

To Chair of Local Enterprise Partnerships

19 March 2012

REGIONAL GROWTH FUND

As you will have seen, the third round of the Regional Growth Fund opened on 23 February. The Government will allocate up to £1 billion in this round and we are keen to encourage high quality bids from across the country which meet the Fund's objectives of delivering sustainable jobs and growth, in particular by stimulating new private sector investment in those parts of the country most dependent on the public sector.

Local enterprise partnerships played an important role in the last two Regional Growth Fund rounds by actively encouraging local project proposals and in some cases directly submitting bids to establish local funding programmes. We want this engagement by local enterprise partnerships in the Regional Growth Fund to continue and deepen in round three. In particular, we would like to see more local enterprise partnerships take a lead role to develop programme proposals for locally-administered funding streams.

Local funding programmes could include, for example, support for small and medium enterprises, for local infrastructure projects and/or for skills programmes that are critical to unlocking local growth opportunities. They could either be directly managed by a local enterprise partnership, by a Council on behalf of one or more local enterprise partnerships or by another local body with proven governance capabilities (e.g. an educational institution). We will not be prescriptive about the content of programmes that local enterprise partnerships and others propose to run on the ground, beyond requiring that they are well thought out, provide good value for money and are consistent with the overall Regional Growth Fund objectives on fostering sustainable growth and rebalancing.

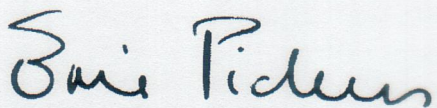
We are publishing on the Regional Growth Fund website (www.bis.gov.uk/rgf) details of a series of Regional Growth Fund roadshows across England at which local enterprise partnerships and other potential bidders can hear more about the Regional Growth Fund funding opportunities and engage directly with officials to discuss outline proposals on an informal basis. We would strongly encourage your local enterprises partnership to attend one of these events and to use the opportunity to get feedback on early expressions of interest. We would also advise you to make effective use of the BIS Local network across England, whose teams of officials on the ground are keen to work with potential local bidders to Regional Growth Fund to help them navigate the application process.

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A set of examples of successful programme and project bids from the previous Regional Growth Fund rounds is also on the website. One such example is the round one bid from the University of Plymouth and the Western Morning Press which has since last July been supporting small and medium enterprise business development in the South-West through a combination of direct project funding and associated business mentoring and advice. A strong feature of this bid was its complementary fit with existing business support mechanisms and focus on specific local growth opportunities (such as the development of a local supply chain to the marine renewables sector). The programme is now in operation and is attracting a lot of positive feedback. Similar collaborations involving local newspapers are underway in Liverpool and Newcastle. You can find out about the Plymouth model by contacting the RGF team on 0207 215 6758 or 0207 215 3821.

This might also be a good opportunity to remind you that projects can use European Regional Development Fund as match funding for the Regional Growth Fund where they meet the criteria. We encourage you to approach your Local Management Committee to explore the possibilities.

Programme application forms and full guidance are now available on the Regional Growth Fund website. The deadline for applications is 13 June, and we expect to announce winning bids in October. We would like to thank you for the strong support that local enterprise partnerships have given to the Regional Growth Fund to date, and for the instrumental role that many local enterprise partnerships played in preparing good local bids in previous rounds. This new bidding round provides an opportunity to learn from what has worked well in the past to put forward even stronger proposals that help the businesses in your area to grow and to create lasting jobs. Please use the forthcoming expressions of interest phase from March to May to engage with us on your ideas for local growth, and to discuss how these can best be shaped to meet the Regional Growth Fund requirements.



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