

Tensions in neighbourhood level regeneration: New Deal for Communities in England

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England's New Deal for Communities: The Regeneration Context

It is now almost 40 years since the first area based initiative (ABI) was launched in English cities. The history of ABIs has been subject to considerable debate (Department of the Environment, 1994; Shaw and Robinson, 1998). Three major themes emerge from this material: 'community engagement'; inter-agency co-operation; and the proliferation and growing complexity of ABIs.

First, ABIs have increasingly emphasised the role which '**the community**' might play in neighbourhood renewal. This message has emerged from government (Home Office, 2002; SEU, 2001a), national lobbying organisations (Community Development Foundation, 1999). This tendency to place community at the heart of regeneration is based on a number of assumptions: residents appear best placed to identify opportunities in the area; community engagement can help sustain activity; ABIs can provide jobs for locals, etc.

However, the realities of community involvement on the ground can prove complex. The role and remit of community groups is not always clear (Forrest and Kearns, 1999). There may be a limited platform from which to launch community involvement (Taylor, 1995). Formidable time demands can be placed on a small number of activists leading to burnout, rapid turnover and disillusionment (Alcock *et al.*, 1998). Community engagement may appear to be frozen in time, unable to respond to changes occurring as a result of ABI designation (Raco and Flint, 2001). Commentators also argue that ABIs have proved willing to promote 'responsible' but not 'challenging' community involvement (Raco, 2000).

Second, **interagency co-operation** has come very much to the fore. One factor in all of this has been a weakening in the traditionally powerful position of local government. Although often remaining the single most important player in regeneration, authorities must negotiate with an increasing range of other official or quasi-official organisations. Partnership working has been generally welcomed (Audit Commission, 2002a). It has been seen as a vehicle through which to enhance effective inter-agency working whilst potentially providing a source of additional investment (SEU, 2000). In part this drive towards inter-agency co-operation has been driven by concerns that deprived areas do not receive their full share of resources through 'mainstream' investment. Research examining the complex question of investment in small deprived urban areas suggests that disadvantaged wards receive more 'defensive social security investment' than do more prosperous wards, but no more or even less, expenditure in areas such as education, health and economic investment (DETR, 1998a).

However partnership working has attracted criticism. There are for example 'concerns about partnership overload, the amount of additional bureaucracy and, in some cases a lack of integration between initiatives dealing with the same problem or the same client group' (RCU, 2002, 1). The degree to which partnerships are of themselves able to change attitudes or activities has been raised by others (Lawless, 1994). In the light of these difficulties it is not surprising to see that by 2002, central government was beginning to rationalise the role and remit of partnerships (RCU, 2002).

Finally there is the broader question surrounding the **complexity of ABI policy**. Taking the longer view comparing, say, the late 1990s and early 2000s with equivalent experience ten years earlier, the policy frame work within which ABIs operate has become much more complex. There are more ABIs and they cover a wider range of outcome areas, including health, crime and education. For much of the 1980s, a small number of ABIs, notably Urban Development Corporations (UDCs), dominated urban regeneration. A decade later, one review of co-ordination across ABIs identified at least nine major, and a number of smaller, initiatives impacting on six deprived case study localities in England (NRU, 2002). These included interventions as diverse as Health Action Zones, Education Action Zones, Sure Start, Employment Zones, Single Regeneration Budget (SRB), Crime Reduction Programmes, and so on. In part this is a consequence of the widely held view that key initiatives of the 1980s were too narrow in their remit (Brownhill, 1990). Successful urban regeneration is generally perceived as requiring a comprehensive approach able to deal with a complex inter-play of social, economic and environmental problems. This drift to more diverse ABIs also reflects the willingness on the part of the Labour government, elected in 1997, to embrace a range of inherently 'wicked' problems such as social exclusion (SEU, 1998) and social capital (PIU, 2002). Complex difficulties and constraints evident within deprived areas are likely to require complex solutions.

The New Urban Policy Agenda: The Role of New Deal for Communities

NDCs, launched in autumn 1998, were designed to 'help turn around the poorest neighbourhoods' (DETR, 1998b, 1). Their origins lay in the government's 1998 Comprehensive Spending Review which announced a New Deal for Regeneration, one central element of which was to be NDC. The NDC Programme was in turn informed by the Social Exclusion Unit's Report 'Bringing Britain Together: A National Strategy for Neighbourhood Renewal' (SEU, 1998) which argued, that despite many years of area regeneration policies, there remained at least 4000 multiply deprived neighbourhoods in England. NDC was hence to be an instrument through which 'to reduce the gaps between some of the poorest neighbourhoods and

the rest of the country' (DETR, 2001a,2). NDC Partnerships were established in 39 locations across England, to devise and implement ten year strategies to reduce disadvantage in some of the most severely deprived of localities. An initial tranche of 17 Round 1 Pathfinders was announced in 1998; a further 22 Round 2 NDCs a year later. Ten NDCs are located in London, two in Birmingham and the rest in major cities and towns across England. Programme wide funding is to amount to over £2 billion for the full ten years, and there should be additional investment from other public and private sector sources. Individual NDC allocations against approved delivery plans vary from about £35m over 10 years in Norwich to £61m for Kensington in Liverpool.

NDCs are to attack problems within relatively small areas consisting of between 1000 and 4000 dwellings and over longer time periods than has traditionally been the case for previous English ABIs. The focus within NDC on a relatively small number of localities contrasts sharply with the last major urban initiative the Single Regeneration Budget which supported more than 1000 schemes (DETR, 2002). NDC is also intended to attack a comprehensive array of problems in that Partnerships have been encouraged to identify outcomes in relation to five policy areas: health, education, crime, worklessness, and housing and the physical environment. This explicit designation of pre-defined outcomes has not generally been evident in most ABIs.

NDC: The National Evaluation

In 2001, the Neighbourhood Renewal Unit (NRU) (then in the Department of Environment, Transport and the Regions and from 2002 in the Office of the Deputy Prime Minister), commissioned a consortium of some 14 academic and consultancy organisations headed up by the Centre for Regional Economic and Social Research at Sheffield Hallam University to undertake a national evaluation, the first phase of which is to be completed in late 2005.

The evaluation is intended both to undertake what a traditional 'cost-effectiveness' evaluation (summative evaluation), but is also to assist all 39 Partnerships with their delivery plans (formative evaluation). In time it is quite possible that this two-fold function of support and evaluation will become difficult to sustain. By 2002 it was becoming evident that a small number of NDC Partnerships were running into serious problems. This raises a dilemma for the national evaluation team: in the interests of the evaluation's support role, should efforts be made to 'dampen down' what might otherwise be seen as critical annual reports? The evaluation is also very much about enhancing the evidence base. The 2001 Review of the Evidence Base for Regeneration Policy and Practice (DETR, 2001b) pointed to a paucity of evidence exploring ABIs and long term outcomes. The NDC

evaluation is designed to help plug that gap. But this objective too is likely to cause its own tensions in that outcomes in areas such as health and education will take years to unfold.

During the period April 2002 to March 2003 the evaluation team as a whole undertook a range of tasks of which three were of particular importance. A household questionnaire was devised to establish a 'base-line' in all 39 Partnerships. This addressed socio-demographic, status and attitudinal considerations across the five key outcome areas. Administered by MORI and NOP it was based on a random survey design and culminated in 500 responses from each of the 39 NDC areas. The intention is that this will be repeated in 2004, when efforts will also be made to trace a proportion of those moving out of NDC areas. A second major task involved the collation and analysis of an increasing portfolio of administrative data by the Social Disadvantage Research Centre (SDRC) at Oxford University. This included, for each NDC area, 1999-2001 change data in relation to worklessness, welfare claimants, staying on in education post 16 rates, acceptance into higher education, a number of health mortality and illness indicators, and so on. The range of NDC specific administrative data is still relatively limited, not least because NDC boundaries rarely if ever co-incide with existing administrative units. But it will increase through time. During 2004 for instance it is likely that NDC specific crime figures will be available. To assist in the analysis of both primary and administrative data, groupings of 39 'comparator' wards have been identified. Within these areas some 50 responses to the MORI/NOP household survey were obtained, together with equivalent ward based secondary and administrative data. This comparator area data will provide benchmarks against which to assess relative change occurring at the NDC Programme level.

The third major data analysis task surrounded the production of 39 NDC reports. These were designed to reflect on process issues such as the robustness of inter-agency partnerships, barriers to delivery, involvement of Black and Minority Ethnic (BME) communities, wider community engagement, etc. In order to ensure consistency, Partnership level data was collected through a series of standard templates. Typically these were completed by members of the national evaluation team and/or NDC staff following some 15 to 20 interviews with two sets of key players: those working directly with and/or employed by NDC Partnerships, who are referred to as 'The Partnership' below; and also stakeholder representatives from partner agencies, referred to as 'stakeholder agencies'. Examples of stakeholder agencies typically include the police, Primary Care Trusts (charged with local health services), JobCentre Plus (designed to improve access into the labour market), and those holding executive positions in city authorities such as the departments of education, regeneration and housing departments..

The NDC Programme and Community Engagement

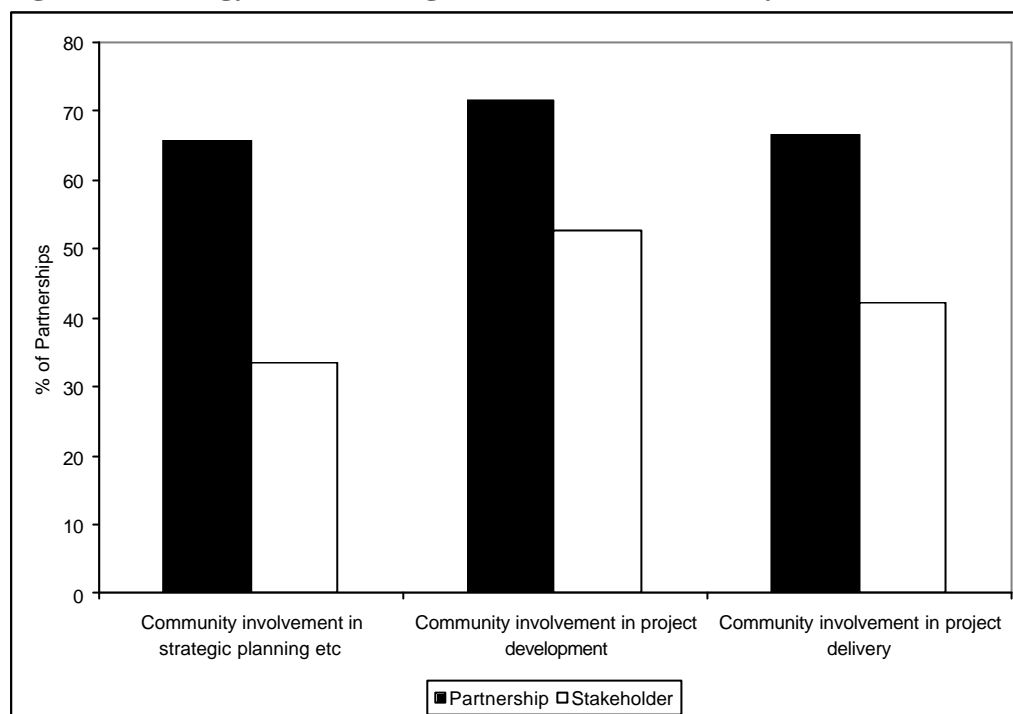
The NDC experiment has a central commitment to 'communities' which in practice tend to be defined, if only implicitly, as local residents and their immediate social infrastructure. In this respect, there are strong elements of continuity from previous ABIs, notably the Single Regeneration Budget (DETR, 1998c) and City Challenge (DETR, 1999). But the overriding emphasis on community engagement gives NDC a slightly different flavour to previous initiatives. This is manifest in several ways. The initiative is seen as likely to fail if it is not built on genuine partnerships involving local residents and others (DETR, 1998b). Residents are to be involved in activities across the board: 'NDC partnerships and programmes are being driven by their communities, and residents are fully involved in the planning and delivery of NDC programmes' (DETR, 2001d, 11). Efforts are to be made to employ local residents wherever possible (DETR, 2000b). In one respect in particular, NDC has made a more specific effort than previous ABIs to engage with a traditionally marginalised sector: Black and Minority Ethnic communities. Although by 2002, race equality was being mainstreamed across neighbourhood renewal as a whole (ODPM, 2002), NDC was already majoring on this two years earlier (DETR, 2000c).

Work undertaken on the national evaluation to date allows three 'community engagement' issues to be unpacked: perceptions as to progress in the area; barriers and constraints; and BME communities in the Programme.

i) Perceptions of Change

One of the objectives of local work undertaken by the national evaluation team has been to establish the, potentially contrasting, views of NDCs and stakeholder agencies. Virtually all of the work undertaken by the national evaluation team has pointed to the latter being consistently less optimistic about progress and change than are NDC. This has been evident in relation to perceptions of community involvement. To give two examples. Thirteen Partnerships think that at least 75% of local community groups are involved with the local NDC. This view is shared by stakeholder agencies in only 8 NDC areas. And when asked if there had been any increase in community involvement in areas such as strategic planning, project development and delivery, Partnerships are consistently more optimistic in their views than are stakeholder agencies as Figure 1 makes clear.

Figure 1: Strategy and Planning: Increase in Community Involvement



Source: NDC Evaluation Team n = 39 Partnerships

ii) Constraints on Community Engagement

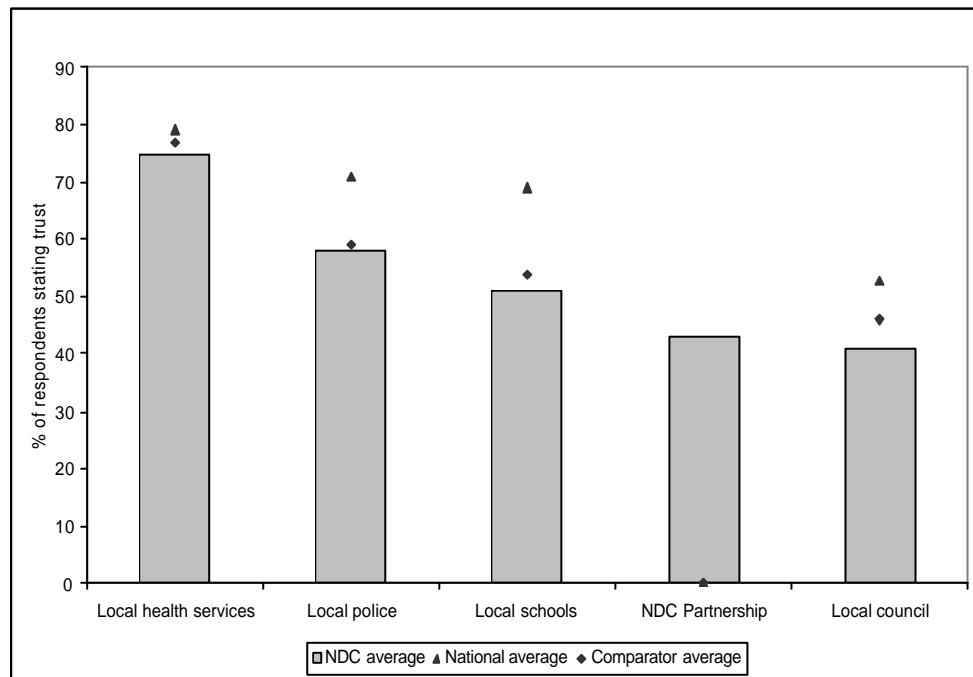
Whatever the merits of these different perceptions of change it is obvious that in line with experience elsewhere, NDCs run into a series of barriers and tensions when attempting to engage local communities. Some of these concerns relate to definitional considerations. What is the local community? NDCs tend, if only implicitly, to see this as local residents. In line with a long standing tradition across English ABIs there tends to be less interest engagement with other groups such as the voluntary sector and business (ODPM 2003). But problems of engagement may well encompass a much wider clientele. One NDC employee commented that 'the whole community is hard to reach'.

Of course engagement is only one step in the process. Once 'engaged' representatives and leaders from communities can be involved in a wide range of tasks designed to support change on the ground. There does appear to be a genuine sentiment on the part of both NDCs and stakeholder agencies that community involvement can help delivery. Both sectors indicate that 'community involvement in planning/delivery' is one of the three (of almost 20) factors which most encourage delivery. But however plausible that perception may be, the reality is that once having been engaged, the standard litany of difficulties tends to undermine longer term commitment: burn-out of activities, declining interest, intra-community strife, disquiet at the operation of formal Boards, lack of remuneration,

formidable time commitments, lack of confidence, lack of perceived skills and so on.

None of this should be seen as at all surprising. NDCs operate in some of the most deprived areas in England. 29 of the 39 NDC areas would fall within the 10% most deprived small administrative areas (wards) in England and all but two within the most deprived 20%. These are disadvantaged areas where there has often been a steady deterioration in economic opportunities and social infrastructure. Partly as result, residents tend to lose a degree of trust in local institutions. Figure 2 indicates the percentage of respondents who say they have a 'great deal' or a 'fair amount' of trust in local organisations. NDCs are seen with local councils as amongst the least trustworthy of organisations, partly no doubt because there is a frequent confusion of the two. Interestingly where national benchmarks exist, levels of trust in all organisations is lower amongst NDC residents than is the case nationally.

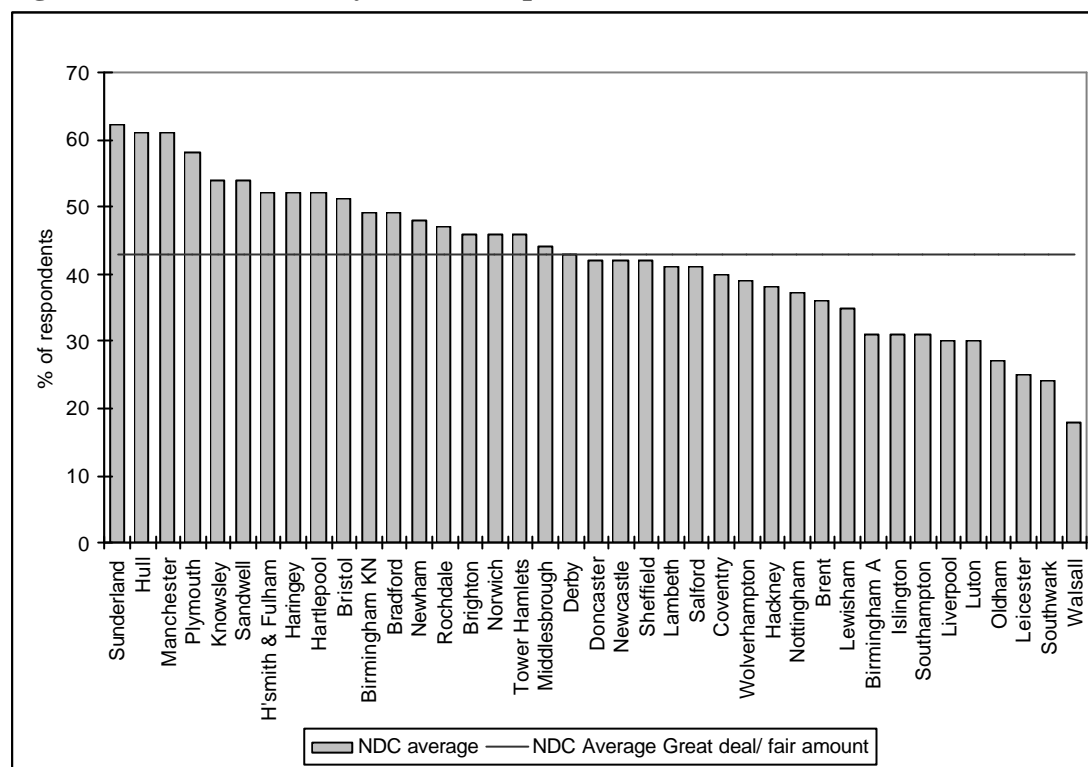
Figure 2: Trust in Local Organisations



Source: MORI/NOP Household Survey 2002 (Note: zero indicates no data available)

This understandable tendency to equate the NDC with the 'local council' is perhaps confirmed in Figure 3 which outlines the percentage of those who, having heard of the local Partnership, have 'a great deal' or a 'fair amount' of trust in it. The range of responses, from 18% to 62%, is remarkable. It is also intriguing to see the especially low figure for Walsall, located as it is in an authority with well known problems.

Figure 3: Trust in NDC by Partnership



Source: MORI/NOP Household Survey 2002

iii) NDCs and BME Communities

As is mentioned above, no ABI has ever placed as much emphasis on BME communities as has NDC. One obvious reason for this is sheer size of this community. Across NDC areas 24% of respondents to the household survey are from BME communities. In 8 NDC areas more than 50% of respondents are from BME communities. In 22 localities, NDCs accommodates higher BME populations than districts within which they are located. In Birmingham Aston the BME population (78% of respondents) is 48 percentage points higher than for Birmingham. Alternatively in Leicester Braunstone the BME population at 4% is 32 percentage points lower than for the city as whole. Race becomes an issue for NDCs in a way which has probably not been true for any previous ABI. In response, many Partnerships have placed a considerable stress on engaging with local BME groups. To give just two examples, Hackney in east London has developed outreach programmes for Turkish and Kurdish groups, and Sandwell near Birmingham has instigated capacity building and capital projects for Yemeni, Sikh, and Bangladeshi groups.

But problems remain. In the 12 months prior to November 2002, BME representation on Boards increased by 16%. But in 26 cases there

were still fewer BME representatives than local BME populations would suggest. One reason for this may be that Partnerships have had problems in engaging with all of the BME groups in their locality. Stakeholder agencies in 31 NDC areas think that the local Partnership has engaged with fewer than 50% of existing BME groups. Engagement with, and the involvement of, BME communities may also be made more complex by an influx of asylum seekers into some NDC areas. 3% of respondents to the household survey indicate that they have applied for refugee status. Three-quarters of refugees are not white. Partly as a consequence, about 15% of respondents across NDC areas indicate that English is not their first language. These trends of changing population and associated language barriers are bound to impact on BME engagement.

But some Partnerships could do more. One third did not have a race equalities strategy or policy in late 2002. Many have not instigated effective systems which would allow them to monitor trends such as the ethnicity of their own employees or assumed beneficiaries of projects which they sponsor. There can be attitudinal problems too. A handful of Partnerships with very low BME populations indicate 'it's not a problem for us'. At least one London NDC alternatively suggests it needs do no more because 'race is mainstreamed anyway'.

Partnership Working and the NDC Programme

The design of NDC is fundamentally rooted in partnership working: 'The NDCs will fail if bids are not built on genuine partnership. We want local people, local businesses, community and voluntary organisations, schools and further education colleges, local authorities and public agencies to work together in inclusive partnerships' (DETR, 1998b, 12). This clearly complements what other ABIs have sought to achieve. A 1998 Interim Evaluation of the Single Regeneration Budget concluded, for instance, that it had 'been a powerful system in cajoling local partnerships rapidly up a steep learning curve so that the vast majority of local partnerships are now genuine and effective...' (DETR, 1998c, 4). Partnership is in turn very much bound up with, and dependent upon, effective working with other agencies: '(NDC) partnerships won't be working in a vacuum, other organisations and bodies are already delivering services and running programmes. They must be drawn into the development of NDC plans from the start and they must be committed to implementing those plans' (DETR, 1998b, 7).

This stress on engagement with other agencies is rooted in at least two impulses. There is a financial imperative: 'NDC money represents only a fraction of the amounts spent in the neighbourhood by mainstream agencies' (DETR, 2001d, 72). At an average of about £50m over 10 years, NDCs receive more than many other ABIs such as City Challenge and many SRB partnerships. But where efforts have been made to tease out what other

mainstream investment is going into NDCs, a common equation tends to emerge: more money is going into most NDCs from mainstream agencies in any year than the £50m which NDC designation brings with it over ten (CRESR, 2001). Second, there is also a parallel debate about the quality of mainstream services. Improved services can ostensibly bring forward a number of benefits, including a legacy after NDC has come to an end (DETR, 2001d). Certainly there is no shortage of official observers prepared to comment on the standard of mainstream services: 'the quality of services provided to urban neighbourhoods is very poor despite the large amount of mainstream funds spent' (House of Commons, 2000, XVI).

i) The Nature of Partnership Working

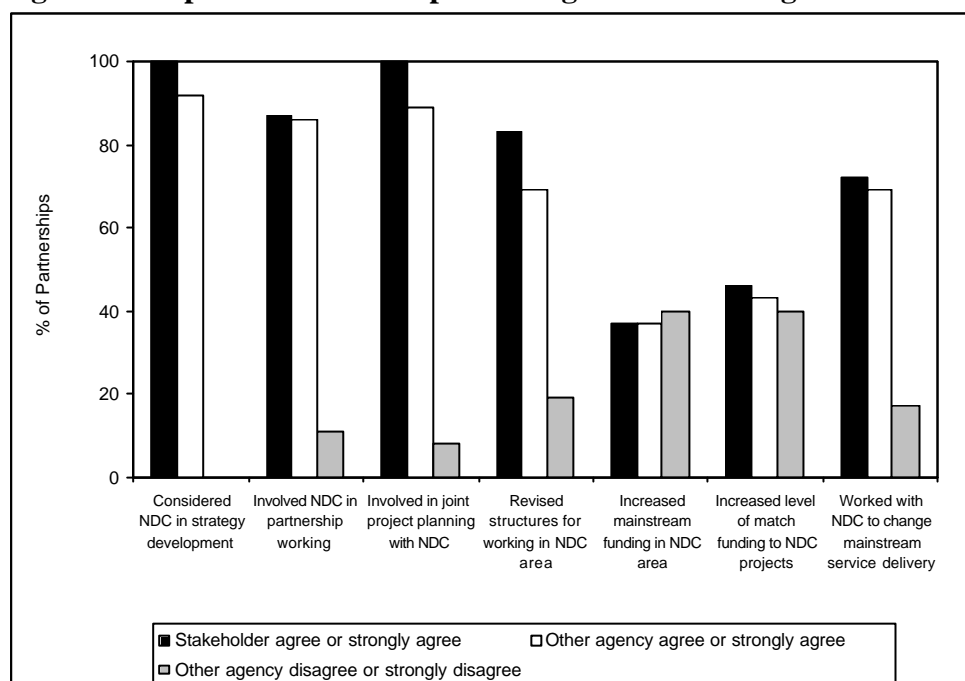
Most Partnerships appear reasonably confident that they have secured appropriate stakeholder involvement. Inevitably experience varies. One or two have received little formal Board commitment on the part of key agencies. Most have however, gained representation from key agencies to mirror the five outcome areas. Typically Partnership Boards include representation from the police, local health services, the city, local housing associations, Chief Education Officer, and so on. Others look to senior local authority personnel and local councillors. Typically Boards tend to be chaired by a 'community leader', although there are examples of independent Chairs, often brought in as a result of locally contentious circumstances. Boards preside over the 10 year strategic planning of the area, liaise with government, and encourage stakeholder agency commitment into the area.

ii) The Perceived Benefits of Partnership Working

There is evidence to point to the direct benefits of working with other agencies. Expenditure data for 2001/2 is available from some 19 NDCs. This suggests that Partnership spending of £32m was supported by £27m from elsewhere, mainly 'other public' sources. It is not currently possible to indicate what proportion of this latter investment would have occurred irrespective of NDC designation. Stakeholder agencies were also asked about the impact on their own activities and attitudes as a result of working in partnership with NDCs. For this analysis alone agencies were divided into two: stakeholder agencies actually represented on NDC Boards, and 'other agencies' in the city which although aware of the NDC tended to have few direct dealings with it. Results are shown in Figure 4. Both sets of agencies are generally positive about the experience of partnership working, especially in relation to strategic development and joint project planning. But interestingly there is a widespread perception that partnership working has not had the same impact on the business end of regeneration: match funding, mainstreaming and improving service delivery. There is perhaps some evidence here for the view that Partnerships can become

talking shops, achieving little of substance over and above what would have happened anyway. More 'other agencies' actually think partnership working has reduced mainstream funding into the NDC area than increased it.

Figure 4: Impact of Partnership Working on Partner Organisations



Source: NDC Evaluation Team n = 39 Partnerships

iii) Tensions in partnership working

Despite local evidence of joint working, it is clear that partnership working is constrained by a series of barriers and tensions. There appear to be four factors here. First, the role of individuals can be decisive. Local authority departmental heads, chief executives and senior agency staff may sit on NDC Boards providing them with real clout. But individuals at this level also have the power to move on. A key player on one city wider agency withdrawing from the Board of an NDC commented: 'I never knew what they (local resident Board members) wanted from us'. Second, it may be that the intrinsic nature of some services militates against ABIs. For instance several observers suggest that the relative lack of involvement of local social services departments is due to their emphasis on individuals and families, rather than area based deprivation. Third, partnership working can be affected by organisational change. The police have probably proved the most supportive of organisations. It may be local police have realised the opportunities which NDCs provide to attack crime in some of the most deprived of localities. Other interpretations have been mooted including police identifying NDC funds as a source of additional spend or as one police Board member commented 'our Chief Constable likes people to have community policing on their CV'. But whatever has driven this

commitment, wider policy changes can ultimately undermine it. The emphasis placed by national government on other problems such as reducing burglary can lead to a reorientation of policy priorities away from issues of vandalism and teenagers on the street, consistently rated as the more pressing issues by NDC residents.

And fourth, Partnerships were also asked about the degree to which agencies were engaging in a range of mainstreaming activities, such as bending projects or resources towards the NDC area, using the NDC Delivery Plan to inform and influence their own activities, supporting projects, and so on. Other recent work has shown the sheer complexities inherent in mainstreaming, in the sense of providing additional resources and/or better services to defined ABIs (Audit Commission, 2002b; NRU, 2002). In general, the evidence from this evaluation confirms this latter view. A few NDCs indicate that mainstream agencies may have actually reduced expenditure to the now apparently 'cash rich' NDC areas. There may also be a lack of organisational capacity within stakeholder agencies through which to provide a 'bespoke and flexible' service to NDC areas. And although those wielding executive authority often indicate broad support for NDCs, those lower down the chain of command may prove less enthusiastic.

The NDC Programme: Cohesion and Complexity

In some respects the NDC Programme has achieved a great deal. Despite vagaries along the way, there remains commitment to all 39 initiatives. Anticipated expenditure patterns had to be reprofiled at an early stage when it became evident Programme wide investment would tend to be loaded towards the end of the 10 year Programme. But reprofiled expenditure of £80m was spent in 2001/2 and more than twice that figure the following year. Partnerships, working in conjunction with partner agencies, have instigated literally hundreds of projects. Yet doubts remain about whether the sheer complexities of the Programme will ultimately undermine its ambition. These concerns fall into two categories: strategic and operational.

i) Strategy in Planning

The assumption has been that the NDC Boards should adopt a strategic approach to the replanning of their localities. This might involve a careful consideration of alternative options, a justified selection of outcomes and defined pathways leading from concise and evidenced baseline problems, through projects, and milestones to quantifiable outcomes (DETR, 2000a; DETR, 2001c). At least in principle, this reflects other guidance stressing the need for ABIs to take a longer term view and to locate their activities within wider policy and spatial markets (English

Partnerships *et al.*, 2001; HM Treasury, 2000). However, there is a sense that longer term planning at the Partnership scale is characterised by ad-hoc, reactive decisions rather than by any sense of rationality. This emerges in three ways.

First, resident led Boards reveal an enthusiasm for 'safe and clean' quick wins on projects such as environmental clean-up schemes, and less interest in themes such as education and health. Evidence available on spending by outcome theme for 2001/2 indicated that at that stage health had attracted less financial commitment than had the four other theme areas of housing, education, crime and jobs.

Second, planning needs to be informed by baselines. During the early Scoping phase of the evaluation in early 2002, some 19 NDC baselines were analysed in detail. There are well understood problems which have traditionally impaired small area data analysis (SEU, 2001b). These constraints were evident in some of the NDC baselines. There was then a lack of secondary and administrative data appropriate to these small 'non-standardised' localities. This can be an especially severe problem in dealing with issues such as educational attainment per pupil where surrogates based on equivalent secondary school data are inappropriate for small areas such as NDCs. Not all NDCs carried out a baseline household survey. When they did so, quality control problems arose. These included the use of 'quotas' which can affect the statistical reliability of results, and the decision by some NDCs to employ local people, which can again create problems in relation to the reliability of data addressing sensitive issues such as income.

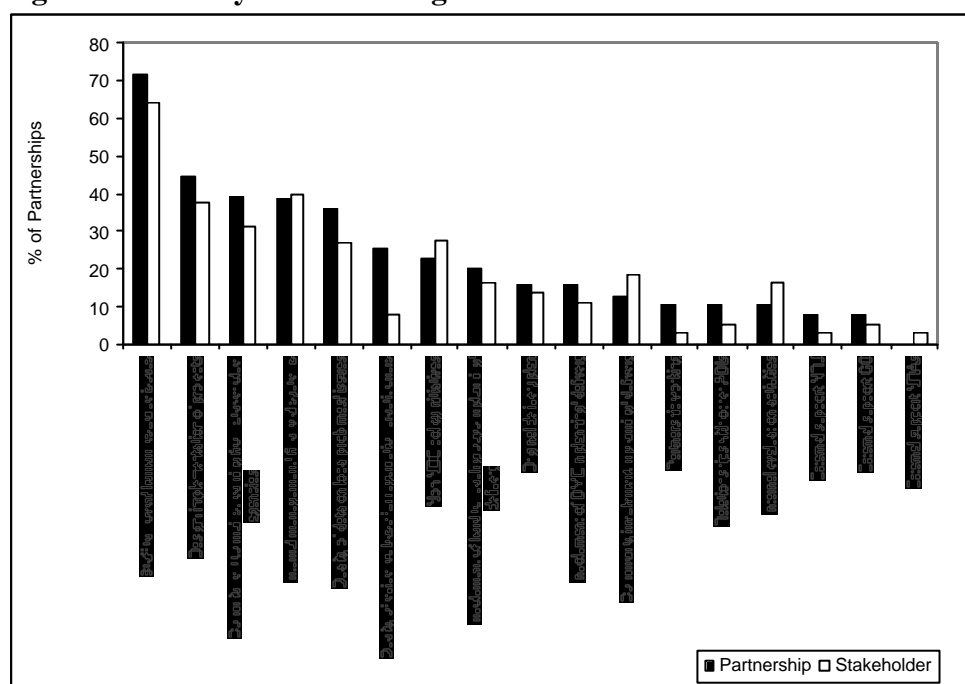
Third, strategic planning is guided through longer term Delivery Plans. In order to get NDCs off the ground, Interim Boards often commissioned external consultants to produce Plans for approval by government. Some of these are now outdated as a new generation of Plans emerges following a third year review. It is not yet clear how plausible and realistic this new tranche of Plans will prove to be. But the originals had their problems (Hickman, 2001; Sanderson 2001). Many were based on the implementation of specific projects whose relationships to identified problems or ultimate outcomes were often unclear. On occasions, Partnerships seemed not to have thought out inherent contradictions in proposals. For instance, where outcomes included increasing private sector accommodation or raising house prices, not all had thought through what the implications of these changes would be for existing residents. And many were simply too ambitious. A desk-based review of plans undertaken in 2002, established that Partnerships had identified more than 250 separate outcomes and intended to implement more than 450 projects (CRESR, 2002). One Partnership had identified 69 separate outcomes and the average was more than 40. There must be doubts as to whether any ABI could realistically achieve such a complex range of outcomes or indeed whether

there is any evidence base against which to judge the appropriateness of these outcomes and associated projects (DETR, 2001b).

ii) Operational constraints

A number of operational considerations have constrained activity. Figure 5 tabulates the major constraining factors on delivery according to both Partnerships and stakeholder agencies.

Figure 5: Delivery: Constraining Factors



Source: NDC Evaluation Team n = 39 Partnerships

Many of these constraints are essentially operational: staffing and other Human Resource issues, design and implementation of projects, and internal management systems. In discussions with NDCs it has become evident that a shortage of suitably qualified and experienced staff is having an impact on delivery across the board. But there are subtle nuances here. London NDCs seems to have particular problems in recruiting staff at all levels; several Partnerships identified the particular difficulties of recruiting people with experience of neighbourhood renewal and health and education; and some Partnerships have encountered problems in recruiting/retaining Chief Executives. This last problem is potentially of concern. Evidence from 2001/2 pointed to a relationship between NDC Partnerships lacking a permanent Chief Executive and underspend.

Staff shortages can in turn impact on the introduction and effective use of internal systems. The 39 evaluation teams thought that risk management systems were 'working well' in less than one-quarter of NDCs.

Less than a third had introduced an evaluation plan by November 2002. And at that stage only a handful had monitoring systems in place which allowed them - and others - to be able precisely to indicate total project spending, outputs, beneficiaries, and planned outcomes. Lacking these internal management systems makes it more difficult for NDCs to be in any position to change what they are doing. As one member of a local evaluation team commented 'they are heading where they are going'.

Evaluating New Deal for Communities 2002/3: Discussion

Early findings from this evaluation informs three wide debates: institutional issues surrounding the degree to which NDC 'fits' the wider policy context; freedoms and controls; and pragmatism versus ideology.

The NDC Programme is premised on the assumption that mainstream agencies will remain broadly supportive for fully ten years. This assumption may prove overly-optimistic. For instance immediate national policy demands can make continuing commitment impossible. The major and unanticipated stress in Summer 2002 on attacking street crime temporarily undermined commitments made by some police forces. Prevailing leit-motifs can change. NDC was originally a central component in Labour's 'New Deal' commitments of the late 1990's. However, the policy environment has moved on. The Regional Co-ordination Unit has for instance made efforts to rationalise what had become a raft of ostensibly confusing ABIs (RCU, 2002). More fundamentally, some policy documents such as the Community Cohesion (Cantle) Report have cast doubt on the very rationale for ABI designation: 'much more emphasis (in creating community cohesion) should be placed upon thematic programmes, with a more universal approach, rather than those locked on to particular geographic areas' (Home Office, 2002, 27). This view was in turn reflected in a 2003 House of Commons Committee Report which concluded that 'there remains a plethora of area-based initiatives..... the Regional Co-ordination Unit (should) continue its plans to reduce area-based initiatives and work to enhance the integration of those remaining programmes' (House of Commons 2003, 23). By 2002, NDC was operating in a policy environment within which the whole notion of ABIs was coming under increasing scrutiny.

Other institutional issues have come increasingly to constrain the Programme. A deepening emphasis is being placed on 'better policy making'. This has become a dominant theme for those in government (CMPS, 2001). Prima facie, it might be anticipated that ABIs such as NDC can only benefit from macro-trends such as 'joined up policy making', the use of evidence and 'community planning' (CMPS, 2001; Smith, 2000). However, at the level of implementation, stress has been placed on processes such as audit (Audit Commission, 2002c), negotiation amongst

agencies and tiers of government, benchmarking, best value, and so on. These concerns are not irrelevant to ABIs. But those majoring on say best value may at best pay lip-service to ABIs and local services generally. Work at the NDC level in 2002/3 pointed to a dissonance between the neighbourhood level scale of intervention inherent to NDCs and the district level intervention central to the new agencies designed to look at regeneration across cities: the Local Strategic Partnerships (LSPs). As one member of the evaluation team commented: 'the NDC is additional, not integral, to the LSP'. Key players in agencies have already started to move 'upwards' from NDC Boards to the LSP. 90% of NDCs reported changes to Board membership in 2002. Perhaps one reason why agencies, are distancing themselves from NDCs is exactly because they raise very specific problems which are intrinsically complex. Achieving effective horizontal integration in any small urban area of 'vertically' structured services, operated by different agencies, working to contrasting agendas is difficult to effect. Even if agencies were able to do this in NDCs, there is no guarantee that these lessons can be rolled out across entire cities: NDCs have odd boundaries, peculiar governance structures, and a captive £50m. These features do not reflect experience in the vast majority of deprived urban areas. The total population in all NDC areas is about 430k. The SEU argues that at least 4m people live in deprived neighbourhoods. And finally there may be another reason why agencies may be reluctant to invest in NDC areas: lack of a suitable evidence base. The Review of the Evidence Base for Regeneration concluded that much of the existing evidence was relatively weak, there being in particular a shortage of information on relationships between interventions in ABIs and longer term outcomes (DETR 2001b). Given the paucity of the existing evidence base, how can agencies be reassured that interventions in NDC areas will 'work'?

A second broad area of debate relates to freedoms and controls. NDCs, in common with all ABIs, are essentially implemented by a dualistic power model: central government lays down the common principles through which the ABI is to be organised, but implementation is undertaken through a local board. What made NDC different was that government, was initially prepared to promote more in the way of local freedoms than had usually been the case. This approach certainly loomed large in guidance to the 17 Round 1 NDCs: 'The key to NDC is that it is flexible and very local...; the very local focus will allow communities to identify closely with the programme and be actively involved' (DETR, 1998b, 5). The NRU continues to argue for locally determined solutions to problems evident in NDC localities, but there has been a tightening of the reins. In part, this reflects doubts as to the ability of all Partnerships to deliver effective programmes of change. In 2002/3 7 Partnerships spent less than 80% of the initial forecast. Six managed to spend less than £2m in all. A small number are encountering severe problems in delivering lasting change.

Nevertheless, changes in how NDC Partnerships are to operate have proved gradual rather than seismic. Partnerships have been encouraged to place more emphasis on the evidence base in order to create a more strategic approach and not one driven by the implementation of long cherished projects; Neighbourhood Renewal Advisers have been trained to provide bespoke guidance; and an increasing emphasis has been placed on a performance management system stressing themes such as leadership, robustness of partnership, inter-agency working and, crucially, results. These trends should not be seen as representing a sea-change in attitude. But it can be argued that, in its first five years, NDC has evolved from a model based loosely on 'decentralisation, local negotiation, and introversion' to one more clearly rooted in 'centrally imposed, locally effected, performance management'.

Finally how does NDC fit within the pragmatism/ideology equation? Everything about the Programme (relatively limited spatial coverage; ten year focus; and emphasis on community engagement and inter-agency involvement) suggests that efforts to badge it as a 'state sponsored bail out' are difficult to sustain. Those exploring the role of NDC within the Labour government's National Strategy for Neighbourhood Renewal are surely correct in identifying it as a pragmatic development of a long standing reformist policy stream (Hall and Hickman, 2002; Tiesdell and Allmendinger, 2001). NDC fits centrally into that raft of essentially supply side 'New Deal' initiatives which Labour instigated after its 1997 election, designed to re-embed individuals and communities within the mainstream. On the wider canvas, it remains a relatively marginal instrument in attacking social deprivation across the piece (Oatley, 2000). Nevertheless, commentators have assessed the degree to which NDC, and more generally Labour's approach to neighbourhood renewal, reflect a 'third way' which can be distinguished from the New Right perspective effected by John Major's administration in the early to mid 1990s (Powell, 1999; Tiesdell and Allmendinger 2001). There are similarities: the emphasis on market solutions and the search for 'consensual' partnerships leap to mind. But there are differences as well. Post 1997, there is more of a communitarian feel to urban policy, classically reflected in NDC (Hill, 2000), and there has been an attempt too to locate NDC within wider conceptualisations of change, notably social exclusion. The agendas assumed of NDC are more explicitly comprehensive than for previous ABIs such as UDCs, City Challenge or SRB. And, as is evident in, for example the 2002 Spending Review (HM Treasury, 2002), there is a much stronger emphasis on delivery than has been evident in previous ABI policy. Whether these changes post 1997 collectively constitute a definable 'New Labour' approach to urban renewal remains debatable. Partnerships operate in a political world where priorities and ministers change and where the drive for 'delivery' tends to sit somewhat uneasily with a sense of rationality in local policy making. In political terms this uncertainty has been seen as helping to explain and

sustain a form of locality managerialism rooted in an incrementalism designed to 'deliver projects' and 'spend budget allocations' (Chatterton and Bradley, 2000). But NDC also provides a potentially more volatile political cauldron, exactly because of the nature of its design: intensive, multi-agency, and long term. In this atypical context, those working in, or with, NDCs, and those benefiting from them, have ample opportunity to develop, destroy, re-create, or influence what has already proved in some locations to be an intense local political discourse driven by the rewards embedded within a £50m locally determined budget. In the longer run, notions of locality based regimes (Miller, 1999) may well prove to be an especially useful device within which to explore changes on the ground.

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