

The Local Government and Housing Committee Review of Community Regeneration

Emerging Issues

The Local Government and Housing Committee Review of Community Regeneration has to date considered a wide range of written and oral evidence from a diverse body of individuals and organisations. From the receipt of written submissions from Assembly Sponsored Bodies (ASPB) and regeneration organisations followed by a programme of oral presentations and a series of visits to regeneration projects in South, North and West Wales the Committee has assembled a considerable body of evidence to inform the review process.

Despite the diversity of organisations presenting evidence there is a clear consensus on several key issues:

- The level of deprivation and poverty in Welsh communities requires a concerted effort from all agencies in Wales
- Unanimous support for the social inclusion objectives of the Better Wales document
- Agreement that community involvement is the key to successful eradication of poverty and social exclusion
- Acceptance of the lead role that the Welsh Assembly Government has taken and support for its central policy of Communities First.

Outside of this consensus there are different ideas of approach, best practice and discussion over the detail of implementing programmes such as Communities First. However, given the diversity of organisations engaged in the regeneration process and the different sectoral traditions this involves, there is a genuine shared set of values and objectives. The Welsh Assembly Government consequently enjoys a very favourable climate for the further development of its regeneration policy and the review offers an additional opportunity to be informed by practitioners and community organisations about current issues and problems. The consensus also extends to agreement over key issues in the regeneration process and there has been a high degree of consistency in the written and oral presentations received. Visits to projects also demonstrate that those working on the ground face many similar problems irrespective of the location and specific nature of the work undertaken.

This common ground enables the identification of a number of core emerging issues, which are of concern to all agencies engaged in community regeneration in Wales. Additionally, it

enables the identification of some recommended actions on the part of the Welsh Assembly Government. In the following pages these concerns are outlined and a number of options for recommendation for Assembly action are presented for consideration.

1. GENERAL ISSUES

The consensus around key issues in community regeneration in Wales is noteworthy and as suggested above there appears to be willingness by the majority of regeneration agencies to fully support the objectives of Better Wales and Communities First as a means to achieve them. The Committee may wish to endorse this consensus and express its general support for the aims and directions of current community regeneration policy. Several options are presented to promote discussion.

Option 1

The Local Government and Housing Committee identifies and supports the consensus in Wales for the social inclusion objectives of Better Wales and endorses Communities First as a means of achieving them.

Option 2

The Local Government and Housing Committee identifies and supports the consensus in Wales for the social inclusion objectives of Better Wales and endorses Communities First as a means of achieving them. It recognises the value of the Communities First approach and asks the Welsh Assembly Government to encourage its application in all communities in Wales.

Option 3

The Local Government and Housing Committee identifies and supports the consensus in Wales for the social inclusion objectives of Better Wales and endorses Communities First as a means of achieving them. It recognises the value of partnership and community involvement and asks the Welsh Assembly Government to promote it in all policies which impact on community regeneration.

2. FUNDING

Problems associated with funding have emerged from almost every source of evidence that has been placed before the Committee. International evidence suggests that funding has conventionally been the major difficulty facing community regeneration and Wales is no exception to this process. We can identify several major improvements in the funding climate in recent years. Improvements include:

- Availability of Lottery and Millennium Commission funding
- Development of Assembly funding streams such as People in Communities and Sustainable Communities
- The Communities First programme with its commitment to long-term funding
- The Objective One programme

However, all organisations reporting to the Committee identify continuing difficulties in maintaining funding. Common concerns break down into a number of key issues:

a. **Complexity of funding programmes**

All of the projects visited spoke of the ‘constant struggle’ they were engaged in to secure funding. All had complex portfolios of funding that drew on diverse sources. This created large administrative loads and ensured that staff time and effort was constantly engaged in maintaining funding streams. Programmes were seen as complex and difficult to understand with complicated application procedures, a diverse range of deadlines and eligibility criteria. Organisations felt it was difficult for them to know about all the funding opportunities and what they needed to do to qualify. There was clear support for a streamlining and consolidation of the various funding streams into a clearer and co-ordinate programme of funding. Whilst Communities First contributes to this process there remains a large number of funding streams which have affect on community regeneration and which have complex and varied qualification criteria, application procedures and spending eligibility. Many of these funding streams are operated by Assembly Sponsored Bodies and agencies over which the Welsh Assembly Government has no control. Several options are presented here which address this situation to a varying extent:

Option 1

That the Welsh Assembly Government publishes an annual digest and calendar of funding streams with associated dates and deadlines.

Option 2

That the Welsh Assembly Government engages in a major exercise to consolidate and unify the funding streams it operates and those operated by Assembly Sponsored Public Bodies

Option 3

That the Welsh Assembly Government accepts a permanent co-ordinating role to develop harmonisation and integration of community regeneration funding throughout Wales. It should create a forum in which it, its Sponsored Bodies and other funding agencies in Wales (Eg Lotteries Commission), develop a funding regime which is co-ordinated in its objectives, methodology and timescales.

b) Bureaucracy associated with funding

In addition to this complicated funding structure evidence has been presented which points to a high degree of bureaucratic procedure experienced by funding applicants. Several key problems emerge:

- Short notice of funding opportunities with tight deadlines for submission
- Long delays in approving or judging bids
- Detailed evidence required for minor expenditure
- Delays in paying grants and awards
- Excessive requirements for business plans and audited accounts for minor grant aid

Whilst some of these problems arise from audit and accountability procedures there is a perception that many such procedures exist from habit and tradition and that reform is possible. Removal of such barriers will promote regeneration and facilitate community participation. Currently many community organisations feel prevented from seeking funding by the bureaucratic requirement of funding systems. Again Objective One procedures were the most commonly cited examples, although many of the issues identified are a product of European Union ERDF and ESF procedural requirements. On a more positive note organisations reported that the Communities First procedures were more responsive and less bureaucratic and operated shorter decision times.

Option 1

That decision dates are determined early and published in programme documents and that the dates are adhered to unless good cause exists for delay.

Option 2

That response times to bids are kept reasonable and in most instances are within six

weeks of submission deadlines

Option 2

That the Welsh Assembly Government reviews and streamlines all its funding procedures to remove unnecessary bureaucracy and that it encourages similar exercises in other major funding agencies in Wales.

c) The Core Funding Issue

By far the most critical concern expressed over funding was the difficulties experienced by all organisations in securing core funding. The distinction between core funding and project funding is critical in community regeneration. Project funding is generally available from a wide range of sources and can be used to fund specific actions that are project based. However, such funding is hypothecated and cannot be allocated to core organisational costs. In contrast, few funding sources provide core funding and many community regeneration organisations find it difficult to maintain core administrative staff and premises. Several organisations have pointed to their service delivery role which ensures that they will always be dependent on funding to fulfil their role. The absence of accessible core funding ensures major organisational difficulties. These include:

- Barriers to strategic development in the absence of long-term financial stability
- Difficulties in retaining staff who are on short term contracts, often only secured for one year in advance
- Frequent emergence of 'funding gaps' which plunge organisations into crisis. This often entails staff foregoing salaries, curtailment of activities and temporary closure of premises.

These issues exist despite highly skilled management of resources by community organisations and represent a structural problem that requires high level intervention. The existence of a major role for the Welsh Assembly Government is clear here. In simple terms many of the community organisations are meeting needs in the community, which are not being met by mainstream services. Currently the action of community based organisations is supporting both National Assembly objectives and local authority provision. Without this service provision the plight of the most disadvantaged communities would be critical. Recognition of this by the development of a stable funding regime would represent a significant underpinning of community regeneration in Wales. Options include:

Option 1

That the Welsh Assembly Government urgently develops a funding stream which enables core funding of established community regeneration projects and organisations.

Option 2

That the Welsh Assembly Government urgently develops a funding stream which enables core funding of established community regeneration projects and organisations. The Welsh Assembly Government should consult widely with the sector to determine allocation methods, qualification criteria and administrative procedures.

d) The scale of Funding for Community Regeneration

Organisations giving evidence have questioned the sufficiency of the funding available for community regeneration in Wales. Whilst welcoming the Communities First programme there was a view that this was not adequately funded for the enormity of the regeneration task in Wales. There was also a view that concentration of scarce resources in the most deprived communities left other communities, with only slightly lower levels of disadvantage, without support. Comparisons were made with funding opportunities in England where there is anecdotal evidence that funding levels are higher. Direct comparison is difficult with so many variations in the approach in England and in Wales. However, there is a general impression, with considerable currency in the regeneration sector, that combined budgets in England have funded some city based local authorities at greater levels than for the whole of Wales. Confirmation of this view requires further research. The Committee may wish to consider whether a direct comparison should be made and to request that appropriate research is conducted to clarify funding comparability with England.

Option 1

That the Welsh Assembly Government compares funding of community regeneration with levels of funding in England to ensure parity.

Option 2

That the Welsh Assembly Government compares funding of community regeneration with levels of funding in England and reviews the Communities First budget at an early opportunity to ensure that funding levels are sufficient to promote an active programme of community regeneration in Wales.

3. CAPACITY DEVELOPMENT

Increasingly, social policy is attempting to involve stakeholders in the design and delivery of programmes, especially in policies to promote social inclusion. Such actions require a high degree of community involvement and the exercise of skills and professional standards of operation by ordinary community members. There is a consensus in community development literature that such participation is essential to effective community regeneration but also a recognition that it is difficult to promote and develop. Raising community capacity to participate requires long-term strategies and programmes of communal and personal development. The issue of capacity development has been well-explored in Welsh Assembly Government initiatives, especially Communities First. This is recognised in the Communities First requirement that Communities First partnerships develop a Capacity Development Plan alongside the Community Action Plan. Many organisations presenting evidence have expressed concern about the readiness of communities to take on a major role in regeneration, especially in areas where there is little or no history of 'grass-roots' community action.

Concern has also been expressed about the organisational capacity of key public agencies to work in community sensitive ways within the community regeneration framework which has emerged in recent years. New roles and administrative functions are developing for local authorities, health authorities and other public sector organisation. Training of staff has lagged behind such developments and many public sector workers find themselves working for the first time in community settings. Their capacity to work sensitively in such contexts requires a similar process of capacity development that community members require. There are examples of best practice in this field. For example Swansea City and County Council initiated a training scheme for all its Housing Management team to promote more community-based ways of working. Referred to as The Knowledge this programme sought to re-orientate housing services to the needs of the tenant. Although presented as options here the measures proposed would collectively build a capacity development strategy for Wales and are not mutually exclusive. Considerable advantage could accrue from their joint implementation.

Option 1

That the Committee commends the Assembly on its development of support structures for community capacity associated with the Communities First programme and recommends it takes all opportunities in delivering Community Action Plans and Capacity Development Plans to ensure that community capacity it developed and enhanced.

Option 2

That the Welsh Assembly Government works with all relevant agencies to promote high standards of community based practice in the delivery of public services in Wales.

Option 3

That the Welsh Assembly Government hosts a forum in which all relevant partners and agencies develop a National Plan for Community Regeneration Capacity. The Forum would include WLGA, WCVA, Communities First Support Network, ELWa, WDA, FE Colleges, Universities and a range of community based organisations.

4. SHORTAGE OF COMMUNITY REGENERATION STAFF

A large number of organisations presenting evidence have expressed concern about a failing supply of qualified and experienced community regeneration workers to meet the demands of new initiatives such as Communities First. Many reported difficulties recruiting appropriate staff, a situation now made worse by the large numbers of positions created by Local Authority Communities First Teams. Independent projects felt that they were losing staff to the higher wages, longer-term contracts and better career structures offered by local authorities. Agencies were also concerned that entrants from other areas of public service did not possess the required skills and working practices of the community regeneration approach. College and University course in Wales could not currently offer a short-term response to these difficulties as inevitably professional qualifications took several years to complete.

Option 1

That the Welsh Assembly Government work with FE, HE, ELWa, the Consortium for Community Regeneration Training and community organisations to map current provision, develop innovative short courses and work-place learning to promote rapid skilling of new entrants to the sector.

Option 2

That the Welsh Assembly Government underpins this process with a bursary scheme to encourage new entrants to training programmes. This should be designed to enable community volunteers to move into paid learning in their own communities.

5. RELATIONSHIPS WITH STATUTORY SECTOR PARTNERS

There is a growing concern to ensure that community participation in regeneration partnerships is comprehensive and empowering and that it is not marred by tokenism and 'phoney' participation. The evidence presented to the Committee has described a mixed picture and visits to community projects have identified both good and bad practice. Relationships with key statutory bodies such as local authorities, housing agencies, health authorities and police authorities in general appear to be improving and many such bodies are committing fully to the principles of community based regeneration.

There were a number of examples where this was not the case and key agencies such as a specific local authority appeared to be unsympathetic and obstructive to the achievement of community determined objectives. Examples were provided of difficulties with local elected members and officers. Such difficulties are reported widely throughout the sector and are in part the product of rapid changes in the ways in which statutory bodies are expected to work with their clients. In contrast there were examples of best practice of international standing where statutory bodies were providing community leadership, professional skills and resources to ensure that communities could achieve their objectives.

The Committee may wish to consider commenting on the role of statutory bodies in the community regeneration process. Clearly, as service providers they play a critical role in disadvantaged communities. One of the key components of community regeneration is the improvement of services experienced by socially excluded communities. Thus statutory agencies are critical members of community regeneration partnerships. Representations from the Fire Brigades in Wales provided ideal illustration of the benefits to be gained when a statutory agency works with communities for common goals. Both the community and the organisation benefits in improved performance and better outcomes. It is also clear that statutory agencies must recognise the role and contribution of the voluntary and community sectors when working in partnership. Communities First and similar initiatives depend for their success on harnessing the knowledge and commitment of community members.

Local authorities are a specific example where their level of engagement with the community will be a major factor in determining the success of community regeneration. The Committee may wish to consider the following roles which presentations have suggested can be adopted by local authorities:

Option 1

The Local Authority takes the lead role in regeneration, determining in consultation with the community appropriate measures and actions. It is funded directly by the Welsh Assembly Government to do so.

Option 2

That the local authority co-ordinates resources, acts as banker and manages community regeneration within in a partnership structure.

Option 3

That local authorities act as equal partners within a partnership structure. Funding is given to the partnership and controlled by partnership decisions which are binding on

all partners.

Communities First is attempting to promote movement from option 2 towards option 3 in the majority of partnerships it is funding. Clearly, in some localities there is development work required with local authorities and other statutory agencies to promote this participative mode of working. The Committee may wish to make some recommendations to develop this process and to ensure that best practice is shared and implemented throughout Wales. This will avoid a 'post-code' lottery in the experience of community participation in the community regeneration process. Currently, there are no mechanisms for monitoring the quality of working practices in regeneration partnerships in Wales.

Option 1

That the Welsh Assembly Government encourages the WLGA, Syniad, WCVA, Health Trusts, Police Authorities and Fire Authorities to develop models of best practice in community regeneration and to share and promote them throughout their sector.

Option 2

That the Welsh Assembly Government adopts a system of accreditation of community regeneration partnerships to ensure recognised best practice in community regeneration is uniformly experienced throughout Wales. The accreditation of Local Strategic Partnerships in the English Strategy for Neighbourhood Renewal could provide a developmental model.

6. RESOURCING COMMUNITY ENGAGEMENT BY THE STATUTORY SECTOR

If the advantages of working in community centred methods are well established it is also true that there are costs associated with community based practice. The Fire Services in presenting their models of community engagement were clear about the advantages but also about the costs. Money spent on community approaches is inevitably syphoned from core resources. This both detracts from core service provision but also puts barriers in the way of organisations developing community based approaches. Given that there are recognised advantages in most areas of service provision to be derived from community involvement, the Committee may wish to recommend that standard funding sources for statutory agencies include a hypothecated sum to develop community approaches. This may be additional to current levels of funding in recognition of the extra costs involved. If this was not the case a good argument can be made for the creation of savings in core service provision deriving from a community based approach. In the case of the Fire Service this may be in the form of reduced hoax and malicious calls and acts of arson. Options include:

Option 1

That the Committee recommends to the Welsh Assembly Government a hypothecated component of funding for 'community provision' by the statutory sector which will be derived from savings accruing from community based provision.

Option 2

That the Committee recommends to the Welsh Assembly Government a hypothecated component of funding for 'community provision' by the statutory sector which will be derived from an additional element of funding over and above past funding levels.

7. ADVANCING THE COMMUNITIES FIRST APPROACH

Representations have included the view that the approach adopted in Communities First localities is of benefit to all communities in Wales. It is recognised that resources had to be directed at the most deprived communities, however, it is also felt that the working practices of Communities First should be encouraged in all Welsh Communities. This was at times expressed as a concern about those communities, close to the levels of deprivation of the most deprived communities identified by Communities First, but lying outside the selection criteria. Some representatives felt that cut off points of this nature were too arbitrary and prejudiced against localities which were, by any normal standard, deprived. There was also a view that the partnership approach is universally beneficial and should be adopted even in what the WDA has termed 'communities of opportunity'. This would require some funding source to promote the development of all-Wales partnership working but clearly not to the levels required in the most deprived communities. Several options would meet some of these requests.

Option 1

That the Welsh Assembly Government considers ways to extend the principles of partnership and community participation which underpin Communities First to all communities in Wales

Option 2

That the Welsh Assembly Government establishes a funding stream to provide small scale seed-corn funding (circa £1,000 per community) to promote the development of the Community First approach in all communities in Wales. This might take the form of a community trust scheme which extends operation of the recently announced scheme outside of the Communities First areas.

Option 3

That the Welsh Assembly Government meets concern expressed about those deprived communities lying at the margin of Communities First qualification by establishing a funding stream to develop community regeneration approaches within a further 50 (25?) communities. This would make available small-scale (up to £5,000) funding for projects which applied best practice emerging from Communities First experience.

8. THE ROLE OF THE WELSH ASSEMBLY GOVERNMENT

Community regeneration has conventionally been seen as a 'bottom up' activity deriving from community based organisations. Recent social policy initiatives to promote community regeneration are innovative and present new challenges for government to work in partnership with a wide range of stakeholders. The Welsh Assembly Government has stated its partnership approach and Communities First brings it into partnership with all stakeholders in the regeneration process. The innovation of this approach means that all organisations are learning the process as it develops. The People in Communities Evaluation presents an ideal learning opportunity to inform the future development of Communities First and community regeneration in Wales. Additionally, effective evaluation of Communities First from inception onwards will be required to provide a constant fine-tuning of its operation to maintain its progress and effectiveness. Critical to this will be the development of Welsh Assembly Government expertise in this field in the same ways in which it houses expertise in education and in health services.

The Committee may wish to recommend that this be consciously developed by the Welsh Assembly Government to promote effective liaison and knowledgeable interaction with the practitioners in the field. Some organisations providing evidence expressed frustration at seeing working relationships established over time being severed by internal staff movements within the civil service. They felt that there was an absence of expertise and a discontinuity of personnel dealing with critical funding schemes.

Option 1

That the Welsh Assembly Government promotes a body of community regeneration expertise 'in house' to establish effective working relationships with the community regeneration sector.

Option 2

That the Welsh Assembly Government develops a body of community regeneration expertise 'in house' to establish effective working relationships with the community regeneration sector. This may be created by recruitment of staff from the community regeneration sector, secondments, job shadowing and in house training of Assembly personnel.

In addition to this development of expertise the Welsh Assembly Government could play a major role in promoting and disseminating best practice in the field of community regeneration. Clearly, this role is partly fulfilled by its sponsorship of organisations to support Communities First. However, it also has a role in this area which may extend to monitoring or 'policing' performance of regeneration agencies. This compares with the notion of an 'inspectorate' in for examples the provision of social services. With major public spending allocated to this policy field and few accreditation procedures or quality controls in place there is potential for spectacular failure if organisations are not encouraged and/or coerced to follow accepted best practice. The Committee may wish to recommend the creation of an 'inspectorate' role within the Welsh Assembly Government.

Option 1

That the Welsh Assembly Government develops appropriate monitoring techniques to promote minimum standards of all agencies engaged in community regeneration.

That the Welsh Assembly Government develops monitoring and accreditation procedures to ensure adherence to a common code of best practice which will be developed in partnership with key regeneration organisations including Community Development Cymru, BASSAC, Community Development Foundation and other agencies with established experience in the field.

Summary

The discussion identifies the key issues raised by the review to date and draws on the full range of evidence which has been presented. The associated options are presented for consideration and discussion and are intended only as guidance to the kinds of responses which those presenting evidence have either proposed or have indicated would be helpful.