

## EXECUTIVE SUMMARY

**Northampton has the potential to play a significant role in ensuring that the Growth Corridor achieves its potential as a dynamic and innovative economic area.** With its own economic strengths, it can drive growth within the corridor, but also complement the economies of Oxford, Cambridge and Milton Keynes—therefore ensuring that increased investment will not just be for the direct benefit of Northampton, but the Growth Corridor as a whole.

**Northampton is already a prominent regional economic centre.** In terms of population, it is larger than either Oxford or Cambridge, and employs over 140,000 people—the second largest job total of any local authority in the Growth Corridor. With large sectors in both financial and insurance activities and transport and storage, the local area has seen employment growth outpace the national average.

However, the level of qualifications in Northampton is markedly lower relative to Cambridge and Oxford, and could potentially be an obstacle to long-term growth.

**The future for Northampton is bright, with strong growth expected over the next 15 years.** The rate of job growth will outpace the Growth Corridor average and be almost twice that of the UK overall. This will see Northampton strengthen as a regional economic centre, with the inflow of commuters increasing over the forecast period. The number of people living in Northampton is expected to exceed 250,000 by 2030, with a strong influx of migrants into the area, boosting the working age population and economic capacity.

**Northampton's specialisms strengthen the corridor as whole, complementing and supplying its local economies.** Almost 40 percent of the jobs in Northampton belong to sectors in which the local economy has a higher degree of specialisation relative to the other key Growth Corridor cities. In addition, the potential supply chain linkages associated with Northampton's specialist sectors could potentially support significant employment in Oxford, Cambridge and Milton Keynes.

However, the low movement of commuters to and from Northampton and Oxford or Cambridge reveals inadequate transport connections that weaken the economic potential of Northampton and the Growth Corridor as a whole.

**Northampton exhibits important strengths.** It has a well balanced economy that offers a strong return on private investment; located just off the M1 with easy access to London and Birmingham, it is in an excellent geographic location; with affordable housing and low levels of social exclusion, it offers a good quality of life.

**These factors present it with opportunities to build a bright and prosperous future within the Growth Corridor.** It can attract the best and brightest to live there, by being an easy commute to other Growth Corridor cities, but also support high skilled jobs in the local area through further development of specialist sectors such as high performance technology and motorsport. It can attract further investment and stimulate business growth by

increasing the number of offices and industrial premises, as well by redeveloping existing buildings. With the Northampton Waterside Enterprise Zone playing a key role in ensuring that needs of businesses in the twenty-first century are met. The enterprise zone itself will be bolstered with the relocation University of Northampton to the site, which in addition to raising the education and skill attainment of local residents, can drive market led research and Northampton's innovation capacity.

Making the most of these opportunities and cementing its position as a crucial component in the success of the corridor will, however, require that some of Northampton's weaknesses are tackled. None are immovable but each currently represents a constraint on the city's future potential. In particular, east-west connectivity is poor, limiting interconnectedness with the Growth Corridor's powerhouses of Oxford and Cambridge. Educational attainment is also relatively low by comparison to its neighbours, a factor that will act to constrain growth in the long term in an increasingly knowledge-based economy. Finally, Northampton's profile is overshadowed by its better known neighbours, and by a kind of self-imposed modesty. It is a city with much to recommend it to the affluent, well educated, productive workforce that will be attracted to the opportunities the wider Growth Corridor has to offer—with an attractive urban environment, relatively affordable housing and a specialist economy—but it needs to more effectively promote itself as a place to live and work if it is to really maximise the benefits that the Growth Corridor brings.

**We estimate that investment projects in Northampton have the potential to notably benefit Northampton and the rest of the Growth Corridor.**

Planned infrastructure investment could lead to increasing the value of the local economy by more than £1 billion and doubling the pace of job growth by 2030. It is also clear that the additional economic activity and housing will strengthen supply chain linkages and commuting across the nine local economies, adding an additional £370 million and an additional 5,400 jobs to the rest of the Growth Corridor economy.