



Centre for Local
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briefing

Area Based Initiatives – do they deliver?

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Introduction

Area Based Initiatives (ABI) have been used by UK governments for nearly forty years to tackle the problems associated with urban deprivation¹. These initiatives have typically been time-limited programmes designed to address a particular issue within a locality or a combination of problems.

Since Labour came into power in 1997, the scale of area based initiatives has increased to match the ambitious goals Labour set itself in eradicating child poverty and social exclusion. The initiatives that have been implemented have been designed to improve conditions in the poorest neighbourhoods so that within 10-20 years no one should be disadvantaged by where they live.

The use of area-based initiatives to tackle social deprivation has always provoked diverse reactions among practitioners. They have either been viewed as important means of democratic renewal, community engagement and practical problem solving in deprived areas or have been portrayed as a diversion from more fundamental policies to tackle the root cause of inequality and deprivation².

This CLES briefing will explore the impact on deprived communities by one of Labour's biggest area based initiatives – the New Deal for Communities (NDC) Programme. The Department for Communities and Local Government recently published a series of reviews designed to look at the activities undertaken by the NDC Partnerships. The briefing provides a summary of the results and conclusions of this report and some analysis of the key impacts the programmes have had on communities and the lessons that have been learnt. The briefing will finish with CLES' thoughts on the possible future of these types of initiatives.

The New Deal for Communities Programme

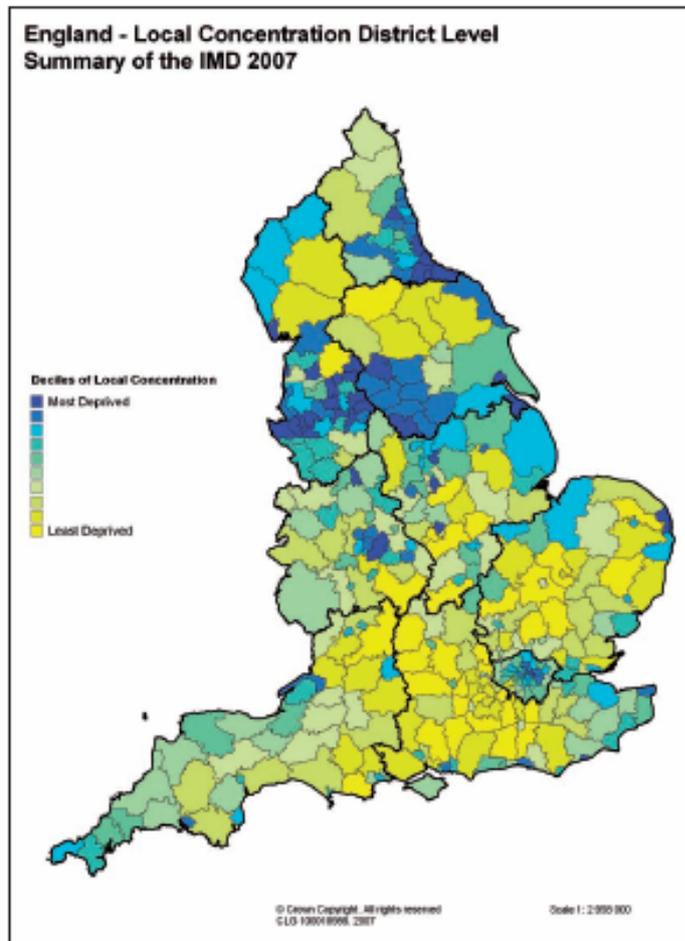
Research produced by the Cabinet Office's Social Exclusion Unit confirmed that the poorest neighbourhoods in Britain are unevenly distributed. This is confirmed when looking at the Indices of

¹ Lawless *The New Deal for Communities programme in England: is area based urban regeneration possible?* 2007
http://www.gla.ac.uk/media/media_45376_en.pdf

² Lupton and Turok *Anti-Poverty Policies in Britain: Area-based and people-based approaches*
http://www.gla.ac.uk/media/media_72848_en.pdf

Deprivation 2007 results. The geographical spread of deprivation is concentrated in London, the core cities and their surrounding districts, and smaller industrial areas in the North and Midlands, correlating strongly to former key industrial sites and areas that grew up serving the mining or steel industries. Figure 1, below, shows the local concentration at district level. Districts in the category most deprived 10% of districts on this measure are concentrated in the North East – 26% of its districts (6 districts) and the North West – 40% (17 districts). The South East has no districts in the most deprived decile³.

Figure 1



There was recognition that there needed to be a concentrated effort to support these areas that had suffered disproportionately from the restructuring of the economy. The New Deal for Communities programme was launched in 1998 to tackle this inequality and became a central part of the Government's strategy for regeneration in the most deprived areas across the country.

The New Deal for Communities programme was designed to enable programmes to deliver initiatives which had been developed with maximum community involvement, rather than imposed on a locality by various government agencies and organisations. The NDC programme was meant to embrace the Cabinet Office's Social Exclusion Unit definition of effective neighbourhood renewal:

"neighbourhood renewal starts from a proper understanding of the needs of communities. Communities need to be consulted and listened to, and the most effective interventions are often

³ Department for Communities and Local Government *The English Indices of Deprivation 2007*
<http://www.communities.gov.uk/documents/communities/pdf/733520.pdf>

those where communities are actively involved in their design and delivery, and where possible in the driving seat."⁴

Partnerships were established in 39 locations across England, and their role was to devise and implement ten year long strategies to reduce the disadvantage suffered in deprived localities. The programme's objective was to achieve the holistic improvement of the 39 areas by improving outcomes across six themes:

- three 'place related' outcomes: crime, the community and housing and the physical environment;
- three 'people related' outcomes: education, health, and worklessness.

Seventeen pathfinders⁵ were announced in Round 1 in 1998 and a further 22 areas in Round 2 a year later. Ten partnerships were created in London; two were in Birmingham and the rest in the major cities and towns across England. The NDC programme had around £2 billion allocated to it over the ten years, although Government always anticipated that there would also be additional 'matched' investment from other public sector agencies. Therefore Government funding meant that there was roughly £50 million available for each NDC to invest over the ten years. This level of funding amounted to substantially more than had been made available to any previous English urban regeneration programme⁶.

Interventions delivered by the New Deal for Communities Partnerships

With the NDC schemes coming to an end, the Department for Communities and Local Government (DCLG) has recently released a series of reports reviewing the activities undertaken by the NDC Partnerships from the start of the programme in 1999 until early 2009 across a number of thematic areas and the impacts generated. The next section of the briefing will concentrate on summarising the key outcomes identified within the review documents and the lessons that have been learnt. The documents that have been reviewed are:

1. *Interventions in housing and the physical environment in deprived neighbourhoods*⁷
2. *Improving attainment? Interventions in education by the New Deal for Communities programme*⁸
3. *Improving health outcomes in deprived communities: Evidence from the new deal for communities programme*⁹

Housing and Physical Environment

Housing and the physical environment was a key area for the NDC Programme and it received a larger proportion of programme expenditure than any other theme. It is recognised that the quality, cost and accessibility of housing and the standard of the wider physical environment plays an important part in the creation of successful sustainable communities. This report was released to help explain how and why changes occurred in the NDC neighbourhoods in relation to housing and the physical environment interventions.

⁴ Cabinet Office – Social Exclusion Task Force http://www.cabinetoffice.gov.uk/social_exclusion_task_force/about_us.aspx

⁵ Pathfinders are projects which have previously not existed and are a new concept for Government to test potential delivery mechanisms.

⁶ Department for Communities and Local Government *New Deal for Communities is turning around England's most deprived areas* 2008 <http://www.communities.gov.uk/news/corporate/694120>

⁷ Department for Communities and Local Government *Interventions in housing and the physical environment in deprived neighbourhoods - Evidence from the New Deal for Communities Programme* 2010 <http://www.communities.gov.uk/publications/communities/interventionsinhousing>

⁸ Department for Communities and Local Government *Improving attainment? Interventions in education by the New Deal for Communities Programme* 2010 <http://www.communities.gov.uk/publications/communities/improvingattainmentinterventions>

⁹ Department for Communities and Local Government *Improving health outcomes in deprived communities - Evidence from the New Deal for Communities Programme* 2010 <http://www.communities.gov.uk/publications/communities/improvinghealthoutcomes>

NDC spending, projects and outputs in the housing and the physical environment domain

Up to March 2008, NDC Programme spend on housing and the physical environment amounted to just over £427.3m. Proportionally, 31% of NDC spend was on housing and the physical environment. This is a higher level of spend than on any of the other five themes, and is indeed only slightly less than spend on worklessness, crime and health combined.

Between 1999–00 and 2007–08 housing and physical environment outputs from the programme included:

- 31,057 homes have been improved or built, just under 19,800 of these dwellings are estimated to be 'additional' that is, they would not have been improved or built without the presence of the NDC Partnership;
- 126 other buildings in the neighbourhoods have been improved and brought back into use, 96 are estimated as 'additional';
- 170 waste management recycling schemes have been implemented, of which 133 are estimated as 'additional'.

Moving from inputs to the outcomes of housing and physical environment interventions within the NDC Programme, and setting these against change in the comparator areas, the findings indicate that:

- by 2008, 84% of NDC residents stated that they were either very, or fairly, satisfied with their accommodation, this was 2% higher than in 2002, and the same degree of change as amongst comparator area residents;
- by 2008, 74% of NDC residents were very, or fairly, satisfied with their area as a place to live, 13% higher than in 2002. The rate of change was especially pronounced in those areas where levels of satisfaction had been low at the beginning of the NDC programme;
- between 2002 and 2008 there was no change in the proportion of NDC residents wishing to move from their current home, at 39 per cent.

Lessons learnt and implications

The evidence generated from this research suggests that the housing and physical environment component of regeneration programmes did make a difference to conditions in deprived areas. Outcomes such as reducing empty buildings, increases in house prices (this may have recently been affected by the recent recession) and lower rates of recorded crime have all been credited to housing renewal initiatives.

Key strategic messages that came out from the research and could be used to shape future policy and practice include:

- **housing investment** initiatives have an important role to play in improving the infrastructure of housing estates but a 'bricks and mortar' approach is, in isolation, unlikely to contribute to the wider social and economic regeneration of deprived areas;
- **demolition** can prove a distressing experience and the process needs intensive management and community support to minimise disruption;
- effective **housing management** can improve both service standards and the quality of life of residents, although there is an unresolved debate about whether it needs to be provided on-site;
- **involving residents** is costly, time-consuming and may generate conflict but it is widely regarded as essential in securing commitment to housing improvement programmes;
- **sustaining outcomes** once programme funding ends depends on developing an effective exit strategy that secures commitment and funding from mainstream providers; the case for engaging residents throughout to ensure the long-term viability of projects is less clear-cut;
- a **holistic approach** based on multi-agency partnerships committed to achieving shared objectives is a crucial component of effective housing renewal programmes though implementing such an approach can prove difficult, not least in aligning timescales and ensuring all partners remain equally committed throughout the process.

Educational Attainment

Spatial concentrations of disadvantage demonstrate themselves in a variety of ways but arguably education can be seen as one of the most important, since educational attainment can be a good predictor of a wide range of adult outcomes. Various factors affect educational attainment, including neighbourhood, household income, parental socio-economic status and educational background, gender and ethnicity. On all these indicators, gaps have closed in recent years, but it still remains a substantial problem. The research found that of all the indicators of spatial disadvantage, education may be the most important, but it is also amongst the most difficult to tackle.

Change in education outcomes in New Deal for Communities areas

All NDC partnerships included within their lifetime targets aspirations to close the gap in their residents' levels of educational attainment.

At the start of the Programme there were substantial variations in levels of educational attainment, across NDC areas and their parent local authorities. In 2002, the percentage of pupils gaining five GCSEs at grades A*–C ranged from 46% (in the Newham NDC area) to under 5% (in the Coventry NDC area). These figures demonstrate very clearly how the 39 NDC areas started from very different positions and faced different challenges.

Since 2002, there have been improvements across all indicators and in all 39 NDC areas, in some cases to a very substantial extent. Between 2002 and 2008 scores in NDC areas went up, for English, maths and science SAT scores at both Levels 2 and 3, and for the percentage of pupils gaining five or more GCSEs at grades A*–C. In every case, improvements across the NDC Programme as a whole have outstripped improvements at the national level. Although there have been variations *between* partnerships, for the Programme as a whole, the gap has closed to some extent between educational standards in NDC areas and the national average.

However, there have also been improvements over the period, across all the indicators, in the comparator areas as well. In fact, educational performance has improved faster than the national average for pupils from disadvantaged backgrounds and in deprived areas generally, including non-NDC areas. Therefore the research identified that ***there was no evidence that the presence of the NDC partnerships made a decisive difference*** - other disadvantaged areas did broadly just as well.

Lessons learnt and implications

While educational attainment has improved in all NDC areas, in some cases substantially, the research evidence strongly suggests that other factors, beyond any NDC intervention, played a major part and indeed may have been decisive. The review document showed that improved standards in NDC areas owe at least as much to changes in the national policy framework as they do to interventions by the NDCs.

For most NDCs, the evidence presented in DCLG's report suggests that supporting school-based interventions is not necessarily the most efficient means of improving educational attainment for children who are residents of the area. One area where the NDCs did add value was when they supported increased and enhanced parental involvement in their children's education, particularly when it encourages support for learning in the home.

Secondly, it was found that the NDCs could have focused a greater share of resources on out-of-school activities, which evidence suggested are vital for children's learning. Investment in out-of-school activities also would have allowed NDC programmes to be more precise in the targeting of benefit than it could through schools-based investment.

Health

Over the lifetime of the NDC Programme there have been a lot of national policies, strategies, programmes and actions which aimed to tackle health inequalities and to reduce the gap in health

outcomes between deprived and wealthier communities. Interventions within NDC areas were designed to specifically address three key sets of problems:

- high rates of illness, low birth weight and perinatal and premature deaths;
- lifestyle issues – smoking, lack of exercise, low levels of fruit and vegetable consumption, substance misuse, teenage pregnancy etc;
- poor services and problems around access.

Change in health outcomes in NDC areas

One of the key indicators of change in the health status of NDC residents was self-reported instance of ill-health, that is the degree to which residents feel that their own health is not good. In general terms, the picture in relation to change in self reported ill-health was positive. Across the NDC Programme there was a reduction between 2002 and 2008 in the proportion of residents feeling their own health was not good.

A further set of indicators provides information on the instance of low birth weight, mental and physical illness, and early death amongst residents of NDC communities. For most of these indicators, the time lag between interventions and subsequent changes in these clinical outcomes is likely to be long and the ultimate improvements which the NDC Partnerships were trying to achieve may take several generations to manifest in changes in neighbourhood level data. As a result, the research showed there was little observable change in these indicators over the lifetime of the NDC Programmes.

There was mixed evidence in relation to changes in fruit and vegetable consumption amongst NDC residents. The research showed that across the NDC Programme, both the proportion eating five portions of fruit or vegetables every day, and the proportion never doing so, decreased between 2002 and 2008. The proportion of NDC residents who smoked fell, in line with national trends.

Where there was positive change was the proportion of residents visiting their family doctor or GP, whereas nationally there had been a slight decrease. Trust in health services also improved between 2002 and 2008.

Lessons learnt and implications

The data available to the NDC national evaluation suggests that there was a broadly positive, but modest, change in health outcomes in NDC areas. At programme level most indicators saw some positive change with the exception of some lifestyle indicators, notably exercise. This lack of marked positive change relative to other benchmarks is perhaps a little disappointing, given that the case study NDC partnerships used in the research devoted considerable effort and resources to improving health outcomes amongst local residents.

The research did present a number of conclusions which have relevance for future programmes which aim to improve health outcomes for residents of deprived areas.

- strategies need to be underpinned with solid partnership work, but this is time consuming. It is beneficial to build institutional links as early as possible, and service level agreements between service delivery agencies and NDC areas appear to be effective in ensuring ongoing levels of mainstream service delivery;
- it is important for local programmes to seek relevant expertise where it is required. The experience of the case study NDC partnerships has been that it is vital to have a budget to pay for the right level of expertise, and to ensure that interventions are robust;
- robust evaluation of local interventions is vital in order to improve the evidence base in relation to what works in tackling health inequalities and to inform succession arrangements, future delivery of interventions and potential for transferability;
- community development is a vital contributor to improved health outcomes but is again time consuming in the long-term. Educating resident approaches seem to offer a successful model for engaging with harder to reach and newly arrived communities;
- NDC partnerships have offered a way to test out new approaches to service delivery and have

engaged and developed third sector bodies effectively. Early support, in the form of grants and organisational development, has been effective in the case study NDC areas in supporting community-based organisations to become social enterprises, which are now contributing extensively to mixed models of local health service delivery;

- neighbourhood-level approaches could be more effectively supported if the priorities of local commissioning and delivery agencies, and those of neighbourhood renewal partnerships, were more clearly aligned. In particular, it can be hard to balance the priorities of communities with those of agencies driven by national standards and targets.

CLES thoughts - the future of Area Based Initiatives

The NDC programme has been an extremely important chapter in regeneration policy over the last ten years; attempting to learn from the weaknesses of previous area based funding programmes, for example, the relatively short time scales of previous programmes, limited community engagement and buy in for the initiatives and the lack of clarity about what impact these initiatives had in deprived areas. However, the research produced by DCLG suggests that the overall impact of these schemes has been mixed and that progress in some areas has not been as dramatic as was originally hoped. There are a number of important mitigating reasons, which explain this disparity and provide important lessons to inform future area based regeneration initiatives.

Firstly, a key challenge of the programme was to achieve a high level of community engagement and buy in for the initiatives. However, this is a challenge for any programme as it demands a high level of time and personnel commitment in order to make it successful. In addition NDC programme managers are constantly required to balance the long-term strategic vision of a ten-year regeneration programme with the day-to-day issues in a community, which local people expect the NDC to respond to quickly and efficiently. Community representatives involved in NDCs are often under pressure to respond to immediate issues such as crime and the quality of the built environment whilst there is central government pressure for NDCs to focus in on strategic long term issues such as employment, education and health.

A key challenge of implementing a ten-year regeneration programme locally is that it has to ride the waves of changing regeneration policy, change in government representatives and national and global contextual trends. During the last ten years local economic development and regeneration policy has evolved considerably and the NDC programmes will have had to adapt to new local agencies such as Local Strategic Partnerships and new funding mechanisms such as the Local Area Agreements, which came with their own agendas. There would have also been the pressure to amend NDC projects to mirror national and regional policy agendas including worklessness, community cohesion, social capital and social enterprise. Within the timeframe of the NDCs we have also seen a tightening of government focus away from area based initiatives and toward encouraging people into employment and enterprise, perhaps most significantly in the ending of the Neighbourhood Renewal Funding (NRF) Programme and the development instead of the Working Neighbourhoods Fund.

Population churn

NDCs were also faced with the one of the longest standing problems in area-based regeneration, that of population churn. It is also often thought that deprived neighbourhoods are characterised by high levels of population turnover which as a consequence creates the social problems associated with the breakdown of local social networks and the loss of social capital caused by high residential churn.

One of the challenges for NDCs during the course of the programme has been to understand the role that population churn plays in their area and particularly how improvements developed through the NDC programme can actually have the effect of stimulating population churn, encouraging those that can, to move out of the area. This out migration from a "problem" area can be catalysed by regeneration activity, which encourages the growth of the local housing market. Similarly if the NDC supports projects to tackle worklessness, people helped through the initiative may go on to work

outside of the NDC. In both cases, this can make it difficult for the NDC to capture outcomes for the programme because the benefits are effectively displaced elsewhere.

Funding

Finally, although the NDC was a well funded ABI programme, if the financial data is inspected more closely it can be shown that, in reality, the NDC programme had limited resources to achieve all that it wanted to in an area. In practice the available funding came to roughly £100 per person, per theme, per year¹⁰. The scheme had always intended to engage with other agencies that it was hoped would contribute resources however this did not always happen in reality. Other delivery agencies may have felt that it was not appropriate to move resources from one area to another that had already received what looked like generous funding.

Conclusion

Area based initiatives have been used for nearly 40 years to try and tackle the social and economic problems experienced by poorer localities. The New Deal for Communities was one of the largest area based initiatives ever launched with the commitment to tackle the inequalities faced by 39 of the poorest urban areas in England. It reflected the true commitment on the part of government to address the long standing structural issues in deprived communities which kept unemployment high, educational attainment low and trapped people in an endless cycle of poverty. The programme had £2 billion worth of funding which was to be used for a 10-year intervention to help relieve social inequality. Whilst the verdict on their effectiveness has been mixed, the lessons being learned from the NDC experience are invaluable to inform future area based initiatives.

One of the most important legacies of the NDC programme was the fact that it developed a level of understanding, skills and capacity, which did not exist previously. This new knowledge, spurred on by the emphasis on partnership working through LSPs has helped to encourage collaboration across agencies in poorer localities and most importantly started to get to grips with some of the serious problems faced by local communities.

What is needed now is a new generation of area based initiatives which reflect the lessons learned from the NDC and the other areas based programmes in the same time period and reflect the new challenges facing communities in the UK's most deprived area.

Briefing is one of a series of regular policy reports produced by the Centre for Local Economic Strategies (CLES). CLES is a not-for-profit think/doing organisation, consultancy and network of subscribing organisations specialising in regeneration, economic development and local governance. CLES also publishes Local Work, Bulletin and Rapid Research on a range of issues. All publications are available as part of CLES membership services. To find out more about membership visit the CLES website or contact CLES to request a membership leaflet.

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¹⁰ Lawless, *The New Deal for Communities programme in England: is area based urban regeneration possible?* 2007