

## Grants Newsletter May 2011

### **The current climate for public funding**

It is getting harder to find funding from public sources, but grants do still exist. So, it is more important than ever to fully explore the availability of these vital additional public funds.

There may be research or start up grants to make sure there is a market for the project. There may be funding for contributing to the overall economic stability of your area. In addition, there may be grants available through new local partnerships.

There have been huge changes in the way that public funding is being distributed. Regional agencies are being closed down meaning that local bodies are making the decisions and allocating the funds in their area.

This newsletter provides an insight into the range of funds that are currently available and who is holding the purse strings.

### **Regional Growth Fund (RGF)**

Round 2 of the RGF is now open for applications until 1 July 2011. This £1.4 billion fund provides major grants of minimum £1 million to support projects with significant potential for creating long term private sector led economic growth and employment.

The fund is open to applications from the private sector and public/private partnerships based in England. Public sector only bids are not eligible.

Successful bids from round 1 include an expansion of the Haribo factory in Wakefield, Bruntwood's scheme to convert a hospital in Manchester into a biomedical centre of excellence and the construction of a manufacturing plant on the Lotte Chemical site in Teesside to develop resins for food and drink packaging. The £450 million public funding invested in this round will lever in around £2.5 billion of private sector investment.

Vince Cable said "The Regional Growth Fund is a competitive fund and we wanted to see proposals that created jobs in the private sector, in areas of deprivation and that is at risk of suffering from public sector cuts."

Our team can provide advice about eligibility to the fund as well as help compile expression of interest and full applications by the deadline date of 1 July 2011.  
[www.bis.gov.uk](http://www.bis.gov.uk)

### **European Regional Development Fund (ERDF)**

There is still around £1.4 billion ERDF funding available for allocation. The fund is aimed at economic regeneration

projects promoted primarily by the public sector. Generally, ERDF grants are not given to profit-making private sector companies. In certain circumstances, however, the fund can be used to help to develop small and medium-sized enterprises. Private sector companies are, therefore, encouraged to present applications in partnership with a public sector body.

ERDF helps projects which offer substantial benefits that meet the needs of the region and its local areas that wouldn't take place without a grant.

Funds are distributed regionally, currently via the regional development agencies and every region has different rounds of funding, priorities and processes.

For any public sector led regeneration project it is worth considering the availability of ERDF funding. Contact the team for more information in your region.

[www.communities.gov.uk](http://www.communities.gov.uk)

### **Local Enterprise Partnerships (LEPs)**

LEPs are locally-owned partnerships between local authorities and businesses. LEPs will play a central role in determining local economic priorities and undertaking activities to drive economic growth and the creation of local jobs and will replace regional development agencies.

There are 30 partnerships which have been set up across the country since October 2010 and are based on more meaningful economic partnerships and boundaries than previously.

In order to help LEPs understand the issues facing businesses in their areas and to allow them to develop and prioritise action plans, the Department for Business Innovation and Skills has made a £4 million capacity fund available over four years.

A second bidding round will open in Autumn 2011, for more information about what this fund will support contact the team.

[www.communities.gov.uk](http://www.communities.gov.uk)

### **Enterprise zones**

Budget 2011 announced that 21 new enterprise zones will be created in local enterprise areas across England. 11 zones were named at Budget with the remaining 10 still to be identified via competition as a second wave of zones.

LEPs will bid for enterprise zone status which will entitle those areas to benefit from simplified planning and business rates discounts.

The core aim is that economic growth and job creation should be led by the private sector and so removing barriers to private sector growth. The zones must also support genuinely additional growth in the form of new business and new jobs rather than relocating existing business.

Enterprise zones should also help projects benefit from access to existing public funding programmes such as the Regional Growth Fund and European Regional Development Fund. These are not automatically available, but projects within these zones should align closely with these fund programmes to lever in maximum public funds as well as private. We can help projects to access these funds.

[www.bis.gov.uk](http://www.bis.gov.uk)

#### **Outer London Fund**

The Mayor of London has announced a £50m fund to boost regeneration and rejuvenate town centres at the very heart of local London communities.

The fund will be used to revitalise projects or get new schemes off the ground and will be used to support the establishment of local businesses districts, and the improvement of retail, leisure, culture and arts provision.

This fund will specifically target those boroughs which benefit less directly from the 2012 Games and Crossrail and will accelerate a pan-London economic recovery advancing job opportunities not just for a few, but for many. The Mayor will now work with the Outer London Commission to develop the programme and on how to get the best out of money available through this new fund.

[www.london.gov.uk](http://www.london.gov.uk)

#### **Parks for People**

The programme offers grants of between £250,000 and £5 million for projects which involve existing urban or rural green spaces designed for informal recreation and enjoyment, which are valued by local communities as part of their heritage. It includes parks, gardens, squares, walks and promenades.

The next closing date for applications is 31 August. We have already worked with successful projects to this programme and can offer advice and help submit applications to Heritage Lottery Fund on behalf of potential applicants.

The Parks for People programme began as a joint initiative between the Big Lottery Fund (BIG) and the Heritage Lottery Fund (HLF) and is now run solely by HLF.

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

#### **Reaching Communities**

Big Lottery Fund's Reaching Communities Buildings programme provides funding of between £100,000 and £500,000 for large capital projects. Until March 2013, £75 million will be available to fund projects which will replace or improve buildings where a wide range of community activities take place.

Projects must constitute buildings or sites based in the most deprived "lower super output areas" in England, while also taking account of rural needs.

Most non-profit making organisations are eligible to apply to the fund. Applications must be developed in-line with the community.

[www.biglotteryfund.org.uk](http://www.biglotteryfund.org.uk)

#### **European Energy Efficiency Facility (EEE-F)**

The European Commission and European Investment Bank (EIB) have launched the new European Energy Efficiency Facility, which will provide an investment fund and technical assistance for local sustainable energy projects.

The facility is being created to reallocate the unspent funds from the European Energy Programme for Recovery (EEPR) which could not be allocated as intended to projects in infrastructure, renewables or carbon capture and storage.

The facility will have a value of at least €200 million, of which €146 million will come from the EEPR fund and €75 million from the EIB. Further financial institutions may also join the fund.

85% of the facility will be used to fund investment projects and around €20 million will be made available as grants for technical assistance. Projects in urban settings are the key focus, covering:

- Combined heat and power.
- Decentralised renewable energy sources.
- Clean urban transport.
- Modernisation of infrastructure.
- Sustainable energies with potential for innovation and growth.

[www.eib.org](http://www.eib.org)

For more information about any of these schemes, please contact Tania Skae 020 7061 7157 or Rebecca Clarke 023 80 682802.