



# Spatial Economics Research Centre

Friday, 19 October 2012

## Regional Growth Fund (Round III)

I am in the US, so haven't had much time to read the details on which projects will get the next lot of RGF money. On a first pass, I think my more detailed analysis of [RGF round 2](#) remains valid:

- If £1bn of RGF really [safeguards or creates 240,000](#) it is an incredibly effective scheme;
- That's a very big 'if'. Incomplete monitoring will mean that it is highly likely much of the 'leveraged' private sector funds ('£6 for every £1 of public money') would have been spent anyhow. This is especially the case with money given to larger firms;
- If *all* of government truly believed these numbers you might expect to see a lot more spending on RGF.

In short, I remain to be convinced that these numbers stack up.

[NB: interesting to see so £358m going to Local Authorities or Enterprise Partnerships this time round. If I remember correctly, in my submission to the original RGF consultation I argued that roughly a third of the money should be allocated to LEPS. Third time lucky.]

Posted by [Prof Henry G. Overman](#) on [Friday, October 19, 2012](#)

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