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The return of place in Scottish social policy

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Abstract

The current austerity in the UK public finances is having knock-on effects for the Scottish Government. Public servants in Scotland talk of the “scissors of doom” – of rising demand for public services and falling revenue expenditure. In response to these pressures the Scottish Government set up the Independent Budget Review in 2009 and Commission on the Future Delivery of Public Services in 2010, both of which have reported. As a result of these reports, and a wider push towards an outcomes approach in Scottish policy, Scotland is now witnessing a return to place-based policies, or area-based initiatives focused at specific neighbourhoods. This viewpoint reports on these changes, and with reference to wider literature, comments on their suitability for tackling Scotland’s socio-economic challenges.

Key words: Scotland, area-based initiatives, regeneration, outcomes, policy

Introduction

Since their election as a minority Scottish Government in 2007, the Scottish National Party has transformed the local governance of Scotland. Unlike the divergence of policy making from England under the previous two Labour-Liberal

Democrat Scottish Executives that were implemented during sharply rising budgets (Keating, 2005b), the present changes to governance arrangements have been made under budget allocations from the Treasury in Westminster that have either flat-lined or been reducing. The first Scottish Government budget and spending review in 2007 implemented the National Performance Framework of a “Purpose” ‘[t]o focus Government and public services on creating a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth.’ This is to be achieved by delivering 15 national outcomes (Scottish Government, 2007c). A refreshed National Performance Framework was published in 2011 adding a sixteenth national outcome. Local authorities, and latterly Community Planning Partnerships (CPPs; equivalent to the former LSPs in England) had to agree Single Outcome Agreements with the Scottish Government to demonstrate how public services at a local level would produce the desired outcomes. In exchange for the freedom to deliver outcomes in their own way, Scottish local authorities agreed to an on-going Council Tax freeze (Midwinter, 2009; Scottish Government, 2007a). This outcomes focus was supported at a national level by four socio-economic policy frameworks within which CPPs had to operate: *The Government Economic Strategy* that guides the work of local authorities and Scottish Enterprise and Highlands

and Islands Enterprise in delivering economic development (Scottish Government, 2007b; 2011b); *Equally Well* to tackle health inequalities (Scottish Government, 2008); *The Early Years Framework* to develop preventative spend around early intervention for children and families (Scottish Government & COSLA, 2009); and *Achieving our Potential* an anti-poverty framework (Scottish Government & COSLA, 2008).

Since the 1970s and the Glasgow East Area Renewal scheme, Scotland had used a vast array of place-based policies, or area-based initiatives, to implement socio-economic policies targeted at the most deprived neighbourhoods (Fyfe, 2009). The previous Scottish Executive had continued this trend with a £345 millions Community Regeneration Fund given to CPPs to be targeted and those communities in the bottom 15 per cent of the Scottish Index of Multiple Deprivation (Matthews, 2010; Scottish Executive, 2002). However, the incoming Scottish Government in 2007 seemed to acknowledge long-standing criticism of these initiatives – specifically that very little strategic difference was being made to service delivery leading to lasting change in the neighbourhood, and that the neighbourhood was the wrong place to be targeting problems that found their roots at a larger spatial scale. The anti-poverty strategy *Achieving Our Potential* and its associated funding, the Fair Scotland Fund (in place for the financial year 2008-9) lessened the focus on the most deprived neighbourhoods and

allowed CPPs discretion to direct their efforts across local authorities to maximise impact and deliver outcomes.

The fiscal austerity of the UK Government, brought about by the global recession from 2007 is, it seems, changing this policy trajectory. Until the provisions of the Scotland Act 2012 are implemented, the Scottish Government receives its income from the UK Treasury through the Barnett formula. This allocates funding from the Westminster government to Scotland based on share of population and allocations to policy areas that are devolved (Keating, 2005a; Midwinter, 2004). Because the formula is based on policy areas that have been devolved, the protection of spending on health and education by the UK coalition government since 2010 has meant Scotland has been protected from the worst of the cuts so far. Even so, the Government is estimating that expenditure will fall by £42 billions in 2010 prices, falling from £29 billions in 2009/10 to around £25 billions in 2015/16 and not reaching 2009/10 levels again until 2025/26 (Beveridge, McIntosh et al., 2010). As a result of these budget pressures the Scottish Government, arguably because of the political limbo it was in as a minority administration until May 2011, set up the Independent Budget Review in 2010 and the Commission on the Future Delivery of Public Services (the “Christie Commission”) in 2011 to suggest ways to reform public services to continue to deliver outcomes while income fell (Beveridge, McIntosh et al., 2010; Christie,

2011). Both of these recommended a continued focus on achieving outcomes. Increasingly, the political discourse around these reports also highlighted the spatial differences in outcomes – that the spatial disparities in Scotland mean that there are particularly high concentrations of poor individual outcomes in the most deprived neighbourhoods (Mair, Zdeb et al., 2010). Indeed, the Christie Commission report commented that:

‘The most acute levels of deprivation tend therefore to be highly localised, with a spatial clustering of poor outcomes. Evidence indicates that tackling these multiple problems in isolation addresses neither the experience of negative outcomes through people’s lives, nor their root causes.’

(Christie, 2011: 56)

In January 2011 the Scottish Government also launched a new regeneration strategy *Achieving a Sustainable Future* (Scottish Government, 2011a). This emerging policy agenda, along with existing place-based initiatives such as the Equally Well test sites across Scotland, suggest that neighbourhoods and place-based policies are re-emerging in Scotland. In the rest of this viewpoint we assess the history and variable success of place-based policies in Scotland and conclude by analysing further why place has become beguiling to policy-makers in Scotland and what we can predict about possible successes and failures.

History of place-based policies in Scotland

The policy proposals contained in the Christie Commission report and the 2011 Scottish Government regeneration strategy begin to signal a return to approaches to regeneration and place-based socio-economic policies last seen in the Scottish Office and then Scottish Executive Social Inclusion Partnership programme (Johnstone & McWilliams, 2005; Scottish Office, 1999). Place-based policies in Scotland have been used for at least forty years – the Community Development Project running in Ferguslie Park, Paisley, between 1969 and 1977 was the only Scottish example of this early place-based policy run from the UK Home Office, and the only one in the UK focusing on an area of local authority housing (Atkinson & Moon, 1994; Paisley CDP, 1978). One of the major early place-based policies in Scotland – Glasgow East Area Renewal – was targeted at the inner city East End of Glasgow and its success at transforming derelict land and generating local employment informed the creation of the UK Government Policy for the Inner Cities in 1977 (Atkinson & Moon, 1994; Department of the Environment, 1977).

Much of the problem of urban deprivation in Scotland was similar to that in England. Deindustrialisation, which gathered pace from the late 1960s, led to widespread problems of derelict land and concentrations of unemployment, particularly in the former industrial areas of Strathclyde and west Scotland

and in Edinburgh and Dundee (Turok, 2004; 2007). Policies, such as the depopulation and dispersal in Glasgow led to specific concentrations of deprivation in these dispersal areas, such as the peripheral social housing estates around Glasgow and small towns of Lanarkshire (Turok and Bailey 2004). An early sign of this was the need for the Paisley CDP in the peripheral area of Ferguslie Park, and problems of concentrated deprivation in similar slum clearance estates, typified by Sean Damer's "Wine Alley" (Damer, 1974). As a result, in the 1980s urban regeneration funding, delivered through Urban Aid to the former Regional Councils, was increasingly focused on these peripheral social housing estates (McCrone 1991). The Regional Councils predominantly ran these projects as community development delivered through their social work departments. Often this was supported by investment in housing by the landlord, the subsidiary local authority the District Council.

The Scottish Office policy *New Life for Urban Scotland*, was launched in 1988 by Malcolm Rifkind the Conservative Secretary of State for Scotland implemented the new public management approach to urban regeneration implemented in *Action for Cities* in England (Atkinson & Moon, 1994). It focused on four neighbourhoods, and aimed to make the targeting of regeneration funding more strategic in a management sense and "turn-around" these neighbourhoods.

The initial successes of the programme led to it being rolled out through the Priority Partnership Area (PPA) scheme, informed by the process of competitive bidding used for the City Challenge and Single Regeneration Budget programmes in England (Atkinson & Moon, 1994; Taylor, Turok et al., 2001). Central to the approach of New Life and the PPAs (as well as the loser areas, the regeneration partnerships) was partnership working, between the Scottish Office, Scottish Enterprise, Scottish Homes (delivering housing association grant), local health boards, local councils (after 1996 the new unitary authorities) and local communities. Before policies in England such as New Deal for Communities, the Scottish Office and Scottish public services had recognised the problems of deprived neighbourhoods were interlinked, complex and “wicked” and needed this cross-sectoral response.

This approach to spatial targeting was largely continued after devolution (Johnstone and McWilliams 2005). The 1999 Scottish Office policy *Social Inclusion: Opening the Door to a Better Scotland* proposed keeping the existing network of partnerships, creating additional Social Inclusion Partnerships (SIPs) and focusing expenditure based on need (levels of deprivation measured by an index of multiple deprivation and population) as well as competition (Lloyd, 2002; McCarthy, 1999). It also introduced a network of 14 thematic SIPs covering a whole local authority area and focusing on a specific

population, for example women in prostitution (Macpherson, 2006; Macpherson, Goodlad et al., 2007). In all 48 SIPs were created by the new Scottish Executive, running until 2003. The 2002 Scottish Executive policy Better Communities in Scotland: Closing the Gap proposed ending the SIPs and merging their functions into Community Planning Partnerships (CPPs) that were to become a statutory function of local authorities under the Local Government in Scotland Act 2003 (Matthews, 2010; Rogers, Smith et al., 2000). This aimed to introduce a mainstreamed, strategic, local authority approach to delivering sustainable change in Scotland's most deprived neighbourhoods, "closing the gap" between the most deprived 15 per cent of neighbourhoods, as measured in the new Scottish Index of Multiple Deprivation, and the rest of Scotland (Carley, 2006; Carley & Kirk, 1998; Scottish Executive, 2002)

From the height of the place-based focus in the mid-1990s, the Scottish Executive and latterly the Scottish Government have steadily reduced the focus on specific neighbourhoods targeted with specific funding streams (Matthews, 2012). This recognised the problems with the above range of policies. Their focus on the neighbourhood led to an inward-looking project approach to regeneration and renewal (Hall, 1997); they struggled, and often failed entirely, to bend the expenditure of mainstream service providers to deliver an enhanced or tailored service to the most deprived neighbourhoods (Fyfe, 2009);

community engagement, though laudable, often led to a prioritisation of environmental, housing and other physical improvements as with the NDC (Lawless, 2006; Matthews, 2012); and by targeting the neighbourhood they often missed that the cause of the problem was often at the city, region or even national level, it just manifested itself in the neighbourhood (Rae, 2011).

The return of place – misunderstanding the problem?

As mentioned above, comments in the Christie Commission report and the new Scottish Government regeneration strategy – the first since the 2006 Scottish Executive strategy (Scottish Executive, 2006) – point to a return to a focus on place in Scottish socio-economic policy. It is also being driven by the emphasis across Scotland’s public services on achieving outcomes. A key part of this is addressing so-called “failure demand”, the demand on services produced through a failure of interventions earlier in an individual’s life-course or similar, such as the cost of illegal drug abuse and addiction (Mair, Zdeb et al. 2010). Of particular concern is the continued concentration of problems in the most deprived neighbourhoods in Scotland. For example, in a report the Improvement Service for local government use Scottish Neighbourhood Statistics to demonstrate that ‘negative, and positive, outcomes are highly varied between small areas and highly clustered within small areas’ (Mair, Zdeb et al., 2010:

2). This insight is not especially novel. The first iteration of the data contained in Scottish Neighbourhood Statistics in 2005 – data that is analysed to form the Scottish Index of Multiple Deprivation – revealed the stark spatial inequalities across Scotland (Scottish Executive, 2005). Recent analysis of the SIMD further reveals the continued spatial concentration of exclusion from the labour market (Rae, Forthcoming).

What is new is the analysis that is emerging behind this spatial awareness. The same report from the Improvement Service goes onto state that: ‘[a]ll these negatives [outcomes] in peoples [sic] lives in these areas are statistically inter-related but, more importantly, practically interact in the daily lives of these communities creating ‘cycles’ of deprivation and affluence.’ (Mair, Zdeb et al., 2010: 8) Throughout the report the authors continue to make similar claims – that the coincidence of statistical data on poor outcome in certain areas, from a range of cross-sectional data sources, some of which are more up-to-date than others, make up to a coherent message that neighbourhood effects do exist. What the authors are in effect saying is that neighbourhood effects are operating within Scottish neighbourhoods. What the Scottish Neighbourhood Statistics actually demonstrate is that Scotland’s most deprived neighbourhoods are a black-box of poor outcomes and we actually have very little evidence, particularly from longitudinal data, as to their links. The evidence suggests that any

neighbourhood effect that does exist is either very small or the result of selection and choice by incoming residents (Atkinson & Kintrea, 2001; van Ham & Manley, 2010).

Despite the evidence that a place-based focus might be misguided, the emphasis on the neighbourhood does seem to have re-emerged. Part of this may be due to moral panics, or continued concern, about the problems that are manifest in the most deprived neighbourhoods in Scotland, typified by the BBC television documentary *The Scheme* whose transmission was repeatedly delayed due to the individuals filmed being part of court proceedings. However, the place focus also makes sense within the focus on early-intervention in Scottish socio-economic policy and attempts to tackle “failure demand”. This presents a beguiling policy narrative – that if we can just deliver enough of a dose of early-intervention programmes (Family-Nurse Partnerships; Triple-P Parenting Programmes; Family Intervention Projects etc.) then we can “cure” our social ills and reduce expenditure in the long-term. The neighbourhood, particularly that presented by the Scottish Index of Multiple Deprivation with its neat divisions of around 750 to 1,000 people, provide ready subjects to apply these solutions and turn the areas around. To rehearse previous policy debates, this ignores that these problems often find their roots outside of the neighbourhood (Rae, 2011); it ignores that neighbourhoods are dynamic and different (Rae, 2009); and

that any improvement in an individual's outcomes is likely to leak out of the neighbourhood as they move to better housing elsewhere, recently found again with the New Deal for Communities in England (Beatty, Foden et al., 2010).

Conclusion

That Scotland has seen a return to a place-based focus on socio-economic policy is not necessarily a bad thing. Any programme similar to past area-based initiatives delivered through the new regeneration strategy, that can deliver good place-based outcomes – physical and environmental improvements and housing renewal – should be welcomed for the broad range of social, wellbeing and community outcomes it can improve, as demonstrated by the regeneration led by the Glasgow Housing Association (GoWell, 2011). Similarly, if a place-based focus can reinvigorate Community Planning at a local level and deliver a major change in the focusing and tailoring of public services for deprived neighbourhoods then some outcomes may improve.

However, the long experience of well-meaning place-based policies in Scotland shows we cannot rely on them to deliver lasting change. One of the targets in the Scottish Government's National Performance Framework is the 'Solidarity Target' – to reduce inequality by increasing the share of GDP earned by the lowest three income deciles. Since 2007 the Government has

made no progress on this target, in fact the situation may have got worse, although it is within the margins of statistical error. The on-going problems of poverty, income and wealth inequality and poor housing in Scotland do need to be tackled, but place-based policies can only ever be a small part of the delivery of this.

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