



# LOUGHBOROUGH TOWN DEAL

## Investment Plan Proposition

May 2020

[www.loughboroughtowndeal.co.uk](http://www.loughboroughtowndeal.co.uk)



## Executive summary

This proposition draft is a statement of intent from Loughborough's Town Deal Board (TDB). We are tasked by July 31, 2020 with formulating a Town Deal prospectus and investment plan to access a tranche of Government's £3.6bn Town Fund.

Having interrogated the evidence, received feedback from preliminary consultations, and considered a number of approaches, we set out in this paper our intentions for completing the prospectus and investment plan. Your feedback on this paper will be an important contribution to this process.

Our investigations have confirmed what a special and genuinely distinctive place Loughborough is. Alongside being a great place to live, work and visit, we have authentic global, national and regional roles that can help deliver a strong post-COVID19 recovery and long run success for our communities.

However, we also recognise that there are serious challenges facing the town in remaining vibrant, meeting global challenges like sustainability and inclusive growth, and particularly addressing the social and economic disruption of the COVID19 public health crisis and lock down.

To that end, we are proposing an ambitious, future facing Town Deal that prioritises investments in four areas.

We suggest physical schemes – many already in plans and masterplans – that will make the town work better and more resiliently as a place. We recognise the need to support communities and businesses to make the transition to a post-COVID19 future. We wish to accelerate a programme to create a digital, green Loughborough akin to leading UK smart cities. Fourthly, we propose support for those special qualities that have relevance and can draw visitors and investment to Loughborough from the Midlands Engine, UK and even further afield.

We have assembled a list of over 20 projects and programmes and outlined the criteria by which we will appraise them if they are to be part of our 2030 vision and included in the first Town Deal we submit to government. We are also proposing a fund for smaller local schemes that can kickstart our post-lockdown recovery and revitalise the town centre, communities and neighbourhoods.

There is considerable technical work to turn this statement of intent into a credible, deliverable prospectus and investment plan deserving of government agreement and financial support. But, perhaps even more importantly, this needs to be OUR collective Town Deal. It needs your ideas, energies, enthusiasm and support to bring it to fruition.

We ask nine questions in this statement – some specific but others a more general request for your views and advice. They cover topics like how ambitious you are for the town; how we should balance long-term goals with short-term recovery; and whether we are missing any significant opportunities.

We hope you will give us feedback by midnight on Sunday July 5, 2020.



## Introduction and purpose

Loughborough has been invited to submit an Investment Plan to access Town Deal funding from Government's £3.6bn Town Fund. The Town Deal (TD) programme seeks "to increase economic growth with a focus on regeneration, improved transport, better broadband connectivity, skills and culture" for each eligible place.

Loughborough has established a Town Deal Board (TDB) of business, community and public sector members. We have worked since January 2020 to develop and consult on a proposition that will enable Loughborough to realise its full potential during the 2020s, and to which the Town Fund can be a major contributor.

This endeavour is being undertaken during the COVID-19 public health crisis and consequent acute economic and social dislocation.

Nevertheless, we have made progress in formulating this high-level statement of intent. We are committed to an inclusive process as we firm it up into a full prospectus and investment plan.

We invite organisations and individuals as passionate about Loughborough's future as we are to consider this document. Please give us feedback no later than July 5, 2020. We shall use your input to produce a full Investment Plan compliant with Government guidance and expectations by July 31, 2020.

## Towards a Loughborough 2030 manifesto

Loughborough has an important, special and highly distinctive place in the UK's roll-call of large towns. We are known and globally significant for elite sports. We host a UK top-10 university and England's first Life Sciences Opportunity Zone. In the Midlands Engine, Loughborough is unparalleled outside the metros and large cities as a knowledge, science and technology hub at scale. In the East Midlands we sit at the intersection of the three primary city regions - Derby, Leicester and Nottingham - able to add value to all of them, and to the region's International Airport Gateway and impending HS2 regional station.

Finally, as, effectively, the 'county town' and largest urban centre in Leicestershire, we host the two Enterprise Zone campuses outside Leicester itself. By the 2030s, Loughborough will be home to over 80,000 residents with a direct primary catchment of 200-250,000 who may routinely look to the town for many of the ingredients of their quality of life and well-being.

The Town Deal has to answer questions, post-pandemic, of 'what sort of town is needed to build on these global, national, regional and county roles?'; and 'how to best leverage them for the benefit of the people and communities who chose to call Loughborough their home?'; and for those who look to the town for dimensions of their quality of life like employment, leisure, health & wellbeing. And it needs to be future facing.

Those born this year will be 30 in 2050. What sort of place do we need to become to be the place of choice for living, working and visiting for our next generations?

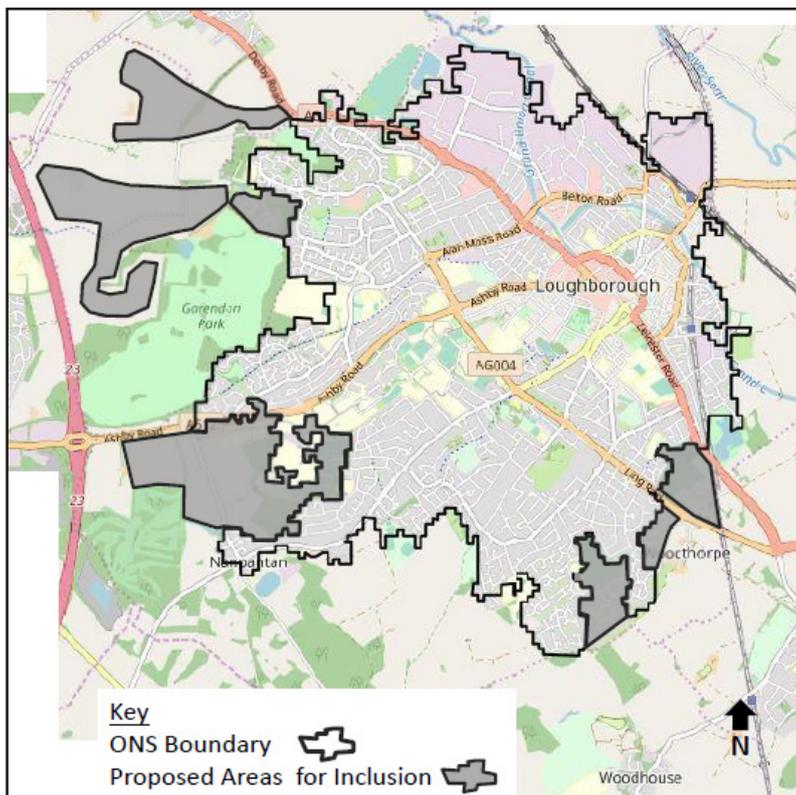
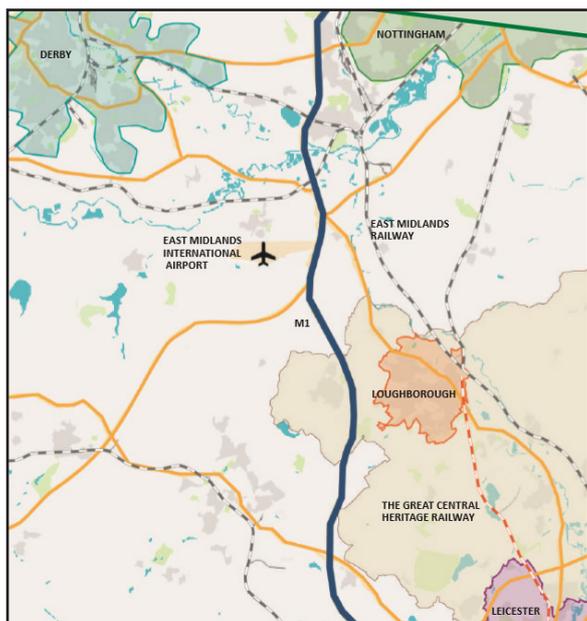
The Town Deal Board is seeking your views and advice on answering these types of questions:



PLEASE REFER TO THE QUESTIONS IN THE ONLINE SURVEY QUESTIONNAIRE WHEN PROVIDING YOUR VIEWS AND COMMENTS.

A. Should the Town Deal be an ambitious programme that builds on Loughborough's global, national, regional and county profile and reputation?

B. However, within this outward-looking perspective, should the Town Deal Investment Plan focus primarily on improving the economic, social and environmental well-being of Loughborough communities and businesses - especially accelerating recovery and rebooting the economy and social life after the COVID19 lockdown?



## Loughborough background

This section sets out some of the key background evidence that the TDB have considered. Loughborough is:

- The largest town in the Leicestershire County Council area. Our population of +/-66,000 in 15sqkms is at a density similar to the neighbouring cities of Derby and Nottingham.
- We are probably the best located centre in the East Midlands and one of the best in the UK. Near the centre of England, within 30 minutes of the three largest East Midlands Cities, close to the airport and regional HS2 station, and with over 50 trains a day to London, the fastest of which makes the journey in under 80 minutes
- Our resident population is younger than county, regional and national averages with, in general, higher average skills levels, more senior jobs, and higher residential and workplace earnings per week than the region and county
- Our population is forecast to grow at faster rates than county and regional averages surpassing 80,000 residents in the 2030s.
  - Loughborough University is an asset of genuine international significance and a top 10 UK university. With over 18,000 students enrolled and 3000 staff, the vast majority resident for the academic year locally, this gives the town huge dynamism, but also an acute seasonality to town activity.



- Pre-COVID-19 the town had a suite of plans and strategies that provide good basis for medium-term growth and development. These included CBC Core Strategy and Draft 2019-36 Local Plan, and the 2018 Town Centre Masterplan
- We host two of the three Leicester & Leicestershire Enterprise Zones (EZs) at LUSEP and Charnwood Campus. We have plans for a sustainable urban extension (SUE) of 3,200 homes at West of Loughborough and a further 1900+ additional homes in the urban area.
- The 2018 town centre health check suggests a relatively vibrant, diverse and evolving town centre – BUT it will need to continue to change (with probably contracting retail) into the 2020s. The pace of those town redevelopments has sometimes been frustratingly slow
- Loughborough and Charnwood more widely have relatively low job and enterprise densities. Outcommuting is highly significant – especially to Leicester. The gap between resident average earnings and workplace average earnings in Loughborough constituency (£68) is significantly higher than CBC (£51) and Leicestershire (£47) averages.
- The town has two neighbourhoods in the 10% most deprived in the Index of Multiple Deprivation (2019) and a further two in the bottom 20% - the only such neighbourhoods in Charnwood. All four are adjacent to the town centre itself.
- The COVID19 public health and economic crises are existential shocks and a return to pre-COVID19 normalcy is unlikely in the short term and may not be viable in the long run.

To capture the evidence base of town performance in a high-level strategic tool for town deal planning and prioritisation, we have used a SWOT analysis. A condensed summary is presented below. These are not the ONLY strengths-weaknesses-opportunities-threats facing Loughborough – but we consider them highly significant in terms of formulating our Town Deal strategy:

## Loughborough Town Deal Strengths-Weaknesses-Opportunities-Threats (SWOT)

### STRENGTHS

- Younger, higher skills, better jobs and growing faster than regional and county averages
- Global quality university with relevant assets and capabilities for future town development & wellbeing
- Superb international gateway, national and regional location and access

### WEAKNESSES

- High levels of out-commuting for some higher earners, and of seasonality when university is closed
- Town centre needs continual evolution and pace of development has sometimes been slow
- Four central neighbourhoods on edge of town centre are among most-deprived 20% in England

### OPPORTUNITIES

- Leverage University, Enterprise Zones and other assets and relevant capabilities to make Loughborough a genuine global, national and regional knowledge hub
  - Use Town Deal and associated opportunities to make Loughborough work well as a cohesive, inclusive place
  - Reasonable suite of long-standing plans and projects which can be made investment-ready relatively swiftly



## THREATS

- Potential national and regional post-lockdown economy reduces domestic demand, levels of private investment, and appetite for innovation – with specific university dimensions that particularly impact the town
- Business closures and/or rationalisation increase need for reskilling and enterprise support beyond local capacity and resources to deliver
- Social distancing and new public health requirements accelerate contraction of high street and reduces footfall in the medium term

**C. What other issues would be relevant to the Town Deal if we expanded the table from three strengths, weaknesses, opportunities and threats to four or five each?**

## Context and futures for leading towns

In formulating a 2030 proposition for Loughborough, the TDB has discussed likely characteristics and challenges for leading towns through the 2020s.

Prior to the COVID19 crisis a lot of work had been done on the dimensions of future success for ambitious large towns and cities. The smart future city is seen as rich with technology infrastructure and services (e.g. from 5G networks to widespread Internet of Things sensors); an attractor and developer of talented, skilled people; using big data openly, effectively and in real time to manage the place better; often majoring in low carbon sustainable development. Leading Future Cities in the UK and across the world have, for example, been developing open data stores, smart transport systems, digital skills and business innovation hubs, improving building and vehicle environmental performance, and involving citizens and communities in these changes.

What has been much less prevalent has been the application of smart futures policies and projects to large towns in consistent and comprehensive ways. It is worth asking whether Loughborough should use its underlying strengths to progress these agendas as part of post-COVID19 recovery.

To some extent this depends on how and when places will emerge from COVID19 crisis management and what the medium-term implications of this will be. Whilst there are no definitive answers and assured forecasts for this, we believe it is reasonable to assume implications of the crisis will include:

- Long-term increased levels of home working and home learning
- Need to give residents and visitors confidence that social distancing and other public health measures make trips in towns and neighbourhoods safe and secure
- Continuation of the shift to online purchasing and deliveries seen during the lock down, with consequent acceleration of pressures on bricks and mortar retail
- Enduring interest in green and active living improvements secured during the lockdown
- Greater focus on resilience compared to growth in economic and social priorities
- Reconfirmation of commitment to levelling up opportunities for communities not currently participating in or benefiting from Loughborough's success; and for those whose lives and futures have been seriously damaged during the lock down.



Some of the longer-term perspectives align with the COVID19 implications. For instance, contraction of retail cores, online working and even environmental concerns are major accelerations of pre-crisis trends. Others are somewhat different in character – especially for the many households and communities who have

suffered major setbacks and enduring hardships as a result of the crisis.

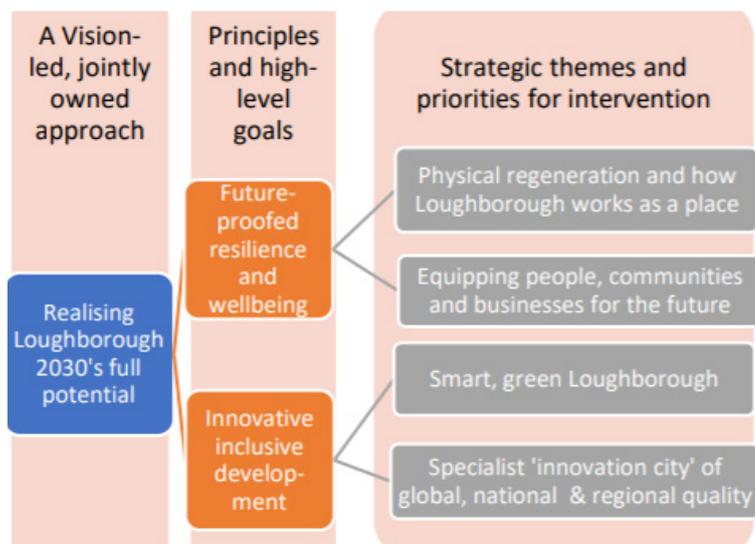
In broad terms, therefore, we are suggesting a Town Deal that lays the foundations for long run success of Loughborough as a leading town but also contributes quickly and tangibly to short term recovery – especially for those most at risk of enduring hardship.

**D. Please can you give us your ideas of win-win short-term recovery measures that can also lay the foundations for the town's long-run success?**

## High-level vision and strategy

The analysis above has informed our strategic choices for the type of Town Deal we are commending to Loughborough. We suggest a vision-led prospectus recognising and realising Loughborough's potential as a place of distinctive national significance and quality.

We consider Loughborough has the assets and capabilities of a leading small city. In the 2020s we can be globally known for both elite and participatory sports excellence; the Midlands Engine's premier small city knowledge and science hub; at the centre of the region's tri-city area (of Derby, Leicester and Nottingham); and Leicestershire's county town. To make the most of those roles and functions, Loughborough should offer residents, communities and business the opportunities, experiences and well-being to participate fully in Loughborough's life and development.



As suggested, our TD will adopt an ambitious and forward-looking 'Team Loughborough' approach; focussing on goals to increase resilience, improve well-being, encourage innovation and ensure inclusivity. Long-run success will be assured by progressing programmes and projects that deliver sustainable place, business and people-based results; building Loughborough's significance, profile and reputation for Global Britain and Midlands Engine.

**E. Do you find our proposed vision and approach attractive and compelling? Would you want us to add or take away anything from it?**

## Contribution of Town Deal (TD) programme

The Town Deal is an invitation to Loughborough to access Government's Town Fund with an indicative quantum of +/-£25m available over a number of years for successful applicants.

Although £25m is a welcome and valuable resource, it is a fairly modest amount. Our current total economy might have a value just over £1.5bn every year (2017



figures), but this would grow to over £2.5bn (2017 prices) by the early 2030s with over 80,000 residents and economic performance akin to, say, a knowledge city like Cambridge or Bath.

The Board have carefully considered criteria for proposing Town Deal programme investments and the shape of the overall programme. Our approach will combine projects that assist short-term recovery and rebooting of economic and social life, whilst building momentum for long-term success as a leading distinctive place of national significance and quality. In particular, we are seeking to assemble a portfolio of measures that will:

- Contribute to the long-term vision and ambitions for the town
- Align with national, regional and local post-COVID19 lockdown recovery and economic plans
- Enthuse both local partners, and particularly UK government as funder of the programme
- Leverage further national and local public and private investment
- Support and catalyse business dynamism and community activism
- Increase resilience and future proof local infrastructure and services
- Generate economic and fiscal returns whilst reducing long run public revenue requirements
- Support vulnerable groups and communities most impacted by the crisis
- Ensure early progress, deliverability and affordability

For a notional programme of +/-£25m, we have undertaken an exercise to explore the overall architecture of the Town Deal Programme. This considered issues like whether the programme should focus on a small number of big or a large number of small schemes; should it be largely capital or revenue expenditure; physical or community regeneration; new or existing schemes; town centre or the whole urban area. Of course, the Board has a breadth of views, and there are no single right answers for the balance between these dimensions of a programme. However, in aggregate, and synthesising the views, we are suggesting a programme with the following type of balances:

	Balance of programme approaches	
2-3 Big ticket projects	↔	Lots of small projects
Capital investments	↔	Revenue programmes
Town centre	↔	Whole urban area
Pump-prime new initiatives	↔	Top-up/gap-fund existing schemes
Physical development	↔	Community Regeneration
Other criteria (insert)	Strong interest in strengthening Loughborough's green and smart credentials	
		Other criteria (insert)

This amounts to a programme architecture comprising:

- 3-4 larger schemes but a sum (perhaps £3-£4m) for a number of small and micro-projects
- We expect government to confirm this as mainly a capital programme, but a revenue element for things like kickstarting town events and activity, or for reskilling and retraining has merit
  - The majority of the programme should focus on the town centre and urban core but there should be support for intra-urban connectivity and relevant projects in the wider urban area



- We will top up existing schemes where these are viable long term and have been stalled by the lock down – but most of the programme should pump prime future-facing initiatives
- There should be a balance between physical and people-facing schemes – especially for those communities that need levelling up support or who have suffered major lock down setbacks
- Successful places in the future will need advanced digital capabilities and strong green credentials. The programme should seek to mainstream this in its overall approach

**F. Do our suggested criteria for investment and the overall shape of the programme make sense? What else might you like to see in them?**

## Indicative Investment Plan

During the early months of our work, the Board and our subgroups have compiled a long list of over 20 existing ongoing schemes and ideas that are in development. For reasons of scale, it is clear the Town Deal will not be able to fund all of these. However, taken together they begin to outline a coherent approach to a long-run public sector supported investment programme necessary to progress Loughborough's overall goals and ambitions.

Over the 2020s, to advance an ambitious vision, we believe Loughborough needs to deliver the following thematic interventions and illustrative projects – NOT in any priority order:

### 1) Physical regeneration and how Loughborough functions as a place:

- a) Core physical resilience – Environment Agency flood risk and drainage schemes
- b) Town Centre schemes
  - i) Opportunity sites (e.g. Baxter Gate, Aumberry Gap, Devonshire Square, Ashby Road)
  - ii) Public Realm – quality, public health aligned townscape, street scene and open spaces
  - iii) Town Hall/Markets Square events space and Love Loughborough Place Management
  - iv) Urban Living residential and lifestyle development
- c) Station Quarter – improving gateway areas and connectivity to town centre
- d) Limehurst Depot and Canal Side developments (including canal and rivers trust)
- e) Connectivity – particularly:
  - i) Town centre parking, circulation, public transport interchange and mobility
  - ii) A rapid transit spine – station – town centre – college – university/LUSEP – West Loughboro'

### 2) Equipping people, communities and businesses for the future

- a) Skills
  - i) Digital skills hub
  - ii) Reskilling and future jobs programme
- b) Business
  - i) Business Support and accelerator
  - ii) Innovation and incubation centres in the town itself
- c) Communities
  - i) Housing and living environment improvements in deprived neighbourhoods
  - ii) Youth Sports Trust



### 3) Smart, green Loughborough

a) Digital Loughborough infrastructure and services – superfast broadband, next generation networks, internet of things (IoT) sensors, observatory, open data centre and related apps

b) Smart, green transport plan – including cycle and pedestrian priority corridors, greener public transport, e-bikes and EV charging points, canal and river side

### 4) Loughborough – ‘innovation city’, global national and regional destination

a) Sport and Active Healthy Living Exemplar

b) Loughborough Area of Innovation, innovation eco-system and LATI+ – with strong linkages to tri-city eco-systems and Midlands Engine

c) The Generator, Creative Loughborough and Charnwood Arts

d) Industrial Heritage quarter

i) Grand Central Railway restoration and education centre

ii) Bell Foundry

iii) Museum and memorial

e) Midlands Connect rapid transit to Derby, Leicester, Nottingham, Airport, HS2 and beyond

As stated above, the Town Deal will not be able to deliver or even accelerate and pump prime all of these. Many individual schemes are closely related and may be packaged together. Others may have their own sources of funding. However, subject to your feedback and any government guidance, our intention is to work with project sponsors over June and July to appraise them against the criteria outlined in this paper and assess their investment readiness for a late 2020/21 or early 2021/22 start.

Following this assessment, we expect to put to Government a three-four-year TD programme. Whilst this is illustrative only, a profile with the following scale and character may be credible:

Investment type	2020/21	2021/22	2022/23	Later years	Comments
Design and development	£0.25m	£0.5m	£0.25m	?	To progress ideas and new schemes into deliverable projects
Top-up/gap funding	£0.5m	£3m	£3m	?	Need to hit the ground running with viable but stalled schemes
Microprojects	£0.5m	£1m	£1m	?	Small local projects with merit including revenue schemes
New schemes	£0.5m	£5m	£10m	£10mpa	Mobilises fully next year and should continue beyond initial TD Investment Plan
Institutional development	£0.25	£0.4m	£0.35m	Tapers as capacity grows	To build capacity & capability to deliver Loughborough 2030 goals



G. Do you agree with the overall approach we are suggesting to formulating the programme?

H. Have we missed any major opportunities in our long list of themes, projects and programmes?

## Concluding remarks and next steps

This proposition draft is your opportunity to further help the TDB shape the Town Deal prospectus and investment plan we wish to propose to government at the end of July 2020. Our hope is to agree in the late Summer a Town Deal with Government and other relevant partners that will restart and reboot the town following the COVID19 lockdown and drive us towards long term success in the 2020s and beyond.

We hope you will be inspired by what you have read – Loughborough is a special, distinctive place. At our best we are already of genuine global and national significance and quality. A Town Deal – well supported nationally and locally – will ensure we will be at our best across a much wider set of outcomes and areas of activity. And being at our best must resonate with the aspirations of all our residents, communities and businesses. To that end:

Please let us have your feedback on this document, the questions therein, and any other comments no later than midnight on July 5, 2020. You can have your say via the website [www.loughboroughtowndeal.co.uk/consultation](http://www.loughboroughtowndeal.co.uk/consultation).

