

---

**Report to:** Cabinet

**Date of Report:** 28<sup>th</sup> February 2013

**Subject:** Regional Growth Funding Round 4

**Report of:** Director of Built Environment

**Wards Affected:** Linacre, Derby, Church, Litherland, Netherton and Orrell, Ford

**Is this a Key Decision?** No

**Is it included in the Forward Plan?** No

**Exempt/Confidential:** No

---

### **Purpose/Summary**

Members are asked to approve the preparation of an application for Regional Growth Fund (Round 4) for south Sefton. The bid will seek funding to invest in new homes, remodel employment land, bring forward private sector investment in available employment sites, and develop infrastructure to help unlock growth and create jobs in South Sefton.

### **Recommendations**

Cabinet:

- (i) Authorises Director of Built Environment in consultation with the Head of Corporate Finance and ICT to prepare an application for Regional Growth Fund
- (ii) Delegates approval of the completed application to the Director of Built Environment in conjunction with the Cabinet Member for Regeneration, Housing and Tourism, before the deadline of 20th March 2013
- (iii) To note the “Prospectus for Growth” approach to securing additional public and private sector investment in the regeneration of south Sefton.

**How does the decision contribute to the Council's Corporate Objectives?**

	<u>Corporate Objective</u>	<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community		/	
2	Jobs and Prosperity	/		
3	Environmental Sustainability	/		
4	Health and Well-Being		/	
5	Children and Young People		/	
6	Creating Safe Communities		/	
7	Creating Inclusive Communities		/	
8	Improving the Quality of Council Services and Strengthening Local Democracy		/	

**Reasons for the Recommendation(s):**

To enable progress to be made in respect of an external funding application.

**What will it cost and how will it be financed?**

Any costs to the Council in preparing an RGF Round 4 Bid will be met either from the reserves of Economy & Tourism Service or from external funding. There is no call on Council funding.

**Implications:**

The following implications of this proposal have been considered and where there are specific implications, these are set out below:

<b>Legal</b> None	
<b>Human Resources</b> None	
<b>Equality</b>	
1. No Equality Implication	<input checked="" type="checkbox"/>
2. Equality Implications identified and mitigated	<input type="checkbox"/>
3. Equality Implication identified and risk remains	<input type="checkbox"/>

**Impact on Service Delivery:**

Not applicable.

**What consultations have taken place on the proposals and when?**

The Head of Corporate Finance and ICT (FD2088/13) has been consulted and has no comments on this report as there are no direct financial implications as a result of it.

The Head of Corporate Legal Services (LD1404/13) has been consulted and has incorporated their comments in this report.

**Are there any other options available for consideration?**

Not to apply for RGF would be to forego a major funding opportunity, at a time of financial constraint.

**Implementation Date for the Decision**

Following the expiry of the “call-in” period for the Minutes of the Cabinet

**Contact Officer:** Andrew Hall  
**Tel:** 0151 934 3604  
**Email:** [andrew.hall@sefton.gov.uk](mailto:andrew.hall@sefton.gov.uk)

**Background Papers:**

None.

## Introduction

1. Members have received several reports identifying the economic benefits of regenerating south Sefton, most recently in the Sefton Economic Strategy (approved by Cabinet – 11<sup>th</sup> December 2012).
2. Members received a progress report on the Strategic Regeneration Framework (SRF) for North Liverpool/South Sefton on 23<sup>rd</sup> June 2012, where it was resolved:
  - a) To authorise the Director of Built Environment to proceed with Regional Growth Fund applications in support of the North Liverpool and South Sefton Strategic Regeneration Framework
  - b) To report back with the results of the Regional Growth Fund applications
3. This report briefly updates members with the results of Round 3 RGF, and introduces the government's new call for proposals under Round 4.

## Regional Growth Fund Round 3

4. Round 3 resulted in successful RGF awards for
  - River Mersey Channel Dredge and In-River Berth (Peel Port)
  - Anfield & Queens/Bedford (Keepmoat with Liverpool CC & Sefton MBC)
  - Crown Speciality Packaging UK Ltd (private sector application, assisted by Sefton MBC)
  - In Liverpool, the City Council led a public/private partnership bid for £25m programme to redevelop the Buffer Zone between the City Centre and Liverpool Waters (Tobacco Warehouse, area north of Leeds St, Eldonians Energy Centre), part of the SRF area in North Liverpool

## Regional Growth Fund Round 4

5. The Regional Growth Fund (Round 4) was launched on 17<sup>th</sup> January 2013. The criteria and objectives for round 4 remain the same as in previous rounds. The Regional Growth Fund will provide a mixture of direct support for private sector investments and private public partnerships. All projects should lever private sector investment for long term growth and private sector employment.

6. Round 4 funding has to be spent by March 2016, making it effectively a three year programme.
7. The criteria for RGF is that bids must show they can:
  - Create additional sustainable private sector growth
  - Rebalance the economy in those areas currently dependent on the public sector
  - Not otherwise go ahead without support from the Regional Growth Fund
  - Offer value for money
  - Be State Aid compliant.

#### A South Sefton Prospectus

8. Peel's investment in port infrastructure and port-side logistics at Seaforth creates an exceptional opportunity to regenerate the wider area, and stimulate jobs, investment and environmental renewal.
9. However, the potential of south Sefton is not limited to port-related activity. South Sefton is a key strategic location on the UK motorway network with 17 million population in two hours drive time, and a number of underused or undeveloped sites with excellent access and investment potential.
10. To attract wider interest in the south Sefton area, officers have drafted a "Prospectus for Growth" investment brochure setting out the key land and property assets targeted for development in the next 10 years.
11. Officers are now identifying which elements of the Prospectus for Growth are eligible for Regional Growth Fund. At the time of writing the main candidates are:
  - An Investment Grant programme for SMEs to create and safeguard jobs
  - An IT Suite and Co-Location Hall in Netherton
  - New jobs from new homes
  - A (Revolving) Infrastructure Fund to support (for example) a Zero Carbon Business Park, identify and improve potential port-related sites, and re-model employment land at Heysham Road
12. While difficult to scale the bid at this stage, a bid for £13m RGF along these lines could attract further public and private funding of £70m and generate some 750+ jobs.

#### Next steps

13. The deadline for submission is 20<sup>th</sup> March. A bid team of officers and partners has been assembled. Members are requested to authorise preparation of a bid.

14. The Local Enterprise Partnership is responsible for reviewing and recommending RGF bids in the city region, therefore contact will be established with the LEP to expedite approval.
15. To ensure timely submission, sign off should be delegated to the Director of Built Environment in conjunction with Cabinet Member – Regeneration, Housing & Tourism. Cabinet Members will be kept informed of progress, with briefings to be arranged for key partners.
16. Should the RGF submission be successful this will trigger a conditional offer letter from BIS subject to a period of due diligence. BIS expects a 4 month turnaround on any offer letter, which suggests a target date of July. As a Key Decision, Cabinet will receive a second report at this stage asking for the offer letter to be accepted and to discharge all conditions attached to it.
17. If the due diligence period concludes with an unconditional offer of grant then this will trigger a third report to Cabinet to accept the offer to receive RGF funds. This report will be a Key Decision and address governance, legal and financial risks, delivery, and management arrangements.