

**Potential Regional Development Growth Fund Bid**

Report by Senior Waterways and Recreation Officer

**Summary:** This report provides members with a summary of a proposal for a potential bid to the Department of Business Innovation and Skills (BIS) for Regional Growth Funding for the boating and marine industry in the Broads which has arisen from discussions between the Economic Development Department at Broadland District Council and Ingham Pinnock Associates a firm of consultants who have submitted previous successful applications to BIS for Regional Growth Funding. Members' comments are welcomed.

**1 Background**

- 1.1 The Regional Growth Fund (RGF) is a £3.2 billion fund, which is intended to help companies throughout England to create jobs between now and the mid-2020s. The payment of Regional Growth Fund money is spread between 2011 and 2017. The Regional Growth Fund supports projects and programmes that are using private sector investment to create economic growth and sustainable employment. The Regional Growth Fund is a competitive fund and has a minimum bid threshold of £1million.
- 1.2 The Government's June 2013 spending round allocation made a further £600 million available for bids in Rounds 5 and 6 of the Regional Growth Fund. Round 5 closes to bids on 9 December but Round 6 will be launched in the summer of 2014, giving an opportunity to bid for the £300 million funding allocation.
- 1.3 Ingham Pinnock Associates, a firm of consultants working with Broadland District Council (BDC) on the development of the Acle Neighbourhood Plan, identified that there is the potential for developing a bid to BIS for RGF funding for the boating and marine industry in the Norfolk and Suffolk Broads. Ingham Pinnock has some experience of bidding to the RGF, having successfully bid for over £5 million of funding to support the high performance technology sector in Northamptonshire in previous rounds of the fund.
- 1.4 An initial meeting to discuss the viability of a bid to the RGF involving Ingham Pinnock Associates, BDC's Economic Development Department and the Broads Authority took place on 14 November 2013.

## 2 Rationale

2.1 It is thought that there is a unique concentration of boating and marine businesses in the Broads ranging from leisure craft construction and sales, boat design, manufacture and repair, heritage craft manufacture and related infrastructure and servicing businesses. All of these businesses contribute significantly to the local economy and the tourism industry.

2.2 Ingham Pinnock Associates consider that growth in the marine industry is constrained by poor access to competitive finance and feel that there is a case for bidding to the RGF on the basis that investment would be directed towards:

- supporting an established concentration of business that is unique that is unique within the UK and therefore a significant contributor to UK Plc
- indirectly supporting a much larger contributor to the economy as a result of the relationship between boating and marine leisure and tourism
- unblocking local growth and export potential

## 3 Potential Scope for a Bid

3.1 In the initial discussions at the meeting that took place on the 14 November it was suggested that a funding programme could be based on a structure which could include the following funds:

- **Environmental fund** which could be specifically designed for businesses to apply for funding to invest in projects that would have a positive environmental effect. This could include things like the development of battery technology to facilitate an increase in electric powered craft and developments in hull technology
- **Investment fund** which could be designed as a generic fund for businesses to apply for funding to invest in new equipment, premises, infrastructure and training
- **Export fund** which could be designed for businesses looking to export or businesses with an existing base seeking to expand overseas trade
- **Tourism fund** which could be designed for tourism businesses to apply for investment in facilities, equipment, premises etc. that would support the boating and marine tourism sector

## 4 Basis for a competitive bid

4.1 The RGF is intended to deliver jobs, business growth and private sector funding leverage. This means that in order to make a compelling case for funding it will be necessary to demonstrate to BIS that there is willingness on the part of key businesses, industry groups and stakeholders in the boating

and marine industry in the Broads to be actively involved in the potential RGF programme. Proof would also be required that there is actually a demand for funding from businesses within the industry group and any application would need to reflect the likely level of demand for funding.

- 4.2 There will also be a need to show that there is political and operational support for the bid across multiple local authorities and a need to identify an accountable body and a body that would manage and administer the RGF programme.

## **5 Conclusions**

- 5.1 This proposal for a bid to BIS for RGF funding is of interest as it could potentially draw down significant amounts of funding for the boating and marine industry in the Broads, create jobs and contribute to the local economy by supporting local boating and recreation businesses. However, while the initiative seems to be relevant and exciting, the information available at present is insufficient for the Broads Authority to commit to being involved with a formal bid.
- 5.2 In order for the Authority to take a view as to how this initiative should be assessed against other corporate priorities and opportunities for funding, it will first be necessary for the ideas summarised in this report to be developed significantly. This will necessitate research on the scale and importance of the boating and marine sector to the local economy, dialogue with businesses in the boating and marine sector in order to be able to demonstrate “buy in” from the industry and discussions with other partners including the Local Enterprise Partnership (LEP) as to how the programme could be administered.
- 5.3 The Authority will certainly require answers to a number of questions before it can make any decisions on this proposal including:
- Will the Broads Authority have to pay for the consultants costs?
  - What would be involved if the Broads Authority were to be the accountable body?
  - How would this work impact on other priorities identified by the Authority?
  - How important is this initiative seen to be by the local industry and would it be willing to play an active role in the programme?
  - Are other partners willing to be involved?
  - Will the Authority have to contribute to any matched funding required?

- 5.4 The consultants have suggested that, as a first step, discussions regarding the feasibility of an application for RGF funding should take place with other local authorities, local boating and marine businesses and the LEP. If there is sufficient interest in the proposal, advice could then be sought from BIS as to any specific focus that will be placed on the RGF funding rounds in 2014 and the application procedures. Members' comments are welcomed on the contents of this report.

Background papers:	Nil
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Broads Plan Objectives:	TR2, CC4
Appendices:	None