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Local Government and the
Regions Committee

Coalfield Communities

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The ODPM: Housing, Planning, Local Government and the Regions Committee

The ODPM: Housing, Planning, Local Government and the Regions Committee is appointed by the House of Commons to examine the expenditure, administration, and policy of the Office of the Deputy Prime Minister and its associated bodies.

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Summary

The closures of the coalfields in the 1980s and early 1990s resulted in the loss of more than 250,000 jobs across the North East, North West, Yorkshire and Humberside, the Midlands and parts of the South East. The coalfield closures left a legacy of high unemployment, social deprivation and environmental degradation.

Following the Coalfields Task Force report in 1998, the Government put into effect a programme which has tackled the major environmental problems. English Partnerships has made considerable progress in dealing with the physical dereliction left by the mining activities but the social and economic needs of the coalfield communities have yet to be adequately addressed. The coalfield communities continue to be characterised by poor health, low employment levels, low educational achievement and poor housing.

There is a plethora of initiatives funded through UK and EU regeneration programmes, seeking to address many of the social and economic issues but they are often poorly coordinated and short term. Funding for many of these programmes is due to expire or is at least subject to review in the next three years with no clear continuation or transitional arrangement yet in place. The Government needs to identify clear successors to the Enterprise Zones, European Social Fund and Structural Funds and the Single Regeneration Budget.

The legacy of Coal Board housing is now a major problem with high levels of abandonment and neglect. Up to now these problems have not been tackled by Government programmes. English Partnerships has a new remit to tackle the wider needs of coalfield communities and with ODPM funding should work with local authorities tackle the low housing demand as part of an integrated package to address the economic and social needs.

Progress in providing new jobs for the coalfield communities has been limited. New developments are tending to create low paid and unstable jobs; many of the new employers are call centres. Stronger links are required between the new developments taking place on coalfield sites and the nearby communities so that adequate training is provided to enable local takeup of the incoming jobs. The Regional Development Agencies need to be given new guidance to ensure that they prioritise the economic needs of coalfields areas.

There has been some progress in increasing the take-up of lottery funds in coalfield areas for new community and social facilities but there is still a backlog which still needs to be made up as a result of low takeup in the past. The Coalfields Regeneration Trust set up in 1998 after the Coalfields Task Force report is making a major contribution to funding social provision but its funding, which is currently on a three year basis, should be put on a longer term basis.

Mainstream services like health and education need to address more fully and effectively the particular demands of the communities in these areas. The one-size fits all approach adopted by these services is not reflecting the distinctive health needs or responding to the low educational aspirations of the coalfield areas. Funding levels fail to reflect the intensity of need in these small areas with the Government formulas favouring densely populated

urban areas. Funding for health facilities is a major problem as actual allocations are falling far short of the indicative levels based on the level of needs calculated by the Department of Health.

Many of the coalfield communities are isolated with access to jobs and public services being limited because of the poor road and rail services. The Department for Transport should give greater priority to transport schemes which support the regeneration of these communities.

1 Introduction

1. The coalmining industry was once one of UK's largest employers providing in 1947 more than 700,000 jobs in 958 mines. The villages and small towns built around the pitheads depended on the National Coal Board not only for employment but housing and a wide range of other services. During the 1980s and early 1990s more than 250,000 jobs were lost with the pit closures. By 1997, when the Government set up the Coalfields Task Force, most mines had closed and the number of jobs had plummeted to only 8,000. Many of these towns and villages had lost their reason for being. It is now 5 years since the Task Force reported, and a new set of initiatives was started across the North East, North West, Yorkshire and Humberside, the Midlands and parts of the South East to address the needs of the coalfields communities. The Committee therefore considered it an appropriate point to launch an inquiry.

The inquiry considered:

- Policies to create employment opportunities;
- The reclamation and regeneration of sites;
- Links with health, welfare, education and other social issues;
- The roles and responsibilities of the various agencies involved; and
- Funding.

2. The Committee held two evidence sessions in November and December 2003 and visited Easington in County Durham and South Yorkshire. We received some 60 written submissions. We are very grateful to our advisors Professor Ray Hudson and Professor Fred Robinson, to all who provided written and oral evidence to the Committee and to Easington District Council, Barnsley Metropolitan District Council and the Coalfields Regeneration Trust who gave us hospitality on our visit.

Map – England's Coalfields



Source: *English Partnerships, 2004.*

2 The Regeneration of the Coalfield Areas

3. The coalfields are a substantial part of the UK covering an area with a population of more than 5 million. The closure of the mines happened very quickly. With the closure of 150 collieries between 1985 and 1997 about 250,000 jobs were lost. This not only brought the loss of the main source of employment in many of the coalfield villages and towns, but also the loss of the social facilities provided by the National Coal Board and the trade unions. The Government set up the Coalfields Task Force in 1997 in response to the high level of social and economic needs of the coalfield communities across the North East, North West, Yorkshire and Humberside, the Midlands and parts of the South East. The Task Force's subsequent report in 1998 said:

“As we have toured the country, we have been left in no doubt about the scale of deprivation, and decline. But what makes the coalfields special is the context in which this decline has taken place. They have a unique combination of concentrated joblessness, physical isolation, poor infrastructure and severe health problems. The contraction of the coal industry has been so rapid that mainstream government programmes have failed to readjust to offer an adequate level of support.”¹

The report proposed a wide range of initiatives including:

- tax incentives to promote the reuse of sites – possibly by establishing new enterprise zones;
- the provision by the Regional Development Agencies and English Partnerships of serviced business space for local businesses;
- support for new businesses through an enterprise fund;
- an increase in EP's coalfields programme;
- a more systematic environmental programme;
- priority for new rail, bus and road improvement to open up sites;
- increased funding for community projects;
- funding for 8-10 coalfield neighbourhood action areas to address the worst affected former Coal Board estates;
- better integration of mainstream public services;
- Government indices used for the distribution of public funds should be altered to reflect coalfields communities needs;
- DFEE (now the DFES) should develop a strategy to raise standards and educational attainment in schools;

¹ *Making the Difference: A New start for England's Coalfield Communities*, Coalfields Task Force Report, June 1998 p7 para 1.2

- more training to help people get jobs;
- extend the availability of EU Structural Funds;
- the new Assisted Areas map should give high priority to coalfield areas.

The majority of these recommendations were accepted by the Government. There have been regular updates on implementation, and the ODPM submission to this inquiry sought to demonstrate that it has acted on most of the recommendations.

4. Evidence to this inquiry has highlighted significant progress in addressing the needs of the coalfields areas since the 1998 Task Force report. Progress has been concentrated in a programme of remediating and reclaiming sites led by English Partnerships but there are still major problems in terms of :

- promoting economic development,
- addressing a skills deficit,
- improving educational attainment,
- dealing with the legacies of ill health, both physical and psychological,
- addressing the problems of areas with poor quality and empty housing and
- tackling problems of social exclusion, community and family breakdown and loss of individual esteem and identity.

5. The submission from South Yorkshire Coalfield Partnership Board pointed out:

“Most of the major sites in South Yorkshire have now been reclaimed. This has created sites for employment opportunities and has transformed the local environment.”²

However as the submission goes on to say:

“Many of the economic goals cannot be achieved without attention to social issues. Poor health, substandard housing and low levels of educational attainment have direct implications for the quality of the workforce.”³

There has been considerable progress in tackling the environmental legacy from the coalfields but tackling social and economic regeneration is lagging far behind. This now requires much greater emphasis in Government programmes.

² COA 08

³ COA 08

3 Strategic Issues

6. We consider the impact of individual initiatives and the outstanding needs later in this report. However, many of the submissions highlighted general problems which applied to several of the initiatives and the overall regeneration programme. These are:

- The lack of overall evaluation of progress
- Poor coordination between initiatives
- Short term initiatives failing to tackle deep-seated problems

These issues were also raised in the Committee's report on the Effectiveness of Government Regeneration Initiatives in relation to the Government's overall approach to regeneration funding.⁴

The evaluation of progress

7. It is now five years since the Coalfields Task Force report was published. In this inquiry we have sought to identify the impact of Government initiatives. We are surprised that there does not seem to have been any formal measurement of the impact of the initiatives to regenerate the coalfield communities. The Coalfield Communities Campaign (CCC) highlighted

“an information gap on just how far the coalfields remain adrift of the rest of the country, on a range of indicators, and on whether they are catching up or falling further behind. This information ought to be crucial in helping to determine the scale of government support for coalfield regeneration.”⁵

The CCC urged the ODPM to give high priority to funding a benchmarking study of progress in coalfield regeneration.

8. The Government must commission an evaluation of progress to date in regenerating coalfield areas to establish the progress made so far in tackling economic and social problems, and then monitor future progress regularly.

The lack of coordination

9. The impact of regeneration initiatives has been reduced because Government departments are not working closely enough together and the large number of programmes now being implemented by them are insufficiently coordinated.

10. The ODPM has central responsibility for coordinating the regeneration of the coalfields but it has to rely on funding and programmes from other departments. Many of the submissions to our inquiry highlighted the varying levels of commitments by the other departments. Nottinghamshire County Council commented:

⁴ *The Effectiveness of Government Regeneration Initiatives*, ODPM: Housing, Planning, Local Government and the Regions Committee, Seventh Report of Session 2002-03, HC 76-1

⁵ COA 03

“Nottinghamshire County Council welcomes the increased understanding from Government of the particular needs of coalfield areas as they impact on the delivery of key services and would hope that through the Office of the Deputy Prime Minister, all Government Departments be persuaded to engage positively in the continued support of the coalfield regeneration agenda.”⁶

There is a varying level of commitment to the regeneration of the coalfield areas from Government Departments. All Departments need to be actively engaged in the regeneration of the Coalfields. The ODPM needs to coordinate their contributions more effectively.

11. There is concern that the plethora of programmes is reducing their overall effectiveness. When we visited South Yorkshire, we were appalled by the list of 50 separate initiatives given to us by the South Yorkshire Coalfield Partnership Board all aimed at regenerating the coalfield areas. While extreme, this proliferation of initiatives was not untypical. The Leicester Housing Association said:

“Despite up to £1 billion of additional funds being made available to former coalfields areas since the 1998 Coalfields Action Plan, 63% of the wards in the former coalfields are in the top 20% of wards of deprivation.”

The association suggested that:

“the significant additional funds that have been made available by government have failed to have the intended impact through the lack of a single focus, through the presence of bureaucratic systems, through lack of co-ordination, as a result of insufficient thought being given to projects sustaining themselves beyond the life of the grant and because of the sheer number of funding agencies that operate in the area.”⁷

12. The Community Empowerment Network in Bolsover pointed to the increasing amounts of time taken on preparing funding bids and implementing the large number of initiatives.

“There is a proliferation of agencies and structures particularly linked to funding regimes. Key agencies are thought to become ‘tied up’ in these processes. Former coal areas are subjected to constant ‘bidding regimes’ to fund service delivery. Complexity and range is thought to generate further bureaucracy, disappointment and is an expensive, exclusive and arbitrary process. Some agencies do not have the additional staff infrastructure for participation in such processes resulting in service delivery depletion.”⁸

The Government envisages that Local Strategic Partnerships should play a central role in promoting coordination. In some areas partnerships are working effectively to join up initiatives. The Committee’s report on Government Regeneration Initiatives said that LSPs did not “add value to the regeneration process. Without significant review, and revision of

⁶ COA12

⁷ COA 10

⁸ COA 07

accountability to make Local Strategic Partnerships subject to the same scrutiny processes as local authorities we fear they will amount to little but ‘talking shops’.”⁹ In its response, the Government pointed to new guidance which would help them be more effective.

“Over the summer of 2003, the Office of the Deputy Prime Minister will issue a toolkit of practical advice and support to help Local Strategic Partnerships make the shift from partnership and strategy development to the delivery of real change on the ground.”¹⁰

There are major concerns that there are too many initiatives in the Coalfields, and that Local Strategic Partnerships will not be effective in coordinating them. The Government needs to look further at rationalising the number of initiatives and at integrating those that remain with similar or related initiatives to ensure a strategic approach.

Short term initiatives

13. Many of the initiatives addressing the needs of the coalfield areas do not provide the sustained support required to address many of the deeply ingrained problems in the coalfield areas. Providing continuing support for projects when their initial funding dries up is presently a frequent problem. In the next three years, several key programmes will come under review or even expire, raising questions about future funding. These include:

- EU Structural Funds
- English Partnerships’ National Coalfields Programme
- Regional Selective Assistance
- Single Regeneration Budget
- Enterprise Zones
- Coalfields Regeneration Trust

14. Submissions to the Committee urged that all these various schemes should be continued or at the very least that transitional funding should be provided. The South Yorkshire Coalfield Partnership Board warned:

“The magnitude of the task in achieving sustainable regeneration raises concerns in the South Yorkshire Coalfield about the uncertain future for European structural funds post 2006. The transformational agenda for the local economy will take longer than that to be achieved. The fear is that the required level of support is not kept up for long enough to complete the economic transformation. Only a gradual tapering of the current levels of support from Objective 1 could be withstood, without prejudicing the progress made so far to a post-coal economy.

⁹ *The Effectiveness of Government Regeneration Initiatives*, ODPM: Housing, Planning, Local Government and the Regions Committee, Seventh Report of Session 2002-03, HC 76-1

¹⁰ The Government’s Response to the ODPM Housing, Planning, Local Government and the Regions Committee’s Report on The Effectiveness of Government Regeneration Initiatives, July 2003, Cm 5865

Whatever happens to structural funds beyond 2006, it is vital that the South Yorkshire Coalfield area retains eligibility for Tier 1 Regional Selective Assistance.”¹¹

15. Deep-seated problems cannot be addressed through short-term time-limited programmes. As recommended by the Committee’s report on the Effectiveness of Government Regeneration Initiatives, long term programmes managed by local authorities are needed to provide certainty and coordination over an extended time. Effective monitoring systems need to be established to ensure that targets are met, and if necessary programmes adjusted accordingly.

¹¹ COA 08

4 Economic Development

16. The Coalfields Task Force report established a framework “to empower coalfield communities affected by pit closures and job losses to create their own start.”¹² It called for a focus on the creation of a new economic base to integrate communities into the wider regional economy. Since then:

- English Partnerships’ sites programme has been expanded;
- The Single Regeneration Budget is funding economic development projects and programmes;
- the Regional Development Agencies have been set up to support regional economies;
- Coalfield areas have benefited from EU Objective One and Two funding and Regional Selective Assistance.
- Enterprise Zones have continued.

17. These initiatives have promoted a considerable amount of development but many are coming to an end before progress is self-sustaining. Transition arrangements appear to be inadequate. In addition, a stable economy is not being created and local employment opportunities are not being maximised because of poor links between the developments on the former coalfield sites and local communities. Inward investment is often temporary, while depressed local economies militate against the successful establishment and growth of new small firms.

English Partnerships’ Sites Programme

18. English Partnerships’ programme to redevelop former coalfield sites was set up in 1996 when 57 sites were transferred to it by the National Coal Board. Following the Task Force report a further 29 additional sites were transferred. EP was allocated £385m over ten years to redevelop these sites. Since then the total number of sites within the programme has been increased to 100 and the funds available raised to £386.5m over ten years to include the redevelopment of sites at Selby, where the pits are to close in 2004. So far, work has started or is complete on 51 sites. The programme has now been extended to 15 years to complete the redevelopment of the sites. EP and the RDAs claim that the commitment to achieve redevelopment of the initial 86 sites will be completed by 2007 with the remainder by 2012.

19. Submissions to the Committee

- warned that EP would not achieve its targets within the ten-year timescale and urged EP to be flexible and include other sites in the programme as the regeneration need arises; and

¹² Task Force report para 6.50

- called on EP to maximise the benefits to local communities from the developments.

English Partnerships' timescale

20. The Coalfield Communities Campaign argued that “it would nevertheless seem sensible to accept that the whole programme cannot now be completed within the original planned ten years.”¹³ Other submissions emphasise the importance of it taking on other sites and working more effectively with local authorities. North Warwickshire Borough Council said:

“we welcome the remit and role of English Partnerships, progress has been slow with one of our key sites (Pooley Colliery) making the reserve list and another (Baddesley) which does not seem to be included. It has been almost impossible to make any sort of contact with whom to open a dialogue.”¹⁴

Chesterfield Council urged:

“Flexibility needs to be maintained (and resources made available) to continue to take on additional sites as necessary including those already on English Partnerships’ reserve list.”¹⁵

21. EP’s director of Corporate Strategy Trevor Beattie confirmed that its Coalfields programme will last for at least 15 years. “What English Partnerships has decided recently is that it is artificial to cut off projects, which often are just beginning to blossom at that point, and therefore we will be willing to continue our investment beyond then. The programme’s extension appears to be funded through receipts from the sale of former coalfield sites.” He told us:

“What we have discovered, as we have continued the programme, is that, firstly, with great surprise and pleasure, we have discovered that £386.5 million, which was the original programme, ring-fenced, actually is enough to do 100 sites, not the original 86. We are looking now at a gross investment by recycling that money of about £539 million, so receipts of about £232 million.”¹⁶

Maximising local benefits

22. Mr Beattie also confirmed that EP was taking a broader view of regeneration. Mr Beattie said: “To look just at sites, rather than at the communities which use the sites, which often may be some distance away from them, to look at it in terms of land rather than in terms of social issues, is to see only a tiny part of the issue.”¹⁷ This could address many of the concerns expressed by submissions to the committee that EP was remediating

¹³ COA 03

¹⁴ COA 22

¹⁵ COA 31

¹⁶ Q163

¹⁷ Q164

but not considering their links with surrounding communities. The Coal Industry Social Welfare Organisation said:

“Many former colliery sites have either been grassed over, turned into industrial estates, or residential housing developments. For the latter it is important that these are not seen by the existing communities as separate communities with no immediate social or economic benefits evidenced. More could be done to ensure much greater social and economic integration.”¹⁸

The Coalfields Regeneration Trust highlighted a recent joint venture with EP which involved a three person roving team to maximise local benefits from developments on coalfield sites. CRT said that

“The Trust’s partnership with English Partnerships will combine social, economic and physical approaches to regeneration for best effect, enhancing the work of both agencies. Such joint ventures to focus on tackling problems collaboratively should be encouraged.”¹⁹

23. The Committee received several submissions from community organisations in the Forest of Dean area in Gloucestershire objecting to proposals supported by English Partnerships to support business development and tourist attractions on the Princess Royal site in Cinderford. The Friends of the Forest urged that the funds allocated to restore the site, could be better used to support the wider local economy rather than spoil natural woodland.²⁰ The Dean Forest Voice organisation urged EP to be flexible in its allocation of funding to allow investment over a wide area to address the area’s economic needs.

24. We welcome English Partnerships’ programme to redevelop many of the redundant coalfields sites. The programme is unlikely to be completed by 2007. EP’s commitment to extend the programme is welcome. A survey of additional sites should now be drawn up in collaboration with the local authorities to identify new sites. The continuing programme will need to be adequately resourced not only from the receipts from the sale of sites but also grant aid.

25. The Committee welcomes English Partnerships’ recent commitment to take on a wider role in promoting economic and social regeneration. It now needs to develop a coherent programme with the RDAs, the local authorities and the local communities which promotes links between the sites and local communities. A programme for the use of the receipts from the sale of sites is required which balances expenditure on site remediation and projects to maximise social and economic benefits from the subsequent redevelopments.

26. We welcome the new roving team English Partnerships is funding with the Coalfields Regeneration Trust that is working with communities to maximise community benefits. More such initiatives are needed. The redevelopment of any site should not go ahead unless programmes are in place to ensure that the benefits are available locally. EP should be flexible in its use of coalfield funding and consult

¹⁸ COA 35

¹⁹ COA 24

²⁰ COA 45

extensively with local communities located in coalfield areas before embarking on redevelopments.

Priority Sites and Network Space

27. EP has set up two joint initiatives with the private sector to develop business space. Network Space is a joint venture with the Langtree Group that is building industrial units to encourage the formation of small businesses in coalfield areas. Priority Sites is a joint venture between Royal Bank of Scotland and EP which provides sites and develops premises for small and medium companies throughout England, though about two thirds are in former coalfields. Since 1997 Priority Sites has built about 1.6m sq. ft of business space. Many of the submissions to the Committee supported the projects. Submissions suggested however, that Network Space gave priority to areas that had the best prospects. Nottinghamshire County Council argued:

“Certain coalfield communities in Nottinghamshire in need of a “kick-start” could positively benefit from the stimulus provided by investment from the joint venture (Network Space). Decisions thus far appear to favour areas which are likely to ultimately attract private investment. In addition, there seems little willingness to consider more strategic decision-making.”²¹

The Council suggests that Network Space should work more closely with local authorities.

“Greater economies of scale – and a sharing of the risks – can be achieved through linkages with the local authorities and associated regeneration programme priorities.”²²

EP commented:

“We have to remember that Network Space is a private sector vehicle, it is generating additional private sector investment into the coalfields, it is a separate private sector company. English Partnerships can set the parameters within which it operates, making sure that it delivers its units within the coalfields, setting down the basic structure within which it invests.”²³

28. English Partnerships must ensure that Network Space develops a balanced portfolio of small business centres taking in areas where the risks are greater as well as where the returns are more certain. The aim of such a joint venture should go beyond mere commercial benefit and to take on projects which are not immediately attractive to the private sector and promote development in those places where it is most needed.

Enterprise Zones

29. In the wake of the closure of a number of mines in the early 1990s, in 1995 the Government designated three new enterprise zones in East Durham, the Dearne Valley in South Yorkshire and the East Midlands to last for ten years. In 1998, the Coalfields Task

²¹ COA 12

²² COA 12

²³ Q188

Force said that there were a number of key locations which required extra incentives. It proposed a further set of “more tightly targeted tax incentives in a number of coalfield locations in recognition of the problems they face.”²⁴

30. Since the Task Force report was published, no new enterprise zones have been set up but the Government has designated Enterprise Areas in the 2,000 poorest wards where business and residential transactions are exempt from stamp duty. The ODPM also said that it had commissioned research to look at the lessons from EZs which can be transferred to other areas.²⁵ Submissions to the Committee highlighted the success of the Enterprise Zones and were concerned that the incentives would end in 2005 without any successor arrangements being in place. They also argued that the Enterprise Areas did not offer a satisfactory replacement to the EZs.

31. The sites in the zones have attracted large amounts of investment and jobs. A study by private consultancy OMIS Research of the Dearne Valley estimated that more than £200m of private funds has been invested in offices, light industrial and distribution schemes and over 50 major employers attracted. This has resulted in the creation of at least 10,000 new jobs.²⁶ The CCC argued that the areas will no longer attract development without the incentives.

“The last coalfield EZs will disappear in 2005, and if they disappear without a replacement, we do not really have a tool for areas we really need to kick-start with development.”

Other submissions argued that EZ incentives were needed for more than ten years because of the complexity of opening up the sites for development. Easington Council said:

“Given the delays in servicing and providing proper access into some areas, there is great interest in carrying forward the benefits that have been recorded, particularly from over the last five years.”²⁷

The Alliance for Regional Aid and the Coalfield Communities Campaign published proposals for a successor to enterprise zones, listing possible coalfield sites.²⁸ However, the Government has shown no willingness to identify any new enterprise zones. Wakefield Metropolitan Borough Council suggested that the Enterprise Areas being established by the Treasury “offer assistance to the very small business but little of value to the inward investor and are no real replacement. For the Wakefield district much of the employment land that could provide jobs for people in the deprived wards identified as Enterprise Areas is in wards nearby but without enterprise area status.”²⁹

32. The redevelopment momentum achieved up to now is in danger of being lost when the coalfields enterprise zones expire. As recommended by the Coalfields Task Force, a

²⁴ *Making the Difference: A New start for England's Coalfield Communities*, Coalfields Task Force Report, June 1998 p14

²⁵ COA 32

²⁶ OMIS Research, December 2002

²⁷ COA 13

²⁸ *A Successor to Enterprise Zones*, Alliance for Regional Aid, 2003

²⁹ COA 44

successor to enterprise zones is required to support the development of sustainable new businesses and particularly local enterprises to help provide a long-term solution to the economic development and employment problems of coalfield areas.

Regional Selective Assistance

33. The Coalfields Task Force urged that the map of assisted areas should prioritise the needs of coalfield areas. In 2000, the Government published the new assisted areas map identifying those areas where Regional Selective Assistance grants are available for the purchase of capital equipment and other costs involved with a company setting up or expanding in one of the areas. This map is being reviewed in 2006. There are concerns that following the review many coalfield areas could lose out. The CCC commented:

“It is important that the value of regional incentives is maintained and that they remain available across wide geographical areas where there continues to be weakness in the local economy. In particular, it is important that the areas likely to lose EU Objective 1 status (which include coalfields in South Yorkshire, Merseyside and Wales) do not also lose eligibility for Tier 1 Regional Selective Assistance or its successor.”³⁰

Regional Selective Assistance plays an important part in supporting areas with weak local economies and particularly the coalfield areas and it is important that this support continues after the forthcoming review.

Regional Development Agencies

34. Following the Task Force report in 1998, the Government issued guidance to the newly established Regional Development Agencies that they should give priority to the needs of the coalfields in their regions. However, while some RDAs are giving priority to the coalfield areas, the strategies and funding programmes prepared by others were not targeting their needs. Submissions to the Committee called on the ODPM to issue new guidance to the RDAs reminding them of the need to address coalfield regeneration.

35. The South East England Development Agency, which covers the Kent coalfields, is working alongside EP in the reclamation of the sites. It has drawn up masterplans for the sites, developed local forums to ensure community input into their redevelopment and is investing in training and other programmes to maximise local benefits.³¹ However, in the North East the experience has been different. Sunderland City Council pointed out:

“The governance of the area of the North East region appears to have been largely ineffective, particularly within sub-regional working. An example of this is in the apparently cavalier treatment of the regional coalfield areas by the RDA, One North East. The North East Regional Economic Plan 2002, omitted even after consultation, the key proposal of the local authorities to make a special case for selective funding for Coalfield areas within the Economic Plan. This proposal has not been taken on board by One North East, despite it being identified in the Coalfield Task Force

³⁰ COA 03

³¹ COA 25

Report, Sunderland Coalfield Strategy and Programme and the East Durham Task Force Strategy and Programme.”³²

Staffordshire County Council says that many of the coalfield areas in the West Midlands are not included in Advantage West Midlands’ regeneration zones where most regeneration funding is being allocated.

“A main concern is the need to strengthen the response of the regional tier in the West Midlands Region in terms of addressing issues remaining in the ex-coalfields. Areas like the North East which have been so successful in terms of regeneration, have had the wholehearted support of their regional tier of Government. Although there has been welcome intervention on a site-by-site basis in the West Midlands coalfields, this should now be built on by giving clearly expressed priority to coalfield community regeneration, as is already occurring in other coalfield regions. Looking at the Regional Economic Strategy (RES) – there is no targeted policy for the coalfields. The two key spatial priority areas defined by AWM, Regeneration Zones (RZs) and High Technology Corridors (HTCs), together account for 70% or more of regeneration funding. Within Staffordshire, a proportion of Newcastle Borough is included within one RZ. This is welcome but covers only around 17% of Staffordshire’s coalfield ward population. The other spatial tool, the High Technology Corridor, provides no coverage at all for the Staffordshire coalfields and is even tending to draw existing and prospective investment away from them. The Southern Staffordshire coalfield communities are not covered by any of these priority areas. Much of the Warwickshire coalfield area is similarly disadvantaged.”

36. The choice of projects supported by the RDAs is also questioned by some of the submissions. Nottinghamshire County Council says that priority is being given to economic development projects rather than to social and community initiatives.

“The replacement of the Single Regeneration Budget by the Single Programme as operated via the Regional Development Agency (RDA) through sub-regional arrangements has seen a shift towards the meeting of RDA targets, being almost exclusively economic development in nature. This is at the expense of a range of regeneration objectives most notably at a community level but including environmental, crime and disorder, community learning and skills initiatives and projects supporting young people. The County Council would wish to see this imbalance addressed.”³³

In their submissions to the Committee, Advantage West Midlands highlighted a large number of projects which they are supporting in the coalfield areas while One NorthEast pointed to their strategies targeting the needs of the coalfield areas in the region.³⁴

37. The level of commitment by the RDAs to coalfield areas is variable. It is important that the RDAs prioritise the needs of those areas, develop strategies and associated funding programmes that reflect this priority. The ODPM should issue new guidance

³² COA 17

³³ COA 2

³⁴ COA 53 and 54

to ensure that all the relevant RDAs give high priority to the needs of the coalfield areas.

38. Since we took evidence in our inquiry, the Government announced a new initiative called Making it happen: The Northern Way to create a northern growth corridor which takes in Liverpool, Manchester, Sheffield, Hull and Newcastle-upon-Tyne. The Government says that it wants to build on the regeneration of those city centres. Launching the initiative, the Deputy Prime Minister John Prescott said:

“We want to quicken the pace of change and spread the growth beyond the Core Cities and into the wider regional economy.”³⁵

The three RDAs covering this area in the North West, Yorkshire & Humberside and the North East are preparing a strategy jointly with Government which is intended to “promote greater inter-regional collaboration and boosts connectivity and transport links so that the sum of activity and investment is greater than the parts.”³⁶ **The Government’s new strategy to promote growth in the North can benefit the coalfield areas but as yet it is unclear how they fit into it. It is important that they are not disadvantaged by a focus on major urban areas. The coalfields should not be seen as suburbs to the larger conurbations but as areas in their own right where social and economic needs are met locally. The coalfields in the Midlands and the South East should also not be overlooked as a result of the new initiative.**

Progress in creating a new stable economy

39. The success of the enterprise zones and other initiatives have brought new development, but many of the ongoing initiatives have yet to achieve their job targets and they have yet to create a stable, sustainable economy.

40. The Enterprise Zones have acted as a catalyst for large amounts of development but many of the new jobs have been low paid and temporary. A study of the Dearne Valley EZ estimated that about a third of the 10,000 new jobs in the zone were in customer call, contact or service centres.³⁷ The South Yorkshire Coalfield Partnership Board raised doubts about the sustainability of the jobs in call centres and suggested that

“the challenge is to lay the conditions for development to evolve in a sustainable way, dealing with the outstanding problems of a narrow economic base, low wages and skills and high levels of economically inactive residents.....there was a need to diversify the economy and raise the quality of the employment opportunities available.”³⁸

Kent County Council argued that Enterprise Zones should only be created if they created well paid stable jobs. The Council’s Regeneration Manager, Keith Mackenney, told the Committee:

³⁵ *Making it happen: The Northern Way*, Office of the Deputy Prime Minister, February 2004 page 4

³⁶ *Making it happen: The Northern Way*, Office of the Deputy Prime Minister, February 2004 page 4

³⁷ OMIS Research, December 2002

³⁸ COA 08

“I do not think it would necessarily work if it (enterprise zone status) were applied to some of the sites that are currently being redeveloped (as part of the Coalfields Regeneration Programme), which are the old coal mining sites; it is better to take it somewhere where it is going to be a real success and where we will be better able to attract businesses that bring better paid jobs, which are particularly needed in East Kent.”³⁹

When we visited Barnsley we heard about plans for an Advanced Manufacturing Park at Waverley in Rotherham on a reclaimed coalfields site where a joint initiative between UK Coal and Barnsley Metropolitan District Council is seeking to develop a mix of business uses, social facilities and housing. A masterplan has been drawn up which identifies the need for public transport links with surrounding areas. Local communities are being consulted as part of the masterplanning process.

41. English Partnerships claims to have created 8,571 jobs through its Coalfield Programme and has a target of 42,000 jobs from the developments on all 100 sites.⁴⁰ Some of the developments have yet to create any jobs. When we visited Easington and South Yorkshire, we saw many units standing empty. EP had sold the sites and the developers had benefited from EZ incentives but no occupier had been found and no jobs had been created. **Any new incentive scheme must be tied to job creation rather than simply enticing developers into an area without any job guarantees. For EP to achieve its target of 42,000 new jobs there will need to be a considerable increase in the net new job creation.**

42. **New developments on large coalfield sites need to include a diverse range of uses and employment opportunities. New incentives introduced when the enterprise zones expire in 2005 should encourage high quality, diverse, sustainable economic activity. EP and the RDAs need to draw up masterplans for the new developments setting out the required mix of employment, housing and social facilities and the public transport connections. Bringing in mobile investment such as branch plants and call centres which is principally attracted by the short term advantages of incentives will not create a stable economy.**

Coalfields Enterprise Fund

43. The Coalfields Task Force recommended that an enterprise fund with initial capital of about £50m should be established in the coalfield areas to support smaller businesses. It pointed out that business start-ups were lower in the coalfields because of the traditional dependence on one large employer.⁴¹ Many submissions pointed out that the fund has not yet been set up despite Government support for the proposal and a commitment in 1998 to set it up within six months.⁴² Lord Rooker, the Minister of State for Regeneration and Regional Development told the Committee that it would be launched by April 2004.

³⁹ Q20

⁴⁰ COA 42

⁴¹ *Making the Difference A New start for England's Coalfield Communities*, Coalfields Task Force Report, June 1998 p16-18 paras 2.15 and 2.22

⁴² The Government Response to the Coalfields Task Force Report, 1998, page 8

Current indications are that the fund's capital will only be £20m.⁴³ Easington Council argued that with the low level of business start-ups in many coalfield areas the fund is much needed.

“The delayed launch of this stream of funding means there is still a lack of directed funding for the development and expansion of small businesses in coalfield areas. The level of resources attributable to this fund (£20 million) is below the indications in the Coalfields Task Force report and the Government's response.”⁴⁴

44. There is a low level of business start-ups in coalfield areas which the Coalfields Enterprise Fund will help to address. It is disappointing that it has taken so long to set up the fund. The initial capital of £20m is substantially less than the £50m proposed by the Coalfields Task Force. As the fund is developed, the Government must review progress and consider further investment to maximise the Fund's impact.

Social Enterprises

45. The Committee received evidence about the benefits of supporting social enterprises which provide much needed local services and can help long term unemployed people make the transition into employment but whose funding sources are very insecure. Most social enterprises are funded by SRB and the European Social Fund. ESF funding is to be reviewed in 2006 and SRB has been absorbed into the RDAs' single funding pot. Leicester Housing Association has set up six village companies in the Meden Valley with funding from the Single Regeneration Budget funds. They have set up a fish and chip shop, the only fast food outlet for 15 miles, a coppicing scheme and a print shop.⁴⁵ On our visit to Barnsley, the Committee was impressed by the community enterprise Barnsley Community Build that using ESF funding was providing construction training for local people and particularly former miners to work on the construction projects in South Yorkshire.

46. Groundwork Trusts operate many intermediate labour market schemes which “offer extensive long-term support to provide the basic work skills lacking in many coalfield communities while providing valuable work training to move the long-term unemployed closer to the job market.”⁴⁶ It cited the example of the EnProve project in the Nottinghamshire coalfields which has a varied work programme including home repairs and energy improvement works for owner-occupiers. Groundwork warns that:

“the end of funding sources such as SRB, adjustments to the ESF after 2006 and the end of the CRT poses a real challenge for organisations such as Groundwork that wish to continue tackling the issues faced by communities in coalfield areas.”⁴⁷

⁴³ ODPM News Release 2004/0019: 02 February 2004 MAKING IT HAPPEN - THE NORTHERN WAY suggests that £10m will come from the ODPM which is to be matched by £10m from the private sector

⁴⁴ COA 13

⁴⁵ Q60

⁴⁶ COA 05

⁴⁷ COA 05

47. Social enterprises are important to facilitate the transition to new forms of employment and enterprise development particularly with the low employment rates in many coalfield areas. They can also provide a range of services that otherwise would not be provided in these places. The RDAs must prioritise social enterprises to encourage local employment and enterprise and support services that are not immediately attractive to the private sector. A replacement for the European Social Fund funding is required to sustain many of the training projects which will promote local employment on the new construction schemes as they start in the coalfield areas.

5 Skills, Training and Education

48. Official unemployment levels in many of the coalfield areas are generally about two per cent higher than the national average. Submissions to the committee suggest that there has been some improvement in unemployment but they highlight the high levels of economic inactivity. They also single out low skill levels and low aspirations which are limiting the local take-up of the new jobs.

49. In the coalfield wards in both South Yorkshire and Easington which we visited, the proportion of the population which is not working for a wide variety of reasons is significantly above the national average. According to the 2001 Census, in Easington only 50% of the population between 16 and 74 are employed, compared to the national average of 60%.⁴⁸ In Barnsley, employment levels are about 5% below the national average. The South Yorkshire Coalfield Partnership Board suggested that the high levels of economic inactivity are a result of disability, long term illness, early retirement or caring responsibilities.⁴⁹

Low aspirations and skills

50. The low level of educational attainment and skills is a result of low aspirations and a culture of manual work which is now no longer available. Involve, the community empowerment network in Bolsover told us:

“Educational provision in the area is thwarted by culturally low expectations; there are few positive role models. A third generation of parents as low achievers is now exacerbated by the realisation that when education is valued there are few employment opportunities in this area where ‘a walk to work’ culture still remains.”⁵⁰

51. Even if a large number of jobs are created, there is no certainty that they will address the problems of low skills and low aspirations. Staffordshire County Council told the Committee:

“In Staffordshire we have high schools in some of our coalfields wards which are achieving less than half the national average in GCSEs, and although we are doing well in creating new jobs on new business parks, you have to ask the question whether the children that are leaving school have the educational skills and attainment to access those jobs. In many cases we suspect they have not. Jobs for the future is very much about raising educational attainment, expectations and skills.”⁵¹

Educational attainment

52. There has been some progress in improving the performance in schools but the gap between the performance of pupils in coalfield areas and the rest of England has hardly

⁴⁸ <http://neighbourhood.statistics.gov.uk>

⁴⁹ COA 08

⁵⁰ COA 07

⁵¹ Q5

reduced. In Wakefield, for example, there has been a steady improvement in attainment levels in GCSE in recent years but the overall level of attainment of the working population is far lower than the sub-regional and national averages. Only 18% of the population have a qualification at NVQ level 3 and above compared to the sub-regional and national averages of 25% and 28% respectively.⁵²

53. Evidence to the Committee suggested that the DfES is not prepared to target the specific needs of coalfield areas. The Coalfield Communities Campaign says:

“The gap between performance in coalfield schools and the national average, and the low level of formal qualifications among many adults in the coalfields, bring into question the ‘one size fits all’ approach of much of national education policy.”⁵³

The CCC pointed out that the DfES’ funding formula favours inner urban areas, over more sparsely populated coalfield areas. “The core funding of schools, through the SSA formula, also continues to give weight to certain types of inner urban problems.”⁵⁴

54. A study by the DfES published in May 2003 called ‘Raising Attainment in schools in former coalfield areas’⁵⁵ emphasised the benefits of additional resources and external projects.

“Additional resources and support through external interventions or projects such as Education Action Zones; changes in the social mix of the pupil population and having specialist status designated to the school were found to be positive external factors.”⁵⁶

Pointing to the results of this study, Nottinghamshire County Council says:

“The County Council would wish to see – and has long argued the case for – additional support for its coalfield schools. It is hoped that DfES will now develop proposals and provide the resources to allow such projects to be developed.”⁵⁷

55. The DfES’ specialist schools programme offers additional funds to schools specialising in particular subjects but requires the school to raise £50,000 from private sponsorship. Selby District Council said:

“We realise the importance of technology college status providers in helping to redress these issues. To date, schools applying for technology status are asked for an initial contribution of £50,000. This is not difficult to raise in affluent communities, but in deprived coalfield communities where there is no industry this has become an obstacle to the delivery of quality education. An exceptions policy or a fund to help deprived areas to meet this cost would greatly benefit coalfield communities.”⁵⁸

⁵² COA 44

⁵³ COA 03

⁵⁴ COA 03

⁵⁵ *Raising Attainment in Schools in Former Coalfield Areas*, Research Brief No 423, DFES, May 2003

⁵⁶ *Raising Attainment in Schools in Former Coalfield Areas*, Research Brief No 423, DFES, May 2003

⁵⁷ COA 12

⁵⁸ COA 19

56. The DfES in its letter to the Committee acknowledged that “some people and communities such as coalfields, need more help or different help, because of their circumstances”. Of the 1,447 schools in the Specialist Schools Programme, only 98 are in coalfield communities. The Department acknowledged that:

“a number of schools are having serious difficulties raising the required sponsorship, often due to their location, and this is a genuine concern.”⁵⁹

57. Educational attainment is a serious problem in the coalfield areas and deserves greater attention by the Government. Successful economic regeneration will depend on the availability of skilled people. The DfES should review its funding formula to ensure that those schools outside densely populated urban areas like the coalfields receive sufficient funds to tackle their particular needs. It should relax its requirement for Specialist Schools to raise private sector sponsorship to enable more schools in coalfield areas to enable them to participate more fully in this scheme.

6 Transport

58. Many of the submissions emphasised the need for better transport links in coalfield areas to tackle their physical isolation and to enable new commercial development as well as open up employment opportunities and services in a wider area for the local communities. Many of the former coalfield sites are close to villages but they are peripheral, isolated from major conurbations. Sunderland City Council said:

“If there is a perception in some sectors that the North East region as a whole is peripheral in terms of road and rail links, and that this is a disincentive to economic growth, then this is even more apparent within the Sunderland Coalfield area.”⁶⁰

It urged that transport provision was key “to reduce the relative peripherality of the coalfield, integrate the area more effectively into the sub-region and, specifically, provide essential support to the regeneration process by improving access to, and the perception of, key development sites.”⁶¹

Transport to promote regeneration

59. There has been some progress with new roads to open up development sites. The majority of the transport proposals in the Coalfields Task Force have been implemented. However, the nine road and seven rail schemes put forward by the Coalfield Communities Campaign in 2002 have yet to be delivered.⁶² Many submissions urged the Department of Transport to give greater weight to regeneration issues when assessing transport proposals. The Department for Transport has five criteria by which proposals are assessed: economy, environment, safety, accessibility and integration.⁶³ Bolsover District Council urged that road and rail schemes which support regeneration should be given a higher priority in the five criteria used by the Department of Transport to assess funding.⁶⁴ **Coalfield areas are in peripheral urban areas with poor transport connections to many major conurbations. The Department for Transport needs to give greater weight in its assessment of transport proposals to the regeneration benefits from opening these areas up for development.**

Transport to access jobs and services

60. Many submissions argued that while it was important to maximise local employment in developments on coalfield sites, public transport links with surrounding major towns and cities were needed to improve access to jobs and essential services.

The South Yorkshire Coalfield Partnership Board pointed out:

⁶⁰ COA 17

⁶¹ COA 17

⁶² The schemes are listed in *The Coalfield Initiative: the next steps*, Coalfield Communities Campaign, March 2002

⁶³ COA 57

⁶⁴ COA 14

“One solution which is being developed in the South Yorkshire Coalfield is to establish jobs local to where people live, but this can only be a small part of the answer. New flexible transport links are required to open up small towns to new investment and encourage residents to access job and training opportunities. It is essential that emerging regional strategies recognise the particular transport and employment needs of former coalfield areas.”⁶⁵

61. With low levels of car ownership in many coalfield areas public transport has to play a greater role in opening up job opportunities in nearby areas. The submission by Easington District Council pointed out that:

“In areas such as Easington, where employment sites were traditionally located alongside residential areas, a culture of low private car ownership developed. This situation continues today as it does with many other former coalfield areas. The 2001 Census noted Easington’s low car ownership rates, with 37% of all households having no access to a car / van.”⁶⁶

62. Sunderland City Council highlighted the results of a study of local communities which emphasised the social and economic importance of good public transport links:

A key message from this particular local consultation process was that ‘transport links are “grossly inadequate” and that many services are therefore inaccessible’. Travel costs were cited as ‘excessive’ and local demands for subsidised community transport schemes were strongly articulated and regarded as pivotal by consultees.⁶⁷

The Council argued that “More attention needs to be focussed on the investigation of public transport opportunities which may include the potential of improving (or more correctly re-establishing) east-west rail links between the coastal towns in the coalfield, Durham and the dales beyond.” It pointed to the report by the Social Exclusion Unit which defined public transport in terms of affordability, availability, accessibility and acceptability.⁶⁸ The Government’s Rural Bus Challenge initiative has recognised the needs of these isolated areas, but according to the South Yorkshire Coalfield Partnership Board, “the level of resources available does not match the scale of the problem and there are sustainability issues for the projects which have been established.”⁶⁹

Transport has an important role in promoting access for coalfield communities to new job opportunities and key services which those local areas cannot support because of their small population. With the low level of car ownership, public transport is even more important but is not sufficiently funded. The Department for Transport needs to increase the funding allocation to public transport in the more isolated rural coalfield areas.

⁶⁵ COA 08

⁶⁶ COA 13

⁶⁷ COA 17

⁶⁸ *Social Exclusion and the Provision and Availability of Public Transport*, DETR Mobility and Inclusion Unit, September 2000

⁶⁹ COA 08

7 Housing

63. In 1998, the Coalfields Task Force called for urgent action to stabilise the condition of rundown housing estates, many of which had been sold off by the Coal Board as the mines closed. It proposed that Coalfield Neighbourhood Action Areas should be established with substantial funds to address the worst affected former Coal Board estates. David Seviour from Leicester Housing Association said that progress had up to now been very slow and piecemeal, and work is only now beginning to address the extent of the problem.⁷⁰

64. The coalfield closures and the subsequent loss of population in many areas has led to a large numbers of surplus homes. In addition, there has been a huge influx of absentee private landlords who have tended to neglect their houses and the unadopted roads, which the coal companies built. In 1986 the National Coal Board auctioned off 27,500 homes which were bought mainly by absentee private landlords. Since then further purchases of low priced housing by these landlords have led to large numbers of poorly maintained homes. It has brought in a transient population with less commitment to the area and an increase in anti-social behaviour and problems such as crime and drugs.

65. A recent mapping exercise by English Partnerships of low housing demand in the coalfield communities, which has not yet been published, has highlighted the deepening housing problems.

“It is estimated that, in total, some 250,000 homes were built specifically to provide for miners, either by the collieries themselves, or through local trusts and local councils. They are often geographically distinct and, within a locality, often homogenous in terms of age, condition, size and type. A number of ‘model villages’ were built by the colliery companies with a very distinct character but even these have suffered as a result of low demand. The condition of properties appears to be particularly acute where the coalfield housing was taken over by non-performing or absentee private sector landlords, although this is perhaps a symptom rather than a direct cause of decline.”⁷¹

Resources for Housing

66. Following the Task Force report, an additional £28m was allocated per year for three years between 1998 and March 2001 to local authorities in coalfield areas. More recently, the Government’s Sustainable Communities Plan, published in 2002, prioritised the needs of the coalfield areas, committing the ODPM to further action. The programme said:

“We will tackle low demand and abandonment in former coalfield communities through continued funding and support.....”⁷²

67. To a limited extent Government programmes are targeting the particular coalfields housing problems. The ODPM’s Housing Market Renewal Fund is investing £500m over

⁷⁰ COA 10 a)

⁷¹ *Coalfield Communities: Low Demand Housing Mapping the problem* EP’s National Programmes, October 2003 page 5 para 3.2

⁷² *Sustainable Communities : building for the future*, p. 28, ODPM, January 2003

three years between March 2003 and March 2006 in nine Pathfinder areas with low housing demand. Two of those initiatives in North Staffordshire and South Yorkshire include significant coalfield areas. Lord Rooker, the Minister of State for Regeneration and Regional Development, told us that the Government had no plans to set up any further pathfinder initiatives. He said:

“Our objective, with the nine Pathfinders, by the way, is to learn the lessons to stop other areas needing Pathfinder status.”⁷³

There is evidence that there are other areas which are already suffering from low demand which require Pathfinder status. The Government says that the fund is only covering about 50% of the housing with low demand.⁷⁴ It is estimated that there are about 45,000 homes in coalfield areas suffering from low demand not covered by a pathfinder initiative.

English Partnerships' housing role

68. There is considerable scope for EP to extend its regeneration role. As we mentioned earlier, EP is, since September 2002, not limited to promoting the redevelopment of former coalfield sites. Its study of coalfield housing problems argued strongly that EP should take on a housing regeneration role.

“Lord Rooker, when announcing additional sites to the National Coalfields Programme in September 2002, gave English Partnerships the ability to be more flexible within the Coalfields Programme in order to promote a greater level of regeneration benefits to coalfield communities. Helping to tackle areas of poor quality housing is considered to be a theme of activity here.”⁷⁵

The study highlights the need for a stronger coalfields housing strategy.

“There is currently no over-arching strategy to help prioritise action, outside of the pathfinders, to enable best practice solutions to be shared and to inform national policy and strategy directions.”⁷⁶

It proposes that EP should work alongside the ODPM and the Regional Housing Boards in drawing up a national strategy over a realistic timeframe to address the coalfield commitment in the Sustainable Communities Plan.

69. At a local level the study proposes that EP should put together innovative development proposals with the Regional Housing Boards, local authorities and the RDAs to address the areas affected by low demand. EP has already played a key part in the Meden Valley Initiative which is regenerating about 950 homes in North Nottinghamshire and Derbyshire in conjunction with the East Midlands Development Agency, local authorities

⁷³ Q246

⁷⁴ *Sustainable Communities: building for the future*, p. 20, ODPM, January 2003

⁷⁵ *Coalfield Communities: Low Demand Housing Mapping the problem*, EP's National Programmes October 2003 page 7 para 4.4

⁷⁶ *Coalfield Communities: Low Demand Housing Mapping the problem*, EP's National Programmes October 2003 page 7 para 4.3

and housing associations. EP and EMDA are each contributing about £5.5m and Bolsover and Mansfield District Councils about £1.5m to renovate or demolish parts of Warsop, Mansfield Woodhouse and Shirebrook estates. EP suggests that the Meden Valley initiative is a model which could be applied to other areas. As noted in the previous section, EP is showing a surplus on its site programmes.

70. There are major housing problems in the coalfield areas as a result of the closure of the mines leading to a declining population and surplus housing. The problems are exacerbated by the poor state of the housing and the unadopted roads which were mainly built by the colliery companies. The National Coal Board's sale of its housing estates in 1986 helped to destabilise many areas by bringing absentee landlords and a more transient population. This now needs to be addressed. Progress to date in addressing the housing needs of coalfield communities has been slow and patchy.

71. To fulfil its commitment as part of the Sustainable Communities Plan, the Government must draw up a programme to tackle low demand and abandonment in former coalfield communities which sets out targets and allocates resources. It is disappointing that the Government is not considering additional Pathfinder initiatives as part of its Housing Market Renewal Fund despite the existence of other areas with serious levels of low housing demand and abandonment. Other initiatives must be considered to address low demand in other areas.

72. We welcome the new flexibility which the Government has given English Partnerships to address social as well as economic problems in the coalfield areas. EP should now draw up a well defined regeneration programme setting out its role and resources in tackling. Following EP's study into the housing problems in the coalfield areas, a joint strategy between ODPM and EP is required which clearly identifies EP's role in working with local authorities, RDAs and the Regional Housing Boards. The Meden Valley Initiative is one model which could be replicated elsewhere.

8 Health

73. Residents in former coalmining areas suffer disproportionately from poor health and short-life expectancy. According to a report from Durham University, poor health is one of the distinctive features of coalfields areas. In its report for the ODPM which updated the definition of coalfield areas, the university points out that “extreme health conditions (the worst ten per cent) are prevalent in 140 wards with 70 in the second ten per cent on this measure.”⁷⁷ Many submissions to the inquiry suggested that the Department of Health and health trusts did not prioritise the needs of those areas.

74. Easington Council pointed out:

Health deprivation as identified by the IMD (the ODPM’s Index of Multiple Deprivation) identifies severe long-term health problems across the district with high levels of long term sickness and disability benefit claimants. The 2001 census ranked Easington as 1st of 376 English and Welsh authorities in terms of limiting long term illness and 2nd in terms of the number of residents providing over 50 hours of unpaid care per week. Much of this can be seen to be due to the industrial past of the area and mirrors similar problems in areas of Wales and Yorkshire. However, health problems are not restricted to former miners themselves. Generally the area suffers from a higher standard mortality ratio, and levels of preventable cancers – particularly in the female population, are high. When considered alongside levels of coronary heart disease, this paints a picture of an area lacking in health education, with much work still to be done in respect of healthy lifestyles and ensuring the adequate resourcing of health services, both in respect of prevention and treatment.⁷⁸

There has been some improvement in health conditions but this is in line with improvements across England. Department of Health figures show that the rate of improvement in life expectancy in the coalfields is in line with the rest of the country. The standardised mortality rates show a 15% improvement in both the coalfield areas and across the rest of the country between 1990 and 2000.⁷⁹

75. The Department of Health has introduced a new formula for NHS funding which uses

“better measures of deprivation and takes some account of unmet need. The need element includes mortality measures (which measure death rates for certain age groups compared to the national average) and morbidity measures (limiting long-standing illness ratios and disability measures).”⁸⁰

Funding levels have been identified to reflect these needs, however, it appears that there is no programme to achieve them. The Health Minister Melanie Johnson told the Committee:

⁷⁷ *Updating Coalfield Areas*, International Centre for Regional Regeneration & Development Studies, University of Durham for the ODPM, May 2003, p17

⁷⁸ COA 13

⁷⁹ COA 59(a)

⁸⁰ COA 59(a)

“It (the funding formula) does not determine actual allocations which reflect pace of change policy decisions on the speed at which PCTs are brought nearer to target.”⁸¹

On our visit to Easington we were told that the funding allocation to Easington’s Primary Care Trust in 2003-2004 was 20% below the composite target set by the Department of Health. According to the PCT, in 2003-4 the district is losing out £26.5m and in 2004-5 £25.4m. The new allocations are being phased in and the PCT estimated that it would take between 20 and 30 years before the target is reached. Evidence from the DoH also highlighted the low level of GP provision in coalfield areas. Only six of the 30 PCT areas covering the coalfields have the national average number of full-time GPs or equivalents for their population, and some fall seriously below the average. In Barnsley, for example, there are 46.66 GPs per 100,000 population compared to a national average of 55.55 per 100,000.⁸²

76. The need for special provision for former miners suffering from chronic obstructive pulmonary disease was highlighted by submissions to the Committee. The Coal Industry Social Welfare Organisation said that in Rotherham, 20% of all readmissions patients within a year of the first admission into hospital were for individuals with respiratory disease. It highlighted the need for a centre offering respite care to provide temporary supportive accommodation for those who required assistance “to deliver proven effective practice and reduce acute episodes of ill-health while improving the quality of life and health outcomes of both sufferers and their carers.”⁸³ The centre is seen as a pilot which could be applied elsewhere. The Coalfields Regeneration Trust, which has extended its charitable objectives to assist with certain elements of mining related healthcare, is funding the feasibility study for the centre but up to £8m is required to build the 20 bed centre. According to CISWO, the centre requires support from the PCT.

77. The provision of GPs in most of the coalfield areas is below the national average. The Department of Health and PCTs must develop more effective programmes to recruit GPs to these areas, particularly with their high levels of needs. It is welcome that the DoH has developed a new funding formula for health service provision reflecting social and health needs in a PCT district. But it is disappointing that there does not appear to be a programme for its full implementation. As a matter of urgency, the DoH needs to set out a date by which all areas will have reached their target funding levels.

78. The Department of Health and local Primary Care Trusts must consider the specialist needs of the coalfield areas and provide sufficient funding for such innovative projects as respite care centres and healthy living centres. It must move further away from the “one-size fits all” approach which dominates the NHS.

⁸¹ COA 59(a)

⁸² COA 59(a)

⁸³ COA 35

9 Community Funding

79. The closure of the mines not only brought the loss of a large number of jobs, but also the loss of many welfare and social facilities which were provided by the former coal companies and the trade unions. Informal support networks were broken up. The Coalfields Task Force commented:

“The impact of the sudden withdrawal of this support network has been enormous and has not been adequately supported by regeneration programmes.”⁸⁴

Since the Task Force report, there has been progress; the Lottery Funds are targeting the needs of coalfield areas and the Coalfields Regeneration Trust has been established, but long term funding at a level which reflects the areas’ needs has not yet been provided and there is a particular problem with core revenue funds to run the community organisations.

The Lottery

80. The Coalfields Task Force highlighted the low level of grants from the Lottery Funds to coalfield areas and welcomed reforms in the pipeline to enable the funds to target resources at deprived areas.⁸⁵ In their submission to the Committee the Lottery Funds highlighted the new initiatives since 1998 which allocated funds and facilitated applications for projects from coalfield areas. There are still concerns however that the coalfield areas are still not getting their fair share from all the funds and there is a considerable accumulated funding shortfall which has yet to be made up.

81. The New Opportunities Fund and the Community Fund have developed a targeted approach by setting up small grant funds and employing support officers to enable applications from local groups in deprived areas including much of the coalfields. The New Opportunities Fund has invested about £382m in coalfield areas since 1998, 11% of its money.⁸⁶ The Heritage Lottery Fund has also prioritised small local heritage projects with immediate meaning for residents of towns and villages in the coalfield areas. More than £313.5m of Heritage Lottery Funds have been invested in 2,100 projects in coalfield areas.⁸⁷

Monitoring

82. A report for the DCMS in November 2001 highlighted progress in increasing the coalfields’ share of lottery funds from 45% of the GB award amount per capita given out between 1995 and 1998 to 60% between 1998 and 2001. There are no comprehensive figures available since 2001.⁸⁸ Launching the result of this research the Government also reaffirmed its commitment to improve the geographic spread of Lottery funding.⁸⁹ **The**

⁸⁴ *Making the Difference A New start for England’s Coalfield Communities*, Coalfields Task Force Report, June 1998 p8 para1.6

⁸⁵ CTF Report para 6.34-6.38

⁸⁶ COA 58

⁸⁷ COA 15

⁸⁸ *Fair distribution of Lottery funding to coalfields and other areas*, DCMS November 2001, pages 31 & 32

⁸⁹ COA 32

DCMS needs to carry out a further monitoring exercise to assess whether the overall take-up of lottery funds in the coalfields area has continued to increase and ensure that its commitment to widen the geographic spread of Lottery funding is being achieved. If these objectives are not being attained, it should make appropriate changes to its policies and practices to ensure that they are attained.

Progress on increasing take-up

83. The evidence from the New Opportunities Fund shows that, overall in England, the coalfield areas are receiving slightly more than the average per head of population: on average £33.35 compared to £31.40.⁹⁰ This is a result of considerable effort through such programmes as Fair Share which targets those areas which have hitherto not received their share of Lottery funds and gives support with preparing projects and the application process. However, across all the funds there is still a shortfall. Cannock Chase Council pointed out that between 1995-2002 its per capita share of all Lottery funding was only £56.03 compared to a West Midlands regional average of £121.88 per head. The Council urged the DCMS to action its commitment to raise the coalfield's per capita share of Lottery funding as a matter of urgency.⁹¹ The Coalfields Communities Campaign pointed out that by 2001, the cumulative underfunding of the coalfields totalled £400m. It urged that this should be made up.⁹²

84. There has been progress in increasing the share of Lottery funding given to coalfield areas, particularly by the Community Fund and the New Opportunities Fund through the targeting of their funds. There is still considerable scope for further progress and a major cumulative shortfall. The DCMS needs to set out how it intends to achieve a fairer geographical distribution of lottery funds and also address this shortfall through more effective targeting of all the funds.

The Coalfields Regeneration Trust

85. The Coalfields Regeneration Trust was set up following the Coalfields Task Force Report which recommended that Government invest in a “ringfenced fund to support coalfields regeneration.”⁹³ The trust was launched in 1999 primarily as a grant-making body to support coalfield communities. With funding from the ODPM it has invested about £69m in mainly grass roots projects managed by local communities.

86. The Trust has been widely welcomed as providing support for voluntary and community based projects. Its impact is being constrained because of its short term funding arrangements. The Trust receives funding commitments on a three yearly basis with no guarantee of continuation at the end of each three years. The Trust's director Janet Bibby told us:

⁹⁰ COA 58

⁹¹ COA 20

⁹² COA 03

⁹³ *Making the Difference A New start for England's Coalfield Communities*, Coalfields Task Force Report, June 1998, p52

“the Trust, is funded only in three-year tranches, therefore it is very difficult to build in long-term sustainability for groups’ funding.”⁹⁴

South Derbyshire District Council also pointed out that

“because of its short lifespan, the trust has struggled to tackle some long term regeneration issues. What is required is a long term policy to ensure continuity of funding, including for project exit funding.”⁹⁵

The regeneration minister Lord Rooker pointed out that funding had been increased beyond what was initially envisaged, but he could not guarantee that its funding would be put on a long term basis.⁹⁶

87. The Trust has developed innovative ways of working with local communities in developing funding bids for projects which have been welcomed by local authorities and local communities. The Coal Industry Social Welfare Organisation noted:

“The initiative of the Deputy Prime Minister in establishing the Coalfields Regeneration Trust has been most welcome, particularly through its Small Grants Programme, which has done an enormous amount to build the confidence of local people through the initiation or development of small voluntary based activities.”⁹⁷

The Coalfields Regeneration Trust has made an important contribution by investing in community regeneration and building up the confidence of local communities. The uncertainties of its funding from central Government has limited its impact which should now be addressed. The Committee accepts that any long term commitment should be subject to regular review to ensure that the funds are still required. The Government should guarantee funding for at least ten years, subject to an interim review after five years.

Availability of long term funding

88. Many organisations are dependent on short term grants from funders which are themselves short term such as the Coalfields Regeneration Trust and SRB. There is a strong preference from those funders to take on short term innovative projects rather than the basic running costs. The CHUB Bilsthorpe Centre said:

There seems to be a great deal of money available for new and innovative projects but not for the core funding/continuance funding of established organisations, however successful they may be. When funding is secured, it is usually for a relatively short period of time (2-3 years maximum, often much less) and is accompanied in many cases by a disproportionate amount of paperwork with regard to financial management and monitoring.⁹⁸

⁹⁴ Q103

⁹⁵ COA 21

⁹⁶ Q238

⁹⁷ COA 35

⁹⁸ COA 04

The Government needs to review the availability of long term core revenue funding for local community organisations that can then develop innovative projects and prepare bids for grants from the Coalfields Regeneration Trust and Lottery funds.

Conclusions and recommendations

The Regeneration of the Coalfield Areas

1. There has been considerable progress in tackling the environmental legacy from the coalfields but tackling social and economic regeneration is lagging far behind. This now requires much greater emphasis in Government programmes. (Paragraph 5)

Strategic Issues

2. The Government must commission an evaluation of progress to date in regenerating coalfield areas to establish the progress made so far in tackling economic and social problems, and then monitor future progress regularly. (Paragraph 8)
3. There is a varying level of commitment to the regeneration of the coalfield areas from Government Departments. All Departments need to be actively engaged in the regeneration of the Coalfields. The ODPM needs to coordinate their contributions more effectively. (Paragraph 10)
4. There are major concerns that there are too many initiatives in the Coalfields, and that Local Strategic Partnerships will not be effective in coordinating them. The Government needs to look further at rationalising the number of initiatives and at integrating those that remain with similar or related initiatives to ensure a strategic approach. (Paragraph 12)
5. Deep-seated problems cannot be addressed through short-term time-limited programmes. As recommended by the Committee's report on the Effectiveness of Government Regeneration Initiatives, long term programmes managed by local authorities are needed to provide certainty and coordination over an extended time. Effective monitoring systems need to be established to ensure that targets are met, and if necessary programmes adjusted accordingly. (Paragraph 15)

Economic Development

6. We welcome English Partnerships' programme to redevelop many of the redundant coalfields sites. The programme is unlikely to be completed by 2007. EP's commitment to extend the programme is welcome. A survey of additional sites should now be drawn up in collaboration with the local authorities to identify new sites. The continuing programme will need to be adequately resourced not only from the receipts from the sale of sites but also grant aid. (Paragraph 24)
7. The Committee welcomes English Partnerships' recent commitment to take on a wider role in promoting economic and social regeneration. It now needs to develop a coherent programme with the RDAs, the local authorities and the local communities which promotes links between the sites and local communities. A programme for the use of the receipts from the sale of sites is required which balances expenditure on site remediation and projects to maximise social and economic benefits from the subsequent redevelopments. (Paragraph 25)

8. We welcome the new roving team EP is funding with the Coalfields Regeneration Trust that is working with communities to maximise community benefits. More such initiatives are needed. The redevelopment of any site should not go ahead unless programmes are in place to ensure that the benefits are available locally. EP should be flexible in its use of coalfield funding and consult extensively with local communities located in coalfield areas before embarking on redevelopments. (Paragraph 26)
9. English Partnerships must ensure that Network Space develops a balanced portfolio of small business centres taking in areas where the risks are greater as well as where the returns are more certain. The aim of such a joint venture should go beyond mere commercial benefit and to take on projects which are not immediately attractive to the private sector and promote development in those places where it is most needed. (Paragraph 28)
10. The redevelopment momentum achieved up to now is in danger of being lost when the coalfields enterprise zones expire. As recommended by the Coalfields Task Force, a successor to enterprise zones is required to support the development of sustainable new businesses and particularly local enterprises to help provide a long-term solution to the economic development and employment problems of coalfield areas. (Paragraph 32)
11. Regional Selective Assistance plays an important part in supporting areas with weak local economies and particularly the coalfield areas and it is important that this support continues after the forthcoming review. (Paragraph 33)
12. The level of commitment by the RDAs to coalfield areas is variable. It is important that the RDAs prioritise the needs of those areas, develop strategies and associated funding programmes that reflect this priority. The ODPM should issue new guidance to ensure that all the relevant RDAs give high priority to the needs of the coalfield areas. (Paragraph 37)
13. The Government's new strategy to promote growth in the North can benefit the coalfield areas but as yet it is unclear how they fit into it. It is important that they are not disadvantaged by a focus on major urban areas. The coalfields should not be seen as suburbs to the larger conurbations but as areas in their own right where social and economic needs are met locally. The coalfields in the Midlands and the South East should also not be overlooked as a result of the new initiative. (Paragraph 38)
14. Any new incentive scheme must be tied to job creation rather than simply enticing developers into an area without any job guarantees. For EP to achieve its target of 42,000 new jobs there will need to be a considerable increase in the net new job creation. (Paragraph 41)
15. New developments on large coalfield sites need to include a diverse range of uses and employment opportunities. New incentives introduced when the enterprise zones expire in 2005 should encourage high quality, diverse, sustainable economic activity. EP and the RDAs need to draw up masterplans for the new developments setting out the required mix of employment, housing and social facilities and the public transport connections. Bringing in mobile investment such as branch plants and call

centres which is principally attracted by the short term advantages of incentives will not create a stable economy. (Paragraph 42)

16. There is a low level of business start-ups in coalfield areas which the Coalfields Enterprise Fund will help to address. It is disappointing that it has taken so long to set up the fund. The initial capital of £20m is substantially less than the £50m proposed by the Coalfields Task Force. As the fund is developed, the Government must review progress and consider further investment to maximise the Fund's impact. (Paragraph 44)
17. Social enterprises are important to facilitate the transition to new forms of employment and enterprise development particularly with the low employment rates in many coalfield areas. They can also provide a range of services that otherwise would not be provided in these places. The RDAs must prioritise social enterprises to encourage local employment and enterprise and support services that are not immediately attractive to the private sector. A replacement for the European Social Fund funding is required to sustain many of the training projects which will promote local employment on the new construction schemes as they start in the coalfield areas. (Paragraph 47)

Skills, Training and Education

18. Educational attainment is a serious problem in the coalfield areas and deserves greater attention by the Government. Successful economic regeneration will depend on the availability of skilled people. The DfES should review its funding formula to ensure that those schools outside densely populated urban areas like the coalfields receive sufficient funds to tackle their particular needs. It should relax its requirement for Specialist Schools to raise private sector sponsorship to enable more schools in coalfield areas to enable them to participate more fully in this scheme. (Paragraph 57)

Transport

19. Coalfield areas are in peripheral urban areas with poor transport connections to many major conurbations. The Department for Transport needs to give greater weight in its assessment of transport proposals to the regeneration benefits from opening these areas up for development. (Paragraph 59)
20. Transport has an important role in promoting access for coalfield communities to new job opportunities and key services which those local areas cannot support because of their small population. With the low level of car ownership, public transport is even more important but is not sufficiently funded. The Department for Transport needs to increase the funding allocation to public transport in the more isolated rural coalfield areas. (Paragraph 62)

Housing

21. There are major housing problems in the coalfield areas as a result of the closure of the mines leading to a declining population and surplus housing. The problems are

exacerbated by the poor state of the housing and the unadopted roads which were mainly built by the colliery companies. The National Coal Board's sale of its housing estates in 1986 helped to destabilise many areas by bringing absentee landlords and a more transient population. This now needs to be addressed. Progress to date in addressing the housing needs of coalfield communities has been slow and patchy. (Paragraph 70)

22. To fulfil its commitment as part of the Sustainable Communities Plan, the Government must draw up a programme to tackle low demand and abandonment in former coalfield communities which sets out targets and allocates resources. It is disappointing that the Government is not considering additional Pathfinder initiatives as part of its Housing Market Renewal Fund despite the existence of other areas with serious levels of low housing demand and abandonment. Other initiatives must be considered to address low demand in other areas. (Paragraph 71)
23. We welcome the new flexibility which the Government has given English Partnerships to address social as well as economic problems in the coalfield areas. EP should now draw up a well defined regeneration programme setting out its role and resources in tackling. Following EP's study into the housing problems in the coalfield areas, a joint strategy between ODPM and EP is required which clearly identifies EP's role in working with local authorities, RDAs and the Regional Housing Boards. The Meden Valley Initiative is one model which could be replicated elsewhere. (Paragraph 72)

Health

24. The provision of GPs in most of the coalfield areas is below the national average. The Department of Health and PCTs must develop more effective programmes to recruit GPs to these areas, particularly with their high levels of needs. It is welcome that the DoH has developed a new funding formula for health service provision reflecting social and health needs in a PCT district. But it is disappointing that there does not appear to be a programme for its full implementation. As a matter of urgency, the DoH needs to set out a date by which all areas will have reached their target funding levels. (Paragraph 77)
25. The Department of Health and local Primary Care Trusts must consider the specialist needs of the coalfield areas and provide sufficient funding for such innovative projects as respite care centres and healthy living centres. It must move further away from the "one-size fits all" approach which dominates the NHS. (Paragraph 78)

Community Funding

26. The DCMS needs to carry out a further monitoring exercise to assess whether the overall take-up of lottery funds in the coalfields area has continued to increase and ensure that its commitment to widen the geographic spread of Lottery funding is being achieved. If these objectives are not being attained, it should make appropriate changes to its policies and practices to ensure that they are attained. (Paragraph 82)

27. There has been progress in increasing the share of Lottery funding given to coalfield areas, particularly by the Community Fund and the New Opportunities Fund through the targeting of their funds. There is still considerable scope for further progress and a major cumulative shortfall. The DCMS needs to set out how it intends to achieve a fairer geographical distribution of lottery funds and also address this shortfall through more effective targeting of all the funds. (Paragraph 84)
28. The Coalfields Regeneration Trust has made an important contribution by investing in community regeneration and building up the confidence of local communities. The uncertainties of its funding from central Government has limited its impact which should now be addressed. The Committee accepts that any long term commitment should be subject to regular review to ensure that the funds are still required. The Government should guarantee funding for at least ten years, subject to an interim review after five years. (Paragraph 87)
29. The Government needs to review the availability of long term core revenue funding for local community organisations that can then develop innovative projects and prepare bids for grants from the Coalfields Regeneration Trust and Lottery funds. (Paragraph 88)

Appendix 1 - Visit Note

Urban Affairs Sub-committee visit to Easington, County Durham, and South Yorkshire

Tuesday 1st December – Wednesday 2nd December 2003

Participants

Andrew Bennett, MP

Clive Betts, MP

John Cummings, MP

Chris Mole, MP

Christine Russell, MP

Kate Emms, Clerk

Ben Kochan, Committee Specialist

Ray Hudson, Special Advisor

Fred Robinson, Special Advisor

Tuesday 1st December

Easington

Overview

1. The Sub-committee was welcomed to Easington by Councillor Alan Napier, the Leader of Easington District Council.

Progress on Regeneration in Easington

2. Janet Johnson, Director of Regeneration and Development set out the problems in Easington and the progress made in regenerating the district since the pit closures. More than 10,000 jobs in coal mining and 2000 jobs in textile industries had been lost. The local economy was still fragile. Employment was now mainly in retailing and contact centres. Jobs were being lost faster than they were being created. The majority of new jobs were not going to residents and there had been a recent decline in employment of residents. There were low levels of income and car ownership, and low levels of educational attainment and achievement. The district had one of the worst health records in the country. There are low aspirations and confidence. The incapacity rate amongst working age people was 16.3% compared to a national rate of 5.5%. 21 of 26 wards were in the top 10% most deprived in the country. The standard mortality ratio was the 12th highest in Great Britain. All 26 wards were in the top 5% most deprived in terms of health. Literacy and numeracy were the worst in the region. There were 900 public sector housing voids.

3. A Task Force had been set up in 1991 involving a wide range of agencies. Community involvement was increasing and there had been engagement with the private sector. 225 hectares of derelict land had been remediated, 257 hectares of former colliery land had

been reclaimed, 1,059 new private sector houses had been built and 5,600 new jobs attracted to the district. 1,250,000 sq.m. of new business floorspace had been created. Two town centre developments were being carried out. There was now greater emphasis on promoting social regeneration, to increase economic diversity and local employability and to seek community based economic growth. The council was seeking to improve the transport and access infrastructure and the relationship of coalfield issues within Regional Agendas and Strategies (RSS, RES, RHS). Currently there was no strategic document or context for Coalfield issues regionally. There were major questions about future investment incentives with the ending of the enterprise zones.

4. The Sub-committee was then taken on a tour around the coalfield sites and the villages in the area, where they saw some of the problems and solutions that had been discussed earlier in the day. The tour included physical developments, reclamation of former colliery sites in the enterprise zones, environmental improvements and town & village centre renewal programmes:

- **Dawdon Colliery** was one of the first Enterprise Zone sites. It had a mixture of light manufacturing, warehousing, call centres, and several vacant speculative units.
- **Seaham Colliery** had been reclaimed by One NorthEast/English Partnerships and housing development was being planned.
- **Vane Tempest Colliery**, another site reclaimed by One NorthEast/English Partnerships, where housing is being built
- **Seaham Harbour**. The harbour had originally been built for the transport of coal but the Dock Company was being relocated to another basin to make space for the expansion of Seaham town centre.
- **Dalton Park retail centre** – an out-of-town retailing park which was providing a wider range of shopping than is available in any of the towns and villages.

5. The final part of the tour looked at **Easington Colliery**, a dilapidated village suffering from low housing demand, poor retailing, poor access to the main road network and the coastal rail route. The main street is very narrow as it was not designed for cars.

6. After the tour the committee met with officials from Easington District Council: Councillor Alan Napier, Leader of Easington District Council, Peter Coe, Head of Regeneration and Partnerships and Tony Forster, Senior Economic Development Officer. The problems posed by the ending of many Government and EU regeneration programmes in the area were discussed, as well as the problems of low housing demand and the poor environment in the villages, and possible strategies for addressing the low housing demand.

Wednesday, 2nd December

South Yorkshire

Overview

7. The Sub-committee was taken around key coalfield sites and developments in South Yorkshire by:

- Janet Bibby, Chief Executive, Coalfields Regeneration Trust
- John Woodside, Head of Community Planning, Barnsley Metropolitan Borough Council and Local Strategic Partnership representative
- Martin Kendall, External Funding Officer, Doncaster Metropolitan Borough Council
- Richard Poundford, Head of Rotherham Industrial Development Office
- Ian Deighton, Single Regeneration Budget Manager, Wakefield Metropolitan District Council
- Richard Breese, Strategic Coordinator, South Yorkshire Coalfield Partnership.

The Committee saw:

- **Cortonwood Enterprise Zone** a former colliery site which has now been developed with a range of light industry, and offices for call centres, with adjacent housing and retail uses.
- **Old Moor Wetlands Centre** an area managed by the RSPB where as part of the reclamation process, new wildlife habitats and flood defences have been created.
- **Field's End Enterprise Zone** which had attracted a range of warehousing and some speculative development which has yet to be occupied.
- **Thurnscoe Managed Workspace** which was developed in the old pit head baths building by Barnsley Council.
- **South Kirby Industrial Estate** which had been equipped with services but had failed to attract development.
- **West End Estate, Hemsworth** in Wakefield, an mining village suffering from neglected terrace housing, poor environment and some anti-social behaviour.
- **Grimethorpe Village** – a mining village with a poor environment. Much of the worst housing had been demolished leaving large open spaces, but it is as yet unclear when redevelopment will take place.
- **The Grimethorpe/Houghton employment zone** – former colliery sites which have been reclaimed with some land developed for light industrial uses but there is limited demand for development and the landscaping is poor.

- **Manvers Way** is the main Enterprise Zone area which has attracted modern industrial uses including call centres, distribution centres and some manufacturing operations as well as the administrative offices for the Coalfields Regeneration Trust.
- **Conisborough**, a traditional mining village, with poor housing, social problems, limited shopping and high levels of worklessness.

8. The Committee visited the Acorn Centre in Grimethorpe. The former British Coal offices had been purchased by Barnsley council and redeveloped for community uses and training and some small business spaces. The Committee saw two short presentations at the Centre. The centre's manager, Jayne Remington described a wide range of community support and training projects which took place in the centre which included a citizen's advice bureau, business advisors, youth support services and basic skills training. Steve Palmer from Barnsley Community Build described its work helping former miners develop new skills, particularly for construction work. He pointed to considerable interest among former miners in retraining which was frustrated by a lack of courses and trainers.

9. At the offices of the Coalfields Regeneration Trust, Richard Breese from the South Yorkshire Coalfields Partnership Board set out the major challenges for the regeneration of the coalfields in South Yorkshire. Most colliery-related sites had been reclaimed and the environment had been greatly improved. Some of the key infrastructure projects especially new roads were completed. There had been major employment creation in the heart of the former coalfields, but low wage and low skills jobs predominated which were vulnerable to macro-economic forces. Recorded unemployment rates were historically low but the record on education, health, social problems, community development, housing, public transport was mixed. Former coalfields need to be linked with each other and into regional, national and international networks.

10. The Committee then saw two presentations about key projects seeking to regenerate the South Yorkshire coalfields. Greg Lindley from Rotherham Council's Investment and Development Office described plans for an advanced manufacturing park at Waverley close to junction 33 of the M1 between Rotherham and Sheffield. Mr Lindley described the joint venture with the UK Coal Mining which also involved the University of Sheffield and Boeing. It included a mixture of development for high technology industry and training, with possible new housing developments as well. New transport links were needed with the M1 and an extension of public transport networks to support the scheme.

11. Jeremy Johnson from Doncaster Council's planning department set out the private sector development for reopening Finningley RAF airbase as a commercial airport. It was estimated that the airport could create 6,000 jobs by 2014. The council was looking at how to improve the transport links to the new airport.

Formal Minutes

Tuesday 9 March 2003

Members present:

David Clelland, in the Chair

Mr Andrew Bennett

Mrs Eleanor Laing

Sir Paul Beresford

Mr Chris Mole

Mr Clive Betts

Christine Russell

Mr Graham Brady

Mr Adrian Sanders

Mr John Cummings

The Sub-committee deliberated.

Draft Report (Coalfield Communities), proposed by the Chairman, brought up and read.

Ordered, That the Chairman's draft Report be read a second time, paragraph by paragraph.

Summary agreed to.

Appendix agreed to.

Resolved, That the Report be the First Report of the Sub-committee to the Committee.-
[The Chairman].

Ordered, That the Chairman do make the Report to the Committee.

[The Sub-committee adjourned.]

Tuesday 9 March 2003

Members present:

Andrew Bennett, in the Chair

Sir Paul Beresford	Mrs Eleanor Laing
Mr Clive Betts	Mr Chris Mole
Mr Graham Brady	Christine Russell
Mr David Clelland	Mr Adrian Sanders
Mr John Cummings	

The Committee deliberated.

Draft Report (Coalfield Communities), proposed by the Chairman, brought up and read.

Ordered, That the Chairman's draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 88 read and agreed to.

Summary agreed to.

Appendix agreed to.

Resolved, That the Report be the Fourth Report of the Committee to the House – (The Chairman.)

Ordered, That the Chairman do make the Report to the House.

Ordered, That the Appendices to the Minutes of Evidence taken before the Sub-committee be reported to the House.

Several memoranda were ordered to be reported to the House.

Ordered, That the provisions of Standing Order No. 134 (Select committee (reports)) be applied to the Report.

[The Committee adjourned.]

Witnesses

Monday 10 November 2003

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Councillor Bill Flanagan OBE , Chairman and Professor Steve Fothergill , National Director, Coalfields Communities Campaign	Ev 1
Mr Steve Burrows , Head of Economic Regeneration, Staffordshire County Council	Ev 1
Mr Keith MacKenny , Regeneration Manager, Kent County Council	Ev 1
Mr David Seviour , Group Chief Executive, Leicester Housing Association	Ev 9
Mr Vernon Jones , Chief Executive, Coal Industry Social Welfare Organisation	Ev 9
Mr Richard Sharland , Director of Development, Mr Graham Parry , Chief Executive, EnProve (a subsidiary of Groundwork), Groundwork	Ev 15
Mr David Knight , Urban Adviser, Mr Ian Smith , Head of Development and Regional Policy, English Nature	Ev 15
Dr Ian Roxburgh , Chief Executive, The Coal Authority	Ev 15

Monday 8 December 2003

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Janet Bibby , Chief Executive, Coalfields Regeneration Trust	Ev 21
Mr Stephen Johnson , Director of Operations, Heritage Lottery Fund	Ev 21
Mr Gerald Oppenheim , Director of Policy and Communications, Community Fund	Ev 21
Mr Mark McGann , Head of Policy, New Opportunities Fund	Ev 21
Mr Trevor Beattie , Corporate Strategy Director, Mr Rob Pearson , Head of National Programmes, English Partnerships	Ev 27
Mr Alan Clark , Chief Executive, One NorthEast	Ev 27
Mr Martin Briggs , Chief Executive, East Midlands Development Agency	Ev 27
Rt Hon Lord Rooker , a Member of the House of Lords, Minister of State for Regeneration and Regional Development, Office of the Deputy Prime Minister	Ev 37
Miss Melanie Johnson , a Member of the House, Parliamentary Under Secretary of State (Public Health), Department of Health	Ev 37
Rt Hon Margaret Hodge MBE , a Member of the House, Minister of State for Children, Department for Education and Skills	Ev 37

List of supplementary written evidence

Supplementary memorandum by Friends of the Forest (COA33(a))	Ev 48
Advantage West Midlands (COA 53)	Ev 48
One NorthEast (COA 54)	Ev 54
Supplementary memorandum by One NorthEast (COA 54(c))	Ev 55
David Miliband MP, Minister of State for School Standards, Department for Education and Skills (COA 55)	Ev 58
Jacqui Smith MP, Minister of State for Industry and the Regions, Department of Trade & Industry (COA 56)	Ev 61
Tony McNulty MP, Parliamentary Under Secretary of State, Department for Transport (COA 57)	Ev 62
Community Fund and the New Opportunities Fund (COA 58)	Ev 65
Supplementary memorandum by the South Yorkshire Coalfield Partnership Board (COA 08 (a))	Ev 73
Supplementary memorandum by the Friends of the Forest (COA 33(b))	Ev 73
Supplementary memorandum by English Partnership (EP)(COA 42(b))	Ev 74
Melanie Johnson MP, Parliamentary Under Secretary of State for Public Health, Department of Health (COA 59)	Ev 74
Supplementary memorandum by the Department of Health (COA 59(a))	Ev 75
Supplementary memorandum by the Department for Department for Education and Skills (DfES)(COA 55(a))	Ev 85
Leicester Housing Association (LHA) (COA 10(a))	Ev 87

List of unprinted written evidence

Additional papers have been received from the following and have not been reported to the House but to save printing costs they have not been printed and copies have been placed in the House of Commons library where they may be inspected by Members. Other copies are in the Record Office, House of Lords and are available to the public for inspection. Requests for inspection should be addressed to the Record Office, House of Lords, London SW1. (Tel. 020 7219 3074) hours of inspection are from 9:30am to 5:00pm on Mondays to Fridays.

Supplementary memorandum by One NorthEast (COA 54(a))

Supplementary memorandum by One NorthEast (COA 54(b))

Reports from the ODPM Committee since 2003

The following reports have been produced by the Committee since the start of the 2003-04 Parliament. The reference number of the Government's response to each Report is printed in brackets after the HC printing number.

Session 2003–04

First Report	ODPM Annual Report and Accounts 2003	HC 102-I
Second Report	Annual Report to the Liaison Committee	HC 221
Third Report	The Fire Service	HC 43-I

Oral evidence

Taken before the Office of the Deputy Prime Minister: Housing, Planning, Local Government and the Regions Committee (Urban Affairs Sub-Committee)

on Monday 10 November 2003

Members present:

Mr David Clelland, in the Chair

Andrew Bennett
Mr Clive Betts
Mr John Cummings

Chris Mole
Christine Russell

Witnesses: **Councillor Bill Flanagan, OBE**, Chairman, and **Professor Steve Fothergill**, National Director, Coalfield Communities Campaign; **Mr Steve Burrows**, Head of Economic Regeneration, Staffordshire County Council, and **Mr Keith MacKenney**, Regeneration Manager, Kent County Council, examined.

Chairman: Good afternoon. Welcome to this first session of the Committee on coalfields communities. Does anyone want to make any statement, or would you prefer to go straight into the questions?

Q1 Mr Cummings: Many of the submissions made to this inquiry suggest that the regeneration of the coalfields is quite well advanced. Some people might agree with that, but I am sure many would disagree. Could you tell the Committee in your opinion how successful coalfields regeneration measures have been to date?

Councillor Flanagan: Quite frankly, there has been some success, a fair measure of success, over the last six years, but one has to remember that for 12 years prior to that there was nothing at all done in the coalfields. Since the intervention of the Deputy Prime Minister and through his Office, we have seen success of various degrees. Certainly the Office of the Deputy Prime Minister has been pretty good; the DTI have been reasonably good; with the Lottery funds we are getting there but we are not there yet—we are not getting our fair share; Education “could do better”, to use an educational term; we were well received by Treasury, but they do not seem to have delivered the goods. That is on par for what is happening; there is a great deal done, but nowhere near sufficient for the coalfields to go out there and compete on level terms with those areas that have not had a quarter of a million redundancies all on one spot, and all the things that brings with it in terms of housing, health, education and so forth. So yes, over six years, they are getting there; they are probably 45–50% of the way there.

Q2 Mr Cummings: Is Staffordshire of the same opinion?

Mr Burrows: Yes, we would certainly support those comments. I think the progress we have made has been primarily in the physical renewal of the areas, particularly bringing forward the former colliery sites, which we have done quite successfully. In Staffordshire we have brought forward four or five of the colliery sites for modern business parks and created quite a number of jobs, somewhere between

3,000–3,500 jobs. However, you should compare that to the fact that we lost 10,000 jobs in the mining industry directly. Where we have made less progress is in the social problems that have gone with the coalfields areas, particularly in terms of raising educational performance, and also raising educational aspirations, whether directly through the children or through the parents and families. There is still a big job to do.

Q3 Mr Cummings: So the Committee can have some idea of the scope of the problem, how many years do you believe it will take before coalfields are successfully regenerated?

Professor Fothergill: You will remember that probably 10–12 years ago we used to say that regenerating the coalfields was a generation’s work. That was probably true then, and I think it is probably true now. What has actually happened is that we are 10–12 years further down the line than we were at that time, and we are towards the halfway mark, but it all has to be seen in the context, as Councillor Flanagan has said, of the scale of the problem. Two hundred and fifty thousand jobs gone in the coal industry since the time of the miners’ strike is a hole in local economies which is not going to be plugged overnight; it is going to require action across a very broad front. We are getting there but we are not there yet. We will know when we have got there.

Q4 Mr Cummings: You certainly speak with an air of optimism. I wish I shared it. Looking to the future and your activities, do you intend to concentrate more on the social measures? You have done an immense job, an admirable job, in relation to regeneration and clearing of pit heaps, but there are scars on people’s lungs, there are scars inside people which need to be attended to. I am speaking of the appalling state of health that exists within mining communities, as evidenced by the Indices of Multiple Deprivation. I am talking about outside of the area I represent. Do you intend to concentrate your efforts more on this in the future?

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Councillor Flanagan: I do not think this inquiry wants us to concentrate on that. It specifically leaves that out.

Q5 Mr Cummings: I am asking whether the Coalfield Communities Campaign is doing that.

Councillor Flanagan: We are concentrating on that, and you gave us credit for the amount we have done. We are nothing but a pressure group; we put pressure on other people to make sure that they have done it. We have given credit where it is due. There have been a lot of players, a lot of people. It has been organised by the Government, the RDAs and English Partnerships, and various other organisations have come together. The scars on the landscape are much easier to get rid of than the scars on the lungs. One of the biggest problems is the culture of low educational standards, and the culture of low expectation. This is going to take a lot of developing, and it needs the jobs, the infrastructure, the trains, the environment before people can start expecting more. At present they do not expect a great deal.

Mr Burrows: I would certainly support that. In Staffordshire we have high schools in some of our coalfields wards which are achieving less than half the national average in GCSEs, and although we are doing well in creating new jobs on new business parks, you have to ask the question whether the children that are leaving school have the educational skills and attainment to access those jobs. In many cases we suspect they have not. Jobs for the future is very much about raising educational attainment, expectations and skills.

Professor Fothergill: I would just like to make sure you do not get the impression that somehow we are thinking that the problem of the jobs is solved in our communities. If you look at the raw unemployment figures these days, they would suggest that we really do not have the problem that we had in the early 1990s or indeed even in the mid 1980s. Claimant unemployment is quite low, but that is really only a small part of the overall jigsaw. In many mining communities we have diverted huge numbers off Jobseeker's Allowance, for example, on to other benefits, or even outside the benefits system altogether. The best way of looking at the continuing need for job creation is to look at what proportion of adults actually have jobs in our areas. Whereas in the best parts of the South East it is typically 80–85% of adults of working age with jobs, if you look in your own constituency, you will probably find that the comparable figure is barely 60%, and in many other mining areas it is often only in the mid 60s in terms of the percentage of adults of working age who actually have jobs. That is a full 20 percentage points behind the rates that are routinely achieved in the best parts of the South East. So even on the jobs front we still have a long way to go, quite apart from all the social problems.

Q6 Christine Russell: On the jobs front, what are the employment statistics for the under-25s?

Professor Fothergill: I could not give you the precise figures off the top of my head. The main problem in terms of the labour market is that the disappearance of very large numbers of jobs for male manual workers has resulted particularly in withdrawal of the men completely from the labour market, above all on to long-term sickness and incapacity benefits. That is where the slack in the labour market has gone. As those people reach 65 and get their state pension, they are not going to be freeing up vacancies for the generation behind.

Q7 Christine Russell: I am asking you about the youngsters, whether in the coalfields communities the rates of youth unemployment are much higher than they are in other areas.

Councillor Flanagan: I can see that being an important question, because if we have a second generation unemployed because they do not have the skills, that is really desperate. There are some of them in fact going on to further education, moving into different skills from their fathers. The figures must be available. We can find them somewhere. Can I just clear up one thing said by Professor Fothergill, when he said we do not have the jobs they have in the South East? I want to make it perfectly clear whenever we talk about the affluent South—and we will—we do not mean the east coast of Kent, we do not mean Thanet, we do not mean Dover, because they are in as bad a position as we are.

Q8 Chris Mole: If I can play devil's advocate for a moment, is it actually realistic to expect all coalfield communities to be fully regenerated?

Councillor Flanagan: I cannot see why not. What is the alternative to fully regenerating them in one way or another? To obliterate them? To close them? To move on? Where do they go if they move from where they are? They could all move down here and we could have another 50,000 jobs created in Reading or somewhere, and 50,000 houses. Obviously that is not an answer; there are too many people moving south. There has to be something in the North. Commuting to the larger cities does not help, with the travel problems and congestion on the roads. If there could be some form of employment in an area that has 10,000 people, it is the best method of keeping people gainfully occupied, educated. The social fabric of a community that size is worth persevering with for a bit longer.

Mr MacKenney: We have very strong coalfields communities in Kent, and I totally agree with Councillor Flanagan: you cannot just leave them to their own devices. There is a strong community feeling and they have strong aspirations. They cannot just be ignored.

Q9 Chris Mole: So you do not think there are any circumstances in which local authorities should accept that some of the former coalfield community villages are just too small and unsustainable, and with the mines gone, they should just manage the decline. That would not be a way forward that you would see?

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Mr MacKenney: I think the work being done on regeneration in Kent is not being done on a village basis. Albeit Kent is a different case, we are trying to regenerate the whole coalfield. It does mean we are developing, for example, Aylesham as a centre for the coalfield, and the things that are happening at Aylesham will benefit the other communities close by. Some communities are further away from that, and you have a similar sort of concentration on Hersden in the Canterbury area and on the area of South Ramsgate with the Thanet communities. I do not think there is a need to actually regenerate every village.

Mr Burrows: Staffordshire is a slightly different case, because they are not free-standing pit villages; they are parts of bigger towns like Stoke-on-Trent and Newcastle-under-Lyme and Cannock, where there are other industries. The problem is that some of those other industries are also in decline: in North Staffordshire the steel industry, the pottery industry and traditional engineering are in decline as well. So the issue is about regenerating the whole of North Staffordshire, a population of maybe 300,000 people. It is not about targeting specific smaller communities.

Q10 Chairman: Many years ago Durham County Council, for instance, had a policy of what they called “category D” villages—this is a long time back—and a category D village was basically a village which was doomed; it was not going to survive, because the coalfield had closed and the community could not survive on its own. Not that that has reversed, but some of those villages have only survived because they have become commuter villages. Do you see the future of most regenerated villages being on the basis of commuting rather than developing their own energy?

Professor Fothergill: I think, in fairness, this will vary from place to place. Different towns and different villages will find new roles in time. Some of them may indeed become commuter settlements for neighbouring big cities, but that cannot be the way forward for the whole lot. We are not talking about a small number of villages and a small number of people; three and a half million people live in the English coalfields alone—five million if we add in Scotland and Wales. They cannot all be commuting out to neighbouring settlements. It is going to vary. Some of the significant settlements undoubtedly can be developed as new employment centres, others through time will adapt to become commuter settlements for neighbouring towns or indeed cities. Sometimes we will find that things will settle down at a lower level of population and a lower level of economic activity than we started at 20 or 30 years ago maybe. But that does not mean to say that these places should be wiped off the face of the earth. There is a process of adaptation, which needs to be encouraged and nurtured, and that is going to vary from place to place.

Q11 Chris Mole: What we are trying to get a sense of is whether it is a die-in-a-ditch issue over every last cluster of houses, or whether there are going to be measured responses in different places to different circumstances.

Councillor Flanagan: It has happened in the past and it will continue to happen. There are a number of existing villages where the pits shut some while ago that have developed into very nice commuter belts, and the property prices are way higher than they are in areas where there are still pits or where the pits have closed quite recently. So it does happen.

Q12 Chris Mole: I think you have begun to identify some of the things that you see as the most serious problems facing coalfield communities. It would be useful for the record if we could capture for each of the witnesses’ areas of interest what you believe those are.

Professor Fothergill: Shall we start with CCC’s concerns, which are really set out in the submission to you? Our basic approach to this is that regeneration requires a real toolkit of measures. It requires action across a broad front. We are saying yes, there is a problem of continuing under-employment; yes, there is a problem of continuing under-achievement at school; yes, there is a problem of poor health. There is a range of problems and a range of measures which really need addressing simultaneously, and I think the experience of regeneration in the coalfields and elsewhere is if you just go for one of those problems alone, you do not provide a total solution. This is something that requires action across the full range of government departments as well, not just ODPM. This is the ODPM Select Committee but it requires input from DTI, DCMS, DfES etc.

Councillor Flanagan: Speaking of the coalfields as a whole, they have done reasonably well, and I hope we do not give the impression that we are here today to complain. There have been quite a lot of improvements, and we are all grateful for the efforts that the various organisations that are under the Government’s control have made. Education, I think, is paramount to the next generation, and the question we were asked about under 25 year olds not finding work is important. There is a difference in the amount of effort put in by the development agencies. In my area, in the Midlands, we are delighted with what they are doing. SEEDA is equally good. They go from good to bad, and I will leave Staffordshire to tell you about the others.

The Committee suspended from 4.31 pm to 4.40 pm for a division in the House

Q13 Andrew Bennett: Funding. The coalfields have actually had a lot of money. Do you think that is justified, or ought it to have gone to other places as well as the coalfields? If we take Staffordshire, there is the huge decline of the pottery industry and considerable difficulties with steel. How can you justify separate money for the coalfields?

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Mr Burrows: In Staffordshire, because the coalfields are so closely entwined with the same settlements as the other industries, the jobs we are creating in the area are obviously taken up by people who are coming out of the pottery industry, out of the steel industry and out of the coal industry, so it is difficult to split it up. All those industries I have mentioned are in decline, and the forecast is that they will continue to shed labour well into the future. So the jobs we are creating and the educational opportunities we are trying to create are in terms of regenerating the whole of the settlement of maybe 300,000 people.

Councillor Flanagan: I would like to know who we have had a lot of money compared to. Compared to who? We got off the train at Victoria, and looked at Bressenden Place and Stag Place, and I cannot see that much development anywhere in the coalfields. Next door to here is a meeting with the farming communities, and quite a lot of money has gone into farming and drainage. The European agricultural communities seem to get quite a bit. Up until 18 years ago the mining industries and the mining communities were putting in a great deal of money. I cannot remember the exact figures. All we are doing is getting a little bit back now.

Professor Fothergill: Can I say that a lot of what we get is mainstream funding; it is not simply special programmes for the coalfields, but what we do find in general is that coalfield communities often fall between two stools. Staffordshire is perhaps the exception to the rule, in that the pits were pretty close to big, built-up urban areas, but your typical coalfields are smaller towns and villages. They are not targeted by the initiatives designed for the big cities, so they miss out on that funding stream, but at the other extreme, they are not rural areas either, and they tend to miss out on the purely rural programmes. There is a case for targeting those middle areas. We need a top-up, because we are not getting the cities' top-up and we are not getting the rural areas' top-up either.

Mr MacKenney: Perhaps I can endorse that. In Kent, our coalfield does not even enjoy Objective 2 status. Some communities in Thanet do, but we do not enjoy that throughout the coalfield, and certainly we see the coalfield regeneration in a similar way to Staffordshire, as part of the regeneration of East Kent, because not only do we have the coalfields but we have the coastal towns, which are in a similar state of disarray as a result of the decline in the tourism trade round there. I would like to see the coalfields seen within the context of East Kent, and there is an awful lot to do.

Q14 Andrew Bennett: What about EU funding? It does not apply to Kent but it does apply to a lot of the other coalfield areas. Are you happy that you are going to lose it?

Councillor Flanagan: No. The reason they got it in the first place was because they were in need of it. People give money where it is needed, and that is a good point. Nobody wants to live in an area with Objective 1 status. You receive the money because it

is an area of great depression and great need, and that is no more evident than in the valleys of Wales—it is such a depressing sight when you go round there—and South Yorkshire. It is far nicer to be on the beaches of Cornwall, if you have got to be in an Objective 1 area.

Q15 Andrew Bennett: Let us be realistic. It does not look as though much of the United Kingdom is going to qualify for Objective 1.

Councillor Flanagan: I am being realistic. We have got to fight for Objective 2. We are fighting for a bigger share of Objective 2. We accept that it has to be Cornwall, with a bit of luck, in Objective 1. We shall be looking to see that an equitable amount comes to this country, and comes to the coalfields in the new Objective 2. We are already prepared for the losing of Objective 1 status. We are above the 75% of GDP. But if there is money there—and I do not know yet whether the Government is going to dish it out or whether it is still going to be the European Union dishing it out—

Q16 Andrew Bennett: Which would you prefer?

Councillor Flanagan: Our options are open. It depends on who offers most and who offers the best.

Q17 Christine Russell: Can I ask you whether you think there should be a single pot of money for regenerating the coalfields? Professor Fothergill, you seemed to tell us a minute ago that in fact the coalfields miss out on a number of initiatives, yet other submissions say there is a multiplicity of initiatives. Is there a need for either a single pot or better targeting?

Professor Fothergill: I do not think in practice a single pot would work, because you are talking of funding streams which need to come from several different government departments. So no, I do not think that is a sensible way forward. When I say we miss out, let me give you an example: New Deal for Communities. You might think, with a name like that, it would be the sort of programme that would be tailor-made for our areas. There is £800 million attached to that programme, but not a single one of those New Deal for Communities areas is a coalfield area. That is an example of how we miss out. Most of them are around the big cities, not in the sorts of places we are talking about.

Q18 Christine Russell: Also, your submission stressed the need for Enterprise Zones. Would you like to explain that?

Professor Fothergill: Going back to the time of John Prescott's Coalfields Task Force, which I was a member of, I well remember the discussions. The proposal for a successor to Enterprise Zones was central to our conception of the way forward for our areas. It is not sufficient in many coalfields to trust to grow your own businesses. You need substantial injections of inward investment to make good the huge hole caused by the disappearance of the coal industry. In the coalfields the experience of Enterprise Zones, where we have had them, has been

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extraordinarily good: in South Yorkshire, in North Nottinghamshire, in East Durham. It has worked, perhaps better than it worked in and around some of the big cities. The whole Enterprise Zone initiative is time-limited, and it is dying. The last coalfield EZs will disappear in 2005, and if they disappear without a replacement, we do not really have a tool for areas we really need to kick-start with development. A lot of it will have to be development brought in from outside. I think we will be fighting the regeneration game with one of our hands tied behind our back, because we will have area designations but nothing to really target areas of need.

Q19 Christine Russell: So what you are arguing post 2005 is a new type of Enterprise Fund; you think that would be very useful.

Professor Fothergill: Let us differentiate. There is the Coalfield Enterprise Fund, which was promised some while ago and still has not been delivered. The Enterprise Zones are lines on maps where particular financial incentives will be available as they are at present. The Coalfields Task Force certainly thought that a successor to Enterprise Zones was a key to the jigsaw, and CCC thinks that as well. We are doing our best to persuade ODPM, the Treasury and DTI that that is the way forward, but I have to say it is an uphill struggle. Enterprise Areas, even though the name may sound familiar, are not the same thing by any means. They will provide assistance for very small firms and new start-ups, but they will not provide a substitute for the package that we have now in the Enterprise Zones but is about to disappear.

Q20 Christine Russell: Do Kent or Staffordshire want to add anything?

Mr MacKenney: We have looked at the possibility of an Enterprise Zone which encompasses the coalfields communities of East Kent but not necessarily the immediate coalfield area. Our issue is bringing better paid employment to East Kent which will be available to the coalfields communities. We have looked at Thanet and what we call the Sandwich Corridor as a possible place for establishing an Enterprise Zone, and I think that would work. I do not think it would necessarily work if it were applied to some of the sites that are currently being redeveloped (as part of the Coalfields Regeneration Programme), which are the old coal mining sites; it is better to take it somewhere where it is going to be a real success and where we will be better able to attract businesses that bring better paid jobs, which are particularly needed in East Kent.

Q21 Christine Russell: Can I just ask you all in general if you feel too much emphasis is placed on special initiatives rather than just more resources for mainstream services?

Mr Burrows: From our point of view, one of the big issues that we keep going on about is educational attainment and educational aspirations, and although we have made good progress on job

creation and physical renewal, although there is still a lot to do, we have persistent problems of very low attainment, less than half the national average.

Q22 Christine Russell: So more money for your education budget.

Mr Burrows: Special initiatives are OK, particularly where there are areas of market failure in the property market or you need to attract particular types of investment, but we do have problems with general under-funding of education, with schools where it is very difficult to attract good teachers, good heads, extra resources for extra activities. There is a desperate need for more resources for basic educational services in some of these coalfields. We have tried to do that. In our PSA targets we have targeted some extra resources for Newcastle-under-Lyme, where attainment is particularly low, but that then comes from somewhere else within Staffordshire, and that is very difficult politically to argue for.

Mr MacKenney: One of our issues is also educational achievement and transport, but coming back to broader social issues, I am concerned to make sure that when SRB finishes in 2006, there is an adequate replacement for the sort of funding that has come out of the SRB stream. Also, the important thing from Kent's point of view is to bring the funding that comes out of the RDA for community economic development together with the KCC's PSA targets for Kent to make sure that they are properly integrated and work to the benefit of coalfields communities and the other deprived communities of that area.

Councillor Flanagan: For many years I was Leader of Chesterfield Council—27 years; I finished two years ago. I prefer it as it is, to be single pots, and not just a whole heap of money. I think you ought to save that for the regions; they can have the biggest heap of money. I think it is good to have to apply for SRB money because it is fine to show that you are in greater need than someone else. There is nothing wrong with that. If the coalfields cannot prove that they have a greater need for money than other areas, then they should not get it.

Q23 Chris Mole: We are coming on to Regional Development Agencies, but I would just like to pursue with Professor Fothergill why he thinks the coalfield communities have not been able to access New Deal for Communities. It seems to me you must be scoring on the IMD sufficiently. Is it that you do not have sufficient coterminous clusters of wards or some other threshold? What is it that is preventing you accessing that when you must have the deprivation by your description of your communities?

Professor Fothergill: I have to confess I am not actually sure what the criteria were that were used to pick the areas for New Deal for Communities, but certainly those areas were picked before the IMD 2000 was published, so they could not be informed by all that information. There is no shortage of deprivation in the coalfields. On the IMD, 25% of all

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coalfield wards are in the worst 10% nationally, and half of all coalfield wards are in the worst 20% nationally. Maybe if you go back into the mists of time—and I am probably talking about 1998 or thereabouts, when New Deal for Communities was set up—it was seen very much as a successor to some of the inner city programmes, and therefore the choice of target communities was very inner city or fringe city-orientated, and the coalfields completely missed out.

Q24 Chris Mole: The new kids on the block are, of course, the Regional Development Agencies, as we have just touched on. How do you feel they have contributed to tackling coalfields community regeneration?

Councillor Flanagan: I can only speak for the one in the East Midlands, because it is the one that covers my area. They immediately set up an alliance for Derbyshire and North Notts. It is now a sub-region. I think it is doing tremendously well. I cannot speak too highly of them. They have helped a great deal. I do know, of course, what is going on in other areas, but people can speak for themselves.

Q25 Chris Mole: Would you like to see any additional guidance to RDAs to require them to give greater attention to coalfields?

Councillor Flanagan: We have put it in our submission. I would like the guidance that came out initially from the Office of the Deputy Prime Minister to be reaffirmed, underlined in red, for one or two regions.

Q26 Chris Mole: Would you like to expand on the reasons.

Councillor Flanagan: One or two of the RDAs are not accepting that the small coalfields that they might have really exist; they are not acknowledging them, and they ought to.

Chris Mole: I misheard you. I thought you said “reasons.”

Q27 Andrew Bennett: Can you identify those regions then?

Mr Burrows: Perhaps I should answer. West Midlands particularly.

Q28 Chris Mole: What would you like Advantage West Midlands to do for you?

Mr Burrows: Two things: firstly, to recognise the needs of the coalfields in the West Midlands, which they do not do, in the Regional Economic Strategy for the West Midlands. That was first produced in 1999, and despite requests and lobbying from local partners, the issues of coalfields were not recognised. It is in the process of being updated at the moment, and again, it is very difficult to try and get any recognition. That is a problem in two respects: firstly, because it affects AWM’s spend profile, so that they are not particularly inclined to use their own resources for coalfields regeneration, but it also sets a framework for the partners, so people like the Small Business Service and the Learning & Skills

Council, who also look to the Regional Economic Strategy as a framework for directing their resources. Coalfields are nowhere mentioned.

Q29 Chris Mole: But you have described to us how in Staffordshire the coalfields are more integrated with the rest of the economic and social problems that you have, so why should they particularly pick out coalfields in their Regional Economic Strategy?

Mr Burrows: Because the Regional Economic Strategy aims to target the areas of deprivation, but in the West Midlands they have targeted their resources at six regeneration zones, as they call them, which are the big cities—Birmingham, the Black Country, Stoke on Trent. Again, it is the point Steven made earlier. Some of the coalfields in Staffordshire are part of those communities, but a lot of them are not; they are in smaller towns, like Cannock, Tamworth, North Warwickshire, and they do not register in these big regeneration zones. Advantage West Midlands have said they wish to target perhaps 70 or 80% of their own resources in the big cities, so again, the coalfields issues fall out somewhere between the big cities and the market towns.

Q30 Chris Mole: Can I ask Kent then? SEEDA seems to be working well with Kent local authorities in addressing the needs of coalfield communities. How have you achieved this apparently better framework?

Mr MacKenney: First of all, SEEDA have recognised East Kent as a priority area for economic regeneration. That is the coalfield and the wider East Kent area, where they have 21 of their 119 most deprived wards. So it is a priority area. But we have, as the County Council, been working very closely with SEEDA on coalfield regeneration from before the time of their involvement in the coalfield programme. So there is a history of partnership between the county council and the district council at Dover and SEEDA, and I think that has been developed as the coalfield programme has progressed there. The other thing I would say about SEEDA is that they moved very quickly—initially they moved on a little too quickly, without taking with them the community around Tilmanstone, but they have learned from that, and there is a considerable community involvement in all that they do. They are involving the local authorities, the agencies and the communities, and for the last four years there has been a Coalfield Conference, which has been jointly organised by SEEDA and the Coalfield Communities Campaign, and there is a sense of people moving forward together. We still have our disagreements and we still have aspirations that cannot be met, but the differences are aired, the discussions are had and the progress is monitored.

Q31 Andrew Bennett: Can I take you on to the question of the English Partnerships’ Coalfields Programme. Is it any good?

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Councillor Flanagan: Excellent.

Professor Fothergill: In many respects, it is the cornerstone of coalfield regeneration, if it finally can deliver all the things it is setting out to deliver—and we still have a fair way to go.

Q32 Andrew Bennett: It is remediating a lot of the land. What about actually making sure that there is a new skilled labour force there for enterprises that come into the area?

Professor Fothergill: Firstly, the English Partnerships programme by itself is not intended to solve the problem of skill shortages, but it is a necessary condition for regeneration. You will not attract firms on to some of these former pit sites until they have been sorted out, cleaned up and made available for development. That is the bit of the jigsaw which English Partnerships is engaged with, and is engaged with rather effectively at the present point in time. It is for other government departments and other agencies to do the rest.

Q33 Andrew Bennett: Are other agencies matching the effort that English Partnerships are putting in?

Councillor Flanagan: The private sector are coming in as well. Once there is a decent site with a decent environment and a fair infrastructure, then we can compete.

Q34 Andrew Bennett: So you are saying all you really have to do is get the environment right and the jobs will follow. The question I have is: is there not a worry that you will have some very nice sites but unless future employers can be convinced that there is a skilled labour force, they are going to be able to find other nice sites somewhere else in the country?

Councillor Flanagan: You are only talking about the part that English Partnerships plays, and that is their role. The 56 sites that they had initially they are pretty well on with. Chesterfield has not had a single one of them, because we did ours before English Partnerships came in. But that is their solution. The training side—we could do that. Training is going along, as it always has done, through CHART at one time. It is now through the North Derbyshire and North Notts Alliance. They have been taken on by the Small Business people. They put some work in. They need skills and education. That is where the shortage is.

Q35 Andrew Bennett: There is a shortage. Is enough being done then to train people for those skills?

Councillor Flanagan: It is not the job of English Partnerships.

Q36 Andrew Bennett: I understand that, but English Partnerships is putting the land up, basically. What I am saying is, is that being matched by the other side of the activity that is needed?

Professor Fothergill: We have a general problem on the issue of education. We know this Government is deeply committed to raising educational standards, but it is generally speaking a “one size fits all” policy that is about improving standards across the board.

It is certainly true that educational standards in the coalfields are rising, but what we need to do is to catch up with the national average. Just as we get better, the national average is moving further ahead. We do need more special measures, I think, to help us bring up school performance. We also need more special measures to deal with the adults out there in the communities, who perhaps do not have some of the basic skills that many jobs involve.

Q37 Chris Mole: You are talking about special measures and you made reference to specialist schools in your submission, but how many coalfield community schools or areas have applied to be Education Action Zones? That is a tool the Government put in place to help bootstrap the sorts of areas with educational difficulties that I think you have all described this afternoon.

Councillor Flanagan: I do not know, but if they have not, it is because of this low expectation, and quite frankly, it does filter through every level. It is not just among the ex-miners, but in all areas. It is reflected in Lottery grants; we have lower than average Lottery grants, because we feel it is not for us in our areas, and they do not apply. We really want the jobs, and this is where this basic skill comes in. We know where the technology companies are going. They are clustering down south. We are getting one or two; Chesterfield have put in two or three Innovation Centres. There are youngsters—and this answers one of the earlier questions about the 25 year olds—coming in skilled. Whether or not we can train people for skills without knowing what skill is necessary—it is a chicken and egg situation. Do we train people who are unemployed brickies to become unemployed painters? Industry tends to train its own if there are semi-skilled jobs. That is where the Enterprise Zone comes in, and the amount of money that was offered to Enterprise Zones for training. That was great for us, and it did not cause boundary-hopping; people did not just go from one place to another to get the benefits. They actually did things. There are so many examples of this where that type of thing is great because they provide their own training.

Q38 Mr Cummings: The Committee have been told that there has been some progress with the initial roads programme proposed by the Coalfields Task Force. Could you tell us what success there has been with the second list of road and rail improvements which was put forward last year?

Professor Fothergill: I have to say we are making much slower headway on this second shopping list of road and rail schemes. We seem to have run into a mindset, particularly in the Department of Transport, which does not dovetail very neatly with the needs and concerns of our areas. Broadly speaking, the case for the road and rail schemes that we have been putting forward is rooted in regeneration. On the other hand, transport tends to start from the point of view of which parts of the transport network are overloaded or congested and therefore where we need to relieve the bottlenecks,

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etc. These two approaches are diametrically opposed at the moment, and we have found it very hard indeed to penetrate the Department of Transport with the idea that we need to look at some of these roads as being strategic regeneration initiatives. We are getting nowhere at the moment.

Q39 Mr Cummings: So there is no movement towards any compromise or accommodation whatsoever? You are being quite specific on that.

Professor Fothergill: I do not even think at this juncture we have a very good dialogue going, and that is not through lack of trying on our part. We have sought ministerial meetings to try and unblock this, but so far I think we have failed, which is perhaps a reflection of how the coalfield initiative in general is something which is not taken up so enthusiastically across all of government. It has its roots most strongly in ODPM, but the further you get from ODPM, sometimes the less the commitment.

Q40 Mr Cummings: I am very sad to hear that, Chairman. Knowing the tenacity of the CCC, I am surprised that no-one has come forward to try and accommodate meetings with ministers. You have many friends in Parliament, many Members of Parliament representing ex-coalfield areas. Have you ever approached them on this particular score?

Professor Fothergill: We have tried several routes in. Let me say the criticism here is not directed at individual ministers but more at a corporate culture, more at the orientation of the civil servants in the Department of Transport.

Councillor Flanagan: Perhaps I can explain that we are aware of it. You did ask earlier, Mr Cummings, about emphysema, the miners' pension fund and various other things. We have seven staff in the CCC. There is a lot of work for them to do, and at present we are trying to get the Treasury to stop taking £400 million out of the miners' pension fund. So we have a lot to do, as have you.

Q41 Mr Cummings: I would certainly agree with you there, as long as you are not expecting that £400 million to go into regeneration projects.

Professor Fothergill: The issue on the miners' pension fund is that there is this large flow of cash out of the fund into the Treasury, and we are saying to the Treasury that more of that money should be left in the pension fund for the benefit of retired miners. But we are also saying that more of what they do take out of the pension fund should then be recycled back to regeneration.

Q42 Mr Cummings: You have no right to say that. It does not belong to CCC. It belongs to many hundreds of thousands of mine workers who have contributed all their lives.

Mr MacKenney: On behalf of Kent, there is a wide understanding that most of the expenditure on road and rail has gone into the South East, but I have to say that East Kent has not seen much benefit from that. It takes people very quickly through East Kent

but it does not do much for the people of East Kent. As Professor Fothergill has made this point, I would like to relate it to the question of the Channel Tunnel Rail Link domestic services. Very little account has until recently been taken of the potential regeneration benefits of introducing these services to East Kent. I hope that things have changed now, and things seem to be improving. However, neither the railway nor the roads investment in East Kent take account of the regeneration efforts of SEEDA or anyone else. There is still considerable work required on both road and rail.

Mr Cummings: Can I thank Mr MacKenney for that, because that was going to be my next question.

Q43 Christine Russell: Can I move on to housing. Many coalfield areas are blighted by a collapse in the housing market. What solutions do you have on that front? Do you think the Government should be doing more to help you?

Councillor Flanagan: The Government are doing all right, again, in Meden Vale, Mansfield and Bolsover with English Partnerships. It took a long time to get it off the ground, but there are 600 houses there. One of the problems, of course, was the absentee landlords that bought up Coal Board estates. When industry comes back, there will be a need for housing and people will buy it and do it up, but it is the people who cannot sell their property that is causing the trouble, the people who were encouraged to buy council houses—not by you but by some people. Then they closed the pits, and they are left with a house that they cannot afford to keep. They cannot afford the mortgage. They have no job. They cannot sell it because nobody will buy it because there are no jobs to come to. They cannot get another job elsewhere because they have this mortgage round their neck. Houses are being sold for £200 in Grimethorpe. This is the problem, and you can see it. It is just tiredness, a bit of depression all round. There is money for industry, and I think local councils have asked for a bit more to be earmarked specifically for housing. This is the trouble; whenever we get more for housing, it is across the board. If there is more for education, it is across the board. If there is more for social services, it is across the board. Those who are behind always stay behind. You have to earmark additional money for coalfield areas and housing, and that will do it. That would be great.

Q44 Mr Cummings: There is another element to this, and that is the number of carpetbaggers who are moving into coalfield areas and snatching up properties, and they do not have any intention whatsoever of improving or regenerating the area.

Councillor Flanagan: That is the absentee landlord, but from this Department, from the Office of the Deputy Prime Minister, Chesterfield has received a Neighbourhood Regeneration Grant, which has given encouragement to about 1,500 people in that area. The money has been spent wisely, it is being monitored, local people are getting interested, dogs are not allowed to foul, gardens are starting to be

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built, cars are not parking on grass verges. In that area, which is part of the Markham Pit, you can see the pride coming back through getting this Neighbourhood Renewal money. It has been tremendous. It has done a good job.

Q45 Christine Russell: So Neighbourhood Renewal is a good programme to get into those areas, is it?
Councillor Flanagan: Very good.

Q46 Christine Russell: What about the experience in Kent and Staffordshire? Has there been a collapse in the housing market there in the old mining areas?

Mr MacKenney: Not in Kent.

Mr Burrows: In Staffordshire there has not been a complete collapse in the housing market, but it has been awarded Pathfinder status. That is partly in recognition of the fact that it has a considerable surplus of social housing, although much of it is in the wrong places and much of it is of the wrong type. Much of it is three-bedroomed, semi-detached on traditional estates where the demand is for single person accommodation, particularly for old-person specialist accommodation. Some of it is in the wrong areas. Some of the estates are half-occupied and half-abandoned. We have the problem of mixed ownership, where some is still publicly owned and

some is privately owned. Those are the issues that the Pathfinders have got to deal with. It is intending to produce its strategy-cum-business plan by March, and at the moment it is doing quite a lot of research into these particular problems, but there are clearly some fairly serious issues to be addressed.

Professor Fothergill: Even the Government admits that of the areas of low demand housing around the country, only perhaps half of them are within the existing Pathfinder areas. What we are trying to do at the moment jointly with English Partnerships is to pinpoint the scale of the problem in the coalfields out there beyond the Pathfinder areas, and we are beginning to get a handle on it. As to what the solutions are, I think that is inevitably going to vary from place to place. In some instances it will no doubt involve demolition and perhaps rebuilding, but not on the same scale. In other areas it may involve transfer of ownership from absentee landlords to local authorities or housing associations or whatever. I think we are at an early stage in tackling this one, but it is clear that if we are going to tackle it, it is probably going to need some cash.

Chairman: Gentleman, I apologise for the interruption in our proceedings, but we do appreciate you coming along. Thank you very much.

Memoranda submitted by Leicester Housing Association and Coal Industry Social Welfare Organisation

Witnesses: **Mr David Seviour**, Group Chief Executive, Leicester Housing Association, and **Mr Vernon Jones**, Chief Executive, Coal Industry Social Welfare Organisation, examined.

Chairman: Good afternoon. Thank you very much for coming along. Is there anything that either of you wish to say by way of introduction or would you like to move straight into questions?

Q47 Mr Betts: A general question to begin with: how much progress do you think actually has been made in the economic and social regeneration of the coalfield communities?

Mr Seviour: I can only obviously speak for where I am concerned, in connection with the North Nottinghamshire and North East Derbyshire coalfield. I think there has certainly been progress in that area, but my perception from a housing regeneration point of view is that progress has been fairly slow.

Mr Jones: One of the problems in answering that question is that the evidence tends to be anecdotal. I do not think we have actually had enough qualitative assessment of what has worked. For example, in reading all the evidence yesterday, I think it was in one of the West Midlands local authorities, it was reassuring to see that Key Stage 1 and Key Stage 2 performance had come up to the national average, but when you read the submission from Easington, it was still very, very low. I am just interested in what has worked in one area and what has not in another, but my general anecdotal reaction is I believe confidence is beginning to come

back into the communities because of a range of initiatives and actions that are beginning to produce very positive results.

Q48 Mr Betts: For the future, what should the main priority be? Should it be economic or should it be social and community? Can you realistically get the range of jobs into the coalfields on the spot that will actually be suitable for the people who live there, or is it going to be about providing good community infrastructure, services and, like you said, people may have to move to jobs in nearby towns and cities?

Mr Seviour: Our take on that is that there is a gap between strategic investment generating employment opportunity and what I would term making the money stick at a neighbourhood level. There is an issue, certainly in all the villages in which we operate, that is about creating low-level, small-scale employment opportunity. That still really needs to be tackled.

Mr Jones: The emphasis must be on two key issues, and that is employment and secondly, education and training, but not exclusively at the cost of social infrastructure. The voluntary sector can play an immense part in the social and economic regeneration of all communities, not just mining communities, and I have a concern that in a lot of the current funding streams, we have tended to forget the elderly.

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Q49 Mr Betts: Would you like to say a bit more about that?

Mr Jones: You asked questions earlier about housing. One of the charities I run is a benevolent trust, a grant-giver. We see a housing problem with elderly people who no longer have an income that allows them to maintain their own home. A lot of referrals are made to us by care and repair agencies where people do not have the resources to make a contribution towards a disabled facilities grant for certain aids and adaptations in the household. So my concern with housing is not so much the relative values or the ability of people to buy or sell houses but the actual quality of life of some of the elderly people living in their own homes.

Mr Seviour: We would echo that.

Q50 Mr Cummings: Leicester Housing Association, in your evidence you tell the Committee that “despite £1 billion of additional funds being made available to former coalfields areas . . . 63% of the wards in the former coalfields are in the top 20% of wards of deprivation.” You further say that “this is evidenced by Bolsover being 20 in the Indices of Multiple Deprivation, and Mansfield being 29th.” I am ashamed to say that Easington, the area I represent, puts them both into the shade, such is the severity of the problem. In relation to the £1 billion of additional funds that has been made available, it seems a huge amount of money. Why do you believe the level of deprivation is still so high, when that money has been injected into the communities?

Mr Seviour: There are a number of issues around that, but the key issue again for us is this magic question about creating employment initiatives at a neighbourhood level, at a village level, particularly across the Meden Valley, that enables local employment to be generated and thereby enables money to actually circulate into the local economy. Part of the problem, as we perceive it, in relation to strategic investment is that, where it is capital investment particularly, the product of that capital investment, physical structures, are there. Often in the funding process, the throughput of that funding actually moves out of the local neighbourhood economy.

Q51 Mr Cummings: What advice do you have to local authorities in respect of the carpetbaggers who have moved into areas, bought up vast swathes of housing, and who intend to do nothing with it and the area slips further and further into decay?

Mr Seviour: As we have said in the evidence, our view is that there needs to be a more focussed and more coordinated attack on some of the housing conditions, certainly across the Meden Valley.

Q52 Mr Cummings: Do we need legislation to tackle this?

Mr Seviour: I believe the Coalfields Task Force certainly highlighted the need for smoother, faster CPO powers in relation to changing the legislation. Again, we believe that currently some of the issues are still displaying a lack of clear, smooth CPO powers to bring about effective solutions. Essentially

on that, the legislation creates an environment where usage of CPO powers tends to be piecemeal if it is to be effected by a local authority because of the legislative framework; the CPO powers enjoyed by both EMDA and EP are largely untested, although in the Meden Valley a policy decision has just been taken around EP being the lead on CPO powers.

Q53 Mr Cummings: In relation to the funds which are being expended, have you any ideas as to how these funds can be better coordinated?

Mr Seviour: This is a tough one, and certainly something that has preoccupied us. It is not easy. We believe there is something of a contradiction in the notion of the stakeholding, pluralist democracy, which seeks to involve more and more people in decision-making processes and more and more organisations in delivering ownership and sustainability. The problem around that is that, unless organisations trying to get through this labyrinth of funding conditions are well equipped, have a staff base that can monitor what is happening, monitor the conduits of funding, negotiate the conduits of funding effectively, they are at a serious disadvantage. So there is the spreading of stakeholding ownership, which we would certainly agree with, but one of the unlooked for consequences of that is it is much more difficult to define the process of decision-making, and if you like, the hot-spots, the pulse that the finger needs to be placed on in terms of achieving funding solutions. So the thing has become more complicated. We believe there should be a single agency empowered—I am talking about the Meden Valley now—to deliver regeneration.

Q54 Mr Cummings: Previous witnesses have indicated that various sources of funding are going to come to an end within the next two or three years. Is this going to have a devastating effect upon coalfield communities in respect of programmes?

Mr Seviour: Again, I can only speak of our experience in the Meden Valley, but certainly it is our belief that the funding that has gone into that area, the changes brought about in that area, have effectively created a launchpad environment, but the take-off has not happened yet. I think there is the potential for stall if substantial tracts of funding disappear.

Q55 Mr Cummings: Is Mr Jones of the same opinion?

Mr Jones: Specifically with a view from the voluntary sector, I have reservations about a single pot. It is fine if the major policy objectives happen to accommodate what you want. So a bit of variety does help. But having said that, the contrast is where you can push a community development project at local level with 15 different funding streams that probably involve 24 different applications, all with slightly different objectives. There is a degree of nervousness about the availability of funding in the future for coalfield communities. You can see it throughout the evidence from the local authorities about SRB and ESF. You also have declining

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Lottery moneys. We have seen it through Sport England. As a policy decision, I have decided that over the next three years we will scale back on looking for capital build projects, because we do not think the money is going to be there. It is going to concentrate on other aspects of community development.

Q56 Chris Mole: It falls to me to ask the difficult questions this afternoon. Is it really worth trying to support some of these former mining villages when they really have no economic reason to exist?

Mr Seviour: A fairly senior civil servant made a similar remark at a meeting of the Coalfields Task Force that I was invited to, when I was invited to talk about the potential for village companies, and the comment that was made afterwards was why not simply put the investment where the private sector is, down the road, where they are building the nice houses? Before I could react to that question, rescue came from what for me was a surprising source: a fairly well known chief executive of a private sector regeneration and development company, who actually said, as I think I have indicated in the evidence, that it is about creating a sense of destination, and that means volume of investment, and it means quality of outputs and product, and if you put those things together, you can create an environment that begins to reverse decline, suck investment in and start to create a healthy growth thereafter. I believe that to be the case. I think undoubtedly there are some villages, again, in the Meden Valley, that would be “managed down”, so to speak, over a period of time, maybe become commuter villages over a period of time, but there are other areas within the Meden Valley where I believe, given good east-west transport communication links, effectively running from a new Junction 29A on the M1 across in the direction of the A46 Newark road, that would actually open up the area very substantially in terms of redevelopment and regeneration.

Mr Jones: I would question the rationale: does it always have to be economically driven? These are vibrant communities with people who live in them. There is a social need to maintain some of these communities. I have been involved with communities which have been demolished in their entirety, which are green space now, and the social dislocation that that caused those individuals was, I think, unacceptable. I think the rationale is there in a lot of these communities. Yes, some need to change slightly. We have seen policies about taking out every third terraced house in a street to create a better environment. There is a need to look at them in a changing role and a changing environment, and I think it is worth the effort.

Q57 Chris Mole: Conversely, is there not a risk that some of these projects are just going to encourage people to stay in a place where they are not going to get a job, they are not going to have an income, and their welfare will continue to decline?

Mr Seviour: My comment on that is I think there needs to be a careful distinction between structural collapse in the housing market and what I would term not wishing to live in poor properties in an exceedingly poor environment. I believe those two things are often confused. I can give an example of that. We are operating on the so-called Six Streets, the renovation of six streets in the Braunston NDC Pathfinder area in Leicester. My first discussion with the director of housing two years ago about these six streets, which were 50% void, was that there was no housing demand for that area, and the city council was intending to board up all the properties and then demolish them. There was a community response to that. That led to a project, which was largely private sector funded, driven by ourselves putting in £6.4 million investment, a free transfer of properties, £2.2 million from New Deal on environmental public works. The project is about 50% complete as we speak. Forty houses are occupied. There is a waiting list of 100 people for the properties. That for me is evidence of automatically assuming that there was structural decline in the quest for properties as opposed to people voting with their feet about an undesirable neighbourhood. Undoubtedly you have areas of structural decline in the coalfields, but I think you also have villages that were substantially bought up during the sell-off at very low prices, where there was speculation about the death of the elderly miner occupancy profile, and then resale into the marketplace before the pits were actually closed. Obviously, the pit closures had an impact on that, and you started to then see no investment at all in those properties. That obviously then leads to the equivalent of urban blight, only in villages, and then undesirability. Beyond a certain point of momentum it is a very fast downhill run.

Q58 Chris Mole: Turning to employment, CISWO pointed out that there are some particular problems for the 25–35 year old age group around access to practical training. Is this the main barrier or are there other barriers preventing people from getting employment?

Mr Jones: I think it is a very complicated issue. There are issues around transport. One of the problems that we have to address is really at school age first of all, where there has to be a recognition that there is a value in education and training, at whatever level. It is quite reassuring to meet ex-miners who are now GPs and solicitors and teachers, etc. With the greatest of respect, if I go into a school and say “Don’t switch off from the educational system” there are two words that I am greeted with. If an ex-miner or the son or daughter of a former miner who went to their school has developed professionally or as a result of education, they are more likely to listen to that type of mentor. One of the problems about being in a low wage is it is better than unemployment, and a lot of the training opportunities tend to come as a consequence of being unemployed, albeit for six months. We have to look at how you can improve people’s skills while in employment, because people will prefer to take a low-paid job than to be unemployed. But there is a

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particular problem, I think, with the 16–25 year olds. If, as some of the evidence suggests, we are beginning to build up the average in schools for Key Stage 1 and Key Stage 2, you may be able to suggest that in a number of years, educationally the under 15s will reach the national average, but it will leave you with that rump of post 16 year olds now with no qualifications and no training, and it is about how you can give them access to training while perhaps employed or without some of the difficulties they face while unemployed.

Q59 Chris Mole: Is that not the sort of objective that programmes like Learn Direct have?

Mr Jones: Yes, but my experience to date is they are not being that effective, because of this difficulty about people finding a problem with accessing further training while employed, particularly if you are on a three-shift system.

Q60 Chris Mole: Can I ask Leicester, your village companies project is setting up social enterprises across north Derbyshire and Nottinghamshire. Are these really going to make a dent in the scale of the problem that has arisen from pit closures?

Mr Seviour: Again, I would draw on an example outside of the area. It began seven years ago with the closure of British Gas headquarters in Leicester. We began a gas servicing company, a social enterprise, socially owned. The turnover of that company today is £1.8 million, and it employs just over 40 people in permanent jobs. Three years later we attempted an inherently more difficult social enterprise in a regeneration and construction company called Newlife, and that today has a £6 million turnover and employs about 50 people in permanent jobs and a labour force beyond that that takes it up to about 90. Then there are two other social enterprises which I could go into but it would take too much time. Basically, that social enterprise group now employs 120 core staff and has an annual turnover of 8 million. It is socially owned and their profits are Gift-Aided to the owning charity. The village companies is obviously a very different proposition in terms of proximity to marketplaces, and the main thrust of the village companies in the first two years was to establish the governance structure arrangements around the village companies. Six have been established. They are working quite well. They have established some very small-scale social enterprises: a print shop, a chip shop—which sounds interesting, but if it is the only fast food outlet in a 15 mile radius, it starts to have significance, and that was closing because of the elderly people retiring. There is a coppicing project just off the ground. So it is early days in terms of the village companies. I believe that they need to also obviously move to a stage of overcoming the kind of parochial nature that tended to exist in terms of siege mentality in some of the villages, and begin to cooperate with other villages and establish marketplaces that go beyond a single village into the Meden Valley-wide operations. But the principles are still the same as the private sector would deploy.

Q61 Chris Mole: Are they principles that can be transferred to other coalfield areas?

Mr Seviour: In my view, they are, yes. Is there a gap in the marketplace? Is there a margin in the gap? What are the things you can produce in this area? What are the things that are viable in this area?

Q62 Andrew Bennett: You told us quite a lot about the housing problems. As far as the Meden Valley is concerned, why do you need a special company to deal with it?

Mr Seviour: In itself, Meden Valley Making Places Ltd is an interesting validation of that; attempting to deal with the something like 900 properties in private sector landlord ownership that are rated as being substandard across the Meden Valley. I can remember, in my own organisation, attempting to begin negotiations on a single property portfolio of 200 properties four years ago and we moved away from that because of the development of all of the initiatives that were taking place. The first thing that the Meden Valley Making Places Limited company is now doing is actually talking to that same landlord about the purchase of that same 200-unit portfolio four years later with recourse to—

Q63 Andrew Bennett: And, I assume that, in those four years, nothing has happened to improve the properties.

Mr Seviour: No. There has been no improvement to the major part of that portfolio over that four year period.

Q64 Andrew Bennett: Has it actually become worse?

Mr Seviour: In some areas, yes, absolutely. That is not to say that there have not been other initiatives launched by various authorities and various agencies that have started to turn the corner in some villages, but you can actually see some villages where those portfolios are a blight on the village and yet, 200 yards down the road, there is the beginning of regeneration. They are a serious problem. As I referred to earlier on the CPO powers, local authorities in the main using housing powers have not been able to crack that problem. Hopefully, there will be a negotiated solution with the vendor. If that does not prove to be the case, then CPO powers of EP will be tested in a strategic way, possibly for the first time.

Q65 Andrew Bennett: But it is all taking a lot of time.

Mr Seviour: It takes a lot of time. That is not to say that everything can be done in a rush, I do not believe that, but, in my view, it has taken too long to get to the position we are now in.

Q66 Andrew Bennett: Are there problems with demolition? In a sense, if you demolish some of these properties, you make the local community less viable: less people for your chip shop and less people for the corner shop.

Mr Seviour: Yes. It is not all demolition. The consultation exercises that are taking place offer a whole range of permutations. In the main, I think it

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is likely that most of the villages, under the present initiative, are likely to see a mixture of renovation and new build and certainly perhaps the most advanced village in terms of regeneration across the Meden Valley currently is a place called Whaley Thornes which I think was extremely interesting for the task force to see when they were touring the area. You can actually begin to see that Whaley Thornes is beginning to turn a corner, but only beginning, and it is my belief that if the housing investment plans relating to the single housing pot in the region come to fruition, then there is a danger of stall in a number of these villages based on a £5 million allocation to that particular area which I believe is insufficient.

Q67 Andrew Bennett: If you consult with local people about what they want to live in, is not the problem that a number of those local people will, during a regeneration process, move away and you almost have to consult with the people who might move into the area who are almost impossible to identify?

Mr Seviour: There is obviously a displacement factor in wholesale regeneration. I think that the trick, in terms of this quest for sustainability and identity and engagement, is to make sure that consultation takes place early and there is enough buy-in by local people. They feel that they really do have ownership of the plans. There is enough buy-in to retain a core of people who will then act as the communicators and the leaders.

Q68 Chris Mole: Mr Jones, we have heard about educational aspiration but poor health seems to be the other distinctive social problem in the coalfields and perhaps intuitively we understand respiratory and similar disorders. Is the mainstream health provision effectively meeting these specific needs?

Mr Jones: The answer is emphatically "no". I sit on the English monitoring panel for the delivery of compensation for chronic bronchitis, emphysema and vibration white finger and the three panel members, when looking at volumes of spend which will deliver in Yorkshire twice the annual budget of Yorkshire Forward, we decided that we were actually looking at a compensation scheme that compensated for poor health. We then did a survey amongst a number of people with respiratory diseases about the availability of local services, the quality of local services and whether they were accessible and the results were appalling, to be honest. That is just issues around people with respiratory problems. The ill health amongst the former mining population is disproportionately high. For example, the incidence of bowel cancer is five times the national average. Nobody knows why, it is just a statistic. There are tremendous problems around mobility. It is reassuring now that there are discussions about community-based health facilities. There are a number of pilot projects taking place in Barnsley. A number of individuals suffer in silence. They do not know how to access certain services or they are rather shy of accessing them. One of the statistics which quiet horrified me in looking

at issues around respiratory problems is that, at Rotherham General Hospital, 20% of readmissions within 12 months of a first admission came from people with respiratory diseases and that is not just retired mineworkers. A disproportionate number were female. We are looking at establishing a pilot project, perhaps in the Rotherham areas because the PCT are supportive, of a specialist centre that can offer both day centre facilities and short-term residential care because there is an awful lot of bed-blocking around people with respiratory problems, particularly if it is the carer who is ill. Health is a major issue amongst the retired and, when I say "retired", perhaps the population that is aged over 55 in mining communities.

Q69 Mr Cummings: Could I perhaps just flow on from what Vernon has said because I represent a similar area and of course these problems exist in all ex-coalmining areas, but what I would like to put on record is the fact that Westminster Primary Care Trust is funded to 136% of its target. In Easington, my constituency, my PCT is funded to 80% of the target. This really is a national disgrace and really has to be identified. I am not too sure how your primary care trust stand in relation to reaching target, Vernon, but I do understand that this is not just a problem that exists at Easington but elsewhere and something really has to be done to try and correct the awful imbalance and unfairness of the present position.

Mr Jones: I do not dispute Mr Cummings's figures. The other issue that I would like to comment upon is that, to some extent, members of the mining community are a little fortunate in that, because of history, they have access to a number of convalescent homes, issues around post-operative care. For members of the mining community who are not eligible to go, there are issues there about equality, but we have found that the convalescent homes do provide a tremendous social and helpful method of assisting people whose health is not very good.

Q70 Chris Mole: Can I look at another dimension of the health issue, which is how many of those who might be on health and disability benefits would be able to work if they had the right support.

Mr Jones: It is difficult for me to comment because most of the individuals with whom I deal who have ill health are in fact over retirement age. We do deal with a number of families who have children with learning difficulties and undoubtedly, if there were better support mechanisms, it would be perhaps easier for some of those to enter employment. I think you have to appreciate that some of the levels of disability and ill health are such that alternative employment is perhaps not an option. I can give you an example. I went to a spirometry testing centre and witnessed an examination where a man walked in with his wife carrying the oxygen bottle. He was asked to sit down; he declined because he had fused discs. Then he gave his date of birth and he was six years younger than me. We are dealing with quite debilitating levels of disability and ill health.

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Q71 Christine Russell: Mr Jones, you mentioned the voluntary sector earlier. In what ways do you think the voluntary sector could help more in regenerating the coalfield communities?

Mr Jones: I believe it has tremendous capacity, but one of the difficulties is that there is an assumption across central government and local government that the voluntary sector can deliver without any injection of professionalism. If you compare the support given to, say, new business start-ups through Business in the Community and other similar funders and look at what exists for the voluntary sector, it is stark. If you look at the East Midlands Development Agency, who I must admit is one of the two better RDAs that work with the voluntary sector, they have looked at cluster units of providing professionalism support for new start-up businesses. I would like to see a parallel for the voluntary sector. It really can deliver improvements in quality of life and a lot of locally-needed services. For example, if you have four women who want to start a creche, they start with questions: Do we need a constitution? Where do we get one? If we are a charity, do we have to be registered with the local authority? Where do they go for an answer? That is before they have even started to develop the concept.

Q72 Christine Russell: What about the capacity of the local authorities to provide that kind of help? We heard earlier that many coalfield communities do not get their fair share of Lottery funding. Is that perhaps because the local authorities are not geared up to give that advice and support?

Mr Jones: Has Professor Fothergill gone? I have had issues around local authorities with Lottery funding. If you looked initially at some of the underspend and some of the more generous recipients, some of that is down to whether local authorities had appointed lottery-funding advisers. Conversely, I have been looking at some statistics recently and, if you look at the South Yorkshire local authorities, Barnsley has the most vibrant voluntary sector as measured by income acquisition. Is that because Barnsley MBC have embarked upon a policy of local regeneration partnerships? Is it because the Lottery has invested £3 million in the Brass for Barnsley scheme or it is a combination of both? If it is complicated, I do not think that the local authorities, because of their own

financial problems, have the capabilities of facilitating voluntary-sector development to the level that I think is necessary. It perhaps has to come from within the voluntary sector itself but it cannot unless it has access to funding for professionalism. Eighty-five per cent of voluntary organisations have earned income of less than £10,000 a year. We are talking about volunteers who need some professional help and input in helping their organisations and services to grow.

Q73 Christine Russell: So, what you are really saying is that any public funding should actually go direct from the centre into the voluntary organisations and miss out the local authorities totally?

Mr Jones: Not necessarily because a number of good projects do develop in partnership between the voluntary sector and the local authority and a number have to fit into some of the local strategic plans. Conversely, I would not like to see all external funding coming through a local authority, as was suggested by Nottinghamshire County Council, because part of the remit of, say, the Coalfields Regeneration Trust was to get money into communities that statutory funders had failed.

Mr Seviour: I would like to underscore that. I think that the six Village Companies that were established in the Meden Valley were effectively established through the work of a small team that was CRT and ESF funded. We were not able to fund that direct because of the view that it would be housing funds leakage and therefore it was funded from other sources, but what has happened with the Village Companies now is that they make applications in their own right and are beginning to achieve funding successes in their own right. I refer to the chip shop: that was a funding success that the local people put together themselves. It would have been pretty difficult to envisage that happening prior to the creation of the Village Companies, so I think I would underscore and agree with what has been said.

Chairman: Gentlemen, thank you very much for your evidence. We do apologise for the late start and keeping you a little later than scheduled, but we do appreciate you coming along.

*The Committee suspended from 5.56 pm to 6.06 pm
for a division in the House*

Witnesses: **Mr Richard Sharland**, Director of Development, and **Mr Graham Parry**, Chief Executive, EnProve, (a subsidiary of Groundwork), Groundwork; **Mr David Knight**, Urban Adviser, and **Mr Ian Smith**, Head of Development and Regional Policy, English Nature; and **Dr Ian Roxburgh**, Chief Executive, The Coal Authority, examined.

Q74 Chairman: Thank you for coming and I apologise for the problems we are having with divisions today. Perhaps, for the purpose of the record, you could introduce yourselves.

Mr Knight: I am David Knight; I am the Urban Adviser with English Nature.

Mr Smith: I am Ian Smith; I am Head of Development and Regional Policy at English Nature.

Dr Roxburgh: I am Ian Roxburgh; I am Chief Executive of the Coal Authority.

Mr Sharland: I am Richard Sharland; I am Director of Development, Groundwork UK.

Mr Parry: I am Graham Parry; I am Chief Executive of EnProve, a social enterprise owned by Groundwork.

Q75 Chairman: Does anyone want to make an initial statement before we go into questions?

Mr Smith: English Nature is committed to securing benefits of a high quality natural environment for people in all parts of the country including the coalfields. We believe that access to natural green space can and should play an important part in people's lives contributing to their physical and mental health, social interaction and local economies. We believe that regeneration needs to be about recreating attractive places where people want to live as well as about economic regeneration and creating opportunities and jobs. As providing economic regeneration without addressing the quality of local environments is less likely to long-term sustainable communities, people are more likely to just move elsewhere as their economic circumstances improve. We have developed accessible natural green space standards to try and promote the idea that everyone, including those who live in the coalfields, should have easy access to wildlife and wild places. Finally, we believe that the regional development agencies and the subregional partnerships have a role to play and we would like to see more funding and a more flexible approach to be applied to local environmental regeneration and that includes things like investing in environmental skills as well as valuing the environment for the economic and social benefits which we believe it can bring.

Q76 Chris Mole: There seems to have been substantial progress in tackling the environmental problems that were caused by coalfield closures; how much more needs to be done? That question is directed to all of you in turn.

Dr Roxburgh: We recognise the underlying point behind your question and that is that we need to speed up what we are doing, not necessarily to do any more but to increase the rate at which we achieve it. The impact of that on the Coal Authority is primarily in connection with minewater discharges which bring a lot of iron to the surface and can cause gross pollution of surface waters and underground waters. Two years ago, we were doing four schemes

a year; last year we persuaded the DTI to put us in funds to do six; and, from this year on, we will be doing eight a year and spending approximately £13.5 million a year. So, we have heard the call, our funders have recognised the need and we are pressing on quite vigorously in that regard. The other big area where we are trying to react is in restoring confidence in the coalfield areas where there are old coal voids present. We know of, for example, 168,000 individual mine entries, shafts and drifts. In some parts of the country, it is almost as if they do not exist; they do not affect the housing market at all. In other parts of the country, the presence of mine entries and shallow voids does affect the market and can cause blight. We have instituted two initiatives to try and counteract that. The first is that we are changing the type of mining report we produce. We produce 2,000 mining reports a day, 540,000 a year. Up to now, those mining reports have been general in nature, they simply tell you which entries are present, what coal seams are present, what has happened in the past, what is happening now and what may happen in the future insofar as we can ascertain it. What we have now introduced, as of the last day of September this year, is what we call an interpretive report where we will tell you in a very definitive way, yes or no, as stark as that, whether, if that shaft collapses, it will affect the integrity of your building. It is quite unusual for a public body to get off the fence like that and we are hoping that that information will greatly assist the land conveyance market. The other product that we have introduced is an insurance product. The database upon which we base these mining reports is extensive. It has, at its roots, just over 100,000 abandoned mine plans, but we update that collection daily as new information comes to light. So, if you were a homeowner who brought a property, say, five years ago and you asked us for a mining report which said that there were no mine entries which affected this property and now you come to sell and your buyer seeks and obtains a new mining report which suddenly shows a new mining entry that was not known before, that might affect the price of your property and we have a new insurance product which attaches to all of our standard mining reports which insures that property for up to £20,000 in the event that that type of incident arises. So, in that way, we are trying to address real concerns in the market.

Q77 Chris Mole: Can I ask English Nature and Groundwork what they see as the major environmental problems that are outstanding.

Mr Sharland: There is a great deal being done in the coalfields and, as a previous person on the panel indicated to you, we only have anecdotal evidence to indicate what the environmental improvements are. We would say to you that there have been substantial improvements, but we do not have a data set for the coalfields as an organisation and there is no comprehensive data set right across the piece to

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assess the quality of all the environments in coalfields. What has been done clearly needs to be built upon and, echoing some of the other evidence you have had, we would urge you to recognise the long-term turnaround of an environment that is as damaged as much as the coalfield environment has been. There is a lot that has been done on larger sites in the English Partnerships portfolio but we need to remember that there is a whole raft of smaller, what are called legacy sites that are not damaged enough to feature on either English Partnerships's or the Environment Agency's register, but the impact those are having on the quality of life in terms of social and economic quality of life for communities is substantial. We wonder also whether there is a need for a clearer long-term landscape vision for the coalfields. The economic regeneration that is going on that is really very important we believe will not resolve the issues in the physical landscape on their own, but investment into a long-term vision could help to realise asset value of land over a long term in the future enabling us to build a much stronger platform for the social enterprise, the regeneration that other evidence has given. So, we need to build upon the last ten years of work, we need more work to have clearer environmental data in order that we can measure change in these landscapes and we need to develop a clearer vision for the long-term future.

Q78 Chris Mole: Do English Nature agree with that answer?

Mr Knight: Yes, I certainly agree with the point that we do not have a statistical overview and have many anecdotal information, I think that is quite telling. The other thing which does work to our advantage at the moment is the pursuit of open space strategies by local authorities in line with government guidance on open space planning and a key component of that is actually perception studies, finding out what people feel their environment is like and what it means to them. We feel that there are some very good examples under way in places like Wakefield and there has been a very good study completed in Doncaster which have actually picked up that, to a lot of people, it is their immediate environment which is of the greatest importance and that the quality of that environment is important from a number of different perspectives and we are very pleased to see that the natural environment figures very highly in that and it probably relates quite closely to children's play and the use of the environment by both younger and older parts of the community.

Q79 Chris Mole: So, you would feel that a lot of projects that have been mentioned in your submissions have transformed some of the local areas? Can this approach be encouraged elsewhere?

Mr Knight: We are very keen to encourage this approach elsewhere. I think one of the things this Committee has done is to encourage us; it has been a catalyst for us to pull that information together and we can now disseminate that more widely amongst our area teams. We are also keen to disseminate it more widely in terms of broader

regeneration as well because the approaches of an ecologically community-based approach with a number of different players using money from various public and private sector pots is a good model to be used elsewhere.

Mr Sharland: Our network does not just work in the coalfields, we work in other areas, and we and many of our partner organisations produce toolkits, we share case studies and we disseminate practice and, as with English Nature, your focus has led us to reflect a little on where the priorities lie. There is no absence of knowledge, there is no absence of case studies and there may even be too much of that, but perhaps what we need is a much stronger and clearer coordination of the skills and knowledge and particularly to find ways of incorporating this knowledge into learning and into learning in a variety of settings. Obviously learning in the coalfields themselves in communities and intermediate labour markets, those kinds of programmes, but also into professional learning and, if you look at the Toyne Report produced quite a number of years ago about the ways in which sustainable development practice could be incorporated into tertiary education, one can see how little, as a society, we have done to really pursue that. So, I think our view is that we do share knowledge, not perfectly, and there is a lot of networking and there is a lot of case studies, but perhaps the area of need for us nationally is better coordination and seeing how we transmit this into learning and training in order that it can be embedded.

Q80 Mr Betts: Looking around at the South Yorkshire coalfield area, a lot of improvement has gone on to the physical environment and it looks a better place and I think that is true of a lot of the evidence we have had in about other parts of the country. All the evidence as well is that educationally, health and other social measures, the areas are still lagging well behind the average for the country. Should more be done to integrate the environmental improvements with the economic and social regeneration that we want to see as well?

Mr Smith: That is something that we strongly argue for. We feel that attention has quite properly been given to the economic regeneration but it tends to have been done in isolation and regeneration does not tend to have taken a very holistic view. In some cases, the benefits of having a good-quality environment seem not to have been properly valued. Their importance for education is a case in point.

Mr Sharland: It is interesting that the perception is that the physical landscape is improving but not seeing those benefits kicking through into other areas of activity. We feel that increasingly there is a danger of the physical landscape and the environment not being seen as an equal priority with both social and economic regeneration and that is interesting because, in our experience, the environment is proving to be a very useful entry point. Where people live is a good starting point for social regeneration and for economic regeneration

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and the Joseph Rowntree report commissioned to look at the work of Groundwork emphasised that the integration, tying these things together, making sure that where environmental improvements are being undertaken, the social and economic values are fully integrated is really important.

Mr Parry: Just to reiterate that point. It is definitely our experience that people who have found a way of involving themselves within environmental change in their own communities go on to involve themselves far more deeply in wider social change and regeneration issues in their own neighbourhoods. They also raise their own self-confidence, self-esteem and skill levels through involvement in environmental change which helps them move on through stepping stones into further education and employment. Also, there is a very strong link between environmental issues and social enterprise. Many of the more successful, very locally-focused social enterprises have grown up out of local people coming together to solve an environmental issue in their own community and, especially in the coalfields, encouraging entrepreneurship of that type and linking it to an environmental project with which people can identify has shown some signs of success and should be encouraged.

Dr Roxburgh: Could I pick up on something the Chancellor has touched upon and that is getting jobs out of the south east. My own organisation is based in Mansfield and it was deliberately based there because Mansfield is one of the coalfield communities and one of those areas that suffered as a result of coal pit closures. We are now in a position where we are technically one of the most advanced organisations in Europe. That might sound strange. People think of coal as being old fashioned and off the pace. I mentioned that we issue 2,000 mining reports a day. That is done on probably the most complicated and sophisticated computer platform of its type in Europe and, last year, that was awarded the British Computer Society's major award beating British Airways and the Royal Bank of Scotland, which puts it in context. We are currently engaged in digitally scanning the 100,000 or so abandoned mine plans we hold in what is, we are told, the biggest project of its kind in Europe. We are developing all sorts of cutting-edge technologies and they, in turn, spin over into our local community. We have no difficulty recruiting quality people and it is interesting that we cannot recruit from the south east because people will not come because they cannot come back, so we are recruiting largely from the north and from the Midlands. We are spending £50 million a year, which is our turnover, in coalfield communities. I think that the answer to many of your problems is that, having done the good work and tidied up, somebody has to force people to go there and people who can go there because it does not really matter where they are.

Q81 Mr Betts: I suppose another side to all of this is that we get all these sites which were once derelict and there is a great deal of improvement taking place on them. Do you think there is too much

concentration in trying to find economic uses for the sites in that particular community rather than saying that can be done up as very nice environmental projects making the area a nice place in which to live and then people will live there and probably commute to get jobs in towns like Barnsley and Mansfield where it will be easier to probably attract new enterprise than scattering them through the village of the coalfields?

Dr Roxburgh: I cannot so much speak for the villages but, this year, we have received planning consent for the old Markham Main Colliery at Doncaster for 300-or-so houses. We restored the old tip and planted something like 600,000 trees and we have liaised very closely with the local authority in constructing that development. We are similarly quite well advanced at Littleton in Staffordshire where we are again liaising closely with the parish and indeed the county and the district and there we will be providing not only housing but a new school site and again significant areas of reclaimed tip and landscaping. So, I think that you are quite right, there does need to be a balance but, in the same vein—and I know that it is not England but forgive me for putting it in—when I joined the Authority, we had a large number of old tips and because there was no planning requirement that they be restored and funds were limited, they were left as scars on the landscape, but I have decided that is unacceptable, we cannot on the one hand have an environmental policy which tells the world we are green, so we are now spending in the order of £1.5 million a year trying to tidy those up. The reason we are concentrating in South Wales is that we have more or less finished the job in England. All the tips we own in England, bar Warsop—Warsop stands aside for the moment because it may be that the tip can be put into an adjacent quarry and that would be the most ideal solution but that is not yet clear but, if that is not possible, then we will green that tip as well—the job is largely done.

Mr Knight: Can I just say that, in terms of Dearne Valley in South Yorkshire, that is a very good example of where environmental improvement, in a way for its own sake, is actually making the area much more attractive for inward investment, particularly along the Dearne Valley Parkway. I think there is also a functional element that a lot of this land provides as well. The contribution to flood storage and drainage is very, very important and, to have that managed in a way which is both successful for people, rich in wildlife and performs that function for communities downstream is quite critical. It is also interesting to see that Barnsley Council has looked at its housing capacity study on an environmentally-led basis which focuses the environment on its importance for people who want to move into the area.

Mr Sharland: I think there are two issues here. One is that we feel that we need to trust the fact that, if we invest in the quality of the environment for its own sake, in time, that will be a platform for social and economic regeneration and clearly there are cases where demand in economic performance from environmental activity may actually be holding that

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back. On the other hand, where we see social, economic and environmental benefits integrated together and a demand that resources and investment in the one will have benefits in the other, we are likely to get more value for money in terms of the scale of the investment that is being made.

Q82 Mr Betts: I just have one final point for English Nature. You mentioned the importance of achieving accessible natural green space standards; are these actually being achieved in the coalfields or is the performance patchy?

Mr Knight: I think we are still quite early in the process and that a number of authorities are actually just engaging now in open space strategies. I think also there are different hierarchies in our standards and some of those are more challenging than others in different situations. Having said that, the work that has been done in Doncaster and the work that is under way in Wakefield makes us feel quite confident that there is a level of pragmatism in those stance and they can be fairly widely achieved if certain aspects of them remain aspirations. I think what is really critical is that the principles underlying them that people should have easy access as part of their daily lives to a rich landscape that has a natural interest in it seems to be widely accepted and welcomed by local authorities and also seems to be equally welcomed by the communities they serve.

Q83 Andrew Bennett: Dr Roxburgh, you managed to flog off about half of your non-operational land. How easy is it to flog off the rest?

Dr Roxburgh: With the exception of a number of tips in South Wales which require very sensitive management, we will basically have disposed of all of our non-operation land by the end of 2005.

Q84 Andrew Bennett: Is that mainly to commercial uses or is it a mixture of uses?

Dr Roxburgh: It is a mixture of uses. We are generally happy to let it go to the market wherever provided we test it openly and we get value for money, but what we do have is a very clear caveat that we will not dispose of land to those who do not have the covenant and the technical expertise to manage it given its particular circumstances.

Q85 Andrew Bennett: Is there Treasury pressure to make sure that you get best value for it or can you let it go for socially desirable activities?

Dr Roxburgh: The Treasury has issued guidance that one public body may transfer land to another public body at book value and that avoids that problem. We have done that in the past. So, we are quite comfortable in meeting the whole social agenda.

Q86 Andrew Bennett: As far as these sites are concerned, it is only in South Wales that you have ones that are still on fire and are going to have very complicated management.

Dr Roxburgh: That is correct.

Q87 Andrew Bennett: As far as almost all the English sites are concerned, really there is no problem transferring them except for the one to which you have just referred at Warsaw.

Dr Roxburgh: In principle, no, but we do have problems with three sites which were on the original list because we only hold them leasehold and the freehold owners are proving rather difficult in allowing us to transfer the leases to English Partnerships. With each of those three sites, there is a particular programme and we are in very detailed conversation with English Partnerships and indeed the RDAs as appropriate.

Q88 Andrew Bennett: I am not quite sure whether my last question is to you or to English Nature, but there are some sites which are very polluted either because of the water or other reasons and they then have some quite interesting collections of lichen and mosses and other small beings, I suppose, on those sites. Is there a case for trying to preserve some of those in order that you get a pattern of the historical ecology for now?

Mr Smith: This is quite a general issue for brownfield sites. There is obviously a priority being given to housing development on brownfield sites at the moment and we have tried to inject a note of caution there because quite a number of them have developed an intrinsic environmental interest over the period since they ceased to be used and that includes some of the coalfield sites. So, there is a need for certain sensitivity.

Q89 Andrew Bennett: You are telling me what the problem is but I asked you about the problem, so what is the solution? Are you going to keep some of the most polluted bits of water?

Mr Smith: There is a case for their interests to be assessed and to be evaluated and put in context and some of the better sites, yes, would probably merit being protected as they stand.

Q90 Andrew Bennett: Would you be happy with that, Dr Roxburgh?

Dr Roxburgh: When we develop minewater treatment facilities, we have to apply for planning consent in the usual way. Bodies like English Nature are consulted in the normal course of events and we will be guided by their comment and indeed by the judgment of the local authority.

Q91 Mr Cummings: In Groundwork's evidence, they highlight the need for sustained funding for environmental projects. How do you believe this should be provided? It appears that many programmes are reliant upon short-term funding such as funding from the European Union and SRB. How do you believe this funding could be put on a more long-term basis?

Mr Sharland: There are two parts of the question, one of which is about the existing funding programmes and, like you, we are concerned about what is going to happen with the loss of structural

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funds in two or three years' time from the EU and the changes that are likely to come with the end of SRB funding. We also feel that, in terms of the kind of support that is available to the work that we do and many other organisations like us, we need to also look at the state of the economy and the degree to which the private sector is investing and supporting these kind of programmes by supporting communities and the reduced sales of Lottery tickets because the Lottery funding has been a very important source of income. We also need to take into account changes in landfill tax funding. So, there are a number of I think it is unkind to call them short-term but perhaps middle-term funding programmes that have contributed enormously to environmental programmes over the last five or ten years whose future is less secure and we are very concerned about that. It is clearly something that we think the Government should look very closely at. There is an issue about how we balance capital and revenue funding and there has perhaps been in the past more evidence on capital funding and on revenue funding and the point that I made earlier about how environmental regeneration goes hand in hand with social and economic regeneration, the benefits from revenue funding will be much greater. One of the areas that we are looking at very closely is the issue of endowments that could enable communities involved with the environment in their own neighbourhood to actually have a modest capital asset that they can assess which can derive revenue year on year and the principle of endowments is one that we are in discussion with the Department and with the Treasury over as a background to the Land Restoration Trust.

Q92 Mr Cummings: Could you tell the Committee how you believe local authorities and regional development agencies can be encouraged or indeed required to take a more active role in improving the environment.

Mr Sharland: I think there is an issue about the environmental changes having been subsumed under economic measures and there is certainly some evidence that, with the tier 3 target set by the DTI, some RDAs are finding that they are not giving priority to environmental programmes, but there are other RDAs, for example NWDA with their Newlands Programme, where they are giving priority to recognising the importance of investing in the environment and we would like to see the Government giving strong guidance to RDAs and local authorities to ensure that there is adequate investment in the environment and to look at this issue over the single pot to see whether that really is enabling those organisations to respond appropriately to the need for funding in the environment.

Mr Parry: I think that some of the geographically-focused initiatives like neighbourhood renewal area funding and NDC funding has taken on board some of the best aspects of the SRB rounds in the past, but it is very wide-encompassing and it is prepared to listen to local opinion and to take on projects across a very broad area in contrast, possibly, to the

increased targeting of the single pot money on very hard-edged economic targets such as jobs created in the square footage of business space provided.

Q93 Mr Betts: You mentioned the Land Restoration Trust; when do you expect to have that up and running and what difference do you think it is going to make?

Mr Sharland: The current plan is that there will be a trust established by the end of this financial year followed by a pilot phase of two, possibly three years. The purpose of the pilot phase is to test the model and, within the pilot phase, we are looking at approximately 1,800 hectares of land coming into the programme. Most of that land in the pilot phase will be coming from English Partnerships Coalfield programme, but the wider vision, provided the model proves itself, is to roll this out to a much larger number of sites and the current scoping study demonstrates that, in year 10, the Trust could have the ownership of 10,000 hectares of land. There is a lot of work to do ensuring that we have the approval of the Treasury and the principles to run the model over the next two or three years and that is the timescale.

Q94 Mr Betts: How are you going to maintain the sites in the long term?

Mr Sharland: The whole principle of the Trust is based on the idea that the ownership of sites will only be taken on where there is an endowment, a capital asset, that goes with it. The capital asset will be used to generate interest alongside other grants to enable local deliveries, whether they be Groundwork trust or wildlife trusts of the kind of Village Companies that we have been hearing about earlier to be the local delivers, taking advantage of voluntary labour as well as having a capital asset for the land.

Q95 Mr Cummings: Having lived virtually under the shadow of the pit pulleys all my life, I am more than aware of the hazards that have been created through disused minewater. Could you give the Committee some idea of the extent of the problem.

Dr Roxburgh: I am responsible for any damage arising from the failure of old coal workings. What that means in practice is that we respond to between 500 and 600 incidents a year where the surface collapses or where gas escapes. Our standard is that we will be at that failure within two hours of notification and we run that 24 hours a day every day of the year and that we will have it safe within six hours. Approximately 60% of those call-outs are actually finally traced back to a coal origin, but of course we have to go in the first instance because we do not know until we get there whether it is a collapsed drain or some other form of failure. Having arrived, we are fairly magnanimous. We will take a view and, if it is a local authority matter or a drainage matter, we will let them know. We will still fence it, we will still get it secure and we do not recharge because we see no purpose in spending more money on recovery than we would get. Year on year, there has been no particular trend. It is going to be with us for time immemorial. There is one

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argument that says that, because these voids have been there for so long now, the chances are that, if they were going to fail, they would fail. There is another line of argument that says that the longer they are there, the more likely they are to fail. I could not honestly tell you which is which. I can tell you that, from time to time, life is tragically lost. It is an issue but, as a matter of public policy, it has always been argued that, to deal with the extent of the problem would involve so much public money that, if the object was the saving of life, then, pound for pound, you would get much more feedback and much more benefit in giving that money to your local highway authority or indeed the National Health Service. That might sound a terrible thing to say but that is the origin of the policy.

Q96 Mr Cummings: Could you tell the Committee when are you going to have sufficient resources to take on the statutory responsibilities for mine waters once the new Water Bill is passed?

Dr Roxburgh: I think the answer to that is “yes”. As I mentioned earlier, we have very good relationships with our funders in the Department of Trade and Industry. We have seen our programme accelerate from four to eight schemes a year. The reason for that is to try and achieve the requirements of the European Waterframe Directive which requires that, by 2015, all waters are unpolluted. We liaise very closely with the Environment Agency and they have categorised all of the sites which either are causing a problem or which may cause a problem in the future in terms of their order of priority and we will do our very best to meet that. So, I am quite confident that, as things stand, we will meet the requirements of the Directive and we do find that the DTI are responsive in meeting our needs from time to time.

Chairman: Gentlemen, thank you once again for coming. Our apologies for keeping you so late, but we do appreciate you evidence.

Monday 8 December 2003

Members present

Mr David Clelland, in the Chair

Andrew Bennett
Mr Clive Betts
Mr John Cummings

Chris Mole
Christine Russell

Witnesses: **Janet Bibby**, Chief Executive, Coalfields Regeneration Trust; **Stephen Johnson**, Director of Operations, Heritage Lottery Fund; **Gerald Oppenheim**, Director of Policy and Communications, Community Fund; and **Mark McGann**, Head of Policy, New Opportunities Fund; examined.

Q97 Chairman: Good afternoon. Thank you for coming. Welcome to this session of the Committee. Can we begin with introductions and start with Mr Oppenheim perhaps, for the purposes of the record, please?

Mr Oppenheim: I am Gerald Oppenheim. I am Director of Policy and Communications at the Community Fund.

Mr McGann: My name is Mark McGann, Head of Policy and Public Affairs at the New Opportunities Fund. I am standing in for my colleague Vanessa Potter, who is ill, I am afraid.

Ms Bibby: I am Janet Bibby, Chief Executive of the Coalfields Regeneration Trust.

Mr Johnson: I am Stephen Johnson, Director of Operations at the Heritage Lottery Fund.

Q98 Chairman: Does anyone want to make an opening statement, or are you happy to go straight into the questions?

Mr Oppenheim: Straight in, I think.

Q99 Mr Cummings: I am sure you will agree that the whole nation has heard such a lot about the huge social and economic problems there are within the coalfields communities. Can you tell the Committee what impact you will be able to make in addressing them?

Mr Oppenheim: I think the impact that we can make is to support organisations which are representative of people who live in coalfield communities, whether those are community organisations or more formally constituted as charities, for example, and certainly for the Community Fund to respond to the requests for funding that they put to us for things that will improve life in the communities. I think that is our key role, and to support applicants through a process of seeking grants, which can be quite difficult, and help them through following up on the grants later on.

Mr Johnson: I think we are doing much the same. What we are trying to do, in concert with other distributors, including the Coalfields Regeneration Trust, is actually to help coalfields people make applications to us, come to us with real proposals that will make a difference, from their perspective, in what they want to do. We are not capacity-building ourselves, in building that capacity, but we are capacity-building through the joint action which we can undertake with others.

Q100 Mr Cummings: You have provided the Committee with extremely long lists and descriptions of the projects you fund, which do appear to be mainly one-off capital grants. Do not the areas in which you are involved require sustained revenue funding over a longer period, in order for those schemes to be successful?

Mr Oppenheim: I think there is a mix of funding that goes in. It depends partly on the Lottery distributor that is making the award, some will have more of an emphasis on capital than others. Certainly you are right, Mr Cummings, the emphasis does need also to be on revenue support, and pretty well all the grants that the Community Fund makes available do go to groups to help them employ a member of staff, meet their running costs for up to three years, with a possibility of renewal for another three after that. I think the important point to make as well is that Lottery funding, through the directions that all the distributors have from Government, from the Department for Culture, Media and Sport, which is our sponsor Department in Government, does put the emphasis on supporting projects. Inevitably, that means there is a tension between supporting projects and supporting continuing costs.

Q101 Mr Cummings: Is it emphasis, or is it more instructions?

Mr Oppenheim: It is an emphasis, I think, it is not an instruction, but it does depend very much on the programmes that each individual Lottery distributor runs.

Q102 Mr Cummings: Have you thought about challenging the Government by providing revenue?

Mr McGann: The Lottery in 1998 was redesigned so that Lottery distributors could fund revenue. Something we have recognised in the New Opportunities Fund is the tension between short-term funding and long-term needs. Through the Fair Share initiative, the Fair Share Trust, we have provided funding, albeit modest funding, over a ten-year period, so each year there is a predicted amount of money for communities, including many coalfield communities.

Q103 Mr Cummings: Did they redraw the plan?

Mr McGann: Yes, absolutely.

Ms Bibby: In terms of the Trust, we are funded ourselves only in three-year tranches of funding, therefore it is very difficult to build in long-term

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sustainability for groups' funding. However, what we do have are regional managers who work with groups on the ground to look at the sustainability of projects before we fund them.

Q104 Andrew Bennett: Basically, the coalfield areas are not getting a fair deal, are they, out of the Lottery money? They spend a lot of Lottery money, and when you look at the constituencies up and down the country which get the least money about half of those are in the coalfields, either because there is not the capacity for people to make bids, or there is discrimination against the coalfield areas. They are not getting a fair deal, are they?

Mr Oppenheim: I think the statistics show that contention certainly was true, if you go back to 1997, coalfield communities were doing less well per head of population than pretty well any other community you care to define, by geography or type of community. The figures I am aware of from the Department of Culture, looking right across Lottery funding, not just those of us who are here today, show that in 1997 the funding was about £19 per head of population and that is up now to £36, £37, so we are moving in the right direction.

Q105 Andrew Bennett: We have got a long way to go, have we not?

Mr Oppenheim: I agree absolutely with that point, certainly.

Q106 Mr Cummings: Are you providing assistance for applicants to fill in the forms, the complications that arise out of filling in forms?

Mr Oppenheim: Yes, we do.

Q107 Mr Cummings: I see a big difference between someone living in Selly Oak, someone with a great deal of professionalism, and someone living in a very small mining village, who is doing it part-time?

Mr Oppenheim: Yes, we do that. We run very regular surgeries to help applicants fill in forms, to take their questions, help them through the problems. We cannot fill in the forms for them, at the end of the day, because there is a question of fairness across all the people who apply for funds, but we do put a lot of effort into surgeries and one-off help.

Mr McGann: At the New Opportunities Fund, we are moving away from application methods of distribution. For instance, we have used a lot of partners locally but also we have allocated money to certain areas, which often has been skewed to take account of disadvantage. We have found that works quite well in saying to an area, "You've got this much money if you develop a proposal," and, of course, we can help develop that proposal. I think, historically, you are absolutely right, that the Lottery has tended to support disproportionately the people who are good at filling in forms, but I do think the figures are showing it is changing for the better across the piece.

Ms Bibby: At the Trust, it is a fundamental part of our provision, and, what is more, throughout the life of a grant we have an in-house grants team who

work with a problem-solving approach throughout the life of the grant to make sure that the group are supported.

Mr Johnson: One of the things that we have found is that simplification of what we do has been one of the watchwords. Certainly it has been one of the things that people in coalfields, or people in all sectors of life actually, have said is something that we, the Lottery distributors, ought to be doing, and I know we have tried very hard to simplify some of our processes. There has got to be a process when you are applying for public money.

Q108 Mr Cummings: What sort of monitoring systems do you have to ensure that you are making a difference to local communities?

Mr Oppenheim: There are a number of ways of doing this. There are individual relationships with individual organisations that hold grants, and I think all the distributors will have in place monitoring systems to track what is happening, to see if the project that was bid for is being delivered in the way that everybody hoped it would be. Then, on a much larger scale, there are some evaluation studies that go on over time to measure and research what happens on the ground, so that we can all have a better idea of the difference being made.

Ms Bibby: I think that is right to say that we have a number of monitoring systems, as everyone would have. CRT currently is having an evaluation project undertaken by York Consulting. I spoke to the consultants this morning, who gave me some emerging, positive themes which suggest that CRT is filling a gap which other funders are not meeting, and there is evidence that the CRT investment could be perceived as regeneration risk capital available at a local level.

Q109 Christine Russell: I was just writing down what you were saying there, Janet. You were saying that actually you fill a gap which other funders do not, because the question I was going to ask you is what do you do that the local authorities are not doing? How are you different?

Ms Bibby: I think, the local authorities, by their very nature and the statutory provision which they have to provide, it means that they have a bureaucracy, quite rightly. The Trust was set up to be flexible, to be able to move quickly, and a good example of that is our position in the Selby Task Force, in the way we were able to help avoid the 90-day rule come into play to make the payments, and we were the only organisation which could do that. Unfortunately, local authorities have departmental silos, and I do not mean that in a detrimental sense, it is part of the way services are provided. Something like the Trust is able to cross-cut across departmental agendas, and I am thinking particularly of the way that we meet the Department of Health agenda, in looking at innovative respite care, the way that we look at the skills agenda, with our investment in the SKILLSbuilder programme, and the way that we look at the Home Office agenda, for example, in Regenerate, our youth focused programme.

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Q110 Christine Russell: Can I ask you three gentlemen, in your experience working in the coalfield communities, how proactively engaged are the local authorities in working with and encouraging community and voluntary groups to put together bids to your organisations?

Mr Johnson: I am not sure I can answer the question about how proactively all local authorities engage, I think it is some and some. Obviously, you get some local authorities which have got more of a capacity to do that than others. All I can say is that we cannot act against local authorities, we have always got to act with the grain of what they are trying to do as well. What we have tried to do is work within the framework of Local Strategic Partnerships, for example, to make sure that we are doing the kinds of things that the Strategic Partnership is looking for, and contacting local groups. Yes, of course, there is always going to be a level at which you are contacting people who want to do something on the ground which is not approved by someone, but also contacting local groups to make sure that what we are doing is known about by the local authorities in whose authorities we are trying to spend. We are trying to play it both ways, in one sense.

Mr McGann: I think my relatively limited experience is that where local authorities have taken the Lottery very seriously and put a lot of effort into galvanising activity locally then those areas have done well. Without naming names, my impression is that in some of the areas, including coalfield areas—

Q111 Christine Russell: It does not depend on the size or the capacity or the authority, it is just whether or not they are prepared actually to do it?

Mr McGann: I think it is about lateral thinking. You could say either the Lottery is not for local authorities, or you can say, “Boy, is this an opportunity” and seize it, and those who have done rather well out of it. I feel that, where local authorities which have not taken the Lottery seriously, their local communities have suffered as a result.

Mr Oppenheim: I think, from our experience, it depends very much how engaged already a local authority is with its voluntary sector, and many local authorities have a long and very, very good tradition of supporting local community organisations, local charities, with grants of their own or through contract arrangements. In parts of the country where that is not such a well-developed relationship then it is much more difficult to find community-based organisations to fund. Certainly that has been some of our experience, though I would not want to overstate it, in coalfield areas. In our early attempts to target some of our money we found that where actually we put in a lot of time and effort, not only to working with community organisations but to working with elected members and their officers in local authorities, that really pays dividends but sometimes can be a very lengthy piece of work, but ultimately worthwhile.

Q112 Christine Russell: Is what you are saying really that you find it difficult because the kind of voluntary sector infrastructure is not there in many of the coalfield communities?

Mr Oppenheim: Absolutely, yes, and it takes time to build that up.

Q113 Christine Russell: Do you feel that your funds are necessary because local authorities just do not have the funds? Do you feel that you are funding projects, programmes, whatever, which perhaps in other parts of the country are funded by local authorities, but they simply do not have sufficient resources in the coalfield communities?

Mr Oppenheim: I do not think so necessarily. We are always very careful, I think, to make sure that we do not fund where a local authority or another statutory body, for that matter, ought to be funding, in terms of there being a duty to fund. We would not want to see Lottery money substituting in that way. These days sometimes it is very hard to draw a line. I think you have to take what you find. We try to respond to the aspirations that local organisations put to us. Again, I go back to my earlier point, that where we have put the effort in to doing some development work, to working with a local authority, you can begin to get over some of those problems, recognising, of course, that local authorities are constrained for financial resources as well.

Q114 Mr Cummings: These questions are directed at the Coalfields Regeneration Trust. The first question is, quite simply, what is the expected life of the Trust?

Ms Bibby: We would like to see the Government having a medium-term investment of ten years in coalfield communities.

Q115 Mr Cummings: The expected life of the Trust, is it not three years?

Ms Bibby: At the moment, the Trust will cease in March 2005.

Q116 Mr Cummings: Does this not cause you deep-rooted problems, inasmuch as you can plan for only perhaps a three-year funding round?

Ms Bibby: Absolutely.

Q117 Mr Cummings: If this is the case, how does that link into Urban II and European funds, and how do you co-ordinate and link them together in any particular projects?

Ms Bibby: With great difficulty, obviously. In terms of our grant funding, we have to spend most of it within the first 18 months of a three-year funding tranche, in order to get it spent and monitored in time, to act as though we will cease to operate at the end of that period. It makes it very difficult to use, in terms of match-funding because if there are delays in other funding programmes we are unable to match them. Our role which is emerging, which is a more strategic and influencing role, is very difficult to plan when we can only ever commit for a three-year period. For example, our new project with English Partnerships, where we have developed a roving

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team to make sure that local people benefit from the development of ex-coliery sites. It is very difficult when by the time you have got people in post that will be less than the three-year project.

Q118 Mr Cummings: It is easy to see the problems that you have identified, but do you think there will ever be a time when the coalfields are fully regenerated and the Trust will no longer be required?

Ms Bibby: I think there will be a time when the Trust will no longer be required. I would not like to put a timescale on that, but I think we do need some long-termism really to plan and give communities some confidence so that we can attack things. I think we would be really happy to have performance indicators and milestones attached to that, but we do feel that we are trying to instil some sustainability when we have no longevity ourselves.

Q119 Andrew Bennett: Should you not have a target for when you should put yourselves out of business? There are one or two colliery disaster funds which are still making payments about 100 years after the colliery disaster happened. Surely you should look at that as a horrible warning and think, "Well, in another six years, or another nine years, we should be planning to finish"?

Ms Bibby: I agree with you totally.

Q120 Andrew Bennett: Come on then, tell us when?

Ms Bibby: A ten-year, medium term.

Q121 Andrew Bennett: Ten from now or ten from when it started?

Ms Bibby: Ten from now, in terms of we want to move communities forward. This is not about living in the past, this is about moving communities forward.

Q122 Christine Russell: In my constituency, along with probably hundreds of other constituencies, hundreds of thousands of manufacturing jobs were lost in the eighties and nineties, in my case they were mainly jobs in the steelworks, in north-east Wales. Why should the coalfield communities be treated as a special case when the old steel communities have not been, to the same extent, by all your organisations?

Ms Bibby: I think the coalfields have a long history as the engine of the nation's industrialisation, and the settlements which grew out of that have an unparalleled reliance on a single industry. I think the difference in that really is that it was not just about employment but also it was as a paternalistic provider of shelter, social welfare, recreation and often financial and retail services. Therefore, when the industry went into decline, with nothing in place to alleviate that, the massive problems, the unemployment, the physical isolation and the poor infrastructure created a legacy of deprivation which has become entrenched. That is not just the physical effects, that is also attitudinal, therefore there is a real job for significant regeneration activity.

Q123 Christine Russell: Is that mindset still there, do you think?

Ms Bibby: I think so, yes.

Mr Johnson: From a heritage perspective, I think it is our job to reflect the whole history of the nation, and the coalfields themselves were a history of about 150, 200 years of the nation. When I look at the coalfields areas I do not see just the coalfields areas, I see the landscape that was there before the coalfields started being exploited and I see the landscape that is going to be there in the future. Therefore, I think we have got a long-term interest in what is happening in coalfields areas, as we have got a long-term interest in what is happening for tin-mining in Cornwall, or for lead-mining in the Pennines, or actually for peat extraction in the Norfolk Broads. They are all aspects of landscape which have been shaped by people's use of it.

Q124 Christine Russell: Is that because the landscape was more attractive than the landscape where the steelworks were?

Mr Johnson: No, I do not think it is more attractive. I am sorry, I am expressing a personal view there. It is not necessarily more attractive. What we are trying to do is say, "Look, there are things of value to people here, because this is the tradition, this is the culture, this is your background, and what we want to do is build on that past in order for you to have a better future."

Mr McGann: I do not want to speak for Gerald, but I think both the Community Fund and NOF, when we set up Fair Share, would agree with you. We were only interested in coalfield areas where they were both disadvantaged and had not received average funding. If they were not disadvantaged and if they had received better than average funding then they did not benefit from Fair Share. Because coalfields do tend to be a pretty good proxy for the kinds of areas which are disadvantaged and which do not receive their fair share, therefore they did rather well out of Fair Share. I think we would agree, that this approach is best. Barnsley is different, I think, because that was focused on as a coalfield area.

Mr Oppenheim: Just to pick that one up. That was our first attempt at doing a bit of geographic targeting in an area where we had not had many applications, and we knew levels of disadvantage were very high and we would have expected more to happen. I think the point for us is that we have a duty, in our policy directions, to respond to applications that come in on their merits. When we were constructing Fair Share a couple of years ago, with colleagues at the New Opportunities Fund, we decided, and I hope it helps to answer your question, as well as making a case for supporting the Fair Share areas, also to give ourselves a target of making sure that the top 100 most disadvantaged areas in England continued to receive the sort of median average level of funding that we had been providing historically, to try to make sure that we did not end up with more areas slipping below over time.

Q125 Mr Betts: Is Fair Share working in every area then?

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Mr Oppenheim: Fair Share is working in 77 local authority areas in England.

Q126 Mr Betts: Has it been successful in every area it is working in, shall I say?

Mr Oppenheim: I would not go that far. It has been very successful in many but there are still a few areas where, 18 months to two years in, we are aware that the financial targets that we have set are not yet being met, and that is a reflection really of everything we have been saying earlier on about poor infrastructure in some local authority areas for the voluntary sector. Until that is built up, we are not going to see that flow-through of money that we might expect to see in other areas. We have had some enormous successes so far, in some authorities in Yorkshire, for example. Wakefield is one example, where the money is just beginning to flow through in the way that we would have expected it to, and there are many others like that as well, but it takes time.

Q127 Mr Betts: As I understand it, the successes so far are about ensuring that the coalfield areas get their fair share of the funds on a current basis, but they are not at this stage making up for the historical underfunding and underprovision. Is there a plan to deal with that as well?

Mr Oppenheim: No, there is not. It would be hard, I think, in one go to reflect the historic position in the allocations we make. What we know, as was being said earlier, is that the amount per capita going into coalfield areas pretty well has doubled, from £19 to £38 per head over the last six years or so. There is still a way to go to bring it up to that level, but Fair Share runs to March 2005. We will have to take stock, as I suspect we will, with the New Opportunities Fund, there will be one distribution body by then, to see what else needs doing.

Q128 Mr Betts: Fair Share applies just for the Communities Fund and New Opportunities Fund. Is there a similar scheme for other funds?

Mr Johnson: What we are trying to do is not to try to even out our expenditure across the whole of the country. Indeed, the Heritage Select Committee, the Culture, Media and Sport Select Committee, when they looked at us, said that actually it was unrealistic for us to try to do that because there are places like London, Edinburgh and Cardiff, which have national museums, which actually require a greater amount of funding. What they said we should try to do was increase our expenditure, increase the number of applications we receive from all areas of the country and find things to do which were not just capital-based. I accept some of what John Cummings has said.

Q129 Mr Betts: It is very general, finding things to do. Are you setting yourselves targets? Fair Share at least seems to have a civic objective in place.

Mr Johnson: The targets we are setting ourselves are to say let us look at all those areas, and they are not just coalfield areas, which are underfunded so far, because some of them are close to a town, some of them are in other areas of the country. What we are

doing is looking in those areas at how we can send in our development teams, our people who actually are influencing applicants to come in and ask for us, to try to stimulate applications from those areas. We are trying to increase the number of good applications we get from there rather than saying necessarily there is a funding target we can actually have.

Q130 Mr Betts: Is it working?

Mr Johnson: It is working in some areas. It is working extremely well in Easington, as it happens, because Easington was one of the areas that we chose to put our development teams into and really they have been upping the ante in Easington and we are getting in applications. We have done the same for Blyth, up in the North East. It is happening in some areas, and we are putting emphasis into making sure that does happen.

Q131 Christine Russell: Can I ask you, Mr Johnson, how easy it is to convince local people that spending money on Heritage Lottery schemes is worthwhile when many of the communities face severe problems of continuing unemployment and poor health, issues like that? Do you get a lot of stick from some people in the coalfield communities who say, "Well, you're putting all this money into this Heritage Lottery project. Wouldn't the money be better spent tackling unemployment, educational failure, poor health?"

Mr Johnson: I think people realise that, as an agency which has money voted to us to spend on heritage, we have got to spend it actually on heritage.

Q132 Christine Russell: How do you justify that?

Mr Johnson: Our view of heritage is getting very dangerously wide, I have to say, is how I would describe it. I think that what we are funding is all sorts of things, which are not health and education or employment, necessarily, but they are using heritage assets in ways which can benefit a wide range of population today. One good example is the way we have dealt with our Urban Parks Programme. Here are urban parks, underfunded by local authorities, because they just did not have the money, they tend to be our applicants. What we have tried to do is say, "Look, let's look at this legacy of Victorian, Edwardian, early 20th century parks, that are there in towns and cities, and actually sometimes in village centres, let's try to do something with those and let's make them vibrant, up-to-date, usable by people today, so that everyone can enjoy them." What we are trying to do is invest in that kind of infrastructure, in order, for the future, actually to have something to use.

Q133 Christine Russell: Hand on heart, you can say that you are encouraging people in the coalfield communities to look forward as well as looking back?

Mr Johnson: I think we are. That was the flavour of the piece of work which we did, with CCC and CRT, when we did this piece of research a couple of years ago. What we tried to do was say, "Let's find out from people, if we're branded in terms of heritage,

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what actually they would like us to spend our money on,” and they came back with all sorts of ideas, which we are now trying to follow up, and we are trying to make sure we do.

Q134 Chris Mole: Many of the coalfield areas do not really have a clear economic role any more. What role can you take in identifying a role for them?

Ms Bibby: I think, in terms of finding an economic role, the secret is to create diversity in the economic base and improve the quality of jobs in the areas. For the Trust, obviously, we need to reconnect people with mainstream economies, people on estates who are disconnected from that mainstream work. I think if that work is not done then people on the estates will never be engaged, and that will always pull down the economic and social make-up of an area, because it will always affect it. We need to work more on skills, and paradoxically the mining industry was a great provider of skills training, so not only did people lose that but they lost a lot of the skills training and found themselves in need of reskilling. Things like SKILLSbuilder, where actually we redeploy miners at risk and people who are being made redundant directly into the construction industry, where there are huge skill sector shortages, are fundamental to creating that economic base for the coalfields.

Mr Oppenheim: The position that we are in, in the Community Fund, is that really we can support only much smaller-scale enterprises, and we have made a few grants now, quite interestingly, to organisations which are, I suppose you could call them, sort of village companies, or village enterprises, organisations which are trying to set up one or two units which might house a local printing company or do some local training to help people get back into the jobs market, to retrain, reskill. I think those are fairly small activities, again, spread over three years, but they begin to add up to something a bit more, and obviously we hope and want to encourage them to be successful.

Mr McGann: I think it is important to note that, the lottery is not, in its essence, about economic development, although some, such as the Eden Project in Cornwall, which is in a clay mine, have had a huge impact on the local economy. That though was reliant on a local idea. I think the Lottery is good at supporting this kind of big capital project—although there have been some notable failures, of course. I think the Committee ought to note that the new body, which will emerge out of the NOF/Community Fund merger, will have a strong remit to continue funding this kind of big

transformation capital project. I think it is here, as well as in the smaller projects, that the Lottery will continue to have an important effect on areas which are down on their luck.

Q135 Chris Mole: Have you got an investment in the Earth Centre in South Yorkshire?

Mr McGann: No. I think that is the Millennium Commission. We will take on the legacy of such successes as the (- inaudible -).

Q136 Chris Mole: I shall not press you on that one. Can I ask what role the Heritage Fund is going to have in supporting job creation and Lottery funds?

Mr Johnson: I think our role is rather more indirect. I think we do support museums, parks. For example, looking at parks, we do try to make sure that where we are investing in the capital of an urban park we are getting a promise out of the local authority concerned that they will make sure that is maintained for the next ten, 25 years. Normally they do not like giving those kinds of promises because they would like not to have to, but we do try to pin them to the wire and say, “Look, you must make sure that there is added support, more staff to make sure the park is safe, more staff to make sure the park actually is properly looked after,” gardeners, and so on. Another area which I think we do look at is the economic regeneration of towns. Our Townscapes Programme, which we say is part of economic regeneration, is there to provide that support for communities by investing in the townscape, by investing in the spaces between the buildings and giving people four indicators which we are trying to look at. One is quality of life, where we are trying very hard to work out what quality of life means. The second is the townscape improvements themselves, the way in which we are refurbishing buildings and refurbishing spaces. The third is what it does mean in terms of economic regeneration, how many businesses are relocating, how many jobs are being created, and we are trying to track that over time. Fourthly, we are trying to give people that confidence about themselves and find out what they think about the places and what the image of that town or that village or that townscape actually is. We are tracking all that, and we started that in 1998, and we are tracking that through the programme. Five years is just about up and it is about time that actually we had a first report on how we are doing, but in ten years’ time we shall have a better report because we have set some baselines.

Chairman: With that, can I thank you all very much for your evidence and call the next set of witnesses. Thank you very much.

Witnesses: **Trevor Beattie**, Corporate Strategy Director, and **Rob Pearson**, Head of National Programmes, English Partnerships; **Alan Clarke**, Chief Executive, One NorthEast; and **Martin Briggs**, Chief Executive, East Midlands Development Agency; examined.

Q137 Chairman: Good afternoon. Thank you for coming. Could we begin, please, with introductions, for the record. Perhaps Mr Pearson would like to start?

Mr Pearson: I am Rob Pearson. I am Head of National Programmes, English Partnerships.

Mr Beattie: I am Trevor Beattie. I am Corporate Strategy Director for English Partnerships, which includes responsibility for National Programmes and of course the coalfields.

Mr Briggs: Martin Briggs, the Chief Executive of the East Midlands Development Agency.

Mr Clarke: Alan Clarke, Chief Executive of One NorthEast.

Q138 Chairman: Thank you very much. Does anyone want to say anything by way of introduction, or can we go straight to questions?

Mr Briggs: Shall I just say, on behalf of us all, I think we see ourselves as in the middle of an important programme which has made good progress, and we felt that, rather than making a series of introductory statements giving the experience to date, it might be a good idea to get stuck into the questions straightaway.

Q139 Mr Betts: Do you think that English Partnerships and the RDAs are working effectively together to regenerate the coalfields?

Mr Briggs: I think it has been a very productive partnership between us. I think actually at the heart of what Regional Development Agencies have been asked to do, certainly both in the formation of regional economic strategies and in their subsequent delivery, partnership is the key word. It is a much overused word now. There is a complexity both in terms of the public/private linkage and in the range of different agencies involved. On occasions one stands back from that and says, well, in an ideal world, this might look a bit different, but, in practical terms, I think we have had very good evidence within the Coalfield Programmes of a very close working relationship, which has delivered a lot of practical change on the ground.

Mr Beattie: I would just like to add that, from English Partnerships' perspective, that is entirely our view. I think what we have shown in this joint working is that it matters far less who owns the sites, or exactly the pattern of delivery on the ground, what matters is a very close working relationship between EP, the RDA, the local authorities and all the other parties, and that has worked extremely well.

Mr Clarke: At the more formal level, we have two people from RDAs on the Board of English Partnerships, so that helps the cross-working as well, and then, on a more informal basis, in the North East, we have a long tradition of working very closely together with English Partnerships.

Q140 Mr Betts: Would it surprise you that we had some submissions which suggest the funding initiatives targeting the coalfields sometimes are

poorly co-ordinated, and perhaps suggesting that why do we need EP and the RDAs, why do we not have one body which combines a sort of land-holding function and the economic development function?

Mr Briggs: There is a question for Government, in terms of the way in which the network of agencies created work together. I would say, actually, the ambition of Regional Development Agencies and their regional economic strategies, of course, not owned by the Agencies themselves but their regional community, is huge in itself and it covers a very wide field. I would be quite surprised if, in delivery terms, there were not occasions when people said "That could have been done more effectively." I think one of the themes of what we say to you this afternoon is that we have made good but so far limited progress in integrating a whole range of policy streams in regeneration, encompassing skills, enterprise, innovation and physical regeneration, and we need to take it further. There are occasional glitches, specifically in relation to physical regeneration programmes, but I think any examples where English Partnerships and the RDAs are said not to have worked closely together would indeed be few and far between, in my experience.

Mr Beattie: The essential element of the programme is that it is national, and therefore if a site goes slowly, for whatever reason, we have the ability to team and lade, we have the ability to bring forward other sites, to make sure we maintain the momentum of the programme, and English Partnerships has been able to do that at a national level. Also, of course, at a national level, involving private sector partners at national level, exchanging best practice, and so on. I believe that it has been that very national overview and flexibility which has kept us on target.

Q141 Mr Betts: Do none of you see any room for improvement?

Mr Clarke: I think there is a need for some streamlining, in terms of delivery. There is a whole range of different regeneration initiatives that goes much more broadly than English Partnerships and the Regional Development Agency. Perhaps there are almost too many local strategic partnerships, and so on, so I think there is scope for some rationalisation and improvement, in terms of delivery. You have got to remember that the other balance of that is, we allow sub-regional partnerships, quite rightly, to develop some local solutions to the particular issues in their area, so there is that issue which needs to be addressed in this as well, so I would say, yes, there is scope. Also, there are only so many talented regeneration professionals around, and people from the voluntary sector. I think that is a real issue, if they are spread too thinly.

Mr Pearson: I think, at a practical level, we have been shown to have very complementary skill sets, taking on what are some very, very difficult sites

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throughout the country. I think it is how we build upon that and the degree of linkage into other things which will improve the product in time.

Q142 Mr Cummings: My question is to the Regional Development Agencies, Chair. The Committee have received submissions which have highlighted the varying levels of commitment by the RDAs to regenerating the coalfields. However, are you in danger of concentrating on the large conurbations, which are more attractive to private investors, and are you not neglecting the smaller pockets of intense deprivation in semi-rural coalfield areas? Could you tell the Committee how the coalfield business plan is tying in to existing coalfield regeneration plans?

Mr Clarke: First of all, through the concept that I talked about before, which in the North East is the sub-regional partnerships, we delegated very early on 75% of the free money that was available after legacy programmes, and two of those sub-regions are Northumberland and Durham.

Q143 Mr Cummings: Could you say something about the residual money?

Mr Clarke: When Regional Development Agencies were set up, in 1999, there were a lot of inherited programmes and projects which had started already, but there was a decision that 75% of that money which was available for new projects should be delegated to sub-regional partnerships and for the priorities of sub-regional partnerships. As the years have gone on, the amount of money has increased significantly, as the old programmes have finished. Two of the sub-regions in the North East are Northumberland and Durham, which really is where the ex-coalfields are concentrated, or, in the case of Northumberland, there is still one deep-cast mine. In those areas, a significant amount of resource is being spent on coalfield issues, to meet targets that the Regional Development Agency has set, but where local decisions have been made to address the very issues you have talked about. Also, at the regional economic strategy level for the North East, we have two particular initiatives which have helped. One is all around physical infrastructure and the other is about urban and rural regeneration. In Northumberland, we have linked together an initiative to link the coalfields of South East Northumberland with opportunities in North Tyneside, to try to make sure that higher levels of unemployed people from the coalfield areas in Blyth and Wansbeck can gain access to and be connected with the areas where some of the larger numbers of jobs are being created. That is another way in which we are addressing the needs of coalfield areas.

Q144 Mr Cummings: Certainly there is a failure, in that you are viewing the larger conurbations as the sexy sorts of investments, to the detriment of people who are living in semi-rural areas within the Durham and Northumberland coalfields. How do you answer these criticisms?

Mr Clarke: There are different policy priorities. Indeed, within ODPM itself there are Core Cities initiatives, for instance, there have been things like

the Capital of Culture bids, and in the North East we know that Newcastle/Gateshead led on that, although certainly it was a regional initiative. If you look at the allocation of resources since 1999, a significant proportion of that resource has gone to some of the rural communities, some of the areas with lower populations, and indeed the projects they have been spent on have been delegated to local players who decide what the priorities should be.

Q145 Mr Cummings: You do not require additional guidance then from the Government to ensure that you give greater priority to the needs of the coalfield areas?

Mr Clarke: I think greater regional flexibility would be a step forward so that the region could decide what their priorities were.

Q146 Mr Cummings: Do you require additional guidance from the Government?

Mr Clarke: Speaking just from the One NorthEast point of view, I would say, no, but other people can give their views.

Mr Briggs: Again, I will talk specifically about the East Midlands experience, where the temptation to focus on the major urban areas under the Coalfields Programme does not arise, because the coalfields area excludes our major conurbations. If you were referring to Mansfield as sexy, it is the first time I have heard Mansfield described in that way.

Q147 Mr Cummings: No. Basically, I am referring to the larger metropolitan areas?

Mr Briggs: Absolutely, and Mansfield and Chesterfield are about the largest places.

Q148 Mr Cummings: I am sure Mansfield is sexy.

Mr Briggs: I am encouraged to hear you say so, but, substantially, the East Midlands coalfield fundamentally is a rural area, with the overlay of the mining communities, and that produces a series of very important challenges for us. I think one of the dilemmas it does create is quite a fragmentation in the culture there, economically and politically. We are aware that part of the solution to the reshaping of the coalfields and the defining of the new vision, the new future, if you like, is our relations, for example, with Greater Nottingham. Historically, there has been quite a gap, culturally, economically, socially, between the two. What is happening in the conurbations is important, but all of the work that we have carried out, under the Coalfields Programme itself, with English Partnerships and our other partners, has been concentrated on that rural area, of north Nottinghamshire and north Derbyshire. Can I say, because the issue was raised about the variability of regional responses, that I know, in particular, my colleagues at Advantage West Midlands were fingered in a previous discussion here. I know that John Edwards, their Chief Executive, has written to the Chairman to explain that, despite the perception which might come from the way in which they have defined their

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Regeneration Zones, in a variety of ways, they do see the coalfields issue as a really important part of the overall regeneration challenge which they face.

Q149 Mr Cummings: What is he doing about it?

Mr Briggs: There is a letter of about six pages.

Q150 Mr Cummings: Is it intelligible?

Mr Briggs: Absolutely. That letter contains a whole list of things which are happening.

Q151 Mr Cummings: Things are going to happen. Are you coming up with the necessary resources to follow this up? You see, it becomes rather tiresome to be told continually, "Yes, we sympathise." We are not looking for sympathy. It is a question of timing?

Mr Briggs: I do not want to try the Committee's patience but I think, in fact, the letter contains a whole series of activities which actually are being carried out now. I agree that there is much more to do but there is a huge amount in train in both the East Midlands and West Midlands and I know in the other five regions which are affected in one way or another.

Q152 Andrew Bennett: Is not that a problem though that the RDAs have got, that we had to have that long letter, setting out what they were doing, because the witnesses we had at the first session felt they were not doing enough? Surely, an RDA has got two functions, they have got to do things and they have got to make sure that people know that they are doing things?

Mr Briggs: Indeed, you have, and one of the things that I have got very used to, in this role, is that you (a) can never do enough and (b) never communicate well enough. There is a huge range of audiences with whom one deals. Though some of the things which are at the heart of the challenge set for Regional Development Agencies are stated simply, in our own case we have established a regional economic ambition, a top 20 region in Europe by 2010, they are very complicated in terms of the range of parties, public, private sector, voluntary communities and others, with whom one deals. I would never be complacent about the effectiveness of our communication, we need to do more of it, but, at the same time, I understand very well why particular interests and particular parties with whom we deal feel we are not doing enough, in terms of their own particular agenda.

Q153 Mr Cummings: Can I take this a stage further. A similar argument is that some former mining villages do not really have an economic future and perhaps would change into commuter villages. Having said that, are you confident that it will be possible to regenerate and sustain coalfield communities in the regions?

Mr Clarke: I think the first thing to say is that coalfield communities, as you know, are not homogeneous communities, there is a very great variety amongst the different coalfield communities. In the North East we have some of the most remote rural ex-coalfield communities, which clearly when

they were coalfields that was the reason why those very communities existed, enormously difficult to find a new substantial role for those communities. Some of it might be around tourism, which is happening increasingly, possibly retail and other cultural areas that we have heard about. In some cases commuting might be an option but in some of the deeper rural areas that is difficult, in parts of Northumberland and Durham. In other cases, the coalfield communities are very, very accessible to the main conurbations, with improved transport, including public transport, and access to some of the new jobs which are being regenerated, in some cases in sectors which looked as though they were on the decline, like ship-building and marine and offshore oil, for instance, on Tyne and on Teesside. Then there is a different sort of role for those communities. In other cases, which is going back before this programme, Monkwearmouth, site of the ex-coal mine in Sunderland, is now the home of Sunderland Football Club, which I will not comment on, and now has other leisure uses, including a 50-metre swimming-pool. I think you have got to adopt a very different approach to the very different communities that there are, but, unfortunately, some are much more difficult to tackle than others, and in some cases difficult priorities and difficult choices do have to be made. It could be, in some areas, in the more remote areas, the use of broadband and ICT technology could help.

Q154 Mr Cummings: How would you go about developing such a strategy, what input would you have into it?

Mr Clarke: We would have an input, but clearly we would have to work closely with local authorities and parish councils and some of the county areas, the voluntary sector, people like Business Links and Learning and Skills Councils. It would require very much that sort of approach. With Government Office as well, because they are responsible for things like Neighbourhood Renewal Funding, I think, particularly in the area I know best, which is in the North East, I am from the North West, pretty well-developed partnership relationships going back over many, many years. I accept it is a very, very long haul this, but I do feel there is a lot of experience, there is a lot of commitment and desire, but it will take a long time.

Q155 Chris Mole: In looking at this inquiry, we have seen an awful lot of public money that has gone into coalfields from EP and through the RDAs and many other sources, so why does the IMD suggest still that the levels of deprivation are so high in so many of the coalfield areas?

Mr Beattie: We are dealing with major structural changes here. What we are doing through the money which has gone into the Coalfields Programme, we may be operating on sites on programmes and looking at land reclamation but what really we are trying to do is bring around a complete change in the nature of the coalfield communities, tackling, through economic regeneration, really difficult, intransigent issues, like health, education, training,

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the whole package of community measures. I think it is moderately easy to bring forward change in the physical infrastructure but the social and the employment and training background to all this is going to take a lot longer to do. I think those changes are all well in place now, but much of the money we have been spending was designed to create a new, solid, economic base for the coalfield and is pitching at a period still some years away.

Q156 Chris Mole: How many is some years away?

Mr Beattie: We are looking at the completion of the 86 sites by March 2007, the 100 sites by 2012, and certainly by 2012 we will expect all of the outputs that we have set ourselves for the 100 sites to have been delivered, including the jobs, including the training. I think that, inevitably, many of these outputs are rear-ended, they tend to come up towards the end of the programme because the regeneration and the physical work needs to go in first. It is cost up front and then the social benefits tend to follow later.

Mr Briggs: To some extent, I think we need also to retreat to economist territory and ask ourselves about the hypothesis as to what would have happened if this had not been done. I think much of the evidence over the last generation in the developed world generally is that income and social inequalities have been growing, and that there are certain dynamics within the growth of developed economies which are continuing to suggest that is really a big challenge, to reduce rather than see inequalities increasing.

Q157 Chris Mole: You are saying it would have been even more stark?

Mr Briggs: I think there is very good evidence that, without interventions, things would have been much worse. Also, it is fair to say, having said that, and I am the last to suggest that public expenditure is the answer to each and every problem, that in the East Midlands the budget of the Development Agency is £120 million a year, the GDP of the economy is £50 billion per annum. We are very conscious of that, and that is not a plea for lots and lots more money by way of intervention, but I think we need to look at the way in which that public money is spent efficiently to effect at the margin, but make important differences at the margin in the way in which our economy is flourishing. It seems to me, we have got three separate challenges that we are attacking here, in relation to the coalfields. There is the environmental depredation, caused by both the industry and the way in which we saw and regulated those things over the last century or more. There is the whole set of social questions, which we prefer to pose around economic inclusion, if you like, ways in which you draw people in to a lively and vibrant economy, and there are economic futures themselves. I think, there, taking up a line of questioning that was part of the previous witness discussion, that is not restricted to the coalfields. There is a constant process of change and you are looking to try to make sure that, as far as possible, you equip people not simply to react to that change,

people or businesses, but to get ahead of the game, and really that is about the degree to which innovation and creativity are practical possibilities for business and individuals.

Mr Beattie: Nor should we denigrate the enormous amount which has been achieved by the money spent to date. Every day of the first seven years of the programme, as our evidence showed, nearly four jobs have been created, an acre of land reclaimed and 175 square metres of floor space brought back into use. That is pretty impressive for the first seven years of a ten-year programme.

Q158 Chris Mole: Looking at how the Single Regeneration Budget is coming to a close, with the advent of the RDAs' single pot, how do you, as RDAs, seek to fill the funding gap for social regeneration programmes, because some of the practitioners involved in this area clearly are concerned to see that it is coming to an end in a ring-fenced way?

Mr Clarke: All Regional Development Agencies have a lead role with different parts of central government, and One NorthEast has a lead role as of 1 October with ODPM. We are producing papers at the moment for our own national network, looking at the very issue that you have just talked about but trying not to talk just about the issue of the Single Regeneration Budget coming to an end, what next, trying to look more at economic inclusion and exclusion issues. I think, from my point of view, as a starting-point, what would be valuable, and this goes way beyond RDAs, would be to look at all of the various initiatives which there have been, or are currently, which are focused on social regeneration. You could include Neighbourhood Renewal Funding, if you went back possibly City Challenge, which I know affected only a number of coalfield areas, also New Deal for Communities and Pathfinder, and carried out a really hard-headed analysis as to which of those initiatives had led to really long-term, sustained improvements, which had not, and what the impact of them was. Therefore, just to start thinking about what we need to put in place to replace the demise of SRB funding, I think, is only a partial issue. I think there is a much bigger issue to look at, which is tied in with the point which was made earlier about the need to streamline the number of different initiatives and the different number of partnerships which are set up to do it.

Q159 Chris Mole: Are you looking at things like cross-thematic solutions, which allow you to address the social economy and getting people into work in a traditional sort of way?

Mr Clarke: I will try. I think we need to tie in all these things far more effectively and look at those things which have worked in different parts of the country and have led to a real, sustained improvement over a long period of time, perhaps learn the lessons from the things which have not worked so well. Also to look to improve the quality of the various regeneration delivery agencies that

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there are, because there is some evidence, I think, that there is a lot of money being spent on administration and management.

Q160 Chris Mole: Consultants?

Mr Clarke: Not just consultants, people who are responsible for managing programmes. I would like to see rather more people at the delivery end, at the sharp end of delivery, than fewer of them. I think there is a need to take a broader perspective on this.

Q161 Chris Mole: Perhaps you would like to say something more about the role that you see for the social economy then in supporting regeneration in your region, perhaps with particular relevance for the coalfields?

Mr Clarke: In my particular region, the social enterprise component has always been very, very important, although mixed, in terms of its effectiveness. There is an issue perhaps about capacity-building in different parts of the social enterprise area, and the voluntary sector more broadly, things like intermediate labour markets, community businesses, and so on, co-operatives, in the past. There have been some very successful examples in those areas, there have been others which have not been so successful. I think there is an important contribution which that needs to play with in the region. I think it needs to be very carefully managed and we need to try to choose good-quality projects and initiatives which will make a bigger impact, managed by people who have perhaps a reasonable track record of the chances of success.

Q162 Christine Russell: Can I ask you, Mr Beattie, I think actually it was Mr Briggs who said earlier that the physical regeneration comes first and the social and community regeneration follows, or was it you who said it?

Mr Beattie: I said it, but I meant the two had to go hand in hand.

Q163 Christine Russell: I just want to follow up on that, because the question is, how do your priorities, at English Partnerships, therefore change as more and more of the old coalfield sites are cleared up? What has happened to your focus and priorities?

Mr Beattie: I was not intending to suggest we do the ground first and then look at the social later. I was making the point that the social benefits often take longer to come through, because they are about changes in people's health, their way of life. What we have discovered, as we have continued the programme, is that, firstly, with great surprise and pleasure, we have discovered that £386.5 million, which was the original programme, ring-fenced, actually is enough to do 100 sites, not the original 86. We are looking now at a gross investment by recycling that money of about £539 million, and receipts of about £232 million. In other words, we have got some £79 million extra within the ring-fence.

Q164 Christine Russell: What are you going to spend that on?

Mr Beattie: We are going to spend it on additional sites and on extending the life of the programme. The second thing we have learned is what I was hinting at earlier. We started with a clear portfolio of sites and a very clear set of targets for what we wanted to happen on those sites. We have learned, as it has gone along, that the problems are much more interlinked, much more complex than that. To look just at sites, rather than at the communities which use the sites, which often may be some distance away from them, to look at it in terms of land rather than in terms of social issues, is to see only a tiny part of the issue.

Q165 Christine Russell: In a tangible way, what are you doing to create those linkages between the economic regeneration and the social regeneration and the community regeneration?

Mr Pearson: Can I give two varying examples. One is, as Janet Bibby referred to in the earlier session, where we have an agreement now with the Coalfields Regeneration Trust, work alongside it on the programme sites to set up the structures that hopefully will carry on beyond the investment period. There is always a risk that we will concentrate all our efforts where the money is, but there are processes which need to go on beyond that timescale.

Q166 Christine Russell: Bearing in mind what Mr Clarke told us, what are you doing in a practical way, rather than just setting up new structures?

Mr Pearson: The structures are saying that we are, in effect, on one side of a fence, very much the supply side of the fence. There are other bodies who work on the other side of the fence who can integrate with us, for example, our arrangement with, say, the Coalfields Regeneration Trust. Similarly the role of Groundwork at Frickley Colliery and Fryston is on the basis that they are helping us with the community engagement process, and they help us train people who are going to plant our trees. They may be training local people who are going to look after our sites after we have gone. Also, they are there longer term, and hopefully they will take the surge of activity while we are investing and keep that momentum going into the future. That is the way that some of the longer-term benefits will come perhaps three, four, five years after the main investment period.

Mr Beattie: At the Conkers Centre on the Rawdon Colliery, we saw that originally as a recreational facility. It has turned into a major educational facility. All of the local schools in the whole area use it, so now we are supporting that.

Mr Briggs: Can I add to that, because I think this issue goes to the heart of what regional economic strategies themselves, which were the prime task given to the RDAs, are intended to address. It is about economic growth and progress, but progress which is environmentally and socially sustainable, so the challenge, more than anything, is not to do the lot but to interconnect all of those challenges. For example, having got agreement to that regional economic strategy, we have seen that translated also

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into sub-regional strategies, led again by public-private partnerships, which are a reflection of those goals. We have a lot of instruments to hand, the question is to use them effectively. The last two rounds of the Single Regeneration Budget, a powerful instrument in itself, involving £41 million of expenditure in the coalfields in the East Midlands in those last two rounds, are aligned closely with the physical regeneration programme which we share with English Partnerships, and have an emphasis on skills, infrastructure and enterprise. With the demise of the Single Regeneration Budget, I think we see that as an opportunity rather than a problem, because what we have done with each of our sub-regional partnerships is to say, "This money is now available for you to determine the priorities to make all of this work together." We think, in the end, that the only way of achieving the leadership and ownership of those priorities is for those partnerships to take the responsibility for setting the priorities. There is never quite enough to go round. Though I would say that I think in the East Midlands coalfields the problem has not been, over the last decade, a lack of money, sometimes it has been a lack of integration and carrying forward all of these streams together effectively.

Q167 Christine Russell: Can I come back to you, Mr Beattie. I think you have just said that the national programme is going to continue past 2007?

Mr Beattie: Correct.

Q168 Christine Russell: How long do you envisage it continuing after 2007?

Mr Beattie: What we have to make sure we retain is the emphasis on the targets, the deadlines, which were set originally by the Coalfield Task Force, so we are always going to have March 2007 as an important milestone. What English Partnerships has decided recently is that it is artificial to cut off projects, which often are just beginning to blossom at that point, and therefore we will be willing to continue our investment beyond then. We are looking currently, since it is important to have a time limit of some kind, not to let it just move on ad infinitum, at probably the period between 2007 and 2012 as when we will be running it down. I should say, in this respect, incidentally, that the flexibility that Lord Rooker announced in September last year, for English Partnerships to spend its total programme money much more widely than just on the sites, has been an important building-block on that. Without that, we would have had to restrict ourselves to the sites and to quite a tight deadline.

Q169 Christine Russell: You have widened the objectives?

Mr Beattie: Lord Rooker has widened the objectives and we have widened our ambition.

Mr Pearson: It is important to note though that 12 sites entered the programme only in 2002, and they are quite complex sites to bring forward.

Q170 Christine Russell: Are they concentrated in one area?

Mr Pearson: No, they are dotted around the country. There is a full spread. Also we do have a reserve list of 13 sites and, more recently, following the Selby Coalfields Task Force, we were asked to consider six other UK Coal sites as reserves, in the event that UK Coal do not rest fully in line with their commitments. So there is still quite a task to complete.

Q171 Mr Betts: Can you persuade us that you have got a good working relationship with the local authorities in looking at the priorities of sites on which you are going to carry out work? I understand that, when the Committee went to Easington, officers there were complaining they were not quite sure how you arrived at which sites you were going to do work on, and the local authorities often had different priorities.

Mr Pearson: I can take two examples there. I cannot speak for the Easington example. In the case of recent sites coming into the programme, such as Silverdale Colliery, actually Staffordshire County Council chair the project meeting, we put them in the lead position there, such that we can be clear that our work integrates with the work that they are doing there and it is brought forward in the right way. Recently, on Frickley Colliery, Wakefield Council brought together all of the partners and we went round the whole area before we started even looking at the site, just to find a way that we can work very closely with the local authority. All of the recent examples now, particularly when we are looking at flexibility within the programme, the key is to start working very effectively with that local authority.

Q172 Mr Betts: Why did not Easington raise that issue?

Mr Pearson: That I do not know.

Q173 Andrew Bennett: Can I just pursue it. I thought it was absolutely disgraceful, at Easington we saw six factories that you had built 18 months after the Council obviously had done nothing to consult about it?

Mr Clarke: I cannot comment about the six specific factory units that you are talking about, although I have been on a tour of Easington and seen the Enterprise Zone sites, and there is the big retail development, obviously, within Easington. Again, if you start from the regional perspective then strategic sites are established through regional planning guidance, which tends to be led by the Regional Assembly in each area, so that is a starting-point for any new strategic sites that come forward for employment creation. In the North East, because there is European money available as well, there was a definition of strategic sites which involved the creation of at least 1,000 jobs, and that was a further way of defining which sites should be prioritised for which types of investment. Beyond that, at regional level, Easington will have had some sort of input to the Durham-based sub-regional partnership, and I do not know why and when, within the Durham sub-regional partnership, different priorities were chosen so I cannot comment on that, I am afraid. I am

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meeting next week the Chief Executive, whom I know very well, of Easington. That does not help you today, I am afraid, but in terms of that specific question on that specific site I do not know the answer.

Q174 Chairman: Perhaps you could let us know?

Mr Clarke: Yes.

Mr Beattie: I was going to suggest that, if we can get together and send the Committee a letter, with refinements, particularly in relation to those units, we will do so.

Mr Briggs: Can I add a slightly provocative rider to that. In the East Midlands, the fragmentation of the local authority structure in the coalfield area is a major problem that we have had to overcome in a variety of ways, because the tendency to seek a whole series of trophies out of the funding programmes which are available has not done the area a great service.

Q175 Mr Betts: It is all the local authorities' fault?

Mr Briggs: Absolutely not, they are an important part of the solution as well as part of the problem. I am confident that with the alliance sub-regional partnership, in which the local authorities participate fully, we are developing the vision and leadership we need for the area.

Q176 Mr Betts: Clearly, you are generating income, and you talked about the services that are being created by the sale of land. Is there any way in which you relate the sale of specific sites into the money that is provided for that particular area, so they can see some return for the land that has been sold in that locality?

Mr Beattie: No, we do not. The logic of the national programme is that the sites with a positive value cross-subsidise those which have a negative value and need proportionally more spent on them. What we do have at the start of every site is a very clear idea, worked out with the local authority and in consultation with local people, about what is going to happen on that site, and we deliver that objective. Sometimes it takes more money than we expected, in which case we will spend that money, sometimes we do it for less, but the logic of the programme is that we are working within a national ring-fence and we deliver the targets we set ourselves at the beginning.

Mr Pearson: You will find that in any area there are some sites which are employment creators and there are some which are just totally open spaces. What we do find is that the ones which create the receipts are helping to pay for the ones which do not create any receipts at all because predominantly they are open space.

Q177 Christine Russell: Can I move on to the numbers of jobs which have been created. I can understand the point which you have emphasised this afternoon that the physical regeneration has to come first, but we are now nine years on from the creation of the programme, which had the aim of

creating 42,000 jobs, but to date only about a fifth of those, fewer than 9,000, have been created. Are you disappointed by that number?

Mr Beattie: No. To March, 8,571 jobs had been created, but the important figure there is that the 51 sites on which work is already underway are forecast to deliver 91% of our 38,000 job target. In other words, the work is going on now on the units which will create 91% of our final jobs target. We hope very much, we confidently predict, that we will exceed that jobs target, and some of the completion work which is coming in now is showing that we are exceeding our jobs targets. For instance, at Rotherham, Wath Manvers, we have just done a completion report. That was predicted to bring in 2,182 jobs and actually 2,516 jobs have been created there.

Q178 Christine Russell: Your priority has been to restore the sites with the greatest capacity to deliver jobs?

Mr Beattie: The first 51 include the greatest job-creating potential, yes.

Q179 Christine Russell: I am not sure whether it is you or your colleagues but can we move on to the composition and the types of jobs. What are your views, as the Chief Executives of the RDAs, about the types and the quality of the jobs which have been created so far?

Mr Briggs: I think job creation, though clearly an important target, certainly from the East Midlands' point of view, is only one of the ones we are keeping an eye on. Unemployment in the East Midlands coalfields area has fallen by more than 20% over the last five years to something like 10,000 in all now, a rate of about 5%. Our biggest worry is that the best estimates of the rate of GDP growth per annum in the coalfields area put it at round about 1.7% per annum, compared with a regional average of 2.5%. Part of the answer, I think, to what is implicit in your question, is about the quality of jobs which are being provided there. Again, I think it was Trevor who said earlier on there is a really serious, longer-term challenge in raising aspirations, in terms of skills levels and in terms of levels of enterprise, in the former coalfields area. There are quick fixes, sort of, available but they are dangerous, as we know. Inward investment, for very understandable reasons, was given a high profile initially in this response. I will take just one example, in the East Midlands area, of Johnson Controls, a supplier to Toyota, who came into Mansfield, provided 400 jobs when they were needed, and they took substantial numbers from former mining communities, but now have moved off to the Czech Republic. We have to be very careful, on the one hand, not to say, "Sorry, this is all five or ten years down the line; wait while we get the levels of enterprise right." There has to be an initial response, but we have to be very, very careful that we do not actually put all of our eggs in a basket which is going to let people down again in ten years' time. I think that is fundamentally about rebuilding the confidence of those communities and

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raising the aspirations, and that really is a medium- to long-term task. We work hard at it day by day, but it is not going to happen in two or three years.

Q180 Christine Russell: Do you agree, Mr Clarke?

Mr Clarke: I do. There is a different context in the North East, but our overall objective, which is wider than the coalfield communities, is to create a strong economy in the North East, with a much stronger private sector, because, as a proportion of the number of jobs in the North East, the public sector is very, very dominant and we need to create a stronger private sector.

Q181 Christine Russell: Have you done an analysis of who has taken these new jobs? Is it the case that the miners are still sitting at home and, in fact, it is the women who are going out, maybe having two or three low-paid jobs, insecure jobs, part-time jobs?

Mr Clarke: I think there is a mixture, because, although in the North East we are looking to create high value added jobs in new industries in new sectors, some of the so-called more traditional industries have had something of a renaissance recently. Ship-building and offshore oil are providing a significant number of jobs, mainly for men, on the Rivers Tyne and Tees, in particular, and there is some evidence that people travel some distance for those types of jobs way beyond the region as well. Also, there will be jobs which probably are more likely to be taken possibly by younger people and by women, I am thinking of call centre jobs, which itself is quite a live issue at the moment nationally and not just within the North East. Also jobs have been created in retailing and in tourism, where there will be a mixture of people who are gaining those opportunities. What seems to be much, much more of a long-term process in the North East is to create the more entrepreneurial culture which really we have been attempting to do for many years, to encourage more people to set up in businesses. What we have found is that people, once set up in businesses, tend to stay in business for about as long as anybody else, but we have far fewer people coming forward to set up in the first place, so that is another area of job opportunity.

Q182 Christine Russell: Do we know actually how many of those 8,000-plus new jobs have been taken by ex-miners? Do you know that?

Mr Clarke: I do not. I know that in the North East 2,300 jobs is what contributed to that total. I think, in terms of the North East contributing to the overall total, that is quite significant, and some of them are in the sectors which I talked about.

Q183 Christine Russell: Do you know how many of those new jobs really are new and have not been just relocations from somewhere else, genuinely new?

Mr Clarke: These particular ones are new. The Enterprise Zones in particular, I think, in some cases, led to brand-new investment from outside or abroad, and in other cases led to companies jumping

across boundaries, whereas I do not think there is any evidence, so far, that has happened in either East Durham or Northumberland.

Mr Briggs: The gender balance issue looks a little bit different in the East Midlands former coalfield, because the decline in coal has been mirrored by the decline in the clothing and textiles industry, which was substantially female employees, so we have had to cope with both. In terms of your question as to whether the incoming jobs are being taken by members of the local community, if you look at an area like Sherwood Park, an Enterprise Zone, by Junction 27 of the M1, employing now about 3,000, on best estimates, just below half of the people employed there are drawn from local communities. That is something on which we are working very hard, because there are issues about preparing people in terms of the skills that they require and transport links, which often, historically, have been overlooked. I think it is one of the reasons for physical regeneration now, and this programme will fail unless it is embedded in processes of social and economic regeneration, in a way that 25 years ago most certainly we would not have done. I am encouraged.

Q184 Christine Russell: Is it easier to persuade a woman who was employed in a textile mill to take a job in a call centre than to persuade a man who worked down the pit?

Mr Briggs: It is not so much necessarily about the job, it is about the whole pattern of working life.

Q185 Christine Russell: It is culture and attitudes?

Mr Briggs: Yes, it is culture and attitudes. I will not quote my example but there is a good one, and actually it is as much about basic skills and culture as it is about simply adaptability to the new working environment.

Q186 Mr Cummings: Can you tell the Committee how important that Enterprise Zone is in attracting businesses to coalfield areas?

Mr Clarke: We have had, I think, six Enterprise Zones overall in the North East over time and two of them are current. One of them is the one in East Durham that you will know about, and the other one is in North Tyneside. The one in East Durham has had success in terms of the retail development, Dalton Flatts, I think, but the other sites which exist have had a significant amount of infrastructure put in. In fact, six of the units that you talked about earlier, the ones you were talking to English Partnerships about, are on those particular sites, and also in the Enterprise Zone we have adopted a partnership approach with Durham County Council, Easington and One NorthEast. I would say, at least within the North East, the two Enterprise Zones that remain, one of them is focused on the coalfield area. The problem with the Northumberland area, in a sense, is that it has never had an Enterprise Zone and has never had a number of the other regeneration initiatives, so what we are trying to do is connect the Northumberland

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coalfields better into the Enterprise Zone which exists in North Tyneside. That is a different challenge, it is more about the transport links.

Q187 Mr Cummings: If the Enterprise Zones expire in 2005, which you envisage happening, will that affect significantly the regeneration of the coalfields?

Mr Clarke: Certainly, we will have to make sure that the Easington and East Durham Enterprise Zone has made most use of the number of years it has been a Zone, because it is very unlikely, I think, if at all, that there will be any Enterprise Zones in the future, according to EU regulations and the view of the Treasury as well. I think it is to maximise what is there, while it is there, in Durham.

Mr Briggs: Enterprise Zones have been important but they are not cost free, so part of the question, as they expire, is whether that resource might be made available in a different form. My personal view is that there is some attraction to that sort of geographical targeting, but it makes sense only within the context of social and economic and skills programmes of the sort I have described already. The big flaw, I think, with Enterprise Zones, as they developed through the ages, most certainly, was that they looked at the physical regeneration aspect. In the East Midlands the best example perhaps is Corby, the former steel town, which we have now moved back in partnership with English Partnerships to an urban regeneration company, because the physical regeneration challenge was addressed but most of the challenges around the social structure of Corby and the skills need, the needs of the community itself, were bypassed by Enterprise Zones. It has to be within a wider context.

Q188 Mr Cummings: The Committee have been told, via your submissions, that you have developed Network Space with the private sector to promote small businesses but are taking place only in areas which are commercially attractive. What are you doing to ensure that the space is provided in areas with the highest levels of deprivation?

Mr Beattie: First of all, of course, Network Space is not the only way we provide space within the coalfields. We have to remember that Network Space is a private sector vehicle, it is generating additional private sector investment into the coalfields, it is a separate private sector company. English Partnerships can set the parameters within which it operates, making sure that it delivers its units within the coalfields, setting down the basic structure within it, in which it invests. We cannot dictate to it and tell it where to invest and where not to invest. What we can do is make sure that additional private sector money supports and strengthens our own investment in providing workshop units, where maybe the private sector is less willing to go.

Mr Pearson: There are good examples elsewhere where the RDA, on top of the Coalfield Programme investment, has put in units in some of the difficult areas, such as at Grimethorpe, such as at Princess Royal in the Forest of Dean and also Sherwood Energy Village in the EMDA area.

Mr Briggs: I think that is a very important point. From the Development Agencies' point of view, and our sub-regional point of view, the Coalfields Programme is only part of a bigger picture and there is plenty of opportunity to reinforce through using other streams of funding.

Q189 Mr Cummings: To what extent have problems with the transport infrastructure held back development in coalfield areas?

Mr Clarke: There is quite a debate at the moment in the North East about the transport infrastructure and this criterion which is used by the Treasury, I think, based on congestion. Certainly in the North East I think transport infrastructure is an issue, because, relatively speaking, it is seen not to have possibly the same congestion problems as other parts of the country, therefore the level of investment that goes into transport infrastructure is somewhat less. Certainly some notice has been taken of that recently with the Northumberland/North Tyneside Corridor of Opportunity and the proposals to have another Tyne crossing. I think that is one issue which will help, because to try to tie in some of the rural coalfield areas and also in Durham, to connect East Durham across into the rest of the region, does require improved transport infrastructure, and at the moment that is holding back. Perhaps one suggestion in that area. As Regional Development Agencies, we all have a Public Service Agreement target with three government departments, ODPM, DTI and the Treasury, but the Department for Transport and DEFRA and DfES are not party to that. If we are to close some of the regional disparities then perhaps those other parts of Government, and Transport is the one that you mentioned, could be part of that and then they might take a broader view of transport infrastructure rather than base it just on congestion problems and difficulties. I think there is some evidence that it does hold back some of the coalfields.

Q190 Mr Cummings: Are you doing anything with that evidence?

Mr Clarke: Yes. We have been talking to senior civil servants and permanent secretaries recently and doing some lobbying somewhat behind the scenes, because, as Regional Development Agencies, we are non-departmental public bodies, so clearly do it in a certain way, but the Regional Assembly and local politicians also are lobbying hard on the issue.

Chairman: Can I ask, if you have any other comments on that, if you could let us have a note on it, because I want to move on now as we are getting short of time.

Q191 Andrew Bennett: Very briefly, on housing, really to English Partnerships. Last week we went up to various sites in Easington and in Yorkshire and we saw some appalling housing properties that were empty, and almost across the road there were sites on which you were doing some work. Surely, the

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whole question of raising the morale of communities means you have got to start to tackle this problem of empty homes?

Mr Pearson: Yes, I think we would agree totally, and if it is very much the situation where, for example, there are programmes which improve skills but do not improve the standard of the housing then that does create instability in the community, people are saying "Why should I live there any more?" You will be aware of the recent good example of us working together with EMDA and the local authorities in the Meden Valley Partnership. It was very clear that to invest a lot of money in, say, Shirebrook Colliery, where we are investing £24 million, but not deal with the old model village right next-door to it, is not fitting the regeneration programme together well.

Q192 Andrew Bennett: You are telling me that you have done some good work in the Meden Valley, what you are saying is you are hoping to do some good work, there is not much to see on the ground there yet, is there?

Mr Beattie: No. It started recently, but we will integrate that with the proven investment. Elsewhere, what we have done recently is, through the local authorities, on behalf of ODPM, mapped other areas of low demand within the coal communities.

Q193 Andrew Bennett: Everybody knows where they are, you can see them dead easily, can you not? What are you going to do about them?

Mr Pearson: The next step is we will sit down with the Regional Housing Board and work with them and offer our support to them.

Q194 Andrew Bennett: People are going to have to put up with empty houses next-door, all the problems of that, while you do a bit of talking?

Mr Beattie: No. The work at Meden Valley is on the ground now.

Q195 Andrew Bennett: Where else is it on the ground then?

Mr Beattie: Overall, we have created 4,500 housing units, and the important point about that is that those have been created alongside refurbishment of existing units.

Q196 Andrew Bennett: How many have been refurbished?

Mr Beattie: I have not got those figures but I could let the Committee know. The Regional Housing Boards hold the key to this. We want to see mainstream, Regional Housing Board money supporting decent home standards in the coalfields and refurbishment in the coalfields, to go alongside our resource, which inevitably tends to focus more on new development. We must bring these two together and the Regional Housing Boards are the answer.

Mr Pearson: I think also it is important to say that merely dealing with a pocket of housing by itself will not bring about change in that area. Some of the things that we do with the programme sites, with other investments, we raise the overall value equation in that area, which can start to address this.

Q197 Andrew Bennett: If you are not careful, you raise the standards and expectations of people in the community, so they simply move out, more and more, of the terraced houses, and some get actually a worse problem, do they not?

Mr Pearson: I think the aim for the future should be to improve the mix in those areas, to give people an opportunity to stay in their area, to move up the housing ladder, in some cases. That may mean actually changing totally the structure and the amount of houses in that area.

Mr Briggs: The timing is not a lack of work, and I emphasise that. I think the legacy, particularly the role that private landlords play, means that Meden Valley has taken us two years longer to get off the ground than we would have wished. There is not the option of walking away from communities in the UK, whatever the North American models seem to suggest sometimes, and it is something that absolutely we are focused on, bringing Shirebrook and communities like it back to life, not moving on.

Q198 Chris Mole: Mr Beattie, you mentioned Corby just now. Do coalfields still need to be considered as a special case, or should they not be treated like any other disadvantaged area with a former industry, like steel, or something?

Mr Beattie: Certainly they do still need to be treated as a special case, but it is horses for courses. We are talking about the English Partnerships Coalfield Programme. That was a programme which the Coalfield Task Force identified as being uniquely related to the unique problems in the coalfields, which are a combination of physical isolation, infrastructure problems, health problems, education, training and contaminated land problems. I was on the Coalfield Task Force, and back then, in 1998, the first chapter was 'Why the coalfields are special' and it was that unique concentration which did not exist anywhere else. In the steel communities, for instance, there is not the same degree of physical isolation. As Martin said earlier, Martin and I are both on the board of the urban regeneration company for Corby, where the more appropriate vehicle is an urban regeneration company. The coalfields remain very special in that unique combination of factors. We are seven years into a ten-year programme, we need to keep the momentum going to complete what we started.

Mr Briggs: Trevor jumped in, I think, to make sure that I took the correct line on the picture. I endorse entirely everything he said, of course. I would simply add that one of our objectives for our former coalfields area is to stop people calling it the coalfields area, and that is an ambition that we have said, before we get to that 2010 which features in the regional economic strategy, we want this area no

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longer to be known by the soubriquet the Coalfields Alliance, or whatever. I think there is a tradition and a heritage to be proud of, but it is hugely important that in all of these areas people are setting their agenda and vision by what is to come, rather than where they have come from. Actually, it is psychologically a very important shift.

Q199 Chris Mole: The former call centre communities as well, I should think?

Mr Briggs: We have managed largely to avoid that trap, so far.

Chairman: On that note, gentlemen, thank you very much for your evidence. We do appreciate it. Thank you.

Witnesses: **Rt Hon Lord Rooker**, a Member of the House of Lords, Minister of State for Regeneration and Regional Development, Office of the Deputy Prime Minister; **Miss Melanie Johnson**, a Member of the House, Parliamentary Under Secretary of State (Public Health), Department of Health; and **Rt Hon Margaret Hodge MBE**, a Member of the House, Minister of State for Children, Department for Education and Skills; examined.

Q200 Chairman: Good evening, colleagues. Does anyone want to make a statement, before we start, and I think, for the record, we had better have introductions, please?

Margaret Hodge: Margaret Hodge. I am the Minister for Children, Young People and Families in the Department for Education and Skills.

Lord Rooker: Jeff Rooker, representing ODPM.

Miss Johnson: I am Melanie Johnson. I am the Minister for Public Health in the Department of Health.

Chairman: Thank you. The first question is on health.

problems about things like heart disease and smoking and issues like that, which are common to a lot of the areas which have health inequalities.

Q204 Andrew Bennett: There are particular problems from working down the pits, are there not?

Miss Johnson: There will be some particular problems from working down the pits, indeed.

Q205 Andrew Bennett: Treating some of those conditions or treating people with other problems but exacerbated by having worked down the pit is expensive, is it not?

Miss Johnson: Certainly it can be, yes.

Q201 Andrew Bennett: When we were looking particularly at some of these areas last week, the most striking thing everyone said was that really poor health was the one thing that now identified the coalfield areas. Why is this?

Miss Johnson: I am sure it is as a result of poverty and deprivation over many, many decades, and the fact that we know and the previous governments indeed have known for a long time that deprivation is a major cause of ill-health, along with many other social inequalities, and health is no different from that.

Q206 Andrew Bennett: Why is it that Easington, for example, gets 20% less of a budget than other health authorities?

Miss Johnson: There are two areas which have an interesting, much lower rate than others, in relation to their budget. One of those is Barking/Dagenham, funnily enough, and the other is Easington. They have the biggest issues in terms of their funding. The Department of Health has recognised that there is an issue there and is moving gradually to address the inequalities in funding.

Q202 Andrew Bennett: What are the particular problems of the coalfield areas, as far as health is concerned?

Miss Johnson: Most of the coalfield areas, actually I think all of the coalfield areas, are in the bottom fifth, in terms of health inequalities, which we have been looking at recently, in terms of our programme to address health inequalities. There are about 70-odd constituency areas which form the bottom 20%, in terms of health inequalities, and the furthest which need to make the most progress. That bottom 20% includes the 20-odd constituencies which I think feature on the coalfields list, as it were, of areas which have some coalfield or mining interests.

Q207 Andrew Bennett: Easington went up from about 75% of the national to about 80%. That is hardly moving fast, is it?

Miss Johnson: In terms of where Easington is, progress is made by about 6% over the next couple of years, by 2005-06 Easington will be 16% under the funding target. It will be alone in being as low as that, all the other coalfield areas, one or two of them are above target currently, some of them are on target and some of them are a few percentage under. Easington is indeed a special case, and you are right to mention it in that context. I am sure John will be mentioning it. In terms of Barking and Dagenham, that is the only one which is even vaguely in something like the same ball park.

Q203 Andrew Bennett: There are some particular health problems, are there not, in mining areas?

Miss Johnson: There are. Some are related obviously to the history of mining, but I think many also related to more general problems of deprivation, which I mentioned earlier on. There are still

Q208 Andrew Bennett: We have had it put to us, as far as Yorkshire was concerned, that particularly there was the problem of getting good palliative treatment for some of the old miners. They are coming up with fairly imaginative schemes to put in extra provision so that you have got palliative help

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for people in those areas which will help things like reducing bed-blocking, those sorts of things. What is the Department doing to help?

Miss Johnson: Overall, Easington is receiving an increase of nearly £36 million over the three years.

Q209 Andrew Bennett: I was moving on from Easington, to help Yorkshire particularly?

Miss Johnson: To Yorkshire particularly, overall, in palliative care, there has been an additional £50 million allocated recently for palliative care. That was done through a partnership group who decided which projects around the country would be most beneficial, and that money has been divided up. I am afraid I do not have the figures for Yorkshire on that, but some of Yorkshire will have benefited from that. Really most areas in the country benefited in some way or another. That is buying something like an extra 70 consultants nationally in palliative care and a large number of additional nurse specialists as well.

Q210 Andrew Bennett: What is being done for younger ex-miners to get them back to work, in terms of improving their health?

Miss Johnson: I am very interested by your inquiry and your interest in this subject, because I think it is a very interesting subject. We have a programme to tackle health inequalities, and looking through the figures that we have on health inequalities it shows that in some of these areas it is only either men or women who are in the bottom 20%, which really is quite an interesting feature, I think. It is not something I had appreciated until I looked through the coalfields area. In some areas, for example, in Rotherham, the men are not in the lowest fifth of life expectancy at birth but the women are, so there are differences from one population to another, although it has to be said that, the vast majority of these, they are in the lowest for both men and women. There are some differences between different areas. Certainly it is a matter for the PCTs to take forward. We are looking to PCTs for the additional funding that they have got, which ranges around the average of 30%, although in some of these areas, like Easington, that is 40% or so extra.

Q211 Andrew Bennett: You are talking about the statistics. What are you hoping to do for individuals who perhaps for the first 20 years of their working life worked down the pits and, as a result of that, they have already got damaged health? Are you going to have schemes which will get them fit enough to be back in work?

Miss Johnson: I am sure it depends on the nature of their ailments as to whether that is possible, in some cases it may well not be possible. In terms of looking at what is being done, the future work, obviously it depends also on the employment opportunities which can be created, and that is not my ministerial area, and I am sure that Jeff, or others, would be better placed to comment on it. In terms of what we are doing to do that, we have got this focus on the bottom 20%. Traditionally, those inequalities have been seen as affecting a smaller number of

vulnerable people. What we are saying is that they are about some problems of some considerable magnitude, and we must look at mainstreaming the health inequalities issues in the areas where they are the greatest and tackling all the aspects of those. That can be occupation-related issues, where there may be a prospect of people recovering sufficiently to work, if the right kind of employment is around, or not, and obviously a lot of other things. Smoking, for example, is a big cause of health problems in these areas and where, for example, if I can go back to Easington, just briefly, they have made a very large amount of progress in relation to the rate of quitters they have got, from the smoking cessation. They are tackling quite a lot of these issues. They are looking at things like falls prevention, they are looking at reducing the under-18 conception rate. There has been a reduction in the coronary heart disease rate. There have been developments in mental health services. There are things like Sure Start, their Healthy Living Centre programme, a whole range of provisions. Obviously GPs and the PCT need to reflect the health needs of their individual areas, and that is true whether it is in Easington or in some of the other areas that you are talking about.

Chairman: That might be the point to bring in John Cummings, who has some questions to ask and, from what you have just said, will have a good answer.

Q212 Mr Cummings: It is an extremely impressive list, Minister, which you have just related to the Committee, and I think all congratulations are due to the Easington Primary Care Trust who have managed to make these advances, despite—despite—being 20% under target, whilst at the same time Westminster is 136% above target. You are saying that they are moving towards 16% below target, come the year 2005–06. At that rate of progress, it is going to be 20 years before we reach target, at a time when one in four deaths in Easington are due to heart disease. Cancer deaths in Easington, twice the national average. Cirrhosis of the liver, 60% higher in Easington. Overall serious mental health, 33% higher in Easington. I could go on with a litany of misfortunes, and yet we are faced still with this huge shortfall, with no guarantees whatsoever, within a timescale of not ever reaching it. The problems of Easington Primary Care Trust funding are engraved on my heart now, basically, and we do not seem to be receiving any form of succour whatsoever as to where we are going in the future. Can you please indicate when we will reach target, not above target, just target?

Miss Johnson: As I said, we inherited a very varied pattern of spending, and because of that very varied pattern it is not possible to adjust everybody immediately, overnight, to the position of being on target, but there is a gradual adjustment going on over time. What that shows is that currently we will have eased Easington's distance by six% and that will be the result of them receiving an increase of nearly £36 million over a three-year period and the increase will be 40.5% over that period, which

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compares with an average for all PCTs of just under 31%, so there is a well above average increase. In fact, Easington, the PCT will receive the sixth largest increase of all PCTs in England over that period. We are adjusting that as quickly as we can, but the pattern of it, I understand, it is not possible to understand where that pattern came from, it comes from a long way back historically, probably well before the present Government.

Q213 Mr Cummings: In case anyone is misunderstanding when I am talking about Easington, Easington Primary Care Trust, of course, encompasses two constituencies, Easington and Sedgfield.

Miss Johnson: Indeed. The fact is that the health of that population is being addressed in the things that the PCT are doing, which I have listed already, which show that they are focusing on the problems, they are endeavouring to address the problems that they have got. The health inequalities which have given rise to those problems will not be tackled overnight, because part of it is the way in which young people grew up, the circumstances under which they grew up, and we are talking now about people often in their later years who have had many years of ill-health. What we can do for those people is endeavour to address that, but the trend will only really be tackled as we get people into better and safer jobs in the future, better nutrition when they are younger, better healthcare when they are younger. The sort of preventative work which the Government is committed to doing both through the Department of Health and through things like Sure Start and the other programmes that we have got, which focus very much on putting in the investment to young people so that actually they do not end up so unhealthy as they get older. At the moment, what we are doing in terms of Easington is making sure that the service provision is as good as it can be. The PCT, I think a 40% increase in funding is a huge increase for anyone to deal with over a three-year period, so, in actual fact, they should be able to get an awful lot more provision out of that 40%.

Q214 Mr Cummings: Minister, let us not forget the people who have given a lifetime of work to the industry and to the nation. By all means embark on new initiatives to try to attract younger people away from an unhealthy living style and health style, but let us not forget those many tens of thousands of people in Easington who are reliant upon us to provide adequate resources to ensure that at least they live the rest of their days in some peace and with dignity?

Miss Johnson: I think I am agreeing with you, in the sense in which I think those people need to benefit from good healthcare. That is why the Government is making the major investment it is and why that is well above average in Easington, to recognise the fact that more progress needs to be made and there are great demands there. In terms of what we are doing on that, overall, all the programmes that we are running, whether it is on cancer, where we have seen a 10% reduction in deaths from cancer

nationwide, reductions in coronary heart disease and deaths from coronary heart disease, whatever it is, Easington will benefit from those and is benefiting from them. The PCT focus shows that actually it is looking at the right issues to help the health of the middle-aged and older population in Easington.

Q215 Christine Russell: Can we move on to education, Minister. I am sure you will be aware that there are really very low levels of educational achievement in many of the schools in the coalfield community and really quite low levels of qualifications of adults in those communities. Can you tell me how long you believe it will be, and how we are going to get there, to close that gap between education in the coalfields community and in your average community elsewhere in the UK?

Margaret Hodge: The results I have got show that we are starting to close that gap, so we are starting to make headway. I do not know if one can pick up any figures, but if we took Key Stage Two, for example, in English, level four, the improvement in all the coalfield communities was 11.4% since 1998, it is 10.7% nationally. In Maths level four, Key Stage Two, 14.8% coalfield communities, 14.1% nationally. Key Stage Three, the gap reduced, the gap between the performance in the coalfield communities and elsewhere reduced from 4.3% in 1998 to 3.3%. Key Stage Four, the gap reduced from 5.9% in 1998 to 5.4%. We are making progress, I think, although we have got a long way to go still. What are we doing to get a further decrease in the gap? There are a lot of targeted programmes, Excellence in Cities, Education Action Zones, Excellence Clusters, there is a new one announced in the coalfield communities this September, so that targets money in there. The Leadership Investment Grant, for example, is the latest money that follows with those sorts of policies. We are doing things like the Sure Start programme, to which Melanie referred, which obviously is the key one at the very early years of a child's life, to ensure that you provide the appropriate response so the child can develop their potential. EMAs, which I think, in the Next Steps document, you asked for the national delivery of that, that is happening as from September 2004. There has been a redirection of resources to the coalfield communities. If I take, I am trying to think which one, which is your county authority?

Q216 Christine Russell: Mine is Cheshire. It does not have coalfields, it has black and white cows.

Margaret Hodge: If I take Durham, which we have been talking about, in which a number of Members will have an interest, if you look at what has happened on funding over time, since 1997 funding per pupil has increased by about 30% nationally, about £880 per pupil in real terms. Durham, as an example, it has gone up £930 per pupil in real terms over that period, and there are some of the coalfield communities, taking Stoke-on-Trent as a coalfield community, for example, the increase in funding per pupil is £1,100, compared with a national average of

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about £880. There is a trend towards redistributing resources and trying the targeted interventions which will support a closure in the achievement gap.

Q217 Christine Russell: That is all great stuff, but can I go on to ask you why you think the Coalfield Communities Campaign, therefore, should say: “The gap between performance in coalfield schools and the national average and the low level of formal qualifications amongst many adults in the coalfields brings into question the ‘one size fits all’ approach of much of national education policy.” They go on to argue that more targeted measures are needed. You seem to have given us ample evidence that, in fact, things are improving, so why do you think the Communities Campaign should say that? Do you think they are not aware of the progress that is being made?

Margaret Hodge: I think you will have to ask them.

Q218 Christine Russell: They were here last time.

Margaret Hodge: What I would say is, the last thing we have got is a ‘one size fits all’ approach. Indeed, I take completely the opposite, that if you wish to achieve greater equality you have to treat different, individual children and different communities differently. That is precisely what we are doing, which is why you have Sure Start, for example, as a targeted programme, why you have Excellence in Cities as a targeted programme, all these things, even EMAs. If you take Educational Maintenance, that is a targeted programme on children from poorer backgrounds. Obtaining real equality of outcome, and certainly proper equality of opportunities, means treating people differently, and the whole thrust of education policy is towards a much more individualised offer. For example, if we take 14–19 as an instance where we are trying really to loosen up the offer so that there is much more flexibility to meet the needs of individual children, there are eight 14–19 Pathfinders in the coalfield communities. If I take just one, there is a good one in Gateshead. There are three secondary schools and Gateshead College which have done a joint initiative around loosening up the 14–19 curriculum, and that has led to a 40% increase in the number of young people who have enrolled on AS and A2. Actually, I would question, we are not doing a ‘one size fits all’, we are getting there and beginning to close the gap. We think closing the achievement gap is the great challenge which faces us in our Department.

Q219 Christine Russell: Can I ask you about one thing in particular, which is the Specialist Schools initiative, because I am sure you are aware that really they are unrepresented in the coalfields communities. When we went to County Durham and to Yorkshire at the start of last week, we were told by a number of people to whom we spoke that this £50,000 deposit, or whatever you call it, that the school has to provide, is just so difficult to raise in communities where still there is an awful lot of deprivation and very little spare cash around?

Margaret Hodge: Two things. First of all, they are not unrepresented. We have got nearly 100 Specialist Schools in the coalfield communities. The second thing to say is, it was in recognition of the difficulty which some communities face in raising the private sector contribution towards Specialist Schools that we introduced the Partnership Fund, which is about, I think it is, £3 million, it is part public, part private contribution. Schools can apply to it, and that already has been used to support over, I think, 100, 120 schools, something like that, in developing Specialist School status.

Q220 Chairman: Could I just interrupt there. I understand from the Clerk that we have some difficulty in terms of timing with a couple of our Ministers, because we are running a bit late. There are a couple of ways we can handle this. We can either have another session next Monday, with all three Ministers, or I know Lord Rooker has been sitting here all afternoon.

Lord Rooker: I have learned quite a lot.

Q221 Chairman: If Lord Rooker wants to remain and do this session then perhaps we can do the Education and Health Ministers on another occasion, if it is vital that they have to be away?

Miss Johnson: It is absolutely vital that I have to be away. Can I say that my office was told about this appointment only last week. We were told half an hour, and given half an hour, and I was not told that I was going to be here with two colleagues otherwise I would have thought half an hour was bound to be unrealistic. It is really on that basis that the diary has been constructed and reconstructed around this, so (a) I do need desperately to go now, and (b) this has not worked out very well, in terms of my arrangements.

Q222 Chairman: We have some other points we want to put to the Health Department so we will try to fit that in.

Miss Johnson: Yes, I think there are lots of things to be discussed, but to have me here this week and then call me back next week is really . . .

Q223 Chairman: We will have to discuss that with the Department.

Miss Johnson: I must go now, I am afraid.

Q224 Chairman: I do not know what Lord Rooker and Margaret Hodge want to do?

Margaret Hodge: I am supposed to have another meeting. I was told as well, I think we have all had some mixed messages that came out, so real apologies from us. I can do another ten minutes today. I would rather do that than come back, because I know next Monday is a nightmare for me.

Lord Rooker: I do not want you to think I have not got anything to do. I have been out all day, but I would like to leave by seven, so I am available until seven o'clock.

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Q225 Chairman: I think we will talk to the Departments about having another session. Next Monday may not be possible but we will fit it in somewhat later. If Lord Rooker is willing to stay and go through his questions that will get him off the hook for next time anyway. I think it will be best if you both go now, and we will arrange something else.

Miss Johnson: I am sorry about this.

Chairman: We will go to Clive Betts.

Q226 Mr Betts: Quite a few submissions to the inquiry suggested that there has been considerable progress in terms of regenerating the coalfield areas, but that a substantial amount of that really has been environmental regeneration, which has been quite successful so far. Would that be your impression?

Lord Rooker: To be honest, having read some of the evidence that you have published, having looked at what our Department is responsible for and, of course, having been sitting listening to your previous witnesses, I would say basically the policy is working. There is still a lot to do and it is inevitable that, to start off with, environmental works would have an impact physically as a visual amenity on people. They might say, "Well, it's all environmental to start with," but, on the other hand, you want to show people there is a prospect of progress in an area, to revitalise it, i.e. "Please stay, we're going to do something about it." We will encourage other people to think about moving in, as you heard previously, with the jobs. Therefore, it is inevitable that some of the environmental works, the way that the pits were left, as it were, by the previous employers and owners, was a disgrace, and probably would have been tackled first, or be seen to be tackled first, but the master planning on all that still goes on. Attempting to do some of the long-term work, of course, does not show, as you heard earlier on, until probably towards the end of the programme.

Q227 Mr Betts: Clearly, just going round the coalfields, you can see the transformation in many of them within the physical environment, but one solution, and this is very typical of others, from the Leicester Housing Association, said that despite the fact that we had £1 billion already, and the areas identified in the Coalfields Action Plan in 1998, 63% of the wards in the former coalfields are still in the top 20% of wards with deprivation. So the environment may be changing out of recognition, but others factors, whether it be poor health, low pay, out migration, we are not making enough progress in those areas?

Lord Rooker: You could say the same could apply, at this point in measuring, to the Neighbourhood Renewal Fund areas, the 88 areas, where a similar kind of highly targeted approach is taking place, but it is very, very early. We are three or four years down the road, trying to turn back years of deprivation across a range of issues, whether it is acceptance of crime, the environment, jobs, health. Trying to measure what has happened in a short period of time is difficult and it is not going to show massive

changes at this early stage, I have to say, it is unreasonable to expect it to do so. On the other hand, trying to tackle it on a very wide issue, I was conscious of the fact that whilst I was listening to the other witnesses I actually read the evidence from Easington Council. The last paragraph, paragraph 10, at the risk of quoting them out of context, they did point out that getting it all joined up, "in tackling acute deprivation has indicated the policies espoused in the Coalfield Task Force, the Policy Action Team reports, and the New Commitment to Neighbourhood Renewal are correct in exploring the inter linkages between different service areas." It is inevitable there is still a lot to do, but a lot of that is going on, and in some ways, the point you raised, for the coalfields is no different from some of the other areas. This afternoon I was in Luton, where there is a New Deal for Communities at Marsh Farm, crying out for renewal, area of deprivation, in any measure. I have to say, and this is not an excuse, it is early days in trying to measure the indicators of change, which is something we have got to do for the Treasury next year as we enter the next Spending Review.

Q228 Mr Betts: Probably the Committee are getting slightly mixed messages, because that is an argument you can understand where you will get some probably quicker returns than others, in terms of the longer-term change to the whole community that is trying to be achieved. I understand that you do not want to be too oppressive with national guidance, but we got a written submission from One NorthEast where they are monitoring some of their progress on a very short-term basis, number of jobs created and safeguarded, businesses attracted, land reclaimed. Do you think you ought to be encouraging the other organisations involved in this process to take a slightly longer view, to look at a different range of monitoring targets?

Lord Rooker: I think they will do. You are quite right, I do not want to be prescriptive. I refuse to send out telephone directories of advice to adults who are professionals in their field. They know what the big picture is and they know what the Government policy is and they know what both Houses have agreed, in terms of renewal policies. We are best leaving them to get on with it. I think you have heard from the range of witnesses here this afternoon, they are given the remit, they are given the resources, there is always a need for more resources, I am not denying that. On the other hand, there is a huge amount, particularly just on the Coalfields Programme alone, but that is added to by the Neighbourhood Renewal Fund and a lot of the other programmes. There is some overlap, I fully admit that, there are too many streams and sources of funding going into some areas, but we do not get the best value for it. Some people will use different indicators. The early days of trying to get renewal in these areas probably would require the measures that One NorthEast has used there in the early years. Other indicators will be relevant later on. In other words, they will not get to the other indicators unless they have got land reclamation, unless they have got

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some more floor space. You have heard the figure of jobs created, that is an important issue, it is nearly four jobs a day since the scheme started, in terms of jobs created, whether they may be for women or men you might argue the case, but the fact is I think you heard they are real jobs, and we are on stream to hit the target for all of the jobs by the end of the programme. People in work are more likely to be more healthy than people out of work, we know that, and you will explore this with Health, there is no question about that, there is a correlation there. Getting people into work and economically active is good for them personally as well as good for society as a whole. Those measures will come later. First of all, you need to clear the land, clear some of the rubbish housing that has been left, that is an eyesore, as Andrew pointed out, because that is a negative, if you like, for people to invest in the area where we have not cleared the houses fast enough, and clearly there is a signal to be sent there. In the early days, it is bound to be those broad indicators of what you do with the land, old buildings, clearing the spoil-heaps and getting the place up and running, with action that people can see, action on the area. Therefore, you will not affect necessarily their health, their jobs, the deprivation area, industries for the area, in the early years. Obviously, you will be able to measure it after a reasonable period and then we will see whether we are failing or not, but the indications are, at the present time, with the overall range of policies on several fronts, there is no one quick fix for this. We are moving in the right direction. True, we could move faster.

Q229 Chairman: How are you monitoring the impact of these programmes? When will we know that the regeneration of the coalfields has been achieved, for instance?

Lord Rooker: I wish I could give you a year for that. There are some research projects underway at the present time. There is one to be commissioned next year, to have a look, particularly on coalfields, to see where we are and how far we have got. In other words, I am not sure I am putting the correct words which actually will be asked, but, from my point of view, I must say, to ask the question, "Is this policy doing what the Government and Parliament intended it to do, at this early stage?" There is a research project to be started off, commissioned, early next year. There is some work going on at the present time which ministers will get hopefully before the end of this year, which means it is not very far away, certainly for publication next year, on looking at the areas in the country where, even in areas of low unemployment, there are still pockets of unexplained, very, very high unemployment, where three-quarters of the street are not working, as it were. That is in hot spots around the country, not just selling the coalfields but clearly they are there, but there are some in areas which are quite surprising. There is a project going on with the Social Exclusion Unit, having a look at that particular issue at the moment. Obviously we have got higher employment in the country than we have had ever, I think the figure is about 28 million, or

something like that, unemployment is low, in historical terms, in recent years, but there are some real, severe pockets where we need to find out what the reasons are for that. As I say, there is a project underway on that, which hopefully we will have before the end of the year.

Q230 Chairman: In a lot of those pockets, when you say high levels of unemployment, are you talking about unemployment as measured in terms of unemployment statistics, or are you talking about people out of work in terms of people out of work because of a long-term sickness benefit?

Lord Rooker: A bit of both really, where you get high levels of economic inactivity, particularly with people over 50. We have got a huge number of people in this country over 50 economically inactive, some forced out with so-called early retirement schemes which seemed alright at the time, others forced out against their will. Let us face it, the best asset this country has got, like any country, is its people and their capacity to work and their willingness to work. We have got a huge number of people who would be willing and have got a capacity to work, but we have got some hot spots. When you look at the overall picture, things are looking quite good and the Government can boast rightly about the number of people in work, people might argue about the hours, but in work and economically active. We do need to look at these hot spots to see if there is something else we need to do, in terms of changing policy or adding to policy. It is not all in the areas to the North and the Midlands, there are some of these hot spots in the South East, in the so-called engine of the country, in terms of economic activities concerned.

Q231 Andrew Bennett: It is nice to hear you are going to commission this piece of research, but presumably you are going to employ consultants who live in the coalfield areas, or is it consultants from somewhere like Cheltenham, or somewhere else?

Lord Rooker: We will employ real people to do a real job in a professional way.

Q232 Mr Cummings: Enterprise Zones, Minister, and European Structural Funds, SRB, English Partnerships, Coalfield Programme, all due to come to an end within five years, which, of course, gives rise to great concern. Are you worried that regeneration will not be self-sustaining once these initiatives are finished?

Lord Rooker: 'Worry' is the wrong word. I would not want to put a negative word on it, but aware of the possible situation. As schemes come to an end, sometimes for perfectly good reasons, it is bound to cause a blight in the area, particularly with the people working on such schemes, they may be on contract for the schemes. As it comes to an end it may be they say, as their own future is concerned, and people are entitled to do that, they will leave before the end of the scheme, we might get a collapse at the fag end, so we are looking very carefully at that. That applies equally with the Neighbourhood Renewal Fund, which does not go beyond 2006, so

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we have got to do all that with the Spending Review next year. We have got the European funding money, as you are right to highlight, to which there will be massive changes, of course, as a result of the expansion of the European Union. That is something we have been working on and negotiating with our partners in Brussels, and hopefully there will not be the nemesis that people might have expected, that we can plan for change. We have still got to make sure, in these areas which require the extra assistance, for reasons which I think are wholly legitimate, the coalfields being one of them, that the resources are there and we do not just sort of wrap up the extra help that part of society rightly deserves.

Q233 Mr Cummings: Do you have any plans, Minister, to provide alternative incentives to attract large businesses onto coalfield sites after 2005, or extending the life of Enterprise Zones?

Lord Rooker: It is horrible really when you have to say this, because I always thought, if ever I became a minister, I would never fall into this nonsense, i.e. really that is a matter for the Chancellor of the Exchequer at the Budget and, in addition to that, our negotiations with the Treasury on the next Spending Review. I have to fall behind that because I have nothing else to say on that, except that we are acutely aware of the value of these programmes and acutely aware, by the way, of what I think has been certainly my experience, this is a highly targeted approach. Many of the schemes you refer to are overlapping, I accept, some of those, but they are highly targeted, in certain respects. I think there has been a benefit to that, to concentrate management, and, of course, the capacity, we are not exactly overwhelmed by the numbers of quality people to drive these schemes, we get snags with one or two and we have to deal with them, so we do have some capacity problems. This is an issue which, I can assure you, we will be talking to the Treasury about in the next Spending Review and something we are talking about constantly in Government, particularly in respect of the changes in the European funding programmes.

Q234 Mr Cummings: Minister, in 1998 the Department agreed to set up a new Enterprise Fund to support local businesses. Can you tell us why it has not been set up and whether you intend to set it up in the near future?

Lord Rooker: No, I cannot, and that may be why I have not got anything in my brief on it. Offhand, in 1998, unless anybody behind me has got a single sheet with a good paragraph on it, I cannot help, but if I can I will. Certainly I will give you a note on that, because, obviously, if there was a commitment made to set up a fund and it never was set up presumably there was a good reason. It is not one I am aware of since the time I have been at ODPM, but certainly I will have a look at that, if I do not get you an answer before I finish here today.

Q235 Christine Russell: Can I carry on this theme, Minister. When we went up to Easington last week we visited what seemed to be a really successful

training centre called the Acorn Centre. The person in charge was saying to us that she is really concerned that, come the EU changes which you mentioned earlier, massive changes, I think you said they were, the funding could be cut to this centre. What advice would you give her now, what would your officials be saying to people who are running the good centres which are funded currently by EU funds?

Lord Rooker: The only thing I can do is say honestly we are using our best endeavours to ensure that funding streams are not cut off when the European Union has its changes. We are still discussing this within the European Union, there are still decisions to be made. On the one hand, there is an argument should the overall European Union budget increase to take account of our new partner countries, so that the money can stay the same, or not, or we recycle some of our own contributions. These are ongoing discussions, which, of course, the Foreign Office are leading for us, but they are in constant discussion with our older partners in particular.

Q236 Christine Russell: Your advice is, just business as usual?

Lord Rooker: Business as usual, because we are working to make sure that these schemes and these funding streams do not collapse in areas that we argue require regeneration and special, targeted measures. Quite clearly, it goes without saying, the coalfield communities area, just as the purpose of your exercise today covers that. We would say it goes a bit wider than that because there are other areas of the country requiring such help, we are working actively on that. It is in our interests though, as I repeat, to get decisions as early as possible. Therefore, it is the same for the French and the Germans. Not only from you but I know they have got such programmes and they will want their own people not to be blighted, to start to think "Well, we'll fold this earlier," or "I'm going to disappear. I've got myself another job, I'm going to go," therefore you get an artificial collapse of such schemes maybe just coming into flower, into fruition, in that sense. We are on the case and we will get a decision as quickly as we can, and we are on the case on your side, by the way, which is what we have to say to that person.

Q237 Christine Russell: What about social regeneration schemes, in particular, because we do know for certain that SRB is finishing, and that was raised with us on a number of occasions, that there will not be any more access to SRB funds? What about those more social regeneration programmes?

Lord Rooker: The RDAs have got the single pot. The RDAs are much wider organisations, in some ways, than they started off being, of course. Obviously, the answer to DTI, although my Department provides, I understand, well over 95% of the funds, which is a bit of an irritant, in a way, nevertheless, we are working in co-operation with them. What we have said repeatedly, and I have listened to all the nine RDA Chairs recently, is to embrace a much wider remit in terms of what their

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activities are, way beyond what I might call the old crude but important economics, from the tourism, the rural, the social side, and, of course, they are key players in the respect we have regionalised housing, through the Housing Boards. There should not be a drying up of income streams for some of the social projects, they may be done in a slightly different way. The opportunity has to be taken, I think, to simplify some of this. It was put to me by one of the directors at ODPM, it was put to a group of us when he gave a presentation, just when the Departments joined, "To the recipient. The income streams that flow into these areas can look like a bowl of spaghetti." They are incredibly complicated, and because they are complicated you miss out sometimes on income streams that are of value. We are simplifying, we are trying desperately to simplify some of these income streams, but there is no policy objective till we loose the pot of money so that people can fund what you can call the wider social projects.

Q238 Christine Russell: When you were sitting incognito in the back row, I think you had arrived when Janet Bibby was giving evidence, and she was expressing, I think, her real concerns about the Coalfields Regeneration Trust, which is time-limited, it has its three years. Can you give her any comfort, although I think she has left now, are you minded to renew that?

Lord Rooker: I heard everything. I came in with the public as a simple foot soldier from the other place. You have to remember, by the way, the Coalfields Regeneration Trust certainly has had the funding vastly increased over what was started originally, it has been doubled from when it started originally, so we are not being parsimonious with that. This is something we will have to negotiate, I would imagine, with the Spending Review. We get a three-year Spending Review, which is a lot better than a one-year Spending Review, by the way, I am not being negative about this, it is big progress to get three years rather than one year, but it does mean we are coming to the period now where we have to start to negotiate the next Spending Review, once we get to 2004. The Coalfields Regeneration Trust and indeed the programme from English Partnerships, I think, have been remarkably successful. I am not being overbullish about this. As I said, by and large, all the evidence that I have read, and I think what you have heard today, indicates, over a broad front, the policy of attempting to regenerate the coalfields, not leaving the lonely ones alone, because of the isolated ones, there are no 'no go' areas in that sense. Also we are looking for other sites, obviously we have added to the sites, and, as you have heard, we will be able to deal with the extra sites from the existing programme, because we can recycle the money, it is ring-fenced but it gets recycled, so we can actually use that resource to great effect, I think. Can I give you the answer to the question I could not answer. The Enterprise Fund. We may need Treasury approval, if not, it will be approved by the end of the year, so that is good news I think. I think

that is a good answer, is it not? The end of the year being, I hope, the end of this financial year, I presume.

Q239 Andrew Bennett: How much money?

Lord Rooker: I will send you a note, Andrew. It will be a lot, I am sure, £20 million.

Q240 Mr Betts: You have just mentioned the whole problem of a range of different initiatives. In the paper which we had from South Yorkshire it said there was something like 50 different area initiatives tackling regeneration in the coalfields. Does not that mean, in the end, that we do not get a combined result, which is the effect of all the 50 initiatives together but many of them actually conflict and people do not get joined up together, organisations, Local Strategic Partnerships, spend all their time trying to do some co-ordination, which is almost impossible? Is there any way we can simplify this greatly and create almost one body and say, "There's the money, get on with it"?

Lord Rooker: I shall certainly go back and ask some questions about that. If there is an area subject to so many income streams and initiatives, I have not heard a figure as high as that, I would want to know why we had not already done some simplification. That is absolutely barmy, that an area is subject to so many initiatives.

Q241 Mr Betts: That is what they have had over the time they have been working with them?

Lord Rooker: Some have come and gone, so that is okay, so they are not 50 initiatives at the same time. This has been the issue, I think, of trying to target the money. There is not a bottomless pit. By spreading it thinly we do not get the benefit, by targeting it we think we do. We are trying, I might add, within Whitehall, to stop having lots of new schemes with small grants, and things like that. I have had discussions with one of my colleagues in another department today in this respect. We want to try to mainstream as much as we can, and, of course, mainstream through the normal instruments, whether it is the local government or indeed the Regional Development Agencies, and, in due course, probably the Regional Divisional Assemblies. There will be a role there, in terms of redundancy of housing, to try to have a single pot in the regions. It is one of the purposes of that, to get that single pot with the housing investment programme for local authorities in the annual development programme for the Housing Corporation, to simplify, get the benefits of simplification and make sure we deal also with the small areas, like in the rural townships, as well as the larger urban areas. You have got to be careful, giving it to a single body which may have a blind eye to some of the smaller projects, because a quick fix on a big site looks easier, we have got to make sure we do not fall into that trap, but, by and large, I would want to simplify from where we are at the moment.

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Q242 Mr Betts: You talk about mainstreaming, and generally, of course, that is a good idea. If you are going to mainstream them into local authorities, can you make sure that they then mainstream it in the sorts of objectives that you want to see in the coalfields?

Lord Rooker: Yes, this is the great snag, is it not? We are committed, in respect of our colleagues and partners in local government, to having fewer ring-fenced funds. On the one hand, we cannot say “Okay, we’re not going to ring-fence the money” and then say, the next day, “Right, we want to know exactly which street you’re working in, that you are meeting Government objectives.” We cannot, Government, have it both ways, neither can the House, with respect, because, as you vote for money, for projects, you will want to see the end game for that money, you will want to see value for money, the Public Accounts Committee will want to see value for money on schemes. If you take the Neighbourhood Renewal Fund, for example, I was very surprised when I went to ODPM to realise that, it is paid over to local authorities, it does not have to be spent on neighbourhood renewal *per se*, it is their view how it is spent. They have got the floor targets and the indicators, true, we want to be able to check on that, and we are in touch with them constantly, but it is not ring-fenced as such. That gives them greater flexibility. Out of flexibility we get better value for money. They are on the ground, it is best that we in Whitehall are not telling them the minutiae of how we operate these schemes. Recently we made some announcements to unring-fence some other money that was going to local authorities, some of it in terms of homelessness. There is an issue there, of unring-fencing to local government. Then I trust, rather than a wing and a prayer, they will deliver what you want, in terms of central government, because we have got to go back to the Treasury at the end of the day and account for that money, did we get the outcome we expected. I think we have to be adults. We have a better relationship with local government than I think we have ever had in my experience in your House over the last 30 years, and there is a willingness everywhere I have gone to work in partnership, and they are convincing me so far that we can get value from money. We get the audited arrangements and we get the Local Strategic Partnerships operating, and so I am reasonably optimistic that we can end up getting better value for money by mainstreaming those. I am speaking at a conference on the very issue tomorrow.

Q243 Mr Betts: I think local government may accept that there is a better working relationship between Government and themselves, but then also they say, from time to time, that it would be nice if government departments always worked together as well as they should. Do you think there is a case for a permanent cross-departmental working group to be established to deal with the issues of the coalfields, and indeed perhaps a lead minister appointed, to post together the various things which different departments are doing?

Lord Rooker: If there are policy issues, of major changes of policy, the current committee structure seems to perform okay, in terms of getting agreement across Government. What it comes down to then is making sure that, as ODPM, we are in the driving-seat in the sense of trying to encourage and making sure that, our responsibilities, there is co-ordination across the piece. It is exactly the same with the Communities Plan launched by the Deputy Prime Minister in February, it is a Government plan. The Coalfields Programme is a Government programme, therefore it is our task to ensure that other departments take account of this in making their own spending decisions. When we start to regenerate the coalfields areas, with new jobs, houses are built, we know for a given number of dwellings you need a primary school, for another given number of dwellings you need a secondary school, that has to be co-ordinated with the Department for Education. We know for a given number of dwellings you will need a health centre, you will need a GP. That has to be co-ordinated from the centre. Then the people down on the ground, where it is the primary care trust, and at the regions and health and the various departments, as long as they know the people in Whitehall are working to a plan, i.e., in this case, coalfields communities regeneration, or the Sustainable Communities Plan, and there is a bit of overlap anyway, we can get their mainstream programmes bent into this plan for regeneration. It might look alright for a headline but it would not make any difference in the way the policy is delivered. If it is failing and there is a lack of communication, lack of co-ordination across Whitehall on this, then at the end of the day that is my fault and I will do something about it, if someone can point up where there is a real hole in the co-ordination. I cannot be fairer than that. I cannot offer a quick fix on this. Most of my time is spent particularly on the communities plan side of it, and less so on this, because I think the issues are working quite well. We are going to have more need for that, as more houses are built in the coalfields, it is true, and more jobs are generated, there will be this need for making sure there are roads, the Department of Transport, maybe the odd railway station, they did talk about Corby this afternoon, although not quite in this context. Then we will discuss it with our other partner authorities, where we try to pull them together, down at their level, at the regional level or the district level, all these other organisations, whether it is the Environment Agency or other such bodies, so that they know at that level there is a Government plan, i.e. to which all ministers are signed up, which the permanent secretaries are signed up to. I think it would be giving a false perspective if you said, “Give us a coalfields regeneration minister.” If there were one I suppose it would be me. If there is a failure of co-ordination I would like to know about it because it is my responsibility.

Q244 Andrew Bennett: Can I take you on to the housing question. Over two years ago, a lot of people, including this Committee, drew attention to

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the empty homes across a lot of the North of England. In the last two years, English Partnerships have been looking really fairly closely at the coalfield areas and they have now identified a significant number of empty homes within the coalfield areas. Some of the things the Committee has looked at are just as bad in the coalfields as we looked at in the North of England two years ago, so what are you doing about it?

Lord Rooker: First of all, I agree with your analysis. There is an overlap in a couple of areas between the market with more Pathfinders, ie the nine areas—

Q245 Andrew Bennett: Barnsley and Stoke, I think?

Lord Rooker: Yes, that is right. South Yorkshire and Stoke, the North Staffordshire Pathfinder. I have been to virtually all the Pathfinders but I have not been to all the parts of all the Pathfinders. I was in Stoke and Newcastle-under-Lyme the other week for the second time this year, and you can see, you know yourself, when you are taken around there, you can recognise the Coal Board houses. First of all, most of them are empty, derelict, sometimes burned out, and you wonder why they have not been cleared anyway, because they are an eyesore. I regret to say, the planning for some of these issues, the master planning and then the planning for the programmes for replacement takes over, and, of course, the ownership is not always straightforward. You have to remember the spivs moved in on this lot and they were bought and sold at auctions in London and at corner pubs elsewhere, and this caused mayhem, and, of course, this has been highlighted in the last few years. I think what was said earlier on, and the Deputy Prime Minister launched the plan in the East Midlands, at Meden Valley, to look at a project we have got there, from which we hope we will be able to learn some experience to use elsewhere. In the Pathfinders, work has gone ahead, several million pounds have been allocated already to each of the Pathfinders anyway. We will have their strategic plans for those we have not had at the moment, which are the two you mentioned anyway, by next spring, to release the rest of the money. There is half a billion pounds over the three years in the housing Pathfinders to get cracking on this, and, like anybody else, I have been chivvying. I want the scaffolding, I want the bulldozers, I want the hoardings up, I want the action and I want the jobs, because it has got to be jobs-led as well as housing. It is not just a housing project, the housing is the thing which people see and recognise more easily. We have to clear some of the stock probably quicker than we have done so far, but clearing it and leaving it empty for a couple of years probably sends a signal to the local community they do not know what they are doing. You do send mixed messages, if you are not careful.

Q246 Andrew Bennett: What about actually having at least one or two more Pathfinders, if you are saying they are going well, in some of these coalfield areas?

Lord Rooker: The nine were designated by Stephen Byers, just before ODPM was launched. I do not think we have got plans for any more. Our objective, with the nine Pathfinders, by the way, is to learn the lessons to stop other areas needing Pathfinder status.

Q247 Andrew Bennett: We have identified already that there are some bits of the coalfields which have exactly the same problems, so if you are not going to set up a new Pathfinder, what about English Partnerships, they have got some money, why not let them diversify rather more into housing, in some of these areas?

Lord Rooker: As you heard earlier on,—

Q248 Andrew Bennett: They were singing your praises.

Lord Rooker: They were, were they not, without any prompting on my part, I have to say. I felt quite embarrassed. The fact is, they are a class organisation. They are our lever for change, the ODPM. As a government department, as I have said to your Committee before, we ourselves do not build or clear houses, we are ODPM. Our instruments for change are two, the Housing Corporation and English Partnerships. They have got their remit, they are all professionals, we do not have any day-to-day interference, and we have given them far more flexibility than they have ever had before, they know what the big picture is, particularly in the Sustainable Communities Plan.

Q249 Andrew Bennett: Do you think they can get on with it, in the same way as the Pathfinders are doing it?

Lord Rooker: If that was their view, that for some of their areas, with their resources, they thought they could make an impact which fitted in with the overall big picture, I for one would not be stopping them, far from it.

Q250 Andrew Bennett: You have talked about the Meden Valley and the special purpose vehicle to do work there, but you mentioned also this question about private landlords. Are you going to give us a guarantee that local authorities will be able to license landlords in all these areas of market weakness?

Lord Rooker: The licensing of private sector landlords will be at the discretion of a local authority, subject to the approval of the Secretary of State. I cannot conceive of any local authority coming to the Deputy Prime Minister, or Keith Hill, in that case, and saying, “Look, we’ve got a problem in this area, because it’s coalfields, where the spiv landlords are in.” The very purpose for licensing private landlords was born out of the housing renewal areas, although the legislation—which I do not think has been published yet but it will be published shortly, because I think you have got the Second Reading before Christmas probably—in the Housing Bill is that it is nationwide. A local authority, anywhere, can make a case for a street, or part of a street, to be licensed, if it is based on either anti-social behaviour or other factors, it can make the case. I have no doubt in my mind that local

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authorities will be giving extra powers. Also, of course, with what is happening in your House today and tomorrow, which is the reason Yvette could not be present, because she does this on a daily basis, the coalfields issue, is that the extra powers to facilitate the ease of compulsory purchase will be placed into the Housing and Planning Bill. We have taken the opportunity, obviously, with the carry-over, to make the Bill stronger, in this respect, to give more powers to local authorities. The answer to your question is, yes.

Q251 Chairman: Will the local authorities be likely to have the power to license a particular landlord, as opposed to a particular area?

Lord Rooker: Yes, I think it is. The idea, of course, let us face it, to license the landlord is to drive the crooks out of business, let us not put too fine a point on this. It may be that the landlord cannot be licensed, the manager gets the licence because he is not a crook, where a spiv is a rip-off merchant causing mayhem in the community and therefore can manage it differently. I think there is a fair degree of discretion for the local authority to license in an area maybe all the landlords in a street. Of course, the good landlords, who have good relations with the local authority now, are not going to object to this, because it is the others giving them and their industry a bad name.

Q252 Chairman: I think my point was that you may have a particular landlord who has a number of properties, in different areas, each one of which is giving problems, so it is the individual rather than the area?

Lord Rooker: Let me put it this way, the House has not had the legislation yet, so we have got plenty of chances for amending it. I would like to think that the legislation will be flexible enough that, if there were the case of a national landlord, operating in different parts of the country, who had a reputation for running the properties badly, where there was a reasonable amount of anti-social behaviour, housing benefit fraud and other such matters that caused the licensing in the first place, we could target that landlord. It may be that we have to target the areas where they operate, but I do not think the good landlords will object to that.

Q253 Mr Cummings: Minister, are you making any representations to the Department of Trade and Industry to have the question of miners' compensation for coronary, bronchitis, emphysema, resolved as speedily as possible?

Lord Rooker: I am not aware of what the delays are at the present time. If there are current issues regarding miners' compensation, I know it was a large programme and it was delayed when it started. I am not up to date with the actual payment levels at the present time. I am well aware because I was in the House at the time, when many of the debates and the pressures on the Government were taking place. I have not received anything, as far as I can recall from my brief. I have got stuff on the

pensions but, in terms of the compensation for illness, I have not seen anything that is negative about that. If there are issues, I would be happy to take it up. We will ask about it, obviously, as you have raised the question.

Q254 Mr Cummings: I would not want to press you this afternoon, Minister.

Lord Rooker: Do not worry. You have asked the question. We will check with the DTI about how it is going, so you can have a note on it.

Q255 Andrew Bennett: It is an absolute disgrace. I do not have much of the coalfield population, if you like, but I have got cases where people have died and the money is going to go to their grandchildren. If the money goes out now, it goes to an elderly miner who is in poor health and they spend it in the coalfield area, because their health does not let them go to Spain, or anywhere else, to spend it so they spend it locally. You get two hits. You give some compensation to the person who suffered and you get it into those coalfield areas. When it is paid out years after the person has died, it goes to grandchildren in the south of England and they will spend it anywhere other than the coalfields. We have got some figures here, which we can give you, that it is going really pitifully slowly. The only people who are benefiting from it at the moment are the lawyers dealing with it?

Lord Rooker: I regret that. I accept completely what you say. I will make it my business, here on my own, as it were, to check with DTI why it is going, in your words, pitifully slowly. I take your point exactly that money paid out later, after the miner sadly is deceased, is less likely to be spent in that area than it would have been. Let us face it, that was not the purpose of the pay-out in the first place, by the way.

Q256 Andrew Bennett: They are getting a double hit?

Lord Rooker: I know. It is an unintended consequence that the payout to the miner is spent in the area, or we hope it will be spent in the area, because it is not going to solve the miner's ill-health problem, it is not for that purpose, it is not going to do that. At least, in terms of liveability, the fact is the state has compensated for the way they were treated badly in the past. It makes you wonder why people wanted to fight to keep their jobs to go down the pits, because it was such an ill-health industry. That is not because it is a bad industry, you can mine coal quite safely. The fact is, we all know that in the early part of the century the structure was set up so it was an ill-health industry, because health and safety took a very low priority, and not a lot of that changed in 1948 either, as we know. We were late coming to this and it is up to our generation to pay the consequences of that by compensating those miners.

Chairman: Minister, I think your timing is impeccable because I think we are getting a buzz for a vote. We know that you have been here all afternoon and we do appreciate your coming here to give evidence. As a colleague once famously put it, we congratulate you on your indefatigability. Thank you very much.

Written evidence

Submitted to the Office of the Deputy Prime Minister Committee

Supplementary memorandum by Friends of the Forest (COA 33(a))

In addressing the best use of Coalfield Communities funding within the Forest of Dean District, a basic question that needs resolution is should the Forest of Dean district be treated as a deprived area, and should therefore planning activities give overriding emphasis to economic development?

It is commonly stated, especially by local councillors, that the Forest of Dean District is a socio-economically deprived area, requisite of jobs and industry. We had assumed, like many readers of the local press, that statement was true. Recently, however, we have had occasion to look at the data sources that underlie the claim. After reading and analysing these data, our conclusion is that the statement that the majority of the Forest District is socio-economically deprived is a myth. It is simply not true.

The data upon which we have drawn our view come government released unemployment statistics, the government's England—Indices of Deprivation By Ward, 2000, and the Forest of Dean district Council publication—Register of Available Industrial and Commercial Land and Units, Spring/Summer 2003. The England—Indices of Deprivation are arranged into eight domains, covering income, child poverty, unemployment, housing, health, education, access to services, and a single combined index of multiple deprivation. The eight indices of deprivation domains are made up of a combination of 35 separate measures. Most of these measures, in fact, are measures of income.

The reason why the claim that the “Forest of Dean District is a deprived area” is a myth is simply that the indicators do not show it to be so. Of the 8,414 wards in England, the median ward in the Forest of Dean District comes out at 4,210th on multiple deprivation. It is difficult to get more average than that. To define the District as an area of special need on account of deprivation would mean that half the wards in England would also have to be areas of special need. That is a ludicrous use of the phrase “special need”. Even at Ward level, all are outside the 20% of those most deprived in England, for which the term “possessing special need” has been coined.

It is particularly ludicrous that the myth should be propounded that unemployment is a major problem in the District. With 30 hectares of available space there is no shortage of industrial and commercial accommodation in the Forest of Dean District. The surplus does not, however, mean that there is gross unemployment. Using government produced data, in recent years (2001–03), the overall unemployment rate in the Forest has been lower than the national average, with September 2003 showing only 797 (1.6%) unemployed in the whole of the District. Therefore, any planning policies which use that claim as their justification are bound to be built upon sand, and will fail.

Given that many of the measures reported in the deprivation indices are actually measures of the number of people in receipt of benefit, an obvious solution would be for the government to improve the level and take-up of those benefits, whilst improving skills and retraining for greater flexibility of employment. This approach would be far more holistically friendly, rather than trying to introduce new major, environmentally inappropriate and/or unsustainable industry to the Forest of Dean area that would degrade it's best and nationally important asset, the Forest of Dean, and in so doing degrade the quality of life for residents and visitors alike.

For those who don't trust statistics, a walk around the Forest of Dean District reveals that property standards are rising and a number of utilities upgrades are on-going. Rather than a picture of deprivation and decline, you will see signs of activity and new hope—of people looking forward to the future.

Memorandum by Advantage West Midlands (COA 53)

You may be aware that the Committee's Urban Affairs Sub-committee is carrying out an inquiry into the regeneration of the coalfield communities. I enclose the terms of reference. Many of the submissions which we have received have commented on the effectiveness of the RDAs in tackling the needs of the coalfield areas. A number of the comments raise concerns that Advantage West Midlands has not developed a coherent response to tackling the impact of coalfield closures in the region. Particularly, some are not included in the regeneration zones or the high technology corridors which the RDA is setting up.

To help the Committee draw its conclusions from this inquiry, we would like to know how AWM is tackling the particular needs of the coalfield areas. We would be grateful if you would write back by 10 November when our inquiry opens.

David Clelland MP
Chairman of the Urban Affairs Sub-committee

24 October 2003

Thank you for your letter of 24 October faxed to this office on 31 October.

I note from your letter that you have received a “number of comments which raise concerns that Advantage West Midlands has not developed a coherent response to tackling the impact of coalfield closures in the region . . . and that some are not included in regeneration zones or high technology corridors”.

Your letter enquires how Advantage West Midlands is tackling the particular needs of the coalfield areas.

It is correct that Advantage West Midlands does not have a “specific” coalfields communities strategy. However, our principal delivery mechanisms seek to target regional resources, to those parts of the region with the greatest need, or greatest potential. This approach is unconstrained by traditional boundaries, such as individual towns and cities, or even counties, and aims to ensure that concentrated effort creates a much more integrated approach to the issues we face across the region. In order to demonstrate this I will outline a little more about both West Midlands Economic Strategy (WMES) and the delivery mechanisms which have been put in place in the region to achieve the strategy:

The WMES currently being updated, addresses key regional actions under four pillars:—

- Building a Diverse and Dynamic Business Base
- Promoting a Learning and Skilful Region
- Creating Conditions for Growth and
- Regenerating Communities

From this broad ranging strategy, an “Agenda for Action” has been developed which focuses on key actions to implement the priorities set out in the Strategy.

Advantage West Midlands lead on some Agenda for Action items and supports others. Our Corporate Plan, then details Advantage West Midlands’ contribution to the strategy’s pillars and key actions over a 3-year planning period.

Advantage West Midlands also successfully negotiated with Government Office West Midlands to align the £500 million Objective 2 Programme with the pillars of the economic strategy to achieve greater regional impact.

The Region’s principal spatial delivery vehicle—identified within the Region’s Economic Strategy, endorsed by draft Regional Planning Guidance, and highlighted within the Sustainable Communities Plan are:

- Regeneration Zones

In addition

- High Technology Corridors—add another spatial dimension and alongside these two spatial mechanisms, the third regional delivery vehicle
- Business Clusters—aim to modernising and diversify the business base of the region.

I will now set out in a little more detail the priorities for each of the key delivery vehicles:—

REGENERATION ZONES

Six regeneration zones have been designated in the West Midlands covering one third of the region’s population, half the unemployed and two thirds of the regions long term unemployed and will attract around 70% of the agency’s investment, with the focus on ensuring that regeneration resources are targeted to areas of greatest need in the region. Each zone covers a large geographical area, cutting across several administrative boundaries reflecting labour market areas and containing significant development opportunities. They also include or adjoin socially deprived wards as measured by the index of multiple deprivation. Zones are designed to stimulate economic sustainability in the regions most deprived communities and to bring about lasting change in the socio-economic conditions of its area with plans across a ten to fifteen year horizon. They require various stakeholders to come together as partnership to effect delivery and our Board members and senior officers are represented on the Regeneration Zone Boards. Zones are embedded within draft Regional Planning Guidance. Zone Implementation Plans contain detailed proposals to be delivered against the four pillars of the West Midlands Economic Strategy. Thus holistic programmes of activity under this key delivery vehicle are pre-requisites of its existence.

The approach developed through Regeneration Zones was informed by experience of regeneration throughout the 1990’s. Our analysis showed that there was continuing structural economic change affecting the most disadvantaged areas, despite a long history of policy intervention. Amongst these weaknesses were:

- Too many different funding programmes
- Weak linkages between these funding programmes
- Competing and incompatible priorities
- Self imposed isolation through boundary mentality
- Finite and relatively short term resources

These had led to a simplistic rather than holistic regeneration: the need for re-regeneration in many locations and a failure to connect deprived areas to economic opportunities created nearby.

The Regeneration Zone approach therefore:—

- Targets locations incorporating deprived areas and latent opportunities (at a large enough scale to make a difference).
- Improve linkages between need and opportunity by
 - tackling poverty of aspirations
 - creating “bridges to success”
 - Combine and target resources and efforts in these areas
 - Create areas not constrained by administrative boundaries
 - Take a long term approach (10–15 years)

The region’s Six Regeneration Zones are:

The North Staffordshire Zone, The Rural Regeneration Zone (the rural West of the region), The North Black Country and South Staffordshire Zone, The South Black Country and West Birmingham Zone, The East Birmingham and North Solihull Zone and The Coventry and Nuneaton Zone.

HIGH TECHNOLOGY CORRIDORS

These concentrate on the need to modernise the automotive component industry in the West Midlands (in the light of, inter alia, the threatened closure of Rover) and the need to assist businesses to reduce their dependence on traditional sectors and markets. In response, three High Technology Corridors have emerged to attract and develop high tech, high value added businesses in three parts of the region taking advantage of the presence of research institutions, universities, property opportunities, incubator and grow-on space. The Corridors, with no hard boundaries, occupy those areas particularly dependent on the automotive industry. They are:

- Central Technology—Birmingham to Worcester Corridor
- The M54 Corridor between Wolverhampton and Telford and
- The Coventry, Solihull, Warwickshire Corridor.

BUSINESS CLUSTERS

A more integrated, dynamic and robust business base for the region is also at the heart of our approach on clusters—Clusters are “groupings of businesses” research and academic institutions, suppliers and service providers that are linked through a common product or technology. The nature of these complex linkages means that clusters do not necessarily operate only in tightly defined geographical areas.

West Midlands Former Coalfield Communities

The Coalfield Communities in the region are:

NORTH STAFFORDSHIRE

- Silverdale including communities around this former Colliery in Newcastle Under Lyme (Advantage West Midlands has begun work with Staffordshire County Council on reclaiming 6 hectares of land for the construction of an enterprise centre within the colliery site).
- Sideway (Radial Park)—within the wider Stoke on Trent conurbation.
- Chatterley Whitfield—An isolated site incorporating a scheduled ancient monument between Tunstall Stoke on Trent Biddulph (recently brought into the Coalfields programme).
- Victoria Colliery—Biddulph within Staffordshire Moorlands DC, where work is underway with Priority Sites to develop units.

SOUTHERN STAFFORDSHIRE

- The former mining communities of Cannock, Rugeley and Hednesford where Advantage West Midlands is working with English Partnerships on two sites.
 - Towers Business Park—Rugeley
 - Hednesford Brickworks (Keys Business park)—Hednesford.

NORTH WARWICKSHIRE

- Including the former colliery communities at Keresley—(Nuneaton and Bedworth) and more scattered rural communities including Atherstone and Polesworth.

(The Pooley Hall site North Warwickshire is at present on the reserve list of EP sites and is being kept under review)

RURAL WEST

- Activity in rurally isolated Highley and Alveley in Shropshire (which emerged from the inherited Rural Development Programme) and now forms part of the Rural Regeneration Zone, extant SRB Programme and the Market Towns Initiative.

RDA Legacy Programmes

It is important that the investment of the Agency's inherited programmes and how they sought to address the issues of some of the regions coalfield communities and the legacy of the extraction industries is not overlooked.

SRB Programmes

North Staffordshire—Five SRB schemes with a combined value of £109 million (total investment circa £440 million) have been in operation in Stoke on Trent (Rounds 1-6) with an additional £22 million (total investment circa £97 million) in Newcastle and Staffordshire Moorlands and wider North Staffordshire (Rounds 1-6), which have sought to address the difficulties resulting from the decline of traditional extractive and manufacturing industries and or rurally isolated communities).

Burntwood Chase Community Challenge

In Burntwood a Round 3 SRB programme invested £4.45 million (circa £20 million total programme) in Chase Terrace and Chasetown to address social, economic and environmental difficulties caused by its isolated geographical position and loss of mining and manufacturing jobs.

Spreading Market Confidence North—Coventry and Warwickshire—SRB 1 Programme

Within this integrated (£22 million) initiative across Coventry and Warwickshire, Warwickshire County Council and Nuneaton and Bedworth BC, focussed elements of the SRB 1 programme on the former Keresley Community, which culminated in the support of community, learning and skills provision to Keresley Village and supported what is now a “market towns programme” in Atherstone, North Warwickshire.

Cannock and Rugeley

Cannock and Rugeley benefited from significant investment under Rounds 1 and 2 of the Single Regeneration Budget programme. The combined investment into these programmes between 1994–2002 was £27 million/an overall anticipated benefit of £270 million to both areas.

These programmes concentrated on a wide range of community, social, learning and skills, health and economic issues and were also complemented by a wide range of environmental, clearance, infrastructure and site development work in the area (including the Towers and Hednesford brickworks sites currently within the EP/Advantage West Midlands Coalfields programme).

Advantage West Midlands was also instrumental in supporting Cannock under the Objective 2 (2000–06) programme from which a “European Strategic package” emerged. In addition, the emergence of a Southern Staffordshire Sub-Regional Partnership, has helped to define and focus sub-regional targeting of initiatives.

Market Towns Programme

The region's Market Towns programme, launched following the Rural White Paper in 2001 has now extended to a £13 million programme, developed in conjunction with the Countryside Agency. This programme also incorporates some of the more remote rural coalfield communities. For example, the North Warwickshire Market Towns of Atherstone and Polesworth are included in the Round 2 of this programme (launched in 2002) with Biddulph (Staffordshire Moorlands) being included in the third Round of this initiative. The towns will receive around £500,000 of Advantage West Midlands' investment, across a range of economic focussed activities, with partners, to fund town actions plans also focussing their funds to

priorities agreed by locally developed and based partnerships. Advantage West Midlands also supported the North Warwickshire “Leader +” bid led by MAFF/DEFRA in 2000, which unfortunately did not proceed due to population size.

Zone Programmes

All but one of the North Staffordshire Coalfield Communities fall within the North Staffordshire Regeneration Zone. Elements of the North Warwickshire Coalfield Communities are picked up within the Coventry and Nuneaton Regeneration Zone activity. Both these Zones will continue to address some of the pressing issues around coalfield communities which fall within their geographical boundaries. Highley and Alveley, in Bridgnorth, Shropshire, fall within the expansive Rural Regeneration Zone and are also part of the Bridgnorth, Highley and Alveley Market Town initiative as well as an extant SRB 6 programme.

Though Cannock and Rugeley do not fall within the boundaries of the North BlackCountry/Southern Staffordshire Regeneration Zone, they also do not fall within the 88 most deprived districts which would enable them to qualify for Neighbourhood Renewal funding. However, the development of Local Strategic Partnerships in these areas had some firm foundations within the Single Regeneration Budget, holistic programmes which operated there since the mid 1990’s.

In addition, representatives of Cannock Chase Council, were involved with the partnership and development activity of the North Black Country/South Staffordshire Regeneration Zone as the advent of the Birmingham Northern relief route (due to open early next year) will continue to have a significant economic impact not just on the Cannock and Rugeley area, but also within the neighbouring Regeneration Zone.

REGIONAL ECONOMIC STRATEGY UPDATE

Advantage West Midlands is currently leading on the update of the economic strategy, and within this, the Agency is mindful of a range of regional and national policies and strategies which impact on the WMES

In particular the draft WMES highlights Coalfield Communities in two specific areas.

- “Addressing the needs of rural, older industrial and former coalfield communities—where actions must ensure that social conditions do not act as a disincentive to investment.” This draws, *inter alia* upon the Regional Housing Strategy, which identifies the former coalfield communities of Cannock, North Warwickshire and Nuneaton and Bedworth, (alongside remoter rural parts of the region) as providing specific challenges, in terms of the severity of the economic changes and the levels of deprivation/social inclusion, requiring intervention at a regional level.
- In updating the Regional Economic Strategy this year, Advantage West Midlands with partners (including those from former coalfield communities) commissioned a “West Midlands Towns Economic Interventions Study”, to examine those towns across the region which have the potential for further growth or are vulnerable to economic decline. This study which was led by a partnership team including ourselves, sub regional economic partners, local authorities and the Regional Assembly will continue to develop a co-ordinated approach and to use this to catalyse support from local and regional partners. The menu of policy responses needs to build on the idea of towns as the focus for growth and the extent to which mechanisms such as “business improvement districts” may be appropriate. The WMES draft update therefore highlights—the fact that “some of these towns are in former Coalfield areas, and existing Coalfields support programmes also need to be part of the overall approach in the relevant towns.

Out of this latter work, the Agency is considering some additional research to look further at Coalfield Communities, in order that not only Advantage West Midlands addresses issues which relate to our priorities but also that other key players in the Region are able to identify priorities which meet their Agendas, so that a more comprehensive approach can emerge. This will include English Partnerships who now have some “flexibility” within their programmes.

The Agency is mindful that draft RPG, that sets out the principles of Urban Renaissance for the Region, which concentrates on the four major urban areas (MUAs) Birmingham/Solihull, the Black Country, Coventry and North Staffordshire (containing over half of the regions population) and all falling within Regeneration Zones, should also be applied to towns and cities outside major urban areas. Biddulph, Rugeley and Cannock are three of the 12 towns identified. RPG re-asserts that access between these “concentrations of local deprivation and need within these towns and areas of economic opportunity” and that local regeneration programmes “should not prejudice the need to focus resources within the major urban areas”. As RDA transport lead, we are extremely mindful of access issues in relation to the urban renaissance of much of the region and the need to link opportunity and need, which is a fundamental philosophy of our regeneration Zone approach.

In summary therefore, whilst there are some Coalfield Communities within the Region that do not fall directly within our main “delivery mechanisms”, we continue to address issues which impact upon coalfield communities in a co-ordinated and integrated way which have a wider reaching impact.

This includes:

Within Zones—by creating necessary linkages with other programmes, which draw on the good practice from earlier programmes and promote larger scale interventions across administrative boundaries that create significant impact. This often involves mapping what is already available from existing or former programmes, and where the gaps still exist (examples of some projects developing in the North Staffordshire Regeneration Zone are attached as an annex).

Within Market Towns—by supporting strategic responses to the needs and circumstances of Market Towns and their hinterlands by developing targeted “small” scale integrated programmes developed and owned by town partnerships.

Work with other partners—to examine actions which emerge as a result of other national and regional initiatives (for example, Liveability Pilots and Kickstart Private Sector Renewal Initiatives within the Communities Plan which impact on coalfield communities) and in supporting integrated approaches—for example the strategic work of the South Staffordshire Partnership.

Thus the Agency’s mechanisms remain unchanged in the Regional Economic Strategy Update, in not identifying a specific “Coalfields Community” programme—though the needs of coalfields communities are clearly identified in the updated draft Economic Strategy and a range of sub-strategies on which it draws. We will therefore continue to work closely with sub-regional players to develop integrated interventions in areas wherever appropriate.

I am happy to provide more information should this be required.

John Edwards
Chief Executive

APPENDIX 1

NORTH STAFFORDSHIRE REGENERATION ZONE—EMERGING PROJECTS

BeTogether Raises Aspiration In North Staffordshire (BRAINS)

The BRAINS project will address the need to “develop a spirit of enterprise and entrepreneurship” within North Staffordshire (Regeneration Zone Consultation Event May 2001). It will build upon existing but limited practice by establishing Young Enterprise as the lead organisation.

Raising Aspiration and Investing in Skills for Employment (RAISE)

The RAISE Project consists of 4 strands: (1) Employability skills for disaffected 14–16 year olds, (2) Performance incentives for 16–19 year olds, (3) Adult basic skills and (4) An audit of vocational education and training across the zone and the production of a development plan.

Combining these 4 strands of activity together into a single project allows for identified linkages between education, training and employment to be maximised.

Raising Aspirations In Newcastle (RAIN)

RAIN is a multi-faceted programme with the aim of raising aspirations for learning, training and employment, especially in engineering and science, amongst young people and their parents in the Borough of Newcastle.

Workforce Development Phase 1 (Learning Resource Centre)

In Phase 1 it addresses the immediate need for development of the medical and health care sector workforce. It will provide a training facility on the site of the North Staffordshire Hospital Trust to deliver training in medical and health care to post 14 pupils and students to develop their interest, knowledge and aspiration to undertake a structured career in medical and health care.

Memorandum submitted by One NorthEast (COA 54)

You may be aware that the Committee is carrying out an inquiry into the regeneration of the coalfield communities. I enclose the terms of reference. Many of the submissions which we have received have commented on the effectiveness of the RDAs in tackling the needs of the coalfield areas. A number raise concerns that One North East's economic strategy did not set out an effective programme to address the coalfields in the region identifying the need for special funding there.

To help the Committee draw its conclusions from this inquiry, we would like to know how One North East is tackling the particular needs of the coalfield areas. I would be grateful if you would write back by 10 November.

David Clelland MP
Chairman of the Inquiry

24 October 2003

Thank you for your letter of 24 October. We are happy to clarify our position in regard to the regeneration of coalfield communities. The Regional Economic Strategy, in both its original and revised versions, has explicitly recognised the needs of coalfield communities. I have attached as *Annex A* the relevant extracts from the two versions of the Regional Economic Strategy. As you will see, these clearly state the priority needs of the coalfields regions.

Furthermore, through the Policy Implementation Frameworks for the Regional Economic Strategy, the Agency has identified the specific strategic frameworks for regenerating coalfield areas and the delivery partnership which will lead the improvements on the ground (Activity 6.1H). An extract of this document is given as *Annex B*.

In addition, I have attached a document at *Annex C* which outlines in more detail One NorthEast's contribution to the renaissance of former coalfield areas. In particular, you will note from this that the South East Northumberland/North Tyneside Regeneration Initiative (SENNTRi) was developed by One NorthEast and local partners to address significant job losses in the area and has special focus on linking former coalfield communities with new opportunities and employment. The Government Office and One NorthEast have recently agreed that this is a strategic area for the allocation of Objective 2 funding.

Other examples of activity in which we are participating to address the specific needs of coalfields communities include:—

- The Westoe Urban Village, which is being developed on the site of the former Westoe Colliery—this is a major housing project, which also includes the construction of a new school, a community resource centre, retail facilities and workspace which are to be managed by a Community Development Trust. As such, it is exactly the kind of sustainable mixed-used development which Government recommends.
- The Rainton Bridge Business Park—a 37 hectare site, which, when completed, will support over 4,000 jobs in the Sunderland coalfield area. This is being partly delivered using Single Programme resources.

I hope that this helps to answer your queries. Please let me know if you would like any further information.

Mr A Clarke
Chief Executive

Annex A

EXTRACT FROM THE NORTH EAST'S ORIGINAL REGIONAL ECONOMIC STRATEGY, UNLOCKING OUR POTENTIAL

Theme B6.6—Regenerating Coalfield Communities

The regeneration of the coalfield communities throughout Northumberland and Durham are a priority . . . The existing strategy for the coalfield areas provides a framework for physical regeneration, identifying the need to strengthen the main settlements, enhance key transport corridors and improve the quality of the environment. In the rural part of the coalfield, the East Northumberland Regeneration Initiative is guiding investment in social and economic projects.

In County Durham . . . a regeneration framework identifies some key projects. The include: developing sites at Foxcover and Dawdon; servicing the former Seaham and Van Tempest collieries; finalising proposals for the relocation of the Seaham Harbour Dock Company; and constructing a new Dawdon town centre link road and a package of town centre improvements.

EXTRACT FROM THE NORTH EAST'S CURRENT REGIONAL ECONOMIC STRATEGY, REALISING OUR POTENTIAL

Theme 6.1 Renewing Rural and Urban Communities: Coalfield Communities

One third of the Region's most deprived wards are in former coalfield communities . . . The closure of the sole major employer in those communities has had a major impact, in terms of employment, health, housing and the environment. Specific Government initiatives are underway in these areas, including the Coalfield Programme, the Coalfields Regeneration Trust and the Coalfield Enterprise Fund. The Region will build upon the valuable work already carried out in former coalmine areas.

Annex B

EXTRACT FROM POLICY IMPLEMENTATION FRAMEWORKS FOR THE REGIONAL ECONOMIC STRATEGY

6.1.H Addressing the problems of coalfield communities <i>National Coalfields Programme</i> <i>Coalfields Task Force Report</i> <i>LSP Community Strategies</i> <i>Local Neighbourhood Renewal Strategy</i> <i>Regional Tourism Framework</i> <i>Our Countryside: the future</i>	Strategic Lead: LSPs, SRPs Delivery Lead: LSP Designated Partner Delivery Partnership: Coalfields Regeneration Trust, Development Trusts, English Partnerships, Forestry Commission, Greening for Growth, LSPs, NECF, One NorthEast Advisory: Childcare agencies, Coalfields Communities Campaign, North East Sports Board, NRU Neighbourhood Renewal Advisors, U4NE	Create job opportunities on former coalfields—reduction in unemployment levels relative to regional average Increasing square metres of commercial floorspace Creation of new homes Greater private sector investment Greater Linkage on coalfield areas linking Regional, sub-regional and local levels
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Supplementary memorandum by One NorthEast (COA 54(c))

Annex C

ONE NORTHEAST ACTIVITY TO REGENERATE COALFIELD COMMUNITIES

Purpose

This report provides additional information from One NorthEast, on the Select Committee Coalfield Communities Inquiry initiatives to aid regeneration in the coalfield communities. It supplements the joint English Partnerships and Regional Development Agencies' response, to which we fully subscribe, by offering more detail on the position in the North East. The response explains One NorthEast's activity under the four key headings of the inquiry.

Background

The North East of England has a predominantly industrial background and a significant amount of its industry was concentrated in the mining sector. The density of those coalfield sites and the industrial dependence upon them resulted in widespread economic decline following the pit closures of the 1980s and 1990s. The Office of the Deputy Prime Minister has acknowledged the extent of this devastation and in the *Updating Coalfield Areas* research paper, highlights Tyne and Wear, Durham and South East Northumberland as amongst the worst affected areas in the country. The research emphasised the fact that the prosperity of the North East was not only affected by the closure of the mining industry, but that the long-term consequences of coal mining-related illness had left a lasting impact.

Policies to create employment opportunities

The experience of unemployment in coalfield areas is different to that in other parts of the country. In acknowledgement of these specific requirements, One NorthEast has implemented a series of initiatives designed to not only maximise employment opportunities in the coalfield communities but to link those communities with surrounding areas.

In order to meet the targets defined in the English Partnerships and Regional Development Agencies' Joint Response, the following initiatives have been developed:

- The South East Northumberland/North Tyneside Regeneration Initiative (SENNTRi) was, at the invitation of ministers, developed by One NorthEast and local partners to respond to significant job losses in the area. It has also been recognised as a strategic area in relation to the allocation of Objective 2 Priority 3.1 European Funding by Government Office North East. The initiative aims to connect the former coalfield communities in Northumberland to opportunities in North Tyneside and beyond. The SENNTRi Delivery Plan addresses the prominent employment difficulties in the coalfield areas of Northumberland and North Tyneside and outlines a set of targets in which unemployment in the area can be reduced. The Labour Force Survey (2001) stated that total employment in the South East Northumberland/North Tyneside area was 206,000, a total of 75.7% of its eligible workforce. In response to these figures, SENNTRi aims to raise economic activity by 1% and increase total employment to 76.7%. By broadening occupational profiles and increasing the diversity of the region's employment sectors, the unemployed residents of the coalfield communities of South East Northumberland/North Tyneside will be able to gain further access to employment and offer a valuable contribution to the economic activity of the region. This activity is extended into the rural coalfield lying to the north of Ashington by the East Northumberland Regeneration Initiative (ENRGI), which is concerned with the sustainable regeneration of the smaller communities in the rural coalfield.
- Specific coalfield sites have been targeted in the region as potential areas of regeneration and employment opportunity. The Weetslade site in Wideopen, for example, is part of the coalfield reclamation plan for North Tyneside and includes the provision for a country park and future business park. This development will create temporary opportunities for the construction industry as well as more long-term opportunities for new businesses and their employees. These developments will also help to secure major environmental improvements in the area.
- Plans to regenerate old coalfield transport links have been developed. The Ashington, Blyth and Tyne railway has been noted for its potential and reopening the site is being considered. SENNTRi has also identified areas in which better public transport is required and have outlined proposals for an overall increase in travel facilities by 2007.
- The new link road between Washington and Fence Houses, across the Lambton Cokeworks site, provides will provide important access to employment opportunities for the coalfield community.

The reclamation and regeneration of sites

The Agency, in partnership with English Partnerships, manages a range of reclamation projects and is involved in numerous regeneration proposals. There are fourteen North East coalfield sites listed by English Partnerships. While these areas have undergone or will undergo regeneration, there are a number of other sites where reclamation projects have been developed. Lambton Cokeworks, Sunderland and Fenwick Eccles, North Tyneside are both additional sites that have recently been added to the National Coalfields Programme at the request of One NorthEast. Additional regeneration and reclamation plans are as follows:

- One NorthEast have outlined specific targets regarding the reclamation of brownfield land in North East coalfield communities. One NorthEast aims to reclaim 5% of brownfield land in the region while SENNTRi, for example, has submitted plans to increase housing development on brownfield land by 65% by 2007.
- The Vane Tempest and Seaham Colliery, Seaham and the Westoe Colliery, South Shields, are areas in which housing construction is progressing on already reclaimed sites. The Westoe Urban Village proposal also includes the construction of a new school, due to open in September 2004, a community resource centre as well as local shopping facilities and workspace. These are to be developed and managed by a Community Development Trust on behalf of the new community on the site as it develops over the next five years.
- Greening for Growth has been developed by SENNTRi to deliver a range of environmental improvements across the coalfield areas of South East Northumberland. The programme aims to raise tree cover in the area to 9.5% by 2007 and it is hoped that such environmental improvements will attract new investment in the area and improve conditions for local residents.
- The Fenwick Eccles coalfield site in North Tyneside is undergoing proposals for vast environmental improvement. The site comprises of 38 hectares of derelict land and reclamation plans for the area include public open space, regeneration trails and the creation of a country park, as well as the treatment of mineshafts, excavation and the regarding of spoil heaps. Again it is hoped that such development proposals will regenerate the area, making it more accessible to new investment and current residents.
- Rainton Bridge Business Park is subject to an extensive development scheme, The 37 hectares site has been partly serviced, providing 11,148 square metres of floorspace and 315 jobs. A second phase of infrastructure is under construction and a preferred developer is about to be appointed

to develop 54,221 square metres of floorspace and 4,000 jobs within the coalfield area of Sunderland. This will be linked to other training and workforce development initiatives and will be delivered via the Tyne and Wear Partnership with ONE Single Pot.

The reclamation and regeneration of coalfield sites in the North East region is an ongoing process. One NorthEast is involved in numerous reclamation projects, including those at Seaham, Lynemouth, Dawdon and Foxcover collieries, and hopes to contribute to the national aspirations for land reclamation as outlined in the English Partnerships and Regional Development Agencies' Joint Response.

Links with health, welfare, education and other social issues

Following the mid point review of progress of the coalfields programme undertaken by English Partnerships and the Regional Development Agencies, One NorthEast has developed a series of initiatives designed to implement improvements to health, welfare, education and other social issues, as well as maximising the effective integration of the coalfields programme in the region.

The following initiatives illustrate how One NorthEast is attempting to improve the social insufficiencies in the region:

- SENNTRi have acknowledged the number of deprived wards in their area and intend to decrease the number of residents living in those areas by 10%. Plans to improve housing conditions and lifestyle groupings are also intended to narrow the gap in prosperity between individual areas in the region and between the region and the country as a whole.
- One NorthEast, working directly with SENNTRi, have established a set of targets that aim to raise the GCSE and A Level attainment level of its residents, as well as increasing the qualifications of people of working age to at least NVQ Level 3. Ashington's E Learning Foundation, partly funded by the Coalfield Regeneration Trust, has been specifically developed to meet these targets and connect its residents with the means with which to gain further qualifications.
- Various projects have been developed to raise community involvement in the coalfields programme. As outlined in the Joint Response, One NorthEast is encouraging local interaction in regeneration plans. The Monkton Cokeworks site has provided artistic integration with the community by employing an artist to work with local schools and colleges to promote the visual history of the coalfields. A Community Liaison Group has been established in Lambton, Sunderland so that residents can work with local partners and authorities and have a direct influence upon the regeneration of their area. The Westoe Colliery site is also providing a new community primary school as part of its urban village development and will offer places for 600 pupils.

By effectively utilising the resources of English Partnerships with their own proposals, One NorthEast has been able to provide a range of developments that aspire to improve the social conditions of the coalfield communities in the North East.

The roles and responsibilities of the various agencies involved

Working in partnership with English Partnerships, One NorthEast is responsible for implementing the Select Committee's objectives and accepts its role as regeneration agent for the coalfield communities of the North East. As identified in the Joint Response, One NorthEast intends to focus its efforts on local action, including improving economic viability, supporting development and working on a sub-regional framework of action.

In line with these objectives, One NorthEast has developed the following initiatives:

- The Tier 3 output targets have been established in order to provide a set of output measures through which investment in the region can be measured. The core outputs include the number of jobs created and safeguarded, the amount of business attracted to the area, learning opportunities created and the amount of coalfield land reclaimed. One NorthEast intends to use these factors as a measure of investment and a means with which to continually monitor the progress of the coalfield communities.
- The South East Northumberland/North Tyneside Regeneration Initiative (SENNTRi) was developed by One NorthEast and local partners to address significant job losses in the area and has particular focus on linking former coalfield communities with new opportunities and employment.
- One NorthEast has invested £10 million to reclaim the former Wearmouth Colliery under the Sunderland ARC Urban Regeneration Company. This investment was made outside of the National Coalfield Programme and is now the site of the Stadium of Light, Sunderland AFC's football ground. The Sunderland ARC Urban Regeneration Company seek to link physical regeneration to social and economic objectives for the residents of the coalfield communities.

Funding

Funding has been raised from various sources and One NorthEast aims to strategically target these funds into projects that will offer the greatest benefit to the coalfield communities. As defined in the Joint Response, the Agency is committed to maximising the benefit of public funds in the coalfield areas and has investigated ways in which those funds can be effectively channelled into the areas of most need.

Funds will be targeted in coalfield communities through a range of mediums including:

- Public and private investment: SENNTRi has provided figures for anticipated investment and states that a total of £228 million will be invested in the area, including £171 million from private sector leverage. 75% (£171 million) of this investment will be targeted in the worst 20% of wards in the SEN/NT area and will hopefully prove of direct benefit to numerous coalfield communities.
- The Coalfield Regeneration Trust: As stated in the Joint Response, One NorthEast is utilising the funds and expertise of the Coalfield Regeneration Trust in order to aid regeneration in the coalfield areas. Funds have been used to develop various projects including East Durham Community Transport (which received a £3,000 investment) and Ashington's E Learning Foundation (which received a £30,000 investment).
- SENNTRI Strategic Area in relation to the allocation of Objective 2 Priority 3.1 European Funding.

CONCLUSION

As acknowledged in the Joint Response from English Partnerships and the Regional Development Agencies, the success of the National Coalfields Programme is a direct result of the effective combination of resources.

One NorthEast aims to fulfil its obligations to the Select Committee and the coalfield communities by developing a range of projects that aspire to regenerate the coalfield areas and create a sustainable environment for their residents.

By targeting insufficiencies in employment, transport, education and property, One NorthEast has achieved significant regeneration of the former coalfield areas of the North East.

**Memorandum by David Miliband MP, Minister of State for School Standards,
Department for Education and Skills (COA 55)**

As you may be aware, the Select Committee's Urban Affairs Sub-committee is carrying out an inquiry into the regeneration of the Coalfield Communities. I attach the terms of reference for the inquiry. A number of questions have arisen concerning the provision of education and skills within the coalfield areas in the submissions which we have received. I would be grateful if you could provide answers to the following questions to assist with the inquiry.

1. Overall, educational attainment seems to be improving in the UK. However, the gap between the coalfield areas and others does not seem to be narrowing. What specific initiatives and policies is the DES developing to help narrow the gap between the coalfields and other areas?
2. Most of your initiatives seem to support large facilities in major urban centres. How are you helping to improve educational attainment in smaller, rural coalfield areas?
3. The DES requires a £50,000 financial contribution from local areas before a Specialist school can be set up. Many deprived coalfield areas cannot afford this. Is the DES considering relaxing these requirements in areas in greatest need?
4. Programmes run by The Learning & Skills Councils concentrate on the provision of education to the 16–24 year olds. In the coalfield areas, the problem is as much with older adults. Will the DES give the LSCs a specific remit to tackle the skill needs of older adults? I would be grateful for your responses by 10 November so that they can be reflected fully in the inquiry. The Sub-Committee may decide to invite you to give evidence to the inquiry.

David Clelland MP
Chairman of the Urban Affairs Sub-committee

24 October 2003

DfES Response to David Clelland MP letter—ODPM Select Committee

Q1: *Overall, educational attainment seems to be improving in the UK. However, the gap between the coalfield areas and others does not seem to be narrowing. What specific initiatives and policies is the DfES developing to help narrow the gap between the coalfields and other areas?*

The Department's major policies and initiatives are for everyone, no matter what their circumstances or where they live. However, it is recognised that some people and communities such as coalfields, need more help or different help, because of their circumstances. The Department has a range of targeted programmes and initiatives tailored to help for example, schools that are struggling, or communities facing deprivation, and, in addition, we try to build flexibility into the operation of these initiatives, so that they can be adapted to the particular needs of specific groups.

INITIATIVES

Early Years—Sure Start, Neighbourhood Nurseries and Children's Centres which integrate local services for children and parents many of which are targeted at coalfield and other disadvantaged areas.

Primary Education—Investment has focussed on raising standards in English and mathematics. There have been dramatic improvements in pupils' achievement at age 11 over the last five years. Schools in the most disadvantaged areas including coalfield areas, have seen the greatest improvement in performance. Rotherham, Derbyshire, Doncaster, Warwickshire and Nottinghamshire, for instance, have seen increases above the national average in both English and mathematics since 1998. The highest increase in mathematics, 19%, was in Rotherham. In English the highest increase was 14% in both Rotherham and Nottinghamshire.

Primary Leadership programme, targeted at under-performing schools helps primary schools develop leadership techniques for improving teaching and learning across the school.

In 2004–05, we will implement a programme of Intensified Support for low attaining primary schools which will operate in areas including Rotherham, Barnsley, Sheffield, Derbyshire and Nottinghamshire.

Secondary education—Within the "Key Stage 3 Strategy" there are tailored support programmes to help pupils below the expected level when they begin secondary school can attain the expected level at age 14. We are also providing additional support to LEAs who face the most challenges in raising standards at Key Stage 3.

The results for the 2003 Key Stage 3 tests show gains in all subjects from 2002. 68% of 14-year-olds are now achieving the expected level for their age in English and science, and 70% in mathematics. There have also been significant improvements in pupils achieving above the expected level in maths and science.

Results from coalfield areas also show that Durham, Derbyshire, Lancashire, Northumberland and Staffordshire have all made improvements on last year's results in 2003 in line with, or above, the national trend.

At key stage 4, in 2002, 51.5% of 15 year-olds achieved 5+ A*–C at GCSE which is a 2.3% increase over the last three years. The figures also showed that attainment is improving in Coalfields areas—GCSE grades A*–C in Coalfields areas had risen by 5.1% over the last three years and now stands at 41.5%.

This year coalfield areas have received over £55 million from three major schools initiatives—Excellence in Cities (12 of in coalfield areas), Excellence Clusters (three in coalfield areas) and Education Action Zones (17 of which cover coalfield communities). All three initiatives encourage schools to collaborate on raising standards and expectations in disadvantaged communities.

The new Leadership Incentive Grant (LIG) and Targeted Incentive Grant (TIG) provides additional funding and support designed to transform the quality of school leadership and raise standards in schools facing the most challenging circumstances.

In coalfield areas there are eight 14–19 Pathfinders (North Nottinghamshire, Derbyshire, Doncaster, Durham, Gateshead, Sheffield, Wakefield and Warwickshire). DfES and the Learning and Skills Council (LSC) are together investing £46 million over three years to 2004–05 to enable young people to benefit from greater flexibility and choice of programmes.

Connexions provides wide ranging support for young people aged 13–19 (except those in higher education) when and where they need it. Funding for additional Personal Advisers has been made available in many of the Coalfield areas.

Further education—Research shows that financial constraints can be amongst the most important issues for young people seeking to access and achieve in further education (FE). We have put in place a range of entitlements, discretionary support and incentives by way of the Education Maintenance Allowances, Learner Support Funds, fee remission and the Connexions Card which provide a range of general and targeted funding to meet costs and provide an incentive to learn. The Learner Support Funds provide specific funding for both transport and childcare. Whilst these measures are universal, their discretionary nature allows local learning institutions to provide targeted help and support where it is needed.

Q2: Most of your initiatives seem to support large facilities in major urban centres. How are you helping to improve educational attainment in smaller, rural coalfield areas?

This Department recognises the importance of empowering communities such as former coalfield areas, supporting them in bringing about the changes that are needed, in a way that suits each community. With this in mind we have forged effective working relations with key coalfields organisations such as the Coalfields Communities Campaign (CCC) and the Coalfields Regeneration Trust (CRT), working closely with them to identify priorities for the future.

We are also aware that there can be smaller pockets of deprivation, particularly in areas which are predominantly rural, amongst more general comparative affluence. Some smaller former coalfields communities will fall into this category.

The Education Formula Spending system includes full provision for sparsity—that is, the extra costs faced by very rural areas. At individual LEAs level the rules for school funding formulae give LEAs wide discretion as to ways in which to meet the higher costs of small rural schools. We are fully committed to ensuring that the funding system remains responsive to the needs of rural schools.

The Small Schools Fund helps small schools improve their administrative support. This is worth a total of £80 million per year. The funding is particularly intended to support collaborative projects, such as shared bursars or pooled administrative staff. Benefits include:

- more time for the head teacher to spend on their own priorities;
- more opportunity for teachers to train, plan and prepare;
- more access to specialist staff through sharing;
- better relations with the local community; and
- broadening pupils experiences and opportunities.

To tackle under performance we are implementing special measures in Schools Facing Challenging Circumstances. Several LEAs have been approached with a view to establishing the first School Performance Collaborative. Each collaborative will comprise secondary schools with poor contextual value added, and a smaller number with high contextual value added. None of the schools will be benefiting from the Leadership Incentive Grant. The aim is to improve outcomes in the schools which are significantly underachieving at Key Stage 3 and Key Stage 4.

Wakefield and Durham LEAs have agreed a total of 11 schools to participate in this two year project and schools are currently responding to their invitations. Each school will receive additional funding of £20,000 a year to cover the costs of participating in this first cross-LEA School Performance Collaborative.

Extended schools will be particularly important for rural areas and areas of disadvantage. It gives them a unique opportunity to offer a one stop shop for children and families—in and out of school and in some locations, particularly rural areas, the school may be the only place that can provide the local community with certain facilities. DfES are working closely with colleagues in other government departments, including the Department for Environment, Food and Rural Affairs, in developing extended schools.

Mini-Sure Start initiatives aim to serve smaller pockets of deprivation, particularly in areas which are predominantly rural. In Coalfield areas these for example serve around 120–170 children programmes in Greenhill and Woodthorpe in NW Leicestershire, Newbiggin in Wansbeck and Biddulph East in Staffordshire.

Q3: The DfES requires a £50,000 financial contribution from local areas before a Specialist school can be set up. Many deprived coalfield areas cannot afford this. Is the DfES considering relaxing these requirements in areas of greatest need?

There are currently 98 schools from coalfield communities in the Specialist Schools Programme (1,447 nationally). The DfES is not considering relaxing the requirement to raise sponsorship from the private sector as it is a key aspect of the Specialist Schools Programme. The main rationale behind it is the need for specialist schools to build partnerships with sponsors and the local community. As a task, raising sponsorship links into the enterprising ethos that is integral to the programme as a whole and it serves as a forum for the school's public presentation of its plans for specialist designation.

The Government has already reduced the sponsorship requirement for small schools (with under 500 pupils on roll). It also grant-aids the Specialist Schools Trust which advises schools on raising sponsorship and is often able to help with money donated through the Trust.

However we acknowledge that a number of schools are having serious difficulties raising the required sponsorship, often due to their location, and this is a genuine concern. Therefore in 2002 the Department introduced a new Partnership Fund administered by the Specialist Schools Trust in accordance with DfES guidelines. In 2003–04, the fund is made up of £1 million of private sector funding and £2 million Government funding.

The Partnership Fund is designed to help schools which can demonstrate that, in spite of their determined efforts over time, they have not been able to raise the sponsorship necessary to apply for specialist school status.

Any school eligible to apply to the programme is eligible to apply to the Partnership Fund if it can demonstrate it:

- has been trying to raise sponsorship for at least a year;
- has undertaken fundraising activities, for example through the PTA;
- has made significant efforts to raise awareness about its specialist school plans;
- does not have any undeclared monies from its own funds which could be used for the purpose of sponsorship; and
- it has established links with local business and community groups even if this has not resulted in offers of sponsorship which could be used for the purpose of a specialist school application.

Q4: Programmes run by The Learning and Skills Councils concentrate on the provision of education to the 16–24 year olds. In the coalfield areas, the problem is as much with older adults. Will the DfES give the LSCs a specific remit to tackle the skill needs of older adults?

The LSC is responsible for planning and funding adult learning provision in all local areas, including in coalfield areas, and is undertaking some excellent work with local partners, including Jobcentre Plus, employers and local community groups, to help reskill adults in disadvantaged areas. Relevant local LSCs are also using discretionary funding to support adults in coalfield areas, for example to ease the impact of the closure of the Selby coalfield.

It should be recognised that the DfES requires the LSC to prioritise learning assistance to adults to ensure that public funds are invested where they will make the most difference. Under the Skills Strategy White Paper (21st Century Skills: Realising Our Potential), The LSC will:

- be giving particular priority to those unskilled and semi-skilled adults who are not yet qualified to level 2 by providing an entitlement to free tuition to get a good skills foundation for improved employability;
- be implementing a new adult learning grant, dependent on successful piloting, to help others to develop the new skills needed for alternative employment; and
- expand level three training opportunities for apprenticeships, technicians, higher craft and trades, and associate professionals, to meet skills gaps identified by sectors and regions.

The LSC will continue to work closely with Jobcentre Plus, Regional Development Agencies, and with the new Sector Skills Councils as they come on stream, to ensure proper coherence between labour market needs and the learning provision being made available.

Memorandum by Jacqui Smith MP, Minister of State for Industry and the Regions, Department of Trade & Industry (COA 56)

As you may be aware, the Select Committee's Urban Affairs Sub-committee is carrying out an inquiry into the regeneration of the Coalfield Communities. I attach the terms of reference for the inquiry. A number of questions have arisen concerning the support for businesses and the economy within the coalfield areas in the submissions which we have received. I would be grateful if you could provide answers to the following questions to assist with the inquiry.

1. How is the DTI co-ordinating its work with other Government departments in terms of promoting a coherent response to the coalfield closures? Would the DTI support the setting up of a working group which seeks to co-ordinate different department's initiatives?

2. The EU's structural funds are subject to review in 2006. Will the DTI ensure that those areas currently with Objective One or Two funds do not suffer an abrupt withdrawal of funding in 2006 and that at the very least there will be transitional funding if that eligibility is lost? If the UK Government takes over the management of regional funds, what criteria does it plan to use, to distribute them?

3. The Assisted Areas are also subject to review in 2006. Does the DTI expect that similar levels of support will be available to tier one and two coalfield areas after that date?

I would be grateful for your responses by 10 November so that they can be reflected fully in the inquiry. The Sub-Committee may decide to invite you to give evidence to the inquiry.

David Clelland MP
Chairman of the Urban Affairs Sub-committee

24 October 2003

Select Committee's Urban Affairs Sub-Committee on Coalfield Communities

Thank you for the opportunity to provide a response to the sub-committee on business support for coalfields. The numbering below refers to the questions raised in your letter of 24 October:

Question 1

ODPM take the lead in coal policy and regeneration. Although DTI has a Coal directorate which deals with ongoing issues in the industry, it does not generally deal with closures. Exceptionally, DTI did co-ordinate a response to the Haskins report on Selby coalfield closures produced in Autumn 2002 for Patricia Hewitt. However the response to that report, produced in February 2003, made it clear that responsibility for co-ordinating this work rests with the appropriate RDA (in that case Yorkshire Forward), working with local agencies and OGDs as needed.

RDAs are ideally placed to be able to work with industry, including coalfields, where closures are generally planned well in advance, to tackle the problems arising from closures, working with partners including Government Offices and departments centrally as necessary. If the sub-committee recommends the setting up of a working group, I would be content for my officials to participate.

Questions 2 and 3

The UK Government remains committed to a strong regional policy aimed at delivering prosperity for all and we believe that our proposed EU Framework for Devolved Regional Policy offers the best deal for the UK. Under this proposal, richer EU Member States such as the UK would fund their own regional programmes within that EU Framework.

If the Framework were agreed, the Government would guarantee that, by increasing its spending on regional policy, nations and regions would receive a level of resources which ensured they did not lose out from the UK's proposals on Structural Funds reform, for example from the transitional funding they would automatically have received from the application of the eligibility criteria to EU 25 instead of EU15. We would commit to ensuring that nations and regions have sufficient resources to continue to be able to promote regional productivity and employment from increased domestic spending on regional policy, targeted on those areas of high unemployment and low GDP.

We are currently working to flesh out the details of our proposal and how we see it operating. This will be the subject of a more detailed statement on the future of the Funds, following the Secretary of State for Trade and Industry's September statement on this issue, which we aim to issue at the end of November.

It is not yet certain that Assisted Areas maps will continue to be used to determine levels of support, although it seems likely that maps will survive in some form. The UK will wish to secure the best deal for those areas of most significant deprivation. However, there is a long way to go in terms of negotiating the package of measures available to the UK post 2006 and we cannot say yet how this will affect coalfields specifically.

I hope that this information is helpful to the inquiry.

Jacqui Smith

15 November 2003

Memorandum by Tony McNulty MP, Parliamentary Under Secretary of State, Department for Transport (COA 57)

As you may be aware, the Select Committee's Urban Affairs Sub-committee is carrying out an inquiry into the regeneration of the Coalfield Communities. I attach the terms of reference for the inquiry. A number of questions have arisen concerning the provision of transport within the coalfield areas in the submissions which we have received. I would be grateful if you could provide answers to the following questions to assist with the inquiry.

1. How is the DfT coordinating its work with other Government departments in terms of promoting a coherent response to regenerating the coalfields? Would the DfT support the setting up of a working group which seeks to coordinate different Department's initiatives?

2. Is the DfT considering amending its funding priorities also to give greater priority to the regeneration needs of deprived areas and to reflect the dispersed nature of the coalfields areas rather than concentrating on provision within large urban areas?

3. The Coalfield Communities Campaign put forward a list of transport schemes in February 2002 which are required to promote the regeneration of coalfields. Which of these schemes are going forward in what timescale?

I would be grateful for your responses by 10 November so that they can be reflected fully in the inquiry. The Sub-Committee may decide to invite you to give evidence to the inquiry.

David Clelland MP

Chairman of the Urban Affairs Sub-committee

24 October 2003

Thank you for your letter of 24 October, regarding the Urban Affairs Sub-committee's enquiry into the regeneration of the Coalfield Communities. I am sorry for the delay in responding.

As you know, the Government's action programme for the coalfield communities was launched in 1998 by the DETR, in response to the Coalfields Task Force (CTF) Report. Since the machinery of Government changes in 2002, ODPM has taken the lead in delivering this programme, working closely with DfT on issues with transport implications. Officials in ODPM hold meetings with Government Departments, including DfT, as and when they are required. They also hold occasional coalfield conferences to pull together the various strands of the programme. The last of these was held last year in Ricall, and Stephen Byers, then Secretary of State for Transport, gave the keynote speech. I believe the current arrangements for co-ordinating work on coalfields communities are working well, and do not currently see a need for setting up a working group.

On funding, it is, in the first instance, for local authorities to determine priorities for their areas in submitting bids for funding as part of the local transport plan process. The Government has accepted for financial support a number of coalfield related schemes included in local transport plans. A good example of this is phase two and three of a coalfield link road in Barnsley that opened to traffic in October. This scheme will give better access from the North to development and regeneration areas in and around the former Grimethorpe and Houghton Main collieries.

The SRA's system for appraising transport schemes applies the same principles as NATA (New Approach to Appraisal), which is used by this Department. The appraisal process brings together all the impacts of a transport project within a concise framework based on how it contributes positively to an appreciation of the Government's five overarching objectives of the economy, environment, safety, accessibility and integration, thus enabling decisions to be based on all the impacts. NATA includes the assessment of regeneration impacts as part of the assessment of the economic impacts of a scheme.

In April this year the SRA published its updated guide to the appraisal and support for passenger and freight services. This sets out its approach to appraising proposals for publicly supported rail services and the criteria it would apply in setting priorities and allocating funds. Amongst other issues it addresses how it would consider the wider economic impacts of a scheme and especially where it is expected that the potential scheme would have a clear impact on regeneration areas. This was reinforced in July, when this Department also published new guidance on the assessment of the impact of transport projects on economic regeneration. I would expect the SRA to use this new guidance in its appraisal of future proposals for publicly funded rail services.

I have provided an update on the road and rail schemes you enquired about at Annex A and B respectively. It should also be noted that implementation of all schemes is subject to completion of the necessary statutory procedures.

T McNulty

Annex A

COALFIELD REGENERATION ROADS: PRIORITIES IDENTIFIED BY THE COALFIELDS COMMUNITIES CAMPAIGN

A617, N Nottinghamshire/N Derbyshire; upgrading to provide access to the M1 from former coalfield areas. No bid for LTP funding has been received for this scheme. It does not appear as a regional priority in Regional Planning Guidance.

A1-SE Northumberland link road. This road scheme comprises three sections as follows:

Pegswood Bypass—This scheme has been given Provisional Acceptance and subject to completion of statutory procedures construction could commence in 2005.

Morpeth Northern Bypass—a proposal for this bid was submitted together with the Pegswood Bypass as part of the LTP process. The scheme was rejected on grounds of prematurity (the development site to which it was proposed to provide access was not in an adopted Local Plan). This issue has now been resolved and it is understood the local authority may submit a LTP bid in the next few years.

A1–A192 Link Road—a submission on this scheme is currently being considered by Ministers for this Year's LTP settlement.

M18 Junction 1A, near Conisborough. No bid for LTP funding has been received for this scheme. It does not appear as a regional priority in Regional Planning Guidance

West Cumbria Strategic routes (A66, A595). A number of schemes have been taken forward on the A66 and A595 as follows:

A66 Stainburn and Great Clifton Bypass—this scheme provides a single carriageway bypass for the villages of Stainburn and Great Clifton and was opened to traffic in December 2002.

A66 Temple Sowerby Bypass and Improvements—this scheme, added to the Governments Targeted Programme of Improvements in April 2002, will provide 4.9 kilometres of new dual carriageway to the south of Temple Sowerby.

A595 Parton to Lillyhall Improvement—this scheme was included in the Government's Targeted Programme of Improvements in March 2001. The proposed scheme involves the re-routing of the A595 Trunk Road between Parton and Lillyhall, to the north of Whitehaven in West Cumbria. We also understand that the local authority is also considering other transport schemes on the A595.

A19–A1(M) Durham Co/Sunderland. The Durham/Sunderland Coalfield Regeneration

Route comprises four sections as follows:

Dawdon–Seham Link Road—this received LTP funding and was completed in 2002.

East Durham Link Road—this was subject to a LTP bid in 2001 but was rejected on the grounds of a poor transport case. We understand that local authority is currently investigating cheaper alternatives.

Hetton Bypass—no bid has been received for the scheme.

Sunderland Central Route—this scheme has Provisional Approval. Subject to statutory procedures, construction is proposed for June 2005 to June 2006.

Chesterfield–Staveley regeneration route, Derbyshire. No bid for LTP funding has been received for this scheme. It does not appear as a regional priority in Regional Planning Guidance.

A5225, Wigan. We understand that the local authority is considering a possible future bid for this scheme.

Waverley Road Scheme, Rotherham. We understand that the local authority is considering a possible future bid for this scheme.

A 4136, Forest of Dean A number of small scale measures on this route have been included in Gloucestershire LTP and have been funded through the Government's integrated block allocation. We understand that Gloucestershire are considering further improvement options.

Annex B

COALFIELD REGENERATION RAIL SCHEMES: PRIORITIES IDENTIFIED BY THE COALFIELDS COMMUNITIES CAMPAIGN

The Leamside Line: The SRA's East Coast Main Line Strategy currently under development is focusing on short to medium term priorities. The strategy needs to take account of the current resource constraints faced by the rail industry and therefore any available investment funds will be focused on delivering performance improvements and relieving capacity bottlenecks, both of which are key short term priorities for the railway. For these two reasons re-opening the Leamside line is not expected to form part of the strategy as it cannot be delivered in the short term and is unlikely to be affordable within current funds.

The National Forest Line, East/West Midlands: I understand that this is the line between Leicester and Burton and is often referred to as the Ivanhoe Line. Stage 1 of this project was completed in 1994 and provides a Loughborough to Leicester local service along the Midland Mainline. Services on stage 1 have operated at a loss (around £300k per annum) since they began, and have been underwritten by Leicestershire Country Council. Both the MI and the West to East Midlands multi-modal studies examined the case for this line but neither could make a business case for it. The West to East Midlands study, which reported at the end of August, recommended as an alternative the introduction of a new bus service. The West to East Midlands study report is currently being assessed by the Regional Planning Assemblies who will comment on its recommendations to the Secretary of State shortly.

The Robin Hood Line: The SRA has recently completed the evaluation of a number of schemes in the South Nottinghamshire area, including some in the former coalfields. The SRA's conclusion was that, should further funding become available to it, there may be merit in exploring the business cases for a new station at Ilkeston and the extension of the Robin Hood Line to Bingham. However, any further consideration of an extension to Bingham must first await the findings of the A52 multi-modal study.

Durham Coast Railway: Until the Summer 2003 timetable the SRA provided support via its RPP scheme for service enhancements on the Durham coast line. However, the SRA can no longer justify supporting the services because the business case does not meet with the Authority's appraisal criteria. There is a further proposal for a scheme to provide new stations at Ryhope, Easing Colliery, Hart and Old Billingham. However, the SRA is currently unable to give further consideration to this due to the moratorium on RPP.

Ashington–Blythe–Tyne: A bid was made to the SRA for RPP support for this scheme. However, the SRA is unable to give the scheme further consideration due to the moratorium on RPP.

Memorandum by the Community Fund and the New Opportunities Fund (COA 58)

Note:—This memorandum explains the work of the Community Fund and the New Opportunities Fund in coalfield areas. The two Funds have started the process of administrative merger ahead of the creation of a new lottery distributor.

INTRODUCTION

1. The coalfields in the UK stretch from Scotland through the North East, the North West, Yorkshire, Nottinghamshire, the Midlands, South Wales and Kent. They have a total population of about five million people. Of those about 3.5 million live in the English coalfields.

2. Though the industry has shrunk drastically in recent decades, it has left its mark on landscapes and communities. The decline of coalmining has left a social and economic gap in many communities. The lottery investment through the Community Fund and the New Opportunities Fund, when linked with other initiatives, makes a significant contribution to broader social and economic objectives. It can transform communities, regenerate neighbourhoods, and help draw investment into local, regional and national economies.

BACKGROUND—THE COMMUNITY FUND

3. The Community Fund distributes money from the National Lottery to projects across the United Kingdom to help meet the needs of those at greatest disadvantage in society and also to improve the quality of life in the community. The Community Fund receives 16.67%—or 4.7p from every lottery ticket. To date, the Community Fund has distributed £2.6 billion to 56,000 charities and community groups across the United Kingdom.

4. Under the National Lottery etc Act 1993 the Community Fund can only make grants to charitable, benevolent or philanthropic organisations. This means that even if the project is charitable, it will not be eligible for a grant unless the organisation applying for it is established for charitable, benevolent or philanthropic purposes.

5. The Community Fund gives grants mainly to help the needs of those at greatest disadvantage in society and also to improve the quality of life in the community. The Community Fund is a non-departmental public body and therefore operates under policy directions issued by its sponsor department, the Department of Culture, Media and Sport. The policy directions set out the principles with which the Community Fund must comply.

6. Amongst other considerations, under these directions Community Fund must have regard to the interests of the UK as a whole, the interests of the different parts of the UK, and the relative population size of, and appropriate socio-economic factors applicable to, the different parts of the UK.

7. To achieve this the Community Fund allocates its budget for grant making between the UK countries and the nine regions within England on the basis of population weighted by socio-economic factors that take account of need in the different countries and regions. Its grant-making is decentralised and operates through Country Committees in Scotland, Wales and Northern Ireland and Regional Committees in the nine England regions. There is also a Strategic Grants Committee to decide on grants which benefit England and the UK as a whole (or a large part thereof) as well as specialist International and Research Grants Programmes.

8. The Community Fund Strategic Plan 2002–07 was laid in Parliament in April 2002. It has three key elements:

- Targeting our grants:
 - Community Fund intends to allocate a significant proportion of our resources to projects targeting specified beneficiary groups and to identified geographical areas.
- Funding to achieve long term change:
 - Community Fund will put greater emphasis on outcomes. This means that organisations and groups that are funded will have to demonstrate that they will make both a short term and long term difference to the lives of people they seek to help.

- Working more closely with others:
 - Community Fund will work more closely with other agencies including other funders in order to use the available funds more effectively.”

9. The Strategic Plan also identifies six beneficiary groups in the population where particular needs have been identified corporately as well as locally in the four countries and nine English regions. These priorities are (in no order of importance):

- children and young people;
- older people and their carers;
- disabled people and their carers;
- black and minority ethnic communities;
- refugees and asylum seekers; and
- people living in communities (whether urban or rural) disadvantaged by economic and social change.

10. Applications from organisations in coalfield areas are likely to be able to submit applications meeting more than one of these priority groups, but the last of those listed is likely to be of significance to them. The Community Fund also makes grants outside these priorities where projects may meet clearly defined needs and outcomes. About 20% of funding is allocated outside priorities (although the amount will vary from one part of the UK to another).

BACKGROUND—THE NEW OPPORTUNITIES FUND

11. The New Opportunities Fund was established as a lottery distributor by the National Lottery Act 1998, to make grants to education, health and environment projects under initiatives specified by the Government. It is the largest of the lottery distributors and has received policy directions to deliver programmes worth almost £3.5 billion since its launch in 1998. It has already committed over £2 billion of this money to communities.

12. The Fund receives 33.3% of all lottery good causes money, or just over 9p for every lottery ticket sold.

13. In establishing the New Opportunities Fund, the government aimed to make the lottery more accessible and more responsive to people’s needs. The Fund’s focus on health, education and the environment reflects those areas which the public expressed an interest in funding. But it also seeks to address the problems of geographical disparities in lottery funding, by making a difference to the way in which funding is delivered.

14. The Fund’s core values are reflected across all of its programmes. It is committed to working strategically and working in partnership. This means that funding can complement and enhance other funding available and that programmes strengthen local, regional and national strategies. The Fund also puts a high value on partnership working with other agencies at a local, regional and national level.

15. The New Opportunities Fund’s powers afford it the opportunity to allocate funding to those areas that have historically done less well from lottery funding. This has meant that coalfield areas, along with other disadvantaged areas, have sometimes been specifically targeted, or benefited from funding weighted towards areas of disadvantage.

16. Five years into its funding, some of our the New Opportunities Fund’s achievements include:

- nearly half a million new childcare places and out-of-school-hours learning activities in 13,000 schools;
- a national network of 350 healthy living centres;
- over 485,000 teachers trained in using ICT in classrooms across the country; and
- new equipment to detect cancer in hundreds of hospitals.

COMMUNITY FUND GRANT PROGRAMMES

17. The Community Fund runs a number of grant programmes at any one time. All are “open” in that there are no closing dates and organisations can apply when they are ready to. The programmes are:

- Large Grants (over £60,000).
- Medium Grants (up to £60,000).
- Strategic Grants (for England/UK-wide projects).
- Research Grants.
- International Grants.

18. The Community Fund is also part of Awards For All, the grant-making programme which involves all the lottery distribution bodies in making grants of up to £5,000 generally to smaller charities and voluntary organisations.

COMMUNITY FUND INITIATIVES IN COALFIELD AREAS

19. In coalfield areas, over £270 million has been awarded to 2,500 projects since 1995 (a summary of award numbers is attached as Table 1). Some examples of projects which have been funded are set out in Annex 1. The Community Fund has also pursued a number of specific initiatives which have benefited coalfield areas.

BRASS FOR BARNSELEY

19. Brass for Barnsley (BfB) was the working name for the first fully targeted area initiative carried out by the Community Fund in Barnsley. The initiative was launched in April 1999, and achieved its key target of distributing £3.4 million to voluntary and community organisations in Barnsley in one year, a target that had been set for attainment over three years.

20. Part of the thinking that informed the development of the BfB initiative was the Community Fund's recognition that while Barnsley was an area experiencing considerable economic and social deprivation, it was also failing to secure an appropriate share of Community Fund resources. In April 1999 Barnsley was ranked 12 out of 21 authorities for funding per head of population by the Community Fund's Yorkshire & Humber Region, with a per capita spend of £12.56. In March 2000, the end of the initiative, Barnsley had risen to 8 in the region's funding index with a per capita spend of £21.54.

21. Key activities undertaken by the Community Fund during this period included:

- Partnership working with a range of agencies.
- Outreach work including surgeries and briefing sessions in the centre of Barnsley and outlying communities.
- Encouraging existing grant holders to share their experiences with potential applicants.
- Supporting the development of voluntary sector infrastructure in Barnsley.

22. Fifteen grants in the Large Grants Programme were awarded during the 12 months of the BfB initiative, compared with six in the previous 12 months. This compared favourably with near neighbours Doncaster (six awards) and Rotherham (seven awards). In Barnsley, 56% of applications were successful, a much higher rate than for both Rotherham (33%), and Doncaster (38%) during the same period.

LESSONS LEARNT FROM BfB

23. The Community Fund has taken the lessons learnt from BfB and adapted them to enable the organisation to identify and work with particular communities in local authority areas which have not accessed CF funding as much as they would have been expected to. In particular, learning from BfB resulted in the launch of the fair share programme in April 2002. (see paragraphs 24 to 34 below)

NEW OPPORTUNITIES FUND INITIATIVES IN COALFIELD AREAS

24. In total through its many funding programmes, NOF has distributed £382,125,878 to coalfield areas since 1998 (see table 2).

25. Several of the New Opportunities Fund's programmes operate through an allocation process, which ensures that funding gets to those areas most in need and communities are given the support they need to put together applications. Coalfield areas have particularly benefited from this method of distributing funding.

26. For example, by December 2002, we had made grants of £3,807,143 to projects within the Easington local authority area. This amounted to an average of £42.16 per head of population. The average amount of funding from the New Opportunities Fund per head of population is £26.32.

27. The Fund's PE & Sport Programme allocates funding based on levels of disadvantage as well as levels of population, ensuring that coalfield areas receive their fair share of lottery funding.

28. The PE & Sport Programme is NOF's largest ever programme, offering a £750 million investment in sports facilities in schools, which are also open to the community. In England, funding has been allocated to all local authority areas, of which half is based on population and half based on need. For example the allocation to Barnsley LEA is £3,993,000, which is significantly more than they would have received had the allocation been based solely on population. The local authority has been given a guaranteed level of funding, and has been able to spend time consulting with schools and the local community on what facilities were needed, and where they were needed most.

FAIR SHARE

29. This is a joint scheme designed by the Community Fund and the New Opportunities Fund to make lottery funding more readily available to disadvantaged communities in 77 local authority areas across the UK that are high up in the deprivation indices and have received less than average lottery funding from all the lottery distributors. Fair Share is investing £180 million over three years in local neighbourhoods through a mix of new schemes and tried and tested programmes.

The initiative consists of three strands:

- New Opportunities Fund fair share trust—a £50 million expendable endowment fund being delivered by Community Foundation Network on behalf of the New Opportunities Fund (10 year programme).
- Fair share: transforming your space—£38.75 million for locally-identified “liveability” projects to improve local environment and amenities in fair share areas in England (three year NOF programme).
- Community Fund—£92 million from the Community Fund delivered through its current grants programmes and targeted at designated fair share areas.

Annex 2 sets out the fair share areas and which programmes are operating in each.

METHODOLOGY

30. The methodology used to identify Fair Share areas combines data on disadvantage (using the IMD 2000) and lottery funding (from all distributors) to identify local authority districts that have received less than their fair share of lottery money. Using the IMD 2000 it was possible to identify those local authority districts which contained the 10% most deprived wards in England. A similar method was applied in Scotland and Wales (although a slightly different approach is used in Northern Ireland to reflect local conditions).

31. The Community Fund prioritised the 37 areas below the Community Fund median (26 in England, five in Wales and six in Scotland), while the New Opportunities Fund has prioritised the areas that fall below the median for all other distributors. A few of these areas overlap.

32. Eleven coalfield areas are included in Fair Share. The reason not every coalfield area is included in Fair Share is that they were already receiving above both medians for awards (ie the Community Fund alone or the other distributors together). Those included are: Doncaster, St Helens, Rotherham, Wigan, Bolsover, Ashfield, Wakefield and Kirklees, where the Community Fund has prioritised work. The others are Blyth Valley, Wansbeck and Barnsley, where NOF leads.

33. Barnsley is not included because, as a result of BfB, Barnsley does not fall below the Community Fund median in terms of grants. However the Community Fund maintains its presence in Barnsley through its continued involvement in funding events, information sessions etc and grant making in the area. However, because Barnsley is below the median level of grant awards for all the other lottery distributors, it is one of the New Opportunities Fund Fair Share Trust areas (see paragraphs 25–27 below).

COMMUNITY FUND FAIR SHARE FUNDING

34. Since the initial Fair Share launch in April 2002, in the first year over £31 million has been delivered to the 37 areas which are those the Community Fund concentrates on in Fair Share. This represents 91% of the target set for the first year. Halfway through Fair Share the Community Fund is on target to spend up to the £92 million set to be achieved by April 2005.

THE NEW OPPORTUNITIES FUND FAIR SHARE TRUST

35. The £50 million Fair Share Trust is providing a guaranteed income for communities in 69 fair share areas across the UK. The trust will provide this income over 10 years in England, Wales and Northern Ireland and over five years in Scotland.

36. In the 45 target areas in England, specific neighbourhoods have been designated to receive the funding. Each fair share area will receive £818,000 over the next 10 years, which will be spent on projects in the designated neighbourhoods.

37. The Fair Share Trust gives communities the chance to enjoy long term secure funding, and to influence spending in their own neighbourhoods. The Community Foundation Network, which is managing the Trust on behalf of the New Opportunities Fund, has appointed a network of local agencies to deliver funding at a local level. They are in the process of setting up panels of local people who will decide on neighbourhood priorities and be involved in assessing applications.

NEW OPPORTUNITIES FUND—FAIR SHARE: TRANSFORMING YOUR SPACE

38. A further £38.75 million of New Opportunities Fund resources is being delivered through the fair share: transforming your space programme.

39. Funding is being targeted at all 51 fair share areas in England, with varying allocations of between £200,000 and £2.2 million. Allocations are based on population but weighted to reflect levels of deprivation. Local authorities have led area applications, but were asked to show clear evidence of community consultation at every stage.

40. In all areas, the aim is that local communities will be given the chance to explore the natural environment, develop their knowledge and skills, gain a stake in their local community and build links across it, and lead healthier lifestyles.

CONCLUSIONS

41. Since it began making grants in October 1995, the Community Fund has awarded more than £273 million to over 2,500 separate projects in former coalfield areas in England (see table 1). The New Opportunities Fund has committed over £382 million since its establishment in 1998 (see table 2).

42. The Government has set out a number of proposals to reform and improve lottery distribution. The centrepiece is to bring the Community Fund and New Opportunities Fund together to create a new lottery distributor. The proposed changes as detailed in the National Lottery Fund Decision Document, published by the Government in July 2003, should ensure that organisations in coalfields continue to secure lottery funding in as straightforward a way as possible. The Community Fund's stream of funding will continue to be available to and accessible by charities and other eligible voluntary and community based organisations during and after the process of merger. The types of targeted national programmes run by the New Opportunities Fund will also continue. The current good causes and their proportionate share of the National Lottery Distribution Fund will continue until early 2009 (the end of the second National Lottery licence period).

Table 1

COMMUNITY FUND GRANTS TO COALFIELD AREAS IN ENGLAND

<i>Year</i>	<i>Awards</i>	<i>Amount awarded</i>
1995–96	264	£14,643,340
1996–97	477	£36,172,654
1997–98	376	£38,060,516
1998–99	343	£39,003,626
1999–2000	270	£36,017,043
2000–01	232	£31,904,169
2001–02	211	£28,973,501
2002–03	247	£31,219,258
2003 so far	146	£17,578,877
Total	2,566	£273,572,984

Table 2

NEW OPPORTUNITIES FUND FUNDING TO COALFIELDS AREAS—NOVEMBER 2003

	<i>All Areas</i>			<i>Coalfields Areas</i>			<i>Non-Coalfields Areas</i>		
	<i>Total funding</i>	<i>Total population</i>	<i>Funding per head</i>	<i>Coalfields funding</i>	<i>Coalfields population</i>	<i>Funding per head</i>	<i>Non-coalfields funding</i>	<i>Non-coalfields population</i>	<i>Funding per head</i>
England	1,543,017,923	49,138,831	£31.40	248,326,296	7,445,175	£33.35	1,294,691,627	41,693,656	£31.05
Scotland	242,128,884	5,062,011	£47.83	71,746,059	1,962,032	£36.57	170,382,825	3,099,979	£54.96
Wales	112,018,483	2,903,085	£38.59	62,053,523	1,681,139	£36.91	49,964,960	1,221,946	£40.89
Totals	1,897,165,290	57,103,927	£33.22	382,125,878	11,088,346	£34.46	1,515,039,412	46,015,581	£32.92

CASE STUDIES

THE COAL INDUSTRY SOCIAL WELFARE ORGANISATION (CISWO)—BASED IN ROTHERHAM WHICH IS A FAIR SHARE AREA

Region: Strategic grants

Amount: £911,398

Date: 03/04/2002

Project summary:

The Coalfields Industry Social Welfare Organisation (CISWO) was set up in 1991 as a successor to the Miners Welfare Fund which originated in 1920. Its brief includes; the welfare of people connected with the mining industry; supporting miners welfare charities and community welfare and development. Its work is now directed at former mining areas in general, and not solely at those people connected with the mining industry. This three-year development project seeks to continue the funding for seven Community Development Officers. A major part of their brief is to establish a network of One Stop Shops that will co-ordinate the delivery of services and information in former mining communities.

NEW OPPORTUNITIES FUND PROGRAMME: FAIR SHARE: TRANSFORMING YOUR SPACE

Doncaster Metropolitan Borough Council

Region: Yorkshire & Humberside

Amount: £2.2 million

Project summary:

Doncaster MBC's strategic application under this programme contained a variety of objectives to regenerate urban Doncaster, its rural hinterland and the coalfields communities surrounding it, focusing on disadvantaged communities within these areas. The proposal links into regional strategies, including that being developed by the Doncaster Strategic Partnership, the Regional Development Agency, the Rural Development Area Plan, Objective 1 and SRB 6. Local community forums across the area offer a means of improving consultation between statutory agencies and the local community.

As well as funding some new initiatives, fair share: transforming your space funding will provide a source of match funding for some existing regeneration initiatives. The programme will also work alongside projects funded by Sport England and Community Fund fair share. This can be seen particularly at Miner's Welfares, which are developing community and recreational facilities and opening up access to the wider community

WHEATLEY HILL COMMUNITY REGENERATION PARTNERSHIP

Region: North East

Amount: £37,036

Date: 03/07/2002

Project summary:

This bid will provide administrative support for an active volunteer-led community partnership made up of several groups working in Wheatley Hill. Members include the mothers' club, community centre, local history club, football club, churches and the youth theatre group. It aims to regenerate the area and combat the continuing demise of the village following the collapse of the coal industry.

DIAL MANSFIELD AND DISTRICT

Region: East Midlands

Amount: £235,413

Date: 07/01/2003

Project summary:

Dial Mansfield provides telephone and office based information and advice for disabled people. Dial also provides disability rights information, "access" information, and an advocacy/representation service.

The project will enable Dial Mansfield to target their services (see above) at rural areas/former coalfield communities. A Rural Outreach Supervisor will map out target areas, develop a village pack, train volunteer advisors (on disability issues), run nine outreach sessions (in the target areas) and set-up a session for students at Portland college (a training college for disabled people). The Communications and Information Officer will develop publications and provide training for staff and volunteers.

NEW OPPORTUNITIES FUND FAIR SHARE TRUST

Wansbeck MBC

Region: North East

Amount: £818,000 (over 10 years)

In Wansbeck, the local strategic partnership identified the East Ashington neighbourhood for targeting under the fair share programme. East Ashington is a neighbourhood of 15,000 people and a former coalfield area. The local agency, Community Foundation for Tyne & Wear and Northumberland, has established a local panel who will work to establish neighbourhood priorities and define criteria for projects to be funded. The panel consists of representatives from Sure Start Ashington, Community Network, the local strategic partnership, the North Care Trust, Wansbeck CVS and the district council, as well as five community representatives and the chair, who is from the local agency.

The panel's breadth of knowledge, experience and network of contacts will ensure that the Fair Share Trust can support a programme which meets local priorities, but also fits strategically with other funding streams.

Fair Share funding is likely to be available to projects by the beginning of the financial year 2004–05.

SOUTH EAST SHEFFIELD CITIZENS ADVICE BUREAU

Region: Yorkshire & Humber

Amount: £235,825

Date: 04/03/2003

Project summary:

The project will allow an existing outreach and home visiting advice service, previously funded by the Coalfields Regeneration Trust and a Neighbourhood Renewal grant, to continue. One-to-one work will help ensure that elderly people, the long-term sick and disabled people are receiving all the benefits and services to which they are entitled. Specifically, it will continue the work of well-established outreach sessions in Woodhouse and Beighton and a recently established session in Scowerdons Farm. It will also mount campaigns to raise awareness of the benefits that are available to these groups of people, with the aim of increasing take up.

ASHWOOD COMMUNITY RESOURCE (BASED IN FAIR SHARE AREA)

Region: East Midlands

Amount: £200,000

Date: 03/09/2002

Project summary:

The purchase and refurbishment of the building will enable the group to run parent/toddler nursery, soft play and sensory play centre, toy library, after school/homeworking clubs, creative arts, drop in for young people, breakfast club, sexual health and pregnancy counselling, debt counselling, holiday club, parenting skills, mentoring programmes, cyber cafe, training centre, general community centre and garden

Annex 2

FAIR SHARE AREAS

<i>Region</i>	<i>Fair Share Area</i>	<i>Distributor</i>
East Midlands	Ashfield	CF/NOF
	Bolsover	CF/NOF
	Derby	NOF
Eastern	Basildon	CF/NOF
	Great Yarmouth	NOF
	Luton	CF/NOF
	Peterborough	NOF
	Tendring	NOF
	Waveney	CF/NOF

<i>Region</i>	<i>Fair Share Area</i>	<i>Distributor</i>
London	Barking and Dagenham	NOF
	Brent	NOF
	Enfield	CF/NOF
	Waltham Forest	CF
N Ireland	N Ireland	CF/NOF
North East	Blyth Valley	NOF
	Darlington	CF/NOF
	Stockton-on-Tees	CF/NOF
	Wansbeck	NOF
North West	Blackpool	NOF
	Bolton	CF/NOF
	Burnley	CF
	Ellesmere Port and Neston	CF/NOF
	Hyndburn	NOF
	Knowsley	NOF
	Oldham	NOF
	Pendle	NOF
	Rochdale	NOF
	Salford	NOF
	Sefton	NOF
	St Helens	CF/NOF
	Tameside	NOF
	Trafford	NOF
West Lancashire	CF/NOF	
Wigan	CF/NOF	
Wirral	NOF	
Scotland	Dundee	CF/NOF
	Glasgow City	CF/NOF
	North Lanarkshire	CF/NOF
	Renfrewshire	CF/NOF
	South Ayrshire	CF/NOF
	South Lanarkshire	CF/NOF
South East	Portsmouth	CF
	Thanet	CF
South West	Bournemouth	CF/NOF
	North Somerset	CF/NOF
	Swindon	NOF
Strategic award covering multiple regions	Strategic award covering multiple regions	0
Wales	Anglesey	CF/NOF
	Blaenau Gwent	CF/NOF
	Caerphilly	CF/NOF
	Neath Port Talbot	CF/NOF
	Wrexham	CF/NOF
West Midlands	Dudley	CF/NOF
	Sandwell	NOF
	Solihull	CF/NOF
	Telford and Wrekin	NOF
	Walsall	CF/NOF
Yorkshire & Humberside	Barnsley	NOF
	Doncaster	CF/NOF
	Kingston upon Hull, City of	NOF
	Kirklees	CF
	North East Lincolnshire	NOF
	Rotherham	CF/NOF
Wakefield	CF	

Supplementary memorandum by the South Yorkshire Coalfield Partnership Board (COA 08(a))

1. REASON FOR THE FURTHER SUPPLEMENTARY SUBMISSION

1.1 The further submission aims to clarify the key issues for coalfield communities arising from the current guidance on the greenfield/brownfield status of former colliery sites and its interpretation, following the debate during the Committee's visit to Yorkshire.

2. FORMER COLLIERIES AND THE DEFINITION OF PREVIOUSLY DEVELOPED LAND

2.1 From a common sense point of view, it would seem difficult to argue that a site whose last productive use was for deep coal mining has not been "previously developed". The built structures on site (including pit head gear, ancillary buildings and related industrial processes), the numbers of people employed, the diversity of the jobs they did and the longevity of the land use would make it very difficult to argue that such a site has not been previously developed. There might be factors which would over-ride this historical legacy, when classifying the land as brownfield or greenfield, but the status of such land as having been previously developed should be incontrovertible.

2.2 In our first supplementary statement we demonstrated how the existing PPG3 should be interpreted in a different way, such that if the site has been reclaimed in such a way as to prepare it for hard after-uses or has unimplemented conditions to reclaim it to such a state, then it should be considered to be brownfield. We suggest this because it requires no change to the guidance—just a quick reinterpretation.

2.3 This proposal stands, but to clarify the underlying argument, it is a device to correct an approach within the guidance which does not match with "common sense". How, in "common sense" terms can anyone suggest that a former deep mine coal site has not been previously developed?

3. IMPLICATIONS OF THE CURRENT GUIDANCE

3.1 In and amongst former coal mining settlements in South Yorkshire, most of the land available for development which has previously been developed is on former colliery sites. If, as is implied by the current ODPM interpretation of PPG3, most of this land is greenfield, there is very little brownfield land at all in these areas. This means that development is automatically prioritised elsewhere, where there is land accepted within the interpretation of the guidance as being brownfield. This places a straightjacket upon local planning policies on the allocation of land for industry and commerce and for housing.

3.2 We think it likely that many other former coal-mining areas would be in a similar situation.

3.3 Reinterpreting PPG3 as suggested in our previous supplementary evidence provides an approach which is consistent with the underlying objectives of Government policy and allows for local decision-making within that framework to reflect the circumstances of local areas.

Richard Breese

Strategic Co-ordinator, South Yorkshire Coalfield Partnership

Supplementary memorandum by the Friends of the Forest (COA 33(b))

We would like to draw to your attention that we understand the Forest of Dean District Council (FODDC) has received the Inspector's Report resulting from last year's Forest of Dean District Local Plan Inquiry.

In his report the Inspector has produced a number of findings that run counter to the wishes expressed by the FODDC in the Forest of Dean District Local Plan Review, Revised Deposit Version, January 2002 (plus amendments). Relevant to the Coalfield Communities matter, the Inspector has expressed concern over the FODDC's intention to allow re-development on the ex-coalfield sites in the District rather than returning them to their pre-mineral extraction usage, ie forestry. In addition, it is understood he is unhappy about what could be considered an imbalance in the Local Plan in favour of the Council's perceived need for significant industrial/commercial/housing development rather than celebrating the District's unique natural and man-made attributes.

Despite a marked lack of enthusiasm on their part, these criticisms will inevitably lead to significant changes and alterations in the FODDC's plans for the future of the District. Virtually all them will also have an impact on the FODDC's intended use of Coalfield Communities funding, as will a number of the Inspector's other findings.

In view of what we understand to be the nature of the Inspector's Report, we feel that due account needs to be taken of his findings in the present deliberations over the future use of Coalfields Communities Funding within the Forest of Dean District. We would therefore urge that the Forest of Dean District Council be pressed to release a copy of the Inspector's Report to the ODPM: Housing, Planning, Local

Government and the Regions Committee—Coalfield Communities, as a matter of urgency. In the meantime, should the Committee require immediate access, an electronic version of the document can be read on www.fdean.gov.uk.

Yours faithfully,

C A Smith
Chairman, Friends of the Forest

Supplementary memorandum by English Partnerships (EP) (COA 42(b))

We refer to the Select Committee question regarding vacant units in the Easington area. The situation has been investigated further in liaison with our colleagues at One North East (ONE) and we respond as follows.

The vacant units are within the Foxcover and Dawdon sites, to the south of Seaham. These sites are Enterprise Zones within the wider East Durham Enterprise Zone scheme. The sites are relatively remote from other developments and, at the time of the reclamation and servicing of Dawdon, the A182 South of Seaham link road had not been opened fully.

A development proposal for plots at Dawdon was brought forward in 1999 by a private developer with a track record in EZ commercial schemes, who constructed speculative units to shell standard. This development benefited from the EZ incentives. The development team included a reputable property agent and marketing was linked to the activities of the County Durham Development Agency and East Durham Business Service. However, in the event, and notwithstanding the significant investments in and around the area, the demand for units in this area has remained slow.

This issue has previously been identified in quarterly reviews between English Partnerships and ONE with a view to determining the best means of increasing the market appeal of the area including the possible introduction of CCTV. More recently, there have been two speculative enquiries and one bespoke enquiry for parts of Dawdon and Foxcover.

The vacant units here exemplify the problems associated with seeking to create a momentum for development through pioneering developments. English Partnerships, through its joint ventures, and the RDAs seek to bring forward both demand led and supply led (speculative) units where appropriate although this must be carefully assessed in relation to the market overview at the time.

Please let me know if you need any further information in response to this question.

Yours faithfully

Rob Pearson
Head of National Programmes

**Memorandum by Melanie Johnson MP, Parliamentary Under Secretary of State for Public Health,
Department of Health (COA 59)**

URBAN AFFAIRS SUB-COMMITTEE INQUIRY INTO COALFIELD COMMUNITIES

Thank you for your letter of 24 October asking for responses to be provided to questions which have arisen concerning the health provision within the coalfield areas. I am pleased to provide responses to the three specific questions addressed to me.

1. *What is the Department of Health doing to tackle the health inequalities between the coalfield areas and the rest of the UK? Over what time period does it expect the inequalities to have evened out?*

The Department of Health does not have a specific policy—to tackle inequalities between coalfields and the rest of the country. However, the part of our national health inequalities target concerned with narrowing the gap in life expectancy between geographical areas and the average should stimulate action that will result in faster health improvement in coalfield areas. The history of mining is likely to mean that these will be areas of low life expectancy.

Our approach to delivering this target is set out in our three-year health inequalities strategy, *Tackling Health Inequalities: A Programme for Action*. This sets out action needed to be taken now to deliver the target by 2010 as well as action that will have a longer-term impact. Health inequalities are complex, stubborn and difficult to change and there is no expectation of a specific timescale over which inequalities will have evened out.

2. *How does it reflect in its funding to health authorities and primary care trusts the high levels of disability and long-term illness in the coalfield areas?*

The *NHS Plan* gave commitments to review the weighted capitation formula by 2003 so that reducing inequalities will be a key criterion for allocating NHS resources to different parts of the country.

The review of the formula has now taken place. The review has been carried out under the auspices of the Advisory Committee on Resource Allocation (ACRA) which has National Health Service management, GP and academic members. The new formula has been used for the latest round of NHS allocations.

The new need element of the formula includes mortality measures (which measure death rates for certain age groups compared to the national average) and morbidity measures (limiting long standing illness ratios and disability measures).

The formula also takes some account of “unmet need” where certain groups in the population eg socio-economically deprived groups do not receive the same level of healthcare services as that of others with the same health characteristics.

The new formula therefore provides a better measure of health need in all areas.

3. *Do you have any information that the Health Action Zones are helping to reduce the inequalities?*

The University of Glasgow is in the process of producing a final report for the Department of Health on the progress of Health Action Zones. The Department will encourage the University of Glasgow to publish on completion.

Supplementary memorandum by the Department of Health (COA 59(a))

Annex A

1. *Many submissions to this inquiry suggest that coalfields regeneration is quite well advanced. How successful have the various Government programmes been to date in terms of meeting the needs of coalfield communities?*

The Department of Health is strongly committed to reducing health inequalities in deprived communities such as coalfields areas, and recognises the part that regeneration policies have to play in engaging communities and addressing the wider determinants of health. I am working closely with colleagues in the Office of the Deputy Prime Minister to support the work that they do. In addition, there are a number of Department of Health-led programmes which are having an impact on health and regeneration in coalfields communities, the details of which are outlined below.

RESOURCE ALLOCATION

The new funding formula:

The *NHS Plan* stated that “following the review of the existing weighted capitation formula used to distribute NHS funding, reducing inequalities will be a key criterion for allocating NHS resources to different parts of the country” (*paragraph 13.9*).

The review of the formula has now taken place. The new formula has been used for the latest round of NHS allocations covering the three years 2003–04 to 2005–06.

The need element of the formula has been updated to use better measures of deprivation and to take some account of “unmet need”.

The need element uses better measures of deprivation which are now available, eg ODPM’s Indices of Multiple Deprivation (2000) which provide a useful up-to-date set of validated measures of area deprivation, capable of being updated regularly.

The need element of the formula includes mortality measures (which measure death rates for certain age groups compared to the national average) and morbidity measures (limiting long-standing illness ratios and disability measures).

The formula also takes some account of “unmet need” where certain groups in the population eg socio-economically deprived groups do not receive the same level of healthcare services as that of others with the same health characteristics.

The new formula therefore provides a better measure of health need in all areas.

Health inequalities adjustment:

The health inequalities adjustment (HIA) was introduced in 2001–02 while longer-term work on the new formula took place. For 2002–03 HIA funding of £148 million was shared between 54 Health Authorities. HIA funding was based on years of life lost for circulatory diseases, all cancers, accidents, suicides, undetermined injury and infant deaths under one year for all causes.

The new formula replaces both the old formula and the interim health inequalities adjustment. To protect those PCTs who have benefited from the interim health inequalities adjustment, the existing 2002–03 allocation of £148 million has been added to those PCTs' baselines.

Table 1 identifies the three-year percentage increases in revenue allocations for those PCTs in the coalfield communities. It also notes HIA funding for these PCTs now included in baselines for 2003–06.

It is important to remember that the funding formula calculates PCT target shares of available resources based on the age distribution of the population, additional need and unavoidable geographical variations in the cost of providing services. It does not determine actual allocations, which reflect pace of change policy decisions on the speed at which PCTs are brought nearer to target.

Table 1

**PERCENTAGE INCREASE IN ALLOCATIONS & HEALTH INEQUALITIES ADJUSTMENT
FUNDING IN COALFIELD COMMUNITY PCTS FOR 2003–06**

<i>PCT</i>	<i>2003–06 three year percentage increase (%)</i>	<i>2003–04 health inequalities adjustment (£000s)</i>	<i>2004–05 health inequalities adjustment (£000s)</i>	<i>2005–06 health inequalities adjustment (£000s)</i>
Ashton, Leigh and Wigan	31.44	1,284	1,284	1,284
Barking and Dagenham	42.48	0	0	0
Barnsley	31.00	1,990	1,990	1,990
Chesterfield	30.52	417	417	417
Derwentside	30.74	357	357	357
Doncaster Central	30.61	879	879	879
Doncaster East	30.19	726	726	726
Doncaster West	33.62	922	922	922
Durham and Chester-Le-Street	28.15	580	580	580
Durham Dales	28.71	363	363	363
Easington	40.56	454	454	454
Eastern Hull	30.25	1,366	1,366	1,366
Eastern Wakefield	32.47	1,517	1,517	1,517
Halton	31.06	517	517	517
Hartlepool	30.27	515	515	515
Langbaugh	30.09	521	521	521
Mansfield District	31.19	367	367	367
Middlesbrough	31.12	1,402	1,402	1,402
North East Lincolnshire	30.39	656	656	656
North Eastern Derbyshire	31.29	559	559	559
North Stoke	30.63	1,023	1,023	1,023
North Tees	30.61	2,331	2,331	2,331
Northamptonshire Heartlands	31.22	0	0	0
Northumberland Care Trust	29.19	2,482	2,482	2,482
Rotherham	30.45	2,019	2,019	2,019
Sedgefield	30.42	390	390	390
South Stoke	30.77	1,041	1,041	1,041
St Helens	34.64	1,556	1,556	1,556
Wakefield West	29.41	1,165	1,165	1,165
West Cumbria	28.08	1,120	1,120	1,120
West Hull	28.42	1,360	1,360	1,360

NHS LIFT (LOCAL IMPROVEMENT FINANCE TRUST)

NHS LIFT is an ambitious programme to rebuild and refurbish primary and social care facilities to help increase the range of services patients can access closer to where they live. In each LIFT area a local LIFT company with public and private sector shareholding is being established.

Initially LIFT developments have been prioritised in deprived areas (such as former coalfields) where investment in primary care facilities has historically been difficult to attract. There are now 42 local LIFT projects in development.

Sixty per cent of the PCTs covering the coalfield communities are within a LIFT area (see table 2). The initial capital value of the investment in primary care facilities (over the period 2004–06) in these LIFT projects areas is estimated to be £170 million.

For example, in Barnsley (where construction work is due to begin in the next month) there are plans for three brand new primary care centres with a capital cost of £10 million providing services to three former mining villages (Goldthorpe, Thurnscoe and Worsbrough).

Table 2

**CURRENT LIFT SCHEMES COVERING COALFIELD AREAS
AND INITIAL CAPITAL INVESTMENT**

<i>NHS LIFT scheme</i>	<i>Initial capital Value (£m)</i>
Barnsley LIFT	10
Barking & Havering LIFT	17
Hull LIFT	17
North Notts LIFT	20
Ashton, Leigh and Wigan	15
Doncaster LIFT	16
Greater Nottingham LIFT	27
St Helens, Knowlsey, Halton and Warrington LIFT	22
Tees Valley LIFT	25

NHS DIRECT

NHS Direct is a nurse-led telephone helpline providing health information and advice 24 hours a day, 365 days a year. The NHS Direct principle is to provide people at home with easier and faster advice and information about health and the NHS. NHS Direct nurses are highly experienced, trained professionals who provide patients with the same high quality, consistent, safe level of service across the country. The benefits apply not only to patients who get appropriate advice on the best way of tackling health problems, but also to the NHS because it is an efficient way of using NHS resources.

NHS Direct has grown from a small pilot project to a substantial national service handling over half-a-million telephone calls and half-a-million internet visitor sessions every month.

NHS Direct has delivered sustained performance by focusing on eight key measures known as service delivery targets. These indicate how NHS Direct is delivering as a service. To complement these targets, information is also gathered on the final recommended outcomes suggested to patients and additional data on age and gender. Collecting information from these sources helps NHS Direct determine how best to refine and focus the services in order to continue with improving the patient experience.

NHS Direct Online has responded to the growing appetite for high quality health information, which makes health one of the most important reasons for using the Internet.

Over the next couple of years a number of exciting possibilities exist to develop this multi-channel approach further in particular in terms of increased interactivity. These include:

- significant expansion of the content of the site including the development of video content; and
- delivering the concept of a personal health space that could provide secure access to patient records and on-line transactions.

In addition to expanding the range of services offered by NHS Direct Online, we will further extend choice through the new NHS Digital service. Following the successful completion of the pilots, work has now begun to develop and run a NHS Direct information service across all digital TV platforms nationwide. The NHS Direct digital TV service, which will start 2004, will provide information on health conditions and treatments, healthy living, medicines, health advice for travellers, health and safety advice, and details of local NHS services, including performance information.

The expanded role for NHS Direct Online and the launch of the NHS Direct digital TV service will not only greatly increase access but is symbolic of a changing role for patients as co-partners in care. The use of NHS Direct digital TV is particularly relevant for deprived communities, given the fact that Digital TV subscription has a high correlation with lower income groups.

PRIMARY CARE ACCESS

NHS Plan Target: By 2004, patients will be able to see a primary care professional (PCP) within 24 hours, and a GP within 48 hours.

Progress towards the target is measured by PCTs who undertake monthly telephone surveys of their GMS practices and PMS providers to establish when the next routine appointment with a GP and primary care professional are available.

At October 2003, nationally 93.9% of patients were able to be offered an appointment to see a GP within two working days and 92.6% of patients were able to be offered an appointment to see a primary care professional within one working day.

The 2003 National Patient survey also indicated access is improving—77% of all patients were able to be seen within two days. Excluding those seen without an appointment or pre-booked appointments, then 58% of patients had this level of access. This indicates a 15% improvement over the 2002 result of 43%.

As part of the commitment to improving access to primary care, PCTs received £168 million for 2003–04 to improve access to primary care. This was made recurrent from 2003–04 and forms part of PCT resource allocations.

At October 2003, the National Primary Care Development Team's (NPDT) Advanced Access model covered over 4,900 practices representing a population coverage of 32 million patients. This is set to increase to 37 million by March 2004. Practices taking part in the programme have seen a 72% reduction in waits to see a GP and a 50% reduction to see a nurse.

NHS WALK-IN CENTRES

The 42 NHS Walk-in Centres were developed as part of the wider plan to modernise and improve access to and convenience of NHS services. Open 365 days a year most NHS Walk-in Centres are open from 7am to 10pm, Monday to Friday, and 9am to 10pm, Saturday and Sunday. They are situated in convenient locations that allow the local population quick and easy access to advice and treatment for minor ailments and injuries where no appointment is necessary. As well as providing a core service, the centres are helping to improve access for specific groups with particular needs, including young people, homeless people, students, refugees and asylum seekers.

42 NHS walk-in centres are operational across the country, currently offering a service to around 11 million people.

Since the first centre opened in 2000, the centres have seen 4 million people. On average each centre now sees around 100 patients a day.

There are currently three walk-in centres serving the local populations of coalfield communities. These are located in St Helen's, Wakefield and Leigh.

In recognition of the success of the WICs and of their potential to address specific local access issues, £40 million is being invested in new NHS walk-in centres over the next three years. They are being introduced to extend the level of choice for patients to access services, to reduce pressures on A&E and to help deliver better primary care access.

11 new NHS walk-in centres are being developed to open in 2004. More will follow in 2004–05—2005–06.

Primary Care Workforce

We are addressing inequities in primary care services with new ways of distributing resources to PCTs.

From 2002–03 cash limited unified allocations have taken account of the distribution of non-cash limited spending on primary care services provided by GPs. So those areas who are spending less than their fair share on these services (“under-doctored areas”) may get a larger increase for their other services. And if they are spending more than their fair share (“over-doctored areas”) they may get a smaller increase.

PCTs have also been given an average cash increase exceeding 30% over the three years 2003–06. None of the growth money has been identified for specific purposes. PCTs will be able to use these extra resources to deliver on both national and local priorities including recruiting additional staff in primary care.

Under-doctored areas are getting extra training places and GPs going to work in those areas are entitled to receive a higher “Golden Hello Payment”.

General Practitioners

Table 3

THE NUMBER OF GPs (EXCLUDING GP RETAINERS AND GP REGISTRARS) IN ENGLAND AND IN EACH COALFIELD COMMUNITY BY PCT AREA BETWEEN SEPTEMBER 2001 AND MARCH 2003

GPs (excluding retainers and registrars) General Medical Practitioners for specified Primary Care Trusts

<i>PCT</i>	<i>Sept 2001</i>	<i>March 2002</i>	<i>Sept 2002</i>	<i>March 2003</i>
ENGLAND	28,802	28,950	29,202	29,709
Ashton, Leigh and Wigan	151	149	145	157
Barnsley	120	122	119	117
Chesterfield	56	56	68	70
Derwentside	44	41	41	48
Doncaster Central	56	57	59	58
Doncaster East	46	46	43	43
Doncaster West	55	54	55	54
Durham and Chester-Le-Street	90	88	87	93
Durham Dales	54	53	52	57
Easington	54	51	53	58
East Kent Coastal	129	133	133	137
East Leeds	92	93	89	90
Eastern Wakefield	103	106	107	111
Halton	67	74	69	71
Hartlepool	47	48	49	51
Langbaugh	60	61	60	62
Mansfield District	46	45	45	48
Middlesborough	113	111	114	114
North Eastern Derbyshire	78	78	81	85
North Stoke	73	71	63	63
North Tees	93	97	96	97
Northamptonshire Heartlands	142	139	147	145
Northumberland Care Trust	203	200	207	211
Rotherham	125	123	136	139
Sedgefield	54	51	53	54
South Leeds	81	82	81	86
South Stoke	60	57	66	68
St Helens	106	106	108	104
Wakefield West	95	98	101	98
West Cumbria	89	89	91	90

Note:

Data as at 31 March 2002–03, 30 September 2001–02

Source:

Department of Health General and Personal Medical Services Statistics

Whole time equivalent (WTE) GPs (excluding GP retainers and GP registrars) per 100,000 weighted population:

All PCT areas, which are below the England average of 55.55 are classed as under-doctored.

Table 4

THE NUMBER OF WTE GPs (EXCLUDING
GP RETAINERS AND GP REGISTRARS) PER 100,000
WEIGHTED POPULATION AS AT MARCH 2003

<i>PCT</i>	<i>GP per 100,000 PCT population</i>
ENGLAND	55.55
Ashton, Leigh and Wigan	45.48
Barnsley	42.69
Chesterfield	56.05
Derwentside	48.84
Doncaster Central	50.01
Doncaster East	44.35
Doncaster West	43.32
Durham and Chester-Le-Street	56.99
Durham Dales	58.60
Easington	46.66
East Kent Coastal	51.43
East Leeds	54.18
Eastern Wakefield	52.04
Halton	53.47
Hartlepool	49.19
Langbaugh	51.20
Mansfield District	45.34
Middlesborough	51.81
North Eastern Derbyshire	48.85
North Stoke	40.70
North Tees	49.32
Northamptonshire Heartlands	51.58
Northumberland Care Trust	60.79
Rotherham	49.34
Sedgefield	49.74
South Leeds	51.66
South Stoke	44.38
St Helens	48.08
Wakefield West	57.95
West Cumbria	60.07

*General Practitioner Registrars***Table 5**

THE NUMBER OF GP REGISTRARS IN ENGLAND AND IN EACH COALFIELD
COMMUNITY BY PCT AREA BETWEEN SEPTEMBER 2001 AND MARCH 2003

GP registrars for specified Primary Care Trusts

<i>Primary Care Trust</i>	<i>Sept 2001</i>	<i>March 2002</i>	<i>Numbers (headcount)</i>	
			<i>Sept 2002</i>	<i>March 2003</i>
ENGLAND	1,883	1,908	1,980	2,069
Ashton, Leigh and Wigan	4	4	6	6
Barnsley	8	6	6	8
Chesterfield	7	4	3	3
Derwentside	3	3	3	2
Doncaster Central	3	2	3	2
Doncaster East	4	3	4	4
Doncaster West	—	—	—	—
Durham and Chester-Le-Street	7	7	7	12
Durham Dales	3	1	5	3
Easington	1	—	1	2
East Kent Coastal	7	6	5	7
East Leeds	8	7	4	11
Eastern Wakefield	10	11	13	13

<i>Primary Care Trust</i>	<i>Numbers (headcount)</i>			
	<i>Sept 2001</i>	<i>March 2002</i>	<i>Sept 2002</i>	<i>March 2003</i>
Halton	4	3	4	6
Hartlepool	2	2	3	4
Langbaugh	2	2	1	1
Mansfield District	1	1	3	2
Middlesborough	4	4	5	4
North Eastern Derbyshire	7	3	5	4
North Stoke	2	3	3	3
North Tees	5	6	5	6
Northamptonshire Heartlands	9	9	8	10
Northumberland Care Trust	24	26	34	26
Rotherham	7	9	12	8
Sedgefield	5	3	6	6
South Leeds	5	4	3	3
South Stoke	—	—	—	—
St Helens	4	4	5	4
Wakefield West	5	7	7	7
West Cumbria	5	4	4	7

Data as at 31 March 2002–03, 30 September 2001–02

Source:

Department of Health General and Personal Medical Services Statistics

2. *Why is the level of deprivation on the coalfields still so high, given the volume of public funds injected into them?*

“Tackling Health Inequalities—A Programme for Action” recognises that health inequalities are “persistent, stubborn and difficult to change”. A step-change set of interventions are needed in order to cut into the cycle of deprivation that currently affects certain parts of the country, such as coalfield communities.

Considerable investment has been made to help bring about this change. In his 2002 Budget, the Chancellor announced the largest sustained increase in funding of any five-year period in the history of the National Health Service (NHS). Over the years 2003–04 to 2007–08, these plans mean that expenditure on the NHS in England will increase on average by 7.4% a year over and above inflation—a total increase over the period of 43% in real terms. This will take the total spent on the NHS in England from £56 billion in 2002–03 to over £90 billion in 2007–08. This is a significant increase over historic levels of growth, eg compared with just 3.0% per annum under the previous administration.

Table 6 shows the trends in mortality from all causes from 1990 to 2000, among ONS area classifications. The table shows that although there is not a big difference between the profiles of the different ONS area classifications, all cause mortality in coalfield areas has been falling more quickly in the last two years than all other areas except for “west inner London”.

Table 6

TRENDS IN MORTALITY FROM ALL CAUSES (ICD9 001-999): DIRECTLY STANDARDISED RATES, 1990 TO 2000 ANNUALLY, ALL AGES
(Age – standardised mortality rates per 100,000)

		PERSONS											% change		
		1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	1990 to 2000	1997 to 2000	
O00	ENGLAND	DSR	800.28	794.09	767.76	782.23	742.13	747.94	736.73	722.48	711.29	703.24	676.84		
		Year on Year % change		-0.8%	-3.3%	1.9%	-5.1%	0.8%	-1.5%	-1.9%	-1.5%	-1.1%	-3.8%	-15.4%	-6.3%
ONS AREA CLASSIFICATION															
0A	RURAL AMENITY	DSR	728.57	718.24	689.42	705.50	664.61	673.52	661.04	647.07	636.84	626.90	602.62		
		Year on Year % change		-1.4%	-4.0%	2.3%	-5.8%	1.3%	-1.9%	-2.1%	-1.6%	-1.6%	-3.9%	-17.3%	-6.9%
0B	REMOTER RURAL	DSR	735.35	734.33	715.29	718.19	684.47	681.67	677.81	649.76	655.69	641.32	622.84		
		Year on Year % change		-0.1%	-2.6%	0.4%	-4.7%	-0.4%	-0.6%	-4.1%	0.9%	-2.2%	-2.9%	-15.3%	-4.1%
0C	ESTABLISHED MANUFACTURING FRINGE	DSR	826.10	819.68	789.08	807.35	767.75	773.35	758.32	740.10	738.56	732.14	696.10		
		Year on Year % change		-0.8%	-3.7%	2.3%	-4.9%	0.7%	-1.9%	-2.4%	-0.2%	-0.9%	-4.9%	-15.7%	-5.9%
0D	NEW AND DEVELOPING AREAS	DSR	789.71	790.44	767.05	776.76	742.07	754.24	745.97	738.33	719.73	723.25	693.68		
		Year on Year % change		0.1%	-3.0%	1.3%	-4.5%	1.6%	-1.1%	-1.0%	-2.5%	0.5%	-4.1%	-12.2%	-6.0%
0E	MIXED URBAN	DSR	767.86	758.28	735.38	749.46	717.85	713.23	713.03	687.09	684.16	674.89	660.41		
		Year on Year % change		-1.2%	-3.0%	1.9%	-4.2%	-0.6%	0.0%	-3.6%	-0.4%	-1.4%	-2.1%	-14.0%	-3.9%
0F	COAST AND COUNTRY RESORTS	DSR	757.30	743.96	720.93	741.13	698.76	716.60	700.15	695.41	668.84	670.17	649.45		
		Year on Year % change		-1.8%	-3.1%	2.8%	-5.7%	2.6%	-2.3%	-0.7%	-3.8%	0.2%	-3.1%	-14.2%	-6.6%
0G	ESTABLISHED SERVICE CENTRES	DSR	823.69	811.71	781.19	785.98	745.30	757.68	748.42	735.14	724.81	718.97	697.16		
		Year on Year % change		-1.5%	-3.8%	0.6%	-5.2%	1.7%	-1.2%	-1.8%	-1.4%	-0.8%	-3.0%	-15.4%	-5.2%
0H	GROWTH AREAS	DSR	741.11	723.20	701.22	714.47	679.75	681.97	670.17	665.18	650.90	645.54	622.50		
		Year on Year % change		-2.4%	-3.0%	1.9%	-4.9%	0.3%	-1.7%	-0.7%	-2.1%	-0.8%	-3.6%	-16.0%	-6.4%
0I	MOST PROSPEROUS	DSR	707.78	701.34	675.30	692.87	654.11	650.72	649.71	631.11	607.67	609.62	590.34		
		Year on Year % change		-0.9%	-3.7%	2.6%	-5.6%	-0.5%	-0.2%	-2.9%	-3.7%	0.3%	-3.2%	-16.6%	-6.5%
0J	COALFIELDS	DSR	900.49	897.51	868.81	885.53	834.84	846.00	830.93	818.22	820.79	800.50	761.95		
		Year on Year % change		-0.3%	-3.2%	1.9%	-5.7%	1.3%	-1.8%	-1.5%	0.3%	-2.5%	-4.8%	-15.4%	-6.9%
0K	MANUFACTURING CENTRES	DSR	889.45	884.52	855.46	868.97	822.54	829.92	819.15	800.50	796.19	789.45	750.95		
		Year on Year % change		-0.6%	-3.3%	1.6%	-5.3%	0.9%	-1.3%	-2.3%	-0.5%	-0.8%	-4.9%	-15.6%	-6.2%
0L	PORTS AND INDUSTRY	DSR	917.62	925.40	900.12	922.92	868.97	869.53	863.10	865.35	855.38	836.51	805.88		
		Year on Year % change		0.8%	-2.7%	2.5%	-5.8%	0.1%	-0.7%	0.3%	-1.2%	-2.2%	-3.7%	-12.2%	-6.9%
0M	EDUCATION CENTRES AND OUTER LONDON	DSR	755.71	758.93	729.07	744.11	715.04	724.58	717.46	697.97	684.99	677.05	656.17		
		Year on Year % change		0.4%	-3.9%	2.1%	-3.9%	1.3%	-1.0%	-2.7%	-1.9%	-1.2%	-3.1%	-13.2%	-6.0%
0N	WEST INNER LONDON	DSR	826.58	831.54	801.23	821.20	767.44	769.85	729.09	694.71	676.91	641.81	608.19		
		Year on Year % change		0.6%	-3.6%	2.5%	-6.5%	0.3%	-5.3%	-4.7%	-2.6%	-5.2%	-5.2%	-26.4%	-12.5%
0O	EAST INNER LONDON	DSR	897.83	900.82	877.75	893.78	858.42	866.55	821.30	808.77	774.07	778.68	749.60		
		Year on Year % change		0.3%	-2.6%	1.8%	-4.0%	0.9%	-5.2%	-1.5%	-4.3%	0.6%	-3.7%	-16.5%	-7.3%

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Compendium of Clinical and Health Indicators 2001/Clinical and Health Outcomes Knowledge Base (nww.nchod.nhs.uk)

Source of data: National Statistics (Extracts may only be reproduced by permission.)

3. *There are large numbers of people in the coalfields unable to work because of a health condition or disability. What is the DoH doing to help a significant proportion of these people to re-enter the labour market and obtain employment by offering appropriate support?*

We know that long periods without work can be damaging for not just the individual, but for their families and their communities more widely. It can lead to poverty, poor health and social isolation.

Work can provide stability, fulfilment, opportunities and self-respect. That is why paid work has been a central element of the Government's strategy to tackle social exclusion. For those that are able to, work is the route out of poverty and associated poor health.

Unemployment is currently at the lowest it has been for a generation—a key achievement of this government. But despite this success, there are still neighbourhoods in Britain, many in the coalfields, where far too many people are out of work. These neighbourhoods are often those with the poorest health and lowest life expectancy.

The NHS is a major business in many of the disadvantaged neighbourhoods with high unemployment rates. It has a major role to play both in the recruitment of the local workforce and in the procurement of supplies. The Department of Health is encouraging and supporting the NHS to behave as a Good Corporate Citizen; to help to tackle health inequalities by opening up employment opportunities to people in disadvantaged areas.

The NHS is increasing and changing its workforce considerably to meet the demands of *The NHS Plan*. The human resource aspects of *The NHS Plan*, published in July 2000, sets out that the NHS workforce needs to reflect its local community. This means that NHS employers in areas of deprivation will be expected to draw their workforce from their own local area. To do this they will need to look at offering a variety of access routes to employment, such as the skills escalator, cadet schemes, secondments, work experience and employability programmes.

SKILLS ESCALATOR

Our strategy to deliver the challenging objective of growing and changing the workforce is called the Skills Escalator. The Skills Escalator is the workforce development strategy linking together Lifelong Learning, Recruitment and Retention, Pay modernisation and Changing Workforce Programme to deliver the objective of a growing and changing NHS workforce. It is about attracting a wider range of people to work within the NHS by offering a variety of career and training step on and step off points. It is also about encouraging all staff, through a strategy of lifelong learning to renew and extend their skills and knowledge, enabling them to move on the escalator. Meanwhile, efficiencies and skill-mix benefits are generated by delegating roles, work and responsibilities to the most appropriate level.

Traditional entry points such as pre-registration programmes for the established professions will continue but they will be complemented by other entry routes such as cadet schemes and role conversion, attracting people in other careers who are seeking new challenges and drawing people back into the labour market. This offers the dual benefit of growing the NHS workforce whilst also tackling problems of longer-term unemployment and social exclusion, which have such a high correlation with poor health. It will enable people to start or further develop careers in the NHS, as young people starting out or in mid- or later-life as a second career. Age, background and existing academic attainment will no longer be barriers to those with the potential and will to progress their careers. It will also enable the NHS to have a workforce that is more representative of local communities and touch with their needs.

Employers will benefit because a structured programme of skills development and acquisition will help them to recruit and retain staff, developing them to fill posts which are traditionally hard to recruit to. Individuals will benefit in a range of ways. Those who are finding it difficult to get into permanent employment, who have limited formal education and older people looking for second chances can be introduced or re-introduced to the working environment and developed so that they can subsequently be employed within the NHS. Those already within the NHS will benefit from the opportunity to develop and enhance their skills and take on new and more challenging roles. Communities will benefit from an active approach to employing and developing staff by major local employers.

There are many Skills Escalator schemes operating at a local level, including one which is located in a coalfields area.

The South Humber Employability Project at Northern Lincolnshire & Goole Hospital NHS Trust is opening up employment opportunities within the NHS. By encouraging participation the project aims to promote social inclusion, reduce poverty and improve the overall well being of participants by providing sustainable long-term employment. The NLG Employability Project aims to provide long-term unemployed, or disadvantaged people to chance to experience working life in the Trust.

To generate the interest in what's available, training opportunities are circulated to Jobcentre Plus, Adult Guidance as well as Community/Resource Centres for individuals to consider their options. Candidates are screened to establish their skills base, suitability and aptitude—the programme then offers a tour around

the hospital so they can consider it as a place of work/Q&A Session—followed shortly afterwards with an interview. Once appointed the Adult Learners work alongside an experienced member of staff to gain occupational experience and knowledge so they can competitively apply for internal vacancies.

The programme also offers 6–12 month work tasters for people to join Grimsby & Scunthorpe hospitals. While they are at the hospitals they continue to receive any/all welfare benefits (including up to £160 per child per week for childcare costs).

PATHWAYS TO WORK

The Pathways to Work Incapacity Benefit Reform pilots are looking at ways of helping those off work for more than six months re-enter the labour market. The pilots are being launched in two waves, the first in October 2003 and the second wave six months later. The pilot areas include three coalfield communities: Derbyshire is involved in the first wave, and East Lancashire and the North-East are involved in the second wave.

The pilots include a package of measures (better adviser training in Jobcentre Plus offices, more work-focused interviews, additional financial benefit) of which one is being delivered through PCTs.

These Condition Management Programmes (CMP) are based on a bio psycho-social model of disability and take the form of short, work-focused, cognitive/educational interventions aimed at helping participants to understand and manage their conditions in a work environment. The CMP will cover the three main conditions cited in Incapacity Benefit (IB) claims—mental ill health, musculo-skeletal disorders and cardio-respiratory conditions. The main aims are:

- to help participants better to understand and manage their condition in a work environment;
- to help them feel more confident about what they can safely do and therefore about returning to work; and
- to enable them when in work to feel more confident and expert about negotiating with their employer.

There is an inevitable interval between launch of the IB reforms pilots and the first participants joining a CMP: the first claimants to enter will do so in January 2004. It is therefore not possible to give any data or any indication of the actual help delivered.

4. *How are policies for health helping to empower coalfield communities?*

The Government has set up a new system of patient and public involvement to both support and empower local people in their contact with the NHS.

Support for patients as they use NHS health care is provided by Patient Advice and Liaison Services (PALS). PALS provide advice, information and support to patients, their carers and families as they use services. PALS are intended to deal with concerns and problems on the spot and before they become major issues.

The Independent Complaints Advocacy Service (ICAS) has recently been introduced to support and empower patients who may wish to complain against the NHS. ICAS is available free and is independent of the NHS.

For every trust and PCT a Patient and Public Involvement Forum has been set up to monitor services from the patients' perspective. Forums are patient-led and have the responsibility to feed patients' views into the decisions of local health services.

Local authorities now have powers to review and scrutinise local health services. They are able to require senior health service managers to attend meetings and explain decisions. Local authorities can use their new powers to assess whether local health services are meeting the needs of their local residents.

All NHS organisations now have a duty to involve and consult the public on their plans and developments—and also to ensure that there is rigorous consultation on any changes to services.

All these elements together mean that local people are now far more involved in their health services and how they are delivered. Residents within coalfields areas will of course be able to access these arrangements and make their views known about how local services can better met their needs.

5. *How is the Department of Health encouraging health providers to train local residents so that they can provide healthcare for other members of their communities?*

The Expert Patient Programme (EPP) provides courses for people suffering from long-term conditions. The EPP course is generic in nature and offers a tool-kit of simple techniques that patients can undertake to improve quality of life. The programme strives towards building participants' confidence and sense of control. It helps patients to develop better communication skills, manage their emotions and daily activities, interact with the medical care system, find health resources, plan for the future, understand exercising and healthy eating, and manage fatigue, sleep, pain, anger and depression.

The Programme is currently piloted in 300 PCTs across England and by 2004 it is expected to be mainstreamed and become part of NHS health provision.

The courses are lay-led and volunteer tutors from the local communities are recruited to set criteria, trained and accredited to deliver the course. In the case that volunteer tutors are not available, EPP trainers will deliver the course.

During the pilot phase, recruitment, training and accreditation of volunteer tutors is the responsibility of Primary Care Trusts in collaboration with EPP trainers who are supported by the Department of Health.

Table 7 shows the number of EPP courses, patients and volunteer tutors in the PCTs that are located in coalfields communities.

Table 7

EXPERT PATIENTS PROGRAMME IN COALFIELD COMMUNITIES

<i>PCT</i>	<i>Volunteer Tutors trained</i>	<i>EPP Courses</i>	<i>Patients</i>
Barking and Dagenham	1	3	26
Barnsley	2	4	39
North Eastern Derbyshire	1	0	0
Chesterfield	1	1	12
Durham and Chester-Le-Street	1	3	37
West Cumbria	1	3	42
Northamptonshire Heartlands	2	2	31
Derwentside	0	2	20
Doncaster Central	0	1	12
Doncaster East	0	1	8
Doncaster West	1	0	0
Easington	0	1	12
Halton	0	2	32
Hartlepool	0	1	9
Eastern Hull	0	1	Data awaited
West Hull	0	0	0
Mansfield District	2	3	42
Middlesbrough	0	0	0
North East Lincolnshire	0	0	0
Middlesbrough			
Langbaugh	0	3	38
Rotherham	1	2	20
Sedgefield	5	5	68
St Helens	1	3	44
North Tees	2	3	29
North Stoke	0	1	Data awaited
South Stoke	1	1	Data awaited
Eastern Wakefield	0	2	12
Wakefield West	1	4	26
Northumberland Care Trust	0	0	0
Durham Dales	1	2	28
Ashton, Leigh and Wigan	2	3	59

Supplementary memorandum by the Department for Education and Skills (DfES) (COA 55(a))

1. *Many submissions to this enquiry suggest that coalfields regeneration is quite well advanced. How successful have the programmes by the various Government departments been to date in terms of meeting the needs of coalfields communities?*

The Government's assessment is that sound progress is being made by the various Government programmes that impact on the coalfields. On education and skills, we are confident that we are heading in the right direction but much remains to be done. This Department recognises the importance of co-ordinating its policies effectively to make an impact in deprived areas and will work with the LSC, RDA and Local Authority to achieve effective targeting and cohesion.

The Department's policies are raising school age attainment across the country and in Coalfield areas.

- The performance gap, in both Maths and English, between pupils attending schools in coalfield areas and those that do not, has slowly been reducing since 1998.

- Rotherham, Derbyshire, Doncaster, Warwickshire and Nottinghamshire, saw increases in attainment, above the national average in both English and Mathematics since 1998.
- The highest increase in mathematics was of 19 percentage points in Rotherham. In English, the highest increase was of 14 percentage points in Rotherham and Nottinghamshire.
- KS3 test results in 2003 were the best ever on record with improvements in all subjects at all levels. The numbers of LEAs below the floor targets fell significantly this year with a majority of LEAs improving in all subjects.
- At KS3, since 1998, Coalfield areas and Neighbourhood Renewal Funded areas have both improved the most—by 4.4 percentage points.
- In 2003, the proportion of 16 year olds attending schools in coalfield areas with five or more GCSEs at A*-C is 46.1% (c.f. a national average of 50.6%—excluding Independent Schools). Since 1998 coalfield areas have seen a higher level of improved performance as schools outside coalfield areas (ie an increase of 7.2 percentage points cf 6.7 percentage points).
- The performance gap between pupils attending schools in coalfield areas and those that do not has reduced slightly since 1998 at GCSE.
- Pupils attending schools in Coalfield areas generally perform better at GCSE than pupils attending schools in Neighbourhood Renewal Funded Areas—46.1% cf 44.0%. Both coalfields and NRF areas are catching up on the national average. (Note some NRF areas are also Coalfield areas).
- Six of the 11 Education Action Zones (EAZs) located in coalfield areas have been among the most improved and highest achieving EAZs throughout the country. All Coalfields EAZs will transform at the end of their statutory period in to Excellence Clusters or EiC Action Zones and will continue with their most successful programmes.

2. Why is the level of deprivation in the coalfields still so high, given the volume of public funds injected into them?

The Coalfield Task Force identified a unique set of problems that needed to be addressed through specific targeted actions. The Government recognises that the regeneration of deprived areas requires sustained effort over the long term. My Department has set in place policies to improve education attainment and skills in the coalfield areas. We are already seeing a steady increase in attainment as a result of these policies and we are confident that they will help reduce deprivation in the longer term.

3. By what date does the DfES expect educational attainment in coalfield schools to match the average for the rest of the country?

There are no attainment targets specifically for schools in ex-coalfield areas, and whether or not an LEA serves a predominantly ex-coalfield area does not alter the LEA's target. National targets apply to schools and LEAs in these areas in exactly the same way as they apply elsewhere.

We do, however, have policies designed to support schools and LEAs that are in areas of recognised deprivation and/or in danger of missing their floor targets (EiC, Excellence Clusters, LIG, bespoke packages of support for schools below 20%) and they are geographically targeted in that regard. By definition, schools and LEAs that are most deprived get most help, and those in ex-coalfield areas will benefit from that targeting as appropriate.

The Neighbourhood Renewal National Strategy Action Plan set out 105 commitments, spread across the departments involved (including the Home Office, DWP, ODPM and DTI) that are relevant in some coalfield areas. DfES is responsible for, or involved with, 21 of these commitments. These include Floor Targets that are considered as some of the most challenging across Whitehall. There has been steady improvement in levels of attainment in coalfield areas.

4. How can you encourage local authorities and other service providers to tailor mainstream services to the particular needs of an area?

Education Development Plans have provided the focal point for coalfield communities to set targets for raising attainment in schools and to monitor progress. These cover what each LEA is doing to improve educational standards. But tackling education and skills is not just a matter for the LEA. The RDA and the LSC have a key role to play to help develop local strategies and plans to raise skills and bring new jobs to areas hit by coalfield closures. At the regional level, my Department has tasked the RDA to develop a Regional Skills Alliance which brings delivery agencies together to identify regional skills issues and agree a plan of action for learning and skills. At the sub-regional level, it is the responsibility of the local LSC and its partners to plan provision for any coalfield areas within its patch.

5. *Given the emphasis (for example, in *Regional Economic Strategies*) on encouraging the transition to “knowledge based economies”, are the former coalfields in danger of becoming even further economically marginalized because of a low skills base?*

The Government recognises that sustaining a competitive, productive economy which delivers prosperity for all requires an ever growing proportion of skilled, qualified people. Across the European Union, the importance of skills has been recognised in the economic reform agenda agreed at Lisbon in 2000. Any area in the English Regions that has a low skills base is in danger of becoming economically marginalized. This is why the Government published the Skills Strategy in July 2003. We must improve the skills base across the English regions in coalfield and non-coalfield areas. This is an agenda for sustained effort over the long term. The Skills Strategy identifies a wide range of actions and initiatives for employers, employees and individual learners.

6. *How are policies for education helping to empower coalfield communities?*

Education policies help empower coalfield communities through raising the demand for skills and helping individuals to re-engage in learning. Children’s Centres enable parents who are working or accessing training to obtain affordable childcare. We have provided funds for extra Connexions Personal Advisers in North, South and West Yorkshire to support the most vulnerable young people (following the recommendations of the Selby Coalfield Taskforce Report). Study Support (including Playing for Success) is making a real difference to people who are disadvantaged or potentially disaffected from mainstream. From September 2004, some 274,000 young people nationally will be eligible to receive an Education Maintenance Allowance of between £10 and £30 per week. This should make a significant difference to participation in further education in coalfield areas. The Department is working closely with all the key coalfield organisations—for example, the Coalfield Communities Campaign (CCC), Coalfields Regeneration Trust (CRT), Coal Industry Social Welfare Organisation (CISWO) and Coalfield Learning Initiative Partnership (CLIP)—to identify and tackle the key issues in coalfield areas.

7. *The Excellence in Cities initiative is making some impact in large cities. How is the DfES adapting this approach to smaller semi-rural areas like the coalfields?*

DfES major policies and initiatives are for everyone, no matter what their circumstances or where they live. We recognise that some people and communities need more help or different help, because of their circumstances. The Department has a range of targeted programmes and initiatives tailored to help, for example, schools that are struggling, or communities facing deprivation. In addition, we try to build flexibility into the operation of these initiatives so that they can be adapted to the particular needs of specific groups.

DfES has policies designed to support schools and LEAs that are in areas of recognised deprivation and/or in danger of missing their floor targets (EiC, Excellence Clusters, LIG, bespoke packages of support for schools below 20%) and they are geographically targeted. By definition, schools and LEAs that are most deprived get most help, and those in ex-coalfield areas will benefit from that targeting as appropriate.

Supplementary memorandum by Leicester Housing Association (LHA) (COA 10(a))

Leicester Housing Association, a housing and regeneration agency, has developed (and now manages) 7,600 homes across the East Midlands Region since its inception in 1975.

In addition to its housing role, LHA is substantially involved in regeneration and social enterprise activities across a number of key Policy Action Team themes that underscore the National Neighbourhood Renewal Strategy (social exclusion, neighbourhood governance, financial exclusion) and across a number of key geographical areas where deprivation/exclusion is concentrated (Braunstone Pathfinder NDC area, Meden Valley coalfield SRB6 area).

In 1987–88 LHA led a consortium of housing associations in the purchase of 1,800 properties from British Coal during a Government directed open market disposal. This purchase, achieved primarily through the deployment of private finance, and on the assumption that publicly financed improvement grants would follow, led LHA to become a major stake holder within the former North Derbyshire and North Nottinghamshire coalfield. LHA’s original engagement in this area dated from early in 1978 when it executed the survey work on behalf of Mansfield District Council leading to their first declared Housing Action Area encompassing former “pit” properties in George Street.

The acquisition of the former British Coal properties was followed by a Secretary of State embargo on public money being made available to the improvement of the portfolio. This embargo lasted for a decade during which time LHA campaigned with local village representatives to see the embargo lifted and the raising of the areas priority for much needed public investment, a position achieved successively in 1997 by the lifting of the embargo by the then Minister of State for Housing, and the subsequent setting up of the Coalfields Task Force by the Deputy Prime Minister in October 1997.

The Coalfields Task Force published its findings, “Making the Difference” in June 1998, this document predicated the Deputy Prime Minister’s detailed response on 1 December 1998, which amongst other things provided (through the Coalfields Regeneration Trust) financial support to the notion of Village Companies as vehicles for neighbourhood governance and regeneration. The latter was an idea submitted to the Task Force by LHA during its evidence and then explored by the Task Force at a subsequent meeting.

Since 1998 the Regional Development Agency (EMDA) has established the “Coalfields sub region” as a priority within its Development Strategy, the Housing Corporation briefly (the so called “window of opportunity”) established the improvement of former British Coal housing stock held by housing associations as an investment priority for grant receipt, and latterly with the creation of a Regional Strategy for Housing Investment related to the new Single Regional Housing Pot, the “Coalfields sub region” features as a priority both within that Strategy and the inter-related “Integrated Regional Strategy” being formulated by the East Midlands Regional Assembly.

Notwithstanding the Sheffield Hallam University research on the Meden Valley that underpinned the Coalfields Task Force review, and the University of Birmingham Centre for Urban and Regional Studies study entitled ‘Background Information on the Housing Market in the East Midlands: Final Report’ issued in March 2003, the newly proposed Regional Strategy for Housing Investment, amongst other things, suggests further research into; the balance of housing markets, exploring the capacity of the construction industry with regard to regional and sub-regional skills shortages, and exploring local issues around market renewal and changing demand. The Strategy also indicates the need for further work; in promoting energy efficiency and affordable warmth, in relation to supporting the old and vulnerable, in ensuring that the private sector play a part in securing mixed tenure areas, and regarding supporting people, in ensuring appropriate provision for specific vulnerable client groups. Indeed the Meden Valley, where the Sheffield Hallam University research revealed that eight out of nine wards are in the worse 10% wards in England according to the DTLR index of Multiple Deprivation 2000, where 81,000 live in 35 villages, and around 3,600 houses are unfit for human habitation, with a further 10,300 in need of major repair, is specifically mentioned in the Strategy by name and yet is only scheduled to receive a targeted £4,500,000 in investment from the Single Regional Housing Pot which totals £149,000,000 (excluding the £20,000,000 growth bid for the Milton Keynes/South Midlands growth area).

The Deputy Prime Minister has just launched a £15,000,000 project through Meden Valley Making Places Limited, a special purpose vehicle created through the partnership of the East Midlands Development Agency, English Partnerships, Bolsover and Mansfield District Councils, that body selecting South Yorkshire Housing Association and Leicester Housing Association as its social housing investment partners. This £15,000,000 project, roughly made up of £5,500,000 from the East Midlands Development Agency, £5,500,000 from English Partnerships, and £1,500,000 each from Mansfield and Bolsover District Councils, is intended to deal with the renovation and/or demolition of around 900 run down privately owned houses in a cross boundary master plan which envisages “spinning up” a £28,000,000 total investment plan. It is believed that the £4,500,000 total investment earmarked within the Regional Housing Investment Strategy for the “Northern Sub-Region” does not sit well with the notion of co-ordinated regeneration and unified/complementary funding.

To put these figures into some kind of context LHA alone, since the publication of the Coalfields Task Force Report has refurbished its own part of the former British Coal property portfolio acquired in 1988 (544 homes) at a self funded investment cost of around £9,000,000 (total cost £14,500,000). These figures exclude the original acquisition costs. There are no problems associated with the letting of these properties. In addition, following the relatively modest allocation of some £480,000 by the Coalfields Regeneration Trust, six Village Companies have been established covering six of the targeted eleven settlements within the Meden Valley SRB6 targeted communities. These Village Companies not only harness neighbourhood governance in the interests of the quest for sustainable regeneration but also seek to “bend” mainstream programmes in the creation of employment opportunities through social enterprise.

In terms of value for money such schemes are exceedingly cost effective when compared with schemes that have carried more public notoriety (and here we refer to a scheme with which LHA has close knowledge as the Accountable Body, namely the £49,500,000 Braunstone NDC Pathfinder).

How do all these comments fit together?

There has been a great deal of research. Local people are tired of research and are looking forward to the promise of concerted action that not only provides investment opportunity and related jobs at strategic sites but also in relation to their neighbourhoods and in a manner that enables the resurrection of local jobs through local enterprises. This in turn suggests reinforcing the recently launched Meden Valley Making Places Limited initiative with resources from the Single Regional Housing Pot commensurate with the defined sub-regional priority for renewal, regeneration, and economic growth. It also suggests that if neighbourhood and sub-regional economic markets are to be harnessed in the interests of sustainable enterprise initiatives that this Special Purpose Vehicle is given a more extensive brief across the complex County Council and District Council boundaries than it currently enjoys.

As the Chairman of a leading private sector regeneration development company said at a Coalfields Task Force meeting: “markets are about creating a sense of destination.”

In this context critical mass and quality are all important. Delivering on this agenda requires action, co-ordinated action now, and sufficiently resourced momentum. Progress since the Coalfields Task Force Report has been slow. The presently proposed Single Housing Pot allocation of £4,500,000 is insufficient to create the momentum for real change. And the existing delivery structures require greater co-ordination and cohesion if the strategic vision of change, growth and sustainability is to be achieved.