

Rt. Hon. Sadiq Khan MP
Minister of State for Transport
Department for Transport
Great Minister House
76 Marsham Street
London SW1P 4DR

30 March 2010

Dear Sadiq,

Capital investment in Growth Areas and Urban Challenge Fund proposals.

In response to your recent announcement on proposals for a new Urban Challenge Fund, I am writing to request that the criteria ensure that Growth Areas are eligible to apply for the funding.

Investment in transport infrastructure is critical to the success of the growth areas and the delivery of new housing. Growth areas are already suffering from a dramatic decrease in land values as a result of the economic downturn and the collapse of the house building industry. In addition, capital funding designated for the growth areas has already been cut when Government redirected £130m funding from growth areas to support the national housing fund announced in Building Britain's Future. Councils in growth areas are also seriously concerned that they will see further reductions in capital funding they receive through the Community Infrastructure Fund in order to fund new initiatives such as the Urban Challenge Fund.

Taken together, this reduction in capital investment threatens to leave the growth areas with severe infrastructure deficits and unable to deliver the infrastructure projects needed to support wider growth. Without adequate capital investment, Government is in danger of promoting housing growth without adequate transport links, employment opportunities and social infrastructure needed to support successful communities.

I am writing therefore to ask you to ensure that the growth areas are eligible to submit bids for funding through the Urban Challenge Fund.

Yours sincerely,



Cllr David Sparks
Chair, Regeneration and Transport Board

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