A mine of opportunities

Local authorities and the regeneration of the English coalfields

Local government
National report
November 2008
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Summary

England’s former coalfields are a story of renewal and growth. National and European funding has supported this transformation, but local councils and their partners also deserve much of the credit. Regeneration actions have:

- Transformed the physical environment of the coalfields:
  - New business premises have been constructed faster than the national rate.
  - Old housing stock is being demolished and new stock built faster than nationally.

- Rebuilt coalfield economies:
  - Since the late 1990s, job growth in the coalfields has outstripped the national rate.
  - Economies have diversified.
  - Employment rates have risen more rapidly, halving the gap with the national rate from 4.6 to 2.3 percentage points.

But there are still problems. The focus on physical and economic regeneration has overlooked people.

- Absolute levels of educational attainment, adult skills, life expectancy, income deprivation and crime have improved, but inequalities persist. The gap between these areas and the rest of the country widened and many coalfields remain among the most deprived areas in England.

Jobs have been created but are increasingly being taken by people moving or travelling into coalfield areas, while unemployment persists in local communities.

- Many coalfield residents are jobless and face significant barriers to returning to work. These include health problems, poor skills and lack of motivation. This is no longer restricted to the older generations who were originally affected by pit closures.
Summary

- Jobs continue to be created but councils face diminishing returns for their efforts as these jobs are increasingly taken by new people moving or travelling into the area to work.

- Regeneration policies need to focus on addressing worklessness – by continuing to create jobs, but also by specific action to support unemployed people back into work. This would deliver a double benefit: improving social issues, and reducing local unemployment.

There are important lessons to be learned from the history of coalfield regeneration that should be applied to the coming recession.

- There was a significant period between the initial large-scale pit closures in the 1980s, and the early to mid-1990s, when regenerating coalfields was not a national priority and coalfield areas received little specific help. During these years, benefits dependency grew, and many of the social problems facing these areas today developed and became ingrained. Early action is key as it prevents economic issues translating into deep-seated social problems.

The national economy, national funding and local geography have all influenced what has been achieved in each area. But council action is important and some have done better with the hand they have been dealt than others.

- Outcomes for an area can be clearly linked to policies and strategies of local authorities.

- Those councils that have been most successful have shared a number of characteristics including a willingness to learn from mistakes, to work with others and to listen to their communities. They also have good leadership and a strong vision.

- Successful local authorities work with the right partners and at the appropriate level – for example, sub-regionally on jobs, with local communities on social initiatives.
• They have also worked together nationally to speak as one voice for coalfields. This collective action has been an important influence on the national programmes that support coalfield regeneration.

**Big budget programmes largely funded by national and EU money have characterised coalfield regeneration since the mid-1990s, but it is now entering a new, more testing phase.**

• The buoyant national economy that has been a key driver of coalfield growth is moving towards recession.

• Coalfield priorities are shifting towards addressing deep-seated and complex social issues such as worklessness, low educational attainment and health inequalities.

• Funding is likely to reduce. The national programmes that have financed much of the site development and job creation are coming to an end.

**Local authorities will be at the centre of the next phase of coalfield regeneration.**

• As external funding falls, councils will need to maximise the impact of mainstream budgets to deliver regeneration outcomes.

• Councils’ new responsibility for 16-18 education increases their role in tackling skills and worklessness.

• Councils’ role as major employers and purchasers of goods and services within local economies will be more important in an economic downturn.

• Councils’ responsibilities under the Local Area Authority (LAA) framework – to provide leadership, build partnerships and develop local visions – will be crucial in tackling difficult social issues.
Despite the successes to date, the job of regenerating former coalfields is by no means complete. The scale of the remaining issues means that the coalfields will still require some support from national regeneration programmes.

- The task of physically and economically regenerating the coalfields is not finished. Despite their success to date schemes such as the National Coalfields Programme have not completed their work.

- Other remaining challenges such as poor educational attainment and health are difficult to address. A range of government departments will need to focus on these issues.

- There is a question as to whether any future funding needs to be delivered through coalfield-specific programmes. Are coalfields still faced with distinct problems that require individual programmes or are they now faced with similar challenges to those of others trying to regenerate their areas? This question needs to be debated.
Recommendations

National government should:

• ensure that the lessons learned in coalfield regeneration – particularly the need to act quickly after major job losses to ensure that deprivation does not become ingrained – are transferred to other regeneration challenges. This is particularly important given the coming recession;

• support coalfield areas in tackling key remaining issues of poor educational attainment, health inequalities, and low skills;

• consider how government departments can reflect local circumstances within national programmes and give their local delivery bodies such as Job Centre Plus more flexibility to respond to local priorities;

• ensure that regeneration policy is appropriately balanced between economic and social regeneration. A sustained focus on job creation can lead to social issues becoming more deep-seated and crossing into later generations of residents; and

• ensure that physical and economic regeneration funding allocated through the National Coalfields Programme remains in place so that its final objectives can be met.

Councils should:

• focus regeneration activities on the social issues that prevent people from entering work, such as educational attainment and poor health;

• continue to create jobs, but co-ordinate this with the initiatives that support residents back into work;

• prepare for a new, more testing phase of regeneration in which they should:
  – extract maximum regeneration gains from mainstream budgets;
  – engage in meaningful partnerships with other local service providers;
  – address issues at the appropriate geographical level. For example, jobs at a sub-regional level, health initiatives in the local community;
  – involve local communities in identifying issues and delivering the solutions;
Recommendations

• recognise that while job creation remains fundamentally important, authorities do not all need to be employment centres; often they are part of a wider local labour market and need to develop appropriate strategies that maximise the benefits for their residents;

• develop a deeper understanding of their local economies and their sub-regional labour markets. Finding the right solutions to issues such as worklessness can depend on a very sophisticated understanding of the causes; and

• consider how well their approach to regeneration compares with the good practice identified in this study.

Local, national government and other stakeholders should:
• debate the nature of the remaining coalfield challenge. Are these areas still beset by distinct issues that require specific coalfield programmes or are the remaining regeneration challenges similar to those faced by other areas?

The Audit Commission will:
• use the lessons from this study to inform the development of Comprehensive Area Assessments.¹

¹ CAA is the new framework through which the major public service inspectorates will together make independent assessments of how well people are being served by their local public services. Its focus is primarily on the prospects for better outcomes locally rather than the internal workings of individual organisations.
1 At the beginning of the 1980s, 220,000 people were directly employed in the English coal industry. By 1993, 200,000 of these jobs had been lost. A further 10,000 jobs went over the next five years. Losses were concentrated in particular areas, with 90 per cent of them falling in 34 council areas. Pit closures left these areas with huge problems of environmental degradation, economic disadvantage and social deprivation. This was often exacerbated by the physical isolation of the mining settlements and by poor roads and infrastructure. The severity of the decline, combined with this range of obstacles, made the death of England’s mining industry a unique regeneration challenge.

2 From the mid-1990s there was a marked increase in the support programmes in place to help councils address these problems. English Partnerships (EP) introduced its National Coalfields Programme (NCP) in 1996. The Coalfields Task Force (CTF) was established in 1998, and succeeded in giving ex-mining areas a higher profile within the national regeneration agenda.

3 However, the regeneration future for the coalfields is likely to look very different. Regeneration priorities in the coalfields have changed. Key funding sources are drying up and the national priority afforded to coalfields has reduced. The long period of economic growth since the mid-1990s, which has been the engine driving much of the progress made in coalfields, has come to a very abrupt end.

4 These developments are likely to make local authorities even more important as drivers of regeneration in coalfield areas. In partnership with other local bodies, they will have to take up the reins as the national agenda, and funding, move on to other priorities.

5 This study looks at the period 1998 to 2008, identifying tangible changes in the environment and residents’ lives. It seeks to deepen our understanding of how to regenerate, acknowledging what has been accomplished in the coalfield areas, and the role that local authorities have played. As we move towards recession, potentially involving another period of painful restructuring in the economy, these councils have lessons to offer others.

6 We have looked in detail at 34 local authorities in areas of England where coal extraction used to be a major employer. We have analysed information on physical and social changes across all of these areas, looked in more depth at 11 of the councils – Ashfield, Barnsley, Bassetlaw, Bolsover, Dover, Durham City, Easington, Rotherham, St Helens, Selby, and South Tyneside – and conducted interviews with a variety of regional and national bodies.

1 All references to the NCP throughout the document relate to the specific programme run by EP. They do not refer to the Coalfields Regeneration Trust and the Coalfields Enterprise Fund. These are discussed separately.
Much of the previous research has evaluated particular national initiatives but, until now, very little has been done to understand the specific role that local authorities have played and the effectiveness of their actions. This study addresses this knowledge gap. Specifically, the research:

- measures progress made in coalfield regeneration outcomes such as jobs, and environmental improvements;
- examines the links between the different aspects of regeneration – particularly between job creation and worklessness;
- sets out the factors that influence success at the local level;
- highlights the approaches that have delivered results; and
- explores the future actions that local authorities in ex-mining areas will need to take to continue to deliver regeneration in the new environment.

The research provides a series of learning points based on the experience of coalfield authorities. These will:

- support decision making in the next phase of coalfield regeneration; and
- provide useful learning for all areas facing regeneration challenges.

The research is not a formal evaluation of any particular programmes. Rather, it looks more broadly at the outcomes of regeneration and then considers the key drivers for the achievements made. The specific aim is to disentangle, from the various influencing factors, the role that local authorities have played in delivering those outcomes. The research does have two important parameters:

- It is focused on the period 1998 onwards. This coincides with the publication of the CTF report and represents the beginning of a new phase in the history of the coalfields. Some data before 1998 are provided to contextualise the research, where available and relevant.
- It uses a local authority level definition of coalfields in line with the Sheffield Hallam University work of 1996 (Ref. 1). This produces 34 principal coalfield authorities (Figure 1) which are split into two groups:
  - Worst affected areas – the 17 principal coalfield authorities with the highest levels of male employment in mining in 1981 (an average of 31 per cent of total male employment); and
  - Least affected areas – the 17 principal coalfield authorities with the lowest levels of male employment in mining in 1981 (an average of 12 per cent of total male employment).
Figure 1
The principal English coalfield authorities included in this review (case study councils named)

- Worst affected local authority
- Least affected local authority

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1 | Introduction

Structure of the report

- Chapter 2: Progress on coalfields regeneration – sets out what has been achieved in physical, economic and social regeneration in the coalfields at the aggregate level.

- Chapter 3: Linking jobs and worklessness – illustrates that making the links between physical, economic and social regeneration can deliver better outcomes. This section particularly focuses on the importance of getting the resident population back into work as a means of delivering economic and social improvements.

- Chapter 4: Explaining local variation – identifies local variation in outcomes, and classifies authorities into groups with similar outcome profiles. It discusses the various factors that explain this variation. These include the national economy, the role of government funding, and the specific impact of local authority policy.

- Chapter 5: Learning from experience – good practice in local authorities – sets out a model that describes how local authorities have learned and improved their approach over time. It describes the features of those that have gone furthest on this journey. It also includes examples from case studies of the behaviours associated with the most successful outcomes.

- Chapter 6: Conclusions – Time for a new approach? – explores the remaining challenges facing coalfield areas and the new economic and policy contexts in which councils will have to work.
Progress has been assessed against the three core components of regeneration:

- Physical regeneration – dealing with the physical scars of the mining industry such as the pit heads and slag heaps. It includes land reclamation and commercial and housing developments.
- Economic regeneration – covering changes in the local economy including the supply of jobs, the types of firms and the performance of the labour market.
- Social regeneration – focusing on the characteristics of local communities such as education, adult skills, health, crime and poverty.

This chapter examines what has been achieved across these three elements of regeneration since 1998. It compares changes seen in the coalfields with the national picture, and with non-coalfield local authorities in the five main ‘coalfield regions’.

It shows that much has been achieved in terms of physical regeneration, and that coalfield economies are narrowing the economic gap with the rest of the country. However, social change has been less successful with the former coalfield areas remaining far behind other parts of England.

The renewal of the physical remnants of the mining industry has formed a central feature of the regeneration of coalmining areas. Environmental dereliction is being addressed.

The physical scars left by the mining industry – pit heads, slag heaps and contaminated land – continued to blight coalfield areas following the pit closures. In 1993 there were 7,300 hectares of derelict land in the coalfield authorities. This meant that, despite having only 9 per cent of the national population, coalfield authorities contained over 21 per cent of the national stock of derelict land. To put this into context, Trafalgar Square in London is a hectare in area.

Dealing with these physical sites has been a priority for the regeneration framework for coalfields, particularly following the introduction of the National Coalfields Programme (NCP) run by English Partnerships (EP) in 1996. This marked a significant increase in funding.

These programmes, combined with private development, have worked. Between 1993 and 2004 about half the derelict land (4,000 hectares) was reclaimed and all the indications are that more land has since been dealt with, as only a third of the NCP money had been spent by then.

The ‘coalfield regions’ is a comparator developed for this study. It is an aggregate of all the local authorities, excluding the 34 principal coalfield authorities, in the five main coalfield regions of the West Midlands, East Midlands, North East, North West and Yorkshire and Humber.

All data are from Department of the Environment, Survey of Derelict Land in England 1993.

All 2004 data are from Neighbourhood Statistics, ‘Previously–Developed–Land’ dataset.
Although the task is not yet complete, much of the remaining dereliction is included in EP’s forward programme for the NCP which is due to run until 2012. The NCP still had a projected spend of £411m left in 2008, some 49 per cent of its budget. A new commercial environment is emerging

Pit closures hit the economic capacity of coalfield areas. Colliery sites cannot be reused like offices or factories. Many coalfield areas, therefore, lacked the commercial infrastructure with which to rebuild their economies. Much has now been done to create a new commercial infrastructure. By 2006 these areas had the same level of commercial floorspace per head of population as the rest of England. This was achieved by coalfield authorities growing their per capita floorspace 80 per cent faster than the national rate in the period from 1998 to 2006.

However, the model of development in the coalfields has been heavily skewed towards warehousing. Although shops and offices have expanded, these areas still have fewer of them, relative to the England average. In the coalfield areas worst affected by mining job loss, warehouses make up 31 per cent of commercial floorspace, against 23 per cent nationally.

This specialisation, combined with underdeveloped retail and office facilities, raises questions about the sustainability of this model. There may be a need to move beyond the warehouse economy to a more balanced and therefore resilient development model.

Housing is improving

Traditionally, much of coalfield housing was poor. The way the National Coal Board auctioned off some of its housing – cheaply to non-resident private landlords – further exacerbated problems of neglect. But housing has been regenerated. Some of the worst housing has been demolished and levels of unfit housing have fallen. By 2006 the coalfields had a lower proportion of unfit housing than the national rate.

It had been some 8 per cent lower in 1998. All floorspace data are from Neighbourhood Statistics, Commercial and Industrial Floorspace and Rateable Value data set.

From 1998 to 2006 over 3,000 private sector units were demolished in coalfield areas, equivalent to 1.6 units for every 1,000 households, more than twice the national rate.

In 2006 some 3.1 per cent of coalfield dwellings were classified as unfit. The national rate was 4.6 per cent.
In the coalfield areas, nearly 64,000 new dwellings were completed between 1999 and 2007. That is 30 for every 1,000 existing households, some 8 per cent higher than the national average. Housing markets have been buoyant and have outperformed the national market from 1998 to 2006.

Economic regeneration

The scale of the economic impact of the pit closures cannot be underestimated. Entire communities lost their livelihoods almost overnight while the specialised structure of their local economies meant they had few other opportunities on which to rebuild, a factor compounded by the physical isolation of many mining areas.

Coalfield economies have recovered since the low point of the mid-1990s with new employment created and a new firm base in place. In many areas the gap to the national rate has begun to narrow.

This section examines changes in three core aspects of the coalfield economies:

- the jobs base – in terms of the numbers and types of jobs available;
- the stock of firms – focusing on the number and types of firms in the coalfields; and
- the labour market – which examines the relationship between job growth and changes in employment levels.

The jobs base is growing

Jobs are returning to the coalfields

Coalfields suffered massive job losses in the 1980s and early 1990s. Between 1981 and 1993, 135,000 manufacturing and 170,000 mining jobs were lost, offset only to a limited extent by growth in services and public sector employment. Overall there were 150,000 fewer jobs in 1993 than in 1981, a fall of over 10 per cent – see Figure 2. Job losses hit male workers hardest.

All data on quality of stock, completions and demolitions is from district level Housing Strategy Statistical Appendices available from CLG.

Bottom quartile prices rose by 171 per cent from 1998 to 2006, compared with 167 per cent nationally based on price and sales data from Land Registry. The overall number of sales increased from 1997 to 2005 by 24 per cent across all the coalfield authorities compared with 9 per cent nationally based on three year averages for 1996–1998 and 2004–2006.
Progress on coalfield regeneration

Figure 2
Job creation in the coalfields, 1981-2006

Job numbers in the coalfields have grown substantially since the early 1990s and have recently begun to catch up with national growth rates.

1981-1993: Rapid job loss
Coalfields lose jobs faster than both the national rate and the rate of the coalfield regions

1993-1998: Slower growth
Coalfields grow, but at a lower rate than elsewhere

1998 onwards: Catch-up
Coalfields grow faster than the coalfield regions from 1998, and faster than the national figure from 1999

Source: Census of Employment, Annual Employment Survey and Annual Business Inquiry
The situation began to turn around in 1993. Until 1998, recovery was below the national rate but since then coalfields employment has been growing faster. Over the eight years to 2006, net job growth in the coalfields was 10 per cent, against just over 7 per cent for the country as a whole.

The stock of firms is growing and diversifying

More firms in the coalfields

In general, coalfield economies are characterised by the presence of a relatively small stock of firms and low numbers of business start-ups. In 1998, for instance, there were 33 VAT registered firms to every 1,000 head of working-age population in the coalfield authorities. Nationally the figure was 50. At the same time annual rates of VAT registration were 40 per cent lower in the coalfields than nationally.

The stock of firms in coalfield areas has changed since 1998:

- Growth in firm numbers in the coalfields has been strong: The number of firms per 1,000 head of working-age population grew by 18 per cent from 1998 to 2006.
- An increase in the registration rate has been the key driver. The rate at which existing firms have left the coalfields or gone out of business has been stable meaning that growth has been driven by increases in the number of new firms.\(^1\)
- But growth has not come from new, small start-ups. The number of firms with fewer than 50 employees grew in the coalfield areas by 6 per cent from 1998 to 2006 compared with 8 per cent nationally. In the wider economy, small firms are a significant provider of employment in their own right, and a number will become the large employers of tomorrow. They are an important component of local job supply and their relative lack of growth is a concern.
- Instead, growth has come from large firms moving in. Figure 3 shows that in the coalfields the number of firms employing 50 or more workers increased around three times faster than the national rate from 1998 to 2006.

The coalfields saw a 10 per cent growth in the annual number of registrations from 1998 to 2006. At the national level this figure fell by 1 per cent.
Progress on coalfield regeneration

A large proportion of coalfield job creation has been driven through the attraction of a small number of very large employers. There are clear dangers with this approach. As the coalfields have learned to their cost, economies based on a small number of large employers can be disproportionately affected in an economic downturn.
Economies are diversifying

The coalfields have diversified, with new jobs in transport, banking and business services. Emblems of the new era include the B&Q logistic centre in Bassetlaw, Nottinghamshire; and Sportsworld in Bolsover, northern Derbyshire. Growth in the numbers of new jobs in the transport and logistics sector was four times the national rate. Business services started from a very low base, but have expanded rapidly.

Figure 4
Job change by sector, 1998-2006

Public services have provided the largest number of jobs, but the growth in the transport sector is the feature that sets the coalfields apart from the national trend.

Source: Annual Business Inquiry
Despite the private sector expansion, public services have been the largest provider of employment in the coalfields, creating 4 out of 10 of all new jobs. Offsetting some of this growth is a continuing loss of manufacturing jobs at a greater rate than the rest of the country. Figure 4 shows the number of jobs created or lost in each sector for every 1,000 per head of working-age population.

Labour markets are healthier

The economic downturn generated by the pit closures had severe implications for coalfield labour markets, particularly for men. Initially some people moved away to find work. Many that stayed, especially men, withdrew from the labour market as they failed to find new work and became discouraged. However, the working-age population has begun to grow again, and there have been large falls in worklessness.

Population growth

Between 1989 and 2001 many in mining areas voted with their feet. The most mobile cohort of the population, men aged below 45, moved out of coalfields in significant numbers. There was a 9 per cent fall in this group compared with a 1 per cent fall nationally. This, combined with the general fall in birth rates over this period and few new residents moving in, suppressed growth in the working-age population – see Figure 5.
Figure 5
Working-age population change, 1981-2006

The working-age population of coalfield areas has not grown in line with national trends. However, it has begun to experience more rapid growth since 2000.

Source: Office for National Statistics, mid-year population estimates
2 Progress on coalfield regeneration

36 This trend reversed from around 2000 onwards. The working-age population started to grow again as did the numbers of men under 45. This new phase coincided with employment growth in the coalfields outstripping the national rate and is likely to reflect an increase in people moving into these areas to take up employment.

37 From 2000 there was an increase in international migration into England. This accelerated further in 2004 when residents of the new EU member states were given rights to live and work in the UK. The proportion of foreign workers entering coalfields areas in this period is relatively low – estimated at around one third of that seen in the country as a whole. However, because population growth from all sources was relatively low in the coalfields in this period, international migrants make up a significant proportion of the new residents in these areas.

Unemployment rates are falling

38 High unemployment had been a persistent feature of the coalfields since the mid-1980s. A particular feature of coalfield labour markets was the switching of many residents, principally men, from Job Seekers Allowance (JSA) (and its predecessors) to Incapacity Benefit (IB) (Ref. 2).

39 A better picture of the scale of unemployment in an area is the total claimant rate for both benefits. The claimant rate for these benefits has fallen by 5 percentage points over the period and the gap to the national rate has narrowed from 3.8 to 2.8 percentage points.1

40 At the same time that unemployment has fallen in the coalfields, the employment rate has risen – see Figure 6. In 1995 this was 4.6 percentage points lower in the coalfields compared with the national rate, but this gap has now halved to 2.3 points.

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1 This is based on the numbers of requests for new national insurance numbers from the national insurance numbers database (NINO). This shows that from 2002 to 2006 there was an annual average of 3.7 NINO applications per 1,000 residents in coalfield areas. This is about a third of the national level of 12.6.

II In 2006 12.1 percent of the working age population in the coalfields was either on JSA or IB. The national rate (excluding the coalfields) was 9.3 percent and the rate for the South East region was 6.4 percent.
Employment rates were 4.6 percentage points below the national rate in 1995 but this gap halved by 2006.

Source: Labour force survey

Rates have been calculated excluding inactive students. The coalfields have a small student population relative to non–coalfield areas, meaning that their inclusion in labour market figures distorts the results.
However, despite these improvements, and the high numbers of jobs created, worklessness continues to be significantly higher in the coalfields than in England as a whole.

Social regeneration

In addition to environmental dereliction and economic collapse, the pit closures are associated with a range of social issues. Some of these, such as financial deprivation, were the direct result of the closure of the mines and its impact on local economies. Some – such as poor educational attainment and low adult skill levels – were already problems in mining communities. But other social issues arose from the long-term deprivation and decline in these areas. Crime rose as communities fragmented, deprivation levels grew and housing conditions worsened. Different health issues emerged. Traditional mining-linked diseases like chronic obstructive pulmonary disease (COPD) have been overtaken by conditions associated with deprivation such as poor mental health, drug abuse, and heart disease.

Social change has not matched economic improvement

Overall, social regeneration has been the least successful component of regeneration in the coalfields.

In absolute terms, social conditions have improved in the coalfield authorities. Unemployment has fallen, educational attainment and skills have improved and life expectancy has risen. However, these improvements reflect a national trend. Coalfield authorities have been chasing a moving target and despite the improvements have not been able to catch up with national averages. This is particularly true in the worst affected coalfield areas.

Table 1 presents the results of a national ranking exercise for various social and economic indicators. It illustrates that the worst affected coalfield authorities have not significantly narrowed the gap in social conditions between them and other English local authorities.

The percentage of the working–age population claiming any working–age benefit has fallen by 1.7 points, the pass rate for 5 GCSEs A–C has improved by 17 percentage points, NVQ3+ levels are up by 1.5 points and life expectancy is up by 1.9 years for men and 1.2 years for women.
Table 1
Change in coalfield ranks on a national league table of social and economic regeneration, 1998-2006

Despite substantial improvements in economic indicators, the worst affected coalfield areas have not moved up the national league table on social factors.¹

<table>
<thead>
<tr>
<th>Skills</th>
<th>Worst affected coalfield LAs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share of working age population with NVQ3+</td>
<td>Average rank in 2006 (of 353 authorities where 1 is best)</td>
</tr>
<tr>
<td></td>
<td>Change in average ranks since 1998</td>
</tr>
<tr>
<td></td>
<td>269</td>
</tr>
<tr>
<td></td>
<td>262</td>
</tr>
<tr>
<td>GCSEs pass rate (5 A-Cs)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>269</td>
</tr>
<tr>
<td></td>
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<td>Crime</td>
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<td>Notifiable crimes per 1000 people</td>
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<td>Male life expectancy</td>
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</tr>
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<td>Female life expectancy</td>
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<tr>
<td>Employment/benefits</td>
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<td>IB claimant rate</td>
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<td>Economic Indicators</td>
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<td>Commercial floorspace (per 1000 work. age pop.)</td>
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<tr>
<td>Employment rate (minus students)</td>
<td>224</td>
</tr>
<tr>
<td>Median hourly gross pay</td>
<td>235</td>
</tr>
</tbody>
</table>

¹ The average rank for each type of authority in 2006 is shown for each indicator alongside the average number of ranks this has changed since 1998. Ranks run from 1 (best) to 353 (the total number of authorities). A positive change in ranks from 1998 to 2006 means a relative improvement in performance has occurred.

² Data are based on two–year averages for 1998/99 and 2004/05 from Labour Force Survey.

³ Data are for 1998 and 2006 from Neighbourhood Statistics.

⁴ Male and female life expectancy data are based on three year averages for 1996/98 and 2003/05 from Neighbourhood Statistics.

⁵ Data are for 1999 and 2006 from DWP 5 per cent data set.
2 Progress on coalfield regeneration

This failure to narrow the gap means that social conditions in the worst affected coalfield areas continue to be relatively poor. With the exception of crime, which tends to be higher in urban areas, the worst affected coalfield areas in 2006 are pretty much where they were in 1998: on the boundary of the lower quartile of social indicators for English local authorities.

Conclusion

At the aggregate level there have been dramatic changes in the coalfields since the mid-1990s. But there is still a great deal of work to be done (see Table 2). The key unfinished business of coalfield regeneration is to deal with the complex range of social issues that continue to affect these communities.

Table 2

Progress against the three elements of regeneration

Regeneration outcomes vary across the three main elements of activity.

| Physical | ✔ | Most colliery sites either have been, or are lined up to be, redeveloped. New commercial units have been built and housing is improving, although there is still some way to go. |
| Economic | ✔ and ✗ | Coalfields have benefited from growth in public spending and national economic growth in general. They have found a niche in the consumer-led boom providing warehousing and distribution centres. There are more jobs and unemployment has fallen, but there is a growing dependency on large employers and many areas still do not have enough jobs. |
| Social | ✗ | Relative improvements in economic performance have not been matched by similar uplifts in social indicators. Poor educational attainment, health inequalities and economic deprivation continue to characterise the coalfields and represent one of the next set of challenges facing local councils and their partners. |
Successful regeneration creates an area that is attractive to live and work in, an economy that puts money in people's pockets and gives its residents a feeling of safety, purpose and community. The previous chapter concluded that there have been some successes, particularly in dealing with the physical scars of mining and in bringing jobs back to these areas, but that progress on social issues has been much more limited.

If social problems arise primarily from the deprivation associated with unemployment, then creating jobs should be the answer. This is the premise on which much national and local regeneration policy has been based. However, worklessness and the social problems that accompany it persist, even though significant numbers of jobs have been created.

This chapter seeks to answer the question ‘why hasn’t job creation led to bigger improvements in worklessness and social indicators?’ It considers:

- how the jobs created have been filled; and
- the impact of the different ways in which jobs are filled.

It concludes by contrasting the impact of linked regeneration policies with a piecemeal approach to the delivery of economic and social improvements.

Who is taking up the new jobs?

A new job can be taken by an original resident, by someone who has moved into the area, or by someone travelling from another area to work. Unfortunately, the usual indicators such as unemployment rates and numbers of jobs created do not draw these distinctions.

This research uses the concept of local labour market accounts to build a picture of who has taken up the jobs. This method starts by calculating how many more people are in work in coalfield authority areas in 2006 than in 1998. It then splits this group into ‘new’ residents who have moved into the area to take up work, and ‘original’ residents who have taken up employment. This is then compared with levels of job creation. The labour market accounts also identify net changes in patterns of commuting – see Table 3. The methodology is explained in detail in Appendix 1.
3 Linking jobs and worklessness

Table 3
How have new jobs been filled – 1998-2006 (using local labour market accounts)?

Over 150,000 more people are in work now in the coalfields than in 1998, but 38 per cent of these are new residents. This implies that over a third of the jobs created have gone to people who have moved into the area to work.

<table>
<thead>
<tr>
<th>All coalfield LAs</th>
<th>Total</th>
<th>% of the additional residents in work</th>
<th>% of 1998 working-age population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Additional ‘original’ residents taking up work since 1998</td>
<td>93,000</td>
<td>62</td>
<td>3.6</td>
</tr>
<tr>
<td>Plus</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Additional ‘new’ residents taking up work since 1998</td>
<td>58,000</td>
<td>38</td>
<td>2.2</td>
</tr>
<tr>
<td>Equals</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total additional residents in work since 1998</td>
<td>151,000</td>
<td>100</td>
<td>5.8</td>
</tr>
<tr>
<td>Minus</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New jobs in coalfield LAs</td>
<td>140,000</td>
<td></td>
<td>5.4</td>
</tr>
<tr>
<td>Equals</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Extra people travelling out to work</td>
<td>11,000</td>
<td></td>
<td>0.4</td>
</tr>
</tbody>
</table>

Source: Audit Commission – see Appendix 1
The labour market accounts show that a significant proportion of new jobs in the coalfields are likely to have been taken by people moving into these areas in this period. If all the original residents were back in work this would not be surprising. But this is not the case. There are still high levels of worklessness in the coalfields.

**Continuing worklessness alongside job growth**

Coalfield authorities still have a significant problem of worklessness. Sheffield Hallam University suggest that there were 245,000 coalfield residents effectively unemployed in 2007, which is 9 per cent of the working-age population (Ref. 2). If the coalfield labour markets had similar employment rates to those in the South East region, around 120,000 of these would be in work.

Since the early 1990s, many coalfield residents have moved from unemployment benefit to IB. This had a dual effect of reducing the apparent level of unemployment and providing recipients with a higher level of income in the absence of significant numbers of new jobs.

It was originally the ex-miners who moved from JSA to IB, but this trend can now also be seen among younger residents. Figure 7 shows that coalfields also have a disproportionate share of younger IB claimants, particularly those aged 16-34. The case study authorities believe this is because, in the absence of job opportunities following the closures, dependence on benefits became commonplace and acceptable, and has now spread to younger residents. However, how benefits dependency develops in an area across several generations is complex and still a matter of debate (Ref. 3).

In retrospect, councils and government departments under-estimated the long-term effects of the large numbers claiming IB. Long-term reliance on IB has become an acceptable way of securing enough money to get by – even among the age groups that reached working age after the pits had closed. However, it separates people from the labour market making a return to work difficult and sometimes financially unattractive, as IB provides a higher level of income than JSA.⁴

The replacement of IB with the Employment Support Allowance in October 2008 is designed to keep claimants in touch with the labour market. Recipients will now be assessed on the amount and type of work they are able to do (rather than whether they are fit or not for work) and some will be required to participate in training and other activities designed to help them return to work.

Regardless of whether their job is located in the same authority or not.
Coalfields have a disproportionate share of IB claimants in all age groups, not just the older cohort containing the ex-miners.

Source: Department of Work and Pensions, Working Age Client data set
The high levels of IB claimants are part of a wider issue. Case study areas have identified groups of residents of all ages, but usually concentrated into specific areas in each local authority, that face considerable barriers to participation in the labour market. They are marginalised from work due to health, skills and motivational issues. These social problems can be both the consequences of worklessness and the cause of its continuance. They combine to make finding work difficult for many residents.

Still not enough jobs for all

Although there are issues with an element of the unemployed population that make it hard for them to find work, this is only part of the explanation. Coalfields still do not have enough jobs. The number of jobs per person of working age is relatively low. Table 4 shows that there are currently 25 per cent more jobs per resident outside the coalfields, and that this gap has widened from 21 per cent in 1981.

<table>
<thead>
<tr>
<th>Number of jobs per 1,000 working-age residents</th>
</tr>
</thead>
<tbody>
<tr>
<td>1981</td>
</tr>
<tr>
<td>Coalfields</td>
</tr>
<tr>
<td>Outside coalfields</td>
</tr>
</tbody>
</table>

Difference in job density between England (excl. coalfields) and the coalfields

21% | 25%

Research by the Institute for Public Policy Research (IPPR) found that ‘For people who have been claiming IB for twelve months, the average duration of their claim is eight years, and once people have been on the benefit for twenty–four months they are more likely to die or retire than to leave the benefit for a job’. (Ref. 4).
The apparent increase in job densities in the coalfields since 1981 needs to be set in the context of the increased participation of women in the labour market over this period. As women have entered the labour market, potentially fewer jobs are available to men. Nationally the growth in the numbers of jobs available has kept pace with the increased numbers of women looking for work. This means that the national labour market has been able to absorb the increase in the number of women in work without reducing male employment. This has not been true in coalfield areas. As women have entered the labour market in larger volumes, the numbers of jobs taken by men compared with every 1,000 men of working age has fallen from 708 to 675 from 1981 to 2006.

Overall, there are more jobs in the coalfields, but because of national social trends towards more women working, there are even more people looking for them. Job growth in the coalfields has not been high enough to counteract that trend. However, there are big differences between areas in how job creation has affected the employment levels of original residents.

The labour market accounts analysis showed that the coalfield authorities broadly fell into two groups—those that had very high levels of unemployment in 1998, and those who were in a much better position. These were categorised as having ‘tight’ and ‘slack’ jobs markets. In the ‘tight’ labour markets, there were relatively fewer people looking for employment. In ‘slack’ labour markets large numbers of original residents were still looking for work.

Overall, there are more jobs in the coalfields, but because of national social trends towards more women working, there are even more people looking for them. Job growth in the coalfields has not been high enough to counteract that trend. However, there are big differences between areas in how job creation has affected the employment levels of original residents.

Economic growth is important but is not an end in itself. In general, coalfield regeneration has been pursued to help unemployed residents back into work, rather than to attract commuters or new residents.

Local variation in how jobs are filled

Economic growth is important but is not an end in itself. In general, coalfield regeneration has been pursued to help unemployed residents back into work, rather than to attract commuters or new residents.

Figures 8 and 9 contrast these two groups by tracking changes in the numbers of residents in work, level of benefits and population change over time (from 1997 to 2006). In both areas there were initial falls in local unemployment without population growth, implying that jobs were being taken up locally rather than by people moving into the area. In both areas there came a point where this relationship between local people and job creation started to weaken, but this happened later in the ‘slack’ jobs markets:

- ‘Tight’ jobs markets – Authorities with tight labour markets saw rapid population growth from 1998. Since then, people moving into the area have been the main drivers of growth in the employed
population. Falls in worklessness in the original resident population have been relatively low and, especially since 1998, have made only a minor contribution to the increase in the number of employed residents.

• ‘Slack’ jobs markets – By contrast, falls in worklessness have been the predominant component of change in areas with slack labour markets, particularly up to 2000. Since then, population growth has accelerated and falls in worklessness have slowed.

![Figure 8](image)

**Figure 8**

Change in number of residents in employment, benefit level, and population growth in areas with ‘tight’ labour markets

Areas that started with lower levels of worklessness saw rapid population growth from around 1998 to 1999. Falls in benefits slowed after that point.

- New residents in work broadly match numbers coming off benefits.
- Little population increase.
- Number coming off benefits has slowed markedly. Population has increased significantly.
- Many of the new residents in work have moved into the area.

Source: Audit Commission – see Appendix 2
When new jobs are created in slack labour markets they are absorbed by well-connected networks of local residents looking for work, meaning that worklessness falls and population growth is low (Ref. 5).

However, in tight labour markets there is less local demand from local unemployed people. Those who remain may face health, skills or motivational barriers to entering work, or may lose out in the competition for jobs to commuters or new residents.
## Diminishing returns?

68 Local authorities with tight labour markets had not reached full employment by 1998. The IB/JSA rate was 11 per cent for these areas, which was substantially above the national rate of 7.6 per cent. However, many of the most willing and able individuals who had been workless in these areas were now either in work or had left, leaving behind a group that was less prepared for work.

69 In areas with slack labour markets this point has not been reached and there is still a large cohort of the workless population that is relatively easy to place in employment.

70 However, the lesson from the areas with tight labour markets is that as new jobs continue to be created a point may be reached when only individuals who are less prepared for work are left in the labour market. New jobs are therefore more likely to go to new residents and falls in worklessness will become harder to achieve.

71 Over time, as more jobs are created, slack job markets become tighter. This brings areas ever nearer to the local cohort of unemployed residents who face significant barriers to returning to employment. Each new job is harder to link to an unemployed resident than the last, and ever greater efforts are needed to make sure this happens. Without specific efforts, new job creation will eventually leak out to people moving or travelling into the area to work. The local population, which faces the most serious social and economic deprivation, could be left behind.

## Making links is the key to success

72 The efforts to create jobs need to continue, as former mining areas still do not have enough jobs. However, job creation alone does not guarantee improvements in worklessness and the associated social problems. In fact, this study indicates that creating jobs becomes, over time, a less and less effective way of reducing unemployment in the original resident population.

73 If councils focus on addressing the issues that prevent people from working – such as low skills and poor health – this would deliver social improvements and should also reduce unemployment. This requires an holistic approach that builds links between the three aspects of regeneration as illustrated in Figure 10.

74 How different local authorities have tackled these issues is covered in Chapters 5 and 6.
3 Linking jobs and worklessness

Figure 10
Contrasting two approaches to regeneration

Linked

Physical
A site is regenerated in a way that is appropriate for the area – taking account of location, accessibility, the skills of the local workforce, and the views of the local community.

Specific, targeted efforts are made to help local unemployed residents to access new jobs. This work is done in partnership to provide training, deal with barriers to employment eg health or child care issues, develop bus routes or access roads to redeveloped sites.

Piecemeal

Physical
A site is developed inappropriately eg distribution and warehousing units on a poorly connected site.

Economic
Jobs provided are of poor quality, low paid or part time. Jobs provided which local residents do not have the skills to take up.

Social
Health, crime, education issues left to NHS, police and schools to address. No efforts made to help jobless residents access new jobs.

Outcomes

Physical
Both approaches would reduce derelict land. Only the linked approach would have economic benefits.

Economic
Unemployment in the area might appear to reduce if new residents move in to take new jobs, but the original resident community may not benefit.

Social
Only the linked approach would deliver real benefits to original resident communities.

Source: Improvement Network
Conclusion

The analysis of the labour markets of local authorities indicates that:

- Much of the national and local regeneration policy has been based on the view that creating jobs will lead to social improvements. However, the impact of creating a new job varies significantly depending on the state of the local jobs market.

- Current coalfields have gradually moved (at varying rates) towards tighter jobs markets as more jobs have been created. Eventually many could reach the point where each new job is less likely to go to an unemployed local resident than the last.

- Local authorities believe that they each have a core of original local residents with significant barriers to taking up work. These include childcare issues, health problems, poor skills or low motivation. Tackling worklessness requires both the creation of new jobs and that personal barriers to people returning to work are addressed. If they are, both social and economic goals could be achieved.
4 Explaining local variation – factors that affect regeneration outcomes

The objective of this report is to identify the role that local authorities have played in coalfield regeneration, and to identify good practice. However, regeneration is complex and there are many influencing factors. These need to be understood and the effects of local policy highlighted and communicated.

The buoyant national economy from 1998 to 2006 has been a key driver of aggregate coalfield growth and has benefited all coalfields:

- firms have been expanding and investment capital has been available. Regeneration based on the provision of large sites is easier in this context;
- the rapid growth in public spending fuelled an expansion in public sector employment which many coalfield areas shared in; and
- the credit-based consumer boom drove an expansion in major retail firms. Demand for distribution centres, logistics and warehousing increased. Their large sites, central locations, good transport connections and relatively uncongested built environments gave coalfields an edge here.

As a group, the coalfield authorities have outperformed the national economy since 1998. However, performance has varied markedly in the numbers of jobs created and reductions in unemployment between different localities. These variations are explained by a combination of factors, some beyond the control of local authorities, some that local authorities can influence and, of course, their own policies. These include:

- national policy and public funding;
- local geographies and economies; and
- local policy.

Chapter 3 showed that job creation is an important part of economic regeneration, and that linking original unemployed residents with these new jobs is crucial in ensuring that economic growth also delivers social benefits. Figure 11 groups coalfield authorities by the progress they have made in these areas. It plots the change in the number of jobs within each local authority area (vertical axis) against the change in the number of original residents in work (horizontal axis) between 1998 and 2006.

There are substantial variations between areas in job creation and its impact on local unemployment levels:

- North West Leicestershire grew its jobs base by 30 per cent, but Stoke lost 15 per cent (1998 to 2006).
- The number of original residents in employment in Easington increased by 21 per cent, but fell by 4 per cent in South Staffordshire (1998 to 2006).

This study groups the coalfield authorities into three categories that each share similar regeneration outcomes. This, combined with an understanding of the role of other factors, will help to identify where there have been
different outcomes in similar authorities, and where this can be attributed to local policy.

82 Three clusters emerge:
- Cluster 1 – Growth, but for whom?: authorities with high job growth but relatively low increases in original residents entering work. Jobs have been taken by people moving or commuting into the area.
- Cluster 2 – Getting residents back into work: authorities with high rates of both job creation and of original residents entering work.
- Cluster 3 – Following the work: authorities experiencing job loss but still seeing increases in their numbers of employed residents as commuting out increases.

Figure 11
A classification of coalfield authorities, 1998-2006
There are marked local differences in levels of job creation and employment take up.

Source: Audit Commission – see Appendix 2
4 Explaining local variation – factors that affect regeneration outcomes

83 Separate labour market accounts (see Appendix 2) have been undertaken for each of the clusters. Appendix 3 sets out the resulting profiles for each cluster, and identifies all of the authorities in Figure 10. The case studies below describe an authority from each cluster.

Cluster 1 case study – Bolsover

Bolsover is in the group of authorities that have seen high numbers of jobs created but little or no improvement in the numbers of employed original residents.

- Geography and structure: Bolsover is a small semi-rural district in the East Midlands. The area has a central location and is near the fast-growing urban centres of Sheffield and Nottingham. It has good motorway connections to some parts of the district.
- Economic development model: Bolsover grew its jobs base by 19 per cent through rapid expansion in transport, distribution and public services. Firms employing 200+ workers have grown by 30 per cent (six times the coalfield rate). Clearance of derelict land and development of new commercial floorspace was above average. Warehousing has been the largest contributor to new floorspace.
- Employment take up: The numbers of original residents in work have not increased in line with the rapid local job growth. Many of the new jobs have gone to people moving or travelling into the area to work. Original residents have been out-competed by residents from surrounding districts such as Bassetlaw, Mansfield and Chesterfield, where job numbers have fallen. Bolsover has been successful in terms of job creation, but its original residents have not shared in this fully.
Cluster 2 case study – Easington

Easington is in the group of authorities that have seen high numbers of jobs created and improvements in the numbers of employed original residents.

- Geography and structure: Easington is a district in the North East. It is poorly connected to the motorway system despite its proximity to the A19. Easington was perhaps the area worst affected by the pit closures in the country.
- Economic development model: Job growth has been rapid since 1998 (17 per cent) even allowing for the area’s low starting point. Business services – principally back office functions such as data processing and insurance administration – have provided the largest amount of new employment. Office developments rather than warehousing have been the main types of new commercial development. Firms employing 200+ workers have accounted for 60 per cent of new job growth (four times the national rate).
- Type of employment take up: Easington has seen the largest falls in worklessness witnessed in the coalfields. However, it was by some way the worst area to start with and continues to be at the bottom of the list despite its improvements. Although a lot of jobs have been created, there have been no significant increases in population or inward commuting. In fact, commuting out of Easington appears to have increased more rapidly. The labour market outcomes in Easington, where local job growth has fed directly into falls in local worklessness, are very different from those seen in Bolsover.

Cluster 3 case study – Bassetlaw

Bassetlaw is in the group of authorities that has seen some improvements in the numbers of employed original residents, while continuing to lose jobs.

- Geography and structure: Bassetlaw is a relatively small district in the East Midlands. The area has a central location and is near the fast-growing urban centre of Sheffield. However, it does not have especially good connections to the motorway network.
- Economic development model: Bassetlaw lost 6 per cent of its jobs in the period 1998 to 2006 due to the decline of the regional textiles sector and the loss of its Ericsson plant in 2001. It also lost public sector employment. New employment sites have come on line and derelict land levels have fallen, but the resulting job gains have not been able to offset losses elsewhere in the local economy.
- Type of employment take up: Despite job losses, the number of original residents in work has increased by 6 per cent. This is principally because Bassetlaw is increasingly a commuter area for Sheffield. Although there are fewer jobs in the district, worklessness has remained relatively stable because commuting out of the area has increased markedly.
The following sections set out the factors that affect an authority’s position in this classification.

National policy and funding

Funding was crucial

Between the major pit closures of the 1980s and the early 1990s coalfields were not a high priority in national regeneration plans and they received very little government funding. From the early 1990s, coalfield regeneration started to rise up the national agenda, culminating in the set up of the National Coalfields Programme (NCP) in 1996. This marked a step change in the level of priority and funding afforded to coalfield regeneration. A brief history of the funding for coalfields is set out in Appendix 4.

Table 5 sets out the main sources of national funding from the mid-1990s to 2008. These figures are indicative and represent a minimum. There are a range of other funding streams, including EU grants. However, through the sources listed in Table 5 alone, over £1.7bn was channelled into the 34 principal coalfield authorities between 1995 and 2008.

Table 5
Core national regeneration funding for coalfield councils, 1995-2008

At least £1.7 billion of national funding has been provided to coalfield authorities –£385 per resident

| Source: Ref. 6, EP and CRT |

<table>
<thead>
<tr>
<th>All coalfield LAs (£millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mainstream regeneration funding (SRB/NDC/NRF)</td>
</tr>
<tr>
<td>Coalfield-specific funding (NCP/CRT)</td>
</tr>
<tr>
<td>Total</td>
</tr>
<tr>
<td>Total per head of population</td>
</tr>
</tbody>
</table>

The most significant of these are the EU’s structural funds. These have been provided through the European Regional Development Fund (ERDF) and the European Social Fund (ESF) since 1988. In general, data on EU funding levels provided to individual local authorities are not readily available.

Mainstream resources include six rounds of Single Regeneration Budget, the Neighbourhood Renewal Fund allocations from 2001 to 2008 and New Deal for Communities allocations made in 1999/00. Coalfield–specific resources include the three rounds of CRT funding from 1999 to 2008, and NCP expenditure from 1996 to 2008.
The funding streams set out above appear to have been well targeted. This is analysed in Appendix 5. Coalfield areas received specific coalfield funding in addition to the mainstream grants. The worst affected coalfield areas received proportionately more support at £450 per head, compared with £330 per head in the least affected areas.

The areas that received the most public funding have also seen the biggest falls in working-age benefits claimant rates (Appendix 5). This does not prove a relationship, but it is likely that funding has played a role in delivering better outcomes. This is certainly a belief strongly held by case study authorities.

This funding has made it easier for coalfields to share in national growth. It allowed them to rebuild their commercial infrastructure and improve their transport systems. Without this, coalfield authorities would not have found their niche as transport hubs of the national economy.

The case study sites confirmed this. Their unequivocal message is that national funding has been fundamental in driving regeneration in their areas, and much of the regeneration in coalfield areas would not have happened without it.

Collective action by councils was vital in securing national funding

The rise in the national priority afforded to coalfields was not something that has simply happened to passive coalfield authorities. By acting collectively, councils themselves played a key role in establishing and shaping the national and EU programmes for the coalfields. The Coalfield Communities Campaign (CCC), established in 1985, has been the vehicle through which councils have put a collective voice to government.
The Coalfield Communities Campaign

There was a realisation among coalfield authorities in the early 1980s that the impact of the pit closures could not be handled individually. They formed the Coalfield Communities Campaign (CCC) (now The Alliance) to represent them collectively at national and EU levels. By presenting coalfield decline as a substantial shared problem with national implications, rather than as series of isolated local issues, they were able to bring far greater weight to bear on national agendas.

The CCC argued that coalfields needed a coordinated national response. Many authorities contained pit sites that, while in need of remediation, lacked any economic potential, while others housed sites with strong economic possibilities. Individual programmes such as the Derelict Land Grant (DLG) lacked the flexibility to address this imbalance. English Partnership’s National Coalfields Programme (NCP) was established in 1996. In this programme, gains made from economically viable sites have been used to offset the costs of other sites.

CCC has also represented the coalfield authorities in many other key areas of the national programmes for the coalfields and was an important member of the Coalfields Task Force. It has played an ongoing role in the expansion of the NCP since its inception and acted on behalf of councils in areas such as the designation of Enterprise Zones and access to Lottery funding.

In addition to influencing the national agenda, the CCC has also engaged with EU support programmes. It was able to form a coalition of European coalfield regions and lobby for the creation of the RECHAR programme, which provided substantial support for physical and economic regeneration. It also represented coalfield authorities in the expansion of areas eligible for support through the EU’s regional structural funds.

In 2007 CCC merged with Steel Action to form The Alliance. It no longer focuses solely on representing coalfield areas and has adopted a wider remit aimed at supporting declining former industrial areas of all types.

This form of collective action has been based on the camaraderie associated with coal mining. However, there is evidence that this is beginning to diminish as fewer of the current councillors have strong personal links to mining.

Added to this, a number of coalfield areas feel they have successfully regenerated their economies and that the issues associated with the pit closures are now behind them. For them, the coalfield label has become less of a tool for collective action and more of an unhelpful link to the past, bringing negative
connotations of dereliction and decline with the potential to deter new businesses and investors.

**But funding was delayed and narrowly focused**

94 A clear message from our case study authorities was that help did not come soon enough. Despite the scale of their problems, coalfield areas were not on the regeneration agenda until 10 years after the closures in the mid-1980s. In this period economies collapsed, housing stock deteriorated, workers became divorced from the labour market and fell into benefits dependency and new social and health problems emerged.

95 When help in the form of national funding did come it was strongly focused on site clearance and job creation. The relative lack of focus on social problems meant they became more deep-seated and intractable.

96 Given the scale of the physical and economic challenges faced by the coalfields it is difficult to see how these could not have been prioritised and it is only with hindsight that this approach appears to lack balance. Nonetheless, many of the problems councils are now struggling to come to terms with are more substantial as a result.

**Support from government departments has been variable**

97 While central government has played an important role in supporting coalfield regeneration, the participation of different departments has been patchy. In 2004, the Select Committee on Coalfield Communities commented that ‘there is a varying level of commitment to the regeneration of the coalfield area from government departments’ (Ref. 7).

98 Communities and Local Government (CLG) and its predecessors have been important champions for the coalfield authorities, but the involvement of other key departments has been less consistent. A number of interviewees felt their local efforts had been hampered by:

- a lack of a local focus and awareness of local contexts and issues within certain government departments; and
- prescriptive national programmes that did not give local offices enough discretion to respond to coalfield issues.

99 For example, bodies such as the Learning and Skills Councils (LSCs) and Jobcentre Plus were not felt to have sufficient flexibility. They operate within national arrangements which, in general, had not identified coalfield areas as a priority. The introduction of the Employment and Skills Boards has been welcomed across the case study areas as a positive step.
The remaining challenges facing coalfield areas – such as poor educational attainment and health – will require support from departments other than CLG. This support will need to be sensitive to specific local circumstances and needs.

The future for funding

The policy context for the coalfields is changing. Councils are expecting that the level of resources available to them will fall. There are a number of reasons:

• The EU’s regional structural funds (European Regional Development Fund (ERDF) and the European Social Fund (ESF) have been restructured and are being redirected towards the new member states. On average for 2007 to 2013 the English regions will receive half of that in the 2000 to 2006 programme.\footnote{I} Certain coalfield areas have also lost eligibility under the Objective 1 programme. South Yorkshire, for instance, will see its funding from the ERDF fall from the £700m it received for 2000 to 2006, to £180m for 2007 to 2013.

• The NCP runs until 2012 and has spent only slightly more than half its budget. It has also been able to secure new funding for its Community Action Zones.\footnote{II} However, most of the NCP’s budget is already allocated to particular sites. So while it is still providing funding for the coalfields, the potential to introduce new activities to its programme is limited.

• The Enterprise Zone (EZ) status of the three Zones designated in 1995 expired in 2005. The substantial benefits available to firms locating in these areas are no longer available.

Local advantages and disadvantages

As a group, the coalfield authorities have outperformed the national economy since 1998. However, performance has varied markedly between different localities. This variation in performance can be explained by the basic features of an area, by the policies pursued by the local authority, or a combination of both. This section is concerned with aspects of an area that are largely out of the control of the local authority.
Variation in levels of job creation

Figure 12 sets out some of the features that can either help or hinder an area in creating jobs.

### Figure 12
Local features affecting job creation

<table>
<thead>
<tr>
<th>Pros</th>
<th>Cons</th>
</tr>
</thead>
</table>
| Near motorway network  
Centrally located in the country | Geographically remote. No major road or rail links |
| Near a major town or city | No major conurbation in easy commuting distance |
| Despite mining losses diverse and healthy local economy | Reliant on other sectors also in decline |

**Transport connectivity**

Case study authorities identified connections to national transport infrastructure as a central feature driving job growth. More geographically remote authorities saw their relative lack of transport connections as a barrier to economic development. Those at the heart of the UK transport network have seen significant growth in distribution and logistics employment.

**Urban structure**

Many coalfield areas are not major urban centres. As such they have been able to benefit from the process of decentralisation of many economic activities away from major urban areas that has been taking place over the last three decades (Ref. 8). This is driven by many industries’ need for larger sites and easy access.
Semi-rural areas such as North West Leicestershire and North Warwickshire fit this picture and in the period 1998 to 2006 generated 62 and 134 new jobs in transport and logistics per 1,000 head of working-age population respectively. This growth was not seen in more urbanised areas.1

**Urban proximity**

Proximity to a large urban centre gives residents access to a larger jobs market, and can make the area attractive to developers.

**Other aspects of the local economy**

Poor rates of job growth in some areas were driven by ongoing decline in other industries. Bassetlaw, South Tyneside, Stoke and Newcastle-under-Lyme have all had to address decline in other industries such as textiles, shipbuilding and ceramics.

Levels of public sector employment vary between coalfield areas. Increases in public sector jobs in health and education have been an important driver of growth. The geographical variation has meant that some areas have benefited more than others from this expansion.

There are two key factors behind the variable reductions in local unemployment that have been achieved: the sub-regional nature of labour markets, and the general levels of unemployment in the area.

The analysis of the impact of job creation in ‘tight’ and ‘slack’ labour markets in chapter 3 (paras 64 to 68 in chapter 3) shows that jobs are more likely to go to unemployed local residents in areas with high levels of unemployment. Reducing worklessness is easier when there is a large pool of unemployed workers. It becomes more difficult as this pool gets smaller, and contains a higher proportion of individuals for whom there are barriers to returning to work. Overall, this means that many areas that saw the largest falls in worklessness in this period are also likely to be those that had the slackest labour markets to start with.
Labour markets are sub-regional – does it matter where the jobs are?

112 Job creation is still the goal of much local and national regeneration policy, but it does not guarantee that local unemployment will reduce. The relationship between job creation and resident employment levels is not one-to-one (Appendix 6). For example, Barnsley lost 2 per cent of its jobs yet increased its number of employed residents by 14 per cent. Rushcliffe, in contrast, grew its jobs base by 20 per cent, but numbers of employed residents increased by only 5 per cent.

113 This mismatch is due to the sub-regional nature of the labour markets. The gaps are met by commuting, as residents of areas with fewer jobs travel out to work. So, while the levels of local job creation can be very different between neighbouring authorities, employment take up will tend to be more even (see Appendix 6).

114 As a result, there have been big changes in net commuting at the local level. For instance there are now 2,500 more people travelling into Bolsover to work than travel out compared with 1998. The reverse is true for neighbouring Chesterfield, which now has 4,500 more people travelling out than travel in. This difference reflects rapid job growth in Bolsover, compared with Chesterfield’s job loss.

115 Some authorities have come to the view that what matters in terms of improving the lives of its residents is not where the jobs are, but how many of its residents are in work. Policies based on a realistic assessment of the authority’s place in the sub-regional economy can make a big difference to outcomes. An authority may not be well enough connected to be able to attract large new employers, but it can help its residents travel to jobs in the neighbouring authority. The next section sets out some examples of how LAs have worked within their position in the sub region to affect regeneration outcomes.

Evidence of local authority impact

116 National funding and general economic growth have been very important drivers of regeneration, and our case study authorities were clear that much of the regeneration could not have happened without them. However, it should not be assumed from this that councils do not affect the outcomes of regeneration. The evidence presented in the case studies below show that they do.

117 The case studies below link evidence from site visits with outcome data. They assess the extent to which the outcomes of strategic decisions taken by each authority in the mid and late 1990s can be identified in the data. They show that Barnsley, Rotherham, Ashfield and South Tyneside could look very different now had their councils behaved differently in the 1990s.

This timescale has been deliberately chosen to reflect the length of time required for tangible regeneration outcomes to emerge.
4 Explaining local variation – factors that affect regeneration outcomes

Case study 1
Recreating Ashfield

Following the closure of the last of its collieries in the mid-1990s, replacement of jobs was a clear priority for the council. The development of Sherwood Park site as a major employment zone by the council, Nottinghamshire County Council and the regional development agency was the key response to this.

However, the council also prioritised addressing environmental scarring. This was part of a strategy to make the area attractive to new business. But the council had also spotted the potential to benefit from the growth of Nottingham. As a consequence, alongside employment growth, environmental dereliction was addressed and housing was prioritised in order to attract Nottingham commuters. The objective was to reshape the socio-economic make up of the district in the hope that this would support existing communities.

As part of Ashfield’s reclamation programme, an average of 50 per cent of council-owned land was made available for new housing. Significant contributions from Section 106 agreements were used to improve open spaces. The council transferred its housing stock to Ashfield Homes in the first round of arm’s length management organisations (ALMOs) initiative in order to drive forward its objective to achieve the Decency Standard for the homes by the earliest possible date.

The outcomes of this strategy can be seen in the data some 10 years later. Comparisons of Ashfield with its seven immediate coalfield neighbours show it has not been a strong performer in job growth or reducing unemployment. However, it did well on environmental dereliction and housing. The success of Ashfield’s objective to become an attractive place to live can be seen in its population figures. It was ranked second for population growth and first for an increase in ‘new’ employed residents. It is also the only authority of the eight to have seen both an increase in jobs in its area and a rise in the number of people travelling out of the authority’s area to work.

Overall, Ashfield has a distinct profile centred on stable economic growth alongside strong improvements in dereliction and housing. It also has a marked increase in commuting out, driven by rapid population growth. These outcomes very much reflect the priorities articulated by the local authority in the mid-1990s.

I It is ranked 5th out of 8 for job growth and 6th in terms of residents taking up employment.
II Ranked 2nd for derelict land remediation, 2nd for housing completions and 3rd for reductions in long-term housing vacancies.
Case study 2
Barnsley and Rotherham – cooperating for growth

Barnsley and Rotherham are South Yorkshire neighbours that faced similar economic challenges by the mid-1990s. While Barnsley lost more employment in the pit closures, Rotherham’s job losses from the steel industry put them on an equivalent footing. However, the outcomes in the two areas from 1998 to 2006 have been markedly different. Rotherham has seen substantial economic growth in this period with an increase in job numbers of 24 per cent and commercial floorspace of 28 per cent, while job numbers fell in Barnsley by 2 per cent and floorspace grew by just 3 per cent.

However, the labour market outcomes in both areas are very similar. Both saw an improvement in employment rates of 6 to 7 percentage points, both had falls in real unemployment of 3 to 4 per cent points and both saw (working-age) population increases of 2 to 4 per cent. Given the marked differences in economic outcomes in each area these similarities are surprising.

These outcomes can be traced back to the activities of the local authorities in the early 1990s and their decision, with Doncaster MBC, to form the Dearne Valley Partnership (DVP). This partnership was designed to regenerate the Dearne Valley which spans the borders of the three authorities and contains a large number of pit villages. Through the work of this body and through funding from English Partnerships, City Challenge and the award of Enterprise Zone status, the Dearne has been transformed from a major area of dereliction into a substantial employment site.

Most of the employment land is located in Rotherham, but this was not a concern for Barnsley council which instead secured funding for the Dearne Valley Parkway road which links its communities in the Dearne with the new employment sites in Rotherham. More recently, as part of its efforts to redevelop Grimethorpe, a mining village some way north of the Dearne, an additional link road has been built to connect this community to the Parkway.

These developments go some way to explaining the differences in outcomes set out above. Rotherham’s economic growth reflects the location of the employment land in its borders, while Barnsley’s strong labour market figures reflect its efforts to connect its residents with these new opportunities. And these features are borne out in the labour market accounts for both areas. These show that in 2006 Rotherham had over 10,000 more workers commuting in to work every day compared with 1998, while Barnsley had over 10,000 additional workers travelling out. The Dearne Valley development is likely to account for a substantial proportion of these changes.

Overall, the decision to form this cross-border partnership, an unusual process at the time not just locally but nationally, allowed for a stronger message to be sent to government and for greater resource to be directed locally. Barnsley’s willingness to accept that jobs did not have to be replaced within its borders, and to promote outward commuting instead was fundamental to the success of this programme. Equally, Rotherham’s preparedness to provide employment opportunities that were clearly going to be taken by Barnsley residents was also crucial. A more insular approach by any of the councils in the DVP would have lessened the achievement in the Dearne.
Case study 3
South Tyneside – understanding your area

In the late 1990s, South Tyneside council realised that it would be difficult to meet the job requirements of its resident base within the authority’s boundaries due to a lack of available employment land. It was also clear that many major employment sites were being developed on the urban fringes of the Tyneside conurbation.

One of the council’s responses was to promote a strategy based on helping residents to access these new jobs by improving public transport. This was underpinned by research conducted for the authority. This found that workless residents had poor knowledge of local transport facilities and were only prepared to travel for up to 25 minutes to get to work. The council responded with a series of initiatives to publicise and improve public transport and engage workless residents around moving into work. This included providing supplementary routes to employment sites that fell within a 25 minute journey of key population centres, providing additional bus services from the most deprived wards to the ferry port at South Shields, and synchronising the ferry times.

More recently, an additional metro station has been opened in the district, strengthening connections with employment sites in Gateshead and Newcastle. In addition, the Local Strategic Partnership used Neighbourhood Renewal Funding to support a series of schemes such as Way to Work which subsidised travel costs for people taking up work and also funded a Travel Officer to market public transport in the borough and help employers develop travel plans.

Outcome data for the district indicates that these steps have had some success:
- Despite losing nearly 3000 more jobs in the period 1998 to 2006 South Tyneside grew its working-age population by nearly 2 per cent. Nearby Gateshead and Sunderland, both of which experienced jobs growth, saw falls in working-age population.
- It was also able to improve its employment rate by over 2 per cent in this period. This is below the rates of its neighbours, but they were experiencing job growth rather than loss.
- It has accomplished these processes through a growth in travelling out for work by its residents. Labour market accounts for the district suggest there were an additional 5,500 people (around 10 per cent of residents in work) travelling out to work in 2006 compared with 1998.

Despite a contraction of the local economy, more South Tyneside residents are now in work, principally by taking up employment opportunities elsewhere. The steps taken by the council to improve public transport have supported this and, in the process, prevented loss of population, a fall in employment rates and a worsening of conditions in its most deprived areas.
Conclusion

118 Factors such as government funding, the national economy and local geography are important influences. Stoke has lost employment because of serious job losses in other industries. North West Leicestershire has benefited from its good location and transport connections. However, some local authorities are better at playing the hand they have been dealt than others, and their policies do make a difference.

119 Chapter 5 highlights the features of the better performers and provides examples of the kinds of policies they have pursued.
5 Learning from experience – good practice in local authorities

120 This chapter sets out the stages in the learning curve local authorities have gone through, and the identifiable points of good practice that have emerged from their experience. It then provides some examples of good practice in action in the case study areas.

The local authority learning curve

121 The regeneration policies of local authorities in coalfields have developed over time as they have learned from experience and honed their approach. We found a similar pattern across all the case study areas, although they varied in the speed of progression. There are several phases in the response of local authorities to coalfield regeneration. These are set out in Figure 13.

122 The process began for each area when the bulk of its jobs were lost. As the closures were staggered across the coalfields, each authority has gone through these stages in its own timescale. Some have moved through them more quickly than others.

123 Case study evidence suggests that almost all authorities are now in Phase 3. Some have begun to adopt aspects of Phase 4 but none are fully operating at this level.
Figure 13
Phases in the response of LAs to mine closures

Coalfield authorities have gone through several phases of regeneration. The majority are now in Phase 3. Only a few have begun to operate in line with Phase 4.

<table>
<thead>
<tr>
<th>Nationally driven</th>
<th>Locally driven</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Phase 1</strong> HELP!</td>
<td><strong>Phase 2</strong> JOBS JOBS JOBS</td>
</tr>
<tr>
<td>Central / EU funding</td>
<td><strong>Phase 3</strong> STRATEGIC AND COORDINATED</td>
</tr>
<tr>
<td><strong>Phase 4</strong> MAINSTREAMED AND SUSTAINABLE</td>
<td></td>
</tr>
</tbody>
</table>

This is associated with the aftermath of the final set of major pit closures in an area. Many authorities were effectively overwhelmed at this point. Their response was to seek assistance from national government.

The first policy responses to the closures. In general these have involved ‘knee-jerk’ efforts to create jobs of any sort – often in the locations from which they were lost.

Lessons have been learned from earlier regeneration efforts. More strategic analysis. Involves a process of stock-taking in which the function of the local area in relation to its regional and neighbouring economies is considered and tailored policies developed.

Regeneration activities become mainstreamed across all service areas. They are less dependent on external funding and set piece projects. Different funding streams, and mainstream funding from all partner organisations are combined to achieve common goals. More focus on difficult social issues.
Phase 1 – Help!

124 The suddenness and scale of the pit closures left many authorities overwhelmed. The huge levels of unemployment and financial deprivation the closures generated left authorities feeling powerless to make a difference. In many areas communities were angry and disillusioned with government of all forms, making engagement difficult.

125 Authorities responded by calling on national government for support. This was done individually through local MPs, sub-regionally by groups of local authorities and collectively through the CCC. However, despite the scale of the problems coalfields were not a priority for government until the early 1990s (Appendix 4).

126 Given the scale of the problem, and in the absence of any outside help, many areas continued with severe physical and economic deprivation for years. A clear message from the case studies was that this allowed secondary social deprivation issues to become ingrained. Ex-miners withdrew from the labour market onto IB, housing issues were not tackled and other problems such as crime and drug abuse emerged.

127 It appears that some of these hard lessons were learned. The announcement of the Selby closures in 2002, for instance, was met with a different response.

Case study 4
Selby, learning from experience

Coalfield authorities have undergone a steep collective learning curve. This is evident in the response to the announcement of the closure of the Selby complex in 2002. Here the consequences were substantially mitigated by a regeneration programme based on the experience of the previous 20 years. The immediate focus was on access to employment and retraining schemes for the individuals affected – wherever they lived – rather than on site development schemes. This was delivered by a cross-boundary partnership with high level support from the Regional Development Agency (RDA) and the then Office of the Deputy Prime Minister.

The case of Selby indicates that regeneration has moved on since the initial pit closures. It is unlikely that any form of significant local economic shock, such as a major plant closure, would now result in responses in line with Phase 1 or 2. Instead there is an understanding that responses in line with Phase 3 are required immediately. The scale of government involvement at all levels to the recent closure of the Rover car plant in Birmingham and the strategic nature of the response demonstrate that these lessons have been learned outside the world of coalfield regeneration.
Phase 2 – Jobs, Jobs, Jobs

Once national funding became available the predominant response of local authorities was to try to replace jobs in their areas. The main approach was to reclaim ex-colliery sites and redevelop them for employment. As these sites were located directly next to pit villages this had the advantage of making any potential employment easily available to the ex-mining communities. However, many of these sites were also isolated and relatively inaccessible.

The focus of authorities in this phase was predominantly on job creation. But, the social issues that had been developing throughout the previous phase when local authorities had not been receiving government support, continued to grow. Some councils lost touch with the needs of their areas and the experience of their communities.

This phase of local authority activity was generally lacking in any strategic approach, and has been described by case study authorities as ‘piecemeal’ and ‘opportunistic’. Actions tended to be driven by funding streams. Crucially, local authorities, with their partners, had not developed a vision for the future.

Phase 3 – Strategic and coordinated

Almost all case study authorities were able to identify a point at which they switched from piecemeal actions to more strategic activities. Councils in the East Midlands, for instance, cited the work of the Coalfields Task Force in the late 1990s as vital in terms of providing the impetus needed to adopt a more integrated approach.

Most authorities are currently in this phase. At its heart is an understanding that their areas require a vision that is broader than simply replacing jobs lost to the pit closures. In many cases there is also a wider understanding of how the local authority area fits within its sub-regional economy.

To deliver their visions authorities have broadened their activities and now complement economic development activities with housing, health, crime and education initiatives. Partnership working underpins these actions. Councils have also learned that to develop effective policies they need to engage with local communities and build an understanding of their needs.

‘We are changing our emphasis from physical regeneration to the integration of social inclusion with our economic and environmental progress.’

Easington District Council, Corporate Assessment Self Assessment 2003

The economic development activity that continues to take place is becoming more ambitious. Authorities such as St Helens, Rotherham and Ashfield are increasingly focusing on developing white collar and knowledge economy jobs. Other areas such as Barnsley and South Tyneside
have switched from site reclamation and development to the redevelopment of their town centres.

Phase 4 – Mainstreamed and sustainable

Aspects of a new model are beginning to emerge among some coalfield authorities. This is based on a new realism about future funding and a change in local priorities which are becoming more focused on social issues. This new approach reflects the need to mainstream regeneration in order to maximise available resources. It includes:

- coordinating internal strategies and services around a single vision for regeneration. This is supported by targeting mainstream funding on regeneration priorities;
- more meaningful partnership working with other local organisations to tackle difficult issues such as high crime or poor health;
- an understanding of the right scale at which issues need to be addressed. Job creation or developing transport infrastructure require co-operation with neighbouring authorities and the RDA. Initiatives to address social problems need to be tackled at community level; and
- a commitment to community empowerment and the devolution of service provision to local areas. Neighbourhood Management Pathfinders were frequently cited as the most effective model for providing services for hard to reach and disaffected groups.
The new Local Area Agreements (LAAs) offer a framework to develop this kind of working, but the concept has not been embraced by a number of the case study councils. Single tier authorities were concerned about the perceived failure of other partners to commit funding, while district councils worried that local priorities would be lost within county-wide LAAs.

Case study 5
Barnsley MBC’s Advanced Learning Centres

As part of the Council’s Remaking Learning strategy and the national Building Schools for the Future (BSF) programme, Barnsley is replacing its entire stock of 13 secondary schools with nine Advanced Learning Centres. The main objective is to improve educational facilities and improve teaching and learning across the borough, but the Council is also tying these developments in with its regeneration objectives.

Each Centre will be open to the wider community, not just students, and will be open from 8.00 in the morning until 10.00 at night for 48 weeks of the year. In particular they will host the Council’s ‘Well-being Partnerships’. These provide a range of services to children, young people and families. They bring together aspects of health, social and children’s services from the council and Primary Care Trust (PCT) as well as other services provided by local community and voluntary groups.

LA policy in action – how to deliver better outcomes

The work with case studies areas highlighted a number of features that set apart the better performers from the rest. An authority operating in Phase 4 would exhibit all or most of the following features:

- leadership and vision;
- partnership working;
- community engagement;
- learning from experience and understanding your area; and
- getting the basics right – delivering high quality statutory services.

Councils cannot prevent the decline of traditional industries, or move their authority to a more central location. However, evidence from our case studies demonstrates that coalfield authorities have developed strategies that take advantage of their strengths and mitigate their weaknesses. By being forward looking, understanding the economic geography of their areas, working across boundaries and capitalising on the availability of
national funding they have delivered better outcomes over the long term.

141 The following sections describe the types of behaviours most associated with operating in Phase 4 (Figure 13) and give examples of what has been achieved.

**Leadership and vision**

**Leadership drives regeneration**

142 Coalfield authorities with successful outcomes were characterised by the presence of strong political leadership. These leaders clearly identified the significance of coalfield regeneration and made it an absolute organisational priority.

143 Badly-affected areas were often characterised by strong leaders with an unequivocal message. Areas less affected by the decline in mining, or with competing interests from other industrial sectors, were less successful in prioritising coalfield issues.

‘There has been strong political ownership of the problems faced by the borough and a political drive for change. Partners in particular recognise [the leader’s] role in causing a critical break with the past. They say he has created the opportunity and will for strategic thinking that contains the seeds of significant improvement for the borough. Cabinet members share and support the leader’s vision and there is significant cross-party support. Senior officers also share this vision and commitment. They have worked with politicians and partners to identify the key problems that need to be addressed.’

*Audit Commission, Barnsley Regeneration Inspection, 2004*

144 Frequently, strong political leaders had some form of personal connection with coalfield activity. As these individuals are replaced over time, the link with coalfields weakens, as does the priority that coalfield regeneration receives in local policy.

**Vision and strategy are essential**

145 Action on regeneration needs to be underpinned by a vision for an area and a sound strategy. From across the range of approaches in the coalfields it was clear that there should be just one vision for an area and it should:

- underpin activity across all local authority service areas;
- be widely shared by partner organisations;
- be widely communicated across the community;
- be forward looking;
- recognise an area’s sub-regional context;
- have clear priorities; and
- be measurable.
Authorities that have been able to pursue consistent strategies over a long time – such as Rotherham in relation to economic development, and Easington in relation to housing – have been most successful. Often this required waiting for some time until resources and conditions were right. Aspects of Easington’s demolition programme, for instance, have taken eight years to be fully funded.

However, there were also concerns expressed by the business community about the quality of some of the strategies set out by local authorities, which some viewed as flawed or superficial. One business representative view was that the vision ‘has to be a true vision, not just a communications exercise. Authorities need to identify their future, not just their branding’.

**Partnership working**

**Partnership working is fundamental**

Partnerships were an ever-present feature across all 11 case studies. Some had highly specific and time-limited taskforces set up to address major closures. Others had long-standing strategic partnerships that have eventually transformed into their Local Strategic Partnerships (LSPs) such as One Barnsley.

**Case study 6**

**Partnership working in St Helens – Ravenhead Renaissance**

This partnership was set up in 1988 and led regeneration in the borough in the 1990s before becoming the area’s LSP. It was originally chaired by the private sector. It is not uncommon in the coalfields for this type of partnership (set up in the late 1980s) to turn into the LSP. However, the depth of involvement of the private sector in St Helens is unusual and reflects good relations between the MBC and the Chamber of Commerce.

The success of partnership working in St Helens was recognised in 2003 when the LSP received one of four national City Growth Strategy pilots. These are based on an approach whereby economic policy is set by local businesses rather than the council.

A particular strength of coalfield areas has been the level of cross-border partnership working. The Dearne Valley Partnership between Rotherham, Barnsley and Doncaster in the early 1990s has been an important factor in the redevelopment of these areas as has the North Nottinghamshire and North Derbyshire Coalfield Alliance formed in the mid-1990s. More recently Ashfield, Bolsover and Mansfield have participated in a cross-border Local Enterprise Growth Initiative (LEGI) which has secured central funding to support local entrepreneurial activity and boost the survival rate of new firms. A similar cross-border bid from Easington and other County Durham districts was also successful.
There is an understanding that a new phase of partnership working is required. Moving from economic development to issues of health inequalities, poor educational attainment and crime will require better quality interactions, especially among key public organisations. Barnsley MDC’s Partnership in Action programme with its PCT is perhaps the best example of this type of activity identified from the case studies.

Multi-level working

Like all authorities, coalfield councils work with many partners. District councils interact with counties, and all have to deal with central departments. Since 1999, Regional Development Agencies (RDAs) have added a further layer. The case studies presented a mixed picture of success.

Interactions between county and district councils varied. Case study authorities in Nottinghamshire and Derbyshire had good relations with their relevant county councils. Developments such as the Markham Vale Growth Zone and the Mansfield Ashfield Regeneration Route (and subsequent development of the Sherwood Growth Zone) were underpinned by these relationships. Effective partnership working between Bolsover and Chesterfield District Councils with Derbyshire County Council also played a key role in the construction of Junction 29a on the M1 opened in 2008.

However, relationships between districts and counties were not as successful in all cases. Poor working relations between counties and districts hamper successful outcomes.

The RDAs, introduced in 1998, are charged with assisting the redevelopment of coalfield areas, and with making provision for them in their regional economic strategies. Coalfield authorities reported a mixed picture of experiences with RDAs. Some, such as those for the South East, East Midlands and the North West were praised by interviewees. Success was built on the RDAs recognising coalfield areas as distinct and specific. Councils in regions where this had not taken place were less positive about their RDA.
Case study 7
Working across borders and between tiers of government

The North West Coalfield Communities Regeneration Programme (NWCCRP)

The North West Development Agency (NWDA) in conjunction with the North West Coalfield Communities Campaign set up the NWCCRP in 2003. Administered by Wigan MBC the programme includes eight councils with coalfield areas and operates through a joint framework based on five key themes. The programme secured funding of £5m from 2003 to 2008, the bulk of which was provided by the NWDA. The NWCCRP provides a straightforward mechanism for these authorities to deal with the NWDA and for the NWDA to discharge its responsibilities to its coalfield areas.

Meden Valley Making Places (MVMP)

Bolsover, like many coalfield areas, had a large amount of private housing stock in poor condition. The council introduced a housing renewal strategy in 1996 which gradually improved stock conditions. However, in 2003 in the context of its Sustainable Communities Action Plan it established MVMP, a special purpose vehicle (SPV), to drive this task forward more rapidly. MVMP is a company limited by guarantee but it is based on a partnership between Bolsover and Mansfield District Councils, the East Midlands Development Agency and EP. Each partner is a major stakeholder and founder member of the company. A total of over £40m has been invested in the scheme. Since its creation MVMP has acquired more than 600 properties and completed a further 200 new builds in the Meden Valley area of Bolsover and Mansfield

Community engagement

155 Engagement with coalfield communities was not a straightforward process. The collapse of mining took away many of the social structures and institutions provided by British Coal or the National Union of Mineworkers that connected and supported people.

156 Local authorities have begun to build links, however, and a number of messages are clear from their experiences:

• Services and schemes need to be based on an understanding of community needs. Many authorities started from the position of ‘doing regeneration’ to the community where assumptions were made about their requirements and schemes designed accordingly. A common result was that council priorities did not match those of communities, resulting in outcomes such as unfilled training courses.
5 Learning from experience – good practice in local authorities

- Services need to be physically located in communities. Many coalfield settlements did not have public services located there and communities are often unable to travel to use services elsewhere. Consequently, many communities could not access services and became isolated from them. Initiatives such as the Neighbourhood Management Pathfinders, that were physically located in communities, were cited as highly successful in reaching these groups.

- Community members themselves are often best placed to deliver particular services. Issues such as worklessness, anti-social behaviour or particular health issues are complex. This complexity, combined with the disconnection of some from mainstream services, reduces a council’s ability to tackle these issues. Increasingly they are adopting strategies whereby members of the community deliver services on behalf of the council.

Case study 8
Working in the community – Bolsover’s Community Houses

The council has used its Neighbourhood Renewal Funding to establish three Community Houses. These are located in deprived neighbourhoods with a Neighbourhood Management Team (NMT) on site. They provide a point of contact for community members, organise a range of community events and provide a venue for training courses. They also offer a range of services from other local voluntary groups, the Drugs and Alcohol Action Team, and the PCT.
Case study 9
Accessing hard to reach groups – Bassetlaw Learning Champions
This is a scheme led by local voluntary groups with support from the District Council and the LSC. It recruits volunteers from the community to encourage and support other community members back into work or training. Volunteers use a variety of approaches targeted at deprived wards, such as cold calling, door knocking, live events or directly approaching people in supermarkets or other public areas. Volunteers encourage members of the community to take up employment or training opportunities and provide a range of support services such as help in attending interviews and writing applications.

Learning from experience and understanding your area
Learning from your mistakes

157 The development of local visions and the construction of viable strategies arose from an ability and willingness to learn from others. Authorities were often candid about not always getting things right first time and instead had learned through several iterations of initiatives. This process is reflected in the fact that all authorities have progressed through a number of phases in the evolutionary model in Figure 13.

158 Some authorities had visited other councils to improve their understanding of particular issues and approaches. However, learning from internal processes tended to be by trial and error rather than being formalised in any way. Authorities’ evaluation of their own activities was limited, so they were not always able to identify how their activities had contributed to regeneration outcomes.

Learning in Easington
‘The council learnt from its early attempts to tackle problems largely on its own. It got into financial difficulties in the mid-1990s and learnt that without financial stability it was powerless. It recognised that it would have to work in a mixed economy of public and private provision of services. It learnt that such a way of working required different political and managerial skills and structures and it changed, and continues to change, its organisation accordingly. It learnt that a paternalistic approach to local people was no longer acceptable and that genuine regeneration depended on empowering local people. It learnt that issues were complex and interconnected, that working with
partners was the only way to address them and built up skills to work with diverse organisations. Finally, it learnt that it could not do everything at once and would have to prioritise and focus its efforts on a limited number of tasks at one time.’

Audit Commission, Easington District Council Corporate Assessment, 2004

Knowing your area – use of research

While improvement often worked through a ‘learning by doing’ approach there was also evidence of more directed research. Some authorities set out to answer specific questions such as understanding residents’ travel to work patterns, or the residential locations of their workforces. This enabled them to develop targeted initiatives.

This process has become widespread and is linked to a growing awareness of the importance of understanding the needs of local communities. There was substantial evidence of the use of surveys and other methods to collect this data. This represents a distinct turnaround from the 1990s. At this time, and in the absence of sufficient information on community priorities, councils automatically prioritised job creation. However, because they had lost touch with their communities, some failed to spot emerging crime and drug problems associated with the degeneration of housing stock and ongoing unemployment.

Case study 10
The Selby Coalfield Impact Study

Following the announcement of the Selby closures in 2002, UK Coal provided Selby DC with databases of employees’ residential details and of firms supplying goods and services to the mines. These were used by Leeds University to map the likely scale of impact. This highlighted that the workforce was dispersed across South and West Yorkshire and not concentrated in Selby. It also showed that local supplier links were limited.

These findings formed the basis for the response to the closures led by the Selby Taskforce. In particular, it shaped the nature of the membership of the Taskforce as it clearly had to involve a diverse group of authorities. It also focused the final programme on the needs of the workforce rather than the supply chain.
Get the basics right – delivering high quality statutory services

Until recently, services such as education, housing and public health were not viewed as components of regeneration to the same extent as land-use planning and economic development. However, given the nature of the problems faced by coalfields, factors such as the quality of local educational provision are, in fact, fundamental to local renewal.

Providing basic core services is at the heart of delivering regeneration. Consequently, service quality across all service areas could be regarded as a regeneration issue.

Case study 11
Barnsley – Remaking Learning

School improvement services, Adult Learning Services and the 14-19 provision all failed their inspections in Barnsley just after the turn of the millennium. In response the council appointed a new director of education and re-structured education services. ‘Remaking Learning’, a strategy designed to contribute to Barnsley’s broader social and economic plans by overhauling the provision of education in the borough was subsequently introduced. The strategy reflected the view that the role of the local authority in monitoring, supporting, and challenging schools had not been delivered effectively or strategically and relationships with schools were poor. To address this a new code of practice setting out the policy for monitoring school performance and identifying areas for support was introduced. An Education Partnership Board, attended by the Council Leader, was also formed to hold education services to account, monitor progress and ensure improvements.

Barnsley still has a long way to go in terms of improving education but since 2002 the number of failing schools in the borough has been reduced from 7 to 1. Its national ranking in terms of students achieving 5 A-C GCSEs has risen from 341 out of 353 in 1997 to 297 in 2007. It has also been one of the strongest improvers nationally since 2004 in Key Stage 2 and 3.
5 Learning from experience – good practice in local authorities

Transferability of good practice

There are now few pits left to close, so the learning from these authorities will only have a narrow application to others if these approaches only work to regenerate coalfields. This section considers the differences and similarities of coalfield regeneration to other significant regeneration challenges. These could include inner city regeneration, or those arising from significant job losses in other sectors such as the car industry, or even, given recent events in the economy, the banking sector.

Did coalfields need a unique approach?

The scale of the coalfield challenge has been as substantial as that faced by many urban areas in England. Many of the actions taken by coalfield authorities to address these challenges are also similar to those undertaken by urban authorities. However, the nature of coalfield problems means that councils have needed a distinct regeneration approach. The key factor here is the different geographies of the two types of area. Coalfield authorities in general do not contain major urban centres but are home to dispersed, rural and semi-rural communities. Some of the differences and similarities are set out in Figure 14.
Figure 14
Shared and specific regeneration issues

Many local authority regeneration activities in the coalfields were the same as seen elsewhere, but the characteristics of coalfields gave regeneration a different feel.

### All regeneration
- Secured funding – lobbying/bidding for cash
- Established internal capacity and partnerships
- Provided local strategic leadership
- Planning – worked with developers (used S106 agreements)
- Used role as major purchaser of local goods and services

### Specific coalfield issues
- Coalfields cross LA boundaries – sub-regional working is strong
- Huge environmental dereliction – site clearance/physical regeneration prioritised
- Sites are rural and many villages are in need of support – leads to dispersed spatial programmes and absence of town centre development
- Absence of other industries and no start-up culture – had to focus on inward investment
- Capitalised on geographic location – prioritised connections to major roads
- Low skills base - focus on ‘blue collar’ work
- People not connected with services – efforts to rebuild trust and deliver services locally
- People not connected physically – focus on public transport

166 The differences between coalfields and other types of regeneration are mainly in the types of actions they had to take, rather than in the behaviours. The good practice set out above – setting out a clear vision, understanding the problem, working with others – should help any local authority to develop the right solutions whatever the specific nature of the regeneration problem.
Conclusion

167 In the 1980s and 1990s many coalfield areas were in a desperate position. They faced multiple challenges that crossed geographical and organisational boundaries, but the dire position the coalfield authorities found themselves in forced them to find new ways to operate that would meet these challenges. This involved a lot of trial and error. There were mistakes and not everyone had the same level of success. However, some became pioneers of more recent ideas such as partnership working and community engagement.

168 The list of successful behaviours identified in this study may look familiar. They reflect current views that partnership working and community engagement deliver better outcomes for local people, although these concepts were by no means commonplace in the 1990s.

169 The current model of regeneration best practice was, to varying degrees, adopted many years ago by coalfield authorities, and this study concludes that, when done well and followed through, these practices can deliver better outcomes.

170 Those who have been successful in coalfield regeneration have had a clear and consistent vision for their area. They are characterised by an openness to learn, and to engage and work with others. These ways of behaving are not specific to coalfields regeneration and could be applied to any regeneration challenge.
Regeneration in the coalfields has achieved some notable successes; dereliction and scarring has been addressed, local economies have grown and diversified and labour markets are now significantly healthier. But many challenges remain, and the future economic and policy context for coalfields looks very different from that of the last decade (see Figure 15).

**Figure 15**
The future for coalfield regeneration

New priorities, a different economic context and a potential reduction in regeneration funding mean that future progress will depend much more on the actions of local authorities.

**New challenges**
Worklessness and social issues are replacing physical dereliction and site development as coalfield priorities.

**New economic context**
Coalfield regeneration to date has been driven by national economic growth. But the national economy is now entering a recession.

**New funding context**
Key EU funds have expired or are running down. National coalfield funding streams are set to expire by 2012.

**Councils are key to future progress**
But they need a new approach centred on:

- internal coordination of strategies and services around a single vision focused on regeneration;
- true partnership working with other local service providers around a shared vision and with coordinated service delivery;
- an understanding of the appropriate scale at which issues should be addressed - from individuals or small communities, to sub regional or national level.
New challenges and contexts

New priorities in the coalfields

172 Physical and economic regeneration issues have been the main focus of coalfield regeneration efforts. Social issues have only recently been seen as a priority. This relative lack of attention has allowed some serious and longstanding social issues to go unaddressed and other new issues to emerge.

173 The new priorities for local authorities are:
- addressing social issues – particularly those that are preventing people from working;
- continuing to create jobs; and
- making local economies more resilient.

Addressing social issues and links to worklessness

174 Poor educational achievement, high crime, health inequalities, and low adult skills levels are important issues in their own right and should be addressed, but they also fuel worklessness. This in turn contributes to financial deprivation, which generates additional issues of crime and anti-social behaviour.

175 Addressing the complex social issues that now prevent individuals from working is the key issue facing many coalfield areas and is now on the agenda of coalfield authorities. Integrated and devolved service provision, alongside community empowerment appear to be the most effective tool in this context, but these practices need to be come more widespread.

176 Many coalfield areas still do not have enough jobs, however, so efforts to create jobs need to continue alongside the initiatives targeted at helping people back to work.

177 There was real concern from the case study authorities that just at the time that social issues had risen to the top of the local agenda, national and regional priorities were instead turning to economic issues.

Making local economies more resilient

178 Councils need to focus on developing more diverse and resilient economies. The model of economic growth followed by the coalfields has delivered large numbers of jobs to the coalfields in a short space of time, and it is difficult to see how this performance could have been delivered through an alternative route. But this model hides some structural weaknesses. Coalfield economies remain characterised by low skills levels, low value-added and low levels of business start up.

179 Broadening coalfield economies into higher skilled, value-adding sectors and encouraging more business start-ups represents the next phase of economic development. Bolsover, for instance, has focused on promoting entrepreneurial activity and increasing the survival rate of new firms. Others councils such as Rotherham, Ashfield and St Helens, have begun to focus on developing a higher skilled economy, but these activities need to become more widespread.
Economic downturn
180 Coalfield economic growth from 1998 to 2008 has been firmly wedded to the fortunes of the national economy. The national economic context in the immediate future looks very different from that experienced in recent years. The challenges set out above will need to be achieved in a very different world.

A slowdown in national growth
181 National economic growth has pulled the coalfield areas along, but the economic boom is over, as the turmoil in the financial sector, and its impact on the wider economy, pushes the country into recession. The resilience of the new coalfield economies is about to be tested.

182 It is important that in facing the coming recession, lessons are learned from the history of coalfield regeneration. While much has been achieved between 1998 and 2006, there was a significant period between the initial large-scale pit closures in the 1980s, and the early to mid-1990s, when regenerating coalfields was not a significant national priority. During these years benefits dependency grew, and many of the social problems facing these areas today developed and became ingrained. Early action is key to ensuring that economic issues are not translated into social problems.

183 There will be a number of challenges for local authorities in delivering regeneration in a poorer economic climate. The tightening of credit markets will reduce the availability of private development capital. This will make development activity less viable. This, in turn, will reduce the income and broader social benefits generated by Section 106 agreements.

184 Authorities also face a tightening of their own finances. The Comprehensive Spending Review (CSR) of 2007 set out a settlement with lower levels of increase until 2010. However, as signalled in the 2007 CSR, growth in public sector expenditure will slow up to 2010. The impact of the credit crunch since the CSR’s publication means that the 2010 CSR is likely to be even tighter.

185 These will be testing times for all local authorities facing a regeneration challenge but, overall, coalfield authorities can enter this period with a degree of confidence:

- their regeneration achievements have left their economies substantially more diverse and robust;
- firms in these areas are operating on modern sites with new connections to national transport infrastructure which may allow them to remain more competitive in the context of a downturn than firms in congested urban environments;
- coalfields continue to have access to some national and EU support that may make their locations attractive relative to others; and
- they have up to 20 years of experience in addressing issues of local economic decline, and they must bring this learning to bear in the event of a major downturn.
Conclusions – time for a new approach?

At the very least, coalfield economies are now part of the mainstream economy and will share in national growth when it returns, rather than being left behind.

Reduced national funding

There will be a reduction in the level of regeneration funding available to coalfields for the next phase of their regeneration.

However, the task of physical regeneration is far from complete and coalfield areas continue to suffer from high levels of worklessness, health inequalities and income deprivation, alongside low educational attainment and low skills levels.

A new challenge for local authorities

Councils will be central to the next stage of regeneration

National funding and wider economic growth cannot be relied on to deliver future progress on regeneration. Hence the role of local authorities will be even more important to the next phase of coalfield regeneration because:

- they have responsibilities under the LAA framework to provide leadership, build partnerships and develop local visions across a range of local organisations;
- existing statutory responsibilities for economic development, planning, housing, education and social services are central to regeneration;
- they have a new responsibility for 16-18 education provision which is important in tackling skills and worklessness; and
- they are major employers and purchasers of goods and services.

But this will require new ways of working

A focus on the social aspects of regeneration will require a different approach. Local authority regeneration will be delivered less by the planning department and more by services such as education, and partnerships like those around health and crime. It will be less about spending large regeneration budgets and more about bending existing mainstream budgets.

This report identifies some of the ways of working that have delivered more successful regeneration. Broadly these are working with others and working at the right level.

Joining up internally and externally

National funding is likely to fall. Worklessness has implications across health, education, transport, skills, child care, job creation and business support. Addressing these complex issues will require more integrated working internally, and closer partnership working externally, than most areas have achieved to date. Local authorities will have to get a bigger ‘bang for their buck’ from their own and their partners’ resources if progress is to continue. This will require:
• a clear single vision across the local authority and its partners which prioritises regeneration;
• key service strategies joined up around this vision;
• delivery coordinated across the services and with partners;
• resources targeted on activities, groups and areas most in need; and
• joint measurement of the impact of initiatives.

193 Aiming all the weapons in the armouries of local service providers at the regeneration problems in their areas in a co-ordinated way is the most effective and financially efficient way to deliver results.

Working at the right level

194 Local authorities need to work at the appropriate geographical level for each issue. For example:
• labour markets are sub-regional, so getting residents into work does not necessarily require jobs to be located within an authority’s boundaries. This could mean working at sub-regional level with neighbouring authorities and Regional Development Agencies; and
• accessing hard to reach groups in the community is best undertaken by members of the community physically located in neighbourhoods.

Are the coalfields still a distinct issue?

195 Tackling these problems will require national support. Given the progress since the mid-1990s, coalfields now have much in common with deprived urban areas or other former industrial areas. Consequently, the extent to which they continue to need funding outside of mainstream regeneration funding is worthy of debate.

196 Some coalfield authorities no longer categorise themselves as mining areas and feel that the coalfield label is a negative one. However, while some areas have moved on others still contain distinct problems arising from their mining heritage.

197 The national funding coalfields have received has been crucial to the progress made. But the job of regenerating coalfields is by no means finished and they remain some of the most deprived parts of the country. Hence there is an ongoing need to support these areas.

198 However, a debate is needed between the councils, government and other key stakeholders on whether coalfield regeneration is still a distinct issue that needs specific solutions and earmarked funding, or whether they should be given the same support as any other area facing a regeneration challenge.
References

### List of abbreviations

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>ABI s</td>
<td>Area Based Initiatives</td>
</tr>
<tr>
<td>ALMOs</td>
<td>Arms Length Management Organisations</td>
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<tr>
<td>BSF</td>
<td>Building Schools for the Future</td>
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<tr>
<td>CCC</td>
<td>Coalfield Communities Campaign</td>
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<tr>
<td>CISWO</td>
<td>Coal Industry Social Welfare Organisation</td>
</tr>
<tr>
<td>CLG</td>
<td>Communities and Local Government</td>
</tr>
<tr>
<td>COPD</td>
<td>Chronic Obstructive Pulmonary Disease</td>
</tr>
<tr>
<td>CSR</td>
<td>Comprehensive Spending Review</td>
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<tr>
<td>CTF</td>
<td>Coalfields Taskforce</td>
</tr>
<tr>
<td>DCSF</td>
<td>Department for Children Schools and Families</td>
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<tr>
<td>DLG</td>
<td>Derelict Land Grant</td>
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<tr>
<td>DVP</td>
<td>Dearne Valley Partnership</td>
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<tr>
<td>DWP</td>
<td>Department for Work and Pensions</td>
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<tr>
<td>EP</td>
<td>English Partnerships</td>
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<tr>
<td>ERDF</td>
<td>European Regional Development Fund</td>
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<tr>
<td>ESF</td>
<td>European Social Fund</td>
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<tr>
<td>EU</td>
<td>European Union</td>
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<tr>
<td>EZ</td>
<td>Enterprise Zone</td>
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<tr>
<td>IB</td>
<td>Incapacity Benefit</td>
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<tr>
<td>JSA</td>
<td>Job Seekers Allowance</td>
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<tr>
<td>LAA</td>
<td>Local Area Agreement</td>
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<tr>
<td>LEGI</td>
<td>Local Enterprise Growth Initiative</td>
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<tr>
<td>LFS</td>
<td>Labour Force Survey</td>
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<tr>
<td>LSCs</td>
<td>Learning and Skills Councils</td>
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<tr>
<td>LSP</td>
<td>Local Strategic Partnership</td>
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<tr>
<td>MWDA</td>
<td>North West Development Agency</td>
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<tr>
<td>NCP</td>
<td>National Coalfields Programme</td>
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<tr>
<td>NDC</td>
<td>New Deal for Communities</td>
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<tr>
<td>NINO</td>
<td>National Insurance Number Database</td>
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<tr>
<td>NRF</td>
<td>Neighbourhood Renewal Fund</td>
</tr>
<tr>
<td>NWCCRIP</td>
<td>North West Coalfield Communities Regeneration Programme</td>
</tr>
<tr>
<td>ONS</td>
<td>Office for National Statistics</td>
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<tr>
<td>PCT</td>
<td>Primary Care Trust</td>
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<tr>
<td>RDA</td>
<td>Regional Development Agency</td>
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<tr>
<td>RECHAR</td>
<td>Reconversion Charbonnage</td>
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<tr>
<td>RSA</td>
<td>Regional Selective Assistance</td>
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<tr>
<td>SRB</td>
<td>Single Regeneration Budget</td>
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</tbody>
</table>
Appendix 1: Coalfield authorities and other bodies in the study

Principal coalfield authorities

199 All English authorities in which 5 per cent or more of male employment and at least 2,000 male jobs were in mining in 1981 have been included in the study. Data have been drawn from the 1981 Census of Employment.

200 Authorities have been split into ‘worst’ and ‘least’ affected groups. All those in the worst affected group had male employment of over 18 per cent in mining in 1981.

201 Table 6 sets out the list of 34 principal authorities. All of these areas were included in the quantitative analysis in the study. However, interviews were only held with the 11 case study authorities.

<table>
<thead>
<tr>
<th>Worst affected areas</th>
<th>Least affected areas</th>
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<tbody>
<tr>
<td>Alnwick District</td>
<td>Blyth Valley District</td>
</tr>
<tr>
<td>Ashfield District (case study)</td>
<td>Broxtowe District</td>
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<tr>
<td>Barnsley District (case study)</td>
<td>Chesterfield District</td>
</tr>
<tr>
<td>Bassetlaw District (case study)</td>
<td>Dover District (case study)</td>
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<tr>
<td>Bolsover District (case study)</td>
<td>Durham District (case study)</td>
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<tr>
<td>Cannock Chase District</td>
<td>Mansfield District</td>
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<tr>
<td>Castle Morpeth District</td>
<td>Newcastle-under-Lyme District</td>
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<tr>
<td>Doncaster District</td>
<td>Nuneaton and Bedworth District</td>
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<tr>
<td>Easington District (case study)</td>
<td>Rushcliffe District</td>
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<tr>
<td>Gedling District</td>
<td>Selby District (case study)</td>
</tr>
<tr>
<td>Newark and Sherwood District</td>
<td>South Derbyshire District</td>
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<tr>
<td>North East Derbyshire District</td>
<td>South Staffordshire District</td>
</tr>
<tr>
<td>North Warwickshire District</td>
<td>South Tyneside District (case study)</td>
</tr>
<tr>
<td>North West Leicestershire District</td>
<td>St. Helens District (case study)</td>
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<tr>
<td>Rotherham District (case study)</td>
<td>Stoke-on-Trent District</td>
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<tr>
<td>Wakefield District</td>
<td>Sunderland District</td>
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<tr>
<td>Wansbeck District</td>
<td>Wigan District</td>
</tr>
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</table>

Table 6
Principal coalfield authorities
A large number of organisations other than local authorities were interviewed. These include local bodies at the case study locations, and a number of national and regional bodies.

Table 7
Other organisations interviewed in the research

<table>
<thead>
<tr>
<th>Organisations in case study areas</th>
<th>Regional and national organisations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aylesham and District Community Workshop</td>
<td>Academy of Sustainable Communities</td>
</tr>
<tr>
<td>Barnsley PCT</td>
<td>CBI North East</td>
</tr>
<tr>
<td>Bassetlaw CVS</td>
<td>CEF (Coalfields Enterprise Fund)</td>
</tr>
<tr>
<td>Bassetlaw Learning Champions</td>
<td>CISWO (Coal Industry Social Welfare Organisation)</td>
</tr>
<tr>
<td>Bassetlaw Task Force</td>
<td>CLG (Communities and Local Government)</td>
</tr>
<tr>
<td>Durham County Council</td>
<td>CRT (Coalfields Regeneration Trust)</td>
</tr>
<tr>
<td>Dover Chamber of Commerce</td>
<td>DWP (Department for Work and Pensions)</td>
</tr>
<tr>
<td>Grimethorpe Regeneration Executive</td>
<td>EMDA (East Midlands Development Agency)</td>
</tr>
<tr>
<td>Kent County Council</td>
<td>English Partnerships</td>
</tr>
<tr>
<td>Manton Neighbourhood Alliance (Bassetlaw)</td>
<td>GO-EM (Government Office for the East Midlands)</td>
</tr>
<tr>
<td>North West Coalfield Regeneration Programme</td>
<td>GO-NE (Government Office for the North East)</td>
</tr>
<tr>
<td>North Yorkshire LSC</td>
<td>GO-YH (Government Office for Yorkshire and Humberside)</td>
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<tr>
<td>North Yorkshire County Council</td>
<td>Northern Way/NWDA (North West Development Agency)</td>
</tr>
<tr>
<td>Rotherham and Barnsley Chamber of Commerce</td>
<td>One North East</td>
</tr>
<tr>
<td>St Helens Chamber of Commerce</td>
<td>SEEDA (South East England Development Agency)</td>
</tr>
<tr>
<td></td>
<td>The Alliance/Coalfield Communities Campaign</td>
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<td></td>
<td>Yorkshire Forward</td>
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</tbody>
</table>
Appendix 2: Methodology for local labour market accounts

The labour market accounts used in this research are a simplified form of a commonly used approach (Ref. 9). The accounts follow the formula set out in Table 8.

**Table 8**

<table>
<thead>
<tr>
<th>Components of labour market accounts</th>
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<tbody>
<tr>
<td>Additional residents in work (‘new’ and ‘original’)</td>
</tr>
<tr>
<td>Minus</td>
</tr>
<tr>
<td>New jobs in coalfield local authorities</td>
</tr>
<tr>
<td>Equals</td>
</tr>
<tr>
<td>Change in net inward commuting</td>
</tr>
</tbody>
</table>

Additional residents in work were calculated using a three-year average of the district level employment rate from the Labour Force Survey (LFS) for 1998 and 2006. These were weighted to remove the student population (based on figures from the 2001 Census) from each district. This new employment rate was then used alongside the mid-year population estimates (minus students) by working age provided by ONS to calculate the total number of residents in employment.

These figures were then split into ‘new’ and ‘original’ residents. The first group was calculated by applying the 2006 employment rate to working-age population growth from 1998 to 2006. This figure was then subtracted from the total number of additional residents in work to give a figure for additional ‘original’ residents in work.

For ease of presentation we have used the words ‘new’ and ‘original’ to refer to different groups in the labour market accounts. However, our ‘new’ residents in work group actually relates to employment take-up as a result of net working-age population change, including both natural change and migration. The ‘original’ resident group includes any employment not accounted for by net population change.

New jobs in coalfield areas from 1998 to 2006 have been calculated using the Annual Business Inquiry. These were then weighted for self-employment using district level data from the 2001 Census. Finally, a double jobbing rate of 3.5 per cent from the 2006 national LFS was applied to all figures.

Change in net inward commuting was calculated by subtracting the number of new jobs in each district from the number of new residents in work.

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These are people who have two jobs.
Cluster 1 – Growth, but for whom?

- Geography – Smaller localities mainly located in the Midlands. Population sizes were 20 per cent below the coalfield average. Almost all were district councils (13 out of 14).
- Coalfield history – Of the three clusters, this was the least dependent on mining, but still had 59 per cent of their population in coalfield wards in 2001.
- Position in 1998 – The job market was relatively healthy. Average employment rates were 79 per cent, some 4 percentage points higher than the coalfield average, and real unemployment was 2 points below the coalfield average of 10 per cent. They also had job and firm densities above the coalfield average.
- Economic development model – Total job numbers have risen by 11.5 percent driven by strong growth in business services alongside very high growth in transport services. Firms employing 200 or more workers have made the largest contribution to employment growth. Job loss from manufacturing has been low.
- Labour market model – The numbers of employed residents have increased by only 4 per cent, half that of the coalfield rate. And the take up in employment by original residents has been only one tenth of that for the coalfields as a whole. Population growth has been high, but an increase in net inward commuting has been the most significant development in these areas’ labour markets.

Cluster members
- Ashfield
- Bolsover
- Broxtowe
- Dover
- Durham City
- Mansfield
- Newcastle-under-Lyme
- North Warwickshire
- North West Leicestershire
- Nuneaton and Bedworth
- Rushcliffe
- South Staffordshire
- St Helens
Appendix 3: Classification of local authorities

Cluster 2 – Getting residents back to work

- Geography – Larger localities in Yorkshire and the North East, but with some in the Midlands. Five of the 11 areas are covered by MBCs.
- Coalfield history – High levels of exposure to coalfield employment loss. Some 76 per cent of their population was in coalfield wards in 2001.
- Position in 1998 – Average employment rates were 5 percentage points below the coalfield rate of 75 and unemployment was higher. Job densities were in line with the coalfield average.
- Economic development model – Large amounts of land have been remediated, 1.3ha per 1,000 head of population. Job numbers have risen by 11 per cent, led by growth in business services. Employment in firms with 200 or more workers has been fastest, but those employing 50 to 200 has also been strong. The manufacturing sector has lost employment in line with the coalfield average.
- Labour market model – Numbers of employed residents have grown rapidly – some 14 per cent – with original residents accounting for the majority of that take-up. There has also been some population growth and a slight increase in net rates of outward commuting.

Cluster members

- Alnwick
- Cannock Chase
- Castle Morpeth
- Doncaster
- Easington
- Newark and Sherwood
- Rotherham
- South Derbyshire
- Sunderland
- Sunderland
- Wakefield
- Wigan
Cluster 3 – Following the work

- Geography – A mixture of localities located predominantly in the North East and East Midlands.
- Coalfield history – This group has the highest level of exposure to coalfield job loss. In 2001 on average 80 per cent of its population lived in coalfield wards.
- Position in 1998 – Average employment rates were below the coalfield average. Unemployment was the highest of the three clusters. Job density was the lowest.
- Economic development model – Job numbers have fallen by 4 per cent due to high levels of job loss in manufacturing combined with a lack of growth in other sectors. This cluster lost an average of 61 manufacturing jobs per 1,000 working-age residents in the period 1998 to 2006. The figures in clusters 1 and 2 were 31 and 32 respectively.
- On average, public sector job numbers grew by only 14 per cent, compared with 30 per cent in cluster 1 and 27 per cent in cluster 2.
- Labour market model – Despite job loss the number of employed residents has grown by 6.5 per cent, with the majority coming from original residents. This means there has been a substantial increase in net outward commuting.

Cluster members
- Barnsley
- Bassetlaw
- Blyth Valley
- Chesterfield
- Gedling
- North East Derbyshire
- South Tyneside
- Stoke-on-Trent
- Wansbeck
Appendix 4: A brief history of national support for the coalfields

1980s to early 1990s – very little national support

The focus on urban regeneration in the 1980s meant that coalfield areas were bypassed in many of the main regeneration initiatives. Only six of the 34 principal coalfield authorities were included in the 59 Urban Programme authorities. None had an Urban Development Corporation within their boundaries.

In this period the major sources of support available to coalfield authorities were the Derelict Land Grant (DLG) run by the Department for the Environment and Regional Selective Assistance (RSA) by the Department for Trade and Industry.

Early to mid-1990s – access to mainstream regeneration schemes

Things changed from the early 1990s onwards. Barnsley (twice), Doncaster and Rotherham successfully bid for City Challenge funding. Then in 1995, with the introduction of the Single Regeneration Budget, significant resources became available to all coalfield authorities. Recent schemes such as the Neighbourhood Renewal Fund (NRF) in 2001 have also helped. The coalfields have benefited from a large array of smaller Area Based Initiatives (ABIs) such as Health and Education Action Zones (Ref. 5).

Mid-1990s onwards – coalfield-specific schemes

In 1995 three coalfield sub-regions had areas designated Enterprise Zones (EZs). These were a mainstream regeneration tool that had been in existence for a number of years, but the designation of these three was a specific response by the government to the ‘Heseltine closures’ of the early 1990s. The core aspects of EZ status run for ten years.

These were followed in 1996 by the National Coalfields Programme (NCP). Under this programme English Partnerships (EP) takes ownership of large parcels of ex-coalfield land. Sites are then remediated and re-developed. The NCP has gone through a number of phases of expansion starting with 56 sites and growing to 107 by 2008.

Income generated from site disposal is returned to the programme to finance new sites. A total of £385 million of public funding has been allocated to this programme, but through the sales of sites the complete programme outturn is expected to be around £750 million.

Land is cleared, treated for any contamination and returned to a suitable state for redevelopment.
Finally, the publication of the Coalfields Taskforce Report in 1998 led to:

- the creation of the Coalfields Regeneration Trust (CRT) in 1999, a national charity dedicated to the social and economic regeneration of former coalfields. It provides advice, support and financial assistance for community-based regeneration;
- the addition of several new sites to the NCP;
- the prioritisation of coalfield areas in Rounds 3 to 5 of the SRB;
- a requirement for the new RDAs to prioritise coalfield areas within their regions; and
- a broad range of business support measures alongside a programme of transport improvements.

EU support for the coalfields

The EU provided some of the earliest funding for the coalfields through its regional structural funds (the European Regional Development Fund (ERDF) and European Social Fund (ESF)). These were delivered through the coalfield-specific programme RECHAR, which ran in two phases in England from 1990 to 1999. This was centred on the reclamation of derelict land and the promotion of economic development activity.

Larger sums of ERDF and ESF funding were also delivered through the mainstream Objective 1 and 2 programmes from 1988 onwards. The bulk of this funding was centred on physical and economic regeneration. This funding was aimed at areas in structural economic decline and therefore many areas outside of the coalfields also received funding from these sources.

Objective 1 funding in particular has been an important source of regeneration funding for designated areas. A small number of coalfield areas in Merseyside and South Yorkshire had Objective 1 status in the period 2000 to 2006 in the EU programmes. This provided access to significantly greater levels of European Regional Development Fund (ERDF) and European Social Fund (ESF). Some £700 million of ERDF funds alone were directed through South Yorkshire’s Objective 1 programme.
Appendix 5: Targeting and impact of national spending on coalfields

219 In general there has been a close relationship between the provision of national regeneration funding and levels of need in the coalfield authorities. Figure 16 shows the relationship between regeneration funding per capita and the claimant rate for any working-age benefit among coalfield authorities in 1995.1 This indicator includes JSA and IB and is a good proxy for the state of a local labour market.

220 Figure 16 shows a strong positive relationship between funding levels and claimant rates. Similar relationships are also apparent with regard to skills levels, GCSEs, life expectancy and (to a lesser extent) crime rates. In each instance the authorities with the worst problems have tended to receive the highest levels of regeneration funding.

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Figure 16
Regeneration funding compared with claimant rates
Funding has been directed at the areas most in need.

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1 ‘Any Benefits’ is defined as that group which is in receipt of a benefit payment as their primary source of income. It includes Invalidity Benefit, Jobseekers Allowance, Lone Parents, Carers, Other Income-related Benefits, Disability Living Allowance and Bereavement Allowance. The great majority of this group is represented by JSA and IB group claimants.
221 In many instances there is an association between the level of funding received and the outcomes achieved. Changes in working-age benefits claimant rates are closely associated with national funding levels (see Figure 17). Similar relationships are also present in relation to improvements in GCSEs, rates of firm start-ups and the expansion of key growth sectors such as business services and distribution.

222 These results need to be interpreted with caution, however. Where an association is present this does not necessarily imply a causal relationship between funding levels and outcomes as a range of intervening factors may be present.

Figure 17
Regeneration funding compared with change in benefit claimant rates

Areas that have received the most regeneration funding have made the greatest improvements in reducing claimant rates.

Source: Ref. 5, EP and CRT

Stoke has been removed as an outlier from this analysis. It has had very individual local circumstances in this period that do not reflect the experience of the coalfields as a whole.
Overall economic and labour market outcomes have been strong for the coalfields in the period 1998 to 2006. However, Figure 18 shows that there are substantial local variations – both in the numbers of jobs created in an area, and also in the rate at which the number of residents in employment has changed.

The relationship between job creation and resident employment levels is not one-to-one. Barnsley lost 2 per cent of its jobs yet increased its number of employed residents by 14 per cent. Rushcliffe, in contrast, grew its jobs base by 20 per cent, but numbers of employed residents increased by only 5 per cent.

This mismatch between job creation and employment take up is unsurprising and reflects the general lack of fit between local authority boundaries and local labour markets. The imbalances are met by commuting.

Because of commuting, labour markets are sub-regional. This means that while patterns of local job creation can be highly differentiated between neighbouring authorities, employment take up will tend to be more even (Figure 19).
Figure 18
Change in job numbers and residents in work in coalfield authorities, 1998-2006

Creating a job does not always put one of your residents back to work. There is not a one-to-one link between job growth and numbers of residents is work.

Source: Audit Commission – see Appendix 1
Appendix 6 – Labour markets are sub-regional

Figure 19
Job change and employment growth, 1998-2006
Job growth is differentiated and localised, but employment take up is sub-regional.

Source: Audit Commission – see Appendix 1