



Press release

9 January 2013

£23MILLION INVESTED IN THE NORTH EAST IN 2012

THE European Regional Development Fund has invested over £23 million in 22 projects in 2012 ensuring over 2,000 jobs will be created and around 3,000 businesses will receive help boosting their business.

Projects vary from business support packages, managed workspaces and incubators to entrepreneurial support and utilising graduate talent, all contributing to supporting economic growth in local communities across the North East.

The European Regional Development Fund Competitiveness Programme 2007- 2013, which is managed by the Department for Communities and Local Government, has over £320million allocated to support innovation, enterprise and business support over the Programme's lifetime with around £257million being invested to date.

Cllr Neil Foster, Deputy Chair of the North East England Local Management Committee (LMC) which engages key partners in the overseeing of the strategic delivery of the ERDF Programme in the North East said: "The North East ERDF Programme has had another successful year ensuring excellent projects are approved which are contributing to local economic growth bringing new businesses and jobs.

"As a direct result of ERDF investments in 2012, over 2,000 jobs are being created and over 300 safeguarded, around 300 businesses are being created and nearly 3,300 businesses are being supported to improve their performance or increase their green credentials.

"The Programme Delivery Team will be working closely with projects in 2013 to ensure that the Programme fully commits its ERDF resources ensuring every available pound is used to continue supporting local economic growth and help communities prosper."

A selection of the projects approved include:

Washington Managed Workspace: £3,340,000 ERDF investment to create quality flexible office space, supporting both start-up businesses, existing businesses that were home-based and looking to move into appropriate premises to grow their business and / or work in the area of electric vehicles or other low carbon enterprises that would like to be part of a hub of low carbon businesses. The project is being led by Sunderland City Council and is creating 155 jobs, safeguarding 62 jobs and supporting 34 SMEs.

Science Central Phase 1 and Gateway Building: £5,933,237 ERDF investment to develop a seven-storey 'gateway' building on the Science Central site, a 12-hectare site at the edge of Newcastle city centre which is an integral part of the Newcastle Science City Innovation Connector led by Newcastle City Council. As the first building on site of the development it will act as a catalyst for the wider development of Science Central. As a result of the project 163 jobs are being created.

Berwick Workspace Incubator: £192,428 ERDF investment to continue supporting an existing project led by Northumberland County Council which is supporting the growth of SMEs through tailored business support to encourage a faster rate of business formation in knowledge intensive business services and continue addressing the enterprise deficit and low business density in the Berwick area. Information and advice about all aspects of running or establishing a business are being provided leading to 21 businesses receiving assistance and creating 30 jobs.

DigitalCity – **Garages to Global: £1,074,000 ERDF investment** to build upon the DigitalCity Business 2010-12 project which is developing a successful and sustainable digital and creative supercluster in the Tees Valley and the wider North East. This particular project is being led by Middlesbrough Council and is providing support activities for digital technology, digital media and creative SMEs, helping them go from start-up to high growth as fast and efficiently as possible. As a direct result, 200 SMEs are being supported and 130 jobs created.

Business Generator: £345,211 ERDF investment to engage with eligible businesses through workshops, mentoring, facilitated introductions to buyers which are helping increase the capacity and capability of SMEs in the North East, helping them to identify and win publicly and privately procured business opportunities. This project, led by Business and Enterprise Commercial is open to businesses and third sector organisations and is creating 30 jobs, safeguarding 87 jobs and assisting 270 SMEs.

Growth Through International Trade: £3,421,569 ERDF investment to help more SMEs export and get SMEs exporting more, by working with businesses helping them prepare for the export of their goods and services and to investigate new overseas markets, ensuring a measurable improvement in their business performance and competitiveness through international trade. As a result of the project Go Global Ltd is helping businesses create 518 jobs and providing assistance for 450 new SMEs and 1,200 existing SMEs.

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Notes to editors:

- The Department for Communities and Local Government is the managing authority for the European Regional Development Fund Programme which runs from 2007 to 2013. This is one of the funds established by the European Commission to help local areas stimulate their economic development.
- The ERDF Competitiveness programme 2007-13 for North East England is focusing on:

Innovation – promoting science technology and innovation in businesses and institutions across the region.

Enterprise and business support – encouraging more people to start up in business, particularly those in disadvantaged areas, and helping established businesses develop, grow and innovate.

- More than £300m ERDF investment is available for the region from 2007-13. ERDF investment is limited to 50% of total eligible cost and must be matched by other public and private sources. For every pound of ERDF investment, regional partners lever in another pound for the key priorities of innovation. enterprise and business support.
- For more information visit: https://www.gov.uk/browse/business/funding-debt/european-regional-development-funding