

REGENERATION

AND THE RACE EQUALITY DUTY

Summary report and recommendations
of a formal investigation
in England, Scotland and Wales



September 2007

SUMMARY REPORT AND RECOMMENDATIONS

Introduction

Regeneration programmes, policies and funding are important tools in tackling disadvantage and promoting integrated communities. Many billions of pounds are spent on physical regeneration and the effects of large-scale projects on an area and its people can be dramatic and lasting. Government investment in physical regeneration through various funding streams is largely focused on deprived areas where a large percentage of Britain's ethnic minority population, is disproportionately represented.

In response to allegations of unequal distribution of funds, failure to consult ethnic minority groups, and concern that regeneration does not adequately take into account the disadvantages experienced by some ethnic groups, the CRE decided to conduct a general formal investigation into regeneration. The investigation was led by CRE commissioner Julia Chain, and a specialist board of commissioners appointed for the project: Sir Howard Bernstein, Lord Adebowale and Vincent Wang, who brought their expertise in regeneration to the investigation from the perspectives of the public, voluntary and private sectors, respectively.

In this, one of its last major investigations before the Commission for Equality and Human Rights (CEHR) becomes operational, the Commission for Racial Equality (CRE) asked whether this spending was helping to promote integration and cohesion and close some of the inequalities that we know exist between different ethnic groups. We also considered how the race equality duty to have due regard to the need to eliminate unlawful racial discrimination, and to promote equality of opportunity and good race relations, which is now in its sixth year, has influenced the outcomes of regeneration across England, Scotland and Wales.

The investigation was based largely on the practice of local authorities in England, Scotland and Wales, and regional development agencies in England, which are responsible for all aspects of physical regeneration. We examined this within the context of the policies and funding priorities set by national governments and national regeneration agencies, and the methodologies employed by the audit and inspection authorities responsible for auditing the performance of local government.

We considered physical regeneration which we defined as: 'work on the physical fabric of an area where such work forms part of a strategy to promote social, physical and economic improvements in a given locality, rather than just redevelopment driven solely by market forces.' We looked at a wide range of physical regeneration projects, including mixed-use town centre and city waterfront developments, building and refurbishment of social and other housing, and the provision of community centres and schools. We recognised that the built environment was only one aspect of regeneration, and that improving the physical fabric of an area would not in itself be enough to improve the quality of life for its people; real change would only come by integrating long-term plans for social and economic betterment with plans for physical regeneration.

Methodology

Our findings are based on quantitative and qualitative evidence gathered from a wide range of organisations and individuals across England, Scotland and Wales, supplemented by desk-based research, which we conducted throughout the project. We used four approaches to collecting the evidence, in order to maximise the breadth and depth of information gathered: an open call for evidence, a questionnaire sent to all local authorities, and development agencies, interviews and written submissions from stakeholder organisations, and case studies. Information obtained through the call for evidence, from stakeholders, and through the case studies provided a useful insight into the broader issues raised by the responses to the questionnaire. We were able to cross check the evidence obtained from different sources, and were confident that we had sufficiently robust information.

Conclusions

We have set out our findings and conclusions under headings which largely correspond to the chapters of the full report.

Vision and leadership on racial equality in regeneration

At a local level, we found some examples of clear statements of commitment from councillors and senior officers in local authorities to mainstreaming racial equality and good race relations within regeneration programmes. However, these were not always translated into practice and, conversely, the enthusiasm showed by individual officers or departments was not always adequately supported from the top. Indeed, we found only a handful of authorities that had a clear vision for the regeneration of their area based on serious consideration of its consequences for racial equality and good race relations, which was clearly reflected in their strategic policies and day to day practice, and had the full support of their political and executive leadership.

At a regional level in England, we found that the regional development agencies have some way to go before they can be said to have mainstreamed racial equality in all their work, although there was some evidence to suggest that the ‘tide had turned’ and recent commitment from the regional development agencies to a number of focused improvements in this area is welcome and timely given their future leading regional role for regeneration in England.

At a national level, the commitment to racial equality and good race relations from the governments in England, Scotland and Wales could not be doubted, and could be found in various broad policy statements. Regrettably, these did not always filter down into the specific regeneration programmes and policies we examined, which were rarely developed on the basis of hard evidence of their possible implications for racial equality and good race relations.

In England, programmes involving the commitment of many billions of pounds had been introduced without the benefit of race equality impact assessment, usually on the assumption that the implications would be assessed locally. These included building

schools for the future, the decent homes strategy, and housing market renewal programme and the new deal for communities programme. More recently, the significant changes underway in English local government with the intended reliance on local area agreements, have developed without guidance on how to address race equality, cohesion and integration in a partnership context.

In Scotland, action taken to mainstream racial equality has been marred by inconsistencies in the application of equality as a 'cross cutting' theme for many of its regeneration policies and the resulting confusion in the application of these policies. In Wales, the challenges of translating policy and ministerial commitments on racial equality into practice were evident.

Sustainability development was an important policy priority for the governments in all three countries, with sustainable communities emphasised by all as an essential element. The Sustainable Development Commission was clear that sustainable communities required community cohesion, which itself depends on equality and fairness. We found that all three governments had done little to ensure that racial equality and good race relations were meaningfully embedded in the work they did on sustainability; there was a strong focus on the environmental aspects of the agenda, to the detriment of the equality aspects. The lack of government leadership on this was evident in the way that both national and regional agencies and local government had sought to implement their respective sustainable development policies.

The way forward

Local authorities are central to successful physical regeneration; as the Egan review on skills for sustainable communities concluded:

... no other institution has the same responsibility for the long-term success of one locality, and no other institution is directly elected by and accountable to the residents of one locality ... only local authorities have the right blend of local knowledge, presence and accountability to make this work.

This requires strong and visible political and management leadership from the local authority to ensure that the local authority and the other bodies responsible for the regeneration process integrate race equality into that process

Whatever the size of their ethnic minority population, local authorities are responsible for meeting the demands and needs of all sections of the community they serve. The best have done this through strong leadership and are building revitalised and inclusive communities, by working closely with representatives of all ethnic groups and ensuring that their policies reflect local concerns.

In summary, local authorities should seek to deliver their place shaping role by:-

- supporting political leadership at district and local level to understand and champion the needs of all sections of the community;
- developing awareness of the needs of ethnic minority groups within their organisations and the partnerships in which they are involved;

- encouraging and supporting the development of leaders within the community.

While national government can direct and encourage local government to meet its general policy objectives, each local authority needs its own vision for its people and its place, based on thorough knowledge of the local economy, environment, history and demography, and on a full consideration of the interests of integration and cohesion. The vision must have meaning for all sections of the community it embraces, and be clear about its benefits for all.

The vision should draw on local plans, developed to reflect the needs of different neighbourhoods and the opportunities available in each. Physical regeneration is likely to be one of the principal means a local authority will use to achieve its vision, particularly if it has a number of deprived areas. The vision should draw on local plans, developed to reflect the needs of different neighbourhoods and the opportunities available in each. The strategic objectives for physical regeneration proposals should be set out in key policy documents, such as the sustainable community strategy, the community engagement strategy, the local development framework/plans and the race equality scheme, and should be designed to deliver improvements in all the following areas:

- local economic growth;
- economic and employment opportunities for local people;
- spatial and physical improvements;
- community cohesion and integration; and
- social policy objectives relating to health, education, crime, and the condition of neighbourhoods.

Both the vision and the strategic objectives for regenerating the area must be clear about their implications for racial equality, community cohesion and integration. These should also be clearly articulated and reflected in all the strategic documents referred to above with clear analysis and proposals to address gaps in quality of life between different communities.

The local authority's race equality scheme, and any action plan drawn up to put it into effect, should provide the basic framework for assessing, monitoring and consulting on its regeneration policies and proposals, to ensure that they meet the three parts of the race equality duty - to eliminate unlawful discrimination, promote equal opportunities and promote good race relations. In addition to this, formal evaluation of physical regeneration schemes should include the outcomes that have been achieved within different sections of the community.

For the English regional development agencies, we feel that the way forward is by improved mechanisms for accountability in relation to outcomes for racial equality and community cohesion and investment in training and internal procedures to help mainstream racial equality.

Local authorities work within the context of national policies set for them by national government and it is for national government to ensure, for example through the

criteria it adopts for funding, that regeneration does take account of racial equality, integration and cohesion. Governments should also demonstrate strong leadership, an important part of which would be to set the best standards for public authorities on implementing the race equality duty and ensure clarity over the racial equality and race relations outcomes it expects from national regeneration agencies and local government.

Promoting racial equality through regeneration

Evidence for the consequences that regeneration schemes might have on racial equality and race relations is available in two ways: from analysis, by ethnicity, of the local population and any relevant measures such as employment rates, housing need, or education performance; and more directly from the opinions and concerns of those who will be affected. We will set out our findings on both elements of this process before turning to our observations on the way forward.

Ethnic monitoring and data collection

We were struck by the limited evidence that authorities used to ascertain the effects that their regeneration proposals and programmes could have on racial equality and race relations. In contrast, formal appraisals and standard risk assessments were being routinely done to meet the requirements for environmental sustainability and heritage.

Our findings showed that many local authorities were either not collecting the data that would allow them to analyse the effects of their proposals on different ethnic groups or were collecting it in a way that did not allow them to break down the information to reveal the impact on particular ethnic groups.

Regionally and nationally, the data available held problems of their own. In Scotland, many felt that the Scottish Index of Multiple Deprivation (used to allow effective targeting of policies and funding) does not adequately capture the ethnicity dimension of deprivation; in Wales, efforts were being made to harmonise the various data available for different programmes so that a complete and accurate picture could be built up; and in England similar problems were drawn to our attention, particularly the difficulty of obtaining reliable and comparable data at small area level at reasonable cost.

However, monitoring is about more than just gathering the data; it must also be used to inform policy making. Our analysis of the race equality impact assessments that authorities sent to us for this investigation indicated that two-thirds did not even make use of data, while those that did failed to use the data to inform their policy making.

Community engagement

It should be obvious that consulting the community and getting people involved must mean reaching all sections of the community and hearing what each section of it thinks about a proposal. Our research for this investigation showed that the subject of

community engagement has been comprehensively studied, and a wealth of advice, good practice examples and awards schemes exist to provide practical support and guidance. Nevertheless, our findings indicated that most of the organisations involved in regeneration activity did not have a sufficiently rigorous approach to consultation and were not reaching all the different groups likely to be affected by the schemes. Even those organisations that were using imaginative and effective ways of getting their communities involved, were not consistently and effectively monitoring participation by ethnicity, making it difficult to identify under-representation and take targeted action to address this.

Efforts to involve the local community will perhaps always leave some people feeling left out or dissatisfied, but we found that, in general, people from ethnic minorities, some of whom already felt marginalised or excluded, appeared to experience this more intensely. One of the reasons for the frustration and disillusionment we encountered was lack of trust; too many attempts appeared to have been made at consultation that had resulted in people feeling that they had not been properly involved and their views were not taken on board.

The way forward

Public authorities spending public money are rightly expected to ensure that their policies and services meet the needs of all sections of the community they serve, and promote integration and cohesion. To do this effectively, a public authority needs information: about the different groups that make up its community; about relations between them; about their needs, and whether a particular group is especially disadvantaged; and about whether the services it provides are being used by everyone. Further work is required by central and local government to develop statistically robust mechanisms for monitoring changes in population and quality of life at small area level.

Unless public authorities have an alternative but equally effective approach to getting this information, they should use the race equality impact assessment framework that is available. It may be that a more efficient way of approaching all elements of the risk assessment process involved in planning physical regeneration policies and schemes is to combine race equality impact assessments with the other assessments required, such as environment, sustainability and heritage.

Effective and comprehensive engagement with all sections of the community and reliable and detailed data on the ethnic composition of the local population, and on employment, education, housing, and health, are the two main sources for this information.

Time and money will always be critical factors for local authorities and their partners and private sector developers, and community engagement is time consuming and expensive. However, it is risky to proceed with a regeneration scheme that has not had demonstrable input from all sections of the community, supported by a clear communications strategy to explain the decisions made. Changes to the built environment can have an enormous positive impact on people's lives, but without a sense of ownership and trust, engendered through genuine engagement and

consultation, they carry high risks for cohesion and integration. We recommend that all local authorities which have not already done so, develop community engagement strategies underpinned by effective ethnic monitoring to guide their services on how to engage with communities in their area.

In summary, local authorities should put in place plans and governance structures that ensure race equality is embedded in strategic policy making and operational activities for regeneration. To have a real impact on race equality local authorities should develop regeneration plans which:

- Take a whole place approach but with a small area focus, removing the potentially divisive boundaries between different sections of the community but enabling all stakeholders to develop a good understanding of the needs of different neighbourhoods and the people within them.
- Engage a wide range of stakeholders in the development of those plans; the most important of whom are local people. Securing buy-in from the local community from the start and maintaining their full involvement throughout the processes is essential to a successful outcome.
- Develop baseline measures as part of these plans before identifying actions and projects to help shape the vision, objectives and policies based on local needs.
- Set out proposals for community engagement through the development of the plans themselves and during implementation.
- Allow for the development of more detailed plans, sitting below and as part of strategic frameworks in places where more significant physical change is anticipated. These more detailed plans should also be the subject of extensive consultation with communities.
- Include performance management frameworks with indicators and outcomes reflecting the needs of all sections of the local community. Use of qualitative data is essential and there should be appropriate mechanisms in place to gather this including using councillors, locally based staff and voluntary and community sector representatives.
- Regeneration and wider public service improvement in deprived areas should be working to the same goals - better outcomes for local people. It is, therefore, essential that regeneration and race equality are embedded into the business planning of public bodies providing services to the area being regenerated.

Training

We were very concerned by the number of officers, at all levels, who said that racial equality and good race relations were irrelevant to the work of regenerating the built environment and that they used a 'colour blind' approach to their work. Their focus was primarily on putting up the physical structures rather than considering the needs of the people who would be using them, and they thought racial equality was only relevant in projects specifically and exclusively developed for ethnic minority

communities. This attitude appeared to be based on the unfounded assumption that the intended benefits of regeneration would inevitably reach everyone in the area concerned, regardless of ethnicity and, while particularly prevalent in areas with small ethnic minority populations, it was also expressed in areas with substantial ethnic minority populations and evidence of community tension.

The way forward

The race equality duty includes a specific requirement for officers to be trained on the general duty and the specific duties, so that they understand how it applies to their areas of work, and to their own jobs. It was clear that many of the officers who spoke to us about the relevance of regeneration to racial equality had not received either general training on the Race Relations Act or specific training on the duty. Unless public authorities take immediate steps to ensure that the officers responsible for implementing their policies understand the implications of the race equality duty in their own role, and that treating people equally does not mean treating everyone the same, the very best strategic policies designed to promote equality through regeneration will be ineffectual when they come to be implemented. More generally race equality should feature in the workforce development strategies of public agencies serving the area being regenerated.

Professions and professional associations also have a crucial role to play in ensuring that their members understand the requirements of the race equality duty and of equality legislation more broadly.

Partnerships and procurement

It became clear early on in the investigation that considering the regeneration sector as whole would be a daunting task; there were the countless organisations involved in the planning process, nationally, regionally and locally, with each contributing differently according to their particular roles; and there were complex partnerships set up to develop and deliver particular programmes of work.

Our evidence suggested that the way physical regeneration is planned and carried out, through these various partnerships could inhibit the mainstreaming of racial equality. Although some public authorities understood that the race equality duty applied to the work carried out in partnership, we could find no clear line of accountability for meeting the race equality duty within the partnerships, and the risk of racial equality being sidelined by those who did not see it as a priority was inevitably very high.

Local government partnerships - local strategic partnerships, community planning partnerships and local service boards - are the main vehicle for developing local services, including regeneration, and have not always ensured that racial equality is taken into account at all stages.

Public authorities have not consistently built racial equality considerations into the procurement process; often leaving partners working on huge public sector contracts

without the same imperative to ensure that they promote racial equality and good race relations in the work that they are doing.

Similar questions arise about publicly funded private sector regeneration organisations, such as URCs and housing market renewal pathfinders, and would also apply to other organisations such as local enterprise companies working under Scottish Enterprise: how are they responsible for racial equality and good race relations, and how are they held accountable for the outcomes of their work? We found that these organisations were, in effect, completely by passing the intention and purpose of the equality duties. The creation of these organisations do not in any way absolve the public authorities that sit on the boards of and work in partnership with these organisations of their race equality duty in these areas. The responsibility for bringing the race equality duty to the work of such organisations rests with those public authorities and the national governments that create them.

The way forward

On the basis of our findings we concluded firstly, that there is a need for stronger leadership from national governments and clearer guidance on responsibilities of and between public sector partners working in local government partnerships; an example would be the community planning guidance from the three statutory commissions in Scotland, which is underpinned by the statutory requirement in Scotland that those undertaking community planning do so 'in a manner which encourages equal opportunities and in particular, the observance of equal opportunity requirements'.

Secondly, that the guidance available to ensure that public authorities use their procurement processes in a way that promotes racial equality needs to be strengthened but cannot alone change practice sufficiently in the way that a specific legislative requirement could. And thirdly, further thought ought to be given to the URCs and HMRPs and other similar organisations, to identify ways to ensure that racial equality and good race relations are embedded in their work.

In summary, with the public pound should come the public duty. We must ensure that we get the best possible value for money from physical regeneration investment both in terms of the built environment and the promotion of equality and cohesion.

Measuring outcomes for racial equality

The investigation showed that assessment of the effects of physical regeneration on racial equality and race relations was a particularly weak area. Around one-third (32%) of the organisations responding to our questionnaire either did not measure the effects on racial equality and over a third (35%) did not measure the effects on good race relations.

Although it was accepted in principle that it was important to measure the effects of physical regeneration programmes on racial equality and good race relations, in practice it appeared that the emphasis was mainly on 'bricks and mortar' outputs, such as the number of houses built, or the number of businesses created, rather than

outcomes relating to people, and that this was largely due to the requirements set by funding bodies and the way projects were consequently structured.

When data relating to these outputs was collected, it was rarely collected in a way that allowed it to be analysed by ethnicity. Where we did find organisations trying to measure the ‘softer’ outcomes for racial equality and community cohesion, this was mainly in relation to smaller-scale projects aimed specifically at people from ethnic minorities. In general we found very little understanding of how racial equality and race relations might be measured.

The way forward

For all organisations involved in physical regeneration, the data being collected to measure ‘hard outputs’ should be disaggregated using locally adapted 2001 census categories, and softer outcomes such as quality of life and well being indicators should also be identified and evaluated, using the same ethnic monitoring system.

Local government partnerships should also ensure that racial equality outcomes are included in their performance frameworks and monitor these consistently over the lifetime of their sustainable community strategies, which will help ensure that race equality outcomes can be monitored over successive regeneration programmes.

In order to drive forward progress in this area funding bodies should examine their funding criteria and evaluation processes to ensure that the outcomes required promote racial equality and good race relations in a demonstrable way.

Audit and inspection

Although the Audit Commission, Audit Scotland and Wales Audit Office each had different legal structures and with it, different legal powers and responsibilities we were able to draw out three broad areas that we felt had relevance to their role in the audit and inspection of local government.

Firstly, the weaknesses that were apparent in the Audit Commission and Audit Scotland (which carry the race equality duty) in assessing their policies and functions for impact on racial equality and good race relations; and secondly, the need for improved training for staff in relation to the race equality duty in the Wales Audit Office and in Audit Scotland. Thirdly, the evidence we found which indicated that a risk based approach to inspection was not felt by some local authorities to be rigorous enough in relation to local authority performance on racial equality.

The way forward

We believe that the audit and inspection authorities are, and should remain, key players in monitoring public authorities’ performance against the race equality duty, together with the CEHR and welcome the commitment from all of the audit and inspection authorities to continue their discussions with the CEHR to develop the most effective approach to achieve this, within the context of the changes ongoing in each country and their different powers and responsibilities.

We can see the benefit of a risk based approach to inspection; however, there is a need to ensure that local government's performance on promoting racial equality and good race relations is adequately identified and supported where necessary. In their paper on the public duty, Fredman and Spencer (2006) suggest that it would be preferable to give inspectorates a specific statutory responsibility to monitor performance against the equality duty framework. We would hope that this suggestion will feature in the discussions between the CEHR and the audit authorities and the government as they discuss the way forward.

There are benefits for inspectorates, as there are for every public authority, in conducting their functions in a way that complies with the racial equality duty, ensuring that policies are assessed for their impact on racial equality and good race relations and staff are trained on the implications of the race equality duty for their work. We feel that this approach will improve the performance of the organisation itself as well as enhance its audit and inspection role.

In summary

As CLG rightly says 'building sustainable communities for this and future generations is at the heart of regeneration'. However, as the Egan review emphasised, 'sustainable communities do not come about by chance.' This is particularly true for racial equality and good race relations, both necessary prerequisites for truly sustainable communities, which can only be achieved through conscious and targeted action at all levels. Strong leadership at all levels is essential to ensure that funding for physical regeneration is based on policies developed to create equitable and integrated communities, as well as better and more prosperous places for all.

Failure to recognise the relevance of racial equality in physical regeneration may be costly. But we also need to move away from the notion that action to promote racial equality is just another hurdle to jump over before one can get on with the real business' of regeneration. It is imperative that those responsible for the projects that are reshaping our landscapes and communities see racial equality and good race relations as central to all regeneration activity.

The race equality duty is the only tool we have today to ensure that these opportunities do not result in missed chances, and disadvantage and divisions between ethnic groups are ignored or deepened. We are concerned at proposals to remove all specific duties associated with the duty, which have been criticised as overly concerned with 'box ticking' process rather than outcomes. The best performing public authorities are using tools derived from the race equality duty to deliver regeneration to all sections of the community - it is those who are not delivering who retreat to the box ticking approach.

Based on the evidence gathered through this investigation the CRE is convinced that an appropriate framework for equalities is necessary to support public bodies in improving outcomes for racial equality, community cohesion and integration. The findings of this report show that far from taking regressive steps and risk wiping away the progress that has thus far been made, national governments need to address their

own leadership role and provide a framework within which the billions of pounds of public money spent on regeneration can be focused on achieving those outcomes.

Recommendations

Our recommendations are directed at local authorities in England, Scotland and Wales, regional development agencies in England, national regeneration agencies¹, and national governments, the Audit Commission, Audit Scotland, and the Wales Audit Office; and the Commission for Equality and Human Rights. A number of recommendations are targeted at other organisations which are specified below. For the recommendations targeted to local authorities, we would recommend that the Local Government Association, the Improvement and Development Agency, the Welsh Local Government Association and the Convention of Scottish Local Authorities support local authorities in taking these recommendations forward.

Vision and leadership on racial equality in regeneration

Local authorities

1. Review the local development framework/plans, the community strategy and the community engagement strategy, to ensure that they appropriately reflect how the local authority's vision for regeneration relates to all ethnic groups within the community and to race relations.
2. Ensure that the strategic plans for regeneration are included within the race equality scheme (or equality scheme) and supported by a timetabled action plan, specifying the actions for regeneration, planning and housing departments in particular.
3. Ensure that procedures are in place to effectively mainstream racial equality and good race relations consistently across the authority, and in particular within the regeneration, planning and housing departments.
4. If this is not already the case, appoint and support the work of equalities champions at corporate and departmental levels, to help promote mainstreaming of the race equality duty.
5. Adopt and implement a proactive communications strategy for physical regeneration projects that are at risk of negatively affecting community cohesion, and provide appropriate information and support to relevant officers and councillors responsible for communicating with the public about the project.

¹ By national regeneration agencies we mean: English Partnerships, the forthcoming Home and Communities Agency and the Housing Corporation (in England); the Scottish Enterprise Networks, and Communities Scotland (in Scotland); and those departments with responsibility for regeneration in the Welsh Assembly Government.

6. Ensure that councillors are supported in decision making and scrutiny of regeneration projects by the provision of adequate information about the impact of projects on racial equality and race relations.
7. Ensure that induction, and ongoing training and guidance supports councillors in understanding the implications of the race equality duty in their role, particularly in regard to community leadership.

The Improvement and Development Agency

8. Review the extent to which the race equality duty is incorporated into guidance and leadership programmes for councillors and senior officers in local government.

Regional development agencies, Scottish Enterprise Network, and the departments responsible for physical regeneration in the Welsh Assembly Government

9. If this is not already the case, ensure that the promotion of racial equality and good race relations is appropriately embedded in the organisation's key regeneration strategies and supported by a timetabled action plan.
10. Demonstrate leadership by promoting the business case for racial equality among private sector partners and local businesses, and promoting the sustainability agenda in a way that meaningfully includes racial equality and good race relations.
11. If this is not already the case, appoint and support the work of equalities champions at corporate and departmental levels, to help promote mainstreaming of the race equality duty.
12. Take the necessary steps to mainstream racial equality across the organisation and ensure that this work is properly resourced and built into the corporate performance framework.
13. Review the extent to which the organisation's race equality duty is incorporated into existing and proposed regeneration programmes and accompanying guidance.

Government departments in England, the Scottish Government and the Welsh Assembly Government

14. Produce practically focussed guidance on the role of racial equality within the sustainability agenda, to support work at a national, regional and local level.

15. In accordance with the appropriate legislative powers, ensure that any legislation that creates a new statutory body with public functions includes provision for the body to be listed for the race equality duty from its inception.
16. The department for Communities and Local Government (CLG) to ensure that the Homes and Communities Agency is listed and covered by the race equality duty from its inception, and that the promotion of racial equality and good race relations is consistently mainstreamed throughout its work.
17. CLG to update its Race Equality Scheme and accompanying action plan to include appropriate actions to assist the Academy for Sustainable Communities (ASC) in promoting race equality and good race relations throughout its work programme.
18. The department for Children, Schools and Families (CSF) with Partnerships for Schools (PfS), to review the building schools for the future programme and provide guidance and advice to local authorities about meeting the race equality duty when implementing the programme.
19. The department for Business Enterprise and Regulatory Reform (BERR) and CLG to ensure that racial equality is built into the performance framework for regional development agencies (RDAs).

Commission for Equality and Human Rights (CEHR)

20. Update current guidance on what the race equality duty means for public authorities with small ethnic minority populations.
21. Provide practical guidance for public authorities on balancing the three complementary parts of the general race equality duty, particularly the balance between promoting equality of opportunity and good race relations.

Promoting racial equality through regeneration

Ethnic monitoring and data collection

Local authorities, regional development agencies and national regeneration agencies

22. Conduct meaningful race equality impact assessments of proposed regeneration policies and projects where the organisation's screening process has found that they are needed, and ensure that there is a mechanism for quality control.

23. Consider the advantages of an integrated approach to the assessment of physical regeneration policies and proposals, for example, by building race equality impact assessment into other standard risk assessment processes.
24. Review the monitoring data that the organisation collects to inform regeneration planning, and ensure that the data is disaggregated using locally adapted 2001 census categories.
25. Ensure that when specialist consultants are engaged to carry out race equality impact assessments, arrangements are made to transfer skills and learning from consultants to internal staff, to build internal capabilities and ownership of findings.

Government departments in England, the Scottish Government and the Welsh Assembly Government

26. Conduct meaningful race equality impact assessments of proposed regeneration policies or related funding programmes, and ensure that there is a mechanism for quality control.
27. Review the national data sets referred to in this report, and take steps to ensure that these are sufficiently detailed and up-to-date to support local and regional organisations in promoting racial equality in a targeted and effective way.
28. Take a systematic approach to collecting, analysing and disseminating ethnic monitoring data.

Community engagement

Local authorities, regional development agencies, and national regeneration agencies

29. Where not already in place, prepare and implement a community engagement strategy supported by ethnic monitoring.
30. For specific regeneration programmes, ensure that sufficient time and resources are made available for community engagement.
31. Ensure that all community consultation and engagement is ethnically monitored using locally adapted 2001 census categories; and take steps to deal with any under-representation.
32. Use the opportunity provided by community engagement over regeneration to promote good race relations, by engaging different ethnic groups on issues of shared interests.

Training

All

33. Provide role-specific training on the race equality duty and its practical implications for those working in regeneration, supported by a skills training programme on race equality impact assessment.
34. Review the competencies for staff working on regeneration around race equality and include continuous assessment of these in individual performance management systems.

Academy for Sustainable Communities

35. To investigate gaps in skills and knowledge around race equality and good race relations in particular regarding the design and evaluation of measures of success in physical regeneration planning and implementation, and takes appropriate steps to address these gaps.

Partnerships and procurement

Local authorities, regional development agencies and national regeneration agencies

36. Collect and analyse ethnic monitoring data throughout the procurement process including for:
 - a) all existing and prospective contractors, consultants and suppliers engaged;
 - b) those organisations who apply to be placed on approved tender lists;
 - c) those organisations selected to be placed on approved lists;
37. Implement and monitor appropriate contractual racial equality requirements in regeneration contracts and take appropriate action to enforce such requirements in line with the race equality duty.
38. Review procurement practice in line with CRE guidance and the organisation's race equality duty.
39. Use and promote the CRE's supplier diversity guide among contractors.
40. Review the extent to which the race equality duty has been incorporated into partnership working and take all necessary steps to ensure that any areas of weakness are addressed

Central government departments in England, the Scottish Government and the Welsh Assembly Government

41. If not already the case, issue practically focused guidance to ensure that statutory organisations are clear about their responsibilities under the race equality duty when working in local authority partnerships.
42. Consider the roles of publicly funded private sector regeneration organisations such as urban regeneration companies (URCs) and HMRPs and how the promotion of racial equality and good race relations may be more clearly built into their work.
43. Make explicit legislative provision for the application of the race equality duty to procurement in line with the CREs submission to the Discrimination Law Review.

Office for Government Commerce (OGC) and CEHR

44. Produce joint guidance on promoting racial equality in procurement through the race equality duty.

Measuring outcomes for racial equality

All

45. Monitor and evaluate the effects of regeneration activity on different ethnic groups in terms of participation, satisfaction and outcomes, using locally adapted 2001 census categories, and revise practice and policy on regeneration in the light of this in line with the race equality duty.
46. Monitor the effects of regeneration policy and practice on race relations and revise practice and policy on regeneration in the light of this in line with the race equality duty.
47. Make arrangements to ensure consistency in ethnic monitoring practices across and within departments.
48. CLG to produce guidance for public authorities, drafted in consultation with the CEHR on how to measure outcomes for racial equality and race relations in regeneration.

Audit and inspection

The Audit Commission, Audit Scotland and the Wales Audit Office

49. Ensure that officers are adequately trained and supported to inspect and report on the performance of local authorities in relation to the race equality duty.
50. Conduct full race equality impact assessments on relevant proposed policies.
51. Review current and future risk-based approaches to assessment, to ensure that racial equality and good race relations are appropriately included.

Note from the investigation's special commissioners

The main functions of the CRE will be taken over by the CEHR with effect from 1 October 2007. As the commissioners appointed by the CRE to conduct this formal investigation, we shall be passing this report to the CEHR with the request that our findings and recommendations be followed up as appropriate.