1. Introduction

For decades, there have been areas in Scotland where a variety of complex, interrelated factors such as economic decline, unemployment, low levels of educational attainment, and poor health have combined to create concentrated multiple deprivation and significant challenges for the people living there.

These are our most disadvantaged communities, and for the past thirty years a series of national programmes have attempted to accelerate improved living conditions, opportunities and outcomes in local areas. By targeting ring-fenced investment, government at national and local level has been trying to reduce the socio-economic inequality that exists between these communities and the rest of Scotland.

Despite the best efforts of these community regeneration programmes, stark inequalities between geographical communities persist. There are still too many communities in Scotland experiencing very high levels of multiple deprivation relative to their neighbours. Release of the Scottish Index of Multiple Deprivation 2009 (SIMD 09) demonstrates this once again.

Beyond the Fairer Scotland Fund

At the present time, through investment from the £435m Fairer Scotland Fund (FSF), there is evidence of success on the ground achieved by committed partners working to improve employability, community confidence and overall resilience. Add to this significant physical renewal of housing and local environments, and it is clear that work has been done that everyone involved can be proud of.

As part of the Concordat between national and local government in Scotland, the ring fence associated with the FSF will end in March 2010, with the sums allocated to local authority areas rolled up within general settlements to local government from 2010/11.

We believe this is necessary to increase local autonomy, flexibility, and the pace of progress in tackling high levels of multiple deprivation in our communities. Community planning partners need to come together with communities themselves to tackle this persistent challenge using the combined power and influence of all mainstream budgets and resources.

Only by doing this, and by seeking maximum benefit for deprived areas from wider economic development and physical regeneration, will all of Scotland’s communities have improved access to opportunity and a better quality of life.
Achieving Our Potential

This joint statement by the Scottish Government and COSLA confirms the ongoing commitment of government at national and local level to addressing the socio-economic disparities that exist between our most deprived communities, entire local authority areas, and the rest of Scotland.

We have already set out our strategic priorities for tackling poverty in Scotland in Achieving Our Potential. That overarching framework, in combination with linked social policy frameworks focused on health inequalities and early years, sets out how all partners should work together to tackle poverty and inequality in Scotland, regardless of where those affected live.

Economic Recovery

We know that the current economic downturn is having a detrimental impact on individuals, families and the communities they live in. The Scottish Government's Economic Recovery Programme demonstrates our commitment to protecting jobs, supporting communities and investing to ensure Scotland is well placed to take advantage of the recovery when it comes.

This statement supports the aims of Economic Recovery Programme by maintaining the focus of all community planning partners on our most deprived communities, during and after this downturn, in order that they and their residents do not to fall further behind the rest.

2. Policy and Principles

This section covers:

- Our policy and principles with regard to tackling high levels of multiple deprivation in geographical communities.

Our policy statement:

‘By working in partnership, focussing on long-term outcomes and using our resources to best effect, the Scottish Government and Local Authorities will seek to tackle the poverty concentrated in our most deprived communities and reduce the inequalities which exist between these communities and the rest of Scotland’.

This statement is made in the overall context of our commitment to assist every individual and family affected by poverty in Scotland, wherever they live, outlined in Achieving our Potential.

We want to complement the key aims uniting all three of the linked social policy frameworks: Achieving Our Potential; Equally Well; and the Early Years Framework; and build on the principles underpinning the FSF approach:
Our principles:

- A focus on investment and services that address the root causes of long-standing concentrated multiple deprivation, not only alleviate its symptoms;
- Emphasis on making early interventions in vulnerable communities to address emerging problems as quickly as possible;
- Encouraging effective joint working between community planning partners. This should include links to the third and private sectors;
- Focused action on improving employability and linking residents to employment opportunities as a key means of extending opportunity and tackling high levels of local deprivation;
- Support for community empowerment, so that local communities become more resilient, can deliver change themselves and influence and inform the decisions made by community planning partners.

3. Evidence Base and Strategic Policy Context

This section covers:

- The updated statistical evidence base and wider policy context relevant to tackling multiple deprivation in geographical communities.

The release of SIMD 09 highlights once again those communities continuing to experience the highest levels of multiple deprivation. The table below shows us what SIMD 2009 reports about evidence linked to a selection of the Scottish Government’s National Outcomes most relevant to tackling multiple deprivation in communities.

<table>
<thead>
<tr>
<th>National Outcome</th>
<th>SIMD 2009 Evidence</th>
</tr>
</thead>
<tbody>
<tr>
<td>We realise our full economic potential with more and better employment opportunities for our people.</td>
<td>26% of people living in the 15% most deprived areas are employment deprived compared with 9% in the rest of Scotland.</td>
</tr>
<tr>
<td>Our young people are successful learners, confident individuals, effective contributors and responsible citizens.</td>
<td>A quarter of school leavers in the 15% most deprived areas enter negative destinations, not involving employment, education or training. The rest of Scotland sees 12% of its school leavers going onto negative destinations.</td>
</tr>
<tr>
<td>Our children have the best start in life and are ready to succeed.</td>
<td>In the 15% most deprived areas, 20% of mothers of babies born in 2008 were breastfeeding at 6-8 weeks. For the rest of Scotland at the same time, 40% of mothers were breastfeeding.</td>
</tr>
<tr>
<td>We live longer, healthier lives.</td>
<td>In the 15% most deprived areas, males are expected to live to 69 years. Females are expected to live to 76. For the rest of Scotland, the corresponding figures are 76 and 81 respectively.</td>
</tr>
<tr>
<td>We have tackled the significant inequalities in Scottish society.</td>
<td>32% of people in the 15% most deprived areas in Scotland are living in poverty, compared to 15% in the rest of the country.</td>
</tr>
<tr>
<td>We have improved the life chances for children, young people and families at risk.</td>
<td>In the 15% most deprived areas, 42% of children are living in poverty compared to 16% in the rest of the country.</td>
</tr>
<tr>
<td>We have strong, resilient and supportive communities where people take responsibility for their own actions and how they affect others.</td>
<td>24% of people in 15% most deprived areas, rate their neighbourhood as fairly or very poor compared to 4% in the rest of the country.</td>
</tr>
</tbody>
</table>
These statistics present a compelling case for maintenance of focus on achieving improved outcomes for people living in communities covered by the most deprived 15% of SIMD data zones. Statistical evidence demonstrates that a cross section of socio-economic indicators get significantly worse at this 15% ‘tipping point’.

Local Autonomy

When the FSF is rolled up within the local government finance settlement, it will be the decisions taken on investment of community planning partners’ mainstream resources that will deliver lasting change for our most disadvantaged communities. It will be for each CPP, working with local people, to decide how these mainstream services and budgets can best make a difference.

The key principle is that we should invest in what works, whether delivered by public, voluntary or community organisations.

In seeking to tackle deprivation concentrated in particular geographical communities, local partners may choose to focus on the 10% most deprived data zones, or another level suitable to the local context. This autonomy also extends to the choice of approach in a local area between maintenance or formation of a tailored local area partnership or, better targeting of services delivered authority wide.

Regardless of how SIMD is used locally as a tool for planning investment and the deployment of services, we view the communities covered by the 15% most deprived data zones as representing the best overall summary of geographically concentrated deprivation across the country.

Urban and Rural

We know that not all of the people living in poverty are concentrated in Scotland’s most multiply deprived areas.

We understand that geographical concentrations of multiple deprivation are generally found in urban areas. However, tackling poverty is a pressing issue in rural areas, where there are unique challenges related to remoteness, accessibility, the fragility of economies and the availability of sustainable employment opportunities.

Community planning partners in each local authority area will want to tackle geographical concentrations of multiple deprivation, and measure progress, in the most locally appropriate way. We understand that tailored local programmes aimed at directly assisting the most deprived geographical areas will often be more relevant to predominantly urban local authority areas.
The Strategic Policy Context

Working together, the Scottish Government and its partners in local government are striving to:

*Create a more successful country where all of Scotland can flourish through increasing sustainable economic growth.*

The Government Economic Strategy supports delivery of this overall Purpose and is underpinned by a challenging set of high level Purpose Targets.

The **Solidarity** target commits the Scottish Government to increasing overall income and the proportion of income earned by the three lowest income deciles as a group by 2017. The **Participation** target aims to maintain our position on labour market participation as the top performing country in the UK, and to close the gap with the top five OECD economies by 2017. Linked to this, through the **Cohesion** target we are focused on narrowing the gap between Scotland's best and worst performing regions by 2017.

These targets form part of a comprehensive national performance framework. Supporting the Purpose directly is activity across five Strategic Objectives which describe the kind of Scotland we want to live in - Smarter, Healthier, Safer and Stronger, Greener and Wealthier and Fairer.

Although progress on the last strategic objective is crucial to tackling inequality between Scotland's geographical communities, progress across all purpose targets, strategic objectives and the 15 National Outcomes supporting them will make a contribution. Many of the complex problems affecting out most deprived communities span every strategic objective.

Social Policy Frameworks

Working with our partners, The Scottish Government and COSLA have published three linked social policy frameworks: Achieving Our Potential; Equally Well; and the Early Years Framework.

These complementary frameworks outline our joint aims for tackling poverty, overcoming inequalities related to health and wellbeing, and giving children the best start in life.

The policy principles outlined in section 2 are intended to support the national, strategic ambitions outlined in Achieving our Potential and fit with the emphasis running through all three social policy frameworks on supporting those currently experiencing poverty and inequality, while making a longer term shift towards prevention, early intervention and shifting the focus of action towards the drivers of poverty in our society.

Within the overall context of the three linked social policy frameworks, a specific focus on improving outcomes for people living in our most deprived geographical communities remains essential if all of Scotland's people are to have equal opportunities to improve their life chances.
Creating Successful Places

In addition to £435m of FSF investment over 2008-11, a number of complementary Scottish Government regeneration and housing programmes aim to help achieve the creation of mixed and sustainable local communities:

- Investment of £87m in a network of 6 Urban Regeneration Companies, to attract and co-ordinate inward investment; improving physical infrastructure and ensuring that local people can access opportunities;
- £36m of Wider Role funding supporting the work of Registered Social Landlords to reduce poverty and financial exclusion in communities;
- £36m to help councils tackle vacant and derelict land;
- A £1.5bn programme of investment in affordable housing;
- The £60m Town Centre Regeneration Fund for 2009-10.

As well as striving for socio-economic change for people living in our most deprived communities, we are committed to achieving sustainable physical change at the same time. At the local level, community planning partners should seek to maximise the combined impact of all activities aimed at improving deprived communities and aim to contribute to the achievement of relevant outcomes prioritised in Single Outcome Agreements (SOAs).

Single Outcome Agreements

Local Authorities and their community planning partners across Scotland will take different approaches to measuring the achievement of key outcomes for the most deprived areas. They will also employ different approaches to how such outcomes are described in their SOAs.

Several current SOAs include a focus on reducing local area-based socio-economic inequalities. In some cases, this coverage includes differential targets designed to drive accelerated progress against relevant outcomes and therefore bridge the divide between these communities and the rest of the local authority area.

For example, Dundee has placed one of its highest priorities on strategies that invest in the most deprived local communities to help more people get out of poverty. They have set challenging targets within their 2009/10 SOA for their Community Regeneration Areas for indicators related to priorities such as improving income levels, literacy and numeracy, health inequalities and neighbourhood satisfaction.

Glasgow's SOA is also focussed on the key challenges associated with poverty and deprivation, with prominence given to ‘narrowing the gap’ between the SIMD 15% most deprived areas and the rest of the city across a range of indicators, such as benefits claimants, educational attainment, breastfeeding rates, and anti-social behaviour.
The Community and Third Sectors as Key Partners

There is a huge amount of talent and potential in Scotland’s communities that we must help to unlock. The Community Empowerment Action Plan, developed with colleagues in the third sector and jointly launched with COSLA in March 2009, commits Government in Scotland to supporting more communities to become more empowered.

The Scottish Government and Local Government are committed to ensuring that the third sector, which includes voluntary organisations and social enterprises, plays a central part in the overarching purpose to create a successful country where all can flourish. COSLA, the Scottish Government, SOLACE, and SCVO have signed a Joint Statement aimed at contributing to the establishment of a successful relationship between Scottish Government, Local Government and the third sector based on mutual respect and joint understanding of the roles played and challenges faced by each partner.

The role of local people and innovative third sector organisations in delivering change and shaping services is key to successful community regeneration. Local Authorities and their community planning partners should seek to work in partnership with communities and the third sector to deliver outcomes.

The Importance of Employability

The Employability Framework for Scotland, Workforce Plus (WFP) sets out action required at both national and local levels to increase the numbers of people in work. The emphasis is on better partnership working at a local level, as well as working with the UK Government which has lead responsibility for the administration of the benefit system and helping unemployed people with job search and support.

With the economic downturn, WFP is focused on harder to reach clients but is also responding to those who have recently become unemployed. The aim is to prevent the recently unemployed from becoming long-term unemployed.

Many young people seeking employment for the first time live in our most deprived communities. As such, the challenges to finding work may be compounded by lower levels of educational attainment or personal confidence. Any ambition to tackle high levels of poverty in our communities in the long term must include sustainable work at the centre of our approach.

4. Enabling CPPs: Accelerating Progress and Improving Outcomes for the Most Deprived Areas

This section covers:

- The resources and assistance on offer to Community Planning Partnerships seeking to employ best practice in this area of work.

Resources: Local Government Settlement 2011-14

All local authority areas have been made an FSF allocation for 2010/11. This amount will no longer be ring fenced, and as such rolled up within the settlement to each local authority.
Looking ahead, the Scottish Government and COSLA are reviewing the existing local government finance distribution methodology. Part of this review is to consider how all current and former ring-fenced grants, including the FSF, should be distributed in the future.

Any agreed changes will be used to inform the allocation of funding to local government from 2011-12 after the next Spending Review.

**Demand Led Learning Networks: Assistance to Local Partners**

The two year ring fence around the FSF has provided time to plan for transition to an approach based on the deployment of mainstream resources in partnership. However, mainstreaming is a complex process, often open to interpretation as to whether it involves investment, practice or both. We want to assist local partners in taking this challenge forward.

We want to work with local partners to help them employ effective practice in turning the most deprived areas around, and measuring their progress through SOAs and the supporting strategic plans underpinning them.

**The context for regeneration of our most deprived communities is changing.** Aside from the transition from the FSF, local partners are seeking more efficiency and innovation in how community services are delivered and how sustainable place making is taken forward.

Over the last 18 months we have had ongoing dialogue with Community Planning Partnerships across Scotland to identify the issues they face and their subsequent support needs. This will result in publication before the end of 2009 of an action plan setting out how we will work with others to support policy makers and practitioners seeking to tackle high levels of multiple deprivation in communities. The action plan will run to March 2011 and will support delivery through building capacity initially on three themes:

- embedding the outcomes based approach;
- working in a new context for the regeneration of communities;
- tackling inequality by addressing complex individual needs of the most vulnerable in communities.

The Action Plan will be primarily delivered through the **Community Regeneration and Tackling Poverty Learning Network**, in partnership with COSLA, the Local Government Improvement Service, SURF (Scotland's Independent Regeneration Network), Scottish Poverty Information Unit and others.

In order to emphasise the linked nature of our 3 social policy frameworks, the network will continue to forge close links with other support and capacity building activity related to complementary areas of policy such as employability, the Early Years Framework and Equally Well.