



# Regional Development Agencies

Delivering the Defra agenda





“The RDA network is uniquely placed to help deliver the Defra agenda - creating a low carbon, resource efficient economy that is able to adapt to climate change, supports enterprise and enables rural communities, businesses and the farming industry to thrive.”

Will Pope  
Chair, East of England Development Agency

“Additionality was not only through the RDAs’ investment funding but also by the way they exercised a leadership and catalytic function, influenced partners in their priority setting and resource allocation, and engineered improved networking, coordination and multi-agency working.”

RDA Impacts - Meeting the Defra Requirement  
SQW independent report



## England's Regional Development Agencies

Our role, as set out in the Regional Development Agencies Act (1998) is to:

- further economic development and regeneration
- promote business efficiency, investment and competitiveness
- promote employment
- enhance the development and application of skills relevant to employment and
- contribute to the achievement of sustainable development in the United Kingdom.

Within that broad remit there have been two more recent, important, refinements:

- The Local Democracy, Economic Development and Construction Act gives RDAs responsibility for developing a Single Regional Strategy, in partnership with Local Authority Leaders' Boards and
- Skills for Growth, the National Skills Strategy, sets out that RDAs, working in partnership with the Sector Skills Councils, local authority leaders and sub-regional bodies, will take responsibility for producing regional skills strategies that will articulate employer demand and more closely align skills priorities with economic development.





## What England's Regional Development Agencies do

Regional Development Agencies promote and enable the sustainable economic growth of England's regions, providing opportunities for all and creating attractive places in which to live, work and visit.

### What we do

Operating at the regional level, we work to align the critical mass of organisations needed to address social, environmental and economic challenges and opportunities – focusing all available resources and energies on tackling agreed priorities. There are essentially three main components to our work:

#### 1 Gather evidence and create regional strategies

- we gather intelligence and analyse the strengths and weaknesses of our economies
- we use this evidence base to broker collective agreement about economic challenges, opportunities and priorities
- these challenges, opportunities and priorities are set out in the existing regional economic strategies, which provide agreed frameworks for collective, multi-partner, cross-sector actions that will deliver sustainable economic growth.

#### 2 Invest our own resources wisely

- we understand how to tackle market failure and how to exploit emerging opportunities
- we have a decade of experience and expertise in strategic planning, economic infrastructure provision, identifying skills for business development, business support, innovation, property development, sustainable and low-carbon development, UK and European funding, project appraisal and impact evaluation
- we take considered risks and target our own funding where it makes most impact, delivers maximum benefit to local businesses and communities and helps to deliver our share of the objectives of the regional economic strategy.

#### 3 Influence others and aligning activity

- we work in partnership and use our influence to align activity, improve efficiency and maximise effectiveness
- we provide capacity and expertise to enable businesses, universities, local authorities and other partners to deliver the best solutions for their own local economies
- we help to deliver integrated solutions that generate maximum benefit to local businesses, people and places.

### Regional Development Agencies offer outstanding value for money

Independent evaluation by PricewaterhouseCoopers has shown that for every £1 invested by RDAs we have, to date, generated £4.50 in return. This figure rises to £6.40 when future returns are included. This is recognised as being at the very top end of returns for public sector investment.

### Regional Development Agencies help communities achieve their economic ambitions

A critical ongoing role for RDAs' is to intervene in areas where there is market failure or opportunity, but where private sector action is not sufficient to deliver desirable outcomes. RDAs carefully target their investment to deliver the best long-term social, environmental and economic returns for these areas and their communities. RDAs and partner organisations, in particular local authorities, recognise the importance of this activity. It therefore remains a vital component of the RDA's role.



## Working with Defra

RDAs make a substantial contribution to the delivery of Defra's agenda in the regions; driving the shift to low carbon, resource efficient economies, providing rural economic leadership and ensuring that key sectors are given the opportunity to thrive. This document highlights how the RDAs are contributing to the delivery of Defra's objectives.

The Department aims to 'secure a healthy natural environment for everyone's well being, health and prosperity, now and in the future' through three main priorities;

- promoting a sustainable, low-carbon and resource efficient economy
- ensuring a thriving farming sector and a sustainable, healthy and secure food supply
- securing a healthy natural environment and dealing with environmental risks.

RDAs are uniquely placed to help Defra deliver on this agenda by providing strong, strategic, regional economic leadership. We do this by:

- developing and delivering evidence-based regional strategies in partnership with others
- establishing and negotiating priorities for investment and targeting funding to maximise impact and improve efficiency
- integrating the principles of sustainable development and rural mainstreaming across our work
- enabling the delivery of support to all businesses through Business Link and ensuring that businesses are able to access information on becoming more resource efficient, advice on adapting to climate change and mitigating risks and sector-specific help
- supporting the creation of a skilled workforce
- leading regionally specific R&D, innovation and demonstration activity, for example on commercial and industrial waste, anaerobic digestion, resource efficiency and innovative use of crops
- supporting the growth of key sectors such as food, farming and the emerging 'green' sector
- responding rapidly and flexibly to economic shocks.

The RDAs work closely with Defra family members in each region. This includes;

- working with Natural England and the Forestry Commission on the delivery of the Rural Development Programme for England (RDPE) and
- working with the Commission for Rural Communities and Government Offices to share intelligence.

On behalf of the RDA network, EEDA leads on policy coordination and engagement with Defra by;

- delivering strategic leadership across the RDA network on Departmental policy
- acting as the main point of contact between the Department and the nine RDAs
- engaging regional businesses on the Department's agenda
- providing leadership on the delivery of the socio-economic elements of the RDPE.



In January 2009, the first **Strategic Partnership Agreement** between Defra and the RDAs was agreed. The Agreement sets out how Defra and the RDAs will work together in partnership as well as the key priority areas for joint action ensuring a collaborative and joined-up approach. Recent joint working has included:

Research on the '**Opportunities and Barriers to Innovation in Rural Areas**' as part of Defra's Rural Policy Research Programme, involving; Defra, BIS, RDAs, the Technology Strategy Board and the Commission for Rural Communities.

The **National Climate Change Risk Assessment** now focuses on each of the nine English regions to assess the costs and benefits of adaptation actions and help support the case for resources within key business sectors.

Provision of **Next Generation Access Broadband** in rural areas is vital to encouraging business start-up and growth. RDAs and Defra are raising awareness of the potential digital divide and are developing plans for further investment from the Rural Development Programme to demonstrate how solutions can be found.

Defra and RDAs have worked together to build capacity within the RDAs on **sustainable procurement** using both one day training courses and a more advanced train the trainer programme.

Defra and the RDAs have worked together to produce a **Business Resource Efficiency Framework** which maps out what the various delivery bodies both nationally and regionally deliver on this agenda including how they relate to Business Link.

Collaboration between Defra and the RDAs has resulted in **Purchasing Managers Index** to improve understanding of the recession and recovery in rural areas.

## RDAs delivering value for money

The results of a recent independent report reviewing RDA impact in areas relevant to Defra's agenda has highlighted that RDA interventions in support of rural development are generally as cost effective as other regional development initiatives. Moreover, they have secured added value in a more strategic sense. RDAs have provided strong leadership and direction in their regions in a number of ways:

- responding to shocks
- identifying long-term rural development needs and opportunities
- promoting knowledge-sharing to help align partner objectives and reduce duplication
- raising awareness amongst businesses of the benefits of resource efficiency
- influencing the scale and nature of partner funding, activities and outputs in rural areas.

And above all, this has been done with mutual understanding of the respective roles of partners and stakeholders, especially where economic geography cuts across administrative boundaries.



## Delivering the Defra agenda

### Dealing with risk and economic shock

Being fleet of foot and able to operate flexibly and swiftly, the RDAs provide the government's frontline response to economic shocks, for example, those caused by floods, animal diseases or business collapse.

When an economic shock occurs, RDAs move swiftly to create partnerships which deliver a range of coordinated actions tailored to meet identified local needs. South West RDA, in response to widespread floods, established a **Business Recovery Scheme**, administered by Business Link, which supported over 500 businesses enabling them to re-start trading an average of 3.5 days sooner than they would have done otherwise. Yorkshire Forward launched a similar scheme, helping around 900 small businesses and 70 larger ones.

RDAs help sectors cope with, and **recover from, business collapse**. When Dairy Farmers of Britain (DFoB) collapsed leaving dairy farmers without a buyer for their milk, the RDAs worked rapidly with the NFU to understand the extent of the problem and with Business Link to provide advice. One North East's RDPE investment in Rock Farm Dairy enabled it to increase its capacity from 50,000 litres to 100,000 litres per day and recruit 16 people who were made redundant from the DFoB dairy at Blaydon.

RDAs are at the forefront of **helping businesses respond to animal disease outbreaks**, yet they are also working with businesses to mitigate the risks of outbreaks by **improving animal health and welfare**. In 2007, EEDA provided £100,000 of support to the farmers affected by avian flu, foot and mouth and bluetongue. More recently, SEEDA has established Livestock Health South East using RDPE funding. A coordinated programme of training is being delivered by key livestock health organisations and, to date, 1,023 courses have been run and 3,311 trainees helped.

The RDAs are also playing a key role in **helping the economy adapt to climate change**. We are doing this through our role on the cross-government Climate Change Adaptation Board, the development of regional strategies and frontline delivery ensuring business resilience, building capacity, funding Regional Climate Change Partnerships and showcasing best practice in our capital investment. 'Future proof your business' was a pilot initiative funded by *emda* to support businesses on the threats and opportunities posed by a changing climate within and across the agriculture, construction, food and drink, manufacturing, energy and utilities sectors.

### Resource efficiency

To help build a low carbon, resource efficient economy the RDAs are committed to **helping business become more resource efficient** and maximise the benefits which action in the short term can bring. With diminishing landfill capacity, increased levels of resource scarcity, rising landfill tax and opportunities for businesses to respond to sustainable procurement requirements, the RDAs have built capacity and mainstreamed this agenda within Business Link to support SMEs. For example, LDA kickstarted the **Green Tourism** for London scheme which helps hotels, guesthouses, attractions and venues improve resource efficiency and energy management. To date, 132 businesses have signed up to the scheme.



A growing number of regions are committing to become **zero waste regions**. Pathway To Zero Waste (PTZW) is funded by SEEDA and a number of other partners aiming to radically change how the private and public sectors work together to **improve resource efficiency and waste management**. PTZW is a three year £5.8 million programme currently focusing the region's 37,000 construction companies aiming to reduce their operating costs by £370 million by 2011.

The RDAs recognise that **investment in technologies** will produce crucial environmental and financial returns. One North East is involved in a number of multi-million pound investments in novel waste plants in the region including autoclave technology, tyre pyrolysis and bio-ethanol from waste plants. This work forms part of a review of Energy from Waste Technologies with a view to assisting inward investment potential in the region.

EEDA and the East of England Regional Technical Advisory Body on Waste have worked together to identify the **waste management needs and opportunities** for the region to inform regional policy on bio-wastes, hazardous wastes, recycles markets for hard to recycle materials, commercial and industrial waste.

## The rural economy

RDAs provide **regional leadership on rural economic development**. RDAs have been strong advocates of rural mainstreaming, ensuring core policy and programmes have the flexibility to respond to local circumstances and can be tailored to meet rural needs. **Effective mainstreaming** is founded on evidence and RDAs have developed rural evidence bases to inform strategies and design delivery. **Rural mainstreaming** is integrated into bodies such as Business Link, the Manufacturing Advisory Service and regional skills partnerships.

One of the strengths of RDAs is in providing **strategic, coordinated support to key regional sectors** to enable growth. EEDA led a region-wide partnership to create the '2020 Vision for Food and Farming in the East of England', which sets out the ambitions and growth targets for the region's food and farming sector - focusing on actions taken by business and the public sector to meet farming and food security needs. Mainstream policy means RDAs also take a place-based approach. Yorkshire Forward runs a Rural Capitals programme which provides high quality business space, connecting people to work and training and piloting approaches to Lower Carbon Rural Capitals.

RDAs have played a critical role in **helping the economy recover from the recession**, adapting their activity to mitigate the impact of the recession and help prepare for the economic upturn. Advantage West Midlands worked with key partners to create a tailored package of economic measures to support the market towns worst affected by the recession, working with Business Link, retailers and other partners to create the 'Skillsmart Retail' programme to support independent retailers.

RDAs also deploy **rural proofing**, ensuring it is both built in to internal mechanisms and promoted to partners. For example, *emda* has an internal rural proofing framework agreed by its Board, whilst EEDA has developed a rural proofing toolkit which it has shared with regional and local partners.



## Delivering the Rural Development Programme for England (RDPE)

The RDAs are delivering about 20 per cent of Rural Development Programme for England (roughly £600 million) and, in the first two years of the programme, have committed over £275 million of funding, spent almost £75 million and in the 2008/09 financial year supported over 8,000 businesses.

RDAs' RDPE funding focuses on;

- diversifying the rural economy
- improving the competitiveness of farming, food and forestry and
- enhancing the quality of life in rural areas.

In addition to funding projects directly, the RDAs are responsible for the "Leader approach", through which **local partnerships** play a key role in defining needs and selecting and overseeing the solutions that aim to improve quality of life in rural areas. The RDAs have allocated some £152 million of RDPE funding to 65 Local Action Groups across England.

The RDAs are investing RDPE funding to secure lasting benefit for rural areas and make strategic investments which meet regional priorities identified in conjunction with partners and stakeholders.

A key focus for the RDAs is **investing in business**. RDAs use regional economic expertise to determine where funding needs to be focussed. Yorkshire Forward has provided micro-enterprise grants to 47 businesses helping them grow and strengthen. One North East's alignment of RDPE **micro-business support funding** with the regional business support service has increased take-up of Solutions for Business funding. By February 2009, One North East had committed £3.7 million of RDPE capital funding to 1,100 micro and farming businesses and £3.5 million of Solutions for Business funding.

A purpose built 60 berth marina has been created on farmland adjacent to the Grand Union Canal in Northamptonshire with the aid of £178,230 of RDPE support from *emda*. Capitalising on the growth sector of canal boat holidays, the applicant will boost his farming business as a result of the new income stream and will provide **benefit to the wider rural economy**; attracting tourists and providing opportunities for other rural businesses to benefit from **tourism** spend.

The RDAs are able to promote **improved business efficiency** and have helped improve the competitiveness of businesses by **encouraging collaboration and cooperative ventures**. EEDA support for a co-operative of nearly 400 farmers in Cambridgeshire has resulted in a new advanced processing centre, creating 27 new jobs, over £2 million per year of additional income to the farmer members and £1.75 million per year of additional income for third party hauliers.

**Encouraging rural businesses to compete in wider markets**, the RDAs have used RDPE funding to increase production capacity in numerous rural enterprises. A number of food production companies have successfully entered new markets in this way. In the case of Radwinter Wild Game, EEDA investment was used to convert a redundant grain store into a wild game processing plant. The business is now thriving, supplying game to a number of clients.



A major strategic investment in Cornwall of £5.7 million from the South West RDA has supported Trewithen Dairy. It will create 40 new jobs and increase its capacity for fresh milk by 80 per cent, as well as enabling **development of added value products** such as soft cheese and other cream based products.

Support for Western Asparagus Growers from Advantage West Midlands will benefit 18 businesses in **production and marketing**. SEEDA invested in the expansion of Foxbury Farm Shop in Oxfordshire, which sells food from 66 local and regional suppliers and acts as a **local food distribution hub**. The farm currently supplies food to eight local village shops, six local schools and seven food service businesses enabling producers to access smaller markets that would otherwise not be viable.

**Becoming more resource efficient** and thereby improving the bottom line is well understood by RDAs and by using the RDPE we are getting this message to the agricultural sector. Yorkshire Forward recently launched the sixth round of its RDPE-funded **Farm Resource Efficiency Programme (FREP)**. This has benefited 50 farm businesses to date. Technologies funded include small scale on-farm wind turbines, heat capture systems, slurry separators and rain water harvesting systems. The principle driver of the FREP is to improve the economic performance of agricultural and horticultural holdings through the introduction of new technology to promote the efficient use of energy, manure and water resources.

In the East Midlands, *emda* has funded the Long Clawson Dairy to enable it to increase its production of authentic Stilton cheese working with over 40 local dairy farmers. Importantly, the construction of the facility will achieve a **BREEAM Excellent rating** and will incorporate the latest resource efficiency technologies, saving the dairy 34 million litres of water per year.

**Improving the competitiveness of livestock farmers** is vital to ensure a healthy food producing sector; to enable this the RDAs have developed a range of programmes. The NWDA has established the Northwest Livestock Programme, which will improve the efficiency of livestock businesses by undertaking audits of holdings to improve animal health and welfare, nutrient management and resource efficiency. To date, 25 advisors have been trained in nutrient management and resource efficiency and 275 plans had been completed and on the animal health side 46 vets and 22 advisors had been trained and 568 animal health plans started. Farmers are able to apply for a grant to invest in necessary improvements and, so far, 124 grants have been offered.

A significant feature of the RDPE is its investment in **training and skills development**. Focusing on the farming, food and forestry sectors, support is available to thousands of employees and businesses interested in developing their skills set. Working with partners such as the sector skills councils and the Skills Agency as well as industry organisations and leaders, the RDAs have set up multi-million pound region-wide programmes to fill the gaps in skills provision and respond to the needs of the industry in their regions.



## Case studies

The following case studies demonstrate how the RDA network is helping to deliver Defra's aim to 'secure a healthy natural environment for everyone's well being, health and prosperity, now and in the future', delivering against the Department's priorities.

### Case study 1 – Adapting to climate change



Over recent years the UK has seen significant flood events, which have resulted in loss of life and caused extensive flood-related damage to homes, industry and infrastructure. To understand the challenges facing the North East, the North East Climate Change Adaptation study was commissioned by One North East and partners.



The award winning study for taking the sustainable approach to climate change, was designed to provide a robust evidence base for climate change, the impacts of the projected climate changes on current services, assets, communities, business and infrastructure, and identify action needed. The resulting web-based resource is being used by regional organisations and local authorities to inform and influence policy decision and project activity.

To take this work forward, the recently established One North East supported **Climate Change Adaptation Project** targets businesses in priority areas such as sectors whose products, services or processes are weather dependent, or companies that have already been affected by extreme weather. As well as offering businesses face-to-face advice, the project aims to develop an online risk checklist which will generate a detailed report and action plan, allowing business to take action to minimise their potential risks. The project:

- has distributed a detailed questionnaire to over 300 businesses in North East England to establish a series of benchmarks, perceptions and attitudes to climate change adaptation and mitigation issues
- will work closely with a further 30 businesses to conduct more in-depth interviews to ascertain what targeted support is required
- will undertake strengthened face-to-face advice with a series of roundtable events through Business in The Community to upskill Business Link advisors and other key staff.



## Case study 2 - Sustainable farming



In order to influence the vitality and long-term sustainability of the farming and food supply chain, East Midlands Development Agency (*emda*) introduced the Collaboration in the East Midlands Food Chain Programme. The programme's activities covered three commodity sectors – combinable crops (including biofuels), red meat and fresh produce – and were delivered by the English Farming and Food Partnership.



The programme assisted 398 businesses and supported 166 people to develop skills. The initiative helped businesses collaborate and increased firms' confidence that investments in collaborative arrangements could secure long-term benefits. Enhanced resource utilisation was an additional outcome of an increased number of business collaborations.

For each business assisted, the benefits equated to an impressive £17,800 increase in turnover per annum. The return on investment for this project was £10 for every £1 of RDA investment.

## Case study 3 - Improving business practices and increasing profits



The NWD manages a unique business support programme coordinating environmental advice, training and support to businesses throughout the Northwest of England.

Since 2001 the NWD's Business Resource Efficiency Programme has provided high quality environmental business support to businesses throughout the region:

- to date, for every £1 the NWD has invested in this Resource Efficiency Programme, £13 of cost savings have been identified
- over 3,600 Northwest businesses have benefited from the specialist advice and support offered, with £75 million cost savings identified.

The programme has proved so successful, it is now widely recognised as a model of best practice on both a national and European level.

By 2013, through the Improving Your Resource Efficiency service and co-funded with European funding, the NWD's Business Resource Efficiency Programme will:

- support a further 1,250 Northwest companies
- generate cost savings of £60 million for Northwest companies
- deliver 255,000 tonnes of CO<sub>2</sub> savings
- deliver water savings of 2.05 million tonnes
- create an additional 240 jobs in the region and safeguard a further 500
- increase sales in the region by £25 million and safeguard sales by £60 million.



## Case study 4 - Supporting sustainable resource use



SEEDA has invested in 73 projects that support the sustainable use of natural resources. The net GVA outcomes from these projects with a direct economic output is estimated to be around £5.8 million of which:

- £2.2 million was delivered from biomass exemplar grants and
- £3.6 million through new recycling infrastructure grants.



One of these projects saw SEEDA funding 14 champions in the land-based sector through a partnership called the Farming and Rural Issues Group. The Biomass Sector Champion has enabled wide consultation within the woodfuel industry, encouraging the adoption of biomass products to release the tremendous potential which exists in the South East, the most heavily wooded region of the UK. The Forestry Commission has estimated that 500,000 tonnes of fuel from the South East's woodlands could produce 12 per cent of the South East renewable energy by 2020, reducing CO<sub>2</sub> emissions by 450,000 tonnes per year.

Practical examples of success include the Biomass Sector Champion's work with the Godinton Estate in to install a new 350 kilowatt wood chip boiler; replacing six old boilers burning 80,000 litres of oil a year, saving around £20,000 per annum and reducing CO<sub>2</sub> emissions by 90 tonnes per annum.

## Case study 5 - Commercial waste management



The London Development Agency (LDA) played a critical role in establishing the Closed Loop Plant in Dagenham. The first of its kind anywhere in the world, this plant recycles 35,000 tonnes of plastic bottles per annum to produce food-grade plastic for Marks and Spencer and other clients, saving up to 52,000 tonnes of CO<sub>2</sub> per annum.

LDA provided approximately £900,000 grant funding to the plant, assistance in applying for planning permission, ensuring sufficient power was available and ongoing support with the lease. The LDA support helped Closed Loop attract approximately £18 million of other support in the form of public sector support, private equity funding and debt funding.

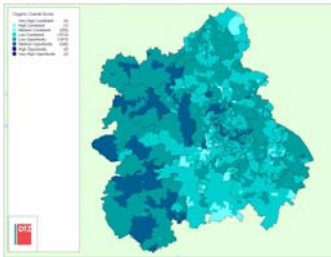
Following this success, the LDA has created a £24 million funding programme to catalyse other commercial and industrial waste treatment infrastructure in London. This is being delivered by the London Waste and Recycling Board which also has £60 million funding from Defra. The programme will catalyse new infrastructure such as Anaerobic Digestion facilities, materials recycling facilities (MRFs), gasification & pyrolysis facilities and specialised recycling facilities, leading, by 2018, to 600,000 tonnes of waste being diverted from landfill per annum and 200,000 tonnes of CO<sub>2</sub> emissions being avoided per annum. It will also generate 350,000 MWh of low carbon energy per annum.



## Case study 6 – Waste infrastructure development



To accelerate the development of required waste infrastructure, AWM created a £5.3 million Waste Infrastructure Development Programme which included the development of the Location Analysis Tool, which has been specifically developed to identify priority locations for investment across the region that are most suited to a range of waste technologies.



Waste management companies, developers and financiers have welcomed the tool, as it allows the independent identification of the most suitable locations to support their proposals or secure capital. The tool creates a simple guide for use in planning discussions with developers and waste companies thereby helping local authorities prioritise opportunities and, for sites already owned, the tools enable landowners and developers to consider the most appropriate waste technology. Communities will also benefit from a greater awareness of the requirements for waste infrastructures and will gain an understanding of the process undertaken to identify locations that will minimise disruption.

AWM's wider Waste Infrastructure Development Programme and Location Analysis Tool has already supported more than 40 business in its first year alone and will:

- create 39 new green jobs by 2013
- bring forward an additional £8 million of private sector investment by 2013
- reduce CO<sub>2</sub>e emissions by at least 22,960 Tonnes by 2013
- create the capacity to divert one million tonnes of commercial and industrial waste from landfill over the next five years (with an AWM target of 320,000 tonnes by 2013).



## Case study 7 – Supporting rural businesses



The South West of England is the largest rural English region and according to South West RDA GVA estimates, rural businesses account for 26 per cent of the region's GVA. Consequently, the South West RDA recognises that it is crucial that its mainstream programmes are accessible and applicable for rural areas, as well as urban.

How the South West RDA is reaching and supporting rural businesses:

- Business Link provided support to 34,705 established businesses in rural areas from September 2008 to October 2009 - 41 per cent of such business support across the whole region
- Business Link has 73 access points throughout the South West region to aid face-to-face business support contact in rural areas
- the South West Manufacturing Advisory Service has delivered support designed to add value to manufacturing businesses to 307 rural businesses from January 2009 to March 2010 - 41 per cent businesses of the total business assisted during this period, which mirrors the rural share of manufacturing businesses in the region
- five of the region's 14 Grant for Business Investment projects have been awarded to rural areas - totalling £2,279,250 investment
- the Rural Enterprise Gateway (REG) is managed and delivered through Business Link with £1.44 million of RDPE funding to improve knowledge transfer, profitability and competitiveness. The project has been running in its current form since July 2009. To date, 1,100 rural business have been helped and supported by REG.
- RDPE funding has been allocated to REG on a time-limited basis to offer enhanced specialist support for up to five days for individual businesses in response to the economic downturn
- an allocation of £ 7.5 million of RDPE support has been set aside to improve access to rural services, with a particular focus on sustainable solutions developed by Community Interest companies and Social Enterprises.



## Case study 8 – Investing in rural economic development



EEDA's investment in rural economic development has been wide-ranging and designed to support the development of the food and farming sector. A £1.6 million investment programme focussed on looking at business resource efficiency, supply chain connection, international trade development and promotion of regional food and drink producers to new markets.

The food and rural economy development programme has supported over 1,300 regional businesses and delivered training to over 700 individuals up to 2009 in areas such as water resource conservation, marketing strategies and supply chain development, which has enabled the sector to take advantage of opportunities. A further £1.5 million has been committed - areas currently in development include:

- collaborative supply chain (including ICT-based distribution pilots in Suffolk and London markets and sector specific work such as a study into the efficiencies in sugar beet transport)
- utilisation of the region's world-class research potential in the development of new, bio-renewable and low-carbon products from alternative non-food crops. This enables growers to improve the value of existing crop production and develop new technological markets in, for example, specialist oil crops, the plastic packaging industry (significant for the region's fresh food production) and natural fibre alternatives in construction and the production of composites for the motor trade.

This will assist over 300 further businesses and allow creation of 100 jobs and 30 business start-ups by 2011. Over 140 new low-carbon products could be developed.

Importantly this development programme formed the basis for EEDA to lead the region in agreeing a '2020 Vision for Food and Farming'. This has set goals for the industry to increase production, conserve scarce resources by increasing efficiency and develop new markets and technologies. In all of this there is a positive consideration of the environment and an opportunity to promote healthier living through dietary choices, allowing the industry to develop and meet the challenges ahead and inform the strategies now included in HM Government's 'Food 2030'.



## Case study 9 – Supporting the food and drink sector



The Region's  
Development Agency



The Food and Drink Investment Programme (2008 – 2012) developed by Yorkshire Forward offers an innovative mix of practical advice, business support and access to leading edge expertise in a variety of disciplines.

The Farexchange programme aims to develop sustainable value chains, linking manufacturers back to the region's farmers and growers. The programme is perfectly placed to further develop collaboration across food and agriculture, a key aspiration in Food 2030 which seeks more sustainable and resilient supply chains.

The Regional Food Group for Yorkshire and Humber supports the region's SME food and drink companies on provenance, export and skills. The hugely successful Deliciouslyyorkshire marketing programme has put local food from Yorkshire on both the regional, national and international map.

The Centre for Food Robotics and Automation (CenFRA) is an internationally recognised beacon organisation which provides access to the latest simulation techniques enabling businesses to understand the benefits of applying automation philosophy before embarking on the task of actually implementing it. This Centre helps deliver the programme's objective of a more competitive and innovative food & drink manufacturing sector in the region.

Finally, Appetizing Innovation is a collaborative programme that brings expertise from leading universities and technical centres of excellence to bear on the challenges of product and packaging innovation for the region's food & drink companies.

In its first 18 months of operation, the Food & Drink Investment Programme has:

- supported 1040 different regional businesses
- created or safeguarded 111 jobs
- created 23 new businesses and
- delivered skills support to 531 different businesses.

When the programme finishes in 2012, it will have trebled these outputs.



## Delivering national priorities

Regional Development Agencies work closely with government departments to help shape and implement national policies so that they are relevant to local people, places and businesses. Current examples of the RDAs acting as essential delivery agents for the government include:

### Responding to recession

Over the past 12-18 months, the global recession has caused national and regional economies to deteriorate dramatically. During the downturn, RDAs have led multi-agency partners including Jobcentre Plus, the Learning and Skills Council and local authorities to help companies facing redundancies. Using intelligence from their relationships with companies across localities and supply chains, RDAs have provided support for small, medium and large companies at the point they announce the intention to make redundancies, to minimise the impact on individuals for example through job matching via RDAs' company account management. Working closely with BIS, RDAs have also responded by re-prioritising their Corporate Plans to focus on activities that mitigate the impact of the recession and help prepare for the economic upturn.

### Managing public sector finances

In 2009, changed short-term government spending priorities led to a significant cut in RDA budgets. Each RDA managed these cuts in region – working proactively with partners and stakeholders to re-prioritise investment. Through this process RDAs demonstrated their ability to take tough decisions and manage relationships effectively on behalf of government. In addition, the RDAs provide 'Regional Funding Advice' (RFA) to government. RFA is a response to government's request that the RDAs provide advice on investment priorities for transport, housing and regeneration, and economic development. We also provide a view on how skills priorities will support such investment. We therefore fulfil a valuable role - coordinating views across a large number and diverse range of partners to agree a set of common priorities.

### Supporting growth industries

RDAs are working in partnership with government, the Technology Strategy Board and key national and regional stakeholders to focus support on growth industries. As a result RDAs are planning to invest £2 billion to support the growth of key sectors over the next 18 months.

### Responding to major economic shocks

The RDAs have a proven ability to respond swiftly, effectively and efficiently to address unforeseen economic events. For example we have mobilised resources and coordinated joint action to tackle the economic challenges arising from Foot and Mouth outbreaks, flooding and major industrial closures.

### Skills development

RDAs have worked hard to ensure the business voice is heard and drives the delivery of skills provision. Our Regional Economic Strategies have provided the evidence base for the skills needed to support business growth. This role will be significantly enhanced under the RDAs' new roles set out in Skills for Growth and the National Framework for Regional and Local Development. In the new Regional Skills Strategies, RDAs will be able to set out the priorities for skills for innovation and growth, and to bring together investment needs and plans across schools, colleges, universities and business infrastructure. Working with the Sector Skills Councils, employer bodies and individual businesses, RDAs will "create a new energy behind ensuring an excellent supply of courses and training. This process will start from 2010/11 with the new focus on priority sectors."



## Regional Development Agencies – The Facts

### **RDAs work in partnership across the public and private sectors to address local, regional and national priorities**

RDAs work with local authorities, partners and the private sector to provide synergy across priorities and local authority boundaries, bringing together local government and its partners to deliver major economic projects.

### **RDAs are accountable**

RDAs are accountable to Ministers, through the sponsoring Department for Business, Innovation and Skills (BIS). Each RDA Chief Executive, as Accounting Officer, is responsible to Parliament for the use of their budget. The National Audit Office subjects the performance of RDAs to regular independent review and external audit. RDA activity is scrutinised regularly by Parliamentary Select Committees, and reviewed by Ministers for the region and Regional Select and Grand Committees. Through the new Leaders' Boards, RDAs are working even more closely with local authorities on issues such as joint prioritisation of investment.

### **The decisions made by RDAs are transparent and open**

RDA decision-making processes are rigorous and consistent. They comply with government guidance, including HM Treasury appraisal and evaluation requirements. Board papers and minutes, Corporate Plans and Annual Reports are published on RDA websites.

### **RDAs give value for money, using resources efficiently**

RDAs generate wealth. Independent evidence shows that for every £1 invested by RDAs we have, to date, generated £4.50 in return. This figure rises to £6.40 when future returns are included. This is recognised as being at the very top end of returns for public sector investment. Every RDA achieved a score of 3 or 4 out of 4 in the last National Audit Office round of Independent Performance Assessment. RDAs are lean organisations, exceeding our government-set efficiency savings targets.

### **RDAs are focused and have a clear purpose – to support economic growth and job creation**

RDA Boards are business-led and concentrate on the economic development of the region. The RDA model has also proved highly flexible, with RDAs successfully taking on and delivering additional responsibilities using fewer resources. They have a track record of effective collaboration to support national priorities.

### **RDAs and UK Trade & Investment (UKTI) have separate, complementary roles to play**

Two independent studies have recently concluded that there is no unnecessary duplication of services between UKTI and RDAs. In particular, the report by consultants Arthur D. Little points out that our services are mutually reinforcing and that there is no confusion in the marketplace about our respective roles.

### **There is a need for a regional tier between national and local levels**

The regional tier enables multiple partners from the public, private and voluntary sectors to work together and prioritise interventions/resources between competing localities, and also decide how best to deal with interventions that have a 'knock on' effect on other places. It is also required to tackle market failures that are greater than local, but not of national scale.

### **RDAs are efficient, effective and offer economies of scale**

RDAs are business led, business like, resourceful and responsive. Our lack of operational complexity means that working with us is simple and our actions are swift. There are few other public sector or local authority agents able to offer this degree of simplicity and speed, which benefits both national government and local partners.

### **RDAs are aligned to, but not constrained by, existing regional boundaries**

RDAs are regional bodies but they work flexibly and have a proven ability to work effectively at the local, sub-regional, inter-regional, national and international levels.

