

## Urban Regeneration: is there a future?

Paul Lawless\*

Centre for Regional Economic and Social Research, Sheffield Hallam University

---

### Abstract

Evidence regarding outcomes from area regeneration schemes has been substantially enhanced with the publication of the final reports from the 2001-2010 New Deal for Communities (NDC) evaluation. Policy implications arising from this work suggests there is an argument for area regeneration programmes because they achieve change in relation to place. However, people-based change may best be left largely to existing agencies, the community dimension needs to be focused and instrumental, partnership working should primarily revolve around engaging with agencies having a remit over 'place', and the whole policy arena needs to be given a sense of realism: even in this relatively generous ABI, total per capita funding amounts to about £100 pa, per outcome. There must be considerable doubt as to whether central government will continue to fund regeneration policy in the current financial climate.

Keywords: Area regeneration; New Deal for Communities.

---

### Setting the scene

For more than forty years governments of both major political parties have instigated initiatives designed to moderate the scale of social, economic, and/or physical disadvantage in 'pockets' of urban England. Typically these Area Based Initiatives (ABIs) have been allocated relatively limited resources through which to tackle pre-defined problems for pre-determined periods of time, normally around five to seven years. Taking a forty year overview, more important ABIs include the Urban Programme, Urban Development Corporations, Enterprise Zones, City Challenge and the Single Regeneration Budget (SRB). It is difficult to get a clear sense of how successful many of these ABIs have been. Even when evaluations were commissioned, many of these were carried out towards the end of the initiative concerned. And virtually none of these evaluations were able to secure robust change data. Assessing impact has anyway always been tricky for ABIs because of the problems of establishing the counterfactual: 'what would have happened if this programme had not gone ahead'? It is not clear either that any work has been undertaken looking at what these Initiatives left behind as longer-term legacies. In this traditionally 'evaluation-poor' context, it is somewhat surprising to see observers feeling able to make bold assessments in relation to this policy strand as a whole: 'urban policy has not worked'<sup>1</sup>. There might have been

enough change data to comment on the performance of cities and towns as **entities**. The reality is that there has never been enough evidence to make robust assessments about the impact of ABIs on **areas within cities**. Yet it would be unrealistic to claim that many ABIs could ever have reinvigorated entire cities and towns. Many have been charged with improving defined, sometimes quite small, areas, and the lot of those living within these at the time of designation. And in that 'area' context, we do now have far more in the way of evidence about the impact of ABIs than ever before.

### **The New Deal for Communities (NDC) programme**

The NDC programme was launched in 1998 designed to close the gaps between 39 deprived areas in England and the rest of the country. For two reasons it is not implausible to argue that this is one of the most significant ABIs ever devised in England, and conceivably anywhere. First, the architecture of the Programme specifically addressed apparent shortcomings in previous ABIs including 'short-termism', lack of focus, and inadequate community engagement. This is a ten year ABI; it is designed to achieve change in relation to six pre-defined outcomes, three people-related: education, worklessness, and health, and three place-based: community, crime and housing and the environment; and the 39 NDC Partnerships working with other delivery agencies, were to place 'the community at the heart of the initiative'. Second, from the outset this was to be an ABI rooted in learning. A £25m evaluation was commissioned in 2001 designed to identify the impact of the programme in all 39 areas and on their residents. What are the key lessons for policy from this unprecedented evidence base?<sup>2</sup>

#### ***What might regeneration policy ideally look like?***

It is only possible here to reflect on some of the key highlights from the NDC evaluation. But five policy implications are worth particular emphasis.

First, ABIs tend to improve places, rather than the fortunes of individuals within them. The impact of the NDC programme lies very much around positive net change in relation to indicators such as thinking the area and its environment have improved. There is no evidence of positive net change in relation to worklessness, or education. Some health indicators, notably with regard to mental health, did see positive change in that period 2002-2008. But this probably reflects strong associations between mental health and place-based interventions designed to improve the local area and reduce crime. ABIs improve places, and that is what they should focus on. The government has placed a strong emphasis on regeneration policy achieving employment and economic development objectives<sup>3</sup>: those goals are better suited to interventions at city-regional and national scales. And, what is the point in creating separate 'area strategies' for health and education when most of the expertise and the vast proportion of relevant resources will remain within mainstream agencies, notably Primary Care Trusts and schools?

Second, the community dimension is fraught with problems. The NDC narrative certainly points to **individuals** benefiting from their engagement with their local Partnership. But there is no evidence that at the area level this is reflected in positive change with regard to social capital indicators, such as trust in local institutions or residents thinking they can influence local decisions. Moreover, some NDC areas have been characterised by intra-community strife, often driven by race and geography. There has been simmering resentment too in some NDC areas between local residents wanting to improve housing for the benefit of the existing population, running into the reality that major refurbishment schemes will almost always require private sector

investment and a consequent increase in owner-occupied housing which local residents will not be able to afford. Local residents need a say in how regeneration programmes pan out, but they neither have the skills or desire to run projects, nor are their views necessarily right.

Third, the evidence base points to certain aspects of the NDC model being more successful than others, lessons with implications for other regeneration programmes. For instance, bigger projects, bigger Partnership boards and bigger NDC areas were associated with more positive gains than smaller ones: size matters. And maybe too, the ten year horizon adopted by the Programme imposed too much of a straight-jacket. Local strategies rooted in modest area improvements can be carried out in three or four years: a lot of the change identified by the evaluation occurred in the first few years of the Programme. On the other hand, major housing refurbishment schemes will require at least ten years. Regeneration schemes need to be informed by local needs and local priorities.

Fourth, NDC Partnerships have worked assiduously with a wide range of existing partner agencies in order to achieve positive outcome change in relation to all six outcomes flagged up earlier. There are lessons in this experience. Some agencies with a 'neighbourhood' remit, notably the police, have generally been supportive of the initiative. Others have been less so, either because, like social service departments, their central remit is about individuals and families and not places, and/or because their primary objective is about attaining national, not local, targets. And as has traditionally been the case in area regeneration programmes, NDC Partnership have struggled at times to get agencies to see any need to focus on, these 39 apparently arbitrary areas, in receipt of time-limited regeneration funding. Why should existing mainstream agencies provide more resources to areas which anyway each receive £50m of additional NDC funding? And one can see their point. As one London NDC Chief Executive points out, other delivery agencies in his patch have been extremely helpful in telling the NDC how to spend its money, but far less helpful in changing their own plans to benefit the NDC area! In dealing with existing mainstream organisations, regeneration agencies need to be outcome focussed, realistic in terms of what can be achieved, and selective with whom they engage.

Finally, an issue consistently thrown up by regeneration initiatives, is that tension in achieving an appropriate balance between central government, on the one hand, with local government and local residents, on the other. The NDC Programme was launched, devised and funded by central government. But the detailed implementation of the 39 strategies was down to the 39 Partnership Boards, subject to approval by Government Offices for the Regions. There are always going to be debates about what should be prescribed by the centre and what should be picked up locally. In many respects maybe this model was not that far wrong. Central government was able to point Partnerships towards the evidence base; good practice could be shared; appropriate management information systems installed; community dominated Partnerships encouraged to lift their horizons away from 'grime and crime' towards other issues; and so on. Maybe this model tilted too far towards the centre: why did all 39 have to achieve positive change with regard to all six outcomes, for instance? There could have been more scope for local initiative there. There is a case for having an indicative framework laid down by the centre, with local authorities, agencies and residents providing local colour.

So in very broad terms reflecting on the emerging NDC evidence base, then:

- there is an argument for area regeneration programmes—they achieve change in relation to place
- people-based change is best left largely to existing agencies
- the community dimension needs to be focused and instrumental
- partnership working should primarily revolve around engaging with agencies having a remit over 'place'
- there is sense in having a centrally defined framework, within which local agencies and local residents define local strategies
- and the whole policy arena needs to be given a sense of realism: even in this relatively generous ABI, total per capita funding amounts to about £100 pa, per outcome: far and away most of the money going into regeneration areas will still come from mainstream agencies.

### ***Will any of this happen?***

It is intriguing to see that regeneration as such does not appear to figure in any policy statements emerging from the three main political parties. Housing and local government are addressed, but not regeneration as such. In a way that tells its own tale. Regeneration is not, and never has been, a major mainstream activity. In a period of, possibly severe, retrenchment in public spend that could work both ways: spend may be too insignificant to figure on the radar; or it might be an area which all parties can see as expendable. Perhaps, the smart money might be on the retention of some kind of regeneration policy. There is anecdotal evidence suggesting that if elected the Conservatives may reintroduce a modified SRB or a new version of City Challenge. It is not hard to see why there could be a reluctance totally to abandon area regeneration initiatives. These are not expensive programmes; they are ideal for ministers wanting to innovate thus furthering political careers; and the use of shadow pricing in the NDC evaluation, shows that monetisable benefits can be seen to exceed costs: these programmes offer value for money, an increasingly vital consideration in ensuring the continuation of any public policy.

However, if regeneration schemes are retained there seems every possibility that local authorities, working with local 'communities', will have a far bigger say in their implementation. If there is one theme central to policy thinking across all three main parties it is that of their apparent desire to enhance 'localism'. On the whole, if the balance between the centre, and the local, switches from the former to the latter, then that is bad news. The existing evidence base will not be used as it should be; reducing the role of the centre is based on over-optimistic assumptions about the depth of expertise and experience at the local level; what the 'community wants' will tend too easily to reflect what happens: there needs to be more, not less, professional challenging of platitudinous, and populist notions; and, as it seems likely central government would not be prepared to oversee any collective evaluation of locally devised regeneration schemes, there will be no further enhancement of the evidence base.

p. 28. Urban Regeneration: is there a future?

## Notes

<sup>1</sup> T Leunig and J Swaffield 2007 Cities Limited, Policy Exchange, 45.

<sup>2</sup> All reports from the NDC evaluation can be accessed at: [http://extra.shu.ac.uk/ndc/ndc\\_reports.htm](http://extra.shu.ac.uk/ndc/ndc_reports.htm)

<sup>3</sup>CLG (2009) Transforming places, changing lives: taking forward the regeneration framework.

★ Correspondence Address: Paul Lawless, Centre for Regional Economic and Social Research, Sheffield Hallam University Unit 10, Science Park, Sheffield, S1 1WB  
[p.l.lawless@shu.ac.uk](mailto:p.l.lawless@shu.ac.uk)

The author is writing in a personal capacity.