



The New Deal for Communities Experience:
A final assessment

**The New Deal for Communities Evaluation:
Final report – Volume 7**



The New Deal for Communities Experience:
A final assessment

**The New Deal for Communities Evaluation:
Final report – Volume 7**

Elaine Batty, Christina Beatty, Mike Foden,
Paul Lawless, Sarah Pearson and Ian Wilson
Centre for Regional Economic and Social Research
Sheffield Hallam University

March 2010
Department for Communities and Local Government

The findings and recommendations in this report are those of the authors and do not necessarily represent the views of the Department for Communities and Local Government.

Communities and Local Government
Eland House
Bressenden Place
London
SW1E 5DU
Telephone: 0303 444 0000
Website: www.communities.gov.uk

© Queen's Printer and Controller of Her Majesty's Stationery Office, 2010

Copyright in the typographical arrangement rests with the Crown.

This publication, excluding logos, may be reproduced free of charge in any format or medium for research, private study or for internal circulation within an organisation. This is subject to it being reproduced accurately and not used in a misleading context. The material must be acknowledged as Crown copyright and the title of the publication specified.

Any other use of the contents of this publication would require a copyright licence. Please apply for a Click-Use Licence for core material at www.opsi.gov.uk/click-use/system/online/pLogin.asp, or by writing to the Office of Public Sector Information, Information Policy Team, Kew, Richmond, Surrey TW9 4DU

e-mail: licensing@opsi.gov.uk

If you require this publication in an alternative format please email alternativeformats@communities.gsi.gov.uk

Communities and Local Government Publications
Tel: 0300 123 1124
Fax: 0300 123 1125
Email: product@communities.gsi.gov.uk
Online via the Communities and Local Government website: www.communities.gov.uk

March 2010

Product Code: 09ACST06257

ISBN: 978-1-4098-2254-7

Contents

Acknowledgements	4
Executive summary	5
Chapter 1 Introduction	10
Chapter 2 What have NDC partnerships done?	14
Chapter 3 What has the Programme achieved?	21
Chapter 4 Lessons for regeneration policy	36

Acknowledgements

We would like to thank all members of the evaluation team for their continuing involvement in the 2005-2010 second phase of the New Deal for Communities Programme national evaluation. Thanks are especially due to the following:

Peter Tyler and Angela Brennan at Cambridge Economic Associates; Richard Meegan and Hilary Russell in the European Institute for Urban Affairs at Liverpool John Moores University; Geoff Fordham, Rachel Knight-Fordham and Beverley Cook at GFA Consulting; Rachel Williams and Hayley Mueller at Ipsos MORI; Crispian Fuller previously at the Local Government Centre in the University of Warwick; David McLennan, Mike Noble, Kate Wilkinson and Adam Whitworth in the Social Disadvantage Research Centre at the University of Oxford; Carol Hayden in Shared Intelligence; Robert Turner and Scott Dickinson at SQW; Rose Ardron; and in our own Centre for Regional Economic and Social Research: Aimee Ambrose, Ian Cole, Richard Crisp, Mike Grimsley, David Robinson, Louise South, Sarah Ward and Peter Wells.

In addition thanks are also due to those in Communities and Local Government and its predecessor departments who helped guide and inform this evaluation for almost a decade including recently Penny Withers and Demelza Birch and before them Lucy Dillon, Kirby Swales and David Riley.

Above all thanks are due to the many hundreds of people living in NDC areas or working for NDC partnerships or their partner agencies who generously and unfailingly gave their time and commitment to this evaluation. Without them this evaluation would not have been possible.

Executive summary

Chapter 1. Introduction

This report is a synthesis of evidence presented in a series of final reports from the national evaluation of the New Deal for Communities (NDC) Programme carried out between 2001-2010 by a consortium led by the Centre for Regional Economic and Social Research (CRESR) at Sheffield Hallam University. The Programme, launched in 1998, is one of the most intensive and innovative area-based initiatives (ABIs) ever introduced in England. Over 10 years the Programme is designed to transform 39 deprived neighbourhoods in England, each accommodating about 9,900 people. The 39 NDC partnerships are implementing local regeneration schemes each funded by on average £50m of Programme spend. The Programme is designed to achieve six key objectives:

- transform these 39 areas over 10 years by achieving holistic change in relation to three place-related outcomes: crime, community, and housing and the physical environment (HPE), and three people-related outcomes: education, health, and worklessness
- 'close the gaps' between these 39 areas and the rest of the country
- achieve a value for money transformation of these neighbourhoods
- secure improvements by working with other delivery agencies such as the police, Primary Care Trusts (PCTs), schools, Jobcentre Plus (JCP), and their parent local authority: the Programme is fundamentally rooted in partnership working
- place the community 'at the heart of' the initiative
- sustain a local impact after NDC Programme funding ceased.

Chapter 2. What have NDC partnerships done?

Between 1999-2000 and 2007-08, the 39 NDC partnerships spent a total of £1.71bn on some 6,900 projects or interventions. A further £730m was levered in from other public, private and voluntary sector sources. They have developed, with partner agencies, a range of interventions, designed to support locally-developed strategies that encompass the three place-related outcomes of crime and community safety, community and housing and the physical environment, and the three people-related outcome areas of health, education and worklessness.

Chapter 3. What has the Programme achieved?

Transformatory change

Between 2002 and 2008 NDC areas saw an improvement in 32 of 36 core indicators spanning crime, education, health, worklessness, community and housing and the physical environment; for 26 out of the 27 indicators where significance testing is possible, this change was statistically significant. The biggest improvements were for indicators of people's feelings about their neighbourhoods: NDC residents recognise change brought about by the NDC Programme and are more satisfied with their neighbourhoods as places to live.

There has been considerable positive change in the 39 NDC areas: in many respects these neighbourhoods have been transformed in the last 10 years.

Closing gaps with the rest of the country

When benchmarked against:

- **national equivalents**, NDC areas saw more improvement for 18 of 24 indicators
- **parent local authorities**, NDC areas saw more positive change for 10 of 13 indicators; net positive change was especially marked in relation to burglary and all three Key Stage education attainment levels
- similarly deprived **comparator areas**, NDC areas saw more positive change for 21 of 34 indicators; NDC areas saw more positive change for 11 of the 13 indicators showing statistically significant change.

In general NDC areas have narrowed the gaps with the rest of the country.

Value for money

Shadow pricing methods have been used to determine value for money. These methods are based on assessing the compensating change in income that would produce an equivalent change in quality of life as would change in a given outcome. Whatever 'equation' is used to determine monetary benefits arising from the Programme, these substantially exceed costs.

The Programme has provided good value for money.

Working with partner agencies

Partnership working is central to the Programme. More fruitful relationships have been established with agencies having a more natural affinity with 'neighbourhoods' such as the police. Relationships with parent local authorities have generally improved and intensified. The NDC experience is increasingly informing regeneration strategies adopted by Local Strategic Partnerships. For some delivery agencies, partnership working with NDC partnerships has been made more difficult because of reorganisation and because of the need to work to national targets.

In general NDC partnerships have worked well with delivery agencies, especially those with a remit to help improve services within neighbourhoods.

Engaging local communities

The 39 partnerships have made immense efforts to engage residents and to enhance the capacity of the local community. Individuals have gained from involvement with their local NDC partnership. Observers point to the benefits which resident board members bring to partnership boards, notably their ability to validate the additionality of proposed projects.

Interventions have not had such an apparent impact on broader community social capital indicators, although with hindsight this was not always a realistic objective for the Programme. Some NDC areas lacked much in the way of community capital when the Programme was launched; key players in the community move on; some social capital indicators have not changed a great deal; and most people do not, anyway, engage with their local NDC partnership to any significant degree. Community engagement requires consistency, dedication and commitment.

NDC partnerships have made immense and sustained efforts to engage with their local communities. Benefits accrue to those who get involved with their local partnership.

Sustaining change into a 'post New Deal for Communities' world

NDC partnerships have developed succession strategies in order to sustain activity after Programme funding ceases for Round 1 and 2 NDC partnerships in 2010 and 2011 respectively. Strategies include creating successor bodies, developing income streams, and influencing delivery agencies in order to secure continued financial support from the mainstream once NDC Programme funding comes to an end.

Partnerships tend to be optimistic about the prospects of sustaining activity after Programme funding ceases. But there must be some doubts about the likely impact of succession strategies, primarily because of what are likely to be exceptionally tight constraints on all forms of public expenditure.

Partnerships have adopted innovative and insightful solutions to help maintain activity into a 'post NDC' world.

Chapter 4. Lessons for regeneration policy

Higher-order policy implications arising from this Programme include:

- it is important to set realistic targets for regeneration schemes: NDC Programme investment into these areas amounts to no more than 10 per cent of existing mainstream spend
- the types of NDC areas which have seen relatively little in the way of change may not be those where there are the greatest opportunities to deliver longer-term transformation
- NDC areas have seen more net change with regard to place-related, rather than people-related outcomes over the 2002-2008 time period covered by this evaluation
- education has been one outcome where, not only has it been difficult for NDC partnerships to make an impact, but there are also, albeit weak, negative associations between higher rates of spend and change in general; more emphasis needs to be given to determining what works at the neighbourhood-level, if education is to be incorporated into similar ABIs in the future
- increasing proportions of owner-occupiers will help achieve outcome change and will dilute the scale of problems in regeneration areas; but existing residents in social housing schemes are unlikely to be able to purchase new owner-occupied dwellings
- the time-frame for regeneration schemes should reflect their objectives
- there is an argument that had NDC areas been larger, partnerships might have found it easier to engage with mainstream delivery agencies
- there is case for a year-zero for all regeneration schemes; NDC partnerships had to deal with a formidable array of 'setting-up' tasks
- continuity in relation to senior staff is associated with positive benefits
- staff involved with regeneration schemes need good informal, inter-personal skills
- NDC partnership boards have run better when they have been chaired effectively, focussed on strategic issues, and provided training for community representatives

- elections to boards may not be the best way of getting the 'right people in the right places', but have been seen by many NDC partnerships as an important means of legitimising resident representation
- regeneration bodies need to be instrumental in gaining delivery agency support; relatively small amounts of regeneration funding used flexibly can lever in larger sums of money from other agencies
- partner delivery agencies may be useful in informing the way regeneration bodies should spend their money, but be less inclined to bend their own resources into defined regeneration areas
- from the outset regeneration schemes need to establish what the community dimension actually means and to set objectives accordingly: consultation, involvement, engagement, empowerment, or delivery?
- it is vital to manage expectations; local residents can have inflated views in relation to the speed with which projects can be delivered, and the degree to which benefits from regeneration projects will be distributed across all of those living in the area
- communities can play an especially strong role in defining needs and validating the 'additionality' of new proposals emerging from mainstream delivery agencies; they tend to be less interested in, and may lack the skills for, delivering projects
- it is never too early to address issues of sustainability
- regeneration programmes need to provide guidance in relation to legacy and succession at an early stage; the whole arena is fraught with financial and technical problems
- new, neighbourhood-level, physical developments can provide guaranteed rental income after regeneration funding ceases; but the management costs of such projects can be underestimated, it may be difficult to maintain full occupancy rates, and rental income will not be sufficient to maintain the same scale of activity.

Chapter 1

Introduction

The nature of this report

- 1.1 This is the last in a series of seven final reports¹ from the national evaluation of the New Deal for Communities (NDC) Programme carried out between 2001-2010 by a consortium led by the Centre for Regional Economic and Social Research (CRESR) at Sheffield Hallam University. It is intended to provide a reflective assessment of the Programme as a whole. This theme is explored within four sections:
- this introductory chapter points out why this is such an important area-based initiative (ABI), and lays out the Programme's six key objectives
 - Chapter Two provides a brief overview of what the 39 NDC partnerships have done
 - Chapter Three assess the degree to which original objectives have been met
 - Chapter Four explores lessons for regeneration policy as a whole.
- 1.2 This report gives a flavour of the key findings. Those interested in knowing more about specific components to the Programme should access other more detailed reports.²

Why is this such an important Area Based Initiative (ABI)?

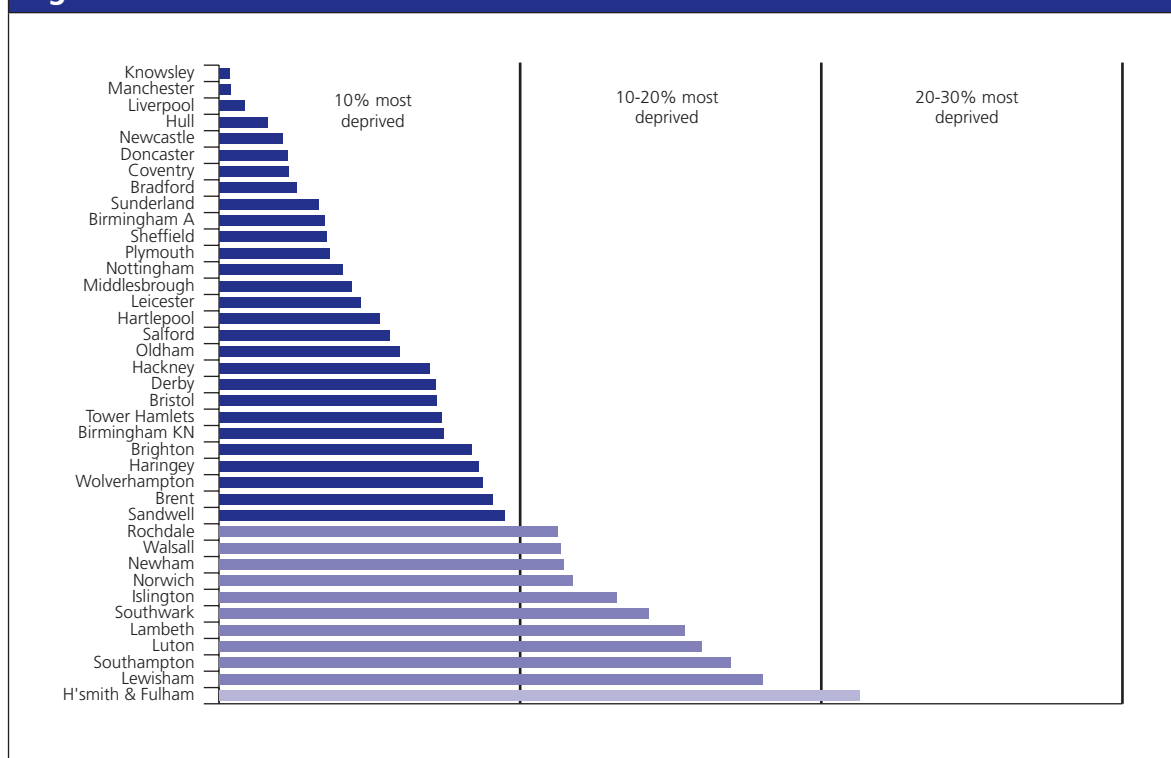
- 1.3 For more than 40 years, UK governments have attempted to moderate disadvantage within deprived pockets of English cities and larger towns, through the designation of ABIs such as the Urban Programme, Urban Development Corporations, City Challenge and the Single Regeneration Budget. Typically ABIs provided additional, often relatively limited, resources to defined areas for determined periods of time in order to achieve their economic, social and/or physical regeneration.

¹ The other six final reports are: CLG (2010) The New Deal for Communities Programme: Achieving a neighbourhood focus for regeneration. The NDC national evaluation final report volume 1; Involving local people in regeneration: Evidence from the New Deal for Communities Programme. The NDC national evaluation final report volume 2; Making deprived areas better places to live: Evidence from the New Deal for Communities Programme. The NDC national evaluation final report volume 3; Improving outcomes for people in deprived neighbourhoods: Evidence from the New Deal for Communities Programme. The NDC national evaluation final report volume 4; Exploring and explaining change in regeneration schemes: Evidence from the New Deal for Communities Programme. The NDC national evaluation final report volume 5; The New Deal for Communities Programme: Assessing impact and VFM. The NDC national evaluation final report volume 6

² All evaluation reports can be accessed at: http://extra.shu.ac.uk/ndc/ndc_reports.htm

- 1.4 The NDC Programme, launched in 1998, sits within this policy tradition. However, there are arguments for suggesting that it is one of the most intensive and innovative ABIs ever introduced in England, indeed quite possibly anywhere. This is because the Programme's design reflected on, and in turn attempted to address, shortcomings apparent in previous ABIs. For example, this was always to be a **focussed Programme** in order to avoid the pitfall which other ABIs may have fallen into of spreading resources too thinly. There are just 39 NDC areas, 10 in London and others located throughout England,³ each accommodating on average about 9,900 people. In addition, and unlike virtually all previous ABIs, this Programme is to operate for **10 years**. This is the minimum length of time it was assumed would be needed to transform these generally disadvantaged neighbourhoods.
- 1.5 To give a flavour of this **scale of deprivation**, in 2004 these areas were concentrated in the bottom deciles on Index of Multiple Deprivation (IMD) scores: 28 in the most deprived decile, 10 in the second, and one in the third most deprived. The Knowsley NDC area was ranked equivalent to the 117th most deprived Lower Super Output Area in England out of a total of 32,482. The Fulham NDC area, the least deprived of the 39, was ranked equivalent to 6,913th (Figure 1.1).

Figure 1.1: NDC areas: 2004 IMD rank



Source: SDRC

³ CLG (forthcoming) New Deal for Communities Evaluation: Technical Report Chapter 1 provides details of all 39 areas.

- 1.6 To give a more detailed sense of this scale of deprivation, in 2002:
- 55 per cent of NDC area residents felt ‘a bit’ or ‘very’ unsafe walking alone in their area after dark, 22 percentage points higher than the national figure
 - the NDC area aggregate worklessness rate (21 per cent) was over double that for England as a whole (10 per cent)
 - 60 per cent of NDC area residents were satisfied with their area as a place to live, compared with 86 per cent nationally
 - 23 per cent of NDC area residents reported their health had been not good in the previous 12 months; the equivalent national figure was 14 per cent
 - 40 per cent of NDC area residents smoked compared with 26 per cent nationally.
- 1.7 The 39 NDC partnerships have each received about £50m of Programme funding in order to implement local regeneration strategies. Central government and the Government Offices for the Regions laid down a broad framework through which the Programme was to be implemented, approved annual delivery plans, and provided support and expert advice. But the partnerships were given a degree of autonomy through which to deliver locally-specific strategies to meet the particular requirements of these neighbourhoods. Partnerships were also to be at ‘arms length’ from their parent local authority. The latter acted as accountable bodies, and often became key partners in driving forward change. But the partnerships were not to be seen as part of the council.
- 1.8 It is important to stress that learning was central to this Programme, driven by a well resourced evaluation.⁴ As a result, change data is available from a common baseline (2001-02) for all 39 areas and their residents. This is an exceptionally strong evidence base from which to assess and understand change.

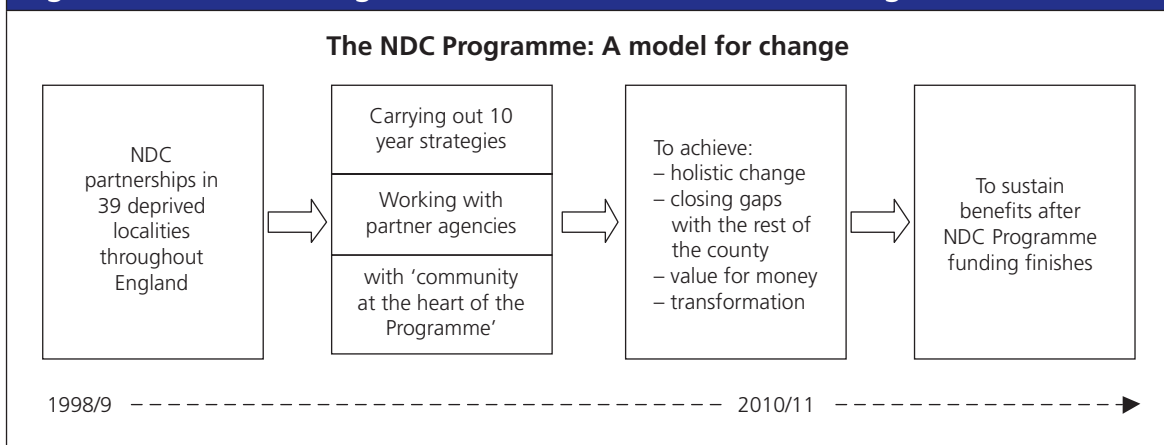
What was the Programme supposed to achieve?

- 1.9 Each NDC partnership has sought to achieve its own solutions to problems apparent within its own neighbourhood: there are 39 narratives to this Programme. However, synthesising across this rich body of experience, six overarching objectives have driven the Programme as a whole. These are listed in brief below, and outlined in diagrammatic form in Figure 1.2. The degree to which these objectives have been attained is revisited in Chapter Three. The Programme is designed to:

⁴ Further details of the evaluation can be found at CLG (forthcoming) New Deal for Communities Evaluation: Technical Report.

- transform these 39 areas over 10 years by achieving holistic change in relation to three place-related outcomes: crime, community, and housing and the physical environment (HPE), and three people-related outcomes: education, health, and worklessness
- 'close the gaps' between these 39 areas and the rest of the country
- achieve a value for money transformation of these neighbourhoods
- secure improvements by working with other delivery agencies such as the police, Primary Care Trusts (PCTs), schools, Jobcentre Plus (JCP), and their parent local authority: the Programme is fundamentally rooted in partnership working
- place the community 'at the heart of' the initiative
- sustain activity after NDC Programme funding ceased.

Figure 1.2: The NDC Programme: an indicative model of change



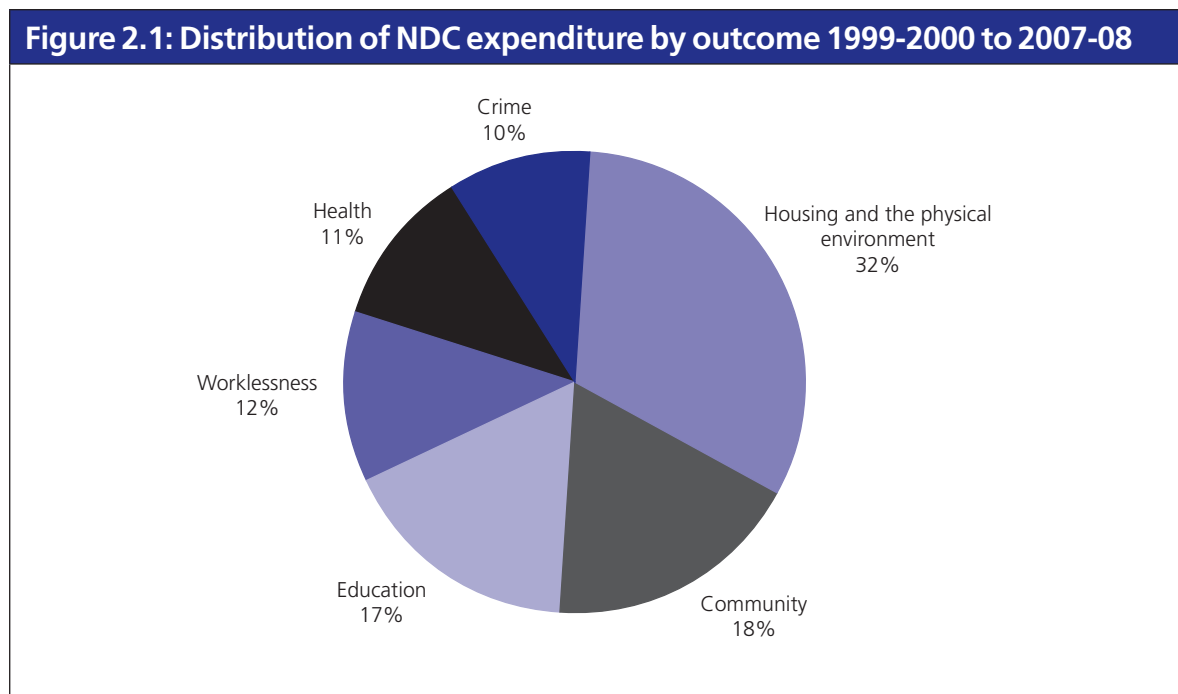
Chapter 2

What have NDC Partnerships done?

2.1 The previous chapter outlined key design features to the Programme and identified its six core objectives. Informed by that framework, this chapter provides a flavour of what NDC partnerships have done. More material in relation to place-related interventions is developed in Volume 3, and with regard to people-related initiatives, in Volume 4, of these final suites of reports.

Programme-wide spend

2.2 NDC Programme expenditure from Communities and Local Government (CLG), and its predecessor departments, amounted to £1.71bn (constant 2007-08 prices) over the period 1999-2000 to 2007-08. By outcome, HPE accounted for the largest share of NDC funding, 32 per cent, followed by community with 18 per cent, and education 17 per cent (Figure 2.1).



Source: CEA analysis of System K data; Note: Management and administration spend is excluded.

Interventions across place-related and people-related outcomes

2.3 Other volumes of the final report provide an overview of partnership activity in relation to either the three place-related (Volume 3), or the three people-related (Volume 4), outcomes. An indication of this richness of experience is provided below.

Crime and community safety

2.4 NDC partnerships have implemented a range of interventions to address issues of crime and community safety. A reduction in recorded crime has been seen as fundamental to the successful delivery of safer neighbourhoods. Projects have focused on tackling crime against property and vehicles and also introducing improvements to the physical environment and public space. Interventions designed to reduce fear of crime have focused primarily on the implementation of reassurance measures, particularly through an enhanced police service and neighbourhood warden schemes. Partnerships have supplemented mainstream police budgets in order to fund more police and police community support officers, and to provide a flexible additional resource through which the police can respond to trouble 'hotspots'.

Newcastle

Neighbourhood wardens

Twelve neighbourhood wardens patrol the NDC area providing reassurance to residents and ensuring problems are quickly resolved. Wardens provide a visible street presence, attend resident meetings and collect intelligence which is then referred to local agencies for action. Wardens work closely with the local police force and with other agencies including the housing management agency, fire service and local authority.

The Community dimension

2.5 Partnerships have adopted a rich diet of initiatives designed to engage with residents and to enhance community capacity including:

- community representation: in 2008, community residents made up at least 50 per cent of the membership of 31 partnership boards⁵
- community involvement in outcome sub-committees, and appraisal panels
- actively seeking to engage the wider community through forums and other initiatives

⁵ CLG (2009) The 2008 Partnership Survey: evidence from the New Deal for Communities Programme. www.communities.gov.uk/publications/communities/partnershipsurvey2008

- a comprehensive range of communications media, to keep local people informed about plans and activities⁶
- dedicated community engagement or involvement teams
- training interventions for community representatives
- constructing new, or improving existing, community facilities
- community based small grants and loan schemes.

Bradford

Community facilities strategy

Bradford NDC Partnership sought to address a lack of community facilities for meetings and activities in the NDC area through the development of a community facilities strategy. Feasibility work resulted in a hub and spoke pattern of three main centres to serve the area and support through a Community Facilities Fund for local groups to undertake building and repair works on existing premises. The NDC Partnership supported local groups to write proposals and undertake business planning. The strategy resulted in three new neighbourhood centres, which are owned by the NDC Partnership and form part of its asset base. In addition 17 capital improvement projects delivered improvements to premises used by local voluntary and community sector organisations.

Housing and the physical environment

2.6 Approaches adopted by NDC partnerships to improve HPE have included:

- supporting the modernisation of social housing by supplementing local Decent Homes interventions
- cleaning up public spaces, and remodelling residential environments in a bid to design out crime and to introduce more green spaces
- improving poor living conditions in the private sector through facelifts to property exteriors, energy efficiency improvements, and environmental improvements to gardens and alleyways
- appointing teams of community wardens and tenancy enforcement officers, and developing multi-agency teams to improve responsiveness to issues of environmental degradation and community safety
- demolishing properties to release land to allow for the creation of more public space, the development of community services and facilities, and the construction of new housing, often for sale.

⁶ CLG (2008) Communications: some lessons from the NDC experience.
http://extra.shu.ac.uk/ndc/downloads/general/communications_some_lessons_NDC_programme.pdf

Hartlepool

Area remodelling project

This project sought to deliver a Community Housing Plan (CHP) for the area, which was formulated over a period of two years through an intensive process of consultation with local residents. The CHP set out plans for the acquisition and demolition of 478 residential properties; the construction of 172 new homes; the creation of two community parks and a new play area; support for residents affected by demolition via a 'Home Swap' scheme and relocation grants; the improvement of around 800 existing homes and some business premises; and improvements to the streetscape through landscaping and environmental works. The overarching aims were to stabilise the local housing market, and to improve the residential environment and conditions in the private rented sector.

The intensive consultation process has paid dividends, in terms of delivering a high level of community support for the project, which has been sustained despite numerous delays. Independent scrutiny of the plan through an Area Assessment process also served to enhance its resilience by ensuring alignment with the wider strategic planning context, and achieving endorsement by all key partners.

Worklessness

- 2.7 Many of the interventions within the broad arena of worklessness are concerned with improving aspects of labour supply and include:
- neighbourhood-based job brokerage and Information and Guidance (IAG) services for individuals seeking work
 - 'one-stop shops' providing careers and training advice as well support with job search
 - dedicated employment liaison officers to help identify vacancies with local employers
 - training opportunities for workless residents.
- 2.8 Partnerships have proved innovative in delivering worklessness services to NDC residents by:
- filling gaps in mainstream provision: brokerage and IAG schemes provide a tailored, flexible, individualised service to local residents
 - encouraging advisers in NDC projects to work with clients on an intensive, individualised basis

- providing accessible and visible premises in the heart of the community: there is a *'need to deliver stuff on people's doorstep as people aren't willing to travel... it has to be community-based, grassroots as people don't want to travel 2-3 miles into town'*
- creating holistic services for clients who may have a wide variety of needs; IAG services can help clients gain skills and qualifications, before cross-referring to brokerage functions for placement in work.

Bradford

The West Bowling Youth Initiative (WBYI)

WBYI is a community-based project providing sport-related activities, training opportunities and employment services for young Asian men. Whilst the 'Job Shop' that the WBYI runs mirrors conventional services in providing job search assistance, alongside help with CVs, applications and preparing for interviews, the project is unusual in the way it nurtures and develops participants over long periods of time. Many of the participants will start using the facility in their pre-teens, mainly to take part in cricket and football sessions or to go on 'away days' to outdoor centres. As participants enter their teens, they are encouraged to take responsibility for running some activities themselves. Once attendees reach the end of compulsory schooling age, they are encouraged to think about their options in terms of remaining in school to take A-Levels or pursuing a more vocational route at local colleges. At the end of their education, the project supports them through the job search process: *'it's a holistic approach – you take them through all the stages...it's not enough to just do jobs'*.

Education

- 2.9 NDC partnerships have supported a range of educational interventions, many of which are designed to raise attainment. For instance, one of Southwark NDC Partnership's earliest projects 'Gifted and Talented', provided extra activities designed to foster higher achievement.

Southwark

The Aylesbury Push

This project provides support to students who are disengaged in school and/or not supported at home. Tutors are available to help with English literature and language, science and maths. Study guides, books and IT facilities are available and young people have been able to bring difficulties with their coursework to the group for advice. In one term the priorities were:

- English: ensuring young people had an understanding of vocabulary needed to tackle GCSE exams
- Maths: putting the foundations in place
- Science coursework: ensuring pupils completed coursework to a standard demonstrating understanding and originality.

Since the project began, GCSE results for participants have been excellent. 76 students improved their performance, with 40 obtaining five or more GCSEs at A*-C. One young person achieved a grade A in science 'suitability test' coursework as a result of attending the Aylesbury Push homework club. In Year 9 of the local NDC programme, and for a second year, students of Aylesbury Push exceeded their predicted grades and all went on to college.

- 2.10 Many NDC partnerships have identified early years as a crucial stage for intervention. In Southwark the focus has been on the provision for children from birth to the age of 11. Interventions include a Sure Start childminding centre, an out-of-home resource for childminders, family support and events, and a new extended day care facility.
- 2.11 In addition most NDC partnerships have established relationships with local schools, although in some cases it took time for these to bear fruit. One NDC partnership officer in Liverpool said that working with schools proved to be a *'greater challenge than originally anticipated'*. Successful partnership working has been a gradual process with an emphasis placed on delivery: 'how can the NDC help you in what you do?'

Health

- 2.12 NDC partnerships have sought to improve access to, and the quality of, services. In the Salford NDC area a lack of accessible local health facilities at the outset of the Programme was a key issue for the NDC Partnership's health task group. Local residents formed themselves into the Community Health Action Partnership (CHAP) which, with the support of the NDC Partnership, lobbied for improved local health facilities. Development and feasibility work carried out by

consultants in partnership with CHAP and the NDC Partnership identified two potential sites for new healthy living centres, which financed through the Local Improvement Finance Trust (LIFT), opened in 2005 and 2006.

Haringey

The Laurels Healthy Living Centre

This project was designed to provide access to improved health and wellbeing services and facilities. It was devised in response to the identification of a large 'hard to reach' population in the NDC area not receiving health care, despite relatively high levels of mental, and physical, ill health. The project involved a wide range of partners, including the NDC Partnership, Circle 33 (the developer), Haringey Social Services, Haringey Mental Health Trust, Haringey Teaching Primary Care Trust, and a range of third sector organisations. The development enhanced the physical environment by bringing derelict land and buildings back into use and there have been notable improvements in access to, and utilisation of, health care services.

2.13 Partnerships have also introduced initiatives to support healthier lifestyles. In the Fulham NDC area a focus has been placed on developing new models of community-based service delivery to address a range of healthy living issues. Key projects have included:

- exercise on referral: getting people involved and active, with signposting to, and from, smoking cessation and alcohol services
- health and wellbeing services to vulnerable people, including drug and alcohol services for adults, and winter warmth for low income households
- a Family Support/Family Welfare Association project to offer school-based intensive support to vulnerable and disadvantaged families
- a programme designed to tackle childhood obesity
- food co-ops
- a 'Road to Jobs' scheme to help people suffering from mental illness into work.

A concluding comment

2.14 NDC partnerships, working with other delivery agencies, have been active in delivering a wide range projects to meet local needs. Informed by this evidence, the next chapter considers the degree to which these activities have helped partnerships achieve the Programme's six core objectives.

Chapter 3

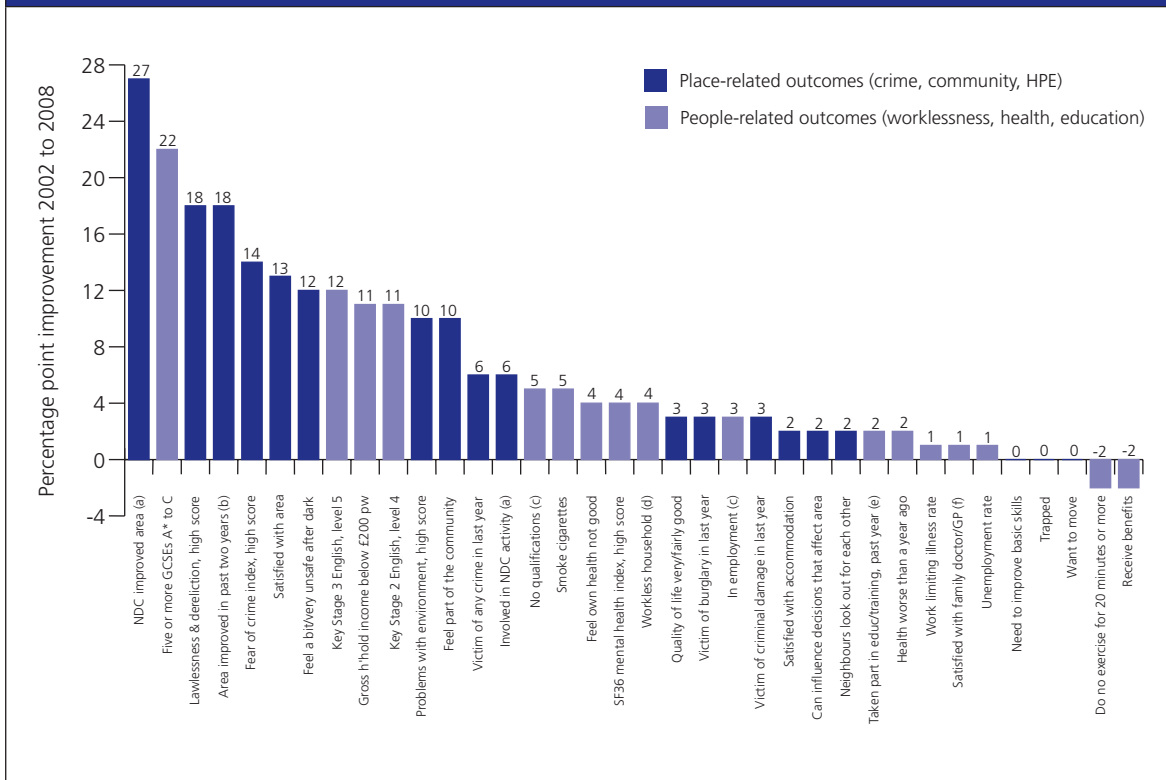
What has the Programme achieved?

3.1 The previous chapter provides a brief overview of what NDC partnerships have done to secure change in these 39 areas. This chapter explores the degree to which these activities have helped partnerships achieve the six Programme-wide objectives laid out in Chapter One (1.9).

Achieving transformational change

- 3.2 Figure 3.1 summarises change across NDC areas between 2002 and 2008. It shows improvement, or deterioration, in relation to 36 core indicators, six from each of the three place-related and three people-related outcomes:
- NDC areas as a whole saw an improvement in 32 of these indicators; for 26 out of the 27 indicators where significance testing is possible, this change was statistically significant
 - two showed statistically significant negative change; the proportion in receipt of means tested benefits probably reflects changes in the benefit systems between 2002 and 2008 such as the introduction of Working Tax Credits; a rise in the proportion of residents doing no physical exercise, represents the only instance of a core indicator showing unambiguous deterioration across this six year period.

Figure 3.1: 36 core indicators: improvement 2002 to 2008



Source: Ipsos MORI NDC Household Survey 2002-2008; SDRC; Base: All; (a) All heard of local NDC; (b) All lived in area two or more years; (c) All working age respondents; (d) All working age households; (e) All working age not currently in full time education; (f) All seen GP in last year; All indicators have been standardised so that a positive score indicates improvement and a negative score indicates deterioration

3.3 The Programme was designed to help transform these 39 deprived neighbourhoods. Taking an overview of change between 2002 and 2008, it can safely be argued that there has indeed been considerable change: most outcome indicators moved in a positive manner with particularly large increases on indicators reflecting how people feel about these areas and the changes brought about by their local NDC partnership. Interestingly too, evidence from the evaluation points to the benefits of adopting a holistic approach to regeneration. For example, increased spend on HPE is associated with better outcomes in relation to crime and worklessness.⁷

⁷ See Volume 5 of this final suite of reports: Exploring and explaining change in regeneration schemes: Evidence from the New Deal for Communities Programme. The NDC national evaluation final report: 2.24.

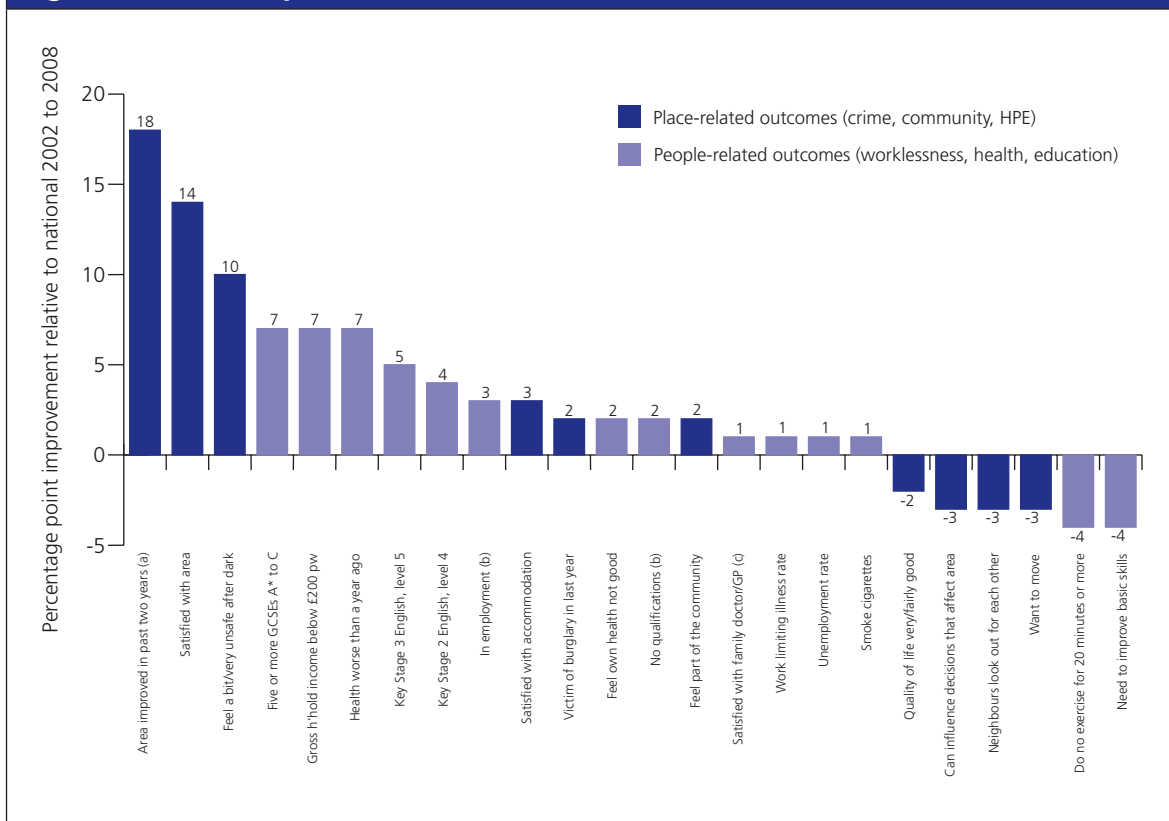
'Closing gaps' with the rest of the country

3.4 During the period of this Programme, many indicators of deprivation improved throughout the country. In order to see how NDC areas fared against other places, change across these 39 areas has been benchmarked against what happened across three other geographies: nationally, parent local authority districts (LADs), and other deprived areas.

3.5 For 24 of the 36 core indicators it is possible to compare change in NDC areas with that occurring nationally (Figure 3.2):

- NDC areas showed more improvement than the national benchmark for 18 of these; relative improvement was particularly marked in relation to feeling the area had improved in the past two years, and satisfaction with the area
- for six indicators the national average improved by more than the NDC average; this includes three out of four indicators in the broad theme of community, as well as proportions wanting to move, needing to improve basic skills, and doing no exercise for 20 minutes or more.

Figure 3.2: NDC improvement relative to national benchmarks: 2002 to 2008



Source: Ipsos MORI NDC Household Survey 2002-2008; SDRC; For details of national data sources see Technical Report section 6.9; Base: All; (a) All lived in area two or more years; (b) All working age respondents; (c) All seen GP in last year; A positive score indicates that NDCs have seen more improvement (or less deterioration) than the national benchmark; a negative score indicates that NDCs have seen less improvement (or more deterioration) than the national benchmark

3.6 For 13 indicators it is possible to compare what happened in the 39 NDC areas against change within their parent LAD (Table 3.1):

- there was little difference between the two in relation to worklessness
- NDC change was at least two percentage points greater than LAD change for all three Key Stage attainment rates; NDC areas also saw slightly bigger increases in the proportion of the population staying on in post-16 full time education, and also going onto higher education
- NDC areas saw a greater reduction in burglary and total crimes rates than their parent local authorities; both NDC areas and LADs saw a rise in criminal damage, but this was less marked in NDC areas
- LADs saw more absolute change in house prices; however, in terms of relative change, NDC areas saw a 69 per cent increase, compared with a 60 per cent increase in parent LADs.

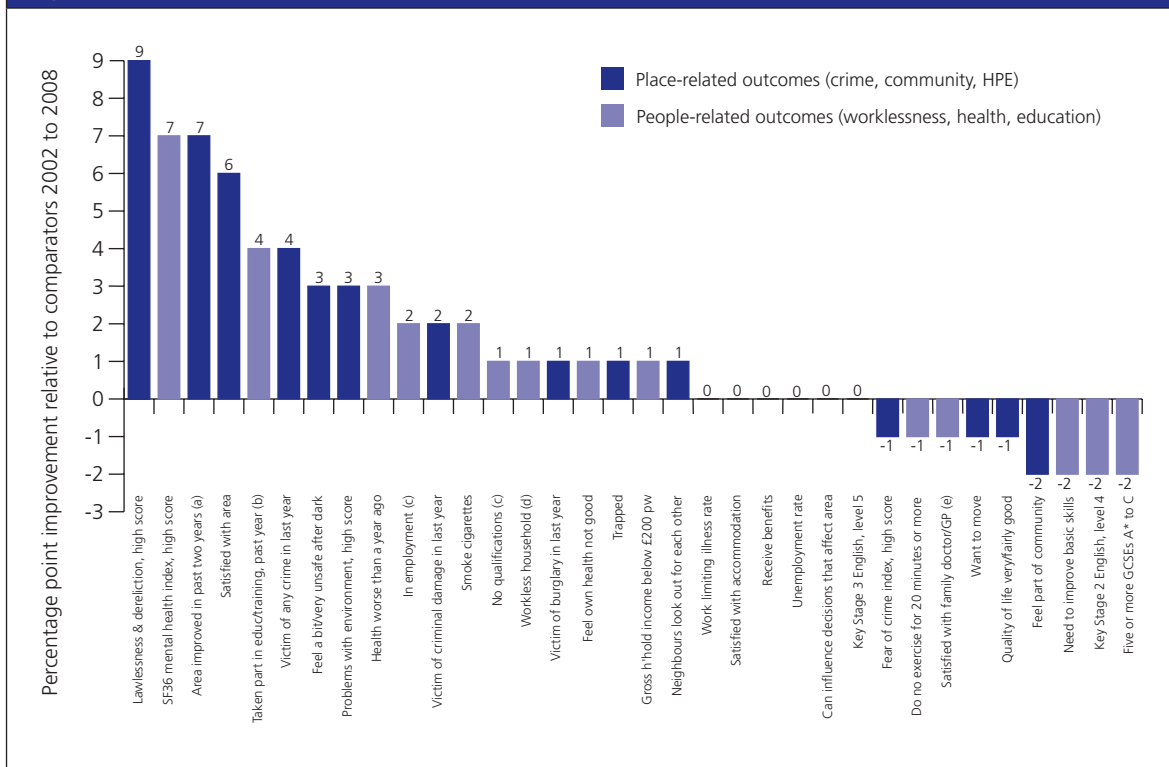
Table 3.1: Change in NDC areas and their parent local authority districts		
	Percentage point change 2002 to 2008, unless otherwise indicated	
	NDC aggregate change	LAD aggregate change
Worklessness		
Unemployment rate	-1	0
Work limiting illness rate	-1	-1
Education		
Key Stage 2, Level 4 English	11	9
Key Stage 3, Level 5 English	12	9
Key Stage 4, five or more GCSEs A*-C	22	20
Staying on rate (2001 to 2006)	18	16
Entry to higher education rate (2002 to 2007)	3	2
Crime (2000-01 to 2004-05)		
Violent crime rate (per 1,000)	6	6
Burglary rate (per 1,000 properties)	-21	-12
Theft rate (per 1,000)	-5	-5
Criminal damage rate (per 1,000)	1	2
'Total' crime rate (per 1,000)	-3	-2
Housing		
All properties, mean price (£)	59,847	70,408
(percentage change)	69%	60%

Source: SDRC

3.7 Finally, it is possible to compare change in NDC areas with that occurring in the comparator areas (Figure 3.3). This is the most useful benchmark because the comparator areas are similarly deprived neighbourhoods in the same local authorities as NDC areas.⁸ Comparing change in the 39 NDC areas with what happened in the comparators therefore represents more of a ‘like-for-like’ assessment than is the case when benchmarking change against either national, or LAD, equivalents. When assessed against the comparator areas for 34 core indicators:

- NDC areas showed more improvement than comparator areas for 21 of these; the greatest relative improvement was with regard to lawlessness and dereliction which measures perceptions in relation to a number of lower-level crimes and environmental standards
- for 13 indicators the comparator areas average improved by more than the NDC average; comparator areas saw most relative improvement in three education indicators: needing to improve basic skills and attainment at Key Stages 2 and 4.

Figure 3.3: NDC areas improvement relative to comparator areas: 2002 to 2008



Source: Ipsos MORI NDC and Comparator Household Surveys 2002-2008; SDRC Base: All; (a) All lived in area two or more years; (b) All working age not currently in full time education; (c) All working age respondents; (d) All working age households; (e) All seen GP in last year; A positive score indicates that NDCs have seen more improvement (or less deterioration) than comparators; a negative score indicates that NDCs have seen less improvement (or more deterioration) than comparators

⁸ The comparator areas also have their shortcomings as benchmarks. These are described in CLG (forthcoming) New Deal for Communities Evaluation: Technical Report.

3.8 Not all of the differences in rates of change between NDC, and comparator, areas are statistically significant.⁹ Table 3.2 lists those indicators where this is the case. In order to get a sense of change across all 36 core indicators, this Table also includes two core indicators asked solely of NDC residents, both of which revealed statistically significant positive change between 2002 and 2008. Some 13 of the 36 core indicators showed statistically significant change over this six year period. For 11 of these 13, NDC areas saw statistically significant positive change when assessed with what happened in the comparator areas. Two of the three Key Stage indicators show NDC pupils achieving lower attainment rates than for pupils living in the comparator areas.

Table 3.2: NDC areas and comparator areas change, significant differences: 2002 to 2008

	Percentage point change 2002 to 2008		
	NDC areas	Comparator areas	Difference
People			
SF36 mental health index, high score	4	-3	7
Taken part in educ./training in the past year (a)	2	-2	4
Health somewhat/much worse than one year ago	-2	1	-3
Key Stage 2 English, level 4	11	13	-2
Key Stage 4, five or more GCSEs at A* to C	22	24	-2
Place			
NDC improved area a great deal/a fair amount (b)	27	n/a	n/a
Lawlessness and dereliction index, high score	-18	-9	-9
Area got much/slightly better in past two years (c)	18	11	7
Very/fairly satisfied with area	13	8	6
Involved in NDC activity (b)	6	n/a	n/a
Been a victim of any crime in last year	-6	-3	-4
Problems with environment index, high score	-10	-7	-3
Been a victim of criminal damage in last year	-3	-1	-2

Source: Ipsos MORI NDC and Comparator Household Surveys 2002-2008; SDRC; Base: All; (a) All working age not currently in full time education; (b) All heard of local NDC; (c) All lived in area two or more years; Shaded indicators: comparator areas see more improvement than NDC areas.

⁹ Significance testing has used a z-test for proportions to identify significant difference in change at a 0.05 level. See CLG (2010) New Deal for Communities Evaluation: Technical Reports Ch 4.3.1 for a note on statistical significance. Significance testing is not possible in the case of administrative indicators: key stage 2, key stage 3, key stage 4, work-limiting illness rate and unemployment rate. However, a change of 2 percentage points has been taken to represent 'meaningful change' and hence included within lists of statistically significant variables and used in calculations of monetised net additional outcomes.

3.9 Evidence from the national evaluation points to **relatively greater positive change for place-, rather than people-, related outcomes**. This is apparent when exploring absolute change across the 39 areas during this six year period 2002 to 2008 (Figure 3.1.). But it becomes more evident when change is assessed against what happened in the comparator areas (Table 3.2). A number of reasons help explain this bias towards place-related outcomes, including:

- a considerable proportion of residents in NDC areas will see and 'benefit' from typical place-related interventions such as, say, environmental improvements or neighbourhood wardens schemes; and it is relatively easy for large-scale household surveys to pick up the positive effects of such projects on people's perceptions of the local area, the environment, the role of the partnership in improving the neighbourhood, and so on
- alternatively, many people-related interventions such as, say, job training schemes or healthy living projects, will not impact directly on a large number of people; and there is no guarantee that participants of such projects will achieve a measurable outcome such as, for instance, moving off job related benefits; people-based interventions can move participants in a desirable trajectory, the ultimate outcome from which could, however, take many years to become apparent
- in addition place-related interventions tend to remain within the NDC area; there is an argument that, having enhanced their skills through NDC funded projects, some residents who benefit from people-related interventions will leave the area taking their 'outcomes' with them; it is not possible to establish the scale of this process; however, evidence from the national evaluation suggests that those moving out of NDC areas between 2002 and 2004 did so for housing and environmental related factors, there being little to suggest such movement was being driven by individual-level benefits accruing to participants of NDC funded projects¹⁰; nevertheless, benefits arising from people-related interventions are potentially mobile in a way which is not true for most place-related projects.

3.10 Reflecting on all of the evidence available to the evaluation, it is clear that the Programme's six outcomes have presented partnerships with contrasting opportunities and challenges. In broad terms:

- partnerships have probably had greater problems in making an impact with regard to **education** than for other outcomes, with evidence pointing to negative net change in relation to educational attainment (Table 3.2); the complexities of intervening in this outcome are confirmed in findings developed in Volume 5 (2.25) of this suite of final reports which identifies negative (albeit weak) associations between levels of educational spend and change in some other outcomes¹¹

¹⁰ The Moving Escalator? Patterns of Residential Mobility in New Deal for Communities areas. www.neighbourhood.gov.uk/publications.asp?did=1899

¹¹ The outcome specific report on education explores problems experienced in implementing educational interventions at the local level: CLG (2010) Improving attainment? Interventions in education by the New Deal for Communities Programme www.communities.gov.uk/publications/communities/improvingattainmentinterventions

- when assessed against what happened in the comparator areas, there is no evidence for statistically significant net positive change in relation to **worklessness**; case-study evidence¹² points to NDC partnerships helping to implement a rich array of local projects; however, such interventions are associated with only small numbers of people making a positive outcome change, such as moving into employment; and individual-level transitions which do occur will tend to be swamped by labour market trends operating at local authority district, and national, levels
- more statistically positive change emerges in relation to **health** than for either education or worklessness especially with regard to improvements in mental health; it is interesting to note here associations between improvements in mental health and positive change in relation to other outcomes (See Volume 5 3.41)
- net positive improvements in relation to **crime** encompass being a victim of crime and the 'lawlessness and dereliction' index (Table 3.2); interestingly there are no net positive changes for fear of crime when NDC areas are assessed against the comparator areas: perhaps the emphasis which many partnerships have placed on attacking crime has worked to alert residents to this very issue
- net positive improvements in relation to **housing and the physical environment** reflect attitudes to the area and the local environment; this may well be because relatively large numbers of people see and benefit from, say, environmental improvement schemes; alternatively, there is little to suggest changes in attitudes to accommodation, possibly because of already high levels of satisfaction; limited change in relation to wanting to move may reflect a number of processes:
 - these are still deprived areas, from which some residents may wish to move
 - the full benefits of improvements to these areas have not yet become apparent
 - people may want to move for a number of reasons, including a desire to access different types of housing to reflect changing stages in the life-cycle
- finally, net positive benefits in relation to the **community** dimension encompass strongly positive attitudes towards the local NDC, and at least in the early years of the Programme, a sense that neighbours were looking out for each other; but it is perhaps surprising to see little change with regard to some social capital indicators such as people thinking they can influence local decisions; perhaps lack of change here reflects factors such as:

¹² CLG (2009) Understanding and Tackling Worklessness Volume 2: Neighbourhood Level Problems, Interventions, and Outcomes: Evidence from the New Deal for Communities Programme
www.communities.gov.uk/publications/communities/worklessnessvol2

- the originally limited scale of community infrastructure in many of these neighbourhoods
- intra-community strife, perhaps fuelled by a sense that some parts of NDC areas receive more than others
- frustration at the time it can take to implement major change in these localities
- potentially unrealistic objectives in relation to changing behaviours or perceptions relating to community-wide characteristics such as ‘friendliness’.

3.11 This Programme was designed to close gaps between these 39 areas and what was happening nationally, across LADs, and within other deprived neighbourhoods. On the broad canvas, there has been solid progress against all three geographies and gaps with both national and local authority levels have generally narrowed. This is a considerable achievement. In the decade following the launch of the NDC Programme, all disadvantaged neighbourhoods saw positive change in relation to many indicators of deprivation. To achieve positive net change, over and above that experienced in similarly deprived neighbourhoods, NDC partnerships have had to ‘run fast’ in order to close gaps with improvements occurring everywhere. That these 39 areas did not see greater relative change when assessed against the comparator areas is due to a number of reasons. These include the fact that areas change for a number of reasons, not all of which are within the control or influence of area regeneration agencies such as the NDC partnerships (See Volume 5, Chapter 2). It should be remembered too, as discussed in 4.2 below, that although this is a relatively generously funded ABI, total NDC resources going into each of these areas are relatively modest.

Value for money

3.12 Volume 6 of these final reports explores questions relating to the costs and benefits of the Programme. The overall approach adopted there uses shadow pricing methods to determine the compensating change in income that would produce an equivalent change in quality of life as would change in a given outcome. This technique has never been used before to assess value for money in any previous ABI evaluation. Those interested should refer to the relevant sections in Volume 6 (5.4). However, the key headline is clear. Two cost-benefit options are developed in detail. One points to benefits amounting to more than five times, the other three times, Programme spend. It should be said that much of this benefit arises from two main net impacts: improvements in

satisfaction with the area (or its component elements), and mental health. But even if the benefits tend to arise mainly from changes in relation to these two outcomes, the overall conclusion is that this Programme provides good value for money.

Working with partner agencies

3.13 The scale and success of partnership working within the Programme is discussed at length in Volume 1 of this final suite of reports. Reflecting on that evidence, in general NDC partnerships have secured and maintained good relationships with many key delivery agencies. There are generally positive messages about working with the police, a process eased by the widespread adoption of neighbourhood policing (see Volume 3, 2.10). By 2008, on average each NDC partnership board had representation from seven delivery agencies. And many agencies are also normally represented on, indeed have frequently taken the lead within, partnerships' theme groups.

3.14 NDC partnerships have an especially important relationship with their parent local authority because:

- local authorities are almost always the accountable body, and are therefore involved in a variety of financial, legal, administrative and HR issues impinging on partnerships
- there will be a local authority interest, often direct involvement, in all six major outcome areas, as provider of advice and skills, planning authority, project partner and co-funder.

3.15 When the Programme was launched in the late 1990s, there was evidence of historically poor relationships between some communities and their local authorities. Indeed an early report from the national evaluation team suggested this was the case in nearly a third of all NDC areas.¹³ However, as the Programme evolved, relationships between NDC partnerships and their parent local authority improved. To some degree this was a consequence of the experience of working together and becoming accustomed to what initially may have been new ways of working. But in addition, over the lifetime of the Programme, the creation of Local Strategic Partnerships (LSPs) and Local Area Agreements (LAAs) has helped to prioritise the importance of delivering improved services throughout LADs. In that context, LSPs have increasingly drawn on the experience of NDC partnerships in delivering wide-ranging, neighbourhood-based, 10 year strategies.

¹³ CRESR (2002) NDC Partnership Reports: A synthesis.

3.16 Partnership working is widely seen to have generated benefits such as:

- working with NDC partnerships has brought senior representatives from key public agencies into closer contact with disadvantaged areas than would have otherwise been the case
- partnerships have been able to broker improved relationships across other public sector agencies working at local level
- some interventions developed within NDC areas have subsequently been rolled out to other parts of LADs
- there are statistically significant positive associations between having more agency representatives on partnership boards and more residents thinking their NDC partnership has improved the local area (see Volume 5 2.19).

3.17 But partnership working has not always run smoothly. Some organisations such as Regional Development Agencies have a regional, or sub-regional, remit and are limited in their ability to work closely with neighbourhood level organisations. Constant reorganisation in some agencies, notably Primary Care Trusts (PCTs), has created difficulties for NDC partnerships wishing to maintain stable relationships with delivery organisations. There can be tensions too, between NDC partnerships trying to achieve the transformation of local neighbourhoods and organisations such as schools working to national targets. Relationships can also be strained because, whereas NDC partnerships can often be flexible in their use of resources, this is not always the case for agencies such as Jobcentre Plus operating within more of an output-driven culture.

3.18 In summing up, across that whole arena of partnership working, it is reasonable to conclude that NDC partnerships have worked well with their natural 'neighbourhood delivery' allies, especially the police. They have been assiduous in establishing, and maintaining, relationships with a range of delivery agencies, despite the fact that some of these have been subject to almost constant reorganisation. They have secured good working relationships with senior agency representatives, recognising the role which key individuals can play in helping to align longer term strategies of other organisations, with those adopted by NDC partnerships. And NDC partnerships have often provided an informed neighbourhood-level understanding into evolving LSP strategies. Perhaps the touchstone in all of this, however, is the degree to which partnership working with key agencies helps sustain activity in these 39 areas after Programme funding ceases, a theme addressed from 3.21 below.

Engaging local communities

3.19 The desire to place communities ‘at the heart’ of the regeneration process has been one of the defining features of the NDC Programme. Perhaps more than for any other previous ABI, NDC partnerships have made strenuous efforts to involve local people in the planning, design, delivery and review of their local programmes, not least through resident representation on NDC boards. The scale and success of these initiatives is discussed in Volume 2 of this final suite of reports, key findings from which include:

- NDC partnerships ‘involved’ over 40 per cent of residents who remained in NDC areas between 2002 and 2008; there is a widely shared perception among key stakeholders that communities are stronger and more capable as a result of NDC interventions; but only relatively small numbers of local residents have been directly involved in the formal processes of decision making and resource allocation
- resident involvement has brought benefits to NDC partnerships by shaping interventions and holding services to account; however, it has also generated questions around appropriate governance arrangements, the degree to which resident expectations and priorities should be the main driving force behind the allocation of resources, and the extent to which the views of residents should be challenged by professionals
- participation is associated with improved outcomes for individuals; those who participated in the NDC Programme (in any way) are more likely to experience a range of improved outcomes compared with those who have not; across a range of indicators, participation in NDC activities is associated with positive transitions (i.e. thinking or experiencing things getting better) between 2002 and 2008 (Volume 5, 3.26).

3.20 The 39 partnerships have made immense efforts to engage residents and to enhance the capacity of the local community. Many individuals have gained from involvement with their local NDC partnership. Local observers also point to the benefits which resident board members bring to the operation of NDC partnership boards, notably their ability to validate the additionality of proposed projects.¹⁴ But this is a demanding arena. Some NDC areas lacked much in the way of community capital when the Programme was launched; key players in the community move on; as is laid out in 3.10 above, some ‘social capital’ indicators (such as feeling part of the community, or thinking that neighbours get on with each other) have not changed a great deal; and most people do not, anyway, engage with their local NDC partnership to any significant

¹⁴ CLG (2010) What works in neighbourhood-level regeneration? The views of key stakeholders in the New Deal for Communities Programme.

degree. Ultimately community engagement requires consistency, dedication and commitment. Nevertheless, key stakeholders working in NDC partnerships, are largely of the view that placing the community 'at the heart' of regeneration initiatives is the right approach to adopt.¹⁵

Sustaining change into a 'post New Deal for Communities' world

- 3.21 The 10 year horizon adopted by the NDC Programme is one of the longest in the history of regeneration in England. However, despite this time-frame, there is a sense amongst many partnerships that more time will be needed to transform these areas. Issues surrounding succession are considered at length in Volume 1 of this suite of final reports (Chapter 7), key elements from which are developed below.
- 3.22 By summer 2008, 21 NDC partnerships had agreed a succession strategy and the remaining 18 were in the process of developing one.¹⁶ These strategies are designed to achieve a range of objectives including:¹⁷
- sustaining the ethos of the Programme, such as a culture of partnership working
 - keeping going interventions which provide positive outcomes for local people
 - completing unfinished business, including major housing initiatives, which will not be finalised by the end of the NDC Programme
 - sustaining resident and community involvement, given that engaging local people has been at the core of the Programme
 - being able to respond to new challenges and opportunities in regeneration.
- 3.23 In order to inform activity designed to sustain regeneration in these areas, in 2008 CLG introduced guidance requiring partnerships to secure central and local government approval for their succession strategies. Partnerships must demonstrate how improvements will be sustained into the long term, bearing in mind factors such as the need to align outcomes with those laid down in, the LAA, the importance of community leadership, and the continuing financial viability of any successor body.¹⁸

¹⁵ CLG (2010) What works in neighbourhood-level regeneration? The views of key stakeholders in the New Deal for Communities Programme.

¹⁶ CLG (2009) The 2008 Partnership Survey: Evidence from the New Deal for Communities Programme. www.communities.gov.uk/publications/communities/partnershipsurvey2008

¹⁷ CLG (2008) Delivering succession strategies: some lessons from the New Deal for Communities Programme. www.communities.gov.uk/publications/communities/ndcsuccessionstrategies

¹⁸ CLG (2008) Programme note 44: Sustaining the benefits and improvements in NDC areas: Guidance on requirements for succession strategies and the approval process.

3.24 Across the Programme, four main approaches have been adopted in order to sustain activity within these 39 neighbourhoods:

- creating successor bodies: in 2008 more than 30 partnerships expected their legal status to have changed by the end of the Programme; most successor bodies will have some form of not-for-profit status, will emphasise community leadership, and will have revenue raising functions
- generating income through projects and assets
- seeing community empowerment and capacity building as vehicles through which to sustain impact; local neighbourhood management schemes can provide vehicles for ensuring residents are engaged in prioritising local issues
- influencing mainstream agencies in order to ensure interventions survive, once NDC Programme funding comes to an end.

3.25 In general partnerships tend to be optimistic about the prospects of sustaining activity after Programme funding ceases. But ABI succession strategies have always had to cope with unknown and uncertain futures, which in this instance include:

- the likely state of public finances in the coming years
- some concern that interest in the Programme on the part of local residents may be 'tailing off'
- a sense that once less funding is available, NDC areas will not prove as attractive to delivery partners
- possibly less in the way of senior partner representation on successor bodies than has been the case with many NDC partnerships boards
- because of an increasingly unpredictable property market, concern that capital investments may not generate the kinds of revenue streams needed to sustain significant local regeneration activity.

3.26 By definition, it is difficult to make assessments as to the likely future impact of succession strategies adopted by NDC partnerships. What can be said is that probably no other ABI has ever placed such an emphasis on succession as has this Programme. And, although practice varies across the 39, there is considerable evidence pointing to partnerships adopting innovative solutions to help maintain activity into a 'post-NDC' world. But there must be some doubts about the impact of these initiatives, because of what are likely to be exceptionally tight constraints on all forms of public expenditure. Other delivery agencies will almost certainly have less in the way of resources, within which context they may find it increasingly difficult to justify prioritising NDC areas over other disadvantaged localities. It is not the best of times to be thinking of sustaining 'post regeneration programme' activity.

A concluding comment

3.27 This chapter has assessed the degree to which the Programme has achieved its original objectives. On the broad canvas, this is clearly a successful Programme. Partnerships have presided over very real changes to these 39 areas. There have been substantial improvements in how residents regard their area, their environment and the local partnership. NDC areas have seen a narrowing of the gaps with both national, and comparator area, equivalents, especially with regard to place-related outcomes. Value for money assessments, based on a shadow pricing methodology, show that monetisable benefits which can be attributed to the Programme are substantially greater than costs. NDC partnerships have worked effectively with a wide range of partners, most successfully with those having a natural affinity for neighbourhood-level interventions. It is doubtful if any ABI has ever placed such an emphasis on engaging with local communities, a process which is generally, but not entirely, associated with positive outcomes. Where there are question marks, these often reflect not so much on the Programme, but either on factors beyond the control of NDC partnerships, or because of the intrinsic nature of area-based regeneration. So for instance, sustainability may be less robust than many partnerships would wish, because of the likely nature of public finances. And changing people-related outcomes in an holistic, neighbourhood-level ABI is always going to be challenging, not least, because relatively few residents participate in most projects, not all of whom will see a positive, measurable, outcome. Nevertheless, the overall conclusion has to be that the Programme has attained at least as much as might reasonably have been expected of it. In the light of this verdict, what key overarching policy conclusions can be drawn from the NDC partnership experience?

Chapter 4

Lessons for regeneration policy

4.1 Informed by all of the evidence emerging from the evaluation, and within a regeneration context set out in the government's *Transforming places, changing lives* agenda,¹⁹ this final chapter lays out **higher-order policy implications** arising from this Programme within the following themes:

- setting realistic targets
- prioritising places for regeneration investment
- area-based regeneration schemes achieve more in relation to place
- tenure and change
- the architecture of regeneration programmes
- setting-up, managing, and governing area regeneration organisations
- working with partners
- engaging communities
- sustaining change.

Setting realistic targets

4.2 One lesson to emerge from this evaluation is that assessments as to the likely effects of any regeneration scheme need to be realistic. ABIs are likely to have only a relatively limited impact on the trajectory of local neighbourhoods. To understand how this theme has played out within the NDC Programme, it is important to appreciate that:

- the 39 partnerships have been charged with seeking to change some of the most deprived neighbourhoods in England; for some of these areas it is unrealistic to imagine that 'transformational' change could ever have occurred in 10 years
- where partnerships are undertaking major refurbishment schemes, it is unlikely that these will be completed before the Programme finishes

¹⁹ CLG (2009) *Transforming places, changing lives: taking forward the regeneration framework*. www.communities.gov.uk/publications/citiesandregions/transformingplacesframework

- by historic standards, this is a generous ABI; but even in this privileged position total per capita funding between 1999-00 and 2007-08 amounts to less than £500 per annum; the Programme did not provide huge additional resources to these areas
- it is notoriously difficult to establish the scale of mainstream resources going into any small neighbourhood; however, when the national evaluation attempted this task in one area, evidence suggested NDC partnership resources amounted to probably less than 10 percent of spend which was anyway going into this neighbourhood through mainstream funding²⁰
- as is discussed elsewhere, 'area effects', or where an individual lives, are of minor significance in explaining change when compared with their basic socio-demographic characteristics and how deprived they were in 2002 (see Volume 5, 3.42)
- neighbourhoods change for a whole raft of policy and market-related factors: trends over which regeneration bodies have little, if any, control (see Volume 5, chapter 2).

4.3 Government, local authorities, and the regeneration policy community in general, need to recognise inherent limitations which operate on all regeneration programmes.

Prioritising places for regeneration investment

4.4 The 2009 regeneration framework laid down in *Transforming places, changing lives* emphasises the importance of targeting regeneration investment at the right places. However, spatial targeting is likely to involve the balancing of two, not entirely compatible, objectives: selecting more deprived areas, on the one hand, whilst, prioritising areas with opportunities for change, on the other. As the 2009 framework suggests, targeting involves, 'not trying to transform everywhere – but investing where it will have the most impact by supporting those communities where the most severe poverty and worklessness persists and where there is the opportunity to deliver long-term change'.²¹

4.5 However, experience from this Programme points to something of a dilemma in selecting appropriate priority areas. As is discussed in Volume 5 of this suite of reports (2.61), lower **rates of change** across the 39 NDC areas is especially evident in what can be described as stable, homogeneous, peripheral, 'White' estates on the edge of non-core cities. It seems to be that these types of

²⁰ CLG (2010) Assessing neighbourhood level regeneration and public expenditure: Findings from the Bradford New Deal for Communities Area. www.communities.gov.uk/publications/communities/assessingneighbourhoodlevel

²¹ CLG (2009) Transforming places, changing lives: taking forward the regeneration framework (para 18). www.communities.gov.uk/publications/citiesandregions/transformingplacesframework

neighbourhoods, often originally developed as single-tenure public sector schemes, are less well placed to achieve positive change, especially with regard to people-related outcomes, than are NDC areas located in more 'inner-city' locations. There may be fewer job opportunities locally, public services may be poor, mobility limited, and prevailing 'cultures' less welcoming of change. This finding is relevant to questions of targeting. Peripheral, ex-public sector estates can be seen as the types of areas regeneration policy might wish to prioritise. However, if the emphasis is to be placed on achieving outcomes such as economic development, enterprise and jobs, as laid out in 'Transforming places, changing lives',²² these areas may be less likely to see positive change than other deprived localities. The types of NDC areas seeing least positive change may not be those where there are the greatest opportunities to deliver longer-term transformation.

Do area-based regeneration schemes achieve more in relation to place?

- 4.6 Evidence from the national evaluation points to more net positive change occurring for place-related, rather than people-related outcomes during that six year period 2002 to 2008. This conclusion complements findings from previous evaluations of both essentially place-focused ABIs, such as the Neighbourhood Management Pathfinders,²³ and Neighbourhood Wardens Schemes,²⁴ as well as programmes designed to achieve the holistic regeneration of deprived areas, including the SRB.²⁵ There are a number of reasons why positive place-related change is **relatively** easier to achieve, which are discussed in brief in 3.9 above.
- 4.7 Ultimately the degree to which any ABI embraces both people-, as well as place-, related outcomes will be informed by political and policy priorities, scale of resources, anticipated time horizons, and spatial remit. Evidence from this evaluation does not point definitely and unambiguously towards one strategy. Nevertheless, despite the relatively limited nature of change with regard to people-related outcomes, there is an argument that ABIs should continue to support people-related interventions especially in worklessness and health because:

²² CLG (2009) Transforming places, changing lives: taking forward the regeneration framework. www.communities.gov.uk/publications/citiesandregions/transformingplacesframework

²³ CLG (2008) Neighbourhood Management Pathfinders: Final Evaluation Report People, Places, Public Services: Making the Connections.

²⁴ ODP/M/NRU (2004) Neighbourhood Wardens Scheme Evaluation Research Report 8.

²⁵ CLG (2007) The Single Regeneration Budget Urban Research Summary Number 25.

- these issues are central to the lives of those living in disadvantaged areas
- interventions designed to address worklessness have the potential to lift individuals and households out of deprivation
- even if the root causes of problems can be traced to processes operating at wider spatial scales, there is still a case for instigating neighbourhood-level projects to improve the delivery of services to those in disadvantaged areas
- project-level analyses point to benefits accruing to individual participants from all kinds of projects, including those focussing on people (see Volume 5, 3.29); because of small absolute numbers of such beneficiaries, it is difficult for 'top-down' household surveys to identify measurable change at the NDC area level; but these improvements are real enough for individual beneficiaries.²⁶

4.8 In the NDC narrative surrounding people, education has been the one outcome where, not only has it been difficult for NDC partnerships to make an impact, but there are also, albeit weak, negative associations between higher rates of spend and change. If education is to be incorporated into future neighbourhood-focused ABIs, more emphasis should be given to determining what works at the neighbourhood level. There may for example be more mileage in assisting pupils and their families, rather than prioritising work with schools.²⁷

4.9 If people-related outcomes are adopted by ABIs, then:

- more attention needs to be given to the **sequencing** of place-, and people-, related interventions; perhaps the key lesson is here is not to press ahead on all fronts from the outset, but rather adopt a more measured and evidence-based approach designed to achieve plausible outcomes in time horizons involved
- a **common template of interventions to be used in all areas is unlikely to be appropriate**: the dynamics of localities matter
- neighbourhood level interventions need to be **informed by wider policy and market contexts**, an especially important consideration in relation to worklessness, where neighbourhood regeneration schemes need to be firmly embedded in LAAs, and increasingly, sub-regional strategies
- it should be understood that improvements in relation to place with these 39 areas may not **affect their relative ranking on the IMD**; the Index is largely driven by people indicators relating to income, worklessness, education, and health; substantial improvements in relation to place will not culminate in a proportionate change in IMD ranking.

²⁶ CLG (2009) Four years of change? Understanding the experiences of the 2002-2006 New Deal for Communities Panel; Evidence from the New Deal for Communities Programme (Chapter 8). www.communities.gov.uk/publications/communities/fouryearschangendcp

²⁷ CLG (2010) Improving attainment? Interventions in education by the New Deal for Communities Programme.

Tenure and change

4.10 As housing redevelopment and refurbishment schemes are completed in NDC areas, so it can be anticipated that resident populations will change through time. Much new or refurbished housing will culminate in changes in tenure patterns with, in particular, a rise on owner-occupation. As is explored in Volume 5 of these final reports (2.33), evidence points to associations between area-level change and, either a decline in social housing, and/or an increase in the proportion of households in owner-occupation. It is not hard to see why this should be so. Households in owner-occupation are more likely to help neighbourhoods achieve people-related outcomes than are those in social housing: they are more likely to be employed, be healthier, and be better qualified.²⁸ The policy implications arising from this is one with which many ABIs have had to grapple. Changing the tenure composition of regeneration areas is likely to bring benefits in its wake. A proportionate increase in owner-occupied accommodation is likely to help achieve positive absolute change in relation to people-based outcomes. In addition, there are likely to be relative improvements too, because an increase in owner-occupation will tend to dilute the scale of problems more likely to be apparent in households living in rented accommodation. At the same time, many existing residents living in rented housing will be unable to afford new accommodation within the area. New owner-occupied development may thus potentially lead to a displacement of those living in regeneration areas, as they seek out social-, or private-, rented accommodation, or cheaper owner-occupied housing elsewhere. It is not always possible to improve places to the benefit of all existing residents.

The architecture of regeneration programmes

4.11 Experience from this Programme has implications for two issues central to the architecture of regeneration schemes: time horizons, and spatial remit. **Time frames** should be driven by the nature of proposed regeneration, a theme explored in greater detail in Volume 1 of these reports (chapter 2):

- strategies seeking to stabilise areas by majoring on local environmental problems and issues surrounding crime may need an initial injection of additional funds for perhaps three to four years; change across this Programme in relation to many place-related indicators showed considerable movement in the first two years, with a slowing down in the rate of change thereafter

²⁸ CLG (2010) The impact of tenure profiles on the trajectories of NDC areas over time.

- holistic strategies designed to improve both the area, but also people-related outcomes such as education, health and jobs, may need longer time frames of perhaps five or six years in order to establish and sustain working arrangements with a wide range of delivery agencies; even then it is unlikely that these interventions will be associated with identifiable positive outcome change over this kind of time period: people-related interventions may still be helping individuals achieve outcome change many years after regeneration funding ceases
- schemes based on the major physical redevelopment of regeneration areas may require at least 10 years, because of their inherent complexities and costs, not least the critical importance of creating and sustaining positive relationships with land owners, developers, local authorities and other interested parties.

4.12 Equally so, the **spatial remit** of regeneration schemes needs to reflect key objectives, an issue developed in Volume 1 of these final reports (4.13 onwards). There are mixed views as to whether the NDC Programme model based on about 10,000 people is right. Few local observers argue for smaller areas, and most consider the existing spatial remit to be sensible. However, a few argue for larger areas which would more naturally fit boundaries of key delivery agencies, and which are also more likely to complement boundaries adopted by the kinds of 'neighbourhood forums' which many local authorities have established.²⁹ Interestingly, there are statistically significant associations between NDC areas accommodating larger populations and positive change (Volume 5, 2.34). But whatever scale is ultimately adopted, there is a consistent view that the boundaries of regeneration areas should, as far as possible, reflect those of existing delivery agencies.

Setting-up, managing and governing area regeneration organisations

4.13 Because this evaluation was commissioned at a relatively early stage in the evolution of the Programme, it is possible to reflect on lessons learnt as a result of establishing, administering, and governing complex regeneration agencies. In relation to **setting-up** regeneration agencies:

- there is a case for at a 'year zero' focussing solely on tasks such as employing the right people, selecting effective management systems, and establishing processes for community involvement
- it is important to introduce appropriate appraisal and evaluation systems at the outset: these will help select the best interventions, identify successes and failures, and add to the existing evidence base.

²⁹ CLG (2010) What works in neighbourhood-level regeneration? The views of key stakeholders in the New Deal for Communities Programme (Chapter 6).

4.14 With regard to creating an effective **complement of staff**, lessons include:

- the importance of developing teams with appropriate formal, but also good inter-personal, 'informal', skills
- successful NDC partnerships have not been reluctant to commission specialist external legal, financial and technical expertise where in-house skills are not available
- benefits arise from keeping a stable staff base and employing people with a direct interest in, indeed often living within, regeneration areas.

4.15 Successful regeneration schemes require **effective leadership skills** which tend to manifest themselves as:

- an ability to work with partners to formulate a collective longer-term vision, as well as having the practical nous to get there
- being visible: stakeholders often point out how effective leaders 'are just there'
- staying around: chief executives/directors of many partnerships whose areas have seen greatest change have been in post for many years; there are statistically significant negative relationships between losing senior staff and change in relation to HPE
- having inter-personal skills to deal with residents, local politicians, partner agencies, key players in the local authority, and so on
- familiarity with how local government operates: in the end the single most important partner will be the council.

4.16 Partnership boards consisting of partner agency representatives and local residents have been central to the **governance** of this Programme. Lessons to emerge from this experience include:

- the critical role of the chair; having an 'independent' chair can help drive forward progress and dampen down conflict
- making boards focus on strategic, not operational, issues: effective appraisal systems can reduce the time boards have to spend on assessing specific interventions
- if boards run into what appear insurmountable problems, the best option may be to start again
- wherever possible, securing consistency and seniority with regard to partner agency representatives

- making informed decisions as to whether electing community representatives to boards is the best way forward; elections provide an important mechanism through which to legitimise resident representation; however, in some cases appointing representatives from existing organisations, or theme groups, might make more sense in getting 'the right people in the right place'
- being aware of implications arising from an electoral system based on 'patch representation': it has worked well in some places; but especially where there are marked geographical sub-divisions rooted in, say, race, this approach can encourage intra-community strife.

Working with partners

4.17 Partnership working is central to this Programme and is likely to underpin future area regeneration initiatives. Much has been learnt about working with partners:

- agencies with a more clearly defined 'spatial' remit, notably the police, are more natural 'allies' than are those whose constituency is based on individuals, households, or firms
- not all agencies will see a great deal of mileage in helping regeneration bodies operating in small, 'unorthodox' areas, for relatively short periods of time
- many delivery agencies are charged with meeting national targets, not those determined locally by regeneration bodies
- regeneration bodies need to be 'instrumental' in gaining agency support; sometimes relatively small amounts of regeneration funding used flexibly can lever in much larger sums of money from other delivery organisations
- it is hard to overemphasise the importance individuals play in effective partnership working; regeneration agencies need to court, and keep, key supportive players; the more such individuals have executive authority within their own organisations, the more useful they will be
- those involved in area regeneration need to be cautious about where partnership working is going: partner delivery agencies may be very useful in informing the way regeneration bodies should spend their money, but be less inclined to bend their own resources into defined regeneration areas.

Engaging communities

4.18 The **community dimension** has been central to this Programme and, on balance, most observers think it has brought real benefits in its wake. This assessment mirrors the 2009 *Transforming places, changing lives* agenda which identifies a continuing need for communities and businesses to have strong voices in shaping interventions, plans and strategies. However, the NDC Programme points to lessons in relation to how best to engage local communities. These are outlined in greater detail in Volume 2 of these final reports and include:

- from the outset regeneration schemes need to establish what the community dimension actually means and to set appropriate objectives: consultation, involvement, engagement, empowerment, or delivery?
- it is vital to manage expectations; local residents can have inflated views in relation to the speed with which projects can be delivered, and the degree to which benefits from regeneration projects will be distributed across all of those living in the area
- it is essential to create effective, reliable, robust and informative mechanisms through which to communicate with local residents
- this Programme, in line with others, has encountered problems in engaging groups which have traditionally tended to play only a marginal role in regeneration, such as businesses and younger people; one approach through which progress has been made is using members of such groups to contact their peers
- community representatives may need skill enhancement and personal development programmes, if community capacity is to be sustained after regeneration funding ceases
- communities can play an especially strong role in defining needs and validating the additionality of new proposals emerging from mainstream delivery agencies; they tend to be less interested in, and may often anyway lack the skills for, delivering projects.

Sustaining change

4.19 Finally, this Programme provides useful insights into **sustaining the benefits of regeneration** after funding ceases:

- it is never too early to address issues of sustainability; to give one example, the scale and nature of any longer-term support from mainstream agencies should be written into project appraisals

- regeneration programmes need to provide guidance in relation to legacy and succession at an early stage; the whole arena is fraught with financial and technical problems
- new, neighbourhood-level, physical developments, especially those which accommodate both private-, and public-, sector tenants, can provide rental income after regeneration funding ceases; but the management costs of such projects can be underestimated, it may be difficult to maintain full occupancy rates, and rental income will not be sufficient to maintain the same scale of activity.

4.20 As explored in this report (and the other six final report volumes), the NDC Programme provides a richness of experience which substantially enhances the regeneration evidence base. It is important that policy makers and practitioners learn from the evidence base from this most innovative, intensive and well evidenced of neighbourhood regeneration initiatives.

£20.00

ISBN: 978-1-4098-2254-7

ISBN 978-1-4098-2254-7



9 781409 822547