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11 May 2018

e-mail response sent to: seneddfinance@assembly.wales

Dear Sir/Madam,

## Response to: Inquiry into preparations for replacing EU funding for Wales

The Royal Town Planning Institute (RTPI) is the largest professional institute for planners in Europe, representing some 25,000 spatial planners. RTPI Cymru represents the RTPI in Wales, with 1,100 members. The Institute seeks to advance the science and art of spatial planning for the benefit of the public. 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 response has been formed drawing on the expertise of the RTPI Cymru Policy and Research Forum which includes a cross section of planning practitioners from the private and public sectors and academia from across Wales.

Thank you for the opportunity to contribute our views to the above Inquiry.

EU Structural Funds have brought many benefits to Wales since the 1980s. The highest level of funding allocated through the Conversion Programmes have been received since 2000. The need for this level of funding, based on the deprivation and economic performance of many parts of Wales, still exists.

The principles used since the 1980s for the Structural Funds remain valid and are a good basis for considering the future organisation of replacement funds after the UK leaves the EU, namely: programming, concentration, additionality and partnership.

Our response focuses on those Funds directed at regional development, which is spatial.

RTPI Cymru regards regeneration as a holistic process which aims to reverse the economic, social and physical decline of places where market forces alone will not suffice. We believe that the spatial planning system should be placed at the heart of regeneration. Effective regeneration requires active and meaningful long term community engagement and involvement, as well as changes to the physical environment. This should provide the framework for the investment of any resources to support spatial inequalities resulting in poverty.

<u>Programming</u> enables long term programmes to be developed which align and support other national programmes to provide continuity and complementarity. These national strategies would include Prosperity for All, the developing National Development Framework, as well as strategic sub-regional plans, such as the Ministerial Taskforce for the South Wales Valleys Our Valleys, Our Future. It is important for strategies to be working together and complementary.

Hard decisions need to be made on the choices of how and where to spend funding to enable it to make a genuine long-term difference. One such principle could be on providing local investment, which ensures any spend is retained in the local economy / community, for example.

<u>Concentration</u> of funding spatially enables targeting and concentration of effort. The EU Structural Funds have been criticised for the lack of flexibility of the spend and this may be an area which could be relaxed slightly, to enable more spend to be undertaken in areas which do not require targeting, but which provide direct benefits for the target area.

There is the opportunity to review the spatial concentration to reflect where poverty and inequality exists and not to be constrained by the NUTS 2 areas.

Additionality will be a more difficult principle to prove and retain for the future. It is nonetheless important. Currently this means that "EU Structural Funds may not replace the national or equivalent expenditure by a Member State". This will be increasingly difficult to demonstrate after the UK leaves the EU, as the funding will be from UK budgets. It will be essential to agree the level of funding to replace the funds Wales currently receives in respect of its low GDP levels.

However, there is an opportunity to be more flexible on the types of activity which could be supported, such as aspects of housing.

<u>Partnership</u> has become a more mainstreamed activity in regeneration and community development. It should remain an integral part of the development of the programmes and their application, monitoring and review.

If you require further assistance, please contact RTPI Cymru on 029 2047 3923 or e-mail Roisin Willmott at walespolicy@rtpi.org.uk

Yours sincerely,

Dr Roisin Willmott obe frtpi

Director RTPI Cymru