

Press Release

July 1st 2011

BIDS FOR REGIONAL GROWTH FUND ROUND 2 SUBMITTED

Tees Valley Unlimited has endorsed second round bids to the Government's Regional Growth Fund (RGF) for £154.6m in Tees Valley, which have the potential to create 14,442 jobs and safeguard a further 3,987 jobs.

The Tees Valley's first round bids were the most successful in the country when £26 million was awarded to five projects. This represented some 10% of the £270 million total granted to RGF project bids by the Government and contrasts with Tees Valley having only 1% of country's population.

Round two, which closes today (Friday 1st July), is the main bidding round and is intended to allocate the remainder of the money available, around £950m.

In the second round Tees Valley Unlimited, the Local Enterprise Partnership for the area, is supporting projects, packages and programme proposals for £154.6m, which will lever in an additional £1.73bn of private sector investment creating 5,829 direct jobs and 8,613 indirect jobs in the Tees Valley.

Of these, 25 are submissions from companies to enhance and grow their business with an RGF ask of £78.27m. This will lever in over £1bn of private investment and create over 2,752 direct jobs and safeguard a further 1,369 jobs.

Commenting on the submissions Stephen Catchpole, Managing Director at Tees Valley Unlimited said; "In round one Tees Valley businesses were recognised by government for their excellence, their innovation and their ambitions for growth and in round two we hope to build on this success. "If the bids are successful, Regional Growth Fund investment in the Tees Valley will have a positive impact on private sector growth and jobs and provide a much needed boost for our local economy and form the platform for greater economic growth and stability."

Tees Valley Unlimited is endorsing a range of projects, packages and programmes which have been submitted from a cross section of industry sectors including; manufacturing and process industries, low carbon energy sector, the digital and creative sector, logistics and distribution, and food and drink. Programmes have also been endorsed which propose providing advice and support to business and individuals, including sector support (for manufacturing and process industry, advanced engineering, low carbon, digital, and retail), administering business grants and loans, developing infrastructure to unlock investment and to deliver skills development.

In April the Government announced the results of the first round of bidding for the fund in which companies in Tees Valley secured £26 million, resulting in around £220 million of capital investment and will see the creation of around 1,300 new jobs and safeguarding a further 1,000 jobs.



Tees Valley Unlimited has actively engaged with prospective bidders to provide information and guidance and to support their application wherever possible. In the run up to the bids being submitted Tees Valley Unlimited worked with partners to actively engage with prospective applicants including holding briefings for local businesses giving information about the fund and the application process. The events were attended by over 400 representatives from businesses and organisations across the area.

The Regional Growth Fund (RGF) is a £1.4bn fund open to companies across England from 2011 to 2014. It supports projects, packages and programmes that will lever in private sector investment creating economic growth and sustainable employment. It aims particularly to help those parts of the country currently dependent on the public sector to move to private sector-led growth.

Support from across Tees Valley

Chamber of Commerce

Rachel Anderson, Head of Member Relations, Chamber of Commerce: "The bids submitted demonstrate huge ambition for the Tees Valley and bring forward practical, deliverable projects which will create high quality, sustainable jobs in the near future. NECC has no hesitation in supporting the bids which will act as a lever to bring in even greater investment from the private sector to really advance the area's economy."

Darlington Borough Council

Councillor Bill Dixon, Leader of Darlington Borough Council, said: "We fully support the bid - the Tees Valley has so much to offer in terms of its people and its industries; this bid sets out a clear case for investment in our existing and emerging industries to help them grow and thrive so they can continue in creating new and much-valued jobs for Darlington and the wider Tees Valley."

Hartlepool Borough Council

Hartlepool Mayor Stuart Drummond said: "Round two of Regional Growth Fund provides a fantastic opportunity to support major private sector investment in Hartlepool and the Tees Valley. If the Government support our bids we will see major economic benefits that will create new jobs and opportunities for businesses in the supply chain.

"Our bids are of high quality and if the Government wants to see a rebalancing of the economy, their support is absolutely crucial."

Middlesbrough Council

Middlesbrough Mayor Ray Mallon said: "A thriving business community is at the heart of any successful economy, and here in Middlesbrough we're committed to giving businesses the best possible opportunity to succeed.



“They’re the catalyst for economic growth, and Middlesbrough already has a reputation as the place to be for engineering and manufacturing and the rapidly emerging digital sector.

“The Regional Growth Fund proposals will help to take that ambition on to the next level, ensuring Middlesbrough and the wider Teesside area competes with city regions across the UK and beyond.

“I am confident that our plans - including an Advanced Manufacturing Park on the South West Ironmasters site – will be supported by the Government.”

Redcar and Cleveland Borough Council

Councillor Mark Hannon, Redcar & Cleveland Borough Council's Cabinet Member for Economic Development, said: "If successful, these bids will represent yet another milestone in the continued economic regeneration of both our borough and the Tees Valley as a whole."

Stockton Borough Council

Councillor Bob Cook, leader, Stockton Borough Council: “For Tees Valley to be making yet another strong submission for this second round of Regional Growth Funds demonstrates our confidence in the area’s economic potential and is testament to the power of partnership that exists here.

“The first round has already attracted £26m which will result in £220m of capital investment being made by a range of businesses including some of Teesside’s most significant firms. This latest bid aims to build on that by providing a compelling case for further investment into those activities and industries that are key to improving our economic fortunes.”

Federation of Small Business

Pauline Osborne, FSB North East, Regional Chairman said:

“The Federation of Small Businesses in the North East welcomes the submission of the Regional Growth Fund bids. We hope that these bids can replicate the success which the Tees Valley achieved in the first round of the RGF allocations helping to strengthen the recovery of local economy.”

Business and Enterprise Group

Jonathan Lamb, Director of Marketing at Business & Enterprise Group said:

‘This has the potential to be a landmark for business investment in our area. The bid endorsed by Tees Valley LEP is an ambitious, practical and balanced package of measures designed to grow businesses and ultimately create long-lasting employment’.



EEF

Tony Sarginson of EEF, the Manufacturers' Organisation in the Tees Valley said:
"EEF and the manufacturing members it represents is very supportive and fully engaged with Tees Valley Unlimited in their RGF bidding process.

The resources and support that would be delivered from these bids can further stimulate manufacturing growth in the Tees Valley, this growth is so important to the long term, well being of our economy".

For more information contact Neil Kenley, Director of Business Investment at Tees Valley Unlimited, on 01642 524400 or email neil.kenley@teesvalleyunlimited.gov.uk.

NOTE FOR EDITORS:

Tees Valley Unlimited (TVU) is a partnership between the five Tees Valley Councils, regional regeneration bodies and business leaders to drive forward the future development of the Tees Valley economy.

Further information on TVU activities can be accessed via the following

URL: <http://www.teesvalleyunlimited.gov.uk>

