The Committee reports to the Parliament as follows—

OUR KEY MESSAGES

Introduction and Background

Our communities are at the heart of Scottish life, and healthy and vibrant communities are central to improving the lives of the people of Scotland. In early 2013 we began examining how national and local government, and the wider public sector, can work together more effectively to involve, regenerate and strengthen communities.

Our inquiry has a specific focus on the community angle of regeneration. We wanted to ascertain how regeneration activity is tackling and reducing poverty, decline and inequality of opportunity in areas of disadvantage and improving outcomes for communities.

The inquiry sought to identify and examine best practice and limitations in relation to the delivery of regeneration in Scotland. We saw the inquiry as a natural follow on from our work on public sector reform, to ascertain how central and local government was integrating regeneration work across its activities and the extent to which actions are being driven with the involvement of people.

Approach and Structure of the report

The inquiry was launched in Cumbernauld on 15 January 2013 during a fact finding visit and a call for evidence issued which ultimately received 80 submissions. Six formal evidence sessions were held. Five fact finding visits were undertaken, during each of which we visited local regeneration projects and spoke to members of the community in small round table groups.

In our report we detail numerous conclusions and recommendations. We hope all those involved in regeneration activity across Scotland will consider and take note of our findings.
Regeneration is not new, activity can be traced back to Roman times – usually initiated by the State or local landowners and generally “done to people”. Our overall conclusion is that regeneration must involve the people in the communities from design to delivery, our evidence shows regeneration can only be truly and long lastingly effective if “done by people”. We are clear that all partners are not placing enough emphasis on true community participation, particularly in the design stage; and must place the community at the heart of decision making and involve them throughout.

Our report is long and we hope extensive. It sets out a brief history of regeneration activity and also notes the wide range of funds available to support activity. The main part of the report is divided into 4 themes although we recognise there is a degree of overlap across them. The themes are—

- Strategy and Policy
- Partnership Working
- Practical issues
- EU Funding Issues

Each theme covers the key evidence we received before setting out its conclusions and recommendations. The following paragraphs summarise our main conclusions contained in the report divided into each of the themes.

**STRATEGY AND POLICY**

Regeneration is about people, and the Scottish Government’s regeneration strategy is aimed at reducing poverty, inequality, and decline with a clear focus on people in the most disadvantaged areas. But even in a booming economy, issues of deprivation and inequality have remained and reference needs to be made to the necessity of sustained social action.

We see regeneration not as a ‘strategy’ or policy as such, but more a vision-delivered through a focus of effort and strategic approach, across all public policy areas, to reduce deprivation, inequality and long term decline.

There are a number of ‘regeneration strategy specific’ activities outlined in the strategy, however, on their own they cannot achieve the vision the strategy sets out to achieve. The successful delivery of the regeneration strategy is completely dependent on implementation of Christie Commission principles and effective public services reform at a national and local level. Notably better partnerships and joined up working, a focus on prevention and reducing long term social and economic inequalities, alongside greater community participation in public service design and delivery.

Whilst the regeneration strategy focuses upon these principles, we believe the document has yet to provide any further ‘added value’ for partners at a strategic or local level, in linking the contribution of various cross cutting policies to the outcomes that demonstrate successful regeneration in Scotland i.e. reductions in deprivation and inequality. Neither does the strategy appear to provide leadership or guidance on how community empowerment and sustainable community-led
approaches could be built into all related mainstream Government policies. The strategy document simply lists contributing policies and states their importance to regeneration.

While we understand the document simply sets out the vision, we believe there is still progress to be made in embedding or ‘mainstreaming’ this community-led regeneration vision at both a national and local level.

Clearly regeneration is not a defined activity, there is not a ‘one size fits all’ approach to tackling deprivation and inequality. The regeneration strategy states it provides a ‘flexible framework’ for regeneration, and places the emphasis on local partners to determine and deliver the most appropriate models of co-operation and collaboration in regeneration. However we are not convinced strategic co-ordination to embed this vision, across Scottish Government policy and guidance, has yet been fully established.

The strategy rightly states there needs to be a strong focus on community led regeneration and community participation. We are clear that communities do not yet feel that they are being placed at the heart of decision making, or that they are involved in the process timeously. Many of the decisions about how and what to do to ‘support the delivery of regeneration’ are best made locally, by those most closely engaged with their communities.

For regeneration to be truly community led, particularly when it is being delivered by mainstream budgets of local authorities and other partners, communities need to be able to actively contribute to the decision making process on public services at an early stage. It is clear all partners are not yet placing enough emphasis on true community participation in their approaches to regeneration, or are doing so too late in their decision making process. We heard the same message during our public services reform inquiry.

True community ownership and participation in public service delivery and regeneration activity rely heavily on building community capacity, through sharing of assets, best practice, good ideas, knowledge, information and expertise, as well as sufficient resources. That is effective partnership working across all relevant stakeholders, with communities playing a pivotal role.

However, nobody seems responsible for general oversight and co-ordination of activity, sharing of best practice and determination of impact across Scotland. A central strategic overview and leadership needs to be provided to all local authorities and Community Planning Partnerships (CPPs), to further support joined up, integrated approaches, and to ensure community ownership and participation is at the heart of local policy, so that opportunities are grasped and long term change is delivered.

Due to the complex, holistic nature of delivering regeneration, the funding landscape is also unclear to many stakeholders. Changes to small scale Scottish Government funded initiatives are not helpful and an improvement in linkages between funding of economic, physical and community/social activities that together deliver regeneration in Scotland would be beneficial.
Community planning is key to local alignment and delivery of the national regeneration vision, and to local implementation of public services reform. We believe the National Community Planning Group (NCPG) should play a significant leadership role in ensuring that the vision of the regeneration strategy is delivered across Scotland, that associated outcomes are embedded into mainstream local delivery and to further develop a joined up approach while overseeing implementation of the strategy's vision.

We welcome the introduction of the Scottish Governments People and Communities Fund (PCF), as a signal of a greater focus of resource on community led regeneration but believe that oversubscription of the fund within three months is both a sign of its success and a potential opportunity lost. It is clear that more revenue funding is required.

PARTNERSHIP WORKING

In our view any organisation that works in and with the community should be considered as an ‘anchor’.

Housing associations have substantial capital and revenue resources together with a large workforce and are responsible for large areas situated within regeneration areas. Evidence indicated they carry out some valuable roles, particularly around people rather than property. Housing associations have an appetite for more activity of this nature.

We believe the role of the private sector is fully embedded in approaches to physical and economic development, and we heard some very good examples of communities working with private companies, to mutual benefit. However, we believe the opportunities available from the linkage of the private sector to community/social development are yet to be fully realised. This is in part due to the missing strategic connections between the three aspects of delivering a truly holistic approach to regeneration: physical, economic and community/social development.

We were impressed by the evidence on the benefits dedicated community officers bring and we are convinced of the dual benefits that can accrue from secondments to support community groups. The long term benefits of what is a short to medium term intervention cannot be overstated.

Not only does this support communities in accessing public funds, but this type of activity, when concentrated on transferring knowledge and building communication between communities and those involved in strategic community planning, will further strengthen the linkage between local and strategic community planning/development. It will enable and empower communities to participate independently. This we see as a perfect example of preventative action.

Buildings for the use of community groups are in short supply but all communities have schools. They are an under-used asset and there is merit in considering a strategic approach to maximising the use of school assets. We heard many good examples of local authorities improving community access to public assets, but
more could be done, across all partners, to maximise use of existing public assets, be it through community ownership, lease or discounted cost.

PRACTICAL ISSUES

We received much evidence of successful, often very successful, projects run by community groups but no real strategic approach to sharing best practice on community led regeneration. We are unconvinced that the Regeneration high level working group is working effectively nor duplicating the role of the NCPG. We make various recommendations about a role for the NCPG.

We recognise the direct support and resource needed to build community capacity, particularly in communities facing poverty, inequality and deprivation. Direct support is a hugely beneficial preventative action and any strengthening of financial support for community capacity building is welcome.

Community capacity building is a concept yet to be ‘mainstreamed’ throughout delivery of public policy. This needs to be done in order to truly empower the community to participate in decision making processes and deliver across economic, physical and community/social activity, supporting the public services reform agenda and to deliver a more sustainable model of regeneration.

CPPs are the main vehicle for delivering regeneration and significant moves are being made by public partners to deliver the public services reform required for sustainable positive outcomes for all. There is need for further improvement in CPP performance and this improvement can be supported by a stronger legislative framework for all CPP partners.

If regeneration is to be community led then local authorities, CPPs and others need to give their confidence and resources to community groups, support risk taking and accept its sometimes concomitant failure.

All partners in regeneration are interested not only in financial activity but in wider economic and social benefit. Evidence indicates that although figures purporting to represent this were widely presented there are no established standards of collection, analysis and presentation as there are with financial accounts. It is not good enough for the measurement of outcomes to be haphazard. Nor should measurement be inconsistent if progress is to be measured and councils (and CPPs) are to learn from each other.

The Scottish Government’s regeneration outcomes framework is welcome as are the monitoring arrangements. We are not convinced that the framework is fully embedded at a local level.

Regeneration delivered by CPPs is demonstrated through single outcome agreements (SOAs) and evidence indicated there could be measurable and damaging disparities in the delivery of local government services to communities in disadvantaged areas. As it is a community led regeneration strategy, more should be done to link the Scottish Government outcomes framework to SOAs, to build a wider understanding and clearer linkage of how different mainstream
activities contribute to the national regeneration outcomes of reducing inequality, deprivation and poverty across Scotland.

Regardless of what public partners might suggest, the message at community level is that they don’t feel truly part of the decision making process, and that regeneration is ‘done to them’. Communities must be given opportunities and crucially feel fully involved at all aspects of regeneration activity from initial ideas, identification of priorities and projects, through to implementation and completion. They must feel they have a voice which is listened to at all times.

As part of their statutory duties CPPs should demonstrate the amount of community participation and engagement taking place and what the impact has been. There should be a specific responsibility placed on CPPs to co-ordinate their resources in support of community-led regeneration.

EU FUNDING ISSUES

Given the difficulty of obtaining European funding, steps should be taken to identify and implement intermediary activity to aid delivery of European funds to community groups.

Difficulties in respect of the state aid regulations in some cases lead to the abandonment of schemes. The approach to date has been overly risk adverse, much driven by a ‘safety first’ approach for supporting organisations. There is a need for robust advice indicating regulations are not aimed at community-led regeneration. The opportunity should be taken to develop a comprehensive and coordinated response to the difficulties experienced in the regeneration sector by the state aid rules regime.