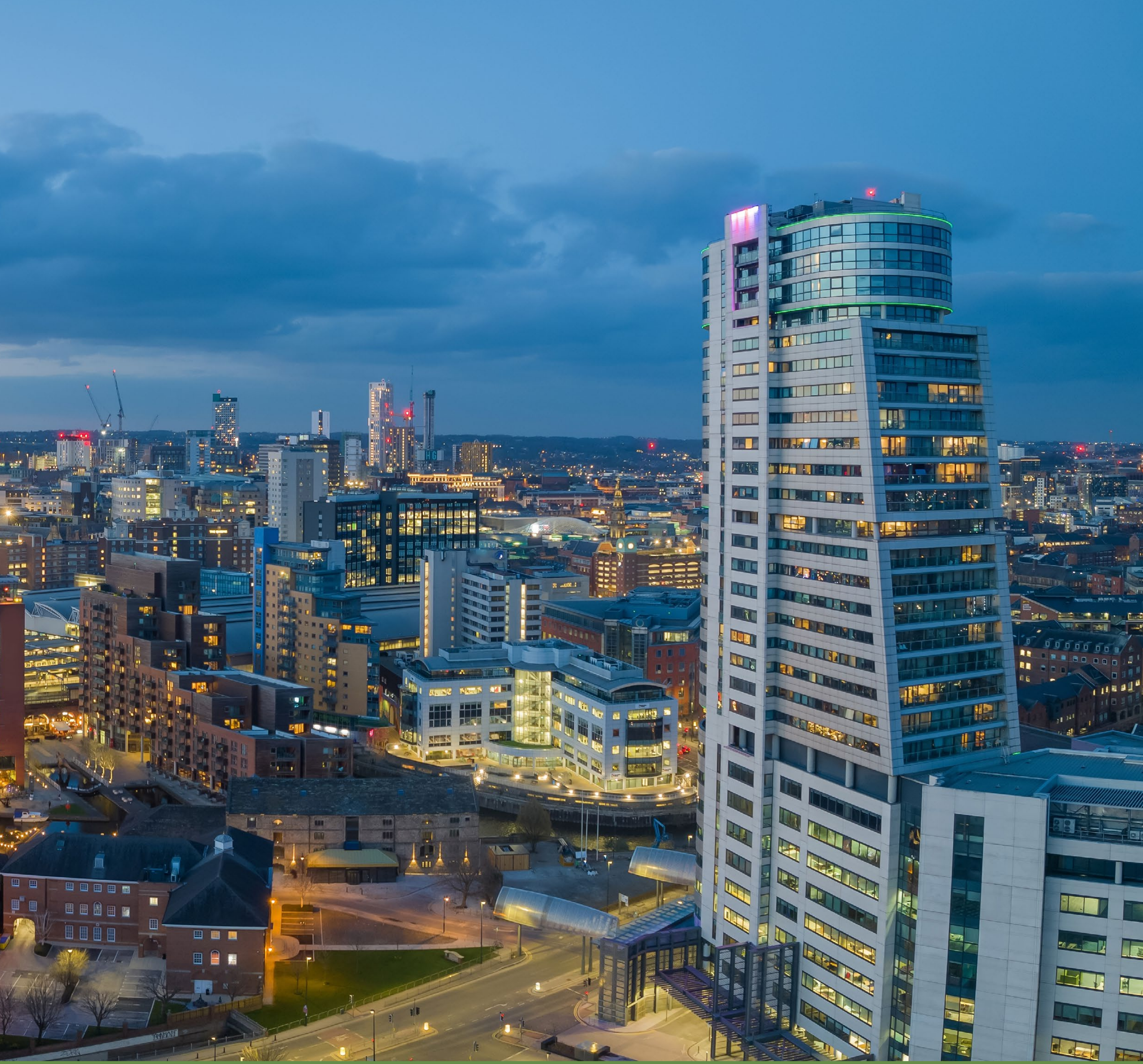

Places and Purpose

The second report of the Purposeful Finance Commission

February 2024

Purposeful Finance Commission

About the PFC

The Purposeful Finance Commission ("PFC") is an independent organisation made up of leading combined authority figures, local government leads, and investors who have come together to identify, understand and overcome the barriers that communities across the country face in bringing forward long-term regeneration projects, and in accessing long-term institutional investment.

purposefulfinancecommission.com

Tracy Blackwell
Chair of the Purposeful Finance Commission and CEO of Pension Insurance Corporation plc

About this report

This report represents the collective effort of the Commission and its members and does not necessarily reflect the individual views of all Commissioners or the organisations they represent. In referencing this report, it should be attributed to the Purposeful Finance Commission as an organisation, rather than any individuals or member organisations.

For any queries regarding this report, please contact pfc@wpi-strategy.com. Tables and data used throughout this report are available upon request.

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CHAPTER 1

Introduction

The Purposeful Finance Commission ("PFC") was established to identify, understand, and overcome the barriers that communities across the country face in bringing forward regeneration projects, and in accessing long-term institutional investment.

Our first paper, *Investment and Infrastructure*[1], set out the findings from a series of roundtables and interviews the PFC conducted with over 40 individuals and organisations operating in this space across the UK, including local authority representatives, investors, developers, and civil servants. Combining these findings with analysis of historic investment levels across the UK, this report identified several complex, interconnected barriers that were standing in the way of local authorities' ability to bring forward urban regeneration projects, and attract the long-term institutional investors who would fund these developments, creating significant social value.

In particular, our report identified four areas of major concern;

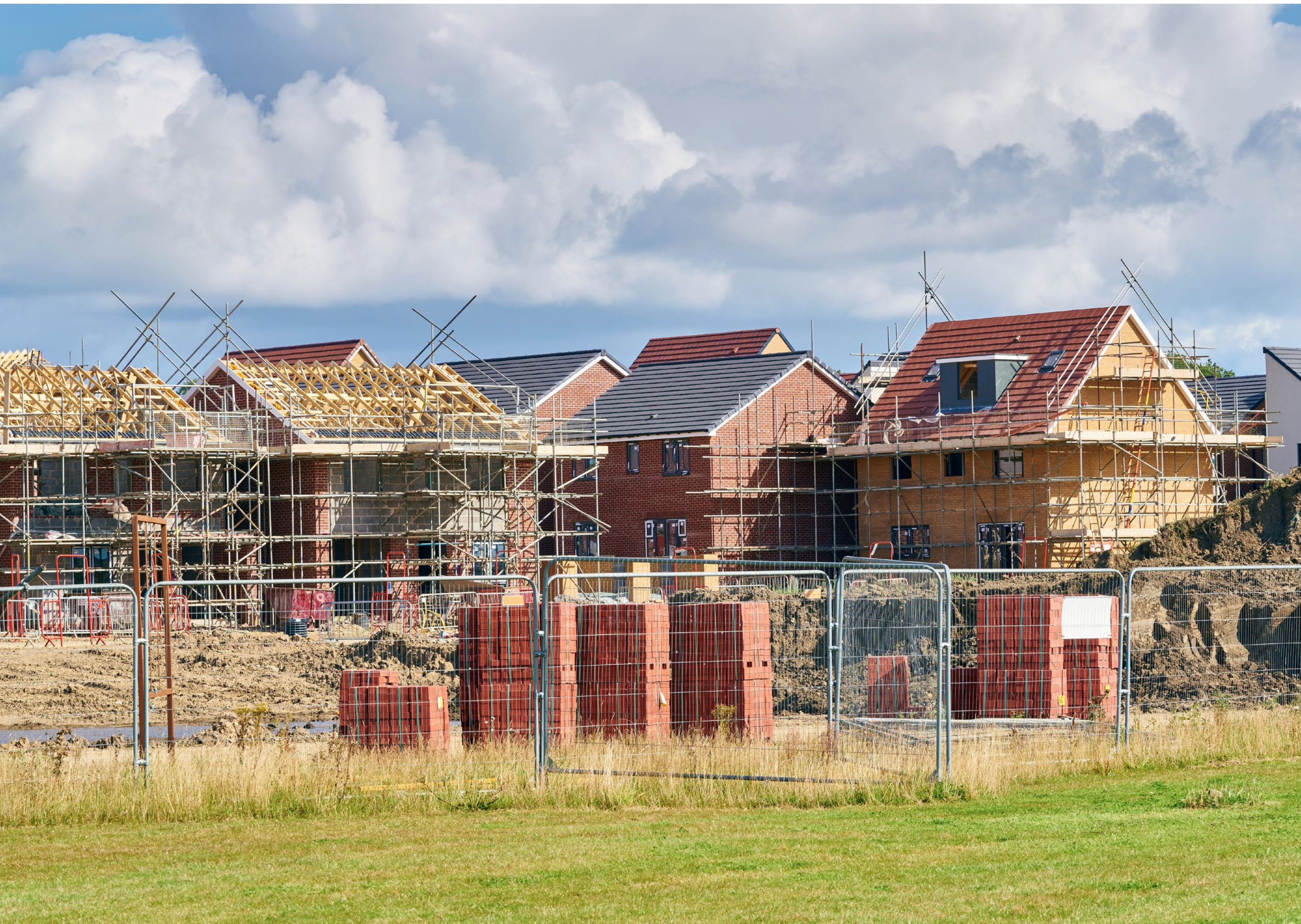
First, a significant **lack of capacity** within local government has become apparent in recent years. Several of our roundtable discussions focused on this topic and it was likewise raised by a number of interviewees as a large barrier to bringing forward projects suitable for long-term investors - the vital first step to attracting private capital. One local authority attendee reported being so stretched that they simply didn't have time to work on proposals for long-term investors to consider, let alone engage with them. As a result, a large number of local authorities are unable to bring forward projects and are seen as non-viable potential partners for future projects. This means that not only do they miss out on attracting funding from investors for large-scale regeneration projects in their areas today, but authorities risk losing potential future engagements because of their difficulties ensuring capacity. In many areas, this lack of resources means that even when funding is available, councils are forced to rely on external consultants. Not only does this raise costs significantly in the long run, but it denies councils the ability to build and maintain their institutional memory. Among those interviewed for our research, concerns were also raised over whether external consultants were being utilised most effectively, and at the most opportune times in the planning and construction process.[2] This is a significant problem that needs addressing if we want to level up all areas of the country.

Second, we found that complex, contradictory and **competitive funding structures** have both complicated the process of attracting investment and embedded the wrong incentives. Funding arrangements for local government were reported as being too fractured, too numerous, and too narrowly focused to be of wider use to local authorities. Data shows that whilst central government funding represents a relatively small proportion of local government funding, the variety and complexity means that this can draw a disproportionate amount of resource that could otherwise be spent building and maintaining relationships with the private sector and other partners. Indeed, whilst the number of grants and competitive funding pots available has grown to well over 200 in any given year, the size of the overall pot has shrunk, meaning more time and effort has been spent pursuing slices of an ever-shrinking pie. Bidding processes also have local areas and councils competing against each other, ensuring that 'losers' are embedded into the process, resulting in wasted time and effort for already stretched departments.

Third is the complexity of navigating **the planning process**. This has been a consistent feature in recent studies and one that was also discussed at length by our roundtable attendees. One attendee, a developer involved in a cornerstone regeneration project in the North of England, reported that 80% of the lifespan of the project was spent on securing planning permission, with just 20% spent on the physical construction of the building.

Finally, as has been highlighted by several previous studies, there is a consistent **lack of quality data** which accurately depicts investment levels in UK regions making it difficult to understand where capital has been invested, and what the outcomes are. For example, the available data makes no distinction between public and private sources of investment, making issues such as commercial viability gaps more difficult to uncover and understand. It is great to see steps taken by the ONS to provide more recent data organised by local authorities, however if future efforts to solve the problems listed above are to succeed, then ensuring more accurate and reliable data sources must be a vital first step.

Based on the results of roundtables, interviews, and analysis that the PFC has conducted, the rest of this paper sets out a series of recommendations intended to utilise the strengths of both the public and private sectors and incentivise a collaborative approach to overcoming these challenges that we have termed 'purposeful finance'.



CHAPTER 2

Summary of Recommendations

Recommendation One: Establish a Pipeline Fund

The PFC recommends establishing a 'Pipeline Fund' designed to address planning delays by increasing capacity and expertise in local authority regeneration teams to help speed up the processing of planning applications.

The Pipeline Fund aims to raise £22.5 million over three years from across the private sector. Administered by a public body such as Homes England, this public-private partnership would focus on prioritising local authorities with capacity issues and fostering a more efficient planning process for regional development and investment.

Recommendation Two: Improve Investment data records

The PFC recommends establishing a central public register for distinguishing and tracking public and private investments. This approach would enhance data accuracy and accessibility, aiding both government and private sector in making informed investment decisions, and thus supporting targeted development initiatives.

Recommendation Three: Ensure a sense of 'place' is rooted in new developments

The PFC recommends that larger developments with a value of £10 million or more have to illuminate their purpose to the community in which they are being developed using a defined and graduated metric which would improve community buy-in and complement other Section 106 commitments.

Recommendation Four: Support local authorities to produce long-term 'regeneration and investment' plans

The PFC recommends that central government provides greater national certainty for local authorities and further support to bring forward long-term regional regeneration plans underpinned by the introduction of a National Policy Statement (NPS) for Regeneration.

Recommendation Five: Expand devolution deals across England

The PFC recommends that fiscal devolution continues to be rolled out across the country to ensure that local leaders can make local decisions using their expertise and understanding of their regional needs to make the right decisions for their local economy and the communities that they represent.

Recommendation Six: Accelerate the phase-out of bid-based regeneration funding models

The PFC recommends accelerating the phasing out of competitive, bid-based funding models which effectively pit local authorities against each other and embed 'losers' into the current funding model meaning some authorities waste time and resources. We propose that the funding system is amended to incentivise collaboration between local authorities.

Recommendation Seven: Provide support for more co-investment funds targeted at infrastructure

The PFC recommends that central government take advantage of co-investment models as key mechanisms to ensure that private finance is made available for projects that fit the government's own priorities. Co-investment funds have the potential to increase private sector confidence in UK regions outside of London whilst also incentivising investments in projects with significant social value.

Recommendation Eight: Encourage collaboration between local authorities to deliver investable propositions at scale

The PFC recommends that central government, along with combined authorities where applicable, should leverage their position to assist local authorities in collaboratively developing investment opportunities. These opportunities should be of a scale substantial enough to attract private sector investment as seen with projects such as Atom Valley.

CHAPTER 3 Recommendations

1 Establish a public-private funding commitment – the Pipeline Fund – to boost capacity and expertise in local authority regeneration teams to help speed up planning applications

Amidst a range of obstacles impacting regeneration across the UK, a critical bottleneck identified in our first report was the lack of capacity and expertise within local authority planning departments. This deficiency not only slows down the planning process but also impedes the execution of vital regeneration projects.

To address this challenge, we propose the establishment of the 'Pipeline Fund'. The Pipeline Fund would be financed by a range of organisations with an interest in clearing planning backlogs across the 317 local authorities in England. The fund would support the Government's own Planning Skills Delivery Fund, with the defined aim of increasing planning capacity and recruiting more expert planners to help streamline the planning process.

Funding Structure:

The initiative seeks to raise £22.5 million over three years from the private sector, creating a coalition of firms from an array of sectors that have a vested interest in resolving current planning issues. The breakdown of the fund over the three-year period is illustrated below.

Year 1

£5 million from 50 companies

funding 50 planners

Year 2

£7.5 million from 75 companies

funding 75 planners

Year 3

£10 million from 100 companies

funding 100 planners

Why Implement a Pipeline Fund?

The ultimate objective of the 'Pipeline Fund' is to supplement the Government's own Planning Skills Delivery Fund and, in particular, to create an additional pot of private capital to support the public funding allocated to new 'super squad' teams of planners who can work across local authorities. The fund would also be directed to help support pre-existing skills initiatives in order to train and attract the next generation of planners and regeneration experts to work in local government. As mentioned above and in our previous research, reliable, cost-effective skilled labour in the planning sector is particularly difficult for local councils to access, leading to a reliance on expensive external consultants. The Pipeline Fund would be an important step on the journey to solve this shortage, generating further savings for councils in the long-run.

The Pipeline Fund will present a unique and valuable opportunity for firms to directly contribute to, and benefit from, the enhancement of the UK's planning system. Improved planning efficiency not only accelerates project timelines but also helps build a business-friendly investment landscape. Businesses have the chance to illustrate their credentials as 'purposeful' organisations, by taking a proactive approach to supporting regional development and helping provide key solutions to national questions to help stimulate inclusive growth.

This alignment of outcomes on a matter of shared private sector and public sector concern exemplifies a model of collaborative progress, where private sector engagement is integral to achieving systemic improvements and core central Government aims.

Implementation and Management:

Administration: The fund would be independently administered by a public body, such as Homes England which administers the "Planning Skills Delivery Fund" fund, to ensure effective, unbiased allocation of resources. The public body would be responsible for prioritising local authorities planning departments who are experiencing capacity issues and allocating resources to help them clear backlogs.

Collaboration Model: This would be a true 'public-private partnership', a collaboration between those companies who want to improve the overarching planning process and those in local government who share the same objective of creating a smoother and more effective process that helps create more opportunities for regeneration and investment across England.

2 Investment data should be collected and stored on a central public register which differentiates between public and private investment

The lack of clarity regarding investment data is not a new or unrecognised problem. The Levelling Up White Paper documented issues with the quality and coverage of investment data across the UK in 2022. The Government went as far as to call for the development of new methods to better understand the drivers of local growth and emphasised the importance of collecting data in comparable ways across the country, especially considering the different approaches taken in devolved areas.[3] However, despite this assessment, our analysis of investment data illustrated a complete lack of current and comparable data to illustrate where money is being spent and by who. There has been limited progress into this area despite the publishing of the Government Statistical Service's (GSS) Subnational Data Strategy in December 2021 which aimed to produce 'timely, granular and harmonised subnational statistics that meet user needs.'[4] Our research has demonstrated that we are far from any system which meets user needs or provides accurate and reliable investment data.

Our recommendation is that investment data should be collected and stored on a central public register which differentiates between public and private investment. Current ONS datasets are severely limited and dated which makes it difficult for decision-makers to determine where investment flows are heading. A more transparent and publicly accessible approach to tracking investment data would provide a clear indicator of where developments are coming to fruition, and which local areas are struggling to attract either public or private capital. Ensuring accurate recording of investment will also be key to ensuring Homes England can effectively determine which regions are struggling to attract investment or deal with planning applications and allocate resources accordingly.

Our proposal is that principles should be borrowed from the Knowledge Analysis and Intelligence team (KAI) to help store and manage investment data in a more efficient and comprehensive manner. KAI is HMRC's central analytical team, providing analysis and research on all areas of the tax system to HMRC and HM Treasury which informs policy and tax model development.[5] KAI, or at least the principles of the unit, could be used as a means to improve knowledge and understanding of investment across the country. Using a defined Government unit to record and analyse investment data would better inform Government spending and investment decisions. In the way that KAI analysis, research and statistics inform policy and play a key role in the Chancellor's Budget and Statement processes, the storage and analysis of investment data should be treated in the same vein moving forward to ensure all budget decisions are backed by strong data.

It is also integral that this data is publicly available for both local government and the private sector to inform their investment decisions. If there was a more comprehensive and stratified set of investment data that could be analysed, both the public and private sector would reap benefits as decision-makers could more accurately ascertain which areas could benefit from targeted intervention, such as delivery of the 'Pipeline Fund', in order to help deliver regeneration. This would help limit the waste of resources and facilitate growth and regional development. In doing so, KAI or a new body using similar principles, could help address potential challenges of weak investment propositions introduced into the system when bidding-based funding for local government has been removed as a component of regional development spending and delivery.

3 Inclusion of a graduated metric demonstrating the purpose and characteristics of 'place' for developments to ensure they fit with their community

As identified in our previous report, local objections to larger developments have played a role in limiting the number of developments that have come to fruition in England in recent years. There have been proposals brought forward to help alleviate these issues. In June 2023, the

Electricity Networks Commissioner put forward the idea of implementing a statutory code of compensation that would support the delivery of projects and manage project costs.[6] This was presented as a means to both control costs and ensure local residents have a standardised compensation system when national infrastructure is constructed near their community. However, campaigns like the 'Stop the Pylons' in Ardleigh[7] demonstrate that compensation is not always enough. Communities want a say in what is built in their patch, and they want 'place' to play an important role in that. This is all the more integral to residential and mixed-use developments.

The establishment of the Office for Place by Michael Gove in July is testament to the important role that the principle of 'place' must play within developments.[8] Throughout our roundtable discussions, the principle of place came up time and time again. Our case study on Frome also illustrated the costs that can result from developers failing to adequately include place as a cornerstone of their plans.[9]

We are proposing that larger developments with a value of £10 million or more have to illuminate their purpose to the community in which they are being developed. This will help ensure buy-in for local communities and help avoid cumbersome planning processes whereby developers look to push through unwanted and ill-thought-out proposals. A defined notion of purpose and 'place' should not be implemented to supersede or replace affordability or environmental or other Section 106 commitments but rather to ensure developments are fit for the communities they are in.

There are a number of ways that these principles can be enshrined in projects over this value. A number of groups have put forward metrics for ensuring place is considered in developments such as the 'Placemaking Matrix' developed as a framework to be applied to developments by the Policy Exchange, designed to calculate a score which reflects the quality of placemaking in new developments.[10]

Although the prospect of further regulation could seem like an additional burden for developers, in fact, a matrix can be based on principles from statutory guidance on design codes meaning the implementation will not provide overly complicated and poorly understood metrics. By providing a numerical score and breaking down placemaking into accessible components, it can empower residents to engage in and make informed decisions about their communities. This matrix can include a wide range of indicators which demonstrate a number of performance measures, such as environmental impact, to provide a more holistic view of the 'impact' of a development.

Our proposal is that with this metric, there could also be a minimum threshold applied to developments over £10m to ensure a gradual transition to making place central to development whilst ensuring smaller developments are not subject to disproportionate requirements. Over time the threshold could be reduced to ensure all developments have place and purpose assessed. This could help improve the quality of regeneration projects and help reduce community opposition to developments, removing some of the disconnect between residents and investors.

4 Local authorities should be supported to produce long-term 'regeneration and investment' plans guided by a National Policy Statement for Regeneration

Central to successful regeneration efforts is a joined-up approach. Conversations with local and regional investment delivery experts have highlighted how a lack of consistency between central government policy and practical execution has contributed to difficulties in implementing successful development. One local government regeneration lead stressed the difficulties of encouraging investment when national priorities are so subject to change and often create competing and contrasting incentives.

To that effect, we are recommending that central government takes steps to provide greater national certainty for local authorities and further support to bring forward long term regional regeneration plans in the future. We are proposing that, along with commitments to improve capacity such as the Pipeline Fund outlined above, a regeneration strategy should be implemented underpinned by the introduction of a National Policy Statement (NPS) for Regeneration.

When used correctly, NPSs are essential tools in the infrastructure planning process. They serve as a crucial reference for decision-makers, providing clear, strategic guidance on the need for different types of infrastructure projects and helping to remove some uncertainty from the planning process. Typically, these statements should be updated every 5-years. This helps to keep them timely and relevant whilst still remaining in place long enough to insulate them somewhat from rapidly changing policy priorities, though as the NIC notes, this has not been the case in practice. They can also be used to ensure, where relevant, that regional development proposals align with national needs and objectives, such as achieving net zero emissions, bolstering our energy security, and promoting climate resilience.

A dedicated National Policy Statement for Regeneration could provide greater certainty for investors, developers, and local authorities embarking upon large scale regeneration projects.

The NPS would help guide local authorities in creating their own bespoke local strategies to capitalise on individual strengths and resolve specific local issues, whilst avoiding being overly prescriptive and centralised.

By offering a coherent framework for infrastructure development, NPSs facilitate a more streamlined and predictable planning process, which is indispensable for timely and sustainable infrastructure development in line with the country's long-term goals. This is crucial for incentivising and guiding large scale and mixed-use regeneration projects to revitalise towns across the country.

There are plans to complete reviews of NPSs by March 2024 but currently, some NPSs have not been updated since they were first issued and therefore both fail to prioritise what is needed on a national scale as well as to provide support for local authorities looking to develop their own plans.[11,12] The introduction of a Regeneration NPS would therefore deliver greater clarity and support for regeneration and provide a long term basis for which authorities can develop plans against, in the confidence that national priorities will not drastically shift in the short term.

This would also help provide central Government and the private sector greater clarity over the priorities for that local area, enabling them to invest accordingly. Key to the success of long term regeneration and investment plans is that local authorities have the tools and support to engage with private sector partners – including local employers and investors – as well as local educational institutions and civic organisations to work up a coordinated strategy that looks beyond one-off interventions and projects.

5 Accelerate the rollout of more meaningful devolution deals to areas of England which want more powers

Meaningful devolution agreements, such as the 'trailblazer' deals introduced last year, grant more power and responsibility to mayoral authorities, focusing on simplifying funding and other arrangements. To ensure communities have the tools to engage in productive regeneration, it is important that fiscal devolution must continue to be rolled out across the country with further deals. These deals help to ensure local leaders can make local decisions using their expertise and understanding of their regional needs to make the right decisions for their local economy and communities.

The Government has made good progress on meaningful devolution through trailblazer deals in Greater Manchester and the West Midlands and the expansion of mayoral devolution deals to Greater Lincolnshire, alongside Hull and East Yorkshire in the Autumn Statement. The single funding settlements in Greater Manchester and the West Midlands are accompanied by business rates retention for 10 years as part of their deals with further plans to devolve business rates to all mayoral combined authorities in future.[13] These deals provide greater fiscal control meaning that each region is able to focus policy using bespoke arrangements that cater to regional needs.

Further devolution should be rolled out at an accelerated rate, providing single funding settlements to empower local leaders to better allocate money according to their region's needs. There are ongoing negotiations for expanded devolution in the North East whilst Liverpool City Region are also interested in similar comprehensive devolution deals which should be pursued.

NIC research illustrates that devolved fiscal control provides the autonomy to raise revenue to support local regeneration projects and in turn, help to increase the accountability of elected officials.[14] Revenue-raising powers are particularly important in ensuring that local authorities continue to feel the benefits of regeneration projects for years and decades after their completion, for example through greater income tax receipts from more high-paid skilled jobs in the area, or greater business rates receipts from a more lively and profitable town centre.

Ensuring that local authorities are able to take advantage of these arrangements more flexibly would present an alternative to the current system, whereby the council or local authority bears the brunt of the upfront risk, and is denied many of the benefits that may accrue over time. This enables local government to reap rewards from the programmes they implement and can help reduce central government fiscal commitments.

The government is making progress in devolution deals with new agreements in the last year which it claims have the potential to increase the proportion of people in England benefiting from devolved powers to over two-thirds[15]. Fiscal devolution and local leadership should continue to be explored and expanded where possible to ensure local growth is incentivised and accountability is embedded into regional development.

6 Accelerate the phase-out of competitive, bid-based funding models

Central Government should accelerate the phasing out of competitive, bid-based funding models as a matter of priority. Our first report found that such schemes were a significant issue cited by those we interviewed as part of our research, which found that such schemes effectively pit local authorities against each other and embed 'losers' into the system. This results in lost time and wasted resources that could otherwise be spent on building attractive propositions for private sector investment.

We are pleased to note that the UK Government has already taken steps in this direction, publishing details of plans to simplify local government funding structures last year. This includes simplifying the array of funding pots and ensuring that local authority resources are not wasting funds and staffing resources.[16] This is undoubtedly the right direction to take, and our roundtable attendees reported that the current system had caused numerous issues for local authorities.

In order to secure the maximum benefits, we must eliminate these bid processes from local government funding as soon as possible. Rather than creating an atmosphere of competition, the funding system should be amended to incentivise collaboration between local authorities, as discussed in further recommendations and knowledge sharing between more 'mature' devolved administrations and their more 'junior' counterparts. Doing so would ensure that regeneration efforts across the UK can be conducted as a collaborative and purpose-driven process, rather than one that pits communities against each other.

7 The government should provide support for more co-investment funds targeted at infrastructure, particularly outside of London

As highlighted in our first report, the 2008 financial crisis led to significant capital flight from the UK regions and into London, seen by investors as a safer option. This 'flight to safety' led to an exacerbation of historic inequalities which to date have not been fully addressed or remedied.[17] In order to address this issue, we recommend that the UK Government should make more effort to signal willingness to support co-investment funds with the private sector. Vehicles such as the LIFTS (Long-term Investment For Technology and Science) initiative have provided hundreds of millions of pounds in government funding for suitable projects, invested alongside private sector partners.[18]

There is no reason that variants of these schemes could not be used to incentivise private sector investment in long-term regeneration projects as well. Just as the LIFTs initiative seeks to use the government's position to bolster links between the UK's defined contribution (DC) pension sector and fast-growing science and technology companies, a similar scheme targeted at long-term regeneration opportunities outside of London could utilise the government's convening power and help to build relationships between investors and local areas where they do not already exist.

We recommend that central government take advantage of co-investment models as key mechanisms to ensure that private finance is made available for projects that fit the government's own priorities.

The benefits of such co-investment funds would fall into two broad categories. First would be their ability to significantly increase private sector confidence in UK regions outside of London, as investors have the knowledge that the Government has committed to match all or part of their funding.

Second, Government involvement in these funds enables the imposition of conditions on the investments they make. For example, this could mean incentivising investments in projects with significant social value (as defined by an agreed-upon metric, see Recommendation Three), with the Government potentially taking on a first loss position in certain circumstances, as recommended by a 2016 Government advisory group.[19] Likewise, in order for such partnerships to work, the private sector may wish to give further thought to how best to work with Government and understand their priorities.

Whilst it is true that there have been attempts by successive governments to take advantage of these models, such as providing funding for the UK Infrastructure Bank and providing it with a remit to invest alongside the private sector, the Bank's focus is understandably limited to certain goals and sectors such as clean energy, transport, digital, waste and water. Other models and funds could similarly be targeted directly at, for example, regeneration projects in deprived areas of the country, or for specific infrastructure needs shared by a collection of communities, such as coastal towns.

We recommend that central government take advantage of further co-investment models as key mechanisms to ensure that private finance is made available for projects that fit the government's own priorities, such as the levelling up agenda, regeneration projects, and affordable housing. Industry bodies including the ABI have also called for similar initiatives, for example targeted at specific illiquid assets to empower certain funds to invest in assets they would otherwise not typically focus on.[20]

8 Make use of convening powers to encourage collaboration between local authorities to deliver investable propositions at scale

Central government and, where relevant, combined authorities should make use of their role as convenors to help enable local authorities work together to create investment-ready opportunities at a sufficient scale to attract private sector investment.

A consistent issue identified in our research is that of scale, with many local authorities reporting difficulties in putting together propositions of sufficient size to be suitable for long-term private investors. Therefore, where possible, we advise that central government and combined authorities take steps to convene local authorities and encourage, where relevant, the development of joint proposals at a sufficient scale, likely over a £50 million threshold. This could extend to collaboration on joint proposals or development plans such as those discussed in recommendation four.

In some cases, combined authorities already play a role in identifying skills gaps and specific capacity issues in their regions, and take action to allocate resources accordingly such as targeted funding through the UK Shared Prosperity Fund.[21] We propose that in certain cases this work extends to the development of joint proposals and bids for investment.

One notable example from our work that serves as inspiration is the Atom Valley Project, a perfect example of the confluence of resources and skills of multiple local partners to encourage investment at scale. The project is the result of a collaboration between the Rochdale Development Agency, Bury, Rochdale Borough, and Oldham Councils, facilitated in part by the Greater Manchester Combined Authority. The project has resulted in investment opportunities that would not have been possible without the required scale, respective expertise and manoeuvrability of individual members, with the Atom Valley plan offering 20,000 jobs and 7,000 new homes in the designated Greater Manchester Mayoral Development Zone.

Encouraging propositions to bring in specialisms from beyond their immediate local authority areas can, when done effectively, lead to propositions that more accurately reflect how people live and work in local areas, often crossing council and authority boundaries while commuting from work, home, and school, for example.

Those people we spoke to with experience of delivering successful regeneration projects highlighted the importance of a strong and well-planned supportive ecosystem towards making a success of one or more set-piece developments when attempting to attract investment. Examples provided included ensuring that the proposed central project was well served by road, rail, and public transport links, as well as strong digital connectivity and for commercial investments, further infrastructure and skills as required such as training centres and technical colleges.

This array of amenities and services can be difficult for a single project plan from a single local authority area to provide. By encouraging further collaboration for large-scale developments in particular, we believe that the necessary supporting infrastructure for such projects will be easier to create, build, expand, and respond better to the way that people live their lives rather than could be achieved by a single local authority area.

CHAPTER 4 Conclusion

Throughout our work, it has been clear that a great many barriers exist to delivering successful regeneration projects. All too often, these barriers serve to block, scale back, or postpone vital developments with transformative potential for local areas.

Fortunately, it has been equally obvious to us that many passionate and dedicated individuals and organisations are at work to help overcome these challenges. Through our research, we have met with dozens of individuals from local and national government, the private sector, and other third-sector organisations, all working towards the common goal of delivering better outcomes for communities themselves.

None of those that we spoke to at our series of roundtable discussions or private interviews believed that overcoming the challenges that local authorities face would be easy. Despite this, they all felt it was worthwhile.

Our recommendations therefore attempt to reflect this cautious optimism and build upon the experiences of different communities shared with us through this process and turn them into a series of proposals that both acknowledge the unique situation of each local community and the challenges they face whilst also complementing an overarching plan that incentives cooperation, knowledge sharing, and partnerships between businesses, investors, and local governments.

In this report, we have proposed a renewed collective effort from investors and businesses to support a 'Pipeline Fund' in order to help expand the capacity of the planning system by encouraging businesses of all kinds who are affected by planning regulation to collectively fund the training and deployment of new planning professionals. We have recommended a shift away from the competitive, bid-based funding models that have defined central government funding streams in the 'Levelling Up' era and before. We also encourage the development of new ways of collaborating, sharing knowledge and collecting and using data.

We believe that these recommendations, if taken forward, would enable us to reduce the disparity in investment levels in different areas that we previously identified and prevent a deepening of this unequal footing. We look forward to working further with government at both national and local levels to unlock more opportunities and further improve the regeneration landscape.

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