

Executive Summary - Powerhouse Central: Staffordshire and Stoke-on-Trent's expression of interest in a Wave 2 City Deal

On Tuesday 15th January 2013, the Stoke-on-Trent and Staffordshire Local Enterprise Partnership, Staffordshire County Council and Stoke-on-Trent City Council submitted a joint bid to secure a wave two City Deal from Government. If successful, the bid will secure greater funding, freedoms and powers to drive economic growth and support creation of around 31,000 jobs across the city and county over the next 10 years.

The proposal sets out how the public and private sectors will work in tandem to make Stoke-on-Trent and Staffordshire the home, the **powerhouse**, for advanced materials businesses (metals, ceramics, polymers) in the UK and Europe. Developing a unique and internationally competitive position in advanced materials and manufacturing will help attract, retain, and develop our businesses and grow our economic base. It is a key part of a wider plan, already being delivered, to create jobs and economic growth across the whole of the city and county, and transform Stoke-on-Trent into a thriving Core City of the future

The City Deal bid centres on four key challenges to turn Stoke-on-Trent and Staffordshire into Europe's leading destination for advanced materials businesses:

Sites - Advanced materials companies need land for new premises, with room to grow.

Solution – Across the city and county, 22 sites will be developed for advanced materials and other employers. A local investment fund, managed and delivered by a private sector partner, will invest and develop the sites - and provide infrastructure such as roads to make them highly desirable.

Energy – Businesses spend a lot on energy (up to 30% of an advanced materials company's total costs) but escalating prices and concerns about energy security are stifling growth.

Solution – We will enable the provision of affordable, locally-produced energy to businesses. Energy can be produced from a number of local sources, including geothermal, biomass and waste-heat opportunities. Councils will provide land while commercial partners are set to invest the funding to develop the energy.

Skills – Not enough people possess the skills needed by the advanced materials sector. Employers report skills gaps of over 40% and are unable to fill engineering vacancies.

Solution – In a national first, we have created an Education Trust, which brings together industry, public sector, schools, further education and higher education providers and will ensure the right skills training is being delivered to help local people access local employment.

Research and Development (R&D) – Businesses need access to world-class research and, whilst the UK is an academic world-leader in advanced materials research, there is a gap in applying this to commercial manufacturing.

Solution – We will provide the facilities to support innovation by:

- Creating a pioneering research and innovation centre led by the private sector and supported by major universities, to turn research into commercial activity
- Continued investment in the IC5 Innovation Centre at Keele University Science Park. Under the deal, annual investment will help entrepreneurs and venture funders convert research and development into activity.

Governance – The City Deal will be delivered by a joint enterprise between the Local Enterprise Partnership, councils and the private sector. This vibrant, powerful body will be created to make strategic decisions to drive economic growth. The private sector will also share the financial risk with councils pooling resources including staff, capital and land, to attract up to £1,800m of private sector and government investment.

A City Deal would help us to deliver:

- 400 hectares of high quality employment sites by 2022, with the potential to support up to 31,000 direct jobs
- Around 85 Gigawatts of energy (GWh) equivalent to 485 industrial kilns running 24 hours a day
- Up to 15% increase in the employment rate by 2032

Who is involved in the City Deal?

The following parties have input to the proposals set out in the expression of interest.

- Stoke-on-Trent and Staffordshire Local Enterprise Partnership
- **Local authorities** - Stoke-on-Trent City, Staffordshire County, Newcastle-under-Lyme, Stafford, Staffordshire Moorlands, South Staffordshire, Cannock Chase, Lichfield, Tamworth Borough Councils
- **Business Partners** –include JCB, Jaguar Land Rover, Steelite International, Perkins, Zyte, Alton Towers, E.ON, Alstom, Wedgwood Waterford Royal Doulton (WWRD), Wade Ceramics, Michelin UK, Johnson Tiles, Goodwin Group, Ceram Research, Bio Composites, Trent & Dove Housing, Developers and Landowners, Chambers of Commerce and Industry, National Memorial Arboretum.
- **Education and Skills** –Staffordshire and Keele Universities, Stoke-on-Trent College, Stafford College, South Staffordshire College, Burton College, Newcastle-under-Lyme College, City of Stoke-on-Trent Sixth Form College, Staffordshire Providers Association
- **Agencies and organisations that have been consulted** - Highways Agency, Network Rail, Train Operating Companies, M6 Toll, Skills Funding Agency, Job Centre Plus (JCP)

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