



## **A SURF response to the Scottish Government's Regeneration Discussion Paper: *Building a Sustainable Future***



**This is an important time of change and challenge for community regeneration in Scotland and across the UK.**

**As Scotland's independent, cross-sector regeneration network, SURF welcomes the Scottish Government's initiative in instigating a discussion on prior policy and practice and the options for more successful and sustainable approaches in future.**

**SURF has been working in partnership with the Scottish Government to support that process and it also welcomes the opportunity to provide this formal comment on the Regeneration Discussion Paper.**

*Edited by Andy Milne, Chief Executive of SURF, on behalf of the SURF Board of Directors and in consultation with the SURF network.*

*June 2011*

## Executive Summary

- Building a Sustainable Future is a welcome and timely document. The SG should sustain this collaborative approach in the production of a shared national regeneration strategy which meets the challenges and opportunities ahead.
- In this present reflective process, the Scottish Government could usefully give more consideration to the issues of hyper-consumerism, poverty, health, housing refurbishment, education and skills support.
- The paper notes both the shortcomings of past regeneration policy, the greatly changed current context and the clearly visible future challenges. It is important to take this opportunity to pause, reflect, assess options and to be prepared to make substantial changes in approach and delivery vehicles, rather than moderating previous policy and practice.
- In seeking to address future challenges, the Scottish Government is wise to pursue a programme of national infrastructure investment. However, it is clear from previous experience that the direct benefits for disadvantaged communities and individuals are likely to be limited.
- In the interests of fairness, social cohesion and preventative spending, the Scottish Government should prioritise measures to protect and invest in those communities which are at most at risk from the impact of the collapse of the financial crisis, which they played no part in creating.
- The community asset based approach to regeneration via local 'anchor' organisations, such as housing associations and development trusts, presents significant opportunities for preventative action and more sustainable capacity building processes. This could be the basis of a radically different long term regeneration strategy.
- The Scottish Government's leadership role in setting out a clear shared vision for a fairer and more sustainable future is increasingly important in the context of devolved responsibility for local regeneration.
- Clarity of purpose, responsibilities and effective delivery processes are as important as adequate resources. In this context Community Planning should be more accurately be described as Public Services Planning and should also be directly linked to the recently reformed physical planning process.
- Regeneration investment is a proven winner in attracting funds which can be used to 'lever in' and surpass the initial support from the public purse. The SG should therefore review its 75% reduction in its own regeneration support budget.

**The following sections of this paper explores the changed context of community regeneration and the main themes raised in the discussion paper as well as other related areas of shared interest.**

**It provides some specific proposals and offers the independent, cross sector SURF network of practitioners, policy makers and academics as route for enhancing the shared understanding, vision and good practice that will be essential in building a more sustainable future through community regeneration.**

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## 1 A good place to start

The Scottish Government's Regeneration Discussion Paper, [Building A Sustainable Future](#), is refreshingly frank on some shortcomings in previous policy and practice and in identifying the need for new approaches in the changed economic, ecological and demographic context.

In the interests of promoting an honest and constructive debate, the paper helpfully acknowledges the limited success of the policies of recent years in delivering successful regeneration support to disadvantaged individuals and communities. It also squarely notes the fundamentally changed operating environment that future policies will have to respond within.

*"It is clear that previous regeneration models that relied on debt finance coupled with rising land and property prices have not delivered in recent times and are unlikely to do so in the foreseeable future" (p1)*

*"The assumption that wealth generated by economic development would 'trickle down' to the poor through job creation is now widely discredited" (p6)*

*"There has often been an imbalance between physical, social and economic programmes" (p6)*

At the launch event for the paper in February 2011, the then Scottish Government Minister for Housing and Communities, Alex Neil MSP<sup>1</sup>, drew attention to the challenge and opportunity ahead by noting that:

*"Scotland has never had a national regeneration strategy worthy of the name"*

SURF understands that the Scottish Government intends to use the discussion process to inform its policy development process with a view to producing a national regeneration strategy by the end of 2011. SURF is pleased to be part of that inclusive, constructive and timely process.

In producing the following response, SURF has drawn on the current views of its directors, members and wider network of contacts in addition to its accumulated experience in supporting a holistic, community centred approach to regeneration over the last 20 years.

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<sup>1</sup> Now Cabinet Secretary of Infrastructure and Capital Investment (announced 19/05/11); the expanded ministerial portfolio retains responsibilities for housing and regeneration.

## 2 The current context for community regeneration

Consistent with the realistic assessment in the Scottish Government's paper above, and based on SURF's work in this field over the last 20 years, we believe that some of the key current contextual challenges for Scottish community regeneration also include:

### 2.1 Fiscal failures

- The pre-existing property based model of funding regeneration via rising land and property values is now broken; in any event, it has largely failed to meet the needs of those in greatest need of support.
- The UK government's fiscal policy response to the private sector financial crisis has resulted in those who had no meaningful opportunity to play a part in the speculative property bubble, paying for its collapse in terms of loss of services, opportunities and living standards.

*In the interests of fairness, social cohesion and preventative spending, the Scottish Government should prioritise measures to protect those most at risk from such losses.*

### 2.2 Running up the down escalator

- Previous sustainable regeneration policy efforts have been significantly subverted by the dominant, short-term demands of the hyper-consumerist market economy. As a senior SG representative noted at the 2010 SURF Annual Conference, this represents a 'powerful downward escalator' against which all regeneration efforts have to struggle.
- Despite their widespread recognition, the issues of ecological sustainability and predictable demographic demands remain largely unaddressed at this point
- The wisdom of preventative investment is widely accepted. The already strong evidence base has been further supported in recent months by the publication of the [Scottish Parliament Finance Committee's 1<sup>st</sup> Report of 2011](#) and [NESTA's Radical Scotland](#). It is, however, more difficult to identify concrete examples of this approach being applied via practical 'upstream' regeneration activity. The same can be said of investment in meaningful community involvement.

*In the longer term interests of the economy the Scottish Government should continue to plan and prioritise preventative spend to address these increasing challenges.*

## 2.3 Healthy options

- The scope for enhancing 'upstream' preventative investment in housing, wider action, community services, community asset development, tackling fuel poverty, community transport initiatives, sport and recreational activity *etc.* was significantly curtailed by early cross-party consensus on protecting the NHS primary care budget. There are views that, given Scotland's existing poor health status, this approach results in an ultimately less sustainable 'national ill health service'.
- The ongoing work of Scotland's Chief Medical Officer, Dr Harry Burns, in promoting an assets-based approach to health, and his view that the challenge is about supporting better life chances as well as lifestyles, is key to addressing this conundrum (see presentation extract below).

### **Extract from a presentation by Dr Harry Burns on 'Social Circumstances and Health' to the Big Lottery Fund Scotland Committee in April 2011**

#### **Health Assets**

- A health asset is any factor or resource which enhances the ability of individuals, communities and populations to maintain their health and sustain wellbeing. The assets can operate...as protective and promoting factors to buffer against life's stresses.

*Morgan and Ziglio 2009*

#### **Building on assets**

- Economic assets
  - Government and the private sector
- Environmental assets
  - Local government, community
- Social networks as assets
  - Community, 3rd sector
- Personal sense of control
  - Community, 3rd sector

#### **Transformative process**

- Prolonged, non judgemental relationship builds trust
- Individuals sees alternative lifestyles
- Realises he is free to choose
- Supported while he realigns his life
- Supports others in turn
- Success lies in the quality of the interactions

- In this context, it will be necessary to be more effective in building on the transferable lessons from evidence and practical successes in: community-based social enterprises; heritage and culture-based regeneration; the changing role of town centres; community based health initiatives; and wider action via housing associations.

*The Scottish Government could achieve more in offsetting future health investment costs by more actively advocating and incentivising support for community based approaches to sustaining and developing community assets.*

#### **SURF Member View**

*“Many Community Controlled Housing Associations (CCHAs) are keen to take their community anchor role to the next level, to play an even bigger part in tackling the most deeply-entrenched problems such as poor health and worklessness. This will need vision and commitment from government and public bodies, as well as CCHAs themselves.”*

Glasgow and West of Scotland Forum of Housing Associations – June 2011

#### **2.4 Maintaining focus**

- Having sensibly devolved responsibility for local regeneration to local authorities and having removed almost all ring fencing of regeneration dedicated resources as part of that process, the Scottish Government is somewhat restricted in its ability to ensure that a sufficient focus on disadvantaged areas and individuals is being maintained. The earlier abolition of Communities Scotland, and latterly the Scottish Centre for Regeneration, effectively ended direct central government participation in support of its aims and partnership vision at the local Community Planning Partnership and practitioner level.
- It is understandable that local authority policy processes are increasingly dominated by financial and legal anxieties over meeting statutory responsibilities. However, there is evidence of this resulting in steep, non-strategic cuts to preventative services and community capacity building functions. This represents a false economy.

*The Scottish Government should work proactively with CoSLA on making the case for the preventative role of community development investment by local authorities.*

#### **2.5 Competitive outcomes**

- Early hopes for innovative collaborations between public agencies under financial pressures have as yet been largely unrealised, with some evidence of a resurgence of more defensive, territorial behaviour.
- Many voluntary and community organisations are displaying similar symptoms of pursuing competitive self-interest above outcome focused, collaborative restructuring. This tendency is being reinforced for those involved in tendering for public service delivery by ‘hard nosed’ local authority procurement processes, which can be divisive and in some cases exploitative.

*The tone of political leadership at national and local level is key. Again, the Scottish Government can provide vital leadership in supporting the most conducive climate for these difficult negotiations for the third sector and local authorities. The outcome of the Christie commission and the implementation of its recommendations is likely to be important in this regard.*

## **2.6 Building on consensus**

- Nationally, there is encouraging evidence of cross party consensus on the nature of the challenges and some agreement on the foundation stones of policies and resource streams.
- This needs to be converted into a sufficiently stable basic framework of agreed policies and resources to underpin the sustained community regeneration effort that everyone acknowledges is vital.

*The process instigated by the discussion paper offers a useful opportunity for an honest debate identifying priorities and opportunities for coordinated collaboration in addressing them. As a prerequisite, it is important to develop a greater degree of shared understanding, vision and commitment. SURF offers a unique, independent resource for bridging barriers to shared understanding, enhancing inter-agency collaboration and facilitating the targeted engagement of key players and influencers in Scotland (a description of SURF's role is provided in Appendix 1).*

### 3 SURF's supporting role so far

#### 3.1 Focused discussions - Further Food For Thought

The Regeneration Discussion Paper raises important questions and sets out to encourage constructive debate rather than offering consultation on already preferred solutions. In support of that timely process, SURF was commissioned by the Scottish Government to use its independent cross sector position to convene a recently held series of Chatham House rule discussions via SURF's respected 'Food For Thought' format.

This brought together key players with differing experiences and perspectives in Scottish regeneration to debate their views and ideas on the way forward in the three main areas of focus highlighted by the paper, *i.e.*:

- Community-led regeneration
- Tackling area-based deprivation
- Funding development and infrastructure

A SURF paper summarising the synthesised themes of the diverse discussion was formally submitted to Scottish Government policy advisers on 1<sup>st</sup> April 2011. [A copy is available from the SURF website.](#)

#### 3.2 Spreading the word - Conference presentations and feedback

The SURF Chief Executive, Andy Milne, has recently presented the regeneration discussion paper and promoted debate on it at the annual conferences of Planning Aid Scotland, the Scottish Federation of Housing Associations, and the UK Housing Studies Association.

The SURF Chief Executive also presented the main elements of Building a Sustainable Future and the discussion process/context at the SURF Annual Conference on 'Supporting Resilient Communities' on 17.03.11. The 150 cross sector conference delegates discussed the main issues and over 100 of them voted on some of the most relevant questions presented in the paper.

The detailed outcomes from this electronic voting session are included as an appendix to the [2011 Annual Conference Report](#). A brief summary of voting outcomes by sector follows below. The different interest groups largely respond to type as might be expected. The private sector respondents were most likely to take a different view from the other groupings.

#### Q1) What should the Scottish Government's approach be in fostering change in future?

Options

- Re-establish a dedicated regeneration agency - like Homes and Communities in England
- Provide the strategic policy vision and reduce regulations for more action by others
- Provide the overall vision and some ring-fenced resources to ensure some key activities happen
- Top slice 3% of local authority funds and direct it to identified community anchor organisations in deprived neighbourhoods

- Remove more planning and regulatory restrictions to encourage more private sector activity
- Something else we haven't thought of

The majority of respondents in most sectors tended towards a wish for the Scottish Government to provide a policy vision with less regulation or some ring-fencing.

Community representatives had an equal preference for that option and for top slicing 3% off local authority funds. Voluntary sector respondents were even stronger on that preference.

**Q2) Given what you know of the economic, social and environmental challenges ahead, what should be the one top priority for the reduced capital budget?**

Options

- Affordable housing
- National transport links
- Local transport systems
- Fabric of town centres
- Renewable energy hardware
- Accessible broadband technology
- Health and education facilities
- Other

Across the board, health and education services come out on top followed by housing and then renewable energy hardware. The Scottish Government/NDPB constituency took a fairly evenly spread view with a slight preference for housing.

Perhaps surprisingly, the private sector respondents went for health and education with a 2:1 ratio preference over their next choices of housing and renewable energy hardware.

**Q3) In these times of austerity, should investment be targeted at the areas in greatest need or to those which have a better chance of success?**

Options

- Greatest need
- Better chance of success
- Not sure

Government, community and voluntary organisation representatives saw need as the priority but private sector went for success by a ratio of 2:1.

**Q4) To deliver successful community regeneration in future, what do you think we should concentrate on more now?**

Options

- Getting the economy going and creating jobs
- Investing in public services and community support organisations
- Not sure

The private sector and the Scottish Government/NDPB respondents agreed on the wisdom of concentrating on the economy and jobs over public service delivery and community investment but neither strongly so at ratios of 3:2 for

Private sector voters and 5:3 for Govt respondents. The Local Authority/NHS and community and voluntary sector respondents were united in their 2:1 preference for investment in services and community support.

### **3.3 Political engagement - A SURF manifesto for community regeneration**

SURF referred to the 'Building a Sustainable Future' paper in its own consultative process toward the production of a [SURF Manifesto for Community Regeneration in Hard Times](#).

This document was widely circulated and debated amongst leading political party representatives at a pre-election question time event organised by SURF and attended by representatives from across all sectors. A summary report from that event [is available](#).

SURF will be using its manifesto to further promote awareness and consideration on future regeneration policy within the new Scottish Parliament. The SURF manifesto themes of 'Protect, Empower and Invest' reflect similar areas of interest as 'Building a Sustainable Future'.

### **3.4 Towards a shared strategy - Building on the discussion process**

SURF understands that the aim of the discussion paper process is ultimately to inform a formal national regeneration strategy to be produced by the Scottish Government before the end of 2011.

SURF will play a continuing role in making the most of this timely opportunity by using its networks and partnerships to support and facilitate adequate consideration of context, challenges, perspectives, options, resources and methods of delivery.

In doing so, SURF will use its respected, independent and connected position to encourage an inclusive, robust and constructive discussion process. We hope this will produce some valuable outcomes in terms of enhanced cross sector understanding and cooperation, as well as specific recommendations and actions.

## 4 SURF comment on aspects of the paper

### 4.1 Challenges and more - General comment on the content of the paper and what could be usefully covered in further considerations

The introduction to the paper sets up the challenges well and helpfully confirms some significant failings in earlier efforts. It also clearly indicates the changed context in which it will be necessary to create more sustainable approaches in future.

There are clearly restrictions in what can be covered in a paper of realistically readable length but the omission of substantial comment on the role of Housing, Health, Culture, Poverty is noteworthy. Given its scale and role, the impact of the DWP Work Programme in terms of services and outcomes could also have had more consideration.

Changes in the context of employability support work suggest the necessity of a greater shift towards prevention and early intervention. This is consistent with the Scottish Government's position on preventative action more generally and it should be considered in the development of wider regeneration policy.

#### **SURF Member View**

*"As this Parliament is set to see a referendum in some form on independence, or at least significantly enhanced devolution of powers, the Scottish Government needs to be thinking through how it would deliver employment policy in a wholly devolved form. It cannot go into a referendum without having a credible policy in place for how an independent Scotland would deal with welfare to work, employment support and benefits.*

*There is an enormous opportunity to learn from UK practice and from local experience, but also to look more widely at the way such policies are dealt with elsewhere in the world and to use this learning and experience to design an integrated system for this country."*

Jim Rafferty – Chief Executive of the Capital City Partnership  
(see his [full comment](#) on the employability support context)

### 4.2 Markets and services – sorting needs and demands

Given the current economic climate, there is an understandable aspiration to foster a more 'business like' approach to resourcing regeneration at all levels of public services including community and voluntary activity. It would have been helpful to have seen some consideration on which community support activities the Scottish Government believes can realistically become market based, and which it accepts cannot. This is key to a national regeneration strategy that is capable of addressing the needs of areas where there is insufficient disposable income to support a local market based approach.

Such a 'sorting process' would helpfully inform where continuing dedicated support will be required geographically and thematically, what resources and

models will be entailed and what kind of organisations are best placed to deliver these services most efficiently and effectively.

#### **4.3 From Degeneration to Regeneration – defining the task**

Degeneration is a natural process which occurs through aging and upheaval. As in nature, this is part of a recurrent regeneration cycle. The problem occurs when the context within which the organism exists changes, or the organism itself becomes damaged or displaced to an extent where natural regeneration through normal adaptation is not possible. In such cases the organism will not recover without external intervention. However, any successful intervention has to be appropriate to the condition and requirements of the organism itself, or it will not 'take' and thrive sustainably thereafter (see 'Root Shock' by Mindy Fullilove, <http://www.rootshock.org/Home>).

The Scottish Government has, in SURF's view correctly, taken the stance that higher levels of cohesion, solidarity and participation are required to restore the economic, social and cultural wellbeing of the nation. The existing divisions and inequalities are a result of the chaotic, transient operation of market forces and their dominant cultural effects. There is therefore a limited degree to which the Scottish Government, within its existing powers, can overcome the effects of this 'powerful downward escalator' for individuals and communities which find themselves surplus to the requirements of the market.

In some cases it is indeed about short term 'kick starting' of an otherwise stalled natural process of reorganisation and recovery by responding to market shifts. In others, it is addressing the economic as well as the moral case for the minimising damage to people and places which have suffered the effects of chaotic, unplanned upheaval to a point where natural recovery is unlikely to occur in the near future. In such cases a positive reappraisal of local community assets and aspirations appears to offer more possibilities of participative success than the stigmatising programmes of traditional deficit based external interventions.

The work done by SURF with a variety of colleagues on this more positive approach over recent years presents some options for practical progress at a time when little else is on offer under foreseeable financial circumstances. Evidence on the significant benefits of increased participation and enhanced sense of control is one of the many aspects of highly valuable research emerging from the [GoWell study](#), which SURF has supported and promoted over the last 5 years as the largest, and probably the most useful, regeneration related research in Scotland and across the UK.

### **Appreciating Assets as well as (not instead of) Recognising Needs**

If we start with the needs and deficits of a community then not only can these 'become' the community, but often people living there can begin to see themselves from this perspective.

An assets based approach to community development will not, on its own, solve inequality within and between communities – but it can help communities to develop greater confidence and a stronger political voice.

At a local level, an assets based approach can bring hope as well as having a mitigating effect on the structural and social determinants of ill health and inequality – poor housing, low wages, lack of jobs.

*Extract from [Appreciating Assets](#) – a report by the International Association for Community Development and the Carnegie Trust UK – June 2011*

### **4.4 Investing in economic potential – infrastructure investment impacts**

The Scottish Government's priority of refitting Scotland's national infrastructure is welcome and essential for setting the context for more successful communities in a sustainable future. As part of that process, a good deal of hope is being placed in the potential for creating a higher skilled, progressive jobs market based on 'green energy' engineering and manufacturing.

There is, however, a reasonable concern that this large scale investment approach will have only a limited direct impact on the most disadvantaged communities in terms of jobs, income and skills – just as the city focused retail/property growth did over the last 15 years. The aspirations for supporting the longer term development of more local, diverse and sustainable economic activity are less defined.

Most of the 'innovative approaches to funding development' quoted in the regeneration discussion paper, such as Business Improvement Districts, Tax Increment Financing, pension/equity fund investments, are only suited to areas with at least a recognisable potential for a market return.

The Scottish Government is to be congratulated on securing support for the European Investment Bank backed JESSICA funding, and SURF hopes to be directly involved in supporting its development and the lessons to be learned from its application. This fund will also take a business investment model in an effort to operate on resource recycling 'evergreen' basis. Once again this raises consideration of how it will be possible to successfully apply such models in disadvantaged areas where 'the market' capacity is extremely weak. SURF is already involved in supporting the development of arrangements for a £15M Jessica Trust fund via the Big Lottery to support the delivery of community asset developments in a complimentary process with the main Jessica UDF resource.

### **SURF Member View**

*“Times are tough and money is tight – in such circumstances property development tends to be selective. The question for us involved in regeneration is – is there a major development coming to a place near you?”*

*If the answer is yes – you will see and be engaged in regeneration activities which will involve a re-shaping of previous Masterplans to take account of the current and likely emerging marketplace.*

*If no – you will likely see previous Masterplans continuing to gather dust on the shelves as you wait for a significant hike in the marketplace and/or a return to public sector pump-priming (both unlikely in the foreseeable future).”*

Robert McDowall – experienced property consultant  
(Extract from an article in forthcoming issue 53 of SURF’s regeneration policy journal, [Scotregen](#))

The negative impacts on communities of some private enterprises are omitted from the paper as is the further positive potential of locally owned family businesses. In general, the paper understandably stresses the importance of engaging private sector finance in support of collaborative regeneration activity. It notes the potential of equity and pension funds in this regard. Discussions at SURF’s dedicated events on this matter noted the substantial but limited resources available through this route. They also confirmed the understandably ‘risk averse’ nature of such institutions and the therefore limited engagement that they will have beyond the commercially successful densities of Glasgow, Edinburgh, Aberdeen and Dundee.

This links to continuing concerns about the future of Scotland’s smaller towns which (if taken as being between 2K and 20K population) contain one third of Scotland’s people. It would be helpful to explore further the impressive response to the relatively modest £60m Town Centre Regeneration Fund and the related potential for heritage, culture, internal tourism and smaller scale commercial activity based on the authentic history, identity and assets of distinct communities.

### **4.5 Community-led Regeneration – Creative Approaches**

This under-resourced but frequently successful approach was evidenced in the SURF ‘Creative Approaches to Community Regeneration’ conference of November 2010, [a report from which is available](#). SURF will be developing its work in support of this approach in partnership with the Joseph Rowntree Foundation, Heritage Lottery Fund and Creative Scotland. among others.

The asset-based approach to regeneration, and the key role of community anchor organisations such as locally managed housing associations, is one that SURF supports. The prospect of a Community Empowerment Bill to add central government leadership for taking this agenda forward at local level is

welcome. The trick will be to provide leadership in vision and some resources without falling into a centralised one-size-fits-all model.

### **SURF Member View**

*“It has always struck me that artists are perhaps best fitted to come into a place and see past its manifest difficulties to engage with some aspect of its vital life. No panaceas of course - the housing needs refurbished and the drug pushers combated. And the dangers inherent in the “parachuted consultant” are well known.*

*Clearly the regeneration process (however redefined) requires a different set of skills and a more complex range of relationships. However this independence of action, the consciously lateral approach, the ‘contract’ between this stranger and a host community - these seem to offer the possibility of creative outcomes that could challenge conventional practice and uncover latent capacity.*

*Could it be that the local authority could make an offer to a community; to allow them to appoint a champion (individual or group) to work disinterestedly to an agreed mandate for a couple of years - with the express purpose of leaving behind a new set of relationships based on local assets and aspiration?”*

Pauline Gallacher – Neilston Development Trust

For example, the statutory Community Council model is generally strongest (though still not necessarily representative) in those communities already best served in resources, services and networking capacity.

Less advantaged communities tend to act through less formal, service-based projects. Some of these have and can develop into ‘anchor organisations’ providing efficient catalytic bases for the growth of further local services and empowerment.

It is generally acknowledged that the capacity for local leadership has been eroded though recent decades of disinvestment in community development. Nonetheless, SURF research conducted with existing community leaders and organisers on the subject of [How can we build the capacity of community leadership?](#) for the Scottish Government in 2006 showed that:

- When asked, 80% of community leaders and organisers believed that community leaders and organisations grew stronger when linked with partnership organisations, regeneration programmes etc., rather than developing independently in the community.
- In options offered in the online survey, over 70% of community leaders and activists remained inspired and determined to stay and get as much as possible from their own community.

- The online survey showed that the most important statements to over 90% of community leaders and organisers were to have ‘A stable supportive community organisation’ and ‘Independent funding for the community organisation’. Similar scores were given to ‘Being involved effectively in partnerships and other organisations’.

This report ultimately settles on the issues of ‘Power’ and ‘Trust’ as the two most important and largely under-addressed challenges in engaging community leadership more successfully in wider community regeneration partnerships. The regeneration discussion paper’s acknowledgment that “some critical thinking about how partnerships should be led...may be beneficial”, is welcome.

The SURF research referred to above confirmed that most community representative organisations would willingly participate in partnership processes based on an honest assessment of respective roles, powers and responsibilities as the foundation of an adequately trusting relationship.

***Building a Sustainable Future set question:***

***What do you think might realistically and practically be done to promote and support leadership in community-led regeneration in the public sector, the third sector and in communities themselves?***

The Scottish Government continues to support the annual SURF Awards for Best Practice in Community Regeneration. The judging criteria help to identify leading examples of community-led initiatives. With modest investment, it would be possible to make much fuller use of the now substantial SURF Awards database in up-scaling and transferring these validated community regeneration successes.

***“I have found these winning projects genuinely inspirational. It is of vital importance we share their story more widely so that we all continue to learn from best practice and innovation to make the difference we want to see in our communities.” Housing and Communities Minister - Alex Neil MSP, December 2010***

Information on community regeneration projects highlighted in previous SURF Awards processes is available [from the SURF website](#).

**4.6 Community-led Regeneration – clarifying the terms of engagement**

The ‘Community-led Regeneration’ chapter of Building a Sustainable Future refers to the importance of meaningful community involvement and lists a series of interventions and initiatives the Scottish Government has supported over recent years. In looking forward, it would have been helpful to have seen which ones have been evaluated to have been the most successful.

The language used in this section indicates some continuing confusion of terms. The important processes of informing communities, consulting with them on proposals and engaging them in discussions are all necessary and constructive. They do not, however, in themselves constitute community empowerment or capacity building. ‘Community-led Regeneration’ is a widely

shared ideal, at least rhetorically, for which there are some excellent but all too rare examples.

#### **SURF Member View**

##### ***What more could national and local government do to support and build capacity in community organisations?***

“Recognise that allotments associations do build capacity, provide permanent sites and don’t just see them as a temporary fix in a blighted landscape. Work with the Scottish Allotments and Gardens Society to provide a network of good practice examples across Scotland.”

##### ***What other innovative ideas do you have for resourcing support for community-led regeneration?***

“A small Heritage Lottery Grant for ‘the heritage of community growing in Glasgow’ has opened an incredible amount of local involvement, training and community bonding.”

Judy Wilkinson – Scottish Allotments and Gardens Society

The continuing and widespread confusion in the misapplication of these terms across Scotland’s regeneration scene tends to foster disenchantment amongst new and existing community activists who are seeking to engage more actively in their local areas and across thematic concerns. Subsequent disappointment at the limited actual scope for their active involvement in partnership based processes often results in community representatives seeing themselves (and therefore acting as) external critics rather than internal players. This reduces the reservoir of new and more positive activists and can produce a negative feedback loop involving other partners viewing, and dismissively charactering, community representatives as vexatious ‘usual suspects’.

This problem has been most evident in the important statutory Scottish community regeneration process of Community Planning. The Community Planning delivery framework via CPPs nonetheless remains a valuable and distinctly Scottish solution for collaborative coordination and targeting of large scale public services. Through extensive dialogue and consultations, SURF has long believed that Community Planning has always been a misnomer in terms of meaningful community involvement. The Scottish Government could usefully take this opportunity to re-launch Community Planning as Public Services Planning while helpfully linking it to the recast and more participative physical planning process.

With this clarification, a more dedicated focus on the required policy and resources could then be brought to bear on the models and approaches which have the best chance of engendering and expanding genuine community involvement in local regeneration *i.e.* development trusts, social enterprises, community cooperatives and wider action support for locally managed housing associations.

Better community engagement should be achieved not by focusing attention on the quality of engagement with specific regeneration or Community Planning forums but by assisting communities to identify and act on issues, build organisations and strengthen links within and between their areas.

*Community Development Alliance Scotland – June 2011*

As the paper acknowledges, this is the sphere of activity which will be vital in protecting vulnerable communities in the current crisis and developing more sustainable community regeneration solutions in the future.

The forthcoming Community Empowerment Bill presents a valuable opportunity to clarify terms and to include direct community empowerment as an indispensable option in the spectrum ranging from community consultation to ownership.

#### **SURF Member View**

*“The areas that we have most experience in are Community Engagement, Community Benefits and Corporate Engagement/CSR. Most of our work involves working for the private sector involved in physical regeneration. The odds are currently stacked against communities taking a lead in their regeneration. Property and Assets = Power.*

*Communities rarely have property and assets to bargain with. Partner organisations complain when communities “object” to their proposals, but if people don’t feel they have power, one way they demonstrate this is through protest which leads to a lot of wasted energy.”*

Fiona Robertson – Streets UK

#### **4.7 Investing in Economic Potential – beyond successful markets**

Most of the ‘innovative approaches to funding development’ quoted in the regeneration discussion paper, such as Business Improvement Districts, Tax Increment Financing, pension/equity fund investments for example, are all more suited to areas with at least a recognisable potential for a market return.

The Scottish Government is to be congratulated on securing support for the EIB backed JESSICA funding, and SURF hopes to be directly involved in supporting its development and the lessons to be learned from its application. This fund will also take a business investment model in an effort to operate on resource recycling ‘evergreen’ basis.

Once again this raises consideration of how it will be possible to successfully apply such models in disadvantaged areas where ‘the market’ capacity is extremely weak.

#### **4.8 Investing in Economic potential – procuring success**

Procurement processes have long been an object of interest as a tool for spreading the benefits of public and private investment beyond the immediate delivery of the construction/service process themselves. The paper touches on this with reference to the well trodden path of pursuing employment and training opportunities through community benefit clauses.

The paper could have usefully elaborated on the benefits still to be realised from a more thoughtful long term view of the procurement processes of public bodies, particularly the NHS and local authorities. The instance of the recent procurement process for the very substantial Work Programme delivery contracts for Scotland is another case in point. It is in this area that the macro and micro policy dichotomy is most evident.

The Scottish Government is undertaking important work in this sphere through the Improvement Service and the Christie Review. It is, however, striking that in the short section on ‘Local materials and suppliers’ (or anywhere else in the paper), no reference at all is made to the highly ambitious nationwide Hub procurement initiative which is being operated for the Scottish Government via the Scottish Futures Trust.

This ‘economies of scale’ undertaking which is based a private company structure in five, one million population centres covering all of Scotland is having a significant impact on local businesses, jobs, high streets, skills and productive capacities. This negative dimension of its operation has been an increasing issue of concern for SURF members and contacts since 2006. In addition to ongoing coverage in SURF events and publications over the last five years, this was one of the three top issues highlighted in [SURF's ‘Protect, Empower and Invest’ regeneration manifesto](#) for the 2011 Scottish Parliament elections.

The current Hub procurement process stems from and reflects a centralising UK treasury-based agenda predicated on the outsourcing, scaling up and privatisation on public services. SURF believes that the Scottish Government should review its position on how this approach can be squared with a range of other policies aimed at increasing cohesion solidarity and participation across Scotland’s diverse communities.

#### **4.9 Investing in Economic Potential – retrofitting VAT**

Although it is currently beyond the scope of the Scottish Government, the reserved issue of VAT being chargeable on repair and restoration, but not on new build, continues to frustrate those concerned with the more sustainable and synergetic approach of retrofitting locally valued and authentic buildings and community resources.

This approach has been advocated as being the most propitious for addressing pressing employment, economic and ecological concerns by the likes of Professor David Blanchflower of Harvard (see his [presentation at a Scottish Government Employability Team](#) September 2009 event on Responding to Economic Change) and Professor Peter Head of Arup

Engineering (see his [Sir Patrick Geddes Commemorative Lecture](#) of April 2010).

#### **4.10 Investing in Economic Potential – learning from the URC experience**

As the paper notes, the present six Urban Regeneration Companies (URCs) have made significant achievements. The present operating context is very different from that in which they were originally conceived and established as geographically specific, property based regeneration vehicles for leveraging in greater private sector involvement.

Given this reality, it seems appropriate to review what change or flexibility might be needed to ensure that opportunity and need can be most effectively linked. Where this is not possible the SG should consider the best use of scarce resources in the changed economic context of land and property investment with regard to investment in more locally led regeneration efforts.

The Scottish Government's earlier stated intentions on sharing lessons and experience from the investment in URCs have not been realised (it was originally intended that at least a further 15 URCs would be built on the experience of the original three 'Pathfinders').

SURF has nonetheless been supporting constructive debate with and about the existing URCs throughout their existence. One potentially productive thread of those discussions has been the scope for identifying and supporting locally based and managed Housing Associations and other place specific anchor organisations as 'mini-URCs'.

#### **4.11 Tackling Area-Based Deprivation – the big question**

The key question for regeneration which is implicit in the paper and explicit in the minister's press statement accompanying its launch is:

*If we have less money to spend; should we spend it on the areas of greatest need, or in areas and enterprises which seem to offer a better chance of return?*

##### **SURF Member View**

*"Being poor in Scotland means being in a minority in a rich and unequal society, made worse by inaccessibility of the dominant mode of socio-economic development. This feeds health inequalities and, ultimately, gaps in life expectancy akin to those between the developed and developing world."*

Dr Katherine Trebeck – Oxfam Scotland

There is an implication that most regeneration-related resources have been directed at the most disadvantaged areas in the past. It is certainly the case that specified community regeneration resources via what was the Community Regeneration Fund, and latterly the Fairer Scotland Fund, were targeted according to the Scottish Index of Multiple Deprivation.

It has, however, been long and widely recognised that the sums involved were far too limited (£145m was the high water mark with the unified Community Regeneration Fund) to make a lasting impact on the wider economic context that such communities were contending with.

The Scottish Government correctly identified that the ‘bending’ of the much more substantial and consistent mainstream local authority and NHS budgets was what was required to achieve lasting change or at least to stave off the worst effects of degeneration. There has been little evidence of success in this via Community Planning Partnerships over recent years, for example as identified via the Joseph Rowntree Foundation’s January 2010 [Impact of Devolution on Low-Income People and Places](#) report.

*“There’s a whole range of health and social problems affected by income inequality, but almost everyone seems to benefit from greater equality. Although the benefits are greatest among the poor, they extend to the vast majority of the population.”*

Extract from the [transcript of the 2009 SURF Annual Lecture](#) by Prof Kate Pickett, co-author of *The Spirit Level*.

There is a strong argument to be made that, to a large degree, the greatest investment of public and certainly of private capital has always been in the more advantaged areas. There is some interesting research in this regard in the case of public services investment via the Joseph Rowntree Foundation funded work of Annette Hastings and her University of Glasgow’s Department of Urban Studies colleagues. Further detail is available in *Street cleanliness between deprived and better-off neighbourhoods: A Clean Sweep?* by Hastings, A., N. Bailey, G. Bramley, R. Croudace, and D. Watkins (2009); York, York publishing services.

In a related report for Oxfam, Hastings et al conclude that:

*“Even in a period when there was relatively generous public spending together with a policy environment where the needs of deprived neighbourhoods were to the fore, it was not clear that poorer neighbourhoods were always well served by public services. Inevitably budget cuts will lead to services being pared back, and there will be winners and losers in the new period of fiscal austerity. It will be important not to underestimate the capacity of better off households and neighbourhoods to defend the quality and level of public services they are used to receiving.”*

#### **4.12 Community-led Regeneration – people, land and assets**

The Chief Medical officer’s approach and GoWell’s –research on asset-based approaches to community regeneration is supported by the extensive investigations of Andy Wightman and others on the relationship between land, people and power. The Scottish Government’s support of community land buy

outs and development trust models, with particular interest in their potential application in more urban areas, is welcome.

A bold proposal for a fairer nationwide solution to the blight of urban areas and the stagnation of rural development via land banking is the proposed [Land Value Tax for Scotland](#), developed by Andy Wightman for the Scottish Green Party. While there would be strong resistance from vested interests and some pragmatic measures required to address anomalies, this seems to be a proposal well worthy of further attention.

UK Government policy on the encouragement of institutionalised gambling must be balanced with measures to ensure that a greater proportion of the proceeds is re-invested in the most disadvantaged area where, for obvious reasons, most lottery tickets are purchased.

SURF is continuing to work with the Big Lottery Fund in Scotland, Heritage Lottery Fund (Scotland) and others on how to ensure that this is more likely to occur and that such community asset re-investments are complimentary to wider regeneration aims and processes.

#### **SURF Member View**

*“Regeneration of places needs to start with what people already have – which could be local iconic buildings, distinctive housing and streets, historic parks and other open spaces or the civic buildings in the area, including museums and galleries. We also believe it includes areas which are not physical – customs, traditions, a collective ‘memory’. Heritage projects in deprived areas – including activity projects – have the potential to contribute to regeneration. Good heritage-led regeneration is based on what people value locally.*

*Given that places have individual and independent histories, so heritage-based regeneration ensures that the unique distinctiveness of place is retained, helping to maintain a sense of identity that is vital for social well-being and economic vitality.”*

Diane Forsythe, Heritage Lottery Fund (Scotland)

## 5 Conclusion

While there will inevitably be criticism (including the constructive offerings in this response) the Building a Sustainable Future paper is an ambitious one given the scope of interests and perspectives on what we choose to call regeneration.

SURF knows this well from its own efforts to encapsulate a shared vision of the challenges, never mind the solutions. In some ways we set ourselves too difficult a task as the range of open debate on the broad topic of regeneration spreads like oil across water. That is one reason why it is important to be clearer about:

- Defining the task
- Allocating and adequately resourcing respective roles and levels of operation
- Recognising the broader context of the 'powerful downward escalator' against which we are working together.

The 2007 [Scottish Government/CoSLA Concordat](#) was part of the solution in working towards getting the responsibilities right at different levels of operation. Further steps are required to engage the resources of the community, voluntary and private sectors appropriately.

The regeneration 'game' can seem as complex as 3 dimensional chess with someone coming along to kick the board over every now and then. That said, there are urgent tasks to be addressed now and we should support authentic and positive action wherever it occurs rather than spending undue amounts of energy trying to set all the chess pieces up again nice neat rows.

In the ongoing chaotic climate of market forces and unplanned events, we have to learn to be more comfortable with ambiguity and to defend authentic creative efforts against the scorn of purists and the numerical neurosis of detached bureaucrats. As Scotland's most revered architect said: "There is hope in honest error but none in the icy perfections of the stylist".

As to SURF's role in supporting the discussion and delivery process, we believe we offer a uniquely valuable resource. The discussions SURF supported on the three linked themes of the paper strongly evidenced a need to develop and maintain better communication links and understanding between the different levels and forms of activity.

As a result of global pressures and economic frameworks Scotland, like the rest of the UK, is an increasingly unequal society. This applies in social, spatial and cultural terms as well as economic ones. Gaps in shared experience and perspective are widening and leading to less appreciation of the full impact of commercial and political decisions at different levels of society.

SURF offers a means of closing some of these gaps by:

- Clarifying the regeneration scene in terms of policy trends, delivery structures and resource streams.
- Breaking down barriers to greater shared understanding and joint activity by illuminating respective roles, perspectives and aims of key partners
- Networking relevant individuals and organisations
- Maintaining SURF's core functions of promoting, influencing, exchanging and informing
- Continuing to promote the productive links between culture and regeneration at local and national levels (SURF welcomes the recent changes to the Scottish Government's Housing and Regeneration Division, which has taken on new responsibilities to become the Directorate for Housing and Regeneration, Culture and the Commonwealth Games)

Finally, SURF concurs with the view expressed by the Lintel Trust and other respondents that:

***“Regeneration is a proven winner in attracting funds which can be used to ‘lever in’ and surpass the initial support from the public purse.”***

In the current circumstances in particular, it therefore deserves a shared national strategy ‘worthy of the name’. SURF is keen to play its part in helping the Scottish Government work with others in achieving that goal.

*“Do we prefer a society... where life chances are unequally distributed, and we’re quite happy about that – implicitly – and make only token efforts to provide equality of opportunity?”*

Sir Peter Housden, [2010 SURF Annual Lecture](#)

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*End of SURF response  
6<sup>th</sup> June 2011*

*Appendices follow*

## Appendix 1: SURF's approach

SURF has been delivering a successful annual programme of events, debates and publications since its formation in 1992. The breadth of experience in the staff and the voluntary board of directors – who are drawn from across the key regeneration fields from health to housing across public, voluntary, community and private sectors – is substantial.

SURF's key functions are promoting, informing, influencing and exchanging. This approach comprises a progressive process of engagement in differing formats support constructive, frank exchanges (through the 'Food For Thought' model of Chatham House rule discussion), inclusive debate (seminars and conferences), sharing of knowledge and best practice (study visits and a national awards scheme) and information distribution (through the SURF website and *Scotregen* regeneration policy journal).

The organisation's key strength lies in the nature and extent of the SURF network, which includes more than 2700 individual contacts. Over 250 bodies are active SURF members, including a healthy mix of local authorities, community groups, academic institutions, private businesses, health boards, charities and voluntary bodies. Almost all of Scotland's housing associations, many of which are community-based anchor organisations, and five of the six Urban Regeneration Companies, are also members of SURF.

SURF has ten key sponsoring members with which it enjoys a particularly close working relationship. These include:

- The local authorities of the four biggest cities (Glasgow, Edinburgh, Aberdeen, Dundee)
- Highlands & Islands Enterprise, with whom we explore the valuable lessons from rural regeneration approaches and the key role of place and culture in successful economic and social development
- Creative Scotland, with whom we investigate and promote the contribution made by creative, artistic processes in community regeneration
- The Scottish Government, whose regeneration policy advisers are actively engaged in SURF's output and consideration of policy recommendations

SURF also has close links with relevant academic institutions, such as the University of Glasgow's Department of Urban Studies. Our [2010 Annual Conference](#) consolidated these links by looking at the ways in which academic, local authority and community research capacities can be more closely aligned with each other and with practice.

SURF recently produced a collaborative [2011 Manifesto for Community Regeneration](#). This was used as a basis for a successful debate event with leading MSPs ([a report from which is available](#)), in the run-up to the 2011 elections. SURF is also an active member of relevant Scottish Parliament

Cross Party Groups, such as the Town Centre Development Group and the Industrial Communities Alliance.

Outwith Scotland, SURF enjoys an productive relationships with UK bodies such as the Homes & Communities Agency, the Leadership Centre for Local Government (and some of the 'Total Place' pilots), the Housing Studies Association, the Welsh Assembly's Communities First Policy Unit, the Centre for Regeneration Excellence in Wales, and Belfast City Council. Specifically, SURF already has some experience in examining regeneration policy across the UK in cooperation with the Joseph Rowntree Foundation and other partners over recent years.

Internationally, SURF enjoys good links with some relevant policy-makers, practitioners and academics in the European Union, Scandinavia, the United States, Canada and Australia. SURF actively engages with the European 'Quartiers en Crise' Regeneration Network and the URBACT EU sustainable development learning exchange programme. SURF features an international perspective in its events and publications programme. Recent contributors include the USA-based creative regeneration expert Denys Candy and Thor Rogan, Deputy Director General of Mental Health in the Norwegian Government.

## Appendix 2: Previous Policy Papers

### Community Regeneration in Scotland

#### Some Major Policy Documents 1999-2011

##### **The Environmental Impact Assessment (Scotland) Regulations**

The Scottish Executive, August 1999

<http://www.scotland.gov.uk/library2/doc04/eia-00.htm>

##### **Better Communities in Scotland: Closing The Gap**

The Scottish Executive, June 2002

<http://www.scotland.gov.uk/Resource/Doc/46729/0031676.pdf>

##### **Local Government in Scotland Act 2003**

###### **Part 2 – Community Planning**

The Scottish Executive, January 2003

<http://www.opsi.gov.uk/legislation/scotland/acts2003/30001--c.htm>

##### **The Land Reform (Scotland) Act 2003**

The Scottish Executive, March 2003

<http://www.opsi.gov.uk/legislation/scotland/acts2003/20030002.htm>

##### **Partnerships for Care: Scotland's Health White Paper**

The Scottish Executive, June 2003

<http://www.scotland.gov.uk/Resource/Doc/47032/0013898.pdf>

##### **A Smart, Successful Scotland: Strategic Direction to the Enterprise Networks**

The Scottish Executive in consultation with Scottish Enterprise, November 2004

[http://www.scottish-enterprise.com/publications/smart\\_successful\\_scotland\\_refresh.pdf](http://www.scottish-enterprise.com/publications/smart_successful_scotland_refresh.pdf)

##### **Financial Inclusion Action Plan**

The Scottish Executive, January 2005

<http://www.scotland.gov.uk/Resource/Doc/35596/0024808.pdf>

##### **Building a Better Scotland**

###### **Infrastructure Investment Plan: Investing in the Future of Scotland**

The Scottish Executive, February 2005

<http://www.scotland.gov.uk/Resource/Doc/36496/0024801.pdf>

##### **Homes for Scotland's People: A Scottish Housing Policy Statement**

The Scottish Executive, March 2005

<http://www.scotland.gov.uk/Resource/Doc/37428/0023276.pdf>

**A Smart, Successful Highlands and Islands: An enterprise strategy for the Highlands and Islands of Scotland**

Highlands & Islands Enterprise, June 2005

<http://www.hie.co.uk/HIE-HIE-corporate-documents-2005-06/hie-sshandi-english-lowres-v5.pdf>

**People and Place – Regeneration Policy Statement**

The Scottish Executive, February 2006

<http://www.scotland.gov.uk/Resource/Doc/94244/0022669.pdf>

**A Social Enterprise Strategy for Scotland: A Consultation**

The Scottish Executive & Communities Scotland, June 2006

[http://www.communitiesscotland.gov.uk/stellent/groups/public/documents/webpages/otcs\\_014470.pdf](http://www.communitiesscotland.gov.uk/stellent/groups/public/documents/webpages/otcs_014470.pdf)

**Workforce Plus – an Employability Framework for Scotland**

The Scottish Executive, June 2006

<http://www.scotland.gov.uk/Resource/Doc/129285/0030791.pdf>

**Early Years and Early Intervention – A Joint Policy Statement**

Scottish Government & CoSLA, March 2008

<http://www.scotland.gov.uk/Publications/2008/03/14121428/0>

**Equally Well – Report of the Ministerial Task Force on Health Inequalities**

Scottish Government, June 2008

<http://www.scotland.gov.uk/Publications/2008/06/25104032/16>

**Achieving Our Potential – an Anti-Poverty Framework for Scotland**

Scottish Government, November 2008

<http://www.scotland.gov.uk/Publications/2008/11/20103815/0>

**Building a Sustainable Future – A Regeneration Discussion Paper**

Scottish Government, February 2011

<http://www.scotland.gov.uk/Publications/2011/02/07095554/2>