

# foundations

## Key steps to sustainable area regeneration

There have been over 60 research projects in the JRF's Area Regeneration Programme, based on field studies in Britain's cities and towns. This is a major learning resource, covering aspects of regeneration policy and practice from the national to local. Key conclusions are summarised here - in steps which could lead towards the elusive goal of sustainable regeneration.

- **Understanding urban disadvantage** – Understanding social exclusion needs to take in unemployment and non-employment, geographic concentrations of deprivation, and the challenges of stigmatised - even abandoned - neighbourhoods. Non-employment in inner cities and industrial areas is greater than unemployment suggests; for some, lack of work and low aspiration is a way of life for a third generation. Housing allocations and the standard of other services, particularly education, cement into place processes of social exclusion. These are worse in industrial cities but exist even in prosperous cities.
- **Developing innovative partnerships** – These should be driven by productive, honest relationships among stakeholders, including local residents. Strong leadership is vital. But there are problems of 'partnership proliferation'. It is time to rationalise partnerships so that joined-up policies are delivered by joined-up organisations. Local Strategic Partnerships/Social Inclusion Partnerships could play this role, backed by a harmonised funding system. Regeneration should be driven by long-term strategy: this requires new skills in building up participation and consensus.
- **Empowering neighbourhoods** – Area regeneration requires continued local government modernisation, linked to neighbourhood management. The building blocks are: new local governance structures, community development, experimentation, joined-up service delivery, flexible work practices, and a supportive local authority. Community planning presents the possibility of both improved social inclusion and better local democracy, linking local councillors and communities in a common agenda.
- **Enabling city-wide and regional strategies** - In many city-regions, urban development and regeneration are the same task. A single, strategic partnership working for effective governance is the way forward. This might mean partnerships of a number of local authorities, requiring additional organisational resources. The emerging pattern of regional governance needs more clarity of purpose between different agencies, and more sophisticated development strategies, geared to the requirements of each region.
- **A national plan for cities and regions** – This should set out a vision for quality of life in Britain's urban areas. Joint departmental working needs to reduce regional variation, influencing the location of employment through investment in urban infrastructure and land-use planning. An appropriate National Plan of this sort would enable the National Strategy for Neighbourhood Renewal to have maximum impact.

### A pressing challenge

Despite decades of urban initiatives, the need for social inclusion remains pressing. Deprived neighbourhoods, grim estates and derelict land still characterise too many urban areas. At the household level, 26 per cent of the British population is living in poverty, an increase of 12 per cent since 1983.

Tackling social exclusion is both a national and a local challenge. The Government, through the National Strategy for Neighbourhood Renewal and the Urban White Paper, has indicated its commitment to this. In Scotland, this is reflected in the Social Inclusion Partnerships. Citizens, politicians and professionals are equally committed, working at various levels from the bottom-up to the top-down.

The Joseph Rowntree Foundation has contributed to this national effort through its Area Regeneration Programme, which was launched in 1996 and has included over 60 projects, covering most aspects of regeneration policy and practice from the national to the neighbourhood level. This *Foundations* summarises the key conclusions of the research programme.

### Steps to area regeneration: Learning-by-doing is the key

The Area Regeneration Programme has considered both *what to do*, that is regeneration policy and strategy, and *how to do it* better, that is the means of achieving regeneration, such as partnership, funding programmes and regional support. The research does not suggest easy answers. Rather there are signposts and frameworks that work towards solutions. Learning-by-doing is the key – ways of moving forward do not have to be perfect on day one. The complexity of the problems ensures that this is unlikely. Obstacles have to be honestly identified and overcome. Starting from the community perspective, the process of working out effective ways to make the vital links between bottom-up initiative and top-down policy and funding is an exciting challenge.

Based almost entirely on fieldwork in cities and local areas, the Area Regeneration Programme represents part of this process of learning-by-doing. This *Foundations*, drawing on a summary report, finds that learning can be organised into five important steps toward the achievement of sustainable regeneration.

### Step 1: Understanding urban disadvantage

Across Britain, from Liverpool's docks to the steelworks of Strathclyde, the decline of traditional industry continues to be a marker of social exclusion and the need for regeneration. Understanding urban deprivation requires attention to three factors:

- patterns of employment and non-employment;
- relative concentrations of deprivation and the challenges of area-targeting; and
- the problems of low demand and abandonment in marginal areas.

Low income due to lack of employment is a significant factor in social exclusion. It is important to consider not only those registered as unemployed but also the *non-employed* – those who are economically inactive, whether or not they are seeking work. Non-employment in inner city and industrial areas, relative to the rest of the country, is significantly greater than suggested by unemployment figures alone. A major reason is that Britain's twenty largest cities have lost half a million, mainly male, manufacturing jobs since 1981. Both relative and absolute declines in employment opportunity in these cities have not diminished in the past two decades, despite a substantial fall in recorded unemployment nationally.

Households in inner areas of large conurbations have been worst hit. There is also a racial dimension, given that more than half of African-Caribbean and Africans and more than a third of South Asians live in inner city districts with the highest rates of non-employment. The result is households in their third generation of male unemployment, with low aspirations for succeeding generations. Housing allocation policies and the standards of other services, particularly education,

cements into place processes of social stratification and exclusion, and concentrates deprivation, even in more prosperous cities.

In the past fifteen years, the regions of the south of England experienced below average rates of male non-employment, while the West Midlands, Yorkshire and Humberside, the North, the North West, Wales and Scotland experienced above average rates, sometimes 15 to 20 per cent above the national average. This ought to have major implications for national urban policy.

While there is clear evidence of increasing concentration of deprivation, due in part to housing allocation policies and mobility of households in work, over-reliance on favoured area-based policies presents challenges. This is due to four factors:

- targeting of worst areas always misses a significant proportion of deprived households, a fact which has bedevilled urban policy for thirty years;
- owner-occupiers and private renters also make up deprived households, which means programmes focusing on social housing are necessary but never sufficient;
- regional disparities in deprivation remain untackled; and
- application of different indices of deprivation gives substantially varying definitions of what is a deprived area.

Whatever the challenges of area targeting, there is evidence of the benefits of community-based regeneration. The need is perhaps greatest in neighbourhoods with a high proportion of low demand housing and an outflow of population up to five times the city average. These areas are heading towards abandonment. Without urgent action, there are dangers of stable families moving out, knock-on effects on nearby neighbourhoods, and negative implications for the attractiveness of the city as a focus of inward investment. Policies to tackle low demand need to foster mixed, higher density communities, support existing residents and pay attention to the quality of mainstream services. If local schools or public safety are not as good

as other areas, no amount of housing or environmental investment will attract new families. Vibrant partnership, local leadership and neighbourhood management are key aspects of area revival.

## Step 2: Developing innovative local partnerships

Partnership is the organisational mainstay of regeneration, with Local Strategic Partnerships (LSPs), and Social Inclusion Partnerships (SIPs) in Scotland, proposed as the means for achieving regeneration more strategically at city, local and neighbourhood levels.

Relationships among stakeholders, including local residents, are at the heart of partnerships, but already there is too much 'partnership fatigue' with 'talking shops' which contribute little to social inclusion, waste human resources and discredit the concept. Residents and practitioners feel that fewer, better partnerships, linked clearly to tangible outcomes over a longer period of time, would be a more effective approach.

To foster partnership, political and executive leadership is vital, particularly in the local authority, as is broadening the base of partnership to include health authorities, the police, the Benefits Agency and the Employment Service. Good leadership can shift organisational culture so that partnership - including residents' roles within partnerships - is valued. This is crucial for line managers and professionals who may otherwise dominate partnership proceedings by use of language and by failure to share information. Getting the right people to build relationships and develop an inclusive, shared vision based on community analysis can pay big dividends. Including groups who might be excluded because of their race, gender or youth is vital.

Partners are not equal. Each brings not only different experiences of formal meetings to the board table, but also a level of power. Supporting community representatives should be a key concern of leadership. Other partners around the table enjoy back-up bureaucracy, and Area Regeneration Programme studies call for independent support for community representatives, through a National Empowerment Fund.

The achievement of national policy through local partnerships is in danger of being undermined by proliferating partnerships - confusing for local residents who prefer a simple participation framework which delivers the goods on a systematic basis. The LSPs and SIPs must be a means to combine partnerships, which include community planning, health, education and public safety, so that joined-up policies are delivered in the neighbourhood.

Regeneration, to be sustainable, must be driven by strategic objectives, regionally and locally. Currently practitioners feel the field is funding-driven - they are 'jumping through hoops' to secure and then spend funding in a short time, often from ten or more funding sources, each with its own administrative requirements. The Neighbourhood Renewal Fund should engender a joined-up approach, with responsibility devolved closer to the local in terms of conditions for grants and in monitoring of outcomes. To foster effectiveness and devolved responsibility, block grants to LSPs - to be allocated across a range of services and a number of years - should be considered. Funding departments of government need to develop the means to devolve control and foster innovation and experimentation at the local level, while retaining necessary controls over the use of public funds.

### Step 3: Empowering neighbourhoods and communities

Community planning and the Neighbourhood Renewal Fund both emphasise local involvement in planning, implementation and management of regeneration. This will not happen unless the process is backed up by: co-ordinated action at national, regional and local levels; new, inclusive and experimental forms of neighbourhood management; and adequate resources for community development.

The integration of community planning with regeneration will require continued modernisation of local government (discussed below) with neighbourhood management a key aspect. The building blocks of neighbourhood management are: new governance structures at the local level;

experimentation; community development; joined-up systems for implementation; flexible working practices; sufficient resources; and a supportive local authority with a clear corporate agenda.

Linking service quality to regeneration, there is growing recognition that mainstream services make a large contribution to quality of life in deprived areas, and their provision constitutes the majority of public expenditure compared with regeneration funding. Government should specify minimum standards for neighbourhood services and amenities across Britain. Better integration is also needed between objectives of mainstream programmes and temporary funding initiatives which characterise regeneration.

Within this context, community plans or local service agreements ought to connect local residents to service delivery agencies in a formal, contractual arrangement. Consultation with residents will lead to redefinition of neighbourhood goals and problem assessment and to agreement with service providers in terms of expenditure, standards and monitoring of achievement, with periodic reviews. Community development funding will bear fruit, with the service agreement potentially a means of long-term linkage between community and service agencies.

To support this, progressive local authorities and partners are refashioning mechanisms of local democracy to allow effective, streamlined participation - in area forums which have real influence on local government, and in neighbourhood management. Too much participation has been token and residents know this; they must be involved from the beginning so that they take ownership of initiatives. Neighbourhood visions can help develop consensus and then play a role in city-wide 'visioning'. Community profiles and neighbourhood websites can consolidate information for all concerned, including giving research findings back to communities for their own use. Imaginative leadership and community development make this a dynamic process.

Neighbourhood empowerment is an exciting area holding out the real possibility of a 'win-win' situation

which fosters social inclusion and better local democracy, linking local councillors and communities in a common agenda. Local Strategic Partnerships and Social Inclusion Partnerships need to be encouraged and supported in experimentation in area democracy and neighbourhood management, including resident service organisations where management of services and budgets are devolved to resident-controlled bodies.

The Area Regeneration Programme identifies the importance of transforming mainstream services at the local level, with local partnerships, and of policy integration at the neighbourhood level. Three processes are important:

- **Neighbourhood management**, built on a foundation of community development, giving rise to local service agreements which formally link community, local government and other institutional stakeholders.
- **Local government modernisation**, for neighbourhood management. This implies local councillors given greater powers and responsibilities to pursue their locality's interests, and mainstream departments committed to devolved delivery with the context of corporate, area-based targets.
- **A local dimension to national policy**, particularly in terms of employment provision and allocation of benefits.

#### Step 4: Enabling regeneration at city and regional level

The findings of the Area Regeneration Programme suggest cautious optimism in the agenda of social inclusion - because the policy framework is finally recognising that area regeneration programmes may be necessary, but never sufficient, for area regeneration. Bottom-up initiatives in communities, important in themselves, seldom achieve lasting regeneration in neighbourhoods and cities hard-hit by the decline of traditional manufacturing and loss of sources of employment for the least-mobile households in society.

At the city/borough level, city-wide regeneration strategies, including social housing allocation policies, are required to avoid merely shifting social problems from one area to another. They are also important for the

attraction of private finance into regeneration, where a concern is that investment in one area risks being degraded by lack of regeneration in a neighbouring area.

Local Strategic Partnerships and Social Inclusion Partnerships ought to develop city-wide strategy and partnership mechanisms, and integrate regeneration into the broader framework of community planning. Research supports this, noting that for local authorities with a majority of households living in regeneration areas, the tasks of urban development and regeneration are the same. City-wide partnerships, at their best, provide a valuable strategic framework for area regeneration, promoting leadership, vision and the development of consensus around key issues, bringing stakeholders into partnership and providing a coherence in service delivery at the local authority level. Just as de-industrialised cities need the support of regional economic development, serious local problems, such as area abandonment, need an overarching structure for orchestrating change. Depending on the geography of a metropolitan area, city-wide regeneration might mean a partnership of multiple local authorities, including the county level, in a city-region. These complex partnerships will require additional support from central and regional government.

In many cities, fostering partnership and joined-up regeneration strategy requires the promotion of a fruitful convergence of interests between the Government's modernisation of local government agenda and regeneration. The agenda is four-fold:

- Good leadership in establishing a **long-term vision** for the local authority and its neighbourhoods, with full, open participation, translating this into a practical community plan, or development strategy;
- Formulating the local authority's responsibilities into a **corporate strategy**, which links line departments in a co-ordinated agenda, with targets for assessing achievement, which is then disaggregated to a area or neighbourhood level;
- **Rethinking local democratic processes** and the roles of local councillors, especially those outside the new cabinets, so they are able to work closely and confidently with local community organisations; and

- **Devolving service delivery** to partner organisations, and/or local communities, with a measure of budgeting control and within the framework of best value and neighbourhood management.

Regional agencies will also be in a good position to support regeneration with regional economic strategies, and to foster local partnerships at neighbourhood and city-wide levels, given that the largest spending programmes of Regional Development Agencies (RDAs) are concerned with regeneration. But as yet there is no indication of how RDAs will accommodate local sensitivities or include the 'voices' of local communities in regional governance. In assessing bids for regeneration programmes, and in monitoring the work of partnerships, regional agencies need to give more emphasis to process and how applicants intend to develop relationships within partnership. Monitoring systems should reflect local needs and not just central government's requirements in respect of regeneration outputs.

In many cases, area regeneration may not be sustainable outside a co-ordinated regional development framework. But RDA economic strategies have yet to develop to the point where they recognise the substantial degree of regional variation, nor is it yet clear how economic strategies relate to land use and transport strategies, co-ordinated by the Government Offices for the Regions (GORs).

The regional dimension is vital and it is therefore important to go forward in a bold, positive manner, to establish clarity of roles and working relationships between GORs, RDAs, chambers and other regional bodies, rather than shying away from so doing because of difficulties of devolution. A timetable for statutory elected chambers may be necessary in order to give greater legitimacy to regional governance. It is also important to audit regeneration and to support and encourage local good practice at the regional level. Scotland and Wales need to develop more sophisticated mechanisms for linking local authorities and partners in a common effort within logical development regions such as the South Wales Valleys or Greater Glasgow urban region.

Finally, the organisational culture of regeneration, the attitudes brought to the task, need to shift steadily to embrace both partnership working and sophisticated, strategic perspectives on the task at hand. The proposed National Centre for Neighbourhood Renewal could play a vital role in bringing together positive lessons in a way which inspired new, constructive thinking.

- There is still too much emphasis on physical regeneration and flagship projects without tackling the impact of manufacturing decline and the loss of full-time, manual jobs in industrial cities and towns. The benefits of economic growth are largely unavailable to these households whose low incomes are a significant factor in social exclusion.
- Unfortunately, neither the Urban Task Force, the National Strategy for Neighbourhood Renewal, New Deal for Communities, nor recent Treasury statements suggest a sophisticated approach to this issue. It remains for something like a National Plan for Cities and Regions to recognise development of the urban economic base, and investment in infrastructure, especially education and transport, as key drivers of regeneration, even at the neighbourhood level.

## Step 5: A National Plan for Cities and Regions

Loss of economic function in former industrial cities, poverty and area abandonment and the steady shift of economically able, mobile segments of the population away from cities have major impacts on services, such as education and health, for remaining residents. As the client base declines, social problems become concentrated while the fixed costs of service delivery remain constant. In cities such as Glasgow or Manchester, where 60 per cent of residents live in regeneration areas, regeneration is not just area-based but a city-regional task. In turn, regional variation makes regeneration a national challenge.

The National Strategy for Neighbourhood Renewal is good, as far as it goes – it supports vital city-wide partnership as a means to better governance. But there is a further step to social inclusion: a National Plan for Cities and Regions. This would set a vision for quality of



life in Britain's urban areas. It would be linked to a forward strategy to reduce regional variation in economic prospects by influencing the location of employment through investment in the urban fabric and infrastructure, including education and transport. It would also influence land use planning and the guiding of development away from the over-heated South East. A national plan would say "Britain's cities, north and south, play a vital role in the national life and the economy. Here is where, as a nation, we see their future in 25 years". The record will need to be better than the previous 25 years, or there will be substantial social exclusion in 2027. A national plan would also imply, for the first time, joined-up strategies between government departments and agencies at national and regional levels. Of course, the plan itself would continually evolve – it is the vision, partnership and the long-term commitment it represents which would be important.

A National Plan for Cities and Regions would require continuing innovation toward a more strategic approach which: treats urban renewal as a national objective; integrates policy streams and encourages flexible use of mainstream budgets; allocates resources to infrastructure from schools to public transport; and, most importantly, devolves real control from the centre to the regional, city and local levels.

For national regeneration policies to have maximum impact, further development of local dimensions to national policies is required. Aspects identified as important by the Area Regeneration Programme include:

**Local employment plans** – Area regeneration will succeed only if underlying problems of joblessness and inequality are tackled. Variations in local labour markets require a local dimension in policy design and delivery; non-employment is a function of lack of jobs, lack of aspiration and difficulties in getting to existing jobs, especially for the non-car-owning households which are in the majority in the two lowest income deciles. The special needs of those from minority ethnic groups must be taken into account. Local employment plans can be embedded within the local authority's community plan at city and neighbourhood level.

Both a regional and a local dimension to employment policy are essential: a regional dimension because of the disparity in employment opportunity between de-industrialised city-regions and others; a local dimension because joblessness is at the root of many neighbourhood problems. Local design and implementation are essential because there are substantial local differences in labour market conditions, and it adds value to policy, especially in relation to hard-to-reach client groups, including ethnic minorities.

**A National Empowerment Fund** – Community self-development emerges from the Area Regeneration Programme studies as a significant factor in regeneration. But investment in community development is minuscule compared with overall funding of regeneration, which is itself modest compared with mainstream resource allocation. Neighbourhood empowerment will work far better if communities have modest amounts of resources available to enable them to participate on a more even footing with institutional and professional players. Regional and national networks of community and neighbourhood organisations could facilitate community involvement at all spatial levels.

**Benefit reform** – is needed to redress increasing inequality and to give households more control over their own lives. For example, decades after it was first identified, the 'poverty trap' continues to hamper self-development and employment, especially for single parents. There needs to be more flexibility in the administration of benefits and the ability of the national policy framework to support local action and be influenced by bottom-up initiative. The Social Enterprise Zone in East London, supported by the JRF, is a good example. Central government needs to authorise agencies, such as the Benefits Agency, to operate flexibly according to local needs.

## About the overview report of the Area Regeneration Programme

The key themes of the 60 plus projects of the Area Regeneration Programme have been summarised in an overview report by five regeneration experts. The main thrust of the report is to highlight the key messages with most relevance to the developing policy and practice of regeneration. The chapters cover:

- Patterns, processes and perceptions of area regeneration;
- Community involvement and capacity building;
- Employment and regeneration;
- The lessons of partnership;
- The strategic dimensions of area regeneration.

An appendix summarises all the reports and *Findings* of the Area Regeneration Programme.

The overview report, **Regeneration in the 21st century: Policies into practice: An overview of the Joseph Rowntree Foundation Area Regeneration Programme** by Michael Carley, Mike Campbell, Ade Kearns, Martin Wood and Raymond Young, is edited by John Law and published for the Foundation by The Policy Press (ISBN 1 86134 308 6, price £13.95).

The following *Findings* and *Foundations* documents summarise some of the projects relating to the Area Regeneration Programme.

**Urban regeneration and ethnic minority groups: training and business support in City Challenge areas**, Nov 97 (Ref: 227)

**The effectiveness of local service partnerships on disadvantaged estates**, Feb 98 (Ref: 248)  
**The role of TECs and LECs in regeneration**, Mar 98 (Ref: 328)

**Geographical variations in unemployment and non-employment**, Apr 98 (Ref: 408)

**Community development: the Tyne and Wear Development Corporation's approach**, May 98 (Ref: 548)

**Attracting private finance into urban regeneration**, May 98 (Ref: 558)

**Regenerating neighbourhoods: creating integrated and sustainable improvements**, May 98 (Ref: 588)

**Towards a long-term, strategic approach to urban regeneration**, June 98 (Ref: 638)

**Combating social exclusion: lessons from area-based programmes in Europe**, Aug 98 (Ref: 838)

**Including young people in urban regeneration**, Sep 98 (Ref: 918)

**The role of mutual aid and self-help in combating exclusion**, Sept 98 (Ref: 928)

**Future strategies for medium-sized housing associations**, Sep 98 (Ref: 958)

**Ethnic minorities in the inner city**, Sep 88 (Ref: 988)

**'Inclusive' strategies for race and gender in urban regeneration**, Oct 98 (Ref: 0108)

**Patterns of neighbourhood dissatisfaction in England**, Oct 98 (Ref: 0118)

**Social Enterprise Zones**, Oct 98 (Ref: 0128)

**Community reinvestment in the UK**, Nov 98 (Ref: N38)

**Developing effective community involvement strategies**, Jan 99 (Ref: 169)

**Ethnic groups and low income distribution**, Feb 99 (Ref: 249)

**Food projects and how they work**, Mar 99 (Ref: 329)

**Lessons for area regeneration from policy development in the 1990s**, Mar 99 (Ref: 359)

**The characteristics of frequent movers**, Apr 99 (Ref: 439)  
**Neighbourhood images in Teesside**, Apr 99 (Ref: 469)  
**Neighbourhood images in Liverpool**, Apr 99 (Ref: 479)  
**Neighbourhood images in Nottingham**, Apr 99 (Ref: 489)  
**Neighbourhood images in East London**, Apr 99 (Ref: 499)  
**Social cohesion and urban inclusion for disadvantaged neighbourhoods**, Apr 99 (Ref: 4109)

**The problem of low housing demand in inner city areas**, May 99 (Ref: 519)

**The jobs gap in Britain's cities**, May 99 (Ref: 569)

**Local action on unemployment**, Jun 99 (Ref: 629)

**Insights into low demand for housing**, Jul 99 (Ref: 739)

**Getting employers involved in area regeneration**, Aug 99 (Ref: 839)

**Harnessing self-help to combat social exclusion**, Aug 99 (Ref: 859)

**Housing association investment in people**, Sep 99 (Ref: 959)

**Partnership working in rural regeneration**, Oct 99 (Ref: 039)

**Links between school, family and the community: a review of the evidence**, Nov 99 (Ref: N19)

**Ethnic diversity, neighbourhoods and housing**, Jan 00 (Ref: 110)

**Private sector service withdrawal in disadvantaged neighbourhoods**, Feb 00 (Ref: 230)

**Tackling social exclusion at local levels: Neighbourhood Management**, Mar 00 (Ref: 310)

**Resourcing community involvement in neighbourhood regeneration**, Mar 00 (Ref: 320)

**Using planning agreements to reduce social exclusion**, Mar 00 (Ref: 350)

**Coalfields regeneration: dealing with the consequences of industrial decline**, Apr 00 (Ref: 450)

**Policy transfer between local regeneration partnerships**, May 00 (Ref: 530)

**Regional Development Agencies and local regeneration**, May 00 (Ref: 550)

**Urban regeneration through partnership: a critical appraisal**, May 00 (Ref: 560)

**Strengthening community leaders in area regeneration**, Jul 00 (Ref: 720)

**Community participants' perspectives on involvement in area regeneration programmes**, July 00 (Ref: 770)

**Challenging images: housing estates, stigma and regeneration**, Oct 00 (Ref: 020)

**Towards a regeneration strategy for York**, Oct 00 (Ref: 040)

**Neighbourhood agreements in action: a case study of Foxwood, York**, Oct 00 (Ref: 070)

**Local labour in construction: tackling social exclusion and skill shortages**, Nov 00 (Ref: N80)