

Rural Economy Growth Review

Enabling Businesses to Grow and Diversify: Rural Growth Networks

How are we supporting rural businesses to growth and diversify?

Following a competition, **five Rural Growth Network (RGN) pilots** will be established during 2012/13 in Cumbria, Devon & Somerset, Durham & Northumberland, Coventry & Warwickshire and Swindon & Wiltshire.

These Pilots, supported by **£15 million of new government funding**, will test different mechanisms by which Local Enterprise Partnerships and local authorities can support sustainable economic growth in rural areas.

In addition to the £15m of new funding, pilot RGNs will have preferential access to new RDPE schemes.

In recognition of the specific issues facing women entrepreneurs in rural areas, as part of the £15m, the Government is targeting up to **£2.3m to support rural enterprises led by women**, particularly in RGNs.

Government will undertake monitoring, evaluation and knowledge transfer activity so that other LEPs and local authorities can better understand what works and doesn't work for rural economic development.

Government will continue to work with Business in the Community (BitC) with the

aim of ensuring that **every pilot RGN is partnered with a Business Connector** to bring in additional business expertise and to provide strong links to local communities.

How will this help growth?

Stakeholders have strongly emphasised a range of barriers to growth such as lack of suitable premises & insufficient critical mass to justify the provision of physical infrastructure (especially superfast broadband and mobile) and other business services.

RGNs are essentially a network of rural enterprise hubs which will:

- act as a focal point for a range of support for their micro and small business sector
- have a particularly strong focus on a targeted programme to support women led enterprises
- act as centres to facilitate knowledge transfer, provide mentoring, training and skills development to enable businesses to grow and capitalise on new opportunities
- stimulate a whole Local Enterprise Partnership / Local Authority area to recognise, celebrate and promote entrepreneurship



Further information

- Information on RDPE funding can be found at the [RDPE grant support website](#)

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Cumbria

- Capital investment in improving facilities for rural businesses at 11 hubs of which 6 are also key employment sites across the LEP area which will support outreach activity in more remote rural communities.
- Rural growth web portal with supporting services
- Focus on food & drink, digital & creative, agri-business/forestry and adventure/country sports plus support for social and women-led enterprises across an upland area.
- **Early estimates of Growth impacts:** 480 new business start ups, 900 new jobs, 7,000 businesses engaged in networking

Durham, Northumberland and Gateshead

- piloting four different approaches to hub delivery: live-work units, smart-work units, incubation units and a hub that targets creative industries (on a National

Trust estate).

- Focus on developing better links between geographically isolated rural enterprises and urban Enterprise Zones
- testing the different type of accommodation needed to support enterprises at different stages of growth and development.
- **Early estimates of Growth impacts:** 40 new businesses created, 200 businesses supported, 300 jobs created/safeguarded

Coventry and Warwickshire

- New **Rural Technology & Innovation Centre** at Stoneleigh Park linking to two **enterprise centres** in Shipston and Atherstone providing hot desk facilities, advice to rural enterprises and specialist support for female entrepreneurs.
- Further support for more remote micro-enterprises and

home-based businesses provided through links with community hubs currently being established by District & Borough Councils.

- Links to the Universities and other research establishments in the area to **develop and promote the use and application of technology** within rural businesses, with a particular focus on low carbon and environmental technologies
- **Early estimates of Growth impacts:** 150 new business start ups, 150 new business start ups, 20 rural/land-based innovative spin-outs, 400 business assisted, 500 new jobs, £50m increase in GVA

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Swindon and Wiltshire

- Unique focus on the economic growth potential for the area arising from changes in the mobility of the army and the creation of 'super-garrisons'.
- Incubation units and administrative core to be created at an existing business park with three satellites established initially and a commitment to identify additional opportunities including redundant farm buildings and surplus military sites.
- Web-based services to be developed for rural SMEs including virtual back office/admin support.
- Designed to raise the entrepreneurial confidence and ambition of the rural community, military dependents and those

preparing to leave the military.

- **Early estimates of Growth impacts:** up to 200 new jobs at the identified hubs with knock on effect of up to 300 new jobs, support for 150 resident businesses and 300 networked businesses

Devon and Somerset

- Creating a "ladder of business accommodation" – incubation units, work hubs and move on space – through investment in eight hubs and several secondary sites across two counties.
- Partnership with two universities and multiple private sector research and development agencies to nurture new businesses and support businesses with high growth potential.
- Particular focus on low carbon

industries and sustainable business practices.

- Innovative elements include a pilot programme to galvanise a whole community to recognise, celebrate and promote entrepreneurship and masterclasses to foster succession planning in rural family businesses.
- **Early estimates of Growth impacts:** 1,359 new jobs, £58.3m increase in GVA