

The Local Government and Housing Committee Review of Community Regeneration

Foreword

In beginning its review the Local Government and Housing Committee was aware of the major contribution that community regeneration projects were making to improving the quality of life throughout Wales. In all its members' constituencies there were examples of community based projects which were making a real difference, often in very difficult circumstances. The Review of Community Regeneration was instigated to appraise the major factors affecting community regeneration in Wales and to assess the role of the Welsh Assembly Government in creating the most favourable conditions for this work to take place.

The Index of Multiple Deprivation has revealed the high levels of poverty and social disadvantage in Wales and its negative consequences for the well being of many individuals, families and communities. It also shows that this is not limited to the industrial areas of Wales but also affects rural communities throughout the nation.

Fortunately, I am also aware of the huge commitment and energy that many communities and organisations have developed in pursuing improvements in community life. The statutory sector, voluntary organisations and community members are engaged in many partnership projects across Wales that are providing services, facilities and activities at community level.

The recommendations contained in the review are drawn from a wide body of evidence assembled by the Committee and are presented to encourage the Welsh Assembly Government streamline and improve its own policies and those of its Sponsored Bodies. They are also intended to develop a supportive and facilitative environment for the many groups and agencies working in community regeneration. This work is often hard and difficult and the recommendations here are intended to remove as many barriers as possible to achieving that work. Implementation of the recommendations in this report will do much to support community regeneration in Wales.

In completing the review the Committee was constantly grateful for the presentations and evidence being received and I am sure that all Committee members would wish me to pass on their gratitude to all those who contributed.

Gwenda Thomas AM

Chair, Local Government and Housing Committee

Introduction

The Local Government and Housing Committee is one of the National Assembly for Wales' seven subject committees. Its remit is based on the portfolio of the Minister for Finance, Local Government and Communities, Edwina Hart, who is a member of the Committee. It covers Local Government policy and finance issues, housing, urban regeneration and crime reduction (but not the Minister's overall responsibility for Finance).

The committee's aim is to achieve a better quality of life for the people of Wales and to promote better, simpler government. Its objectives are:

- to help local people, particularly those living in disadvantaged areas to develop confident communities, with decent housing, good local facilities and high quality environment which is non-threatening and free from crime:
- to deliver value for money for the people of Wales, with better and more efficient services;
- to streamline the Assembly's work and give far greater weight to the needs and views of our partners and the public, including under-represented groups.

Committee Membership

The committee comprises the following members:

Gwenda Thomas (Chair) Neath

Peter Black South Wales West

William Graham South Wales East

Edwina Hart (Minister) Gower

Pauline Jarman South Wales Central

Peter Law Blaenau Gwent

Dai Lloyd South Wales West

Tom Middlehurst Alyn and Deeside

Janet Ryder North Wales

CHAPTER ONE: Background to the Review

1.1 Regrettably, many communities in Wales have experienced prolonged and extensive economic decline linked closely to the demise of the traditional industries of mining, steel production and heavy manufacturing. In recent years rural communities have experienced similar problems of economic hardship linked to a developing crisis in agriculture. Regardless of the location in Wales, the consequence of growing poverty and social disadvantage is a decline in the quality of life of many people who live in our communities. The economic hardship experienced is compounded by a wide range of disadvantages in health, education, transport and leisure that have become collectively known as social exclusion.

1.2 The National Assembly for Wales has addressed these problems facing Welsh communities and its Better Wales document outlines key objectives to promote social justice and social inclusion. Since devolution a wide range of policies have emerged which have a direct impact on the communities of Wales and which contribute to their economic, social and cultural regeneration. Community based regeneration has become a central policy theme in Wales. Key policies such as People in Communities, Sustainable Communities and Healthy Living Centres set the scene for the development of the Communities First Programme which adopts a community regeneration approach to tackling poverty and social disadvantage in the most deprived communities of Wales.

1.3 Against this background of increasing community regeneration activity in Wales the Local Government and Housing Committee Review of Community Regeneration was initiated to develop a full understanding of the contemporary issues affecting the application of National Assembly policies to the process of community regeneration.

The Terms of Reference of the Review

1.4 The terms of reference of the review were to consider:

- the policies and programmes aimed at community regeneration which have been adopted by the National Assembly and its sponsored bodies with a view to making recommendations for streamlining the existing programmes and improving the arrangements for delivery;
- the financing for those policies and programmes;
- the role of partnership in developing community regeneration;
- what further issues the committee should address on other aspects of the community regeneration agenda, taking into account of the work that has been undertaken for the Communities First programme

1.5 In addition, the review terms of reference document identified a range of issues which might be addressed in assembling detailed knowledge about the context of community regeneration in Wales. Full details of the Terms of Reference are provided in Annex One.

The Review Process

- In August 2001 the Committee issued an invitation to approximately 90 organisations to submit written evidence to the review. (Submissions listed in Annexe Two)
- In October 2001 the Committee appointed Professor David Adamson, Director of the Programme for Community Regeneration at the University of Glamorgan as an Expert Adviser to assist the Committee in considering written and oral evidence from relevant bodies.
- In November 2001 the Committee began to receive oral presentation from a wide range of agencies and organisation (Listed in Annexe Three)
- In January 2002 the Committee commenced a programme of visits to community regeneration projects (Listed in Annex Four)

These various sources of evidence have provided a significant information base from which the Committee has been able to identify a range of issues that currently affect the community regeneration process in Wales. This has led to the recommendations in this report, which were endorsed by the full Committee on 22nd May 2002.

CHAPTER TWO: Committees Consideration and Recommendation

2.1 In conducting the Review, Committee members have received evidence from a wide range of organisations engaged in community regeneration activity in Wales. The Committee has made a series of 18 Recommendations for consideration by the Minister of Local Government, Finance and Communities. These are summarised in table form in Annex Five.

2.2 Organisations who have contributed to the Committee's review have varied in size and responsibility from large national organisations such as the Welsh Local Government Association and The Wales Council for Voluntary Action to small local regeneration groups such as the Mount Community Resource Centre, Pembrokeshire. 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.

2.3 Outside of this consensus there are different ideas on approach, best practice and 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 appears to be 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. 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.

2.4 The consensus around key issues in community regeneration in Wales is noteworthy and as suggested, 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 wishes to endorse this consensus and expresses its support for the aims and directions of current community regeneration policy. The Committee is firm in its belief that any progress in regenerating communities can only be made if the communities themselves are totally involved and committed. The best results will be attained where the people in the community are empowered to effect improvements themselves.

***Recommendation 1:** That the Local Government and Housing Committee identifies and supports the consensus in Wales for the social inclusion objectives of Better Government and endorses the Community First scheme as a means of achieving them. It recognises the principles and values of partnership and community involvement and asks the Welsh Assembly Government to promote it in all policies that impact on community regeneration.*

FUNDING

2.5 A key aspect of the Terms of Reference of the review was to consider the financing of community regeneration. Early in the Review process it was evident that funding of community regeneration activity at all levels was of major concern to all those presenting evidence. Problems associated with funding have emerged from almost every source of opinion that has been placed before the Committee. International evidence also suggests that funding has conventionally been the major difficulty facing community regeneration and Wales is no exception to this process.

2.6 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

2.7 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 meant 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 (WLGA, WCVA, BITC). 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-ordinated programme of funding. Whilst Communities First contributes to such a process there remains a large number of funding streams which have effect on community regeneration and which have complex and varied qualification criteria, application procedures and spending eligibility. The Review identified over 60 funding streams operated by the Welsh Assembly Government which have an impact at community level. Additionally many funding streams are operated by Assembly Sponsored Bodies. It is also important to note that key funding streams are operated by agencies over which the Welsh Assembly Government has no control.

The information gathered has indicated there is a clear need to rationalise and simplify this complex funding environment and to ensure that attempts to secure funding are simplified and facilitated. Co-ordination and liaison between the Welsh Assembly Government, its sponsored bodies and key funding agencies such as the Lotteries Commission could do much to rationalise funding programmes and build common community regeneration objectives (BITC). This is a key area where a joined up approach could have considerable benefit. Community organisations such as The Mount Community Resource Centre, Antur Nantlle and Ebbw Fach Development Trust also felt that advance notification of funding availability and longer periods between notice of funding opportunities and application deadlines would do much to remove the pressure from the funding process. From consideration of the evidence the Committee has formulated three recommendations.

Recommendation 2: *That the Welsh Assembly Government publishes an annual digest and calendar of funding streams with associated dates and deadlines.*

Recommendation 3: *That the Welsh Assembly Government engages in a major exercise to consolidate and unify the funding streams it and Assembly Public Bodies (APBs) operate.*

Recommendation 4: *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 (e.g. National Lottery), 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 (WLGA, Mount Community Resource Centre, Antur Nantlle, Ebbw Fach Develop Trust). Several key problems emerge:

- Short notice of funding opportunities with tight deadlines for submission
- Long delays in approving or judging bids
- Detailed and extensive evidence required for even minor bids
- 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. Application procedures and the complexity of application forms were perceived as real barriers to making funding applications by the majority of projects visited by the Committee. Objective One procedures were the most commonly cited example. Many of the issues identified are a product of European Union ERDF and ESF procedural requirements but groups felt that there were local bureaucratic barriers to securing funding

On a more positive note organisations reported that the Communities First procedures were more responsive and less bureaucratic and operated shorter decision times. The Committee has two recommendations to make which, if acted on, would remove many of these problems from the community regeneration funding context.

Recommendation 5: *That the Welsh Assembly Government reviews and streamlines all its funding procedures to remove unnecessary bureaucracy and that it encourages similar exercises in other funding agencies in Wales.*

Recommendation 6: *That decision dates are determined early and published in programme documents and response times for bids are kept reasonable and in most cases are within six weeks of submission*

deadlines.

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 (Community Development Cymru, Community Enterprise Wales, Community Matters, Neath Port Talbot CVS). 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. Caia Park project at Wrexham was typical of the projects visited in its experience of core funding difficulties. One of its major concerns centred on the problem of key staff being employed on short-term contracts and the lack of organisational stability that this caused. Ebbw Fach Development Trust also pointed to the effects on staff morale in the final months of contracts as diminishing the effectiveness of projects. Several organisations pointed to their service delivery role, which ensures that they will always be dependent on funding to fulfil their role. They felt that projects supplying services to deprived communities should not be expected to achieve self-sustainability but should benefit from a permanent process of ‘investment’ in communities (WCVA). 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, loss of key trained personnel, curtailment of activities and temporary closure of premises.

These issues exist despite the suggestion of highly skilled management of resources by community organisations and represent a structural problem that requires high level intervention. There is a major role for the Welsh Assembly Government here. In simple terms, many of the community organisations are meeting need in the community which is 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. The Committee therefore makes the following recommendation:

Recommendation 7: *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 those groups involved in community regeneration to*

determine allocation methods, qualifying criteria and administrative procedures.

d) The scale of Funding for Community Regeneration

Organisations who have contributed to the Committee's review 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 (WLGA). 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. In considering these views the Committee felt that direct comparison with England had little value as the distinctive policy approaches render comparison difficult and unreliable. It was also felt that the key issue was to determine whether funding of community regeneration in Wales was sufficient for the task rather than equal to other parts of the UK. Consequently, the Committee makes the following recommendation:

Recommendation 8: *That the Welsh Assembly Government reviews the community regeneration budget at an early opportunity to ensure that funding levels are sufficient to promote an active programme of community regeneration in Wales.*

Collectively, these recommendations on funding address the major concerns evident in the submissions to the review. If implemented they would remove critical barriers to groups seeking funding and would reduce the complexity and bureaucracy of the experience.

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. ELWa was concerned to develop its

activities to recognise the learning opportunities that community activity presented and was devoting resources to 'learning through community'. The general concern (Community development Cymru, Community Enterprise Wales, Llandrillo and Rhyl College) was with the proliferation of policies in which community participation is a critical component and the corresponding need for significant underpinning by techniques to raise capacity within communities. These concerns have been noted by the Committee and it makes the following recommendation:

Recommendation 9: *That the National Assembly Government takes all opportunities in delivering Community Action Plans and Capacity Development Plans to ensure that community capacity is developed and enhanced*

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 organisations. 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. To promote organisational capacity in the practice of community regeneration the Committee makes two recommendations:

Recommendation 10: *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.*

Recommendation 11: *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.*

SHORTAGE OF COMMUNITY REGENERATION STAFF

Organisations 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 (Community Agents for Change in the Valleys, Community Development Cymru, Llandrillo and Rhyl College, SPARC/Planed). 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 (e.g. Ebbw Fach Development Trust) 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. Some organisations (People and Work Unit, Llandrillo and

Rhyl College, Caia Park, Wrexham) were concerned to provide a route by which community members and volunteers could acquire learning and qualifications to enable them to take up paid opportunities when they arose in their own communities and elsewhere. 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.

Recommendation 12: *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 community regeneration field. That the Welsh Assembly Government underpins the process with a bursary scheme to encourage new entrants to training programmes.*

RELATIONSHIPS WITH STATUTORY SECTOR PARTNERS

A major concern of the review was to address the issue of partnership and its working within the policy framework within Wales. The evidence presented to the review suggests strongly that partnership makes a significant contribution to the achievement of community regeneration in Wales (CPRW, Rhondda Housing Association, Community Matters, Community Enterprise Wales, SPARC/Planed. However, this view does not underestimate the issues and difficulties associated with partnership working. Not least in any discussion of concern is the problem of partnership overload which those providing evidence pointed to. There were also concerns about the level of participation of community members in partnership agencies and the need to avoid tokenistic representation.

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 concludes that statutory bodies play a key role in the community regeneration process. Clearly, as major service providers they have a central role to play in the regeneration of all 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. In receiving evidence the Committee heard a range of views regarding the role of local authorities in the regeneration process. One view welcomed the partnership approach of Communities First but also pointed to the central role which Local Authorities conventionally played in economic and social regeneration (WLGA, Blaenau Gwent CBC). The community leadership and community planning functions of local government gave it major capacity to lead the regeneration process especially where community self-organisation was lacking.

Other responses (WCVA, GAVO, Community Matters, Ms J.Bird)) pointed to the major benefits of community participation and developing local ownership of regeneration projects through partnership working. They identified the value of empowerment of community members and valued a move towards locality management in which control of services was in the hands of the community. Elsewhere, evidence of regeneration organisations and local authorities working in close partnership (Antur Nantlle Cyf, Rhiwgarn) provide illustration of the significant improvements which could emerge at community level from a partnership based approach to community regeneration. In considering the specific role of local authorities in the regeneration process the Committee have been concerned to harness the traditional experience of local authorities together with the advantages of community participation and empowerment. This empowerment has to be genuine and not tokenistic (Community Development Cymru, Rhyl College, WCVA).

The Committee sees these objectives being best achieved by partnership working in which statutory, voluntary, private and community sectors develop a framework of equal partnership in which the community is genuinely and directly involved. It makes the following recommendation:

Recommendation 13: *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 towards this relationship in the partnerships it is funding. Clearly, in some localities there is development work required with local authorities and other statutory agencies to promote and develop this participative mode of working. The Committee would wish to see the development and dissemination of best practice in partnership working. 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.

Recommendation 14: 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.

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 recommends that standard funding sources for statutory agencies include a specified sum to develop community approaches. This would be additional to current levels of funding in recognition of the extra costs involved. The Committee therefore recommends that:

Recommendation 15: That the Welsh Assembly Government introduces a grant 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.

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 (WDA, WCVA, WLGA, Cardiff Community Housing Association). 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. There was concern that an area based approach may overlook the needs of special interest groups (Age Concern, PAVO, Commission For Racial Equality). There was also concern expressed about those communities, close to the levels of deprivation of the most deprived communities identified by Communities First, but lying outside the selection criteria (WLGA). Some representatives felt that cut off points of this nature were too arbitrary and prejudiced against localities which were, by any normal standard, deprived (Community Networks Group). 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. The Committee recommends:

Recommendation 16: That the Welsh Assembly Government considers ways to extend the principles of partnership and community participation (including the provision of seed-core funding), which underpin Communities First, to all communities in Wales.

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. The Committee received evidence of the outcomes of the People Communities Interim Evaluation report. Lessons to be learned for future community regeneration include the view that 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 is concerned 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 (SPARC/Planed). They felt that there was an absence of expertise and a discontinuity of personnel dealing with critical funding schemes. The Committee recommends that:

Recommendation 17: 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 recruiting 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 in the Communities First Network. 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 is concerned to ensure that the activities of regeneration agencies are monitored and that best practice is

taken up across the sector. Consequently, it recommends that:

Recommendation 18: *That the Welsh Assembly Government develops appropriate monitoring techniques to promote minimum standards of all agencies engaged in community regeneration.*

Clearly this recommendation links closely with Recommendation 14.

Conclusion

In its consideration of the information assembled during the process of the Review the Local Government and Housing Committee has been concerned to identify the barriers to successful community regeneration and to envisage ways in which the barriers can be removed and the process of regeneration facilitated by all those who have a role to play in the process. It has been helped in this by the high quality of the presentations received and the comprehensive nature of the evidence presented to the Committee at all stages of the Review process.

Communities First as a national strategy for promoting community regeneration is an innovative approach to tackling the problems of poverty and social disadvantage. Community regeneration has not been employed on such a scale before. Additionally, there has been no previous attempt to create such a comprehensive and long-term programme of community based regeneration activity. In this respect Communities First goes further than parallel policies in England, Scotland and Northern Ireland. The Welsh Assembly Government involvement in promoting community-based regeneration is new and will need refinement and an evolutionary process of development. The recommendations presented in this report are intended to contribute to that process.

The recommendations achieve the terms of reference of the review, which were to comment on the policy context and the funding of community regeneration. Additionally, they were to examine the role of partnership in the regeneration process and identify further issues. In achieving its objectives the Committee is indebted to the organisations and individuals who contributed to the Review process.