

# HARD TIMES

## Briefing 3

# Coalfields Regeneration Review

The former coalfields include some of Britain's most disadvantaged communities.

The report of the Coalfields Regeneration Review, submitted to Ministers on 17 September, offers a once-in-a-decade opportunity to sustain the engagement of central government and its agencies.

Since the mid-1990s much has been done to promote regeneration in the former coalfields. In 1996 the National Coalfields Programme was created to help clear up England's derelict pit sites and bring new jobs and investment. In 1999 the Coalfields Regeneration Trust opened for business - a charity covering England, Scotland and Wales that aims to empower former mining communities and bring people back into the job market. In 2004 the Coalfields Enterprise Fund was launched, bringing much-needed venture capital to businesses.

No one ever thought that regenerating the former coalfields could be done overnight. But much progress has already been made.

Earlier this year, Ministers at the Department for Communities and Local Government asked former MP Michael Clapham to chair a review of coalfield regeneration across England. His brief was to look at what has been achieved so far, what lessons have been learnt, what could be done better and what more needs to be done.

**This briefing:**

- Summarises the key recommendations of the Review
- Provides a brief assessment of its findings
- Suggests how the recommendations of the Review can be taken forward.



*Industrial Communities Alliance*

The former coalfields make up a substantial part of the country. Across Britain as a whole they have a total population of around 5m, of which 3.75m are in England.

Between the early 1980s and the present day the British coal industry shed 250,000 jobs, nearly 200,000 of them in England alone. The central task since then has been to rebuild the whole economic base of many communities.

There has been substantial progress. Far from entering an unstoppable spiral of decline, all the former coalfields have to some extent begun to recover, aided in part by interventions from central government and the devolved administrations. Prior to the recession, employment in the former coalfields was starting to grow again, often more quickly than the national average. Experience has shown conclusively that former mining areas cannot, and should not, be written off.

However, the recession has exposed the fragility of this recovery and shown how coalfield communities are still vulnerable.

## Main recommendations from the Review

- Improving coalfield areas, and tackling their deep-seated structural and social problems, requires a **joined-up multi-agency approach**. It needs to bring together a range of local and national partners to develop a 'total place' approach.
- **Local authorities are best placed to understand their own areas** and therefore have a central role to play in the next phase of coalfield regeneration. However, the realities of the economic climate need to be recognised, with spending and institutional cuts both in central and local government. Local authorities should not be expected to make up for reductions in government programmes. They should be given the resources they need to deliver locally.
- Funding from central government departments has traditionally had restrictive conditions placed upon it, and there has been no flexibility to meet local specific needs. **Local authorities need to be given more freedom to spend money in a manner which best meets local requirements and conditions** whilst at the same time being accountable for decisions they make. In the past there has been a confusing array of funding streams, which have been too prescriptive in their application and have not allowed local authorities to be responsive to their communities' needs in the way monies are spent.
- **There is an important ongoing role for the Coalfields Regeneration Trust** to play in tackling worklessness, the skills deficit and community development. However, the current three-year funding for the Trust engenders uncertainty and consideration needs to be given to how it might be funded over a longer timescale.
- **Central government support for coalfield areas needs to be maintained** and the Department for Communities and Local Government (CLG) has a pivotal role in delivering this. The enhanced governance structures recently put in place by CLG are helpful and need to be developed into an effective mechanism for:
  - ensuring *better coordination* between the coalfield sites programme, the Coalfields Regeneration Trust and the Coalfields Enterprise Fund to ensure better value for money
  - engaging *other Whitehall Departments* to ensure their policies and delivery mechanisms are aligned with the needs of the former coalfields

- agreeing *revised lifetime programme targets* for the coalfield sites programme as part of the spending review and in the light of any changes in the end-use of sites. The demise of the RDAs (who own 54 of the 107 sites) could affect delivery and income generation through receipts.
- There needs to be another look at exactly which areas are still classed as ‘former coalfields’ to ensure that **available resources are effectively targeted**.
- In general, **the coalfield sites programme managed by the Homes and Communities Agency should be brought forward as originally planned**, but where local priorities have changed and this is not possible it is incumbent upon the Agency to demonstrate that there has been full involvement of local authorities in the decision-making process.
- The Coalfields Enterprise Fund provides a valuable venture capital vehicle for coalfield areas. However, **there is a need for a smaller grants or loans scheme** to help businesses who are finding it hard to find funding in the current economic climate.
- There needs to be **flexibility within the evaluation** regimes for individual initiatives to allow programmes to be adjusted as they evolve. Stringent reporting requirements can lead to programmes taking directions that comply with the reporting regime rather than local requirements.
- In all cases, **local authorities should be consulted and involved** in the design and delivery of initiatives affecting the former coalfields.

## An assessment

The recommendations of the Coalfields Regeneration Review make sense in the current economic climate and are an important contribution to the debate surrounding the current spending review.

Clearly, if the regeneration of the former coalfields is to progress further it will require the continued engagement and support of CLG and its Ministers, and of Government more generally.

A favourable ministerial response to the Review in England would also be enormously helpful in ensuring a continuing role for the Coalfields Regeneration Trust in Scotland and Wales.

In particular, it would make sense that:

- **The coalfield sites programme should be completed as originally conceived, and that progress should continue apace**
- **The Coalfield Regeneration Trust should be given an ongoing role in regenerating communities, and its longer-term future should be secured**
- **The Coalfields Enterprise Fund should continue to provide venture capital to businesses, and new financial support for small business should be identified.**

In the past, some Whitehall departments have not fully engaged with the coalfields agenda. From now on, they need to step up to the table and play their part in tackling the most entrenched characteristics of coalfield deprivation: worklessness, poor health and low skills.

It is also clear that local authorities, through Local Enterprise Partnerships in England, have a key role to play. However, in the face of spending cuts, local authorities must be given the freedoms and resources they need to regenerate their communities.

# What needs to be done?

The Coalfields Regeneration Review has created an opportunity to influence government policy before the full outcomes of the spending review are determined.

The Alliance will be:

- Seeking meetings with Ministers and senior civil servants to discuss the Review's findings
- Contacting coalfield MPs and asking them to support the Review's recommendations
- Disseminating the Review's recommendations to the press and media
- Distributing this briefing widely within the former coalfields.

What other organisations and individuals can do:

- Make sure your MP is aware of the Review and its significance for ongoing coalfield regeneration, and ask them to lobby Ministers
- Write directly to Ministers expressing support for the Review's recommendations. The key ministers at CLG are Secretary of State Eric Pickles MP and his colleagues Grant Shapps MP and Andrew Stunell MP.

A copy of the Review report can be downloaded from the CLG website [www.communities.gov.uk](http://www.communities.gov.uk)

## Who we are

The **Industrial Communities Alliance** was formed in 2007 to represent local authorities in the industrial areas of England, Scotland and Wales.

The Alliance brings together two longer-established local authority associations - Coalfield Communities Campaign and SteelAction - together with local authorities from other industrial areas. It builds on ten years' successful collaboration under the banner of the Alliance for Regional Aid and a track record of successful lobbying by its predecessors extending back to the 1980s.

The aims of the Alliance are:

- to articulate the needs of Britain's traditional industrial areas
- to attract resources for regeneration
- to press for balanced growth within and between regions
- and to provide a framework for information sharing between member authorities.



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