

# **Regional Growth Fund: can we create sustainable jobs for the future?**

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# Regional Growth Fund: can we create sustainable jobs for the future?

- Background
- Rationale
- Bidding Process
- Outcomes and outputs
- Learning points

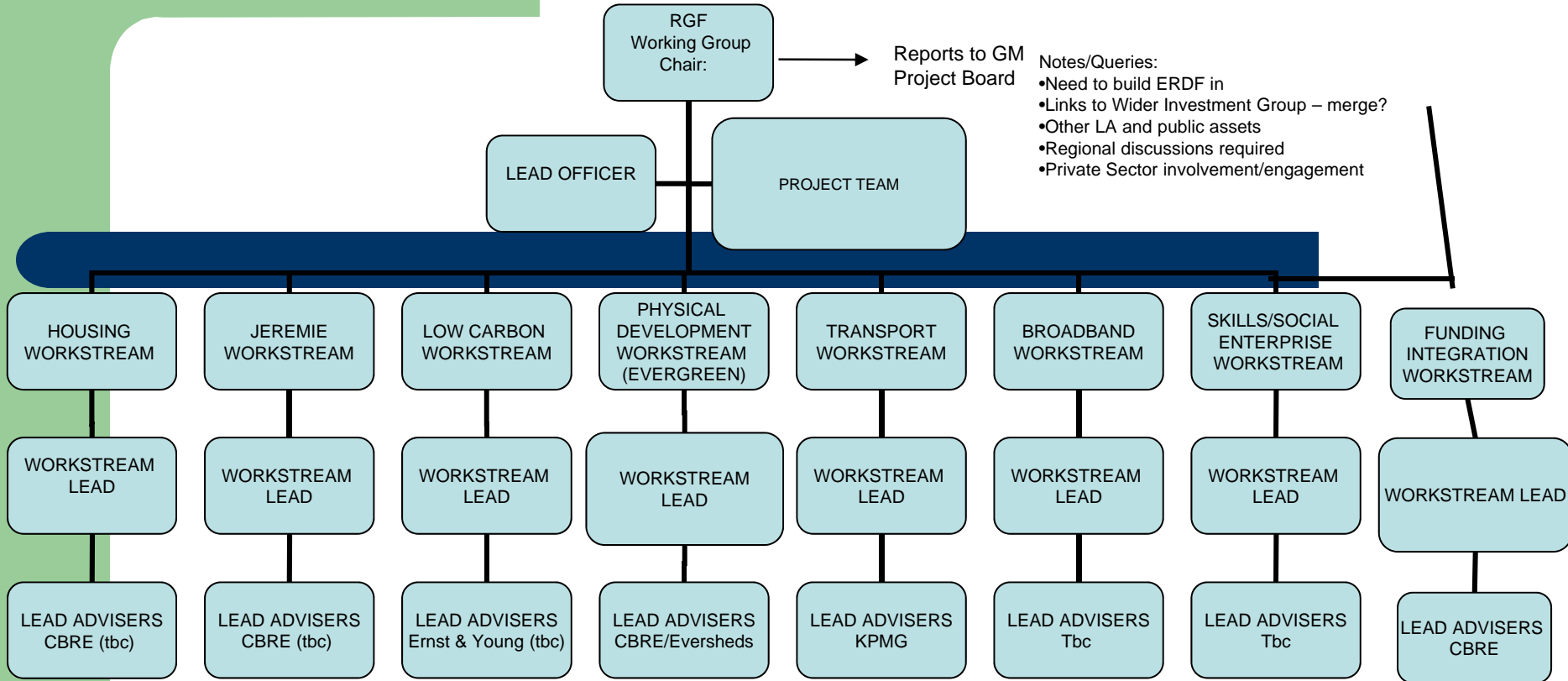
# Background – RGF Round One

- Rochdale part of GM Combined Authority bid
- RGF seen as strategic component
- Part of Single Assessment Framework
- Across a number workstreams
- Supported by LEP
- Innovative approach
- 20 submissions

# Rationale - GM workstreams

- Low Carbon
- Housing
- Physical development (inc Evergreen)
- Business (JEREMIE)
- Transport
- Broadband
- Skills / Social Enterprise
- Funding Integration
- All underpinned by Single Assessment Framework

# RGF PROPOSED GOVERNANCE/WORKSTREAMS



- Notes/Queries:
- Need to build ERDF in
  - Links to Wider Investment Group – merge?
  - Other LA and public assets
  - Regional discussions required
  - Private Sector involvement/engagement

Priorities  
 -Develop Investment Strategy  
 -- Identify Quick Win Projects

Priorities  
 -Develop linkages between VCLF and RGF priorities  
 - Embed business support/development in RGF proposal

Priorities  
 Develop Investment Strategy  
 - Identify Quick Win Projects

Priorities  
 Establish Evergreen Fund  
 --Support development of Project Pipeline  
 --Increase investment opportunities into Fund

Priorities  
 - Develop proposals for possible wave 2 bid

Priorities  
 -Develop current Quick Win project  
 -- Develop proposals for wave 2 bid

Priorities  
 -Develop model for identifying and addressing skills shortages  
 - Develop proposals for possible wave 2 bid

## SINGLE ASSESSMENT FRAMEWORK

Lead: Eamonn Boylan/Mike Emmerich  
 Lead Advisor: KPMG



# Round One successes

- **North West: 5533 direct jobs, 2279 indirect jobs.**

Ames Goldsmith UK Ltd

Bentley Motors Ltd

**Bruntwood Limited / Manchester City Council**

Liverpool Echo

**Muse Developments – Mono Pumps, Tameside**

Pilkington UK Limited

The Stobart Group and ProLogis (with Halton Borough as the administrator)

**Holroyd Precision Ltd and sister companies - Rochdale**

**Tygavac Ltd - Rochdale**

# RGF Successes in GM

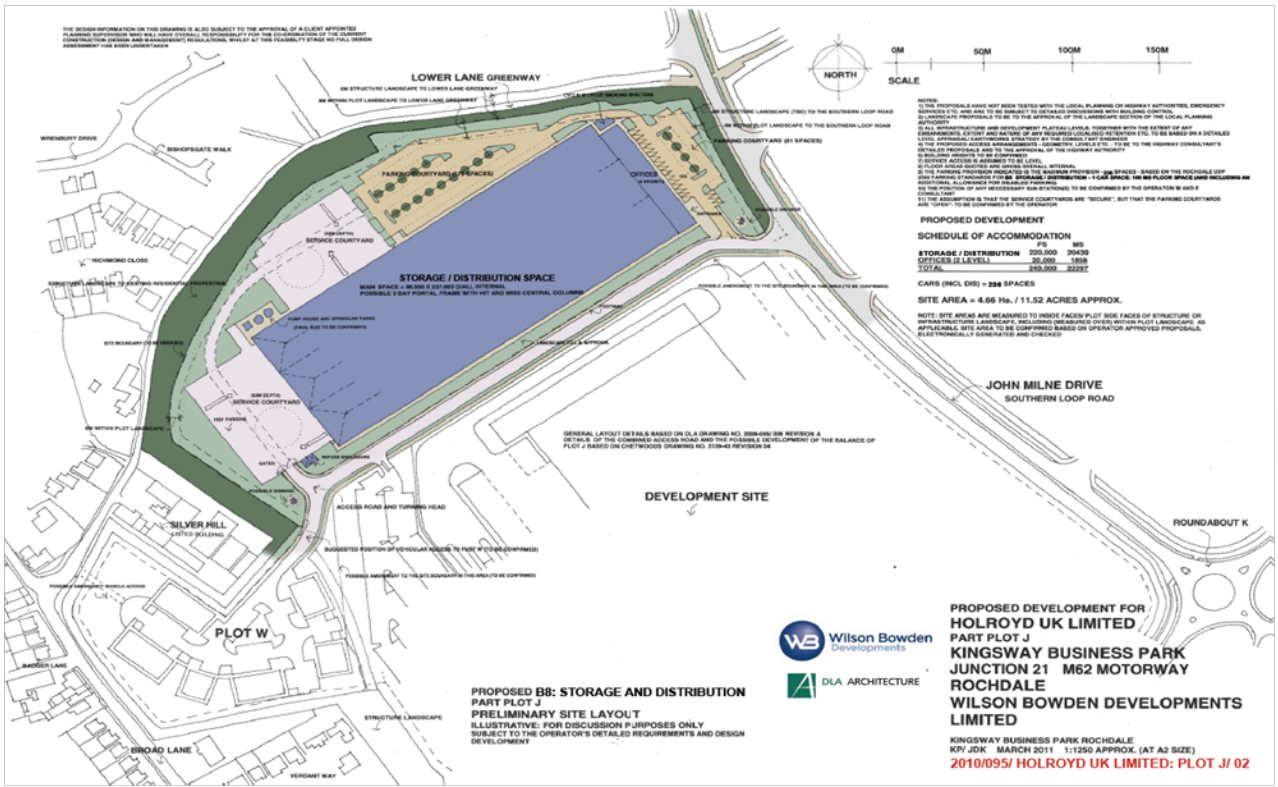
- Only two from GM package
- Two from Rochdale – direct applications from companies assisted by Rochdale Development Agency and Manchester Solutions – Grants advisor
  - Holroyd
  - Tygavac

# Holroyds:

- Investment: £23.5m
- Amount of RGF: £2.68m
- Current Jobs: 181
- New jobs to be created: 8 in short term, 75 over next 3 years
- Mix of skilled and semi skilled workforce
- 240,000 sq ft
- Kingsway location



# Holroyds



Rochdale Development Agency

# Tygavac

- Investment: £15.5m
- Amount of RGF: £1.62m
- Current Jobs: 34
- New jobs to be created: 8 in short term, 60 over next 5 years
- Mix of skilled and semi skilled workforce
- 100,000 sq ft
- Kingsway Location

Plot K  
 John Milne Avenue  
 Kingway Business Park  
 Rochdale

Preliminary Site layout  
 Illustrative – for discussion purposes only



Site area 2.112 hectares (5,218 acres)  
 Measured to the inside of the structure landscaping along  
 Sir Isaac Newton Way and John Milne Avenue, and Lower Lane Green-  
 way.

**Schedule of Accommodation**

**Phase 1**

- Gross floor area 70,000 sq ft (6,500 sq m)
- Offices 10% (3,500 sq ft offices at ground floor level, and 3,500 sq ft offices at mezzanine level)
- Ground floor footprint area 60,000 sq ft (5,178 sq m)

**Plot density Phase 1**

39.26% (based on ground floor footprint)

**Car parking**

- Car parking for 106 vehicles (plus 9 disabled spaces)
- Cycle parking for 10
- Motorcycle parking for 3  
 (Based on Rochdale MBC Schedule of car parking Standards 2006 max permissible for a B2 General Industrial Unit)

**Phase 2**

- Gross floor area 100,000 sq ft (9,290 sq m)  
 (including 3,500 sq ft offices at ground floor level, and 3,500 sq ft offices at mezzanine level)
- Ground floor footprint area 86,500 sq ft (8,065 sq m)

**Plot density Phase 2**

42.5% (based on ground floor footprint)

**Car parking Phase 2**

- Car parking for 155 vehicles (plus 9 disabled spaces)  
 An additional 49 spaces located adjacent to the service yard
- Cycle parking for an additional 4 cycles
- Motorcycle parking for an additional 1 motorcycle  
 (Based on Rochdale MBC Schedule of car parking Standards 2006 max permissible for a B2 General Industrial Unit)



# Characteristics of successful bids

- Foreign owned companies
- Advanced manufacturing
- Med / high level skills
- Safeguarded and new jobs
- R & D elements
- At an advanced stage of planning
- Deliverable within timescale

# The bidding experience

- Companies;
  - Complex bidding process
  - Many questions not answered
  - Due diligence process long and difficult
  - Planning periods difficult

# The bidding experience

- Public sector
  - Not strategic
  - Short term expediency
  - Two key criteria only
  - LEP influence had limited effect
  - Did not favour third party involvement / facilitation

# What we learned

- Direct applications better
- Focus on private companies in 'right' sectors with growth potential
- Sustainable jobs in short term required
- Not a substitute for regeneration funding

# What we learned

- RGF revealed
  - A strong manufacturing base in Rochdale
  - Advanced technology companies
  - Companies doing well ... relocating or expanding
  - Opened up more company interest



# RGF Round Two - GM

- A GM Package approach
- 20+ applications
- Focus in companies
- Direct applications for £1m + bids through M/cr Solutions
- Bids for GM wide ; business support & investment fund

# RGF Round Two - Rochdale

- Three direct bids from advanced manufacturing companies
- Possible 200 new jobs
- Six more companies in the wings for round three

# Conclusions?

- If successful – a good thing
- Not a long term solution to remove barriers to economic growth or regeneration
- Not strategic and difficult to forecast
- Has revealed a strength for Rochdale Borough that is being built upon
- Can help with jobs but is it significant enough?