

Department for Business, Energy and Industrial Strategy:

Written submission on economic recovery from COVID-19

The Royal Institute of British Architects champions better buildings, stronger communities and higher environmental standards through the practice of architecture and our 40,000 members. We provide the standards, training, support and recognition that put our members –in the UK and overseas –at the peak of their profession. With government and our partners, we work to improve the design quality of public buildings, new homes and new communities.

The Royal Institute of British Architects (RIBA) welcomes the opportunity to help shape the Government's response to rebuilding the UK's economy post COVID-19.

This submission will focus on increasing opportunity: how to level up economic performance across the UK.

To ensure that opportunities are increasing and how economic performance can be "levelled up" across the UK, the RIBA suggest:

- A more decentralised approach to decision making;
- A focus on procuring projects in a way that focuses on quality and long-term value rather than just minimising costs today; and
- Ensuring that Mayor-led Combined Authorities have adequate resources and decision-making capabilities.

1. What are the key barriers to private sector investment and growth in the regions?

Considering how business and Government can work to address these – transport infrastructure outside of London and the South East is a significant constraint on growth. In addition to investment in capacity, the Government needs to rethink how it links investment in infrastructure to housing development. In many parts of the country, poor transport makes investment unattractive and reduces employment.

2. How can Government and businesses work together to identify meaningful opportunities to invest across the whole of the UK, including in the Midlands, the North and the Devolved Nations?

A more decentralised approach to decision making would be welcome – at present even in areas with significant devolution, decision making on issues including transport and planning are taken at an inappropriately high level.

The RIBA's 2018 report *Joining the dots: A new approach to tackling the UK's infrastructure challenges* drew on interviews and roundtables with decision-makers in delivery of infrastructure projects and found that there were a number of challenges to a joined-up approach. These include: public and private organisations working to different time horizons, cultural differences between institutions, and political pressures leading to a change of priorities for public bodies.¹ To ameliorate these concerns, the RIBA recommends that public bodies across appropriate market areas should be required to agree a statement of common ground in relation to infrastructure before funding is made available.

3. What could be the single most meaningful priority for business and Government to work towards in order to level up?

Productivity and quality in the construction sector remain very low across the UK. Outside of London, the lack of public sector investment has meant that innovation and the adoption of new approaches has generally been slower to materialise. This has meant that the quality of new homes, offices and infrastructure is often far lower than in London and the South East because of the lack of public sector investment to raise the bar. If the Government wants to address these issues it needs to both increase the level of investment and push local government to procure projects in a way that focuses on quality and long-term value rather than just minimising costs today.

4. How can government strengthen the support provided by publicly-funded economic development institutions?

Mayor-led Combined Authorities have been positive developments – however, the lack of resources and the inability to raise new ones puts significant barriers in the way of investment. The RIBA wants to see Combined Authorities have the ability to deliver funding and make decisions that are right for their own ambitions, and recommend that there should be greater flexibility in the co-ordination of housing funding stream, council tax flexibility on empty sites and empty homes combined with a move towards greater fiscal devolution.²

¹ RIBA, *Joining the Dots*, <https://www.architecture.com/-/media/GatherContent/Joining-the-dots/Additional-Documents/JoiningtheDotsSummaryRIBAreportoninfrastructurepdf.pdf>

² Institute for Public Policy Research North, *Closer to Home*, <https://www.architecture.com/-/media/GatherContent/Closer-to-Home/Additional-Documents/DevohousingtextcvrWEB161025pdf.pdf>