

a culture of growth

As ministers look to streamline local regeneration initiatives, the time may be right for growth coalitions, says

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In the run-up to the next election, the government's realisation is growing that regeneration initiatives need to become more effective and funding streams simplified.

The pre-manifesto statement, *A future fair for all*, goes further than ever in recognising the importance of this issue. This recognition coincides with the development and increasing enthusiasm for growth coalitions, a new way of managing regeneration resources.

So what is a growth coalition? It's 'a body of representatives drawn together for the purpose of achieving a series of mutual objectives, driven by the vision of a growing, successful, local economy where serious disadvantage is alleviated'.

The proposal for growth coalitions has been developed over the last 18 months. The objective is to draw together regeneration actions at a local level in a joined-up way, enhancing operations, performance and value for money (see below).

key points of growth coalitions

- Partnerships and partnering between the public, private and third sectors
- Incorporate and build on the local strategic partnership model
- Develop an agreed vision and shared objectives
- Comprehensive, holistic approach
- Focus on local labour markets with an economic, social and physical agenda
- May be initiated by all 88 neighbourhood renewal areas
- Local authorities act as responsible bodies
- Leadership and vision supported and augmented by a private sector representative as 'champion director'
- Fair formula governing local representation and sectoral balance
- Elected mayors can make their mark
- Mainstreaming and bending core programmes, ensuring value for money
- Business improvement districts may be incorporated
- Revenue streams drawn from European Union, central and local government regeneration initiatives
- Performance management in relation to national and local floor targets
- Potential representation on regional development agency boards



The main aim for the project was to realise how a wide range of regeneration-related initiatives on the ground could be streamlined, helping front line workers and improving outcomes.

The project has evolved against a background of the demise of area based initiatives and larger programmes such as the single regeneration budget. It seeks to address regeneration in the context of neighbourhood renewal and local strategic partnerships, and in the light of current policy, programme and funding options.

A *New Start* article (Mutual appreciation society, *New Start*, 21 February 2003, page 16) outlined the initiative as it stood a year ago. Since then a seminar has taken place, and interest has been shown and discussions initiated with an ever-widening circle of key decision makers.

The environment is now ripe for a review of neighbourhood renewal practice, which bears the principles and practice of growth coalitions in mind. Such a review is, in effect, currently being carried out at the higher levels of central government, under the title, 'improving the prospects of people living in areas of multiple deprivation in England'.

The need for such a review is underlined by moves to modernise local government and the debate about increasing local authorities' freedoms and flexibilities, as well as the 'new localism' advocated by the New Local Government Network.

Other pertinent factors are the government's commitment to regeneration, confirmed in the Labour Party consultation document, *A future fair for all*; the current spending review and concerns about future funding levels; and the Treasury's focus on local enterprise initiatives (see http://enterpriseforall.info/enterprise_for_all.htm).

Consultations over the last year have also raised issues such as:

- The relevance of growth coalitions to the development of single pot area funding regimes
- Growth coalitions' role in encouraging private sector involvement in local regeneration
- Growth coalitions providing the local dimension in the 'central, regional, local' equation

- Growth coalitions as the focus for the majority of local authorities that have corporate aims for regeneration

- Enabling the development of growth coalitions where local authorities score highly in their comprehensive performance assessments, possibly as a stimulus to improve regeneration practice nationally

Labour's policy document, *A future fair for all*, launched last November, is the first serious and honest attempt by the government to identify difficulties with the current operation and practice of neighbourhood renewal and float possible treatments.

It addresses concerns about the wide range of central and local initiatives and funding streams; relationships between different parts of the local community; and spreading good practice.

The second half of the penultimate paragraph, on page 24 of the prospectus (www.bigconversation.org.uk/fileadmin/template/labour/big_conversation/big_c_final.pdf), leads into growth coalitions' territory: 'We must continue to get people working together to find local solutions that connect our policies on housing, transport, regeneration, planning, job creation, crime prevention and improving the local environment.'

The last question on the page sums it all up and draws from the *New Start* article and the issues raised in discussions: 'Can we streamline regeneration funds and cut unnecessary bureaucracy – for example by putting them under the control of the high performing local authorities or local neighbourhood councils?'

A future fair for all reflects much of the work done on growth coalitions to date – including the need to improve practice nationally and enable high performing local authorities to lead by example.

Adam Fineberg is a regeneration consultant. He can be contacted via www.fineberg.demon.co.uk, where further information on growth coalitions (including the previous *New Start* article) can be found.