Remaking Neighbourhood Renewal: Towards Creative Neighbourhood Renewal Policies for Britain

by

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**Context**

This paper was developed in support of a national initiative called Action for Neighbourhood Change (ANC). ANC is a pan-Canadian project that involves four national and five local partners in an effort to revitalize and improve the quality of life in five selected neighbourhoods across the country.

The four national partners are United Way of Canada/Centraide Canada, Tamarack – An Institute for Community Engagement, the National Film Board of Canada and the Caledon Institute of Social Policy. The five local partners are United Ways in Halifax, Thunder Bay, Toronto, Regina and Surrey. These local partners are expected to convene a process that brings together individuals who reflect the views of diverse sectors, including voluntary organizations, business and governments as well as people living in poverty, in an effort to revitalize their neighbourhoods.

Action for Neighbourhood Change also involves as partners its five key government sponsors: the National Secretariat on Homelessness (Human Resources and Skills Development), Office for Learning Technologies (Human Resources and Skills Development), National Literacy Secretariat (Human Resources and Skills Development), Canada’s Drug Strategy (Health Canada) and National Crime Prevention Strategy (Public Safety and Emergency Preparedness Canada).

The paper is one of two companion papers examining two countries that have had long but very different histories of policies for neighbourhood revitalization and community development. This paper examines the experience in the UK. A separate paper by Steve Pomeroy reviews the experience and practice in the US.

The paper first describes how interest in neighbourhood renewal waxed and waned for most of the last century in the UK (Section II) and then focuses on how palliative, or redistributional, renewal policies explored new methods of local working during the 1990s (Section III). The major shift in policy thinking for the economy, social policy and spatial policies, which occurred with the advent of the Blair administration, is discussed in Section IV. The specific policies and strategies for implementing neighbourhood renewal, particularly in England, are outlined in Section V. The concluding section of the paper, Section VI, provides a brief review and evaluation of progress to 2005 and ends with some general lessons from recent UK experience.

**I. Changing Times, Evolving Policies to 2000**

**Neighbourhoods in Policy**

A neighbourhood can be understood as a small, localized area around the home [Forrest and Kearns 2001; Teitz 1989]. It is a zone of varied size and intensity for different individuals but it generally involves individuals in interactions with other residents, local service providers and visitors.
Although some households have more neighbourhood (place)-based lifestyles than others, all households ‘pay’ for neighbourhoods when they pay for housing. Neighbourhoods provide environmental quality, more or less adequate public spaces, social interaction, public and private services, and access to wider sites for household activities in the city or region.

Neighbourhoods are rich in spillovers, or externalities, and they are small, complex and quite open systems [Maclennan 2000; Ellen and Turner 1997]. Neighbourhoods change. And when they do, their system properties usually mean rapid, non-linear change with threshold and cumulative effects. Because neighbourhoods differ in their range, quality and price of attributes, they could be said to compete with each other for households. Neighbourhoods are chosen. Incomes, preferences or lifestyles and other factors, including ethnicity and discrimination, can shape these choice outcomes. Neighbourhoods, through housing choices, effectively become the ways in which social segregation is exercised.

Neighbourhood choices, when they reflect market failures or express segregation, may be of policy interest. So too are the change processes that see places alter significantly in short time periods.

A hundred years ago, the pioneers of city, housing and planning in the UK recognized the importance of supportive and destructive neighbourhood spillovers and the range of characteristics required to produce good or improving neighbourhoods. They believed that neighbourhoods should be a concern of policy and that community action should equally be an important governance forum for neighbourhood management and investment.

But these policy understandings faded away throughout the first half of the 20th century. Although the UK now has, arguably, the most active renewal policies in the advanced economies, purposive policy interest in neighbourhoods has ebbed and flowed in Britain, as in other countries. And it has changed in meaning. Since 2000, the UK government has put in place a framework of ideas, policies and resources to support creative renewal policies as a central part of the mainstream of government activity. Their predecessors had undertaken largely palliative programs of city renewal.

This section sets out the ways in neighbourhood polices have evolved in the UK, largely since 1950, and sets the scene for the significant changes post-1997. There are important insights about the nature of neighbourhood renewal programs from both these phases as well as from the processes involved in the major policy changes.

Confidence Misplaced, Space Simplified

For three decades to 1975, British socioeconomic policies were constructed on the twin pillars of Keynesian policies to maintain full employment and welfare state expenditure (which rose from around a third to a half of GDP) to progress social justice. The hallmark of the UK state is its
considerable centralization of control over welfare state policies such as health, education and housing [Maclennan 1998].

Locally integrated housing, public service and neighbourhood provision largely disappeared in the sectoral ‘modernism’ of the large-scale renewal programs of the 1960s, though it had some role in the development of ‘new towns.’ Place, community and neighbourhood played minimal roles in policy design and delivery as the state expanded [Maclennan 1986].

Government departments controlled mutually separate fiefdoms. Strong municipal governments also developed their own deep silos for careers, promotions, resources and politics. Program outputs were defined in terms of simple targets. For example, massive housing investment programs (absorbing almost 5 percent of GDP per annum for long periods of the 1950s and 1960s) were driven by housing targets without reference to their wider social and economic impacts [Wilkinson and Applebee 1998]. Centralized departmentalism remained the dominant ethos of UK government until at least the late 1990s, and many commentators would argue that centralism is still the dominant feature of UK government.

After the 1950s, traditionally strong UK local government incurred more central control over budgets, activities and, more recently, management styles. Many UK municipalities suppressed civic leadership and entrepreneurial roles and came to view their role as providing redistributive public services. Strong departmentalism, with the ‘housing management’ department at the forefront, and disregard of synergies were again prevalent locally [Maclennan 1997].

The spatial dimension of the welfare state, regional economic policy, was not designed to encourage the localized integration of main program expenditures. Spatial inequalities in economic opportunities were perceived primarily as regional demand deficiencies rather than stemming from constraints in urban markets, such as the labour and land markets, or inhibitions on urban creativity and entrepreneurialism. Regional economic policies were concerned largely with diverting jobs from growing urban cores to the periphery and suburbs of less prosperous metropolitan areas [Maclennan 1997].

Throughout the postwar period, residents and jobs were decentralizing rapidly from UK core cities. However, the key spatial development policy of the period was to decongest and renew core urban areas developed 100 years earlier. Spatial planning favoured new towns and tight greenbelts ensured that jobs and population relocated to ever more distant suburbs, with a growing propensity for functional detachment from urban cores.

Housing policies aided this process. Long-standing rent controls, from 1915 onwards, ensured that city housing quality was declining and homeowner tax subsidies encouraged suburbanization. Massive social housing investment, especially in northern cities, relocated poor but employed families to the edge of cities as well as into high density ‘nontraditional’ dwellings on areas of slum clearance [Maclennan 1999].
Housing provision improved radically but the outcomes reflected the dominance of sectoral thinking [Maclennan and Gibb 1997]. For example, there was little consideration of the labour market effects, many of which were negative and especially in the longer term, of relocating unskilled manual workers to suburban estates. On these estates, municipal ownership and monopoly dominated the provision of services and few estates had well designed neighbourhood facilities. There was no attempt to stimulate citizen participation or to listen to community voice.

For 30 years, Britain spent around 5 percent of GDP on building homes, rather than neighbourhoods or communities. Urban redevelopment did not lead to integrated, sustained, urban regeneration. Inflexible urban structures and systems had been put in place to serve a population already incurring the consequences of new economic flexibilities [Maclennan 1986].

Slum clearance left behind islands of poor, older housing set in a sea of vacant land and decaying properties (the negative externalities of clearance and decentralization). By 1974, it was recognized that it could be economically rational to rehabilitate homes. General Improvement Areas (with housing and environmental incentives) and Housing Action Areas were introduced to encourage area-targeted upgrading. These measures were housing focused. They were seldom related to a strategic city plan and, at first, they were addressed by taking municipal ownership of the older housing stock. Progressively however, not-for-profit housing associations were funded to undertake such work. These associations and this strategy was most marked in Glasgow, and Scotland did at last engage citizens in community participation. These organizations were conceived, however, simply as housing organizations (similar to non-profit providers in Canada) and legislation precluded, in contrast to US not-for-profits, the development of wider neighbourhood roles.

Other localized initiatives were developed. For instance, there were a limited number of pilot Community Development Projects introduced at the end of the 1960s which focused on social work and community development. In the economic sphere, however, there was limited local targeting of job creation.

The 1971 Census revealed the difficulties of Britain’s ‘Inner Cities,’ though disadvantaged older areas existed throughout metropolitan Britain and, at the same time, prospering neighbourhoods continued close to city centres. This point illustrates the poverty of policy thinking which ascribed, inaccurately, a spatial/locational label and cause to a much more complex problem of neighbourhood quality and needlessly stigmatized stable inner city areas. It also meant that the emerging problems on social housing estates were excluded from the policy focus for a decade in which their decline accelerated and the potential cost of renewal rose exponentially.

However, thinking about area regeneration had already begun to change in some cities by the middle of the 1970s [Oatley 1998]. For example, it was recognized that the regeneration of Glasgow would require extensive area-based housing regeneration, a diversification of housing tenures (to retain affluent households), extensive environmental upgrading/land reclamation and a new emphasis on urban economic regeneration (hardly surprising as the city had lost almost half of its manufacturing jobs between 1953 and 1973).
Similar arguments were emerging in other British cities. However, in 1976 the Scottish Office put in place the Glasgow East Area Regeneration project (GEAR) which was aimed at revitalization of the city’s east end (with a population of 70,000 households). GEAR was the UK’s first multi-agency renewal partnership, though it was dominated by the public sector, and had limited formal community participation. After ten years, the partnership achieved major physical regeneration successes, limited social progress, and continuing economic and population decline.

In 1978, the Labour government, on the verge of losing power until 1997, introduced the “Inner Areas Act” which emphasized that “Inner City” problems were economic in nature. Britain’s core cities were decaying and declining not simply because of locational shift to the suburbs but because ‘deindustrialization’ was eroding the old urban economic base [Maclennan 1997; Turok and Edge 1999; Green and Owen 1998].

It is of course always convenient to blame them or the world economy (or now globalization) for adverse local events. Arguably, the 1978 Act paid too little attention to the inadequate governance and management of British cities and the unintegrated nature of mainstream social and economic policies. Enterprise Zones were introduced to promote jobs in high unemployment areas and to extend the number of areas eligible for the Urban Programme (initiated in 1969) which essentially supported local social and community development projects, often in rather non-strategic fashion. Urban Development Corporations (UDCs restricted to England) and fashioned similarly to the earlier GEAR project were formed to restore city economic vitality [Oatley 1998; Parkinson 1998].

The UDCs had to evolve in rather different circumstances as 1979 heralded the start of the Thatcher era. The ‘welfare state’ had worthy objectives for society and many successes, but carefully constructed, lasting, integrated neighbourhood solutions were not part of its vision and legacy. However, after 1979, creative neighbourhood regeneration was far from the Thatcher Government’s mind as it saw Britain’s problems as primarily economic and set out to resolve them in a radically different and spatially blind fashion. And it is important to recognize that in the latter years of the Conservative period, some crucial new emphases were beginning to emerge in renewal policies.

**Spreading Palliative Policies**

The core policy beliefs of the Conservative governments of the 1980s marginalized area-based regeneration policies [Maclennan 1998]. There was merit in the view that the UK economy and its labour markets had to modernize in the context of increasing global competition and this involved reducing inflation and restraining the growth of public expenditure. The key implications for area regeneration policies were, however, the beliefs (and implicit model of change) that:

- location choices should be left to the market
- spatial policies simply displaced activity from one locality to another, often with a negative productivity effect
• area regeneration policies were simply social palliatives
• market failures in neighbourhood choices and changes were rare and spillover benefits from regeneration were small and slow
• municipalities were nonstrategic and inefficient and initiatives should be agency-led
• community involvement was a good thing, especially where it was associated with the demunicipalization of ownership and services
• public programs, including regeneration, should be performance and contract driven
• business should be more involved (for its expertise) in projects.

A number of these ideas led to more effective program delivery [Rowntree Foundation 2000], but for approaches with a limited vision and even more limited budget. Consequently, these improvements were swamped by the negative consequences of economic policies and reduced mainstream programs, which remained centrally driven and departmentally organized. Housing policy changes illustrate this shift [Maclennan 1986; Maclennan et al. 1990; Maclennan and Gibb 1997].

Social housing investment by councils, in 1990, lay at a quarter of its 1980 level and rents doubled in real terms over the decade. The role of ‘bricks and mortar’ subsidies were sharply reduced and replaced by a means-tested housing benefit (a form of rent supplement shelter allowance). These ‘aspatial’ measures had major negative impacts on social housing areas as had deindustrialization, which disproportionately shed social tenants (often the unskilled and semi-skilled workforce) from jobs. As late as 1990, half of the residents of UK cities with a population exceeding more than 500,000 people were social housing residents. In large tracts of northern cities, there were blocks of 10,000 or more houses with not a single unit in private ownership (other than those purchased through the post-1980 tenants’ right to buy social housing).

These changes affected social sectors already displaying major socioeconomic differentiation across neighbourhoods, along with quality decline and social disorder. The key processes and outcomes were [Maclennan 2000]:

• inadequate long-term investment had led to quality decline
• budget cuts exacerbated repair backlogs
• aging and unemployment meant that only one tenant in three was employed
• monolithic, peripheral estates left the unemployed far from new job locations
• new social housing with higher rents was affordable only to benefit recipients
• employed households received more subsidy by leaving renting to buy
• vacancy turnover was highest in the worst areas and was let to the most deprived groups, reinforcing concentrations of the excluded
• single persons and single parents displaced families as the major client groups
• high rents meant that means-tested benefit trapping and dependency grew rapidly.

In short, for much of the 1980s (and indeed the 1990s), housing policies actively encouraged the emergence of concentrations of the socially disadvantaged. The welfare state era may have built poor structures and failed to develop thriving, flexible neighbourhoods but 1980s housing policies, in
the new economic context, ensured the emergence of social exclusion in a complex geographic mosaic.

The problem, at least at central government level, was largely ignored for almost a decade. In the ‘inner cities,’ the Urban Development Corporations (UDCs) became increasingly involved in property projects and poor quality training programs that did little to raise resident employability. The physical quality of older areas improved significantly in some cities as housing association investment grew and stimulated developer interest in brownfield sites. Although gentrification was never a serious issue in northern British cities, with large stocks of brownfield land, there were such difficulties in more pressured southern areas. The UDCs, most notably London Docklands (which has become a long-term success), were widely criticized for putting diversification ahead of the interests of the local poor [Oatley 1998]. That said, the government of the day did reawaken investor interest in core cities.

This rather fragmented, small-scale and sometimes contradictory regeneration effort had only localized successes [Carley and Kirk 1998; Carley et al. 2000]. It was, in most places, ad hoc and nonstrategic, both locally and nationally. Although Conservatism had correctly replaced the old question of “How can we get more money here?” with the relevant question “What is this place (city or neighbourhood) actually for?,” it failed to come to grips with the mechanisms and budgets required to achieve desired change. Beneath the rhetoric that British cities were becoming more entrepreneurial and competitive, the reality was of limited and expensive physical upgrading of some areas as many other social housing areas lapsed into cumulative decline and social exclusion.

Planning Palliatives

The Conservative approach to rundown places changed markedly in the late 1980s. This reflected the growing recognition of:

- adverse electoral consequences of continuing urban decay
- riots and disorder on a growing number of estates
- burgeoning costs of treating ‘symptoms’ (i.e., drugs, crime, vandalism and poor health)
- failure of sectoral initiatives and small-area measures without strategic context
- community involvement as important and effective in housing programs
- environmental sustainability requiring more compact and cohesive cities.

The housing policies which had fuelled suburbanization (tax breaks for owners; rent controls in cities) were sharply curtailed after 1991. New avenues were opened up to increase the flow of private funds into social housing, including transferring public housing to the ownership of not-for-profits. The almost laissez-faire planning policies of the 1980s were gradually replaced with a hierarchy of restrictions favouring brownfield sites (usually located within cities). After 1992, UK urban employment finally began to rise.
There was also a rethink of area regeneration policies. The fundamental ethos remained that place and space were essentially irrelevant to economic competitiveness. However, in order to address the difficulties, government tried to make regeneration efforts more strategic, integrated and partnership oriented. While many of the policies that New Labour has used in the last five years have been continuations or adaptations of specific instruments developed in the 1990s, the purpose of policy and resource commitments to regeneration have been radically different.

The Conservatives developed a series of large and small, housing-led and non-housing-led measures to tackle rundown areas in cities. In some instances, there was undue emphasis on housing only or housing-led measures. The Priority Estates Project (PEP) aimed to deal with dwelling quality, management and tenant participation on the poorest social housing estates and, in these terms, was successful. In a number of places, poorly managed public sector properties were transferred away from councils into Housing Action Trusts (HATs) and they had some success in improving local housing conditions and diversifying housing tenures. But they had little impact on local economic performance. At the other extreme, city pride dealt with the image and economic flagship projects in four of the largest English cities, whereas the City Challenge program led cities to develop competitive bids for resources for city refurbishment, but without requiring a detailed community renewal strategy as part of the process.

Programs in Scotland had a different feel. There were fewer of them and fewer changes of policy name and tack. However, there were significant increases in the budgets for housing and local environmental renewal that were channelled through the national housing agency, Scottish Homes. Scottish Homes, much more than its English counterpart, promoted local community organizations and invested resources within strategic regeneration frameworks for each city in Scotland. There was a program as well for Smaller Urban Renewal Initiatives (SURI) in declining, small industrial towns. Scottish Homes also pushed local authorities and other government agencies and, in particular, Scottish Enterprise (which had no counterpart in the English regions until the formation of the Regional Development Agencies in 1998).

The model of citywide partnerships with municipal leadership and government department and agency representation, along with the community and private sectors, was developed in Glasgow from 1990 onwards, a decade before Local Strategic Partnerships became the centre point of New Labour policy in England. In the Scottish context of the 1990s, however, the emphasis was undoubtedly on recreating communities in a sustainable fashion. But the sectors for action were primarily about housing and local economic development, though health services and policing were significant and willing partners in renewal at the local scale.

There was one important exception to that less than ‘joined-up’ approach. As an alternative to the English HATS approach, the Scottish Office set up four 10- to 15-year partnerships to promote integrated renewal of four large (10 to 30 thousand people) public housing areas. To ensure cross-departmental cooperation, the Departmental secretaries of the key four government departments involved were each allocated the Chair of one of the Partnership Boards. This New Life for
The Urban Scotland Programme was generally successful and it was rolled out in the form of Priority Partnership Areas across 20 localities within Scotland, and with a greater number of less intensive urban regeneration zones. Although the government agencies then continued to have key local negotiation roles in renewal, the Conservative government in Scotland decided that a major governance shift of policy control had to take place. In late 1995, they placed local authorities back at the core of the renewal process to chair and run Partnership Areas.

The community, multisector and integrated aspects of Scottish policy or most of the 1990s were clearly well ahead of English programs at that period and attracted much international attention and some imitation. In the middle of the 1990s, Whitehall merged a series of small, disconnected programs and set them up as a Single Regeneration Budget (SRB).

Hall and Mawson [1999] described the SRB as a loosely managed resource competition. The program, in their view, was centrally dominated with central government setting both the program criteria and making final bid selection decisions, though the content of bids was devised locally. The authors concluded that this was likely to have meant that locals tended to bid for what they thought central government would fund rather than their own priorities. The authors were also concerned that some of the poorest municipalities lacked the staff and resources to make convincing bids and this then disrupted the linkage between program allocations and needs criteria. They also believed that the partnerships formed lacked formal accountability (this is valid in relation to local political accountability but it overstates the point; government agencies and departments are, after all, accountable to parliament and to voters).

Hall and Mawson [1999] preferred the significant French approach of negotiation between cities and central government, with consultation leading towards a contract. In France, the contrat d’ville undoubtedly saw the importance of a strong central ministry in taming departmentalism and in creating a clear, nested strategic framework running from national to city to neighbourhood levels. They argued that time and resources went into fashioning effective partnerships rather than wasteful competitive bidding. They did not comment on the comparative innovation properties of the two approaches and that is an important omission.

A kinder view would be that the SRB simplified the renewal landscape in England and provided substantial resources (around £4 billion per annum) for local authorities to make competitive bids. In these bids, the extent of community involvement and quality of the wider strategic framework became key aspects of the assessment so regeneration strategies in England changed markedly when the program emerged. Further, the administration of the program and the detailed allocation of resources within the nine regions of England were facilitated by strengthening the administrative capacities and roles of the offices of central government located within the regions. A new framework for renewal was being put in place that would have greater significance after 1997. The cuts of a decade earlier had also raised the capacities of cities and communities to make their own contributions to change.
II. Places on the Agenda

From Palliative to Creative Approaches

As the millennium drew toward a close, the real paradox in UK neighborhood policy thinking became evident. Programs were still regarded by the Treasury as essentially redistributive. However, at the local scale, there were increasing efforts to make programs integrated, strategic, partnership-oriented and community driven. These efforts arose because local communities recognized that the policies changed their capacities, not just in a narrow economic sense but in relation to governance and wider issues. The local perspective was of the developmental nature of regeneration programs, emphasizing how place and space mattered in social and economic development [Maclennan 1998; Forrest and Kearns 1999].

Policies and spending were, in reality, both redistributive and creative. When this was recognized, a different sense of what regeneration policy can achieve was required in policy. It requires concern for how place affects development and how territory is best managed to meet national as well as local aims. It took the election of the New Labour government to fully recognize that these rather different trade-offs between redistribution and growth were possible and that much, though not all, of what had been considered as neighbourhood problems could represent significant long-term economic opportunities with different territorial management arrangements in place. As noted above, Britain was ready to move on to creative neighbourhood renewal approaches.

Before outlining that change of approach, it is worthwhile stressing that the experience of the 1990s and even earlier had already put in place evidence, experience and understanding of what was possible, as well as the rudiments of a basic approach to practice in places. When one looks at present policy or attempts to comment, there a number of striking points about UK experience and antecedents.

Learning Lessons, Informing Change

The palliative policy developments of the 1990s put in place major capacities and ‘experiments,’ which played important roles as foundations for New Labour policies. These foundations reflected both the merits of some past actions as well as the ‘what works’ ethos of incoming ministers.

There was, as outlined above, a great deal of practical, local experience of working with communities, developing partnerships and involving the private sector. The variety of previous approaches in Scotland and England all added to the range of possibilities to consider.

There was also a significantly increased stock of expertise in renewal issues, within government, local authorities, lending institutions and communities. There was in also in place, uniquely in the Western world at that time, a considerable volume of research on city and regeneration issues,
including much work about the efficacy of partnerships and renewal vehicles: the Economic and Social Research Council’s (ESRC) cities program provided a useful general background but the Joseph Rowntree Foundation (JRF) programs on regeneration really pushed to the heart of the matter and focused not just on what to do but also how to do it effectively.

In 1999, the key lessons to be drawn from the Rowntree Area Regeneration Research Programmes were posed as challenges for the new Blair Administration to address. The JRF research consensus at the end of the old millennium identified the following major weaknesses of past approaches [JRF 2000].

Statistical frameworks, monitoring and evaluation

By the end of the 1990s, the UK was spending close to £5 billion per annum on regeneration programs. However, the statistical frameworks for identifying neighbourhoods, their attributes and their interactions were still rudimentary. This allowed a persistence in vagueness about the notions of neighbourhood used in programs. While there was much talk about the value of community involvement and the importance of spillovers, there was little attempt to estimate the extent of these important program effects.

The absence of sufficient cross-section data meant that adequate time series information to track neighbourhood change trajectories also did not exist. This was not simply a matter of stitching together census data but also, for example, failing to develop Geographic Information Systems on housing transactions and social sector lettings as key indicators of local change.

A consequence of poor monitoring and, indeed, lack of conceptual clarity was that program evaluations were often unconvincing. The final evaluation of the GEAR program in Glasgow (see above) which had spent close to a billion dollars, was driven by some conceptual thinking but relied on a process akin to detective work just to identify where inputs had gone and struggled to measure what were regarded as key project intended outcomes. A decade later, by the end of the 1990s, the government’s evaluation of the SRB program was more considered and better informed but still plagued by data problems to address key questions.

There was much scattered project evidence that there had been some successes, but there were also many hidden failures in 1990s regeneration.

Lawless and Dabinette [ODPM 1999] reviewed the official evidence base. They concluded that official guidelines had focused too much on single output measures and on net costs rather than the overall cost-benefit patterns for outcomes. In short, the evidence for policy change was economically weak, though that limitation, prior to 1997, seldom placed limits on politically popular programs in the UK. Policy was evidence-influenced rather than evidence-based.
Understanding and theorizing the problem

Prior to 1996, the UK government, despite persuasive evidence and encouragement from the EU, systematically refused to countenance the notions of social exclusion and inclusion. As a result, regeneration thinking was stymied and could not move beyond the palliative approach and adequately link place policies to broader service programs, economic policies and social security measures.

The Joseph Rowntree Foundation [JRF 2000] concluded that there needed to be an understanding of place issues both as a manifestation and a reinforcing element within processes of social exclusion [Parkinson 1998]. This pointed up a need to think about diverse kinds of neighbourhoods in different kinds of difficulties. It drew attention to the still, in some places, flagship physical programs and nonstrategic and single sector fix-ups. JRF pushed the debate beyond the palliative paradigm.

Making measures multisectoral

The Joseph Rowntree Foundation stressed that economic change and social processes had to be considered jointly at the neighbourhood scale. They emphasized that physical land use, planning and housing measures had to be linked to better public services, especially the core services required in rundown neighbourhoods. They also drew attention to the need to think of housing as not just bricks and mortar but rather as systems of allocation, pricing and management which operated within the housing sector to concentrate and isolate poorer households. They argued that the simple place versus people approach would no longer serve renewal purposes. They also emphasized, as government had then already realized, that there are no fast solutions to creative renewal when communities are given appropriate roles in change. Finally, they stressed the importance of multisector government approaches. This issue is pursued below.

Multilevel governance

In the UK, local authorities have significant planning and program powers and roles. Multisector renewal inevitably raises issues of cross-level cooperation between different spheres of government. In Scotland, for instance, relevant renewal programs ‘belong’ to the UK government, the Scottish executive and local authorities, and there are important community levels of governance in some neighbourhoods.

Hall and Mawson [1999], in their review for JRF, concluded that central government departmentalism had fragmented local policy delivery and created needless frictions in the territorial management of policies. However, in neighbourhood renewal programs, the key problem is that government is organized functionally and hierarchically but regeneration is local and requires integrated
actions. This often results in a failure to bend mainstream policies to local circumstances as well as a proliferation of top-down, bidding-allocated initiatives invariably beset with rules and regulations that inhibit cooperation locally. The authors further believed that this departmentalism led to a lack of integrated strategies for neighbourhoods and cities and the domination of many renewal projects by central agencies rather than local government or communities. They did concede, however, that the SRB program had dealt with some of these difficulties, though not key central departments had participated in the SRB, as had the strengthening of government offices in the regions. In broad terms, the authors concluded that the hail of central programs after the middle 1990s created serious local difficulties and burdens in funding, integrating and managing renewal projects.

While there was much of validity in the Hall and Mawson view, it also had some limitations. Their last remark is the revealing weakness. Central agencies had been unwilling to cede spending powers and ‘policy territory’ not just because of bureaucratic defensiveness but because many local authorities in the UK were simply fixated and enmeshed in their municipal service provision powers. They had no strategic capacities for their own programs, let alone subtle renewal activities. Many at the end of the 1990s were still anti-private ownership and often saw communities as irritating enemies rather than client groupings with legitimate service interest and voices [Beresford and Hoban 2005; Gregory 1998].

The challenge for government that the Joseph Rowntree Foundation backed was the need to find appropriate mechanisms of local policy control where such local governments were ‘outcome’ rather than ideology oriented and where communities were seen as a legitimate voice. The variety in the quality of local government, which policy should seek to raise to higher levels in the longer term, required variable policy geometry so that effective local authorities could take leadership. Less competent performers could have different roles as they evolved their skills in renewal. This aspect of renewal policy required a focus on ‘what works.’

**Partnerships**

The Joseph Rowntree Foundation stressed the importance of partnership in renewal, not just across different levels of government but also in engaging the diverse interests and cultures of the community and private sectors [Carley et al. 2000]. They also drew attention to the importance of two levels of, or nested, partnerships in which citywide partnerships could concentrate on city vision and citywide economic and other processes, while devolving resources and delivery powers to more localized partnerships in neighbourhoods undergoing decline (similar to the Scottish model emergent in the 1990s).

However, while recognizing that ‘partnership is the organizational mainstay of regeneration, the Joseph Rowntree Foundation stressed that there had already been too many ad hoc and repetitive partnerships formed and that it was already time to rationalize partnerships and make them serious. By 1999, there was already much ‘partnership fatigue’ on many estates with ‘talking shops’ which
contributed little to social inclusion, wasted human resources and discredited the concept. In poorer places, residents and practitioners felt that fewer, better partnerships, linked clearly to tangible outcomes over a longer period of time, would be a more effective approach [JRF 2000].

Within these partnerships, they also highlighted the importance of having bureaucrats, especially from the higher spheres of government, develop essential skills in consensus building, negotiation and good project leadership. The Joseph Rowntree Foundation concluded that, in the early 1990s, government had recognized the importance of multisector and multilevel governance in renewal but had done little prior to 1997, to substantively refashion either.

Community at the heart of renewal

The Joseph Rowntree Foundation argued that, for effective renewal programs, communities need to be empowered as part of a coherent process of modernizing local government [Taylor 2000; Duncan and Thomas 2000]. That is, the cooperative roles between local authorities and communities needed to be explored rather than simply promoting community as an alternative ideology to municipality. This would require councils to take a more enabling view of their own roles and to develop more flexible bureaucratic work practices and arrangements. This would involve developing a new community awareness in the behaviour and culture of municipal bureaucrats. At the same time, there needed to be an adequate resourcing of the community’s interest. The Joseph Rowntree Foundation proposed a National Empowerment Fund to support community representatives in renewal partnerships.

Wider strategic frameworks

Much neighbourhood renewal in 1990s Britain was pursued without setting neighbourhoods in a wider framework of action. JRF argued that estate initiatives had to be set within citywide and regional strategic partnerships. This required these levels of government and governance to have a clear vision for their places and for the neighbourhoods nested within them as well as a corporate strategy (with a neighbourhood spatial dimension) within the local authority and across key government partners. This approach was to be particularly relevant to the linking of economic agents, such as the regional development agencies, to social and service polices, and to physical planning for places [Carley and Kirk 1998].

The Joseph Rowntree Foundation also took the view that it was not enough for central government to tell all subsidiary levels to have a spatial vision and plan. They argued, as have the European Union, that there really needs to be a written down spatial vision for the nation and some criteria to guide interurban decision, such as on roads and rail.
The JRF “Foundations” for future regeneration policies were a widely agreed statement of how regeneration policies in the UK needed to change [JRF 2000]. In the period that they appeared and shortly afterwards, the New Labour government was pursuing its own thorough review of neighbourhood renewal and social exclusion in the UK. That very open and inclusive government process (see further below), built on the Joseph Rowntree Foundation and related work, and widely captured interest and expertise. New conventional wisdoms and new ideas for renewal approaches appeared, sometimes alarmingly rapidly.

It is now time to turn to the description and assessment of UK renewal policies since 1997 and, more particularly, since the national strategy for neighbourhoods emerged in 2000.

III. New Labour, New Policies

So What’s New?

The 1990s experiences of central bureaucrats, local governments, the reflections of think tanks (such as Demos), and the sustained research efforts of the Joseph Rowntree Foundation meant that New Labour entered government in 1997 with a rich set of ideas and evidence about the processes and prospects for neighbourhood renewal. However, the extensive and impressive steps that subsequently have occurred towards an integrated policy approach for creative neighbourhood renewal were not all achieved in one giant step.

New Labour used its first two years in office to demonstrate a capacity for fiscal restraint and to rethink approaches to major policies, including policies for places. The new government also made clear that it was committed to a ‘what works’ approach to policy and was resistant to the lobbies of Labour supporting ‘producer’ interests. In housing, city and renewal policy, there had been many local authorities that had expected the return of Labour government to mean that they would rapidly regain moral and financial support to re-expand their public housing. The government resisted these pressures, emphasized the importance of partnerships with key roles for communities and the private sector in renewal, and quickly doused expectations of ‘untied’ and unconditional largesse for municipalities from central government.

Since the late 1990s, the vast majority of local authorities in England have significantly raised their capacities to undertake effective renewal work and increasingly have shifted to an enabling interpretation of their own roles. The largest cities have formed a Core Cities group to progress city policies, and some renewal issues with government, and it has become a powerful, strategic influence for better urban policies in Britain.

However, from 1997 to 1999, the major differences from past approaches in renewal policies were in the tone and creative rationale rather than policy instruments or even resource levels. At the end of 1998, the new Department of the Environment, Transport and the Regions (DETR) declared
that the aim of area-regeneration policy was not just to reduce deprivation but also to promote sus-
tainable regeneration and facilitate wealth creation [DETR 1998]. It articulated a clear sense that the
critical role of the policy was to promote horizontal integration (of ‘mainstream’ vertical policies) and
thus ‘integrate and enhance main program spending.’ In addition to developing effective, creative
coordination mechanisms, the government indicated that area-regeneration budgets also gave flexibility
where it was difficult to ‘bend’ mainstream programs.

At the local scale, it was recognized that the bottom-up, but strategic and integrated
approaches, which had begun to emerge from 1990s experience were of value and their general ethos
would be maintained. To attract the attention of new ministers, the Association of Local Authorities
had initiated New Commitments for Regeneration which were municipal-led partnerships to integrate
local actions but they failed to command much initial support from government.

Instead, government first refocused the existing Single Regeneration Budget (SRB) approach
and announced that competitive resource bidding would be continued (though there had been strong
municipal pressures to end it). However, new policy guidance emphasizing the needs within areas was
issued. The regionally decentralized administrative offices of central government, the Government
Offices for the Regions (GORs), were asked to provide a regional, strategic framework to establish
advisory panels for assessing bids and to liaise more closely with municipalities in the bid formation
process. At the same time, some 10 percent of the SRB budget was allocated to support community
involvement.

At the end of 1998, while the core future approach was still being developed, government
announced the New Deal for Communities (NDC) program with a three-year budget of close to £900
million. NDC projects were to engage government agencies delivering housing and economic change
and also to target defined improvements in public service outcomes, related to crime, health and
education, in areas of 1,000 to 4,000 people – i.e., outside of large urban areas. NDC was
introduced to promote a new lead role for municipalities in developing partnership-led strategies for
neighbourhood renewal (similar to existing Scottish approaches). They now exist in 39 areas of
England and, by 2008, these areas will have attracted an additional £2 billion of government support.

At the same time, and in contradictory fashion, a number of central Whitehall departments
(largely seeking to avoid having to undertake integrated area actions except on their own terms)
adopted ‘zone’ approaches to impart a local dimension to their own programs. This approach was
largely avoided in the devolved Regions (Scotland, Wales and Northern Ireland) where such zones
were regarded as running counter to local policy integration. In England, employment zones, health
zones and special education zones all had to be aligned to local area-regeneration strategies and such
attempts have not always been successful.

However, just as these NDC measures and zones were reaching the ground, the government
put in place a commitment and mechanism to review neighbourhood renewal policy in England in a
fashion not previously witnessed in the UK. In 1998, the Prime Minister established a Social
Exclusion Unit (SEU) within the Cabinet Office to promote inclusion strategies. The Unit had remits
related to specific social groups – e.g., the street homeless, but also for the worst area concentrations
of the excluded. This latter interest led to an intense high-level effort to better understand the causes and solutions for Britain’s poorest places. But it also, subsequently, rather sidelined the new initiatives of late 1998.

In the previous sections, it was noted that neighbourhood renewal strategies in the 1980s were introduced as palliatives against a worsening backcloth of rising unemployment and public service reductions for Britain’s poorest people and communities. In considering New Labour’s creative renewal policies, it is critical to understand that they were seen to have key roles in a very different context of employment, service provision and policy thinking. There have been a number of important emphases in related policy areas which have formed an essential backcloth for more successful place regeneration.

**A Different Big Picture**

**The economy**

Since 1997, the UK Treasury has continued to develop a framework for national economic policies which has removed some of the worst policy blind spots that seem to bedevil neoliberal policy regimes. Probably more than any of the other leading European economies, the Treasury has recognized that intensifying global economic change and continuing, externally driven change set the context for British efforts and outcomes. But to achieve effective long-term competitive outcomes, market failures and spillovers in policies must be addressed. In short, each period’s economic outcomes set the context for the next set of changes and it is essential to capture synergies and replace vicious circles with virtuous cycles (thus blending ideas that range from Romer [1986] through Granovetter [1985] to Putnam [1993] and even Castells [1998]).

Their belief is that well designed policy interventions can lead to better productivity outcomes as well as fairer economic outcomes. In this developmental view of the world, growth and distribution are recognized to be related, economy and society, in turn, mutually reinforce each other.

Although more recent Treasury focus has moved onto issues about housing and planning (the Barker Review [HMSO 2005]), early action concentrated on a series of labour market measures (‘New Deals’) and benefit/tax credit changes to reduce unemployment and improve low pay (and a minimum wage was introduced), [Hills and Stewart 2005]. Some actions, subsequently, directed tax concessions and reliefs towards firms in disadvantaged areas and there was also significant development of measures to support credit and entrepreneurship in poor places through social economy policies. After 1998, government replicated for England, via the regional development agencies, mechanisms for promoting local economic policies (at regional, city and neighbourhood levels) that had already existed in Scotland and Wales and with some success too. There was no return to traditional regional policies but rather the adoption of a more complex set of measures to promote active labour market policies and raise investment and innovation levels.
Rising employment rates in cities and poorer neighbourhoods reduced some difficulties but also exacerbated others. For example, there has been extensive abandonment of low quality and drugs impacted neighbourhoods in northern English cities as rising employment and wages have given more choices to many poorer households. But there is little doubt that the reduction in joblessness in the economy set a more positive context for renewal policies that had an intention to achieve sustainable change.

**Social justice**

While maintaining Conservative spending plan totals until 2000, to secure economic stability, New Labour also gradually increased spending on education, health and housing that facilitated local renewal. By 2000, there were rapidly growing sectoral programs aimed at reducing child and pensioner poverty. Sectoral programs that could help the poorest places were re-expanding [Lupton and Power 2005].

The Treasury was at the core of the policy developments to promote social justice, reflecting their view that further economic progress was embedded in current social outcomes. The Chancellor, Gordon Brown, argued (in relation to overall poverty policy) that: “There is a wider incentive in economic terms for the nation to tackle deprivation. In a modern economy where skills are essential to production, denying opportunity is an unacceptable inefficiency that holds back the nation’s potential prosperity…”

In tackling disadvantage, the Treasury insisted on a tri-part approach to change. First, jobs, incomes and entrepreneurship had to rise amongst the poor and that partly involved a reworking of benefit and tax systems (a whole series of tax credits dealt with this). Second, mainstream public services had to be extended and reformed. Finally, to ensure that service synergies were made and captured and that ‘nobody should be disadvantaged by where they live by 2020, the Treasury was committed to place policies at regional, city and neighbourhood levels. Neighbourhood renewal was seen then as a core transformative policy for the nation’s poor people and places – and not simply as a palliative but as a sustained reintegrating device.

**Changing governance**

Governance involves issues of management competences as well as structures or decision taking and accountability. During the second half of the 1990s, and continuing and strengthening towards the millennium, the UK Civil service promoted extensive reassessments of its style of doing business (though not all departments have embraced change with the same enthusiasm). These changes in style, after 1997, included a major assessment of cross-sectoral work (The Joining-It Up
There were also important changes in regional government and governance arrangements. A new parliament for Scotland, assemblies for Wales and Northern Ireland, and a new regional, strategic government for London were put in place by 1999. Although there are emerging doubts as to whether the London arrangements are potent enough to deliver effective regeneration, the other devolved arrangements have strengthened what were already strong approaches to regional, city and neighbourhood regeneration on the Celtic fringe of Britain. Indeed, much of the innovation in UK policy for places, prior to 1999, was within these regions.

In the wake of the rejection of a devolved assembly for the northeast of England, it is unlikely that any other regional governments will appear in England. The weight of opinion and political interest now seems to be swinging behind the creation of effective metropolitan regional governance arrangements. The government, amid this mixed uncertain position, has introduced Regional Development Agencies in England to link employment, innovation, land and environment (English Partnerships) efforts. The Regional Development Agencies (RDAs) work closely with GORs and have ‘Regional Chambers’ for consultation and guidance [see McGregor et al. 1999; McGregor et al. 2005].

We have already noted the extent to which governments from 1990 onwards saw multisector partnerships as the appropriate governance vehicles for city and neighbourhood renewal. With the advent of New Labour, which had a stronger communitarian or community interest than traditional welfare state Labour, there was also, at least initially, a major concern to push decision taking in services to as local a level as possible. In housing, for example, the policy to promote the transfer of public housing to not-for-profit ownership was driven as much by interest in localized autonomy as it was fiscal sales receipts.

However, as noted below, there have been some important inconsistencies and cross-departmental differences in pursuing these issues that has rather reduced the potential role of communities in change. In Scotland, for instance, it would be difficult to argue that renewal is now any more community-led than it was in 1999 unless one easily (and somewhat meretriciously) conflates the term ‘community’ with ‘municipality.’ Governance reform issues run almost seamlessly onto indicating the new importance attached to place in policy.

**Place policy**

The policy debate of the late 1990s emerged with the conclusion that place matters at region, city and neighbourhood scales. The new government’s approach to place, or territorial management, had multiple layers but it was not finely integrated [Maclellan 2000].
At the regional level, after the initial burst of activity devolving powers to Scotland, Wales and Northern Ireland, the focus of attention was the differences in income levels and growth or productivity rate across the large Economic Planning regions (the Government Regions). That concern was reflected in a Public Service Agreement between the Treasury, the Department of Industry and the Office of the Deputy Prime Minister (ODPM), to reduce these disparities while raising growth rates (a tough target). The thrust for change was regional and economic, and initially paid little attention to intra-regional patterns and disparities as factors in regional growth. This focus was arguably both an analytical weakness and a policy integration opportunity missed.

Simultaneously, within a different part of ODPM, the Deputy Prime Minister had as a core task the development of a cities White Paper and an Urban Summit process that worked against the challenging background of Lord Rogers’ 1998 report from the Urban Task Force [HMSO 1998]. That process concentrated on the larger core cities and, to a lesser extent, their metropolitan regions. The process has been remarkably successful, at a political level, in aligning national and local government interests and those of other interested parties and it has delivered considerable apparent success [ODPM 2005a].

City policies have to switch between and embrace both city-region wide processes and those that operate more locally, such as at the neighbourhood or submarket scales. But that has to be done systematically. There is limited value, for instance, in having a disaggregated view of housing and transport choices but no disaggregated view of economic activity and where it might most likely change. The latter was the real weakness in UK city policy – the failure to link systems that ground economic activity locally with those which operate at regional or even international scales.

Taken together, changes in economic management, public spending and governance arrangements have all supported a better economic and strategic context for creative regeneration policies.

IV. Shaping Strategy: Progressing Policies

Towards a National Strategy for Neighbourhood Renewal (NSNR)

Recently published research shows that, in 2001, multiple deprivation in Britain was still polarizing [Social Exclusion Unit 2001a; ODPM 2005a]. Disparities between regions were increasing and, within cities, inequalities were spatially more marked than in 1971. In the UK, this increasing segregation does not reflect any increased separation of ethnic minorities, for that has not increased. Rather, it reflects the processes whereby never employed, unemployed and economically inactive adults have become increasingly spatially separated from those on middle and upper incomes. Frequently, they are to be found in poverty concentrations within social housing. So the launch of a new strategy for neighbourhood renewal in 2000 was timely.

The Prime Minister’s personal concern to promote social inclusion in Britain and to ensure that actions involved maximum cross-departmental cooperation led to the creation of the Social Exclusion
Unit within the Cabinet Office. The SEU, which had shown a capacity to have the best of officials engage with practice and academic communities of interest, undertook a major review of and strategy development process for neighbourhood renewal through 1999 and 2000. The Unit reported directly to the Prime Minister and it had a Steering Group of Ministers from departments with interests in and impacts on neighbourhood renewal. Ministers with responsibilities for overall renewal strategies from the devolved administrations also participated in the Steering Group.

The review and development process was managed extraordinarily well [SEU 2000; SEU 2001b]. Civil servants organized some initial consultations which identified key issues or questions for policy and practice discussion. They then established some 18 Programme Action Teams, composed of experienced practitioners, community interests, the private sector, financial experts, academics and others to develop an understanding of each key issue and to make pertinent recommendations (and the reports of these Action Teams are still available on the website of the Office of National Statistics for the UK). That process not only drew together a great deal of existing knowledge but it also created de facto a large network of involved influencers, many of whom were subsequent advocates for the approach.

The Social Exclusion Unit quickly accepted the notion of the neighbourhood as a terrain for reinforcing effects but also regarded communities at that scale as having potential important roles in using social capital to secure renewal. They had a clear theory of the problem which was multi-sectoral in nature and that allowed for focused discussion on places that were dominated by disadvantaged households [Smith 1999].

While government thinking on models for renewal has been a work in progress over the last five years, the creative aims for policy have never wavered. The National Strategy for Neighbourhood Renewal (NSNR) was introduced in 2001 with the Prime Minister’s aim that ‘no one should be seriously disadvantaged by where they live’ within a 10- to 20-year time horizon. The orientation of this approach is obvious in creative neighbourhood renewal.

The National Strategy for Neighbourhood Renewal (NSNR) stressed that renewal policy should be preventative as well as restorative. The NSNR was seen to be central to addressing the issues of poverty and social exclusion. This approach saw the core of renewal policy as giving communities the capacities, either through residents or the organizations that serve them, to capture market opportunities, mainstream public service more effectively and sustain renewal. Some commentators have called this mainstreaming or bending mainstream programs. Bending may be the ex post outcome. But the mechanism is to re-engineer communities, ex-ante ‘mending’ rather than ex ante bending.

Other Concerns

Before turning to the details of the National Strategy for Neighbourhood Renewal, a note of explanation is important – that the ‘better public services’ emphasis of the NSNR was appropriate in
many locations. However, it was also a conceptual model of the drivers of neighbourhood change that was most appropriate for rundown residential, often social, neighbourhoods.

Neighbourhood problems exist in the UK where there are mixed land uses, abandoned private housing and derelict brownfield land, often with serious environmental damage. More generally, including major growth areas, there is an increasing interest in establishing mixed housing tenures and income groups (and, indeed, this was a major focus and achievement of major Scottish renewal schemes in the 1990s). The emphasis and instruments of the NSNR seem less appropriate in such localities although its broad ethos and aims could apply.

Over the last five years, the conceptual reach of UK government thinking about neighbourhood renewal has both extended beyond the NSNR and continually evolved. For instance, where economic development, and property and land development are the core issues in neighbourhood renewal, government has encouraged action through:

- ‘inner city’ tax breaks, which run at around £250 per annum in selected area
- the use of Urban Regeneration Companies (which receive funding both from regional development agencies, with Regional Development Agencies having England-wide resources of £2 billion) in more than 20 locations
- both the bold planning frameworks for the cross-regional Thames Gateway and Northern Way projects as well as more locally master-planned developments
- adopting a ‘sustainable communities theme’ for all its housing and planning policies within the Office of the Deputy Prime Minister.

With more and more demolition of rundown social and private housing in UK cities, the release of brownfield land for new housing developments and neighbourhood recreation is becoming a more important change process within densifying cities. With a larger proportion of new social housing planned as mixed provision within these developments, the current separation of NSNR and other regeneration routes, such as Urban Renewal Companies, may not be defensible in the longer term.

However, the government has shown a willingness to evolve the National Strategy for Neighbourhood Renewal model as it has learned from experience. For instance, as soon as NSNR was published, the SEU quickly recognized that they had not initially paid enough attention to the ways in which housing systems separate low-income groups. It soon recognized the need to link neighbourhood service change issues to wider economic development issues within cities and regions. In 2005, as noted below, there was more attention to the ways in which environmental, crime and security issues had an impact upon places.

The SEU review process and the NSNR have, over the last five years, brought both growing scope and new sharpness to questions about area renewal in Britain [SEU 2000]. It is important to briefly review what the NSNR put in place and what worked.
The NSNR: Inception and Progress

The NSNR has been put in place and, to date, operated in a context when the UK employment continued to rise and where there was significant expansion in the provision of core public services, such as health, education and housing. Mainstream policies have supported the strategy. For instance:

- The ODPM’s housing strategy is more place- and community-focused than in the past (and expanded by 50 percent over the last three years).

- The crucial Sure Start Programme for young children between 0 and 4 is concentrated on the poorest 20 local authorities in the nation (and has attracted £6 billion of support since 1999).

- Since 2004, the Stronger Safer Communities Fund (SSFC) program has placed the integration of livability and resident security issues at the top of the agenda for low-income areas (with £5 billion of resources to 2008).

The aim of the NSNR was to put in place governance mechanisms and programs that would ensure that disadvantaged people in disadvantaged places would benefit from these major market and service provision expansions and that permanent progress would be made. The NSNR is composed of number of different elements:

- A Neighbourhood Renewal Fund (NRF) to be managed by a new Neighbourhood Renewal Unit (NRU). The fund started in 2001-02 with a budget of £4 billion (England) for the period to 2005-06, and has now received a further £1 billion per annum to 2007.

- The Development of Local Strategic Partnerships (LSPs) to facilitate multisector and multilevel efforts to improve service provision and economic opportunities in the poorest places; LSPs take the largest tranche of expenditure from the Fund.

- A program to support community capacity building and choices.

- Programs to promote the use of neighbourhood wardens to enhance estate security and safety (£200 million per annum) and a pilot program of neighbourhood management initiatives (£200 million over three years).

- From spring 2005, as noted above, an additional tranche of activities were added in the shape of the Stronger Safer Communities Fund (SSCF).

The next section looks at the roles of the NRU and the operation of LSPs in more detail.
The Neighbourhood Renewal Unit

Organization

As indicated above, the overall set of spatial management policies in the UK now involved regional, city and neighbourhood issues. There is not, as yet, fully joined-up management of this emerging framework for territorial management but most of the coordination takes place within the Office of the Deputy Prime Minister (ODPM), as well as the oversight of planning, housing and local government programs. It made sense, therefore, for the Neighbourhood Renewal Unit to be located within the ODPM.

The core roles of NRU are to coordinate and mainstream neighbourhood renewal policies within central government and to link them to local efforts as well as promote community capacities, innovation and good practice [Neighbourhood Renewal Unit 2005]. There are those who feared that taking these functions out of the SEU and the Cabinet Office could strangle the cross-sectoral approach but the Deputy Prime Minister has given continued political drive to regional, city and neighbourhood issues. The work program of the NRU is supervised by the Minister of State for Regeneration and Regional Development who chairs an oversight Group of senior ministers in cognate departments.

The organization of regeneration programs in England is complex (and even more so for the UK as a whole when the different approaches of the devolved administrations are considered). The NRU has to manage the programs for which it has immediate responsibility, as outlined below, and set them alongside housing, planning and local government policies in the context of ODPM’s overall Communities Plan. The NRU is also now sited beside Homelessness Programs and the Social Exclusion Unit so that they collectively form an ODPM group concerned with tackling disadvantage.

Although the key service and policy joins are those that are made in homes and communities, it is essential for national government to have a coherent, reinforcing approach across all of its own programs to secure renewal outcomes effectively. This requires managing links to other Whitehall departments. Each department with a likely effect on deprived areas has been required to develop new policies to address the issues involved and commit new funding for change. These resources are applied to securing targets agreed with the Treasury. The government has a series of floor targets in each area with single departments given the lead responsibility for achieving these targets. The targets are embedded in formal public service agreements between the lead department, the Office of the Deputy Prime Minister and the Treasury. The Stronger, Safer Communities fund was the most recent, new cross-departmental action to secure synergies in renewal outcomes that has emerged from the NSNR.

Within the structures of government, it is also important to recognize that in the English Regions, where devolution (with the exception of the London Authority) now seems unlikely, there were continuing efforts to strengthen the integrative capacities of the regional administrative offices of government. Over the last decade, regional government offices have indeed expanded their role,
integrating appropriately at the sub-national level and representing regional cases in national debates. The success of the NSNR depends, to a large extent, on how centrally conceived service programmers and resource distributions can be locally re-engineered to deliver better outcomes for renewal and related policies. Coordination at the regional level then becomes really important and the NSNR strengthened the regional role in renewal strategy even more. In that regard, the English regions have a government presence more like, but still less than, the administrative capacities at the regional scale that existed in Scotland, Wales and Northern Ireland pre-1997. At the present time, the Government Offices for the Regions work for 10 Whitehall departments and have some £20 billion of expenditure to influence each year (to put this in perspective, the Scottish parliament has an annual budget of some three times this amount). Nonetheless, well organized central supervision of renewal efforts within regions and by government departments and agencies is crucial to government credibility as well as renewal success.

**Neighbourhood Renewal Unit Roles**

The existence of the NRU and how it is located, led and governed within the Whitehall machine reflects a serious attempt to join up the national government effort to meet local deprivation strategies. The NRU’s own responsibilities in managing the NSNR include:

- leadership of ideas and policy development
- assessing progress and disseminating good practice
- coordinating government funding effort down to regional levels (with Government Offices for the Regions responsible at the regional scale)
- responsibility for more integrated initiatives to establish uniformed wardens on poor estates to tackle the ‘crime and grime’ issues
- developing neighbourhood management initiatives through pathfinders willing to work at local scales where others have failed to take responsibility and through a national neighbourhood management network.

The wardens and management initiatives were recently combined and, as noted above, the Stronger Safer Communities Fund initiative was introduced in spring 2005. It essentially brings together, in an appropriate output-focused umbrella, different crime, community, safety and public spaces streams of funding. Previously, these approaches were separately planned and funded within both the Office of the Deputy Prime Minister and the Home Office.

The Neighbourhood Renewal Unit is also responsible for supporting a range of community capacity building approaches which were, in 2005, integrated into a Single Community Programme (SCP). Most, though not all, of that budget is disbursed in the 88 Neighbourhood Renewal Areas of England. These funds support the Community Engagement Network within each NRA and have also funded a new National Community Forum to create community voice at the top level. The NRU community programs are seeking to combine the best of participative and representative democracy.
These programs are all important, and particularly since 2005, Stronger Safer Communities Fund. But the key role for NRU is the oversight of the Local Strategic Partnerships (LSPs) which are the key partnerships for changing local service delivery in disadvantaged areas. Whether or not the LSPs succeed is the real test of SEU of thinking, at least to 2005. It is now appropriate to look at them in more detail noting that, in 2000, they survived with much of the rest of the NSNR framework some tough scrutiny from the Cabinet Office in a review by the Prime Minster’s Strategy Unit [PSMU 2005].

**Local Strategic Partnerships (LSPs)**

**Reconnecting locally**

At the end of the 1990s, the core cities in England had radically improved their approaches to city vision and renewal, and made a strong case for key roles in change. In remaking the delivery framework for the National Strategy for Neighbourhood Renewal, government was prepared to strengthen the planning and delivery roles of local government. However, a strong belief of the Blair administration has been that government should support ‘what works.’

The widespread view of the private sector and, indeed, of regeneration professionals in England, is that in some places local government is well organized, well led, capable of vision and good service management and, at the same time, genuinely embraces private sector and community partners. In such localities, these private and community partners have no difficulty in seeing local authorities as natural and effective leaders in renewal. However, there are places that are problematic because local government has had no vision, been poorly led, and delivered poor quality and poor value services.

In some places, local government was actually seen by residents as ‘the problem’ in renewal not ‘the solution.’ In consequence, within the NSNR there are different roles for local authorities and community organization depending on their capacities, at least in principle (see further below). Further, although some renewal of trust between central and local government was involved, the Treasury and ODPM have put in place a demanding outcomes achievement and evaluation framework, so that there is no ‘fund and forget’ approach, but rather contingent, performance-related scrutiny.

This variety in performance ability of local government, coupled with the need to integrate both local and national services with private sector and community capacities, has meant that governance arrangements have been central to the development and success of the National Strategy for Neighbourhood Renewal. This approach is not simply about governance structures but about behaviours and this has required the development of new skills to meet this novel, less hierarchical style of policy delivery.
Local Strategic Partnerships (LSPs) are currently the main delivery vehicle for the NSNR. The program was targeted at the poorest 20 percent of municipalities in England. There are now 88 LSPs. They are nonstatutory bodies with an executive board composed of stakeholders and partners. A number relate to more than one municipality so that a more integrated approach to service improvement is possible where disadvantage is spread over a number of small, adjacent municipal areas. The partnerships did not have to be led or chaired by municipalities but almost invariably are.

The LSPs, with their focus on improving core services in disadvantaged areas, are asked by the NRU to act strategically in a joined-up fashion and to meet required goals targets and outcomes. It is expected that they will shape easier local relations between statutory and nonstatutory partners. They are also expected to improve partnership management and resource use and to rationalize unnecessary local activities. Better connections between partners, it is argued, will lead to better working between municipalities and government agencies within the LSP. In addition, it is hoped that this improved partnership working will spill over into the wider framework of local public service agreements (that surround all of the municipalities actions), Local Area Agreements (involved in the Safer Stronger Communities Fund) and in wider Community Strategies (see below). These measures, according to the NRU’s theory for change, means better service delivery and sustained, social and economic improvement [Kearns and Turok 2003].

Community Strategies are an important and complicating factor for the National Strategy for Neighbourhood Renewal. As the NSNR was being developed, the renewal of local government introduced a power of ‘well-being’ for municipalities. This was then reflected in the requirement that each municipality (and not just those within the NSNR) should produce a multisector Community Strategy and it should do so with community partners and government agencies. There was an expectation that such strategies would contain a spatial, local or neighbourhood dimension. In many respects, that approach if fully and effectively applied in disadvantaged areas, would mean that the LSP approach was an unnecessary additional complication. That may, in the long term, prove to be the case. Indeed, after 2003, the ODPM said municipalities could include LSPs as part of the Community Strategy or plan as long as it met all of the strategic objectives of the NSNR.

Scotland, although committed to the objectives of the NSNR, did not establish a Neighbourhood Renewal Unit and it did not develop LSPs. Instead, it moved directly to asking municipalities to include and manage disadvantaged areas (known in Scotland as Social Inclusion Partnerships) within their Community Plans. Some have done so very effectively and others have not. Unfortunately, in disbursing renewal revenues under the autonomous powers of the Scottish Parliament, the Executive failed to put in place performance floor targets or monitoring systems that would ensure better local performance in renewal. The outcomes from the Better Neighbourhood Services Programme in Scotland (which was applied to the 13 poorest councils in Scotland) were sufficiently variable and unimpressive that they have been ended after three years.

The changing governance of renewal in the UK is an unfinished business and the future routes taken will critically depend on the LSPs delivering real change effectively.
**From partnerships to programs**

In launching the NSNR, there was much emphasis on achieving demonstrable early actions (despite decades of evidence that good renewal and effective community engagement take time). The NSNR set in train 105 specific spending commitments but much of the action from 2001 to 2003 was in developing strategies, partnerships and trust, with the early emphasis structures rather than goals and aims. But since then, the major emphasis has been on efficient delivery and community involvement.

The LSPs focus on public services aiming to cut crime, improve health, make homes and places more livable, help children and adults to learn, and get more people into work through reviving local economies. The LSPs have been spending around £1 billion per annum on additional services for these poorer localities. In 2003-04, the breakdown of the budget spend was 19 percent crime, 18 percent education, 17 percent local priorities for younger and older people, 16 percent health, 13 percent employment and 7 percent housing. A decade earlier such initiatives would often been 100 percent housing expenditure.

As noted above, through the early years of the millennium, government thinking on renewal moved from ‘people’ services, such as health and education, to a greater appreciation of the interactions between people and places. The Prime Minister emphasized that people wanted poorer areas to be safer, cleaner and greener. This was then reflected in the intention, via the new SSCF, to introduce 21 pilot areas in 2005, with 66 more to be added in 2006. These initiatives are defined by Local Area Agreements set within each LSP. Each local action agreement has to focus on the national priorities:

- reduced crime, fear of crime, anti-social behaviour and fear of harm caused by drugs
- cleaner, safer, greener, public space
- increased local community participation capacity

Within the LSP and SSCF budgets, the ODPM believe that the mechanism available to the LSPs to improve neighbourhood services and foster renewal are:

- bending mainstream programs (and bringing to the local scale a new clarity about what national government programs were for, especially major new programs such as Sure Start)
- focusing government agency policies on poor areas
- shaping services to reflect local needs
- integrating different components of service delivery to secure broader outcome
- identifying good practice and mainstreaming it.

The early impressions are that these mechanisms are producing better service outcomes. Given that the increased service budgets are substantial and that resource allocations to LSPs (cf. the SRB programs of the Conservative years) are now largely needs-driven, *ex post* evaluation of these initiatives has assumed great significance.
**Improving performance**

Post 1997, renewal policies have had more systematic and functional monitoring and evaluation features than their predecessors. There are a number of both *ex ante* and *ex post* evaluations of specific sectoral or cross-sectoral projects within the LSPs, looking at the efficacy of particular measures. However, from a national policy management standpoint, given the devolved and complex nature of the spending decisions involved, there is also much attention to assessing overall outcomes approach.

At the outset of the National Strategy for Neighbourhood Renewal, outcome performance monitoring rested largely with the Government Offices for the Regions but, more recently, the onus has shifted from the Local Strategic Partnerships. From a central resource effectiveness standpoint, this does not seem to be an effective direction of change. The LSP outcomes are the key test of the National Strategy for Neighbourhood Renewal and will be essential that the Government Offices for the Regions seriously probe Local Strategic Partnerships effectiveness and have a clear view about how they will deal with inadequacies that are revealed, either by failure to meet annual targets or by the more detailed assessment in triennial partnership management reviews.

Local Strategic Partnership’s annual progress assessments look not just at the fulfillment of floor targets but at changing rates of progress towards them, and review is usually associated with some performance improvement plan and there is linkage from the LSPs via GORS back to the NRU. Floor targets have been previously set at the level of the local authority and apply to aggregate LSP. Recently, the development of detailed Geographic Information Systems (GIS) systems of census, management and related data has allowed more detailed and localized targeting of neighbourhoods and areas for program actions.

This development is essential. The whole thrust of the NSNR was predicated on dealing with the externalities of and social capital within disadvantaged neighbourhoods. Programs that are specified at a much more aggregate municipal level and that are controlled by local authorities, if they were to remain as such, mean that the policy reality falls short not just of the policy rhetoric but also the policy rationale. It is now appropriate to turn to what early academic and other reflections on, and some evaluations of, the NSNR have concluded.

**V. Continuing Challenges**

**General Sentiments, Early Evaluations**

UK experience demonstrates that neighbourhood renewal is a cumulative and long-term process. A decade of sustained effort is often required for community-led renewal of rundown places. The National Strategy for Neighbourhood Renewal, which aims for such change, is little more than four years old and its spending programs have only developed momentum in the last two years. It is
much too soon for any definitive evaluation of the outcomes of the policy. However, it is possible to comment on the apparent direction of travel and to highlight, albeit with some caution, mechanisms and approaches that appear to be working and those that are not.

Governments, central and local, involved in the process have, not surprisingly, been positive about the changes. Local government claims that LSPs have replaced ‘short-termism’ with a long run view, have allowed a focus on outcomes rather than outputs and have replaced a bidding culture with coherent strategy. Assessments by the Government Offices for the Regions have reported more mixed progress and suggest that of the set of 88 Local Strategic Partnerships, some 30 percent have recorded good progress, 54 percent mixed outcomes and 17 percent are somehow problematic. However, with their performance monitoring and improvement frameworks in place, they expect overall outcomes to improve over time. The Audit Commission has been generally positive in its assessments. Private sector partners have recorded support for the NSNR but would like to see more emphasis on economic development measures. Community bodies have been less obviously praiseworthy.

And what of the Cabinet Office, where the initiative started almost seven years ago? The Prime Minister’s Strategy Unit reviewed NSNR in 2005, and some of the 2005 revisions to NSNR noted above flowed from that process [PSMU 2005]. It recognized failures as well as successes. It stressed the importance of better and more detailed targeting of neighbourhoods for policy action. It urged more attention to safety, security and environmental issues, or what it labelled a “livability” agenda. It also wanted a new focus on neighbourhood level management, clearer connection to regional economic change and a strengthening of the role of communities in some LSPs.

In many respects, the PMSU review was the most penetrating and critical, if with friendly intent, and there is much to support their line of critique. One suspects that if the review had been a year later there would also have been greater attention to ethnically impacted, disadvantaged neighbourhoods. Even without increasing ethnic segregation, the ethnic minority population in the UK is particularly affected by disadvantaged locations. The worst 10 percent of neighbourhoods in England are home to 22 percent of the ethnic minority population and 25 percent of visible minorities and these areas have double the national average rates of ill health and unemployment.

One way of constructing a more detailed assessment of progress made, and waiting to be made, is to summarily review NSNR ‘headline’ progress and gaps in relation to the seven broad headings of desired policy change set out by the Joseph Rowntree Foundation in 2000 [JRF 2000].

**Better Data, Monitoring and Evaluation**

The growing use of Geographic Information Systems within government departments has facilitated a better informed approach to neighbourhood selection and tracking [NRU 2005]. There is a new program to develop better neighbourhood statistics, though the emphasis still tends to be deprivation driven, and to record attributes of places rather than patterns of interaction and economic
opportunities. Evidence-based research centres have been established, meta studies of regeneration impacts promoted and evaluation projects sharpened in methodological specification. But there has been little serious academic work that captures the dynamics of places and how these change processes interact with the dynamics for individuals and households. Neither has there been any sustained attempts, with the exception of health and physical environment effects, to estimate the value of spillovers from neighbourhood synergies or neighbourhood effects in education and crime.

The convincing hypotheses that underpinned the first steps of the NSNR have not led to any serious attempts to evidence how further progress might be made. Much more is known about neighbourhood patterns but not much more about truly neighbourhood processes.

There has also been a singular disregard to effective cost-benefit approaches in evaluation. Much of the LSP evaluative framework is long on measures of partnership tone and style, and on tracking inputs and recording outcomes, and this is welcome. But it is not enough and there need to be more efforts to establish the real economic ‘facts’ in renewal. Advocates of renewal should welcome economic assessments of programs, if they have faith in their advocacy. Equally, those who advocate tenant and community involvement should get past a conceptual understanding and make real the empirical cases for why community ownership and management are important.

Understanding the Issues as Social and Economic Exclusion

The National Strategy on Neighbourhood Renewal has embraced a linked economic-social interpretation, following the work of the Social Exclusion Unit [see also PSMU 2005]. A broad range of triggers and reinforcers of neighbourhood change are recognized, multisectoral influences are at the core of thinking, and the new approach aims to conjoin people and place policies. This is an intellectually sophisticated policy program. It is particularly important that the UK Treasury has developed a framework of ideas for economic policy for a competitive economy, which recognizes the centrality of externalities for growth and the importance of land, space and place in economic development. That critical thinking shift has allowed a more effective conception and delivery of creative renewal policies.

Holistic and Multisectoral Approaches

One cannot doubt, in principle, the holistic intent of the NSNR nor the ways in which the scope of policy action has broadened over the last four years. But there is also a sense in which program policy development has been piecemeal rather than holistic. Regeneration is much more than public services. The NSNR recognizes this in principle but action has been dominated by LSPs and key market processes in shaping neighbourhood decline and renewal have been given, arguably, too little attention. Failures in these market processes – for instance, in relation to housing, planning and
land market policies – have not been adequately addressed and, arguably, government needs to think more about such markets and planning in delivering vehicles, homes and infrastructure to support renewal. There is a case for the NSNR revisiting the issue of how markets, in appropriate policy and planning frameworks, could deliver more for disadvantaged neighbourhoods. Moving beyond the neighbourhood, there are still yawning gaps, in some regions, in understanding about spatial development and relevant policy synergies between, for example, the Regional Development Agencies with economic policy responsibilities and housing departments [McGregor et al. 2005].

There are some signs that government still fails to think in connected terms, even within departments that are ‘true believers’ in neighbourhood renewal. ‘Big policies’ do not always seem to be scrutinized for what they could contribute to neighbourhood renewal. For instance, transfer of public housing stock to not-for-profits is a key housing policy in the UK and crucial to the future of many disadvantaged areas. It is actively promoted by the ODPM but with no systematic policy attention to the possible community regeneration vehicles that measure could create to use transferred assets for renewal, and nothing like a US Community Development Corporation (CDC) has yet emerged from the transfer of almost a million public sector units in the UK. Arguably, the NSNR has put much laudable effort into restoring local authorities to the centre of local renewal, but too little to creating effective vehicles for community ownership and action. This is surprising, given the community and neighbourhood rhetoric of the NSNR statement in 2001.

There is still, within the agencies of government, much to be done to develop a coherent multisector understanding of what promotes renewal and a willingness to recognize and support the synergies of other sectors.

**Multilevel Governance**

The National Strategy on Neighbourhood Renewal poses new challenges for multilevel governance in the UK, and there have been some successes in the approach, for instance in Whitehall leaving the details of programs to locally-led LSPs and, instead, monitoring outcomes. The strengthening of Government Offices for the Regions within England has been widely welcomed. Further regional devolution, to regional governments, now seems unlikely. However, the thorny issue remains that if local government had a more resilient and diverse tax base, it would be better equipped to promote renewal without central supervision and a new review of the financing of local government in Britain is now under way. By the time the NSNR is half way through its projected 20-year life, that issue is likely to be more rather than less important in the context of the UK. We consider separately below the extent to which new governance arrangements in renewal have adequately embraced community interests.

Multilevel governance involves not just central-local relations but also involvement, in some aspects of the NSNR, of the devolved regions of the UK and, of course, the engagement of communities. The NSNR has been less impressive in the ways in which it has progressed these dimensions. The NSNR has, for much of the last five years, been a policy area where Westminster
and the devolved administrations have simply ignored each other and failed to recognize some mutual difficulties and opportunities. Indeed, spatial policies in Scotland, in particular, but also in Wales have suffered as a result of devolution coinciding with a period of rampant policy innovation in Whitehall. In London, there has been little interest in renewal or city policy in the devolved administrations. On occasion, there have been changes in UK tax and expenditure programs that flow from renewal policy pressures in England which have not been given prior consideration by regional governments responsible for renewal policies. That is simply sloppy multilevel government and is an unnecessary comment on the community levels, discussed below.

**Partnerships at the Centre**

The National Strategy on Neighbourhood Renewal set partnerships at the core of its program, and also though the LSPs, provides ways to rationalize single issue, repetitive local partnerships and these are important gains [ODPM 2004]. Resources and time to build effective partnerships have been made available. The areas of omission under this heading relate to aspects of evolving partnership management. Improvement in bureaucratic negotiating and cooperation skills, the development of effective neighbourhood partnerships below the larger LSP level and the effective monitoring, evaluation and budgeting aspects of partnerships all require further work. But a good start has been made.

The potentially key weaknesses in partnerships have already been alluded to above. These include development of multisector asset owning renewal vehicles within partnerships and the ways in which the community is represented on LSPs and engaged more locally. This latter issue is dealt with below. The actual experience of partnerships in renewal over the last five years, and this holds within the LSPs and other partnerships, ranges from the outstanding and innovative to the very ordinary. The need for renewal is not just ‘partnerships’ – but effective, innovative partnerships.

**Community**

The intellectual and policy cases for the National Strategy for Neighbourhood Renewal were predicated on the basis of the existence of significant neighbourhood effects and the potential significance of community choices and social capital. In that context, neighbourhood means the local interaction spaces in which people live and not some large statistical or administrative box designed by local government. And community means participative actions and representation rather than municipal politics.

There is no doubt that community support programs to empower residents, such as developing locality budgets, committee training and improving Information Technology and Computing facilities, have grown markedly. However:
• The reality of the NSNR is often at a much higher level of operation, and conception and control lie largely at the municipal level. Neighbourhood and community play a much smaller role in the reality than in the rhetoric of policy.

• There is no consistent approach to community auditing prior to action and that is surely a sine qua non for identifying areas for action, potential change leaders and local organizational capacities; such an audit with a view to action is essential if communities are really to be at the heart of change.

• The ways in which communities are involved in overall Local Strategic Partnerships varies across the country and, in some local authorities, leadership has not facilitated this involvement. There are still, in some places, perceived conflicts between participative and representative democrats. In other places, local council leaders have adopted more open, associational styles and engaged with communities and their leaders.

• Methods of consultation vary from planning for real questionnaires to more modest assessments.

• Increasing community ownership of assets, except in Scotland, has been a largely missing dimension in regeneration. Tenants may be involved in change processes but they do not own the vehicles for change and the gains that accrue from them. Government, most recently in the Stronger Safer Communities Fund, has espoused the importance of community involvement. But the record of progress needs to be rethought and moved beyond kind words with soft actions [Beresford and Martin 2005]. There are few detailed cost-benefit studies of the community involvement process, but policy rhetoric and reality need to be somehow reconciled.

Wider Connections and Strategies

The Joseph Rowntree Foundation challenged government to set renewal activities within the context of wider program connections and city and national spatial strategies. Since 2000, the NSNR and related measures have delivered significant change in these regards.

Beyond the LSPs, community planning (set out in legislation to renew local government) offers the prospect of both better local democracy (with communities consulted on budgets and spending choices) and reducing social exclusion (through joining-up service planning). But it is also a high-risk strategy as increased municipal power, without some higher scrutiny, can smother the voice, and occasionally the screams, of communities.

Good local authorities have introduced meaningful resident forums and real neighbourhood management. Others have not. Where they have not, then not only will the disadvantaged continue to
be excluded but effective synergies to national programs will not exist. This may be a transitional issue but, if it is not, the government will have to become real in its commitment to backing what works. Local governments must recognize that if local spending programs are partly justified on their contributions to high level outcomes, with required joined-up actions, then national governments cannot allow lower level governments to fail to deliver agreed outcomes.

Though urban and city policies, government has been very effective in acting with cities to develop visions and wider metropolitan strategies for change. The Community Plan is the obvious way in which renewal strategies can be connected to these wider plans and actions. But some further actions are required. There has to be a much better integrated metropolitan framework for economic development and its connection to residential choices, transport and service needs; these different critical shapers of city and neighbourhood renewal still tend to be somewhat separated. The recent Barker Review has indicated some possible directions for linking housing and metropolitan economic change and planning and this needs further development in the thinking of renewal policies.

Unlike the devolved regions of the UK, England does not have a national spatial strategy as a framework for future development.

Last Words on the UK

The paragraphs above have set out some criticism of and questions about the NSNR in the UK. However, it is important not to end this discussion of UK policies on that note of criticism. Much has changed for the better in renewal policy since the millennium. Area regeneration policies in the UK have had to battle against an inadequate conceptual understanding of the purpose of such policies. However, there has been a growing ‘bottom up’ understanding of what is required to change places. The efficacy of strategic, integrated partnership approaches and, indeed, competitive resource allocations have now been linked to an endogenous growth perspective. Commitments to promote social inclusion are likely to finally result in neighbourhood regeneration strategies which link local and mainstream policies and which recognize that lasting social improvement will also require simultaneous economic actions and stronger roles for communities.

The review of the actions involved in the NSNR, in the preparation of this paper, would suggest that the approach has radically improved neighbourhood renewal programs and practices in England. Although it has been subsequently revised and amended over the last four years, the strategy and its instruments have been broadly successful and, in resource terms, they represent the largest neighbourhood renewal program in the OECD economies. It is also clear that there are still areas to strengthen and government seems to have remained open-minded on possible improvements. There is much to be learned, for many countries, in the development processes, favourable outcomes, difficulties and governance arrangements of that ambitious and well supported renewal program. Is there a brief list of lessons for Canada?
Pointers for Canadian Debates and Policies

Contexts, choices and resources differ across countries. They may choose different policy priorities or different ways to achieve similar cross-national outcomes. So the experience of other countries, with their unique imperatives, can seldom serve as a concrete, transferable solution for that of another nation. But policy experience can point to policy possibilities and ideas that can stimulate further detailed questions and spark the imagination of policy-makers. The concluding sentences set out below are, in that sense, pointers for Canadian policy development, offered in the spirit of... . “If I were you I’d think about this.”

The suggestions for further reflection can be subdivided into four broad sets of questions about renewal policy:

- Why have renewal policies and what kind of policy?
- Who should pursue them?
- How should one work?
- What should be done?

Why have renewal policies and what kind of policy?

The UK experience over the last, almost, decade suggests that effective neighbourhood renewal policies require:

- A clear, big picture understanding of the relationships between social and economic development over time and how that is embedded in places. This requires Finance Ministries, without abandoning the long-term intent of maximizing national competitiveness, to recognize how current spatial patterns of economic development and its social consequences influence future prospects for the nation; economy, society and place are connected.

- If governments, at national and local levels, do not see any recursive relationships between place and progress, then the only forms of renewal policy that can operate are palliative – i.e., they have short-term redistribution aims and no sustained developmental outcomes for the economy of the society.

- Creative renewal policies can have major effects on the major environmental, social justice and economic goals of a nation; acting locally may have consequences federally as well as globally.

- Policies may be creative or palliative and they may have immediate or long-term aims. They may be about efficient delivery as well as inclusion. It is absolutely essential to design, fund and evaluate programs on the basis for which they are intended. All sectors
and levels of government involved must have coherent answers to the purpose of renewal policy.

- Neighbourhood renewal and community should not become policy weasel words but have clearly defined meanings for action.

**Whose Policies?**

There is widespread agreement from the UK and other experiences that creative renewal policies require the involvement of a wide set of policy sectors and instruments. It would be unusual now for renewal policy to be the creature of simply one sectoral silo or level of government.

- The multisectoral nature of renewal policies requires that they need senior coordination within the political levels of a government and senior bureaucratic leadership of the ideas too; usually, there would have to be cross-departmental ministerial and official groupings to pursue appropriate policy coordination. If this approach is adopted, then governments must audit the factors that inhibit cross-departmental cooperation and devise systems to reward cooperation and penalize ‘selfish’ behaviour.

- In developing the UK framework, the process of policy development and networking that the SEU followed, in establishing 30-plus issue relevant working parties of official, experts and community sector executives, was effective both in eliciting key ideas and in forming consensual networks. It was a worthwhile process that also convinced the policy community that government was serious on renewal.

- Governments should encourage, then require, departments to use co-terminous boundaries for areas employed in the design and delivery of their policies. The strengthening of the regional presence and role of national government offices (the GORS) have been critical.

- The multisectoral role almost invariably implies multilevel government. Renewal policies, in the modern sense, will not be effective if different spheres of government do not recognize that they have distinct roles at different levels and that their actions can have local to national geographies of impact. More local governments can justify grant claims for their programs which have impacts beyond their borders. Equally, federal or national governments have a reasonable concern that their programs mesh with local actions to achieve synergies for wider outcomes.

- Ensure that higher level governments concentrate on local outcomes rather than replicate or complicate local delivery. Local autonomy over program selection is important but it has to be matched by ensuring that outcome targets set with higher levels of government are effectively achieved.
• Multilevel governance issue involve national (or federal), provincial municipal and neighbourhood community levels. The UK experience shows that quite complex levels of government do not have to serve as a barrier to renewal where partner governments are willing to create governance solutions.

• A great deal of renewal policy is about designing governance arrangements, designing delivery vehicles and raising decision-taking capacities within all levels of government as well as communities. Such activities should be seen as being the core of renewal policies and they should be mechanisms that aim for sustainable change by mending places then bending mainstream policies.

How to work?

There are relevant general principles of ‘how’ to work at city and neighbourhood levels, in partnership with the community, holistically and strategically. Such approaches involve:

• Developing better frameworks, partnerships and vehicles for city regeneration partnerships and action so that the management structures for renewal are inclusive but also business-like [Carley and Kirk 1998].

• Using informed models of local change and better neighbourhood statistics and research so that strategies and evaluation can be evidence informed [Maclennan 2000].

• Auditing community capacities and organizational competences within areas before starting programs.

• Raising community capacities to make real decisions and to own assets [Duncan and Thomas 2000].

• Integrating service planning and raised community capacity lead to better mainstream service delivery [Gregory 1998; Plummer and Zipfel 1998; Kemp and Fordham 1997].

• Ensuring that neighbourhoods are not disconnected from wider city markets – e.g., enhancing resident capacities to compete in the wider labour market and to encourage local entrepreneurship and social economy action [Macfarlane 1997; Mayo et al. 1998; Mcgregor et al. 1999; Speak and Graham 2000].
What to do?

Each neighbourhood is different in its context, trajectory and capacities. In consequence, there are no standard blueprints of what to do and no general panaceas. What policy has to do is put in place the mechanism by which communities and cities can answer these questions, effectively for themselves [Wolman and Page 2000].

References


Neighbourhood Renewal Unit. (2005). The Role of the Unit and a wide range of material about programmes supported and their outcomes is available on the Unit’s website. [http://www.neighbourhood.gov.uk](http://www.neighbourhood.gov.uk)


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