The Role of Research in a Flourishing Scotland

Dominic Munro
Head of Communities Analytical Services
Scottish Government
Structure

• Theme: how we can use existing assets and capacities better in a time of financial pressures and rising demands
  
  — Scottish Government’s research based information
  — future research interests
  — how research links into community regeneration

• Set within the challenging policy and delivery context for regeneration – in particular fiscal austerity ahead
Research during fiscal austerity (1)

- Research pivotal in informing decision-making during a critical period
- Prospect of real spending cuts. Treasury projections show capital spend halving over next 3 years. Which policies/services to prioritise?

Future Government Expenditure

Civil servants will need to be “radical in their thinking” about how Scotland restructures to manage a reduced public sector…

“The shape of delivery of at least some public services is going to look completely different.”

The Herald, 30 Jan 2010
Research during fiscal austerity (2)

• Research has to justify itself:

• 1 £30K research project = 1 new council house (grant element)

• Public value from research must demonstrably match the value of alternative public investments.

• Must enhance policy/delivery and hence outcomes:
  – Quality, relevance and timeliness of research outputs
  – Effective dissemination (SCR and SURF have key role for regeneration)
  – Intelligent demand and use

• Must make better use of existing evidence base, including international research, historical research and existing data sets.
Better Use of Existing Data (1): Scottish Neighbourhood Statistics (SNS)

- Public website (www.sns.gov.uk)
- Used as single point for accessing small area statistics for Scotland
- Pre-defined and custom reports

**Geographies**

1. Scotland
2. (14) Health Boards
3. (28) Community Regeneration CPP
4. (32) Local Authorities
5. (40) Community Health Partnerships
6. (73) Scottish Parliamentary Constituencies
7. (180) Community Regeneration Local
8. (353) Multi-member wards
9. (1,235) Intermediate Geography
10. (6,505) Datazones

**Indicator Types**

- Access to Services
- Community Care
- Crime and Justice
- Economic Activity, Benefits and Tax Credits
- Education, Skills and Training
- Geographic Classifications
- Health
- Housing
- Index of Deprivation
- Population
- Transport
SNS: Local impacts of the recession

Change in claimant count unemployment rates in Edinburgh pre and “post” recession

www.sns.gov.uk
SIMD: Change in Glasgow

NB: SIMD can also track changes in constituent parts: health, crime, employment etc. [www.scotland.gov.uk/simd](http://www.scotland.gov.uk/simd)
Vacant & Derelict Land Survey

Data are available on derelict and urban vacant land in Scotland by area, type of site, general location, year of most recent survey, and site grid coordinates.

http://www.scotland.gov.uk/Topics/Statistics/Browse/Planning/Publications
Scottish Housing Market Review

House prices

Average house prices

Relative to peak: House prices peaked across the UK between mid-2007 and mid-2008. Prices peaked in Scotland later than in the rest of the UK, and fell less far from peak. According to data from CLG, prices in Scotland peaked in June 2008, reached their nadir of 12% below peak in March 2009, and have recovered lost ground since, returning to around 5% below peak in December 2009. Meanwhile, UK-wide prices remained 9% below peak.

Annual changes: Most sources say Scotland’s house prices returned to year on year growth as 2009 drew to a close, for the first time since mid-2008. Most cluster a figure of around 1-2% annual growth in Scotland in Q4 2009. But there is a range. CLG say that prices grew at 2.4% year on year in Q4 2009. Nationwide, Lloyds and RBS are in the range from +0.7% to +1.0%, while HBOS is an outlier, recording an annual price decline of -0.8% on properties on its mortgage book. RBS and CLG both have tighter coverage than the mortgage lenders.

Quarterly changes: Lloyds TSB Scotland recorded 5.9% growth in Scottish house prices in the last three months of 2009. Other sources are at more modest growth levels over the quarter, ranging from 3.4% in CLG data, to a figure of 1.4% (decline) in HBOS data. CLG data, which is available for both Scotland and UK-wide, suggest that prices across the UK grew slightly faster on a quarterly basis than in Scotland in Q4 2009.

Survey data and regional perspective

In February, 36% of Scottish surveyors asked by RICS said property prices rose, rising from 16% a month before, with just 1% saying they fell. This created a seasonally adjusted net balance of 26% saying prices had risen (compared with 17% for England and Wales). Prices ended 2009 higher than they ended 2008 in 17 out of 32 Local Authorities in Scotland according to RBS. Scotland-wide average price growth was just under £2,000, but this masks differences between areas.

Supply and demand balance

The RICS ratio of sales to stocks on surveyors’ books tends to anticipate changes in house prices, and is available for England and Wales. In January the ratio fell to 28.6% from 29.2% the previous month, driven by falling sales and rising stocks. However, this is still above the level historically associated with (weak) house price growth UK-wide. In Scotland a positive net balance of surveyors asked by RICS of only 1% (down from 11%) said that agreed sales rose over the three months to January while a net balance of surveyors indicated that they had received more instructions to sell.

Price expectations

The Tradition House Price Index is based on anticipated changes in UK house prices priced into their UK residential future contracts. The index suggests investors expect a marginal rise in prices from the current UK average of £165,814 in January 2010 to £167,169 in January 2011. But the one-year-forward valuation by over £8,000 since last month, suggesting downgraded expectations for the housing market for the coming year. In Scotland, a net positive balance of surveyors expect both price rises and sales to rise over the next three months, according to RICS.

Land prices

By the end of Q3 2009 the average value of greenfield development land in Scotland had fallen by 54.3% from the peak in September 2007 (Bovis Development Land Index). Greenfield land prices increased by 3.6% in Q3 2009, whilst urban land grew a modest 0.2%. Land values in the North of England continue to buck the general increasing trend falling 11.8% in Q3.
Integrating Policy

National Outcomes

10. We live in well-designed, sustainable places where we are able to access the amenities and services we need.

11. We have strong, resilient and supportive communities where people take responsibility for their own actions and how they affect others.

Regeneration contributes to many targets, outcomes, indicators in varying degrees – as well as the overall purpose.
Integrating Research

• Just as policy is integrating in support of the NPF, so research needs to integrate across professions and across themes.
  – Economists, social researchers, statisticians, planners, architects

• Acceptance of multiple complex needs and need for multi-dimensional regeneration requires ‘joined-up’ research:
  – Health – e.g. SHARP, Go Well
  – Education/early years – Growing Up in Scotland (GUS)
  – Employability – Regeneration Areas and Barriers to Employment
  – Architecture/Planning – e.g. Designing Streets, Designing Places
  – Community Engagement – new SG research forthcoming
  – Social Inclusion and Equalities – JRF
Survival to 65, by area type

% of 15 year-old boys surviving to 65 by area type, 2001/05
Source: calculated from GRO(S) mortality and CHI population data

- Scotland: 79%
- Glasgow: 68%
- All Gowell: 59%
- MSF Surrounds: 68%
- Housing Improvement: 59%
- Transformational Regeneration: 58%
- Peripheral Estates: 55%
- Local Regeneration: 43%
Scottish Centre for Regeneration

Five learning networks:

- Community Regeneration & Tackling Poverty
- Effective and Efficient Housing Management
- Housing Energy and Efficiency
- Mixed and Sustainable Communities
- Town Centres and Local High Streets

A flavour…

- Events such as workshops, action learning sets, seminars and study visits
- Web Portal
- Case Studies, Briefing Papers

http://www.scotland.gov.uk/Topics/Built-Environment/regeneration/pir
Built Environment Research & Guidance

http://www.scotland.gov.uk/Topics/Built-Environment
Government Commissioned Research

www.scotland.gov.uk/research
Devolution’s impact on low-income people and places

January 2010

Round-up Reviewing the evidence

This paper:
- explores the key findings and cross-cutting themes emerging from the research and a series of seminars across the UK
- identifies some of the key challenges in the years ahead if devolution is to make more of an impact on people and places in poverty

Key points
- Ten years of devolution coincided mostly with falling levels of poverty and improving employment rates across the UK, particularly in Scotland and the North East of England. These select wider economic trends and policies relevant to Westminster. The gap between parts of the UK was biggest and worst now on most indicators, but slower for most mortality, with the devolved countries improving least.
- Support for tackling poverty in the devolved countries came ahead of powers to act though progress was evident in some areas in devolution. Some policies may have longer-term benefits than those identified to date.
- Social housing improvements were achieved, but low-income households paying a mortgage or renting privately were more likely to live below housing quality standards.
- Regeneration delivered various benefits to low-income households, especially where policy was relatively stable (England and Wales). Latest progress was seen in Northern Ireland, due partly to its “stop-go” experience of devolution.
- The Warner approach to social care enables costs for older people on lower incomes to be reduced and contrasts with Scotland’s more costly universal approach.
- It is likely to take longer than ten years to see the true impact of devolved policies for disadvantaged groups, especially in Wales where more limited powers are currently available.
- Looking ahead, better evaluation evidence is needed to identify the benefits of devolved policies, for low-income people and places and to encourage better sharing of knowledge between devolved administrations and the UK Government.

The impact of devolution

Area-based regeneration policies in the UK

January 2010

Dave Adamson

This study provides a personal assessment of the impact of area-based regeneration policies on the experience of poverty in England, Scotland, Northern Ireland and Wales following devolution in 1997.

There is a common delivery of area-based regeneration policies in the four devolved administrations, but with considerable divergence in the detail of policy and the structure of delivery mechanisms. This study provides a personal assessment of the impact of policies based on a series of visits to regeneration projects throughout the UK.

The study:
- identifies the relevant policies in each region and considers the formal evaluation evidence of their impact;
- employs an observational framework to assess the impact of policies on the ground;
- explores key factors determining the impact of regeneration programmes;
- reviews the current trends in regeneration policy in the UK.

www.jrf.org.uk
The Scottish Household Survey contains a wealth of data relevant to regeneration, particularly at local authority level. It includes an indicator on neighbourhood satisfaction raised during the discussion.

www.scotland.gov.uk/shs
Local Government Research

• 2007 Concordat: increase in LA autonomy from deringfencing of funds but no significant increase in LA research capability

• The requirement for evidence-based decisions applies at LA level as in central government

• How to bridge that gap?
  – Improving local data – e.g. SNS, SIMD
  – Development of local indicators
Future Research: Addressing the Long-term Challenges

- **Household Formation:** By 2031, there are projected to be around 440,000 (19%) more households.

- **Population Ageing:** The number of people aged 75 and above is projected to increase by 84% between 2008 and 2033.

- **Climate Change/Energy Costs:**
  - Delivering 42% emissions reductions by 2020 (80% by 2050)
  - Oil prices are still trading at c. $80/barrel on the back of the biggest global recession since WW2 – what happens when we get back into full-swing?

- Plus: role of the state; outcomes based analysis
Housing Reform 2010

• Green Paper – May 2010
• Consultation
• White Paper – Autumn 2010

• Some areas closely linked to regeneration

• Invitation to contribute your views

www.scotland.gov.uk/Housing
Research & Regeneration in a *Flourishing* Scotland?

• There have been real successes, but the work is never done; new challenges always loom large.

• “*creative destruction*”
  – process of industrial mutation that incessantly revolutionizes the economic structure from within, incessantly destroying the old one, incessantly creating a new one ... the perennial gale of creative destruction

• “*running up the down escalator*”
  – trying to run up a down escalator on which gains for the poor are outweighed by gains for the rich
    • Guardian article on Marmot Review of Health inequality 10 February 2010

• Without informed and dedicated regeneration efforts the lives of tens of thousands of people in Scotland would surely be much worse.