

Transforming People and Places: Policy and Practice on Regeneration

By Paul Evans of the DETR

Introduction: A little history

1. Social divisions within towns and cities are not new and they have attracted the attention of reformers for more than a century. Arguably the practice and profession of planning itself stems from the earlier phases of the debate on how physical, social and economic conditions interact. Apart from the sanitary aspect, which has become a very much less prominent aspect than in the early days, public policy has always had a mix of concerns which can be roughly characterised as:

- (a) Economic: both in terms of the growth, location and sustainability of businesses and the economic condition of families and individuals;
- (b) Social: education and health of the individual; family structure and support; welfare systems;
- (c) Physical: the quality and nature of the fabric of towns and cities.

2. Those categories and policies associated with them are clearly interdependent but from time to time policy is more strongly driven by one aspect rather than another. As a gross oversimplification, we have swung from a more social phase in the mid-seventies through a physical phase in the eighties to a more economic approach in the nineties.

3. Throughout the period there has been an understanding that there is a strong spatial element to regeneration, whether in the targeting of the derelict docks and steelworks through the Urban Development Corporations or in the clustering of income levels. There have also been repeated attempts to integrate the response: the word partnership crops up again and again.

4. Other policy issues often have a strong influence on the nature of the regeneration programmes. These include the relationship between central and local government and thus the confidence that local government commands as a key factor; and the role of the private sector, especially major business.

5. By the mid-1990s much more broad based approaches were in place mainly through the Single Regeneration Budget, operated by local partnerships, and a more integrated approach to delivering government programmes through the new Government Offices for the Regions.

The current debate

6. There were signs of some success in a number of key areas through those programmes. But the new Government in 1997 was committed to making much faster progress in dealing with the whole range of issues characterised as “social exclusion”. It created a new unit within the Cabinet Office to ensure that there was a comprehensive approach, linking all relevant Departments. One of its first major studies was on how:

To develop integrated and sustainable approaches to the problems of the worst housing estates, including crime, drugs, unemployment, community breakdown, and bad schools, etc.

7. The outcome of an extensive process of debate and analysis was the report published in September 1998: *Bringing Britain Together: a national strategy for neighbourhood renewal*.

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8. This report analysed the nature and extent of the problems, the lessons from current and previous programmes. It set out the need for a coherent national strategy of which the key features would be:

- investing in people, not just buildings;
- involving communities, not parachuting in solutions;
- developing integrated approaches with clear leadership;
- ensuring mainstream policies really work for the poorest neighbourhoods;
- making a long-term commitment with sustained political priority.

9. The Government had already introduced a new programme (the New Deal for Communities) targeted on some of the most deprived communities and a number of other programmes such as Sure Start to bring new more integrated approaches to local services. The key next phase involved 18 cross-cutting action teams working on a fast-track to tackle remaining policy problems and gaps. This involved 10 Whitehall Departments, and drew in many outside experts. The work of the teams fell under five broad themes:

- **getting the people to work:** concentrated unemployment has done more damage than anything else in the poorest communities;
- **getting the place to work:** if housing is poorly managed or unlettable, or crime and anti-social behaviour are not tackled, community support systems can easily crumble. Area abandonment has become a serious problem;
- **building a future for young people:** if improvements are to last we need to focus on the next generation.
- **access to services:** in too many poor neighbourhoods services such as shops and banks have disappeared.
- **making the Government work better:** every level of government needs to improve the way it tackles joined up problems of social exclusion. That means being more strategic, setting clearer goals, getting better information on what's happening, acting on the evidence, and spreading and learning from good practice.

10. The reports from the Policy Action Teams were published by Departments and the SEU. The overall proposals for the development of the strategy were brought together in a consultation document in April 2000. *National Strategy for Neighbourhood Renewal* together with a summary of all the conclusions of the *Policy Action Teams Compendium*. In parallel with the consultation, the Government had also been undertaking the Spending Review to set budgets and programmes for the period 2001/2 to 2003/4. Treasury led a cross cutting review on "Government Interventions in Deprived Areas".

11. The consultation was completed on June 30 and the responses are now being considered. The conclusions of the Cross Cutting Review were announced on July 18 and reinforced the emphasis on an integrated approach using the whole range of Government programmes.

What and where is the problem?

12. The DETR has for some time analysed the Census and other data to build up a picture of the nature and geographical extent of the deprivation. In *Bringing Britain Together* we used this information to characterise the 44 most deprived areas in England shown in the map below.

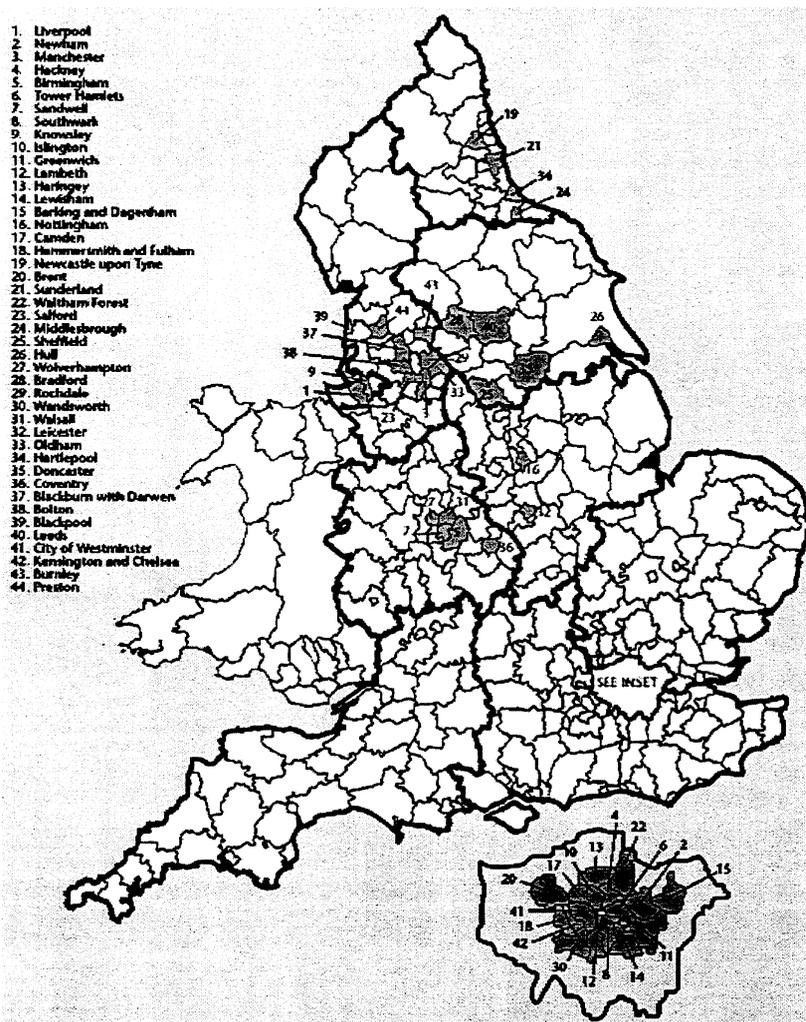
13. Compared with the rest of England, these 44 districts have:

- nearly two thirds more unemployment
- almost one and a half times the proportion of lone parent households

- one and a half times the underage pregnancy rate
- almost a third of children growing up in families on Income Support (against less than a quarter in the rest of England)
- 37 per cent of 16 year olds without a single GCSE at grades A–C, against 30 per cent for the rest of England
- more than twice as many nursery/primary and more than five times as many secondary schools on special measures
- roughly a quarter more adults with poor literacy or numeracy
- mortality ratios 30 per cent higher, adjusting for age and sex
- levels of vacant housing one and a half times elsewhere
- two to three times the levels of poor housing, vandalism and dereliction
- more young people, with child densities a fifth higher
- nearly four times the proportion of ethnic minority residents.

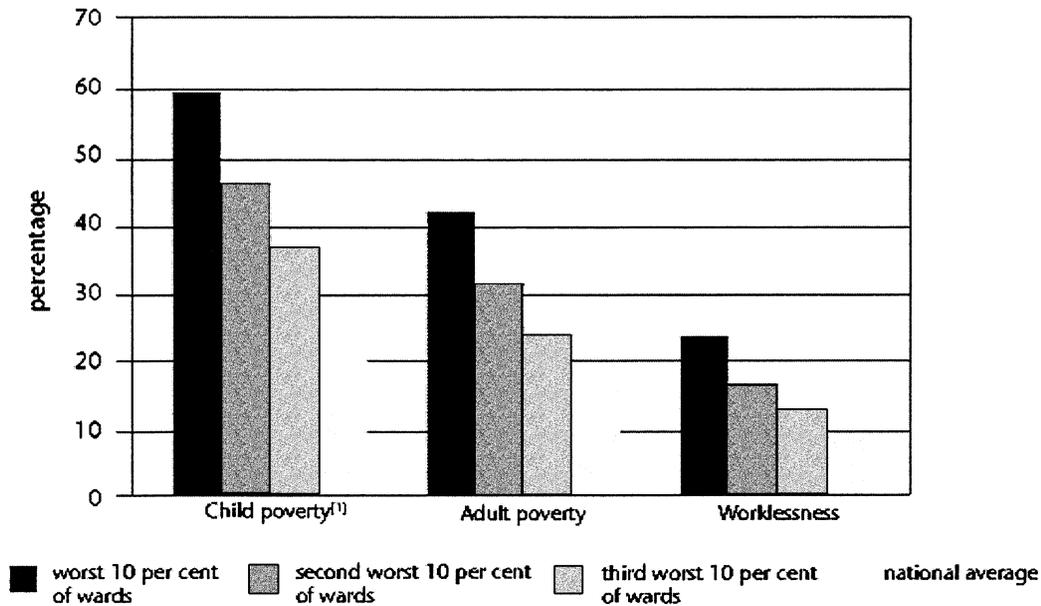
Figure 1

14.



15. The gap between these most deprived areas and the national average is illustrated for some of the key factors in the chart below, also extracted from *Bringing Britain Together*.

Figure 2: Deprivation in the three worst bands of the ILD (1999)
(all averages are medians)



⁽¹⁾ "Child poverty" is defined here as children living in households where the main source of income is a means-tested benefit.

16. A major research project has just been completed to update our understanding of this social geography. The new *Indices of Local Deprivation* published on August 22 (*Report and data*) give the most up to date information for every ward in England. The Indices are based on six separate "domains" of deprivation:

- Income.
- Employment.
- Health Deprivation and Disability.
- Education, Skills and Training.
- Housing.
- Geographical Access to Services.

17. Each domain is derived from a number of data items. For example the Employment domain is based on:

- Unemployment claimant counts average of May 1998, August 1998, November 1998 and February 1999
- People out of work but in TEC delivered government supported training (DfEE)
- People aged 18–24 on New Deal options (ES)
- Incapacity Benefit recipients aged 16–59 (DSS) for 1998
- Severe Disablement Allowance claimants aged 16–59 (DSS) for 1999.

18. This new data source will be a substantial quarry for national and local analysis. In particular the data

confirms that the patterns of deprivation across England are complex. There is no simple pattern such as a North–South divide; many large cities experience extremes of severe deprivation and relative affluence. For example:

- In Sheffield, there are four wards among the 100 most deprived in England, while two others are among the 10 per cent least deprived.
- In Bristol there are five wards which are amongst the 10 per cent most deprived in England, one of which borders three of the least deprived.
- In London, Kensington and Chelsea has two wards which are amongst the 10 per cent most deprived in England and seven of the least deprived.

19. These disparities matter. *National Strategy* noted that the results of allowing such conditions to persist were significant and wide ranging.

individuals failing to reach their potential: where people live affects their health, well-being and employment.

a brake on the economy. The spiral of deprivation in the poorest neighbourhoods helps keep people out of work, putting a brake on national prosperity. It is hard to get a job if you suffer from ill-health and poor education; do not know anyone who works; and employers do not recruit in your area. But this is a huge waste of human potential, makes it harder to fill vacancies, and is a constraint on economic growth;

financial costs on others or on the taxpayer. Where deprived neighbourhoods are also high-crime neighbourhoods, non-residents as well as residents will feel the cost through crime and vandalism. Crime and disorder cost the taxpayer over £50 billion per year, but it is estimated that the national crime rate would fall by 25 per cent if the crime rate in this worst 10 per cent of places fell to that in the next worst 10 per cent of places. Poor skills and unemployment feed into higher benefit bills and lower tax revenues: for instance, Ernst and Young estimate that the cost of illiteracy alone amounts to £10 billion. To this must be added the cost of wasted housing expenditure where relatively new social housing becomes extremely difficult to let or is built and then swiftly abandoned;

effect on social cohesion. It is also important to remember that the poor conditions in deprived neighbourhoods bear disproportionately on two groups in society, the *young*, and *people from ethnic minorities*—over half of whom live in just 29 local authority areas, all of which are very deprived;

damage to cities and the countryside. The Government is committed to building 60 per cent of the new houses needed to accommodate the expansion in the number of households on “brownfield” sites. This will relieve pressure for new developments in the countryside. But at present, the number of households in the countryside continues to grow. One of the reasons why people will not move back into cities is the presence of deprived neighbourhoods. For instance, people are scared by the crime that is generated in and around these neighbourhoods, and worried by perceptions that services like schools are poorer in or near them; and

loss of faith in the political process. Faced with worsening conditions and poor services, many people in deprived neighbourhoods are losing faith in the State and beginning to feel as if they have little stake in society. For instance, people in deprived areas are significantly less likely to vote than people elsewhere.

Extracted from National Strategy

Beginning the transformation

20. A wide variety of Government programmes are already targeted on and improving the conditions in the most deprived areas but the analysis in the National Strategy and the Cross Cutting study reinforced the need for main stream public spending by central and local Government to “narrow the gap”.

21. The new approach will see government departments, for the first time, having explicit targets for improving life in deprived areas (box below). Less crime, better education, more jobs and improved health will lead to a narrowing of the gap between the poorest areas and the national average. These targets will be backed by substantial increases in resources for public services in deprived areas—as the Departments responsible for them review their funding and allocations processes to make sure that a generous share of the new money for health, education and other services reaches deprived communities.

22. An extra £100 million in 2001–02, £300 million in 2002–03 and £400 million in 2003–04 will be given to local authorities in the most deprived areas over the next three years through the new Neighbourhood Renewal Fund. More resources will be provided for the New Deal for Communities to help local people influence the public services provided for them and to promote community involvement at local and neighbourhood level.

23. Local Strategic Partnerships will be set up across the country to bring local service providers together with voluntary, community and private sector groups to work together to tackle the problems facing individual neighbourhoods;

TARGETS FOR NARROWING THE GAP

In **education**, the Government aims to increase the percentage of pupils obtaining five or more GCSEs at grades A*–C (or equivalent) to at least 38 per cent in every authority. A target to reduce the attainment gap at Key Stage 2 in English and maths will be announced in due course.

The Government aims to ensure an increase in the **employment** rates of the 30 local authority districts with the poorest initial labour market position over the three years to 2004 (taking account of the economic cycle). It will ensure a reduction in the difference between employment rates in these areas and the national rate.

The Government aims to reduce the level of **crime** in deprived areas so that by March 31, 2005, no local authority area has a domestic burglary rate more than three times the national average—while at the same time reducing the national rate by 25 per cent.

The Government will ensure that all social **housing** is of a decent standard by 2010 with the number of families living in non-decent social housing falling by one third by March 31, 2004, and with most of the improvement taking place in the most deprived local authority areas as part of a comprehensive regeneration strategy.

Beyond the neighbourhood

24. The Government has also been developing a broader integrated approach to the future of urban and rural areas. Richard Rogers chaired the Urban Task Force which reported just over a year ago. Its Mission Statement was:

The Urban Task Force will identify causes of urban decline in England and recommend practical solutions to bring people back into our cities, towns and urban neighbourhoods. It will establish a new vision for urban regeneration founded on the principles of design excellence, social well-being and environmental responsibility within a viable economic and legislative framework.

25. The Report was a wide ranging review of what would make a sustainable city. Some of the recommendations of the Report have already been implemented, particularly through the publication of the new PPG 3. The Urban White Paper and a parallel Rural White Paper will be published in the autumn setting out a long term vision and programme of action at national, regional and local level. This will deal with:

- sustainable economic growth, with a better balance between regions and within individual towns and cities
- opportunity for all
- accommodating new development in the most sustainable way
- access to the services people need
- improved quality of the local environment.

26. As well as the Rogers Task Force and the National Strategy it will build on:

- RDA Strategies
- Planning Policy Guidance on Housing (PPG 3)
- Housing Green Paper
- The Spending Review 2000
- Ten Year Transport Strategy
- The Local Government Finance Green Paper.

Working within a new framework

27. By the end of the year a long term strategic approach to the social, economic and physical development of our towns, cities and countryside will be in place. The two White Papers and the other national policies will provide the broad context. The work that the Regional Development Agencies will be continuing on their regional economic strategies will give a clear sense of regional priorities and actions. At more local level there will be local strategic partnerships drawing together both the key actions needed to tackle deprivation and the longer term development of the city. In neighbourhoods the emphasis will be on communities taking more responsibility and ownership for the ways in which public support for individuals and projects is delivered.

28. It is essential that the private sector, whether existing or new businesses or developers and property investors, engages with, understands and influences those new frameworks. We know that very large parts of the towns and cities we will have in 20 years' time are already with us. We will need to maintain and improve that existing fabric and adapt it to new demands. But all new development must be of the highest quality both in its own terms and in the impact it makes on the prosperity and social cohesion of our towns and cities.