



## SUPPORTING THE REGIONS

The BPIF responds to Government consultation and calls for parallel support for sectors

**T**he BPIF has responded to the Government's consultation document launching a £1 billion Regional Growth Fund. Deputy Prime Minister Nick Clegg announced the Fund in June, which is designed to provide support for projects that offer significant potential for sustainable economic growth and create new private sector employment. Much of the Fund will be accessed by new Local Enterprise Partnerships (LEPs), for which the Government invited bids following the announcement that Regional Development Agencies (RDAs) are to be abolished next year.

Our response, submitted at the beginning of September, makes a number of points in relation to the design, operation and bidding processes for the Regional Growth Fund. It also calls for a 'strategy for growth' that recognises the vital role that businesses play in driving economic recovery at local level. To download a copy of our response, go to [www.britishprint.com/consultations](http://www.britishprint.com/consultations)

### Beneficial change

Local Enterprise Partnerships are intended to tackle issues including planning and housing, local transport and infrastructure, employment, enterprise and supporting business start-ups. Meanwhile, other roles currently carried out by the RDAs, such as inward investment, sector leadership, business support, innovation and access to finance, will be led nationally.

In our response, we welcomed this change: it will help

manufacturing sectors such as printing which are found in every town and borough and make a significant contribution to the UK economy nationally. However, printing often falls off the radar in many regions and localities because our industry is not dominant in the particular geographical areas concerned.

### Sectoral support

In order to ensure that the economic development of nationally significant sectors is supported in parallel with the growth of local areas, we have recommended that a Sectoral Growth Fund should be established alongside the new regional fund. This would be administered by the Department of Business, Innovation and Skills (BIS), and would enable funding for business support programmes to be provided to economically important sectors such as printing consistently across the UK, as opposed to the 'postcode lottery' that prevails under the RDA-led funding regime. This has left most print companies out in the cold so far as receiving business support funding is concerned.

Previous sectoral business support programmes funded by the Government, such as the pump-priming funding that allowed Vision in Print to become established, have already proven their worth in terms of the financial return they have brought to sectors and to the wider UK economy. As we didn't want this important point to be lost in our response (or worse still, ruled as being 'out of scope'),

Michael Johnson wrote separately to Nick Clegg to press the case for a Sectoral Growth Fund to be established.

### Government response

The Minister for Small Business and Enterprise, Mark Prisk, replied to Michael on behalf of Nick Clegg. He confirmed that "the Government is committed to creating a fairer and more balanced economy." The letter, as you might expect, highlighted the Government's efforts to produce a deficit reduction plan, which he maintains "should provide businesses with the confidence they need to plan and invest".

The Spending Review document published by the Treasury following the Chancellor's speech to the Commons that day confirmed that in light of responses to the RGF consultation, the fund is to be extended to three years and increased in size from the £1 billion announced in the Budget to £1.4 billion.

A White Paper on local growth will be published in due course to set out the Government's strategy in this area. With no specific references to sectoral growth funding in the Spending Review document, we will need to continue to lobby hard for this: and we have enlisted the support of the CBI in this regard.

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