230m from Government, to be invested in the West of England from 2016 to 2021. This investment will be matched by £200m in additional investment from local partners and the private sector. Together this funding will create at least 6,000 jobs.
LEP Investment Board and One Front Door

We have created a joint business and authority Investment Board that reviews all funding applications and recommends a programme of schemes for approval by the LEP Board and Strategic Leaders Board. It monitors the progress of the various schemes that are managed by individual project and programme boards in order to maintain an overview of outcomes and achievements across the whole area.

The Investment Board makes recommendations on schemes funded by the Economic Development Fund, Local Growth Fund and new projects coming forward through our Revolving Infrastructure Fund.

The One Front Door mechanism is designed to provide strategic allocation of all West of England public funding.

Early identification of new potential funding sources allows suitable projects to be identified and the development of robust business cases for subsequent applications.

The process harmonises governance, assurance and reporting arrangements across a number of funding streams. This provides the flexibility to match the most suitable funding stream to a particular scheme and introduces overview, consistency and rigour into the process.

The West of England was in the first round of City Deals, and through the Growth Incentive in particular, we have demonstrated that we can deal with devolved power and responsibilities, culminating in the Assurance Framework that underpins our funding mechanisms and the One Front Door.

From left to right: Nick Sturge - SETsquared Centre Director, Sajid Javid - Secretary of State for Business, Innovation & Skills and Colin Skellett - Chairman, West of England Local Enterprise Partnership
THE STORY SO FAR

KEY NUMBERS

+ Bristol Temple Quarter Enterprise Zone (since 2011)
Awarded as one of 24 Enterprise Zones in 2011 to deliver

17K jobs between 2012-2037.

+ City Deal (signed 2012)

+5 Additional Enterprise Areas identified with a £500m fund created from retained business rates

£81m 10 year allocation of major schemes funding allocated to MetroWest.

City Growth Hub – provision of an enhanced Inward Investment service: 2014/15 supported some

37 companies in relocating/expanding in the area.

+ Major Schemes Programme (2011-18)

£242m Funding for the delivery of the:

Weston Package £15m

Bath Package £27m

MetroBus Network £200m

+ Revolving Infrastructure

£56.7m Value of The West of England Revolving Infrastructure Fund (RIF) made up of:

£16.9m from the Growing Places Fund and

£39.8m from the Regional Growth Fund (RGF). The fund enables the delivery of infrastructure required to unlock or serve development that will bring about growth.


After allocating all of the £25m it secured from the Government’s RGF (Round 3), the West of England Growth Fund is now delivering its programme to create and safeguard jobs, and lever private sector investment into the region.

Grant support is enabling local enterprises to grow and offer employment security today and in the future, with over £16m+ in grants paid out to businesses,

£51m private investment levered and

1,245 jobs created to date.
+ **Growth Deal**
(2015-21)

£150m
Local Growth Fund capital allocated to a range of innovation, skills and transport projects including the creation of a new Future Technology Centre and Law and Professional Services Academy by Weston College, Bristol Robotics Laboratory and University Enterprise Zone and a Sustainable Transport Package.

£400k
to support delivery of a **Growth Hub** service – a website providing business support and advice across the West of England LEP area.

+ **Economic Development Fund**
(25 years from 2014)

£500m
Funding used for the delivery of some 30 key infrastructure schemes focused on the Enterprise Zone and Enterprise Areas including the MetroBus extension to Cribbs Causeway, the Bristol Arena, North South Link at the J21 Enterprise Area and Bath Innovation Quay.

+ **Food Enterprise Zone**
(2015)

1 OF 17
National Food Enterprise Zones in Weston-super-Mare.
The West of England is well connected, with transport infrastructure and international links that make it a key hub within the UK and internationally. But infrastructure requires continual improvement as the regional economy and population grows.

Likewise, housing throughout the area needs to respond to demand. There’s a steady stream of graduates and other workers keen to live in this economically diverse, buoyant and beautiful part of the country. The housing market needs a constant supply of new homes to meet demand.

**Delivery on housing**

The Duty to Co-operate was created through the Localism Act 2011 and places a legal duty on local planning authorities and councils to engage constructively, actively and on an ongoing basis.

The West of England Planning Homes and Communities Board now oversees the Duty to Co-operate Schedule, which highlights areas of work and issues that the authorities will co-operate on with neighbouring authorities and other statutory bodies.

A **Strategic Housing Market Assessment** was jointly commissioned. This is an objective assessment of local housing needs and provides an updated evidence base that will inform and set the context for each of the four unitary authorities’ Local Plan reviews from 2016 onwards.

As part of the ongoing reviews of the Local Plans, the LEP is supporting and encouraging the development of a **Joint Spatial Plan**. This will set out the broad strategic distribution of housing and employment land and identifies the strategic infrastructure needs, including transport, to deliver the scale of development necessary for the prosperous future of the West of England.

**Delivery on transport**

The recent years have seen the completion of the Weston Package - working closely with Highways England to improve access to Weston-super-Mare and reduce congestion at M5 Junction 21 and the J21 Enterprise Area.

Alongside the substantial £27m completion of the Bath Package and the confirmation of the new junction on the M49 by Highways England to serve the Avonmouth Severnside Enterprise Area, we are delivering a number of transport projects as part of the Pinchpoints (see later in the report) and sustainable transport programmes aimed at reducing congestion and working with local businesses to encourage use of public transport, cycling and walking.

£15m
MetroBus

A **£200 million** investment in a **50km network** for a new express bus service providing direct routes to key destinations, enabling thousands more people to access key employment, education and leisure destinations.

Construction on the MetroBus network is well underway with services expected to start in Spring 2017.

Devolved transport funding

We have a phased approach to investment in the local rail network with **£58 million** identified for MetroWest Phase 1, a rail project that will re-open a line to Portishead with service stops at a new station in Pill, plus Parson Street and Bedminster, as well as increasing the frequency of services on the Severn Beach Line and between Bristol Temple Meads and Bath Spa.

MetroWest phase 2 is a **£43 million** investment in three new stations, the reopening of the Henbury Line and half hourly services to Yate.

The network will feature green, low emission vehicles and link in with improved cycle and pedestrian routes.

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**£200 million** investment by the LEP in rail services is the largest local investment in the rail network in the country.

This local investment goes alongside the **£1.5 billion** electrification of the line between London and Bristol that is set to reduce the journey time to 79 minutes.
With nearly 900 jobs created in the region and 37 new companies attracted to the area, it’s been another year of achievement for Invest Bristol & Bath (IBB), the inward investment agency for the West of England.

This was the final year of City Deal funding for IBB, a year in which the organisation worked within a budget of £750,000 from the Growth Hub Business Plan and once again reached its key job creation targets. As a result of its success, continuation funding has now been secured for the next five years.

### 2014/15 Results

<table>
<thead>
<tr>
<th>Metric</th>
<th>Target</th>
<th>Result</th>
<th>Additional Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>New jobs created</td>
<td>850</td>
<td>886</td>
<td></td>
</tr>
<tr>
<td>New leads generated</td>
<td>140</td>
<td>175</td>
<td></td>
</tr>
<tr>
<td>New projects handled</td>
<td>70</td>
<td>99</td>
<td></td>
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<tr>
<td>Successes (no. of companies)</td>
<td>35</td>
<td>37</td>
<td></td>
</tr>
<tr>
<td>News articles (audience reach)</td>
<td>160 million</td>
<td>340</td>
<td>and advertising value of £1.2 million</td>
</tr>
<tr>
<td>International delegate visits</td>
<td></td>
<td>11</td>
<td></td>
</tr>
<tr>
<td>Events and conferences, including Wildscreen festival</td>
<td>886</td>
<td>14</td>
<td>attracting over 886 delegates from 30 countries</td>
</tr>
</tbody>
</table>

**McKinsey & Co** for Centre for Cities recognise Bristol & Bath tech cluster as the UK’s only fast growing, globally significant tech cluster.

**TechCityUK** name Bristol & Bath as having the largest digital cluster outside of London in terms of employment (TechNation 2015)
Increasingly, companies are choosing to locate to Bristol and Bath due to the leading talent base, strong networks and best innovation hubs in the UK.

Tatjana Humphries, Hub Manager, The Guild, Bath Coworking Hub
Investment Hotspots

Whilst there are plentiful investment opportunities throughout the West of England, there are seven priority areas that will be engines of growth for the future economy, not just in this region but for the UK as a whole.

Bristol Temple Quarter Enterprise Zone
Offers immediate access to Bristol Temple Meads station and the city centre. It is already thriving with professional services and the creative sectors alike. In time, it will offer 2.6 million sq ft of new and refurbished space.

North Somerset Enterprise Area
With direct access to junction 21 off the M5, it boasts 178 acres of “ready to go” employment land.

The Hive supports the growth of small businesses, whilst planned projects such as the North Somerset Enterprise & Technology Centre and Future Technology Centre will secure growth and jobs with a focus on the nuclear and professional services sectors.

Emersons Green
Home to the Bristol & Bath Science Park and the National Composites Centre, it is also an Enterprise Area. Operational since November 2011, the Centre proved such value that the Government quickly approved a £28m expansion.

In July 2015, it was announced that a global automotive research centre and a 55,000 sq ft grow-on facility will be built at the Science Park.

Bath City Riverside’s Masterplan
Approved in November 2014 as a blueprint for this Enterprise Area and represents nothing less than a new era of development in Bath, featuring next generation business space in the heart of a UNESCO World Heritage city.

Avonmouth Severnside Enterprise Area
Is a location of internationally significant scale that is also set to benefit from further infrastructure improvements, including a new motorway junction and a deep water container terminal at the Port of Bristol.

Filton
As the birthplace of Concorde, it has long been known as a centre of excellence in aerospace and high tech industries. Its Enterprise Area will look to build on this legacy in areas such as aerospace, defence, advanced manufacturing, micro-electronics and emerging materials.

South Bristol
This priority growth location is benefitting from improvements to infrastructure via the South Bristol Link and the new MetroBus network and in Filwood has the region’s most environmentally friendly business park.

INWARD INVESTMENT CASE STUDY
Invest Bristol & Bath attracted JUST EAT plc, the UK’s leading online takeaway service, to open a new specialist technology innovation hub in Bristol creating over 100 new jobs by the end of 2015.

Just Eat’s group chief technology officer Carlos Morgado said:

“Just Eat’s technology team has been working hard to deliver everything from new mobile apps to new electronic point of sale technology for our restaurant partners.

The pool of excellent engineering talent in Bristol, Bath and the South West provides us with an ideal base to build on this success and drive the next wave of invention and innovation for our customers around the world.”
With skills at its very heart, the West of England LEP is ensuring that businesses have access to a local talent pool full of people with the right skills at the right levels.

The LEP has a dedicated skills team, co-funded by our education partners, that works in partnership with schools, colleges, universities and local authorities to provide the latest economic intelligence, to co-ordinate delivery and provide technical support where necessary. We also work with industry through the LEP sector groups, industry bodies and business associations, government agencies and key influencers to help shape skills provision locally.

1 Improving the quality of careers information
Achievements this year:
+ Developed Labour Market Intelligence packs to advise young people in career making decisions.
+ Over 300 careers professionals benefitted from our “Pathways 2 Professions” series of events.
+ Over 13,000 young people benefitted from a series of high-profile Skills Show Experience events.

2 A local curriculum informed by industry:
Working with Further Education colleges, our Skills Funding Incentive pilot for the Department of Business, Innovation and Skills successfully ensured that colleges responded effectively to the needs and ambitions of local business.

Skills Capital Funding:
+ Secured £32 million from the Growth Fund for investment in capital projects.
+ Work has started on a Law and Professional Services Academy and Future Technology Centre part-funded by Weston College.
+ Now in the final stages of assessing skills capital projects for potential investment during the 2016/17 financial year.

The Employability Chartermark has acted as a catalyst for change in driving innovative and creative approaches to employability skills development in the education sector.

Over 90% of secondary schools in the West of England have engaged.
3 Promoting and growing higher apprenticeships

Achievements this year:
+ Supported an apprenticeship campaign in partnership with local media and worked with employers to support apprenticeship growth.
+ The Apprenticeship Hub focusses on three key strategic objectives:
  » Increasing employer take-up of apprenticeships in priority sectors
  » Increasing the number of people from all backgrounds choosing to start an apprenticeship
  » Ensuring local provision is of high quality and meets current and future employer demand.

4 Supporting SMEs and boosting productivity

Achievements this year:
+ Listened to over 2,000 businesses to understand their skills needs in detail including intensive “immersion events”, bringing employers and education closer together.
+ skillsjunction.co.uk developed through funding from UKCES, bringing together information from educational institutions in the West of England.

5 Tackling equality and diversity

Achievements this year:
+ Rise of the Engineer campaign, supported by major employers, highlighted the array of opportunities to give female engineers greater prominence.
+ Creative Employment programme has supported 80 internships and 2 apprenticeships. Aimed at young, unemployed people aged 16-24, improving their long-term employment prospects within the creative sector.

Our skills priorities for the next 12 months

We will:
+ Deliver a local programme of careers information, prioritising secondary schools with the greatest need of support.
+ Take a business-led, evidence-based approach to tackling skills gaps and future skills needs.
+ Continue to work in partnership with our unitary authorities and other partners to co-ordinate delivery of a strategic approach to skills across the city region.
+ Work with industry bodies and education partners to develop a programme of leadership and management training targeted at small businesses.
+ Work with business and education partners to deliver an effective apprenticeship strategy.

OUR GROWTH INNOVATION PROGRAMME, WHICH ENDED IN APRIL 2015, ACHIEVED:

- Young people benefitting from Employability Chartermark each year: 3K
- Employers engaged in immersion events: 330
- Businesses responded to detailed skills survey on skills gaps, recruitment, education and apprenticeship engagement: 643
- Further Education placements in business: 104
- SMEs engaged in sector events: 652
- Businesses benefitting from new models of delivery: 244
The overarching goal for the West of England remains the same as it was when we set out our aims in the Strategic Economic Plan 2015-2030: to be the city region of choice for a sustainable future.

Things are moving on rapidly in key areas; the projects approved as part of our Growth Deal with Government are all making progress as we seek to ensure that all our communities are integrated into plans for economic development, regeneration and jobs growth.

Innovation schemes

**Bristol Institute of Technology Robotics Laboratory £21.5m project (with £4.5m from the Local Growth Fund) alongside £4m for the University Enterprise Zone**

Building on the strengths of the Bristol Robotics Lab and the high growth potential of the major cluster of technology businesses in the region, this project will provide essential start-up and grow-on space for tech and knowledge-based businesses in robotics and autonomous systems, bio-sensing and bio-technology, bio-medical and related high tech fields.

**Expansion of Open Programmable City Region project with £15m from the Local Growth Fund**

This project is a world-first, putting us at the forefront of groundbreaking, next generation broadband telecommunication networks. Terabit West plans to upgrade the infrastructure in Bristol and across the region as a research and development test bed for companies to be able to test their technologies, systems and services on a unique open and programmable communication service platform.

**Composite bridge construction**

This project draws on the expertise of the National Composites Centre to develop an advanced composite footbridge structure that can be developed as a new practical structure to be used efficiently and economically in multiple locations.
Engine Shed 2
Building on the hugely successful development of Engine Shed, which in its first year of operation added over £8m to the region’s economy and contributed to the creation of 115 jobs. Engine Shed 2 will provide more incubation and grow-on space for high tech companies under the SETsquared model.

Superfast Broadband Extension Programme
The scheme builds on the Phase 1 Rural Broadband programme to further extend the superfast broadband coverage across South Gloucestershire, Bath & North East Somerset and North Somerset.

Transport schemes

Sustainable transport programme
This project includes new and improved routes and facilities for walking and cycling, dedicated bus lanes and priority measures and is designed to reduce the number of under five mile journeys currently made by car.

MetroWest
MetroWest will deliver half hourly cross-Bristol rail services, including reopening the Portishead and Henbury rail lines, linking up major growth areas at Bristol Temple Quarter Enterprise Zone and the Enterprise Areas. MetroWest will play an important part in bringing these major employment centres closer to skilled workforce catchment and links in with the electrification of the Great Western Mainline.

Local pinch point schemes
Delivery of three schemes to address congestion hotspots and provide new and improved access to key economic sites, including the Aztec West roundabout, West Wick roundabout, Weston-super-Mare and Crow Lane near the new Cribbs Patchway neighbourhood.

Skills capital schemes
£32m of funding for a package of capital works to extend and improve the facilities at key further education establishments across the West of England, including:

Future Technology Centre, Weston College
The project is set to create a 16,000 sq ft Future Technology Centre, a flagship centre to up-skill learners with ‘work ready’ technology skills across Creative & Digital, Advanced Engineering /Civil Engineering/Automated Manufacturing and Low Carbon.

Advanced Engineering Centre Extension, City of Bristol College
An extension to City of Bristol College’s Advanced Engineering Centre, which will service the growing skills needs of the sector in areas such as 3D printers and the use of composite materials.

Law & Professional Services Academy, Weston-super-Mare
A Centre of Excellence for the area to meet the employment needs of local businesses in the legal, finance and accounting and professional and business services sector.
Devolution has been one of the hot topics of national and regional governance, and the West of England, already the country’s most economically productive area, is making its case strongly.

£1 BILLION INVESTMENT

On 4 September 2015, the West of England’s four local authorities, supported by the LEP, submitted to the Treasury a proposal for a £1bn investment which could triple the level of spending on major projects such as transport, flood defence and housing over the next ten years. The bid could generate an extra £2bn per annum for the economy whilst improving local lives.

The package, which also proposes greater local control of training and skills for over 16s, is focused on increasing economic productivity to grow the region’s economy by at least 5 per cent more than it would without the deal. In doing so, it will create a fairer region where people have better access to employment, more homes available and better transport options.

Closely linked to existing and highly successful joint working in the region, opening up opportunities for more cross-border projects, it will mean an even more collaborative approach to issues such as where new homes are built and how public transport improvements are delivered.

Following its submission, the West of England is working closely with the Government on the detail of the proposals.
The West of England is a key contributor to the UK economy and we want a deal that recognises that. Devolving more powers and funding to the region in this way will have a huge benefit. Creating new jobs and more affordable houses are essential to our growth and prosperity, and our economic strategy seeks to address this by supporting higher wage industries to grow and locate here. We will be able to deliver more jobs, better infrastructure, and work together on transport initiatives that will make it easier for residents, businesses and visitors to get around our area.

Tim Warren, Leader of Bath & North East Somerset Council

A unique devolution offer... By putting more investment and power in local hands we’ll be able to drastically improve the speed and efficiency with which we improve our transport system, reduce congestion, create affordable new homes and help some of society’s most disadvantaged people into training and work. This deal will help to secure and improve our position rather than risk falling behind some of our counterparts. We’re calling on the Government to recognise the obvious advantages of backing a winner by giving us the freedom we need.

George Ferguson, Mayor of Bristol

We are signalling our ambition for growth, and seeking to secure powers so that we can make sure that growth takes place in appropriate places and is supported by improvements to our transport network and essential infrastructure. The proposals also give us a real opportunity to work with businesses, government and our training and education providers, making sure we develop skilled people locally to sustain growth in our area.

Nigel Ashton, Leader of North Somerset Council

We have the track record, vision and the capability to take on the devolved powers that will enable us to grow this region. People are at the heart of these proposals, and people in every part of the region will be best served when the Government devolve to us not only the powers we are setting out, but also the mechanisms to fund the plans that will deliver housing, education and transport infrastructure for a sustainable future.

Matthew Riddle, Leader of South Gloucestershire Council
Weston-super-Mare played host to Banksy’s ‘Dismaland’ subversive theme park for five weeks over August – September 2015. Over 150,000 people came to experience it, generating an estimated £20 million in extra revenue for the local economy.