



RTPI

mediation of space · making of place

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3 September 2010

Growth Fund Consultation
Department for Business Innovation and Skills
St Mary's House
9-11 London Road
Sheffield
S2 4LA

Email response sent to: growthfund@bis.gsi.gov.uk

Dear Sir/Madam,

RESPONSE TO CONSULTATION ON THE REGIONAL GROWTH FUND

Thank you for the opportunity to respond to this consultation.

The Royal Town Planning Institute (RTPI) is the largest professional institute for planners in Europe, with over 23,000 members who work in public service and as advisors in the private sector. It is a charity with the purpose to develop the art and science of town planning for the benefit of the public as a whole. As well as promoting spatial planning, the RTPI develops and shapes policy affecting the built environment, works to raise professional standards and supports members through continuous education, training and development.

The Regional Growth Fund is to be welcomed in providing funding to help deliver growth-related projects in England at a time of generally constrained public and private sector funding. Our only concern is with the current lack of a strategic context for the Fund, coupled with the uncertainty with the situation of local enterprise partnerships (LEPs) not yet being fully in place.

We understand, and support, the principle that most sustainable growth projects will best be delivered on the basis of being community led. However, given that the consultation document (p.4) draws attention to disparities between different parts of the UK, it is difficult to see how different bids will be effectively prioritised in order to address these in the absence of criteria that have a spatial dimension.

Previously this dimension would have been addressed by government directing funding to particular regions based on their assessment of these disparities and supported by programmes set out in regional strategies. While we are not calling for the reinstatement of regional strategies, the regional growth fund allocation mechanism can no longer benefit from these, and it is too early to make use of the anticipated LEPs or national spatial planning framework.

Without these programmes in place ahead of bids being made, it is difficult to see how communities will be able to determine the likelihood of a bid succeeding, and therefore commit resources to making a bid. It is also possible that high-profile speculative bids may come forward that do not necessarily fit in with broad-scale community priorities, and which could distract from projects that have been in gestation for years and supported by communities in the now-revoked regional strategies.

The timing of the regional growth fund consultation in parallel with consultations on local enterprise partnerships is understandable given the need to get both initiatives in place expediently. We consider that there will be a case for further iterations of these consultations to clarify their relationship with each other.

Please see the attached for responses to the specific consultation questions.

If you require further assistance, have any queries relating to the enclosed or require clarification of any points made, please contact Matt Thomson, Head of Policy and Practice on 0207 929 9494 or email matt.thomson@rtpi.org.uk.

Yours faithfully,

Matt Thomson
Head of Policy and Practice

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Consultation questions

1. Are there benefits to be had from allocating different elements of the fund in different ways?

The RTPI welcomes the emphasis on making the fund as flexible as possible, as this will allow for the development of activities that are locally-led, and reflect the needs of different areas. However the RTPI feels that there must be clear mechanisms for the strategic allocation of the fund, especially in areas which do not have an LEP. This is essential given that it is likely that there will not be complete coverage of England by LEPs.

2. What type of activities, that promote the objectives outlined above, should the fund support and how should the fund be best designed to facilitate this?

The RTPI believes that the range of activities supported should be as broad as possible, as long as they enable communities to deliver growth and develop projects that meet the needs of their areas. Projects should add value and be sustainable in the long term, and consideration should be given at the outset to how they will continue, if appropriate, beyond the period of regional growth fund support.

3. Do you think that these are the right criteria for assessing bids to the Regional Growth Fund?

The RTPI welcomes the requirement for projects to “set out how they will integrate with local planning policies”. We view the link between business growth and planning as crucial to (re)establishing integrated relationships between spatial planning and economic development. Projects should be required to demonstrate wide-ranging, genuine community support, which may be challenging given that the proposed deadline for first-round bids is only a few months away, at the end of December 2010.

4. Do you think we should operate a two-stage bidding process?

We have no comment to make on this issue.

5. Should a Regional Growth Fund become a long-term means of funding activity that promotes growth?

We recognise that the issues the fund hopes to tackle cannot be solved purely by an initial injection of resources over a relatively short timeframe, as they are complex and require a range of approaches. One advantage of the fund becoming a long-term means of funding activity is that it would enable communities to develop longer-term projects and proposals, based on the identified needs of their areas, and to work up growth project bids with a degree of certainty that there is an ongoing programme of funding available, rather than rushing projects together on an *ad hoc* basis.