Local Government and Regeneration Committee
Regeneration Inquiry
Submission from North Lanarkshire Council

Strategy and Policy Issues

1. How can the linkage between the various strategies and policies related to regeneration be improved?

Creating a forum to share best practice and knowledge of regeneration would be an improvement to the link between strategies and regeneration projects and outcomes. There isn’t really a formal forum for this at the moment: SURF seems to have a stronger focus on communities while others are perhaps too narrowly focused.

Whenever a new strategy is produced that is linked to regeneration, it should present its own position with regard to the current policy context and how it complements or is influenced by other strategies and policies.

2. Can physical, social and economic regeneration really be separate entities? The Committee would find it useful to hear about projects distinctly focussed on one or more aspects, and the direct and indirect outcomes of such activity.

Physical, social and economic regeneration projects can indeed be separate entities. There may be an entirely physical regeneration project that is distinct and does not have links to social and economic benefits, for a variety of reasons.

However, it should be the case that, wherever possible, linkages are created between each entity. For example, creating community benefit clauses in physical regeneration projects can lead to a social and economic benefit and outcomes. North Lanarkshire Council is adding such clauses to its housebuilding programme, requiring contractors to employ local unemployed residents.

3. Are we achieving the best value from investment in this area? If not, how could funding achieve the maximum impact? Could the funding available be used in different ways to support regeneration?

In some areas, regeneration is still being delivered in isolation resulting in the few links to social, economic and environmental issues. Better joint planning based on SOA outcomes and working back through community planning structures to delivery would ensure that delivery is focussed on outcomes.

The rules around funding can be cumbersome. Generally there is a need for broader focus for funding across regeneration focussing on outcomes identified in the SOA. Other funding solutions would be around how CPP budgets for a particular place could be worked out – ‘A budget for Motherwell’ for example.
Funding also needs to be long term. Short timescale / one-off funding initiatives can have impacts, but providing longer term investments is likely to see greater impact as it will ensure continuity a more focussed and longer term approach to achieving change.

Investment should be focussed on good projects that are likely to deliver value for money and are local strategic priorities, regardless of the way in which it is delivered. For example, a good project that isn’t delivered by a URC should still be funded and supported even though it isn’t URC delivered.

**Partnership Working**

4. **What delivery mechanisms, co-ordination of, and information on the funding that supports regeneration are required, to facilitate access by all sections of the community?**

Different partners will have different agendas and timescales for funding regeneration activity, so coordinating funding streams can be complex. However, in order to make this possible, funding should be mainstreamed and criteria should be aligned with budgets and funding sources.

To improve coordination and clarify the process for communities, partnership budgets need to be more joined up and transparent. If all partners had to dedicate a portion of their budget for regeneration into a collective pool, then investments would be more coordinated and effective.

There are some funding mechanisms that should sit outside this, such as SPRUCE and JESSICA, which are complex and involves private equity. This would often be beyond the expertise of community groups.

5. **Should funding be focussed on start up or running costs? What is the correct balance between revenue and capital funding? Please indicate reasons for your views**

What is important is that there is robust monitoring and evaluation (including pre-programme appraisal based on evidence) processes in place to ensure that revenue projects will achieve outcomes and that capital projects are both viable and sustainable.

The correct balance between capital and revenue has to be project specific. Revenue should be related to the essential running costs with a clear business plan of how projects will generate future funding and income generation as appropriate. Otherwise, there will always remain a grant dependency. There will be cases that will not be able to generate income and there needs to be a strong justification for ongoing public/grant support where this is the case with regular sustainability reviews built in to justify ongoing support requirements.

When there is funding for running costs, there should be a tapered lowering of the running costs to encourage projects to become sustainable and self-financing.

Fusion Assets is a special purpose vehicle that works with private sector partners to deliver property development and land reclamation projects in North Lanarkshire. The Fusion Assets model is one which focuses on capital spending and is managed
internally within the Council, with a Board that oversees operations. There is no office or salary costs, yet the model has developed a number of assets that generate income and allow the model to be viable and sustainable.

6. How can it be ensured that regeneration projects are sustainable in the long term?

By ensuring the balance between capital and revenue is right (making sure there’s enough revenue for future maintenance) and the focus is on outcomes not projects. Regeneration projects should have long term business and financial plans to demonstrate when they expect to be self-financing. Investing in profitable assets that helps with income generation will allow projects not to be dependent on grant financing or loans.

Practical Issues

7. What actions could the Scottish Governments forthcoming community capacity building programme include to best support communities to ‘do regeneration themselves’?

Strengthen the role of the community by helping communities identify needs in their area. Identifying and using community assets (people and buildings) effectively and enabling communities to participate fully in the community planning process.

8. What role should CPPs play in supporting the community in regenerating their communities?

Local authorities must recognise the value of the community-led approach and how it fits in with local democratic structures, recognising that some community groups may have differing or complementary views which must be valued and acknowledged.

One of the main barriers to community involvement in regeneration is a lack of knowledge of how to get involved. It is therefore important that community groups have effective contact with public sector partners, which can broaden their knowledge of regeneration priorities and issues. Providing community groups with examples of best practice in community-led regeneration, showing how other groups have been able to take forward local based regeneration projects by themselves is an important way of improving knowledge and skills.

Another barrier to community-led regeneration is having the assets to take projects forward. Community groups will often need advice and support in being able to unlock local resources, whether it is physical buildings or pots of funding to support and realises their aims and ambitions. Community asset transfer initiatives are therefore important vehicles for increasing understanding and awareness of the benefits and the risks in the transfer of assets from local authorities to community organisations. Support needs to be provided to local community groups who wish to take part in such initiatives, whether this is access to funding or advisory support, to ensure that they have the capacity to take on assets that previously belonged to local authorities.
Community need should be at the heart of planning and feel empowered – need to help communities understand their role and the process for engagement.

9. How can CPPs best empower local communities to deliver regeneration? Please provide any examples of best practice or limitations experienced that you think the Committee would find useful in its scrutiny.

Through effective use of partnership resources to support communities to decide how regeneration can be delivered in their area. An example would be Participatory Budgeting which is very effective as an engagement tool and directly involves local people in making decisions on the spending and priorities for a defined public budget in their area. This also promotes wellbeing, empowerment and a sense of ownership.

10. How can the outcomes of regeneration truly be captured and measured? What are the barriers to capturing outcomes and how should the success of regeneration investment be determined?

Indicators and milestones will give short term indications of progress but there is a need to start measuring the impact of regeneration over longer periods. Some of the key barriers include long term nature of some issues and the complex factors involved, for example, Health and Wellbeing trends. There is also a need for indicators included in SOA guidance to be more reflective of local circumstances – it is sometimes difficult to translate strategic objectives into a local perspective.