Further Food for Thought

A SURF report developed from cross-sector considerations around the ‘regeneration discussion’ instigated by the Scottish Government, February 2011.

The Scottish Government asked SURF to convene a short series of discussion events aimed at supporting thinking and exchanges based on the themes of their regeneration discussion paper, Building a Sustainable Future.

These ‘Food For Thought’ events took place in February and March 2011 shortly after the launch of the regeneration discussion paper. The events were opportunities for a range of sets of cross-sector individuals (see appendix) to contribute to a sharing of thoughts and perspectives on each of the three key themes of the paper.

The key themes were:

- Community-led regeneration
- Tackling area-based deprivation
- Investing in the economic potential of our communities

This ‘Further Food for Thought’ paper reflects and summarises the proceedings across the discussion events. The aim of this report is to provide some additional and informed feedback to Scottish Government and to assist consideration of the outcomes of the discussion paper exercise.

SURF hosted these ‘Food for Thought’ discussions under the Chatham House Rule ethos. Opinions, statements or conclusions are not attributed to the identity of individual guests or to their organisations in this report; and information on event participants is not disclosed. This enabled the sharing of discreet information openly.

In the interests of brevity and accessibility, the contents of the paper are a collated reflection on the proceedings. The paper is not a verbatim transcript or summary. Any specific comments or opinions reported are those of some,
and very occasionally all, of the participants. They are not necessarily the views of SURF or of Scottish Government.

The 'Food for Thought' events were part of an ongoing process of discussion, engagement and reflection between SURF its members and associated networks. SURF, for example, made use of the outcomes from the discussions for further discussion and reflection at the SURF Annual Conference in March 2011. SURF now looks forward to playing a further contributory role in the continuing dialogue on regeneration policy with Scottish Government and other stakeholders with a responsibility or interest in regeneration in Scotland.
A collation of some significant outcomes from the SURF Food for Thought events over February to March 2011

Being clearer about what regeneration is, and what it is aimed at doing.

1. Most, if not all, participants across the series felt that there was a lack of clarity, or consistency, or even coherence on what is meant by the term ‘regeneration’.

2. One view was of regeneration as fundamentally about responding to market failure.

3. Another view was a definition of regeneration as, ‘revitalising sustainable communities’. The holders of this view saw a sustainable legacy as being a critically important factor in the successful regeneration of a community.

4. Some support was given for the view, “I don't like the word regeneration. For me, it has strong connotations of poor places, I think if we are talking about addressing poverty then that is the words to use. For regeneration I prefer to think in terms of investment.”

5. An important theme for many participants was where did addressing poverty lie in Scottish regeneration thinking and practice, and to what extent has policy been about defining poverty as purely income and wealth related? For these participants, a growing body of comparative evidence was demonstrating that cultural resilience and degrees of equality of power and wealth distribution across society were as important as purely income or material ownership factors.

6. There was a general consensus that for regeneration, transient or short-term efforts are not enough; regeneration efforts need to be sustained over timescales of up to a decade or more and to leave a sustainable legacy. For some participants there had in general been insufficient commitment investment earmarked for those members of communities who remained after the regeneration project or programme had ended.
7. Many participants wanted more clarity around what is meant, in the language of regeneration, by the term ‘private sector’? Is it small local businesses, regional employers – or other players? There was broad support for the observation that, “The name of the game is bringing the ‘best of community’ and the ‘best of business’ together”.

8. Regeneration was argued to be about more than bricks and mortar, and that it is not sufficient to invest only in physical and business regeneration. Participants were aware of continued debate and experimenting around the approaches of ‘place’ and ‘people’ – with a sense that, at least in England, the ‘place’ approach has, very recently, been substantially moved away from. There was common agreement among participants that in Scotland place-based policies must continue to support people-based policies.

9. Many participants were keen to ensure that, as current regeneration activity continues on a reduced funding basis, questions are asked and learning is derived from what went on during a more benign funding era. Participants wanted to ask, for example; what was measured in assessing the perceived success or effectiveness of regeneration; what should now be included in measurements for such assessments; do we know what regeneration success looks like? Many participants urged the need to pause and reflect now on the practical lessons – successes and failures – from regeneration in the past couple of decades.

10. The contemporary UK scenario was seen by many participants as a time of great threat and opportunity – and opportunity for reflection. The regeneration sector was recurrently described as being in an ongoing learning and adapting mode. Many participants saw a continuing urgent need for more research and experiential based evidence in regeneration. Scotland was specifically cited by participants as performing poorly on the commissioning and production of such evidence.

11. A common view among participants was that investment must include a ‘preventative investment’ element that sought to avoid problems coming back again and again in future. Aberdeen was cited as an example where the players should be diversifying its economy now to prepare for post-oil industry. This example was also cited as evidence that regeneration is not just about poor areas, it’s also about wealthy and successful cities like Aberdeen; regeneration was not only about reversing decline, it can be about promoting and accelerating growth.
12. Some participants felt that regeneration policy advisors and other decision-makers across the UK are “dangerously close” to falling back onto what are perceived as risk-avoiding, pragmatic approaches that do not address fundamentals, e.g. care and maintenance policies to tackle ill-health, that don’t help long-term objectives, and that don’t release potential for increasing community confidence and empowerment and assets. The Scottish Government’s recent attention to the preventative spend concept was welcomed by participants.

13. The current administration of the Scottish Government was seen by most participants to have provided a strong clarity of vision and purpose at the start of its term. Participants saw that as having been refreshing and impressive, but queried whether there is a clear vision now, for Scotland as a whole, to improve national economic performance and collective happiness? Participants noted that the Scottish Government Minister for Housing and Communities, at the launch of this discussion process, stated that Scotland has never had a national regeneration strategy worthy of the name.

**Being clearer about community, and community-led regeneration.**

1. Some participants, whilst declaring themselves to be passionate and committed about community led regeneration, questioned whether that tool is going to solve the problems thrown up by the impact and consequences of major forces flowing from the credit crunch, recession and subsequent restructuring and systemic changes in the contemporary UK scenario.

2. As with the term ‘regeneration’, many participants sought more clarity and coherence around the language of community, community-led regeneration, community consultation etc. Some participants argued that ‘community’ is a fluid term liable to be used as a term by policy advisors and politicians as a means of generalising or avoidance rather than being specific and providing leadership.

3. Some participants warned that there can be misconceptions behind the ‘spray-on’ use of the community label. What constitutes a community may be something simple and evident – the people who live in a village for example. Conversely, it can be a complex matter with, for example traditional urban neighbourhoods within which there may reside a variety of ethnic, cultural or racial minorities.
4. For other participants there were similar issues with what was described as the ‘spray on’ use of private sector labels. Do we understand, for example, what the locus of the SME private sector is in the business of community regeneration? One participant cited a limiting perspective on the part of a local authority where they believed one project was not given as equal recognition as another because it was not “one of local authority’s”. This differentiation was described as being based on the fact that the lesser recognised project was effectively run by a local traders group.

5. Support was given for a participant’s view that there were probably significant untapped resources for community level activity to be obtained from the private sector where it had a local community presence. Participants advised, however, that it was vital that the sector was approached in the right way, and the right opportunities made available. For example, participants advised that it can be better for a community organisation to enlist local senior managers as individuals, rather than as employees representing their company.

6. Some participants queried the status and role of community-led regeneration in the wider and longer-term context of community life and development. Some participants had experience of communities that didn’t have any dreams or inspiration to start with, and that were really struggling. The Big Lottery’s ‘Our Place’ programme was cited as an example of funding and practical support aimed at communities that do not have the champions, committees or a good mix of people, with the ready-made dreams and aspirations.

7. It was suggested that small towns and rural areas are very clear about their identity; but that ascertaining this with respect to communities in major urban settlements can be difficult. Participants generally agreed that the locus or existence of the identity of any community has to be accounted for in any regeneration activities.

8. Many participants argued that, at policy level, there had been little real progress on community-led regeneration, and more particularly community empowerment, in past years. It was unclear for participants as to whether this was because, for example, there had been insufficient clarity from many players around the differences between the issues of; community-led regeneration; community engagement; responsive public services etc.
Public services, Local Authorities, Community Planning Partnerships, and engagement.

1. There was a suggestion from a participant that the concept and language of ‘community activity’ are seen as more palatable than community ‘empowerment’ or ‘engagement’ to some local authorities and some other Community Planning Partnership (CPPs) partners. Participants reported that community and voluntary sector activists commonly express frustration with what they perceive as barriers to their greater engagement in: decision-making; delivering public services at neighbourhood level; and securing the ownership of community level assets at present held in the public sector.

2. There was general goodwill and support expressed by many participants for local authorities. These participants saw most local authorities as being good on localism and reflecting the diversity of their communities. On the other hand, many participants also saw local authorities as not so good on engaging at the very local scale (neighbourhood) and as struggling to comprehend or understand the ‘functionality of neighbourhood’.

3. Community Planning is recognised as an asset and an improvement on what went on before in public services; but on engagement with the public and with communities, the outcomes are very varied and tend to the unsatisfactory. On engagement, some participants asserted that it was possible to predict which CPPs would perform poorly, because the local authority in question already had a poor track record on engagement.

4. Many participants saw the current economic and political situation across the UK as creating both opportunities and great risks for regeneration-relevant public services. Participants saw that there could be a fundamental reconfiguration of many public services onto a more collaborative mode with the transfer of assets and power to communities. A direct risk identified by participants, however, was that the eventual outcomes of reconfiguration could be the fragmentation core public services.
5. One current trend that caused concern among a wide range of participants is that, at a time of many declarations and exhortations from government on localism and community level engagement, many local and central government services are hugely scaling up. Participants were concerned that methods of delivery and the physical locus of many such services are being far removed from the neighbourhoods and communities where they were once located. The government-sponsored trend to scaling-up of systems was strongly argued by many participants to directly counter Scottish Government’s and local authorities’ avowed commitments to localism and to community level engagement.

6. Several participants argued that local Scottish society has worked through a ‘very clunky and imperfect model’ for hundreds of years. This model is locally elected representation through the council. It was argued that that model now needed to be made more intelligible and coherent. The aim would better relate to the emerging models of community-led behaviour, for example in the form of local anchor organisations. The aspiration for these participants was a ‘proper fit’ within a coherent model of democratic and civic and business engagement.

Participants made reference to some people “even harking back to Communities Scotland as a messenger from the government at the CPP table helping to remind the partners what they were there to do”.

7. One participant drew on experience on the board of a local development trust to instance what they perceived as a common ‘mismatch’ between types of local authority support and types of community needs. The example cited was where a local authority did commendable and competent work around the likes of community capacity building, networking across community and third sector organisations etc. At a very local level, however there were more practical needs, for example to access the local school out-of-hours. It could be the case that parents might want to set up a football club and ask to get the keys to the school to use the changing rooms on a Saturday morning – only to find that that was not permitted or not possible. This could be for a variety or reasons; for example constraints under a PFI contract.
8. Some participants argued for a culture change whereby public sector assets in communities would be freely accessible for use by legitimate community organisations, unless there was good reason not too. Support was given to the question posed by a participant, “How can we say we trust the community to deliver community led regeneration when we don’t trust anybody in the community to lock up the school after they are finished with it? These simple but meaningful things that are real barriers.”

9. Some participants argued against the present Concordat between Scottish Government and COSLA, whereby much of the community regeneration funding is channelled through local authorities. The argument here was that if more resources were directly channelled to community level organisations it would create a ‘different dynamic’ with community organisations as partners rather than clients.

10. For some participants from the community and voluntary sectors, there were significant issues and challenges around how they secure access and resources to effectively influence planning and development strategies and other decisions affecting their communities or interests. Participants saw a continuing ‘cultural’ problem with local authorities and official agencies whose default position was to perceive of ‘the community’ as part of any problem rather than as part of any possible solution.

11. Many participants agreed with the view that there is a need to seek a balanced blend between policy and activity between community and national levels. Participants described how good community regeneration happens at a local level and is rooted in local people and around local issues. Professionals and volunteers and activists can all display great commitment and be very effective at the very local level. These participants suggested, however, that there is probably a gap in terms of people having some kind of strategic framework to work and develop outwards from their immediate locality and activity.

It was agreed that this gap could exist for a variety of reasons. Participants suggested that one reason could be the lack of sufficiently high level commitment from a local authority or Scottish Government agency to engaging with a community or a community organisation in an appropriate and meaningful way. Or it may just be to do with the complexity of the various operational and policies networks and frameworks.
Transfer of Learning.

1. As noted earlier, the Minister for Housing and Communities had previously said that Scotland has never had a regeneration strategy that is worthy of the name. Two fundamental issues for several participants were; the need for better policy that was founded on more evidence-based learning; and more investment in knowledge transfer across the regeneration field.

These participants argued that much about ‘what works’ has been known for the best part of thirty years, and posed the question of why isn’t it replicated? The participants wanted to avoid ‘playing the blame game’ but asserted that there are, somewhere, institutional blockages to learning and knowledge transfer that are very deeply embedded and more to do with than just the individual post holders in Scottish authorities, agencies and organisations.

2. For some participants, this institutional aspect extended to some of the professional bodies and intermediaries in Scotland that they perceived as “part of the problem”. It was pointed out by participants that many of these entities were founded a hundred years ago or more, and it was argued that they can, for example, perpetuate all sorts of stereotypical elitist or excluding behaviour.

3. Other participants encouraged attention on how we protect the commitment to what works and to keep that commitment going when we do have agreement and consensus on what works?

Participants were especially keen to explore ways and means of avoiding stop-go programme cycles, for example in community development. A particular suggestion was to work towards ways that could ensure thematic and programme continuities outside the political electoral cycle, without presenting any threat or challenge to the legitimate democratic process.

4. For other participants there were other significant barriers on the transfer of learning – summarised as “We haven’t had much traction in transferring what works from one community to another, other than by depending on a happy tale of local people knocking their pans out unpaid” and “… there’s a contradiction between something that’s given credibility or at least has a nodding approval, but at the same time is left to get on with it.”
5. Some participants saw a need for a fundamental economic re-ordering of Scottish society with regeneration contributing to this change. They noted, for example, that Denmark has just 3% unemployment rate and Scotland has 6 to 7%.

The commonly used Purchasing Power Parity (PPP) that is used to make international comparisons show a disparity between Scotland at $33k per head and Norway at $55k per head. It was argued that Norway makes for a fair comparison with Scotland – both have a population around 5m, both are on the northern periphery of Europe, and both are rich in oil and gas. So the fundamental challenge for some participants was: how does Scotland go from $33K per head to $55K per head?

6. Some participants cited publications such as 'The Spirit Level' and 'Inequality, why social injustice persists', as using international comparative evidence to convincingly argue that high levels of inequality are bad for a society; not least because too much inequality is anti-growth. The publication authors claimed that high and unjustified levels of inequality created an underclass and exacerbated social problems.

The participants citing such evidence argued that regeneration, therefore, cannot just be about improving the market economy – and that regeneration alone cannot address some of the most fundamental drivers of inequality.

7. Some participants felt that much more research was needed to identify just what is transferable knowledge in a community regeneration context. The participants emphasised that what may be happening in one community, say Neilston, can be very different to what is happening in another, say Castlemilk - so what is that difference and why is there that difference? The participants argued that these elements need to be known about, and understood, in order to succeed in identifying what are the critical success factors that would apply to both situations – and that can then be disseminated and transferred.
8. Many participants urged immediate and sustained action to remedy the reality that, even in comparison with England, Scotland scores poorly on the research and evaluation front. An example cited was England’s evaluation of the New Deal for Communities; and the lack of any truly comparable body of work in Scotland. Participants acknowledged that in some regeneration-relevant fields, Scottish Government and other entities such as Architecture & Design Scotland had achieved commendable progress; indeed, participants felt that the challenge now was to roll-out and mainstream what is already known good practice.

9. There was a general feeling among many participants that Scotland had somehow failed to capitalise sufficiently on international experience and successes in regeneration. This could range from street-level to whole city-level projects. Participants cited Aberdeen and Dundee as two exemplar Scottish cities making international connections that allow them to ‘punch above their weight’.

**Decision making and priorities for regeneration.**

1. Many participants, especially those from the development spectrum, saw an essential need for more effective and transparent prioritisation in public investment in regeneration and infrastructure. These participants emphasised that markets needed clarity, whereas economic vision is currently lacking. It was asserted that, consequently, funders and investors, private and public, are not securing optimum returns from regeneration.

The participants reported a lack of collaborative consensus in the midst of many competing current demands for investment; even allowing for the reality that in an environment of diminished resources, prioritisation is always difficult. This is, in their view, constraining the effective and transparent prioritisation of regeneration and infrastructure.

2. Several participants urged a pragmatic acceptance that what can be done in regeneration is currently limited to what are available and viable development opportunities. The participants argued that whilst there are major initiatives like those promoted by Urban Development Companies (URCs), and that there is no shortage of new project ideas, they cannot all be developer-funded. Several participants saw this as reinforcing the critical need for prioritisation.
3. There was strong support from the development spectrum participants for the mantra, “Get real – identify priorities, stick to them, ruthlessly, and align them to the market.” These participants stated and restated their judgement, “that growth is around the corner, in 3-4 years, all being well, the value from this growth can be captured.” Clyde Gateway URC was cited as a contemporary example of an organisation working to ‘excite’ the market to get leverage for regeneration at this stage in the market cycle. Participants supported the view that Scotland’s economic growth can and should always be used to meet objectives other than purely market ones.

4. One potentially productive way forward, for many participants from the development spectrum, was better viability testing. This has long been talked about as being integral to investment decisions in infrastructure and regeneration. The reality, many participants asserted, has always been far different. They argued that development appraisals are not wide enough, and links to relevant wider strategies and to the likes of existing master plans are not good enough. They, consequently, saw closer inter-agency and cross-sector relationships as the most promising and appropriate route to change for the better.

5. Participants from both the private development and local authorities fields, cited great difficulties over the controversies and ‘politics’ surrounding almost any proposed disposal of public land on almost any basis. A senior local authority participant cited how a community group didn’t want to hear about the local authority selling any land in their local park, even though it would help secure and maintain the endangered park facilities and ensure continued access for the community.

6. Participants from all backgrounds recognised the need to ask hard questions about returns for investment across all government spending, including spending on health and education. A commonly asserted view among participants was the critical need to address where future demand is coming from.

The concept of preventative investment was again raised in this context by many participants. This, for some participants, raised the difficult challenge of balancing of essential but unglamorous long-term capital investment against more popular revenue spend. Participants queried how, for example, resources can be invested in things like renewable energy, when there is a concurrent pressure to focus on supporting popular programmes, absorbing enforced public expenditure cuts and paying down private debts?
7. One participant asked for a focus on what was described as one of the difficult issues of regeneration; that of ‘institutional inertia’. It was asserted that, for example, no matter how much the local authority CEO wants something to happen, by the time it gets to a planning case officer the momentum is lost. The participant argued that this kind of situation made it easy, for example, for a risk-averse case officer to just not make a decision on planning applications. In another example cited, a participant asserted that a local authority turned down a planning application for a new-build project purely because (allegedly) it wanted to buy the land outright for its own income stream.

8. Participants suggested that the Scottish Government could help simplify some of the channels to and from the large institutional fund managers and the front-line deliverers of regeneration. A participant argued that there were dangers of big decisions, based on big projects and big funding, all being taken without proper process, effectiveness or accountability. A participant pointed out that the evidence from the credit crunch and the banking crisis illustrated how the ‘experts’ can get things very wrong, and how prone they can be to short-termism and the ‘herd instinct’. The participant asserted that people, including lay people, at the front line of regeneration delivery can be equivalent experts in making the right investment decisions in the right way – if they have the necessary information, channels and access.

9. Many participants were keen to talk up what progress had been made in regeneration and the scope for new possibilities and new configurations. A participant who is a senior professional surveyor in private practice described how, after several fallow years, he is being recalled by local authorities who are keen to revisit property and asset reviews. The authorities had taken cogniscence of an under-exploited resource and were keen to unlock the latent value.

The local asset-backed vehicle study recently completed by City of Edinburgh Council was cited as having identified a large asset base for leveraging in new value. This was cited as an example of thinking more strategically about assets, in terms of planning and the economy.

The progress made at Aberdeen was another example cited; there were seven priority regeneration areas until recently and that has been reduced to three. This much better ensures coherence and clarity around what the city is committed to delivering.
Funding and Financing.

1. Some participants wanted to emphasise the importance of clarity of language around money. They pointed up the ‘huge difference’ between funding and finance; finance is only appropriate where the project is likely to make a profit; funding may be appropriate if the project is seen as important but cannot generate income. The importance of language was seen as extending into, for example, is there a definitional difference between local and national regeneration? If so, what is it?

2. All participants agreed that the ‘massive’ needs for investment in infrastructure and regeneration face an acute lack of private and public sectors funding. Some argue that the only way forward (the only linkage) is innovation and, for example, a radical new approach to funding housing in Scotland. The Minister recently pointed out at a gathering of institutional fund holders earlier this year in Liverpool, that social housing could represent a significant low-risk element in their portfolios.

3. Some participants judged that for Scottish housing production there is reasonable access to loan funding, but they argued that ‘the real trick’ is to get equity funding into housing and infrastructure. Participants acknowledged that institutional funds have a lot of money available - pension funds were reported to have 5-7% of their entire fund being invested in property and that they could happily go up to 15%. These institutions were, however, described by participants as very risk averse, and that means that they literally can’t find enough to invest in. The market wants certainty but expects loss of intent.

4. Participants also warned that property investment in the UK is becoming ever more concentrated in cities – part of the new ‘economic geography’. Examples included how, in Glasgow and Edinburgh, retail property demand has doubled in recent years, but in Stirling, Dunfermline other places have seen a complete fall to almost zero. Some pension funds as a rule don’t invest in cities with less than 20,000 square feet of office space.

Some participants pointed out that this leaves Glasgow and Edinburgh as having development potential in Scotland and little scope elsewhere – they then asked ‘what about the rest of the country?’ Several participants wanted to strongly press this as an emerging challenge that Scottish policy makers had to address.
5. Participants referred to ‘many areas’ where, currently, they saw no chance whatsoever of getting any public investment into, but proposed that a pragmatic approach can get some regeneration projects underway by simply responding to demand. The participants acknowledged that the proposal may sound simplistic or crude, but it was made in the context where (commercial) tenant demand has collapsed across all sectors and areas with the exception of 100% prime assets. These participants argued that the market only goes where there is profit, but we don’t all live or work in profit generating centres. Tax Incremental Finance projects (TIFs) were agreed by participants to be part of the innovation and different thinking of getting investment – but the ‘economic geography’ of the UK greatly limited their scope in Scotland. For some participants, these issues highlighted the tensions between national and local prioritisation for regeneration and infrastructure investment.

6. Notwithstanding the problems in sourcing other funding, many participants pointed to the large scale of the money that could be made available through the European Union (EU) Joint European Support for Sustainable Investment in City Areas (JESSICA). A distinction made by a participant was that JESSICA invests in projects, not businesses.

Some participants cited JESSICA in north-west England as a ‘great example’. One Merseyside consortium included the pension fund Aviva, which helped to augment existing ERDF investment. Aviva, however, demanded a bigger incentive to relieve their risk-averse concerns. A participant described it in terms of, ‘The consortium got there in the end, but a couple of key concessions were needed to unlock Aviva’s finance’.

7. Participants described JESSICA as more flexible than ERDF, with fewer restrictions and now better rules; despite still being bound by EU rules on what EU finding can be used for. The participants reported that it was relatively easy to complete the first generation of JESSICA funding, and because of the flexible nature of the rules the second generation will be even better. JESSICA was, therefore, described as a great opportunity for major infrastructure and regeneration projects in Scotland. For some participants there was an urgent need to exploit JESSICA to its full potential at this point of the recession - rather wait for the second generation which would add another 2-3 years lead time.
8. Participants referred to some good examples of bringing in European Investment Bank (EIB) loan money alongside JESSICA. They confirmed that for projects including equity-risk models with terms and conditions favourable to the market funding is available.

The participants judged that JESSICA is, usefully, more risk-oriented than EIB. It was noted that commercial banks can be part of the JESSICA bid structure. A participant knew of a successful bid consortium that has a major UK bank in a leading role; another participant noted that this was only possible because of UK government post-banking crisis guarantees extended to that bank.

The EIB’s funds were described as ‘huge’ and a participant reported that Scottish Government is looking into its further, untapped, potential. This was reported to be because EID funds were significantly increased after the banking crisis, to over £10 billion at a UK level, and not enough of that is coming to Scotland. Participants did point out that a downside is that EID deals in loan finance, not grant funding, but nevertheless the ‘potential is massive’.

9. There was dissent expressed by some candidates from an unqualified welcome for JESSICA. A view by one participant was expressed that development of JESSICA had in general been rushed and ill-considered. Some participants pointed out that JESSICA came only latterly to Scotland, and had mainly been used to respond to the needs of the rest of the UK.

Conversely, the continuing attributes of the European Regional Development Fund (ERDF) were praised. The ERDF was described as having recognised the importance of urban regeneration, and as having built on its experience incrementally and consistently for its duration. A participant described The Commission officers handling ERDF as ‘very open, they are very good at listening if you have something to say. If you waste their time, you will find it hard to get a second chance, but I have been genuinely impressed at their capacity to listen and consider feedback’.

Caution was advised by some participants against “writing off ERDF funding in future, because the priorities and issues will continue to feature strongly at the European level".
10. Some participants agreed that the ERDF has, historically, been important in rural and urban Scotland, but also pointed out that the EIB funds are, comparatively, huge. A participant pointed out that Scottish Government is looking into the untapped potential and believes that not enough of the EIB funds are coming to Scotland. The fund was described as having been topped up hugely after the banking crisis, and now sitting at over £10 billion at the UK level. Other participants pointed out that a downside is that this is loan finance, not grant funding, but nevertheless the potential was still agreed to be significant.

11. Some participants argued that the structure of tax in the UK can be described as ‘very strange’ and a constraint on development. It was stated, ‘We tax construction, development and infrastructure more than we tax consumption. That is illogical, and we need to look at land value tax. The council tax is currently a burden to growth. We tax employers an extraordinary 14.8%”.

Edward Harkins – SURF Networking Initiatives Manager - 1.4.11.

Appendix

General backgrounds of the participants in the SURF Food for Thought events that were convened in February and March 2011 under Chatham House Rules

Private Sector

- Director of Strategic Development, Infrastructure etc. with a national (*) property investment and development consultancy
- Freelance consultant specialising in master-planning for communities
- Associate with a U.K. property consultancy
- Head of Consultancy (Scotland) U.K. property consultancy
- Property developer

Intermediaries and institutions (national*)

- Chief Executive of two national delivery bodies for E.U. funding, and for infrastructure investment
- Chief Executive of a national anti-poverty campaigning organisation
- UK grant advisor to a UK charity combating global poverty and social injustice
- Director of a national organisation in the community development trusts field
- Director Community development centre
- Partnership Manager with a national charity campaigning for the creation and maintenance of high quality green environments
- Scottish advisor to a UK charitable research foundation
- UK fund manager with a European investment fund
- Director of Finance with a national trust promoting and facilitating value-for-money in infrastructure investment

**Intermediaries and voluntary and community organisations (local & regional)**

- Chief Executives from two Urban Regeneration Companies in Scotland
- Manager of a pilot test project within the Equally Well national programme
- Executive Director of a city-wide employment programme
- Chief Executive of a urban-based large community based housing association
- Chief Executive of a county-wide housing association
- Director of a local community development trust
- Project manager with a community umbrella organisation covering play facilities, youth-work and inter-generational connections
- Director for strengthening communities with a Scottish Government agency

**Public sector (Scotland)**

- Head of Regeneration in a large local authority
- Head of Regeneration and associated services in a large local authority
- Director of Communities etc. in a large local authority
- Director of Development in a large local authority
- Towns Development co-ordinator, intra-local authorities
- Representatives from Scottish Government covering themes of:
  - Place making
  - Regeneration
  - Housing
  - Communities
  - Green issues
**Education and training**

- Senior lecturer in social and urban studies at a Scottish university
- Chair of a national academy for learning & knowledge sharing in design & development
- Professor of Urban Studies at a Scottish university
- Part-time lecturer and practitioner from the property consultancy field

**SURF support team**

- Andy Milne, Chief Executive
- Edward Harkins, Knowledge and Research Associate
- Derek Rankine, Events and Communications Officer

*The term ‘national’ refers to Scotland unless specific reference is made to the U.K.*