

South East England Regional Assembly

Select Committee on Poverty and Inclusion

Response by Reading Borough Council

General Observations

As indicated above this is a huge and complex topic area but one that sits at the heart of local authority responsibilities both as a service provider and in relation to the power of well-being and statutory requirement to produce a Community Plan. As for many authorities addressing social exclusion and reducing inequality is a top priority for Reading Borough Council.

There is a wealth of empirical evidence about the links between multiple deprivation and social exclusion, especially in relation to where this impacts on whole communities, and on the need for specific and targeted policy responses (the work of the Policy Action Teams and the Social Exclusion Unit are particularly relevant here).

In addition although Reading and the Thames Valley is a prosperous area overall, and a key driver for the health of the national economy, there are serious extensive pockets of deprivation. Even under the "old" Index of Multiple Deprivation (IMD) Reading had two contiguous wards in the worst 20% nationally. The increasingly sophisticated collection and analysis of data at Super Output Area (SOA) level is now providing a more effective tool for identifying needs and a much clearer picture of exclusion issues as they impact on various communities - the data summary for Reading attached at Appendix 1 clearly evidences high levels of deprivation in parts of the Borough and within certain communities. This fine-grain picture provides a more robust platform from which to develop appropriate policy responses targeted at the needs of particular localities or communities of interest.

Of notable interest in the context of the economy of the Thames Valley is that high levels of deprivation in Reading correlate very strongly with extremely low levels of skills and educational achievement - poor by comparison with national benchmarks let alone regional ones. With a tight labour market and predicted growth both in the sub-regional economy as a whole and the levels of skills required within the workforce this becomes an issue of strategic significance. Perhaps more so than elsewhere this indicates a much more obvious link between the economic agenda and the need to address social inclusion in order for the sub-region to sustain economic growth.

Key Points:

1. Mainstream resources will always be the key to effectively addressing social exclusion - police, health, local authorities, LSC, Job Centre+

etc etc. There is much work going on to more effectively link these areas at locality level on an inter-agency basis geared to particular patterns of need and local organisational context (including for example the capacity of the voluntary / community sector). Complimentary funding to help address the more extreme needs experienced by deprived communities needs to link to and build on this locally driven approach.

2. There is something of a dislocation of policy between the Neighbourhood Renewal approach adopted under the auspices of the Social Exclusion Unit (SEU) and Government Offices (GOs) for the worst 10% of wards and the approach to the next worst 10% of wards that have fallen within the policy remit of the RDAs. In NRAs **community capacity building and engagement** is considered to be a key platform on which to build more effective service delivery and impact over a sustained period of time and is consequently resourced as an integral part of the approach. Insofar as this is based on strong evidence of what works there remains a key gap in the policy approach to deprivation outside the NRAs in the next worst 10%. This is despite the fact that these other areas experience a comparable range of issues and levels of deprivation, albeit usually at a smaller scale. This has clear implications in relation to ensuring that any SEEDA investment in tackling deprivation is based on what works in relation to neighbourhood renewal rather than narrow and inappropriate output driven targets.
3. There is no doubt that over-arching government policy is having a positive impact on relative inequality, for example in relation to child poverty, worklessness etc. However, despite this positive overall trend, and as recently highlighted by the SEU, this trend is NOT impacting on the most socially excluded client groups or areas of multiple deprivation. The corollary of this is that generic single issue programmes of activity will not of themselves necessarily meet the needs of the most deprived or make a difference to our most deprived communities. There is a clear need here for more joining up of priorities and funding streams across key agencies to focus on outcomes rather than short-term outputs. Local Authorities are well placed to lead and performance manage this sort of approach in relation to particular areas and communities and this is reflected in the move towards PSA and LAA type initiative favoured by Government. There would be considerable merit in exploring how the funding of other key agencies could link more effectively to this model.
4. Addressing the needs of our most deprived communities in whatever form requires both investment and effective use of that investment. In reality many funding streams use competitive bidding processes as a rationing mechanism for available funding rather than a serious investment in the priority groups or areas identified. This is compounded by value for money and output volume criteria that

actually in reality mitigate against effective approaches for hard to reach groups, much of the LSC's discretionary investment is typified by this approach.

5. Regional and sub-regional agencies need to work through local structures for effective delivery and to have flexibility to accommodate locally determined solutions. Principles of community development and engagement to arrive at these solutions to complex and interlinked issues at the local level need to be acknowledged as critical to success and reflected in funding approaches, timescales and expectations.

SEEDA Investment in the Thames Valley

We are extremely pleased that SEEDA is recognising the seriousness of deprivation as an issue in the Thames Valley by proposing a 3 year Area Programme with an investment of £2m. The targeting of this resource using the evidence base of the most deprived SOAs is also to be applauded as it reflects and extends the Neighbourhood Renewal approach from central government and the imperative to address the needs of those facing the greatest levels of deprivation and inequality.

In the context of the above points and the modest nature of the investment it is essential that the programme links into and complements other activities. SEEDA's aspiration to engage other partners in aligning strategies and funding to this targeted programme is therefore welcome in principle and the Committee may wish to explore with other agencies how far this is likely to become a reality.

Please contact Grant Thornton (Head of Regeneration and Economic Development) if there are any queries regarding this submission or you would like further information - tel. 0118 939 0416, e-mail: Grant.Thornton@reading.gov.uk