

# New Deal for Communities

## The National Evaluation

### Research Reports

#### **A Review of NDC Strategies for Tackling Low Demand and Unpopular Housing**

Research Report 19

The Neighbourhood Renewal Unit is currently sponsoring the 2002-2005 national evaluation of New Deal for Communities. This evaluation is being undertaken by a consortium of organisations co-ordinated by the Centre for Regional Economic and Social Research at Sheffield Hallam University. The views expressed in this report do not necessarily reflect those of the Neighbourhood Renewal Unit.

Those wishing to know more about the evaluation should consult the evaluation's web site in the first instance  
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*Sheffield Hallam University*

# **A Review of NDC Strategies for Tackling Low Demand and Unpopular Housing**

Research Report 19

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## Executive Summary

- 1. Many NDCs are devising strategies to tackle the varied manifestations of low or falling housing demand: high household turnover, empty properties, falling property values and small or non-existent waiting lists for rented dwellings. The wider market context, however, varies considerably. In some parts of the North and Midland low demand is structural and endemic in nature, while in London and more buoyant markets the main challenge is the transience of the incoming population.**
- 2. NDCs can play a crucial role in linking across from 'non-housing' improvements to a neighbourhood in order to increase housing demand - through improved schools, play areas, better local amenities and so on. In some cases, such as East Manchester, these programmes are integrated, but elsewhere the links across policy arenas are still fairly tenuous in practice.**
- 3. Five NDCs in the study had completed the development of a housing strategy at the time of the research; others were still considering the options for issues such as future investment in social housing stock, the balance of tenures and neighbourhood plans. In four of the 11 NDCs the Partnership had undertaken a major rethink of its strategic direction in housing since the publication of the original Delivery Plan. This was prompted by a combination of community input and changing market conditions.**
- 4. The balance between community participation and partnership working in the process of strategy development sometimes causes tensions, but NDCs such as Heywood and Newcastle have managed to undertake extensive resident involvement over plans that have also gained the wider support of stakeholders.**
- 5. There is little evidence of research being used systematically to inform housing strategies, although NDCs such as Knowsley have developed master planning exercises for the area, with different options for stock demolition and redevelopment. NDCs in areas that have most experience of tackling low demand have developed a more sophisticated understanding of market dynamics and a wider range of interventions in response.**
- 6. Strategies for dealing with low demand are more advanced in the social than in the private housing sector. In part this reflects a lack of experience in private sector renewal, and difficulties in gaining access to private owners and landlords. NDCs have more direct levers to change patterns of management, allocations and investment for social rented stock. There is, however, considerable scope for innovation in piloting schemes in private housing areas to offer advice and support to private landlords, to develop maintenance projects, equity release schemes, loans, compensation packages, and so on. A good example is the Private Landlords Project initiated by Newcastle NDC and now being rolled out to elsewhere in the district. There is further scope for encouraging mutual learning among housing teams in those NDC areas facing low demand problems.**
- 7. A contrast can be made between 'inward-looking' approaches to dealing with low demand - focused on the involvement of existing residents and concerned to retain the existing community intact through the process of change - and 'outward-looking' approaches - focused on the needs of potential households who could be attracted into the area, and more concerned with the external**

image of the neighbourhood. Outward looking approaches tend to have a longer term agenda for change, but this can conflict with the more pressing priorities of the existing community.

8. The balance between outward-looking and inward-looking approaches is more closely connected to the skills acquired by officers in diagnosis and intervention and the organisational experience of dealing with low demand than the characteristics of the housing market in itself.
9. A wide range of agencies has been brought into partnerships involved in the development and delivery of strategies to tackle low demand. The local authority is usually represented on these bodies, although in some cases the NDC has devised a more independent strategy, reflecting previous conflicts between residents and the council. The involvement of private developers is encouraged in areas where restructuring is planned, as they will be key partners in the redevelopment of mixed tenure schemes following demolition.
10. In many cases, partnerships are underpinned by funding arrangements - for example, though the transfer of council stock to housing associations. Some NDC Partnership Boards have to ensure that neighbourhood priorities are taken into account by organisations working across a wider area. In some areas, such as Hull, this has generated conflicts over plans for demolition.
11. The announcement of the nine Pathfinders for Housing Market Renewal affects nine NDCs directly - and two others are just outside the Pathfinder boundaries. The long-term, sub-regional and strategic focus of Pathfinders will need to be aligned with the community-led ethos of NDCs. The relationship between the two bodies is still at an early stage, and most NDCs are positive about the opportunities presented - by piloting new initiatives, drawing down HMR funds for projects and locating NDC programmes in a wider context and pooling often limited skills and experiences.
12. Two NDCs have had a more troublesome relationship with the local Pathfinder. The issue of community consultation over demolition proposals is also likely to touch a sensitive nerve in the future. There is concern that resources might be diverted away from the NDC area as part of the market renewal plan, or that the consultation machinery developed by the NDCs might be used to soften the blow locally for the introduction of controversial or unpopular plans.
13. The main barriers to the further development of strategies to tackle low demand are the outcomes of community consultation - especially in terms of retaining residents' support for demolition proposals - resource constraints to effect radical measures to transform neighbourhood housing dynamics, a shortage of professional skills in housing renewal and a problematic relationship with other leading stakeholders.
14. The impact of NDC interventions on the neighbouring area requires further investigation. In areas of chronic low demand NDC housing strategies may reduce resident mobility into the area, but at the expense of the sustainability of adjacent areas. This wider perspective is taking root in some areas such as Manchester and Newcastle, where trends in the popularity of different areas are being monitored. A multi-tiered approach to low demand is required, but this places considerable demands on the co-ordination of policies, programmes and funds.

## 1. Introduction

This report from the Housing and Physical Environment (HPE) Team for the National Evaluation of the NDC programme explores different strategies for tackling problems associated with low or changing levels of housing demand. Phase 1 of this evaluation focuses on understanding the progress made by NDCs in *developing strategies* to deal with unpopular neighbourhoods and empty housing. This will be followed in subsequent years by studies into *methods of community consultation* adopted for the more radical programmes of neighbourhood remodelling. In the third year of evaluation, the team plans to examine the *impact* of strategies to deal with low demand, drawing on household survey findings, secondary data and case study analysis.

This evaluation was undertaken in three different stages. The first stage included a review of the Delivery Plans for all 39 NDCs in order to examine the different approaches planned to tackle the diverse problems associated with low housing demand. The second stage involved telephone interviews with 16 NDC partnerships which had developed programmes, of varying degrees of maturity, to tackle these issues. A particular focus of the research concerned those NDCs based in Housing Market Renewal Pathfinder areas and officers from all nine of these NDCs were interviewed (see Appendix A for details of the NDCs contacted and the individuals interviewed). The interviews covered the housing market context, the strategy developed in response, the process involved in developing this strategy and the links with other local regeneration initiatives and local strategic plans. For those NDCs in HMRF pathfinder areas, the interviews explored the relationship between the two programmes.

The third stage of this research involved case study analysis of some NDCs which had developed innovatory or relatively comprehensive programmes of intervention. This involved interviews with a range of key stakeholders, and some analysis of relevant documentation, and was undertaken in Oldham, Heywood and Lambeth. More limited case study visits were made to Newcastle, East Manchester and Knowsley.

## 2. Policy Context of Low Demand

The Government's Communities Plan places emphasis on tackling the issue of changing demand for housing by meeting the challenge of under-supply, high prices and inappropriate housing in some areas alongside problems of low demand and housing abandonment in other areas. The central message is the creation of successful and sustainable communities by bringing together a range of policy initiatives. NDCs are well placed to take advantage of this new policy direction, in particular through their focus on holistic approaches to tackling neighbourhood issues, and the emphasis on partnership that has been at the heart of the programme from the outset. The Communities Plan also provides the opportunity for some NDCs to relate their experience to the bigger picture of housing market change at a sub-regional level through the establishment of Housing Market Renewal (HMR) Pathfinders.

Research in recent years has generated considerable debate about the causes and possible responses to changing demand for housing (for example, Cole et al, 1999; Bramley et al, 2000). Renewal.net provides a fuller list of sources and review of potential measures that have been introduced, for those wishing to pursue the background to the debate in more detail. However, the essence of the problem has been captured in the recent IPPR review of housing:

*'The number of homes built to accommodate extra households has been uneven, especially during the past 20 years. In the north more new homes have been built than extra households formed. By contrast, in southern England the number of extra homes has fallen significantly short of the increase in households. The deficit has been much the largest in London.....the consequence of these developments has been immense....in many areas of the country, including most of the midlands and many areas of the north, there is a reasonable balance between housing supply and demand. However, there are acute problems of affordability in almost all areas of southern England. There is now a surplus of housing in some areas of the north, with problems of low demand and even abandonment in the least popular areas. And there is much greater social polarisation, with many poorer people trapped on housing estates in the most deprived urban areas.'* (Holmes, 2003 p12)

Clearly, this picture has complex implications for a national neighbourhood-based programme such as NDC. It is not feasible to derive generic templates for housing interventions: the neighbourhood, local and sub-regional contexts will vary so widely. The review of the housing component of NDC Delivery Plans showed, however, that the issue of empty or unpopular housing was the most common problem facing the Partnerships; and clearly the wider revitalisation of the neighbourhood will hinge on creating a place where people want to live, rather than where they feel trapped, or are desperate to leave. It is therefore a priority for the programme that the experiences of partnerships in dealing with low demand - whether effectively or not - are shared and discussed.

The challenge however is that, in many NDC areas, both the genesis and manifestation of low demand problems are not contained within the neighbourhood, but reach across to the wider locality or sub-region. A 'go it alone' approach is therefore unlikely to produce dividends, certainly in the longer term, as pointed out by the influential Select Committee inquiry into Empty Homes last year:

*'the focus on the neighbourhood fails to take account of the effect of that intervention on the wider conurbation'* (Transport, Local Government and the Regions Select Committee, 2002, para 99).

The ability of NDCs and other agencies to make such connections in the future will therefore be integral to the overall impact of strategies to tackle low demand and unpopular housing and this is a major theme in the foregoing account. Before the range of strategies, partnerships and initiatives by NDCs are described, the housing market contexts in which they are operating are outlined.

### 3. Local Market Context

Baseline data from the Delivery Plans showed that 17 of those NDCs providing data (68% of all respondents) had voids above 5% and 16 had household turnover of 15% or more. NDCs dealing with problems of low demand and unpopular housing are all aiming for the same outcome: the creation of stable, attractive and sustainable communities. However, the contexts in which the Partnerships are operating differ markedly.

In the North and Midlands problems of low demand or unpopular housing can be more *structural* and *endemic* in nature, made manifest through high voids, high turnover and housing market collapse. In Manchester (Beswick and Openshaw) voids are 22% and annual turnover is 23.5%; in Wolverhampton turnover is 37.8%. Officers from Hartlepool and Manchester pointed to some shift of tenure from owner occupation to private renting, with some parts of the area influenced by purchase for future investment. House prices in Beswick and Openshaw, for example, had fallen from £30,000 in 1980s to £1,500 now. In Hartlepool, it was suggested that first time buyers were missing out from the traditional first rung of the housing ladder, with the poorest quality terraced houses now effectively outside the 'mainstream' private market.

Where the fall in housing demand is structural in origin, the response will be far-reaching. In Knowsley North Huyton there was virtually no effective waiting list and plans are being developed which may involve substantial reductions in the social housing stock. In Beswick and Openshaw it was suggested that 64% of property in the NDC area has no demand, but this syndrome extended well beyond, to many neighbouring areas in East Manchester.

The nature of the housing market in other areas presents a more *differentiated* picture. In Heywood, for example, some stock (terraced houses with gardens) were popular, while others (terraced street properties with rear allies) are seen as unsustainable. In Sunderland and Oldham, low demand was found in pockets, with local factors, such as crime, drugs and stigmatisation, making a crucial difference to popularity. Although problems are more self contained in these areas, there is still a danger that they will escalate if interventions are not both timely and appropriate. The Heady Hill area of Heywood NDC, for example, consisted on three blocks of flats with difficult to let bedsits, but after the bedsits became unlettable, problems spread to two and three bed flats.

In London and in other more buoyant markets, low demand is manifest more in terms of *transience* than the presence of permanently empty properties. In Shoreditch, the turnover rate was estimated as just over 8%, while in Clapham Park (Lambeth) it was 20%, leading to subsequent problems of community cohesion:

*“Because the community is very transient people don’t know who belongs to the area”* (Lambeth).

*“There are always people who want to move into the properties”* (Shoreditch)

*“There are so many people and there is so little space, people will accept anything”* (Lambeth)

Rising void levels are less of a sign of unpopular housing in London than inappropriate lettings, as properties are eventually allocated to people with few other housing choices:

*“People will move in even though it is inappropriate. For example we have a disabled tenant who moved into a third floor flat without a lift, it was better than temporary accommodation”* (Shoreditch)

Whatever the wider market context, low demand can apply across all tenures and in a wide range of property types. There are few factors that are common to all areas suffering low

demand in NDC areas. Not all areas have stock in a poor physical condition, for example, although some have a high proportion of stock falling below the decent homes standard. In Shoreditch, for example, it was claimed that five out of six properties fell below the decent homes standard and a third were beyond economic repair. In other areas, such as Wolverhampton, low demand was prevalent despite the stock being in a good physical condition, partly as a result of investment through previous Estate Action and Renewal Area activity.

Tackling non-housing issues may be more important than stock condition or the quality of the housing service in raising demand. Clearly Partnerships can play a pivotal role here in integrating different policy interventions within an overarching strategy of neighbourhood renewal. Clapham Park NDC, for example, had linked levels of housing demand to issues such as the provision of a new school, the creation of new jobs and key worker accommodation.

*“There is a need to create a plan so services and infrastructure come together to deliver an environment people want to live in” (Lambeth)*

Other areas, such as East Manchester and Knowsley NDCs, had also embarked on ambitious plans to renew the wider physical and service infrastructure in order to strengthen housing demand. In some other areas, however, the links between housing and non-housing factors and strategies were not as well developed.

## 4. Progress in Strategy Development

All the NDCs covered by the research were in the process of developing their housing strategy, which included measures to combat low demand. Only Liverpool Kensington, Newcastle, Heywood and Shoreditch had in place a fully formed housing strategy specifically for the NDC area.

In Heywood NDC, there is a focus on the Regeneration Partnership Strategy. Liverpool is in the process of implementing a comprehensive Housing Strategy for Kensington. The Shoreditch housing strategy was approved in October 2002 and the Newcastle Housing Strategy Statement in December 2002. Other NDCs are at different stages of development. In Sheffield the strategy outline has been approved by the Board and staff are now developing local interventions. In Manchester the strategy outline has been set by the New East Manchester partnership and consultation is now under way to develop local interventions. At the other end of the scale, Sandwell is considering stock options, and in Wolverhampton Master Planning is being developed as the first phase of strategic development. In Hull it was suggested that difficulties in the relationship with the local authority had delayed progress. Residents in the Knowsley NDC area are shortly to be consulted on various options for the future of stock in their neighbourhood, which includes a range of possible reductions. In Sunderland the Partnership is now working up a strategy based on the recommendations of three feasibility studies. Table 1 overleaf summarises the current state of progress of the NDC case studies.

**Table 1: Progress in Low Demand Strategy Development**

NDC area	Fully formed strategy for NDC area	Strategy in progress	Strategy development on hold	Stage of development
Aston			X	Pending links to HMRP
Hartlepool		X		Strategic thinking based on Community housing Plan.
Hull		X		Some strategic ideas, agreement with Council still to be reached
Knowsley		X		Master planning complete. Open for consultation.
Lambeth		X		Plans for tenancy audit.
Liverpool	X			"Housing Strategy for Kensington"
Manchester		X		Strategic thinking developing at a local level around the New East Manchester strategy.
Newcastle	X			"Newcastle NDC Housing Strategy Statement" December 2002.
Oldham		X		Private sector Housing Renewal Team being appointed. Links developing with Villages HA for public sector strategy.
Rochdale	X			As part of the Heywood Housing Strategy.
Salford		X		Physical design strategy planned for May 2003.
Sandwell		X		Looking at options.
Sheffield		X		Strategy outline approved by NDC Board.
Shoreditch	X			Approved October 2002
Sunderland		X		Feasibility study complete.
Wolverhampton		X		Focus is demolition in the public sector. No plans for the private sector.

In some cases, the development of a NDC housing strategy to deal with low demand had been delayed. In Hackney (Shoreditch) this was due to the financial difficulties facing the local authority, while in Heywood implementation had been refined to fit in with changing relationships and priorities following the success of the local authority in pursuing arms-length management status, and in Aston the strategy was on hold until firmer links had been made with the Housing Market Renewal Partnership.

The barriers to strategy development are discussed later in this report, but in some cases, respondents suggested that delays had caused problems; in Hartlepool, for example, officers reported that the low demand problem had spiralled since the Delivery Plan was developed, as counter-interventions had not been fast enough. In other cases, the delay was more considered: in Knowsley a fairly *ad hoc* clearance programme was put on hold as it was increasing uncertainty and instability in the community and was not linked to a formal housing strategy.

Housing was not originally included in the policy areas to be covered by the NDC programme; it was subsequently incorporated within the Delivery Plans of both Round 1 and Round 2 Partnerships. Partly for this reason, there were some significant differences between the strategies currently in development and the strategic direction outlined in the original Delivery Plans. Table 2 indicates which NDCs covered in the research have made minor deviations from the Delivery Plan proposals and which have undertaken a more fundamental strategic rethink of their housing interventions.

**Table 2: Comparison of Housing Strategies and Delivery Plan proposals**

NDC area	Minor deviations in interventions	Major re think in strategic direction
Hartlepool	X	
Hull		X
Knowsley		X
Manchester	X	
Newcastle	X	
Oldham	X	
Rochdale	X	
Salford	X	
Sheffield	X	
Sunderland		X
Wolverhampton		X

For Hartlepool, Manchester, Newcastle, Oldham, Heywood and Salford NDCs, changes were made to planned interventions rather than overall strategic thinking. This would be expected given the increased level of community participation since the Delivery Plan stage and growing understanding by officers of housing needs as a result of their direct experience of working in the area.

In Heywood, it was originally planned for the NDC to appoint Neighbourhood Wardens, but this was eventually considered non-viable and this service is now being provided independently. Similarly in Oldham the Regeneration Company originally planned for the NDC will now be part of a city-wide agency. In Newcastle the *Westgate Cares* project has not developed on-the-spot housing management as first envisaged, but is developing a range of other projects in response to changing local needs and priorities. Projects will now include a multi lingual housing advice service, a Peer Education project for 16 – 18 year olds, and a project providing support to homeless people rehoused in the area.

*“The difference comes at the point of which specific projects are developed”* (Newcastle)

In these cases the Delivery Plan provided a solid base for development of the strategy or has evolved, as in Sheffield, to meet changing needs within the housing market.

*“We tried to use the Delivery Plan as a framework because local people relate to the Delivery Plan.”* (Newcastle)

*“The strategy is based on the Delivery Plan, (but) there is a need to develop that into a specific strategy for individual areas”.* (Manchester)

By contrast, some NDCs, including Hull, Knowsley, Sunderland and Wolverhampton, had devised a radically different housing strategy. In Wolverhampton and Knowsley the original planning process was felt to be flawed and there was a move back to first principles in order to plan a more effective strategic response.

*“The Delivery Plan proposals won’t work, there is a need to address the tenure, type and price mix in the area”.* (Wolverhampton)

*“The original master planning for the NDC did not really address the housing issues... it looked at spatial planning”.* (Knowsley)

In Hull, a difficult relationship with the Local Authority and changes in senior management led to delays and conflict over the strategic plans for the NDC. Key interventions outlined in the Delivery Plan have not been implemented, including the introduction of local lettings and the creation of a community building company. The NDC has had to overcome a series of problems in developing their housing strategy, having failed initially to reach agreement with the local authority on the overall direction for their housing programme.

## 5. The Process of Strategy Development

The process adopted for developing the housing strategy focused on community participation and partnership working. There was rarely any reference to the use of base line indicators or other new research to inform strategy development.

The balance between community participation and partnership working sometimes caused problems. For example, in Hartlepool a strong resident-led process had been adopted but the partnership had failed to get local authority backing for either the process or outcome, resulting in tensions between the local authority and the NDC over a strategy for the area.

*“The Council focus is on bricks and mortar and on city-wide supply and demand issues. The NDC focus is the local community”* (Hartlepool)

*“We thought we had a positive relationship and co-operation with the Council. But they did not tell us about the problems they saw with the process and planning until it was too late”* (Hartlepool)

In Hull and Shoreditch local political issues had apparently skewed development of the strategy.

*“The housing strategy is designed to accommodate the political perspective, not necessarily to deliver the best housing options”.* (Shoreditch)

In other more positive examples the community was working as a partner alongside other stakeholders in the area to develop a housing and low demand strategy.

*“The key is to develop a strategy that is consistent with the city-wide strategy, but also meets local needs”.* (Sunderland)

### **i) Resident Involvement**

NDCs are premised on the development of community-led strategies, and many interviewees suggested that the capacity of residents to be involved had developed, since the Delivery Plan stage, illustrated by the growing skills and experience of tenants in modifying strategic thinking on housing interventions.

**Table 3: The Extent of Resident Involvement in the Housing Strategy**

NDC area	Little/None	Limited	Extensive	Comments
Hartlepool			X	Extensive resident involvement in development of the Community Housing Plan.
Hull		X		Plans to develop involvement.
Knowsley		X		Under review
Manchester			X	Developing at a Neighbourhood level, Neighbourhood Planning has a strong resident focus.
Newcastle			X	Consultation in development of Neighbourhood Plans
Oldham	X			Plans to develop.
Rochdale			X	Residents involved in Neighbourhood Renewal Assessment and in the public sector through resident surveys and public meetings.
Sheffield	X			Plans being developed.
Shoreditch			X	Seen as a strongly community led strategy.
Sunderland		X		Planning for Real and local conference planned.
Wolverhampton		X		The Local Authority project team are developing resident participation in Master Planning.

Table 3 shows some variation between NDC areas in the extent of community involvement in strategic thinking. In Hartlepool the strategy is being developed from the Community Housing Plan, following extensive resident involvement in 60 street meetings and focus groups and local residents have been appointed to support officers in community consultation. In Manchester the broad strategic direction was set in the Comprehensive Housing Strategy developed by the Urban Regeneration Company for New East Manchester. Specific interventions, however, have been planned with extensive resident involvement at an area level. Shoreditch has developed a similar resident-led approach, from initially setting the priorities for housing, then considering the options, leading to the final approval of the strategy in October 2002. In Heywood the involvement of private sector residents in Renewal Area assessment included brainstorming events, public meetings to discuss possible interventions, residents' surveys and door knocking, while open days were held for social housing tenants, to give information about the outcome of consultation and review proposals for tackling problems in the sector.

Other areas have so far had more limited resident involvement. In Sunderland:

*“The new strategy is based on the results of local feasibility studies and on work within the housing theme group looking at how things have changed in the area and how things may change in the future”.* (Sunderland)

In Wolverhampton a local authority team is currently developing a strategy for resident participation in the Master Planning process. In Oldham the Housing Renewal team, responsible for development of the private sector housing strategy, and the Neighbourhood

Support Team, responsible for resident participation, will both be managed by the Housing Management Team to ensure that consultation is at the heart of the Housing Strategy. In Hull there are plans for consultation through local public meetings, and reconvening the Citizen's Jury. In Sheffield, the NDC expects to consult through the Housing Theme Group and the Social Housing Group, as well as with individual residents through local surgeries. The main challenge is to develop effective consultation with the black and minority ethnic communities, which constitute 52% of the population in the Burngreave area.

The process of resident involvement may sometimes sit uneasily with a programme of strategy development. In Heywood, for example, conflict has arisen between the public and private sector interest groups. In Hartlepool, it was suggested that the principle of community leadership set out in the Delivery Plan has been increasingly difficult to maintain in a context of rapid household turnover and low demand. In Shoreditch a powerful group of resident leaseholders has strongly opposed the plans for stock demolition and it was claimed that:

*"No one wants to challenge the politics of the area"* (Shoreditch)

A number of NDC officers commented on the difficulty for residents to see the 'bigger picture' of housing market dynamics beyond the NDC area. In Heywood, for example, residents needed support and capacity building to enable them to participate effectively and to operate as equal partners within the NDC:

*"Because projects in the NDC are community-led there is a need to develop the capacity of residents to take a real lead. Residents are activists and not really representative of the community"*. (Heywood)

## **ii) Understanding Local Needs**

As stated above, evidence of new research or updates of the baseline data on housing needs was limited.

*"Although there is a lot of new information since the Delivery Plan this is not being used in a systematic way to inform strategy and planning"* (Hartlepool)

Rochdale Heywood was distinctive as an NDC where ongoing research - including residents' surveys and a supply/demand study - was informing development of the housing strategy. In other cases, such as Knowsley, a comprehensive and fairly sophisticated borough-wide study was being planned. There also appeared to be an unwillingness to use data sources that were available.

Master Planning (as in Knowsley) and Neighbourhood Planning (as in Manchester and Newcastle) are typical tools used to develop the strategy and understand needs at a local level. Once the regeneration framework had been agreed for New East Manchester as a whole, options have been developed at a local level through Neighbourhood Planning and this is being piloted in Beswick. A newsletter was used to promote discussion of the options for the Beswick area. Drop-in meetings were held, and a residents' steering group was established, led by the NDC and also involving RSL partners and voluntary organisations. The Beswick neighbourhood plan looks at the risks and opportunities for regeneration over the next ten years.

In a similar vein neighbourhood plans have been completed in Newcastle and will be turned into local Area Frameworks for the next seven years. Local surveys, forums and theme groups have also been used to engage with the community and develop a wider understanding of local needs. Lambeth has plans for a tenancy audit to understand future needs and aspirations of residents. Sheffield NDC has invested time in working with local

agencies involved in housing asylum seekers and refugees to understand their needs more thoroughly.

The development of consultation and planning at a very local level was becoming increasingly important as strategies were translated into local interventions and priorities. Neighbourhood Renewal Area Assessments, for example, were used in several areas facing low demand in the private sector. Guidance has been produced to help local authorities undertaking such exercises, but even so, the often rapidly changing market context posed a challenge to the flexibility of any strategies. In Hartlepool, for example, the NDC board and staff team were finding it increasingly difficult to keep to an agreed strategy in the face of increasing problems of low demand locally and pressure from the local authority to increase the level of demolitions agreed with residents.

The most effective links between the NDC-based strategy and the wider market was in New East Manchester strategy, and in Heywood, where explicit attempts had been made to incorporate an appreciation of market conditions in neighbouring areas. The NDCs in areas with most experience of low demand had developed a more sophisticated understanding of the problems and had a wider range of interventions in response.

## 6. Planned Interventions

NDCs have planned a wide range of interventions, often based on tried and trusted rather than innovative measures, to meet the challenge of low demand and unpopular housing. Strategies for social housing generally appeared to be further developed than those for private housing, sometimes reflecting difficulties in accessing and engaging private owners or landlords (Oldham), or a general lack of experience in private sector renewal (Hartlepool). Wolverhampton and Sunderland NDCs had also failed to develop their planned interventions for the private sector (including support for owners and tenancy support) and this remains a challenge that has yet to be tackled effectively.

Other areas had, however, progressed further their interventions for the private sector and these are italicised in the list in Table 4.

**Table 4: Examples of Interventions Planned to Tackle Low Demand**  
(*Private sector initiatives italicised*)

NDC area	Examples of Planned interventions	Aim of the intervention
Hartlepool	Local Regeneration Company	To carry out planned area regeneration
	Home Swap scheme	To enable local people to remain in the area following demolition.
Knowsley	'Popular Places' Marketing initiative	Marketing of public sector housing, local letting policy, and fast tracking or repairs.
Liverpool	<i>Interest free community regeneration loans</i>	<i>Offering compensation to owners during clearance, where owners are trapped with low value property and want to buy another home in the area.</i>
Manchester	<i>Home ownership equity scheme.</i>	<i>Support to owners during clearance.</i>
	<i>Independent financial advice for owners. Landlord accreditation</i>	<i>To raise the standard of private sector management.</i>
Newcastle	<i>Private Rented Project.</i>	<i>Working with private landlords offering advice support and training, aiming to reduce voids, tackle anti social behaviour and improve the image of the area.</i>
Oldham	<i>Landlord accreditation</i>	<i>To raise the standard of private sector management.</i>
	<i>Private Sector Housing Renewal Team</i>	<i>NDC team to develop and implement private sector strategy for the NDC area.</i>
	<i>Repair and Home Maintenance Project</i>	<i>Offers free labour where owners provide materials; accredited builders list; home MOT with a surveyor.</i>
Rochdale	Cross tenure housing management agreement	To raise housing management standards.
	Intensive housing management.	Public sector management including environmental teams, caretakers and security patrols, drug and alcohol tenancy support, tenancy enforcement.
	<i>Equity release scheme.</i>	<i>To enable owners to release capital for repair and improvement.</i>
	<i>Landlord accreditation.</i>	<i>To raise standards of private sector management.</i>
Shoreditch	Chain Lettings.	To allocate new property to local people, helping to tackle overcrowding and enabling them to remain in the area.

Several NDCs are developing Neighbourhood Renewal Areas for the private sector housing in their area. The NDC team in Oldham had appointed a dedicated private sector team to support strategy development, following on from the Housing Renewal Assessment and it was decided that the NDC had the skills and capacity to implement an area renewal strategy. Oldham Borough Council had not yet developed an infrastructure of community and voluntary groups locally, and there is still evidence of a lack of public trust in the local authority (see, for example, the Executive Summary to the NDC Partnership Evaluation Report 2002 /3 for Oldham). This has influenced Oldham NDC's fairly independent approach compared, for example, to Heywood, where a strategy has been developed that is more reliant on local authority input, partly reflecting a better relationship over the years between the tenants and the council.

There were fewer examples of initiatives to tackle problems in the private rented sector. Manchester, Oldham and Heywood plan to develop landlord accreditation schemes to raise standards of private sector management. The Newcastle Private Rented Project, providing support and advice to private landlords has made a major contribution to overcoming low demand in the Westgate area of Newcastle, although other factors such as the overall boom in the city centre housing market have also made an impact.

Initiatives for owner occupiers include support to people remaining in their existing homes and help for those affected by clearance. A Home Repair and Maintenance Project in Oldham offers free labour, an accredited builders list, and Home MOTs to enable owners to repair their own homes; in Heywood equity release is being developed to enable owners to repair their own homes. In Liverpool interest free Community Regeneration Loans provide compensation to owners during clearance, enabling those who are trapped in low value property to buy another home in the area; and in Manchester owners are offered independent financial advice and the NDC is developing a home ownership equity scheme.

Public sector interventions have tended to focus on stock improvement. Some NDCs, such as Heywood, have linked stock improvement to changes in housing management. There are plans for local environmental teams, caretakers and security patrols and tenancy support, including four additional community management officers to provide drug and alcohol tenancy support. In addition, neighbourhood management is being developed, with a cross-tenure management agreement being introduced to provide some consistency in management between local authority and the twelve different local RSLs managing stock in the area.

There is a balance to be struck between strategies designed to attract new households to the area to boost demand and those interventions focused more on stabilising the community and providing more appropriate housing for the existing community. As stated earlier, high turnover is a particular concern among London NDCs. In Hackney Shoreditch, for example, a chain lettings allocations policy has been agreed enabling any new property to be allocated to people already living in the area, helping to tackle overcrowding and inappropriate housing. Elsewhere, such as in Manchester, priority has also been given to rehousing existing communities in new build social housing within the area.

*“Support and build on existing communities, giving people the right to remain in the area and the right to return to the area, working to keep established communities together during development”.* (Manchester)

Demolition is an option for reducing supply in areas of low demand, and this obviously raises some sensitive questions. This was mentioned by respondents in Sunderland, Shoreditch, Wolverhampton, Oldham and Hartlepool, where concerns were expressed about how to manage community anxieties about demolition. Although residents there had supported a plan to demolish up to 400 properties, staff felt it would be increasingly difficult to retain resident support to meet the local authority's demand for up to 800 demolitions.

Sensitive consultation at a local level is essential for such proposals. In Manchester, for example, consultation on demolition with individual residents aimed to keep local communities together during and after redevelopment, by identifying where they want to live following demolition and who they want to live next to. In other areas, there was suspicion and concern among residents about proposals to demolish properties; and, over such issues, rumour mills often work overtime. In Knowsley, for example, various options have been put forward, but the most radical measures, favoured by private developers who might be involved in rebuilding on the sites, have met community opposition.

*“Clearance and rehousing is sensitive for local people... It is difficult to get local people to understand the problems of changing demand; often these are problems outside their area”* (Knowsley)

Elsewhere, the conflict between neighbourhood-based and local authority-based proposals for demolition has been especially sharp; this clash of expectations has been a constant feature of discussions about the housing plan for Hull NDC.

The nature of NDC partnerships, being locally focused and resident-led, tends to encourage strategies that concentrate more on meeting the needs of the existing community than on attracting new people to the area.

*“The strategy is a partnership that responds to what local people say they want”* (Newcastle)

*“The strategy for Burngreave aims to meet the real housing needs of people living in the area”* (Sheffield)

An ‘inward looking’ approach to deal with low demand may stand a stronger chance of gaining community support, but it runs the risk of neglecting the more structural influences on the wider housing market. Housing strategies have to be founded on a relatively long term assessment of housing needs. The NDC household survey undertaken by MORI, for example, found that 31% of residents (across all Partnerships) wanted to move from the area in the next two years. The household survey also found that 43% of respondents in NDC areas had lived in the area for less than five years, compared to only 22% among the comparator group. Clearly this poses problems for strategies founded solely on consultation with the existing communities. Some NDCs have therefore undertaken a more ‘outward-looking’ approach, based on a more fundamental appraisal of the needs of the area, thinking how it might be possible to restructure the neighbourhood to make it more attractive to new residents, and basing future planning on the future needs of *potential* as well as *actual* residents. The difference of emphasis between these two approaches undertaken by NDCs is outlined in Table 5 overleaf.

**Table 5: Approach to NDC Housing Strategy**

NDC area	'Inward' Focus	'Outward' Focus	Comments
Hartlepool	X		Demolition, redevelopment of opens space and refurbishment.
Hull	X		Local focus. Demolition and refurbishment.
Knowsley		X	Demolition and redevelopment to achieve tenure diversification and attract new people to the area.
Lambeth	X		Local focus. Retention of existing population and attract new people to the area. Plan to tackle a range of housing and environmental concerns as well as linking to issues covered by other domains.
Manchester		X	Aiming to retain the existing community but restructure the area to make it attractive to new people and to encourage existing residents who are economically active to remain in the area.
Newcastle	X		Local focus.
Oldham	X		Physical/environmental works, local management and community involvement.
Rochdale	X		Focus on improving property condition and design in the public sector, complemented by private sector housing initiatives.
Salford	X		Physical design focus.
Sandwell		X	Radical option linked to HMR Pathfinder, looking at the needs of the stock over a thirty year time frame.
Sheffield	X		Focus on local needs, in particular for B&ME groups. .
Shoreditch	X		100% replacement following demolition, aiming to reduce overcrowding and increase the appropriateness of housing
Sunderland	X		Local focus. <i>“The key is to develop a strategy that consistent with the city wide strategy, but also meets local needs”.</i>
Wolverhampton		X	Re provision to change the housing image and structure in the area.

The outward-looking strategies devised by Manchester, Wolverhampton, Sandwell, and Knowsley had a longer term emphasis but this could create a conflict with the existing community. In Manchester, for example, it is planned to increase tenure options and broaden the range of house types and property values, to attract new households and reduce the out-migration of local economically active residents. This includes plans for demolition and the re-provision of 1,100 new homes, with the aim of:

*“...offering choice and quality to new and existing residents in mixed tenure developments”*  
(Manchester)

Knowsley's strategy of demolition and redevelopment is planned to change the whole character of the area and is similarly intended to:

*“.. produce options that are attractive to the private market, achieve tenure diversification and attract new people to the area.”* (Knowsley)

However, the more radical options have met with a sceptical response from the local community, with representatives arguing that non-housing interventions within the NDC area, such as building a new school, will stimulate the market and reduce the need for demolitions. Other options have raised fears about the scale of in-migration changing the existing character of the area, possibly displacing long-standing residents.

*“It is difficult to get across the need to attract new people into the area to the existing population... Accusations of gentrification are seen as positive by the Council and Trust but negative by the NDC and local community” (Knowsley)*

In Wolverhampton, following the perceived failure of previous attempts at refurbishment, demolition is now the starting point for a radical restructuring of the area, resulting in a new community comprising a 70/30% balance between private and public housing:

*“There is a need for some re provision to meet the needs of the existing population, but overall there is need to change the whole housing image and structure of the area in terms of type, price and tenure.” (Wolverhampton)*

The balance adopted between inward and outward looking approaches needs to be considered against the nature of the housing market, and the perceptions and intentions of existing households. However, there was little correspondence in practice between market trends, resident experiences and planned interventions. Thus, the NDC MORI Household Survey found that, among NDCs, 50% of existing households in the Lambeth NDC area planned to move out of the area, as did 43% in Liverpool, 41% in Hackney and Knowsley, and 40% in Sheffield. By contrast only 25% of households in Hull planned to move, and lower than average scores were also found in Sunderland (30%) Sandwell (31%), Salford (32%), and Manchester (33%).

However, it did not follow that the more transient areas (according to stated household intentions) had devised more outward-looking programmes whereas more 'stable' areas were in fact inwardly directed. In fact, the approach taken by NDCs was more closely aligned to the degree of experience of housing market failure and, perhaps, the skills acquired by the staff in diagnosis and intervention. Those NDCs based in the North West, for example, had tended to have developed a stronger strategic direction and introduced a wider range of innovative interventions. They had also made more successful links with sub-regional regeneration programmes, compared to NDCs in other areas.

## 7. Partnerships Arrangements to Develop and Deliver Strategies

Partnership working is integral to the NDC programme, and a wide range of agencies have been involved in supporting the development and delivery of strategies designed to tackle low housing demand.

**Table 6: Key Partners in NDC Housing Strategy Development**

NDC area	Partners in strategy development
Hartlepool	SRC and Urban Design Consultants; residents.
Hull	Residents - starting to develop with HMR Pathfinder.
Knowsley	Consultants; Knowsley Housing Trust; private developers; residents, local authority.
Lambeth	Residents; local business; local authority; consultants.
Manchester	Residents; private developers; New East Manchester Board; local authority; Housing Market Renewal Pathfinder; RSLs; voluntary organisations.
Newcastle	Local authority policy team; RSLs; Housing Corporation; residents.
Oldham	Villages HA; West Pennine HA; HMR Pathfinder; local authority private sector team; residents; local business.
Rochdale	Heywood Housing Partnership; Northern Counties HA and other RSLs; local authority; ALMO; HMRF; residents; elected members; local business.
Salford	HMR Pathfinder; Central Salford Development Group; local authority; residents.
Sandwell	HMR Pathfinder; RSLs; residents.
Shoreditch	Residents; private sector developers; RSLs; local authority; Housing Corporation; Police; PCT; local business.
Sunderland	RSLs; local authority strategy team; private landlords; residents.
Wolverhampton	Local authority; consultants; local residents; community organisations; police; RSLs.

The strongest relationship was usually with the local authority. Officers were represented on housing sub-groups or theme groups (as in Hartlepool) or on the Partnership Board (Sheffield). In Manchester, Wolverhampton and Heywood, council officers were directly involved in the development and delivery of the housing strategy. In some cases (such as Shoreditch, Oldham, Liverpool and Hull) the NDC housing strategy had been developed along more independent lines, partly reflecting past conflicts between residents and the local authority, or other housing agencies:

*“There is a lack of trust in the Council... but even less in RSLs” (Shoreditch)*

NDC Partnerships have had to build and develop relationships with both existing and new partners. In Heywood, for example, the creation of the ALMO changed the relationship between the NDC and the local authority and Sunderland, Oldham and Knowsley have had to build links with new stock transfer associations. In Oldham, for example, links were developing with Villages Housing Association, and Knowsley NDC was working closely with Knowsley Housing Trust over the master planning exercise. In Sunderland links between the NDC and the Sunderland Housing Group were less developed, and this had contributed to some delay in moving ahead with the low demand strategy.

Private developers were important partners in several NDCs. In Knowsley and Manchester the involvement of private developers was consistent with the radical approach to area restructuring and the importance of redevelopment to the programme overall. In Shoreditch, private developers were key partners in redevelopment of mixed tenure sites following

demolition. As a result of high land prices in the area, local housing associations would find it difficult to compete for development land and the NDC therefore expected partnerships with private developers to provide a high proportion of the new affordable and market housing for the area.

Partnership working with over arching strategic bodies was seen as vital by some of the NDCs, such as Manchester, Heywood and Salford. In Birmingham both Aston and Sandwell related to the North West Regeneration Corridor. Links with Housing Market Renewal Pathfinders are considered separately later in the report. In general, the extent of partnership working varied, with Oldham, Manchester, Salford and Newcastle all having a high level of partnership working, while NDCs such as Hartlepool and Hull struggled to establish links with their local authorities and other organisations locally. This had caused them problems in attempts to implement their strategic plans.

Table 7 shows the level of partnership working developed in support of the development of housing and low demand strategies.

**Table 7: Level of Partnership Working in Housing Strategy Development**

NDC area	Low	Medium	High	Comments
Hartlepool	X			Conflict with the local authority over resources, demolitions and strategy. Few links with other local partners.
Hull	X			Poor relationship to the local authority. Limited links with HMR Pathfinder.
Knowsley		X		Links are developing as housing options are being explored.
Lambeth		X		Partners have been involved in planning meetings to consider housing options.
Manchester			X	Well developed links via the New East Manchester structure and within the NDC to local partners and stakeholders.
Newcastle			X	Close links to the local authority, including development of a joint working protocol. Strong links to a wide range of other partners locally.
Oldham			X	Partnership working is central to strategy development and delivery: <i>“Building NDC strategy into the mainstream of service provision”</i> .
Rochdale			X	NDC engaged with a wide range of partners.
Salford			X	Partnership working is a priority within the NDC and beyond. <i>“There tends to be a collective approach to problem solving within Salford.”</i>
Sheffield	X			Partnerships are just starting to be developed.
Shoreditch		X		Strong resident leadership; links to the local authority are limited but partnerships are developing with other organisations.
Sunderland		X		Links are being developed
Wolverhampton		X		Links are being developed.

Partners were involved in different ways with the NDC. In Manchester, for example, stakeholders were involved in the neighbourhood planning pilot in Beswick. The New East Manchester regeneration framework set the strategic principles for the whole area; a residents steering group was then established, led by the NDC but including officers, RSLs, and voluntary organisations. The Neighbourhood Plan was developed with residents and local stakeholders looking at the opportunities and risks for regeneration over the next ten years.

In Heywood the local authority leads on strategy development and delivery within the Heywood Housing Partnership framework, with the NDC being responsible for community consultation. Northern Counties Housing Association is a key partner in the Renewal Area, and has funded a housing demand research project. In Oldham the partnership arrangements vary according to housing tenure. The private sector housing strategy is being led by the NDC Private Sector Renewal team and West Pennine Housing Association. In the public sector the NDC is developing their strategy with Villages Housing Association.

NDC boards were established as “*partnerships*” from the outset; partnership working is integral to their existence and NDCs often depend on partner organisations to achieve their strategic aims. It was clear from the interviews that partnership working has developed in different ways and made a variable contribution to housing and low demand strategy development. Where partnership development was limited, strategic thinking was weaker as a result.

In some cases, such as Oldham, the focus has been on building the NDC strategy into mainstream service provision through partnership working. In other areas the NDCs have tried to retain more control over their own interventions. Shoreditch was an example of an NDC that had so far retained control over its own strategy development and the implementation of strategic interventions. Shoreditch was, however, unique in the extent to which it has been able to operate separately from the local authority. Hackney council had not been able to make financial or staff resources available to support the NDC. In other cases, funding arrangements underpinned partnership working – especially in view of the scale of investment required to deliver their housing strategies. In some cases, resources were ring fenced for the NDC area (for example, in Heywood and Hartlepool); elsewhere new money will be brought into the area. For example, Villages Housing Association will be funding public sector improvements in the Oldham NDC area, and Knowsley Housing Trust will be funding a major element of the regeneration in North Huyton NDC.

The financial leverage of partner organisations gives them considerable power in low demand housing strategies. In some cases, Partnership Boards needed to be extremely strong to hold the balance of power and ensure that local priorities are taken into account by organisations concerned with issues across a wider area. NDCs allied to other strategic bodies that shared their aims and objectives for the area, as in the case of Beswick/Openshaw within the New East Manchester framework, had been more effective in retaining control of their local strategic priorities. Where NDCs depended heavily on their local authorities for delivery of their housing and low demand strategies (as in Hull and Hartlepool) they were more vulnerable to being overtaken by wider strategic priorities, especially if the partnership was fairly fragile.

The approach in Oldham was different again. The NDC had appointed its own private sector team to develop a housing strategy in partnership with West Pennine Housing Association with the specific aim of retaining control over it. The Partnership was, however, dependent on the Villages Housing Association, to be established after stock transfer, to develop a public sector strategy for the Fitton Hill area.

Knowsley Housing Trust (KHT) has been a key partner in the development of the North Huyton housing strategy and commissioned consultants to explore options for the future of housing. The brief to consultants asked for options that would be both attractive to the

market and meet community aspirations. However, the high level of demolition and private redevelopment recommended by the consultants has not been well received by the NDC, with doubts expressed about the evidence base for the recommendations, and the lack of detailed reference to wider market trends. KHT has been placed somewhere between the consultants' recommendations and the community reactions to them, though the commissioning of a comprehensive demand study by Knowsley Council may help to defuse the situation a little and throw more light on the contrasting market-led and community-led rationales for future investment. This series of events exemplified some of the tensions that emerged across several NDCs.

In Hull a crisis had developed following the publication of a report recommending widespread demolition on a number of estates, including the system-built property in the Preston Road NDC area. The NDC maintained that the property was still popular and that other options should be explored for repair and retention of the stock. However the NDC also felt dependent on the local authority to implement their housing strategy, and respondents feared that, in the event of conflicting priorities, local interests could be marginalised or over-ridden. The lack of effective partnership working between the NDC and the local authority had exacerbated the conflict over the NDC priority of retaining existing communities and the Council's policy of demolition. The Council had not published any plans to enable local people to remain in the area following demolition, and NDC officers were concerned that the loss of households from the system-built properties in Preston Road would threaten the viability of the whole project.

*"The Council demolition policy appears to conflict with the NDC strategy for housing which focuses on the retention of the existing community". (Hull)*

The capacity of NDCs to develop their own housing strategy has tended to be limited, largely due to the lack of staff knowledge and experience in housing. Table 8 summarises the support provided to NDCs in housing and low demand strategy development.

**Table 8: Support to the NDC in Strategy Development**

<b>NDC area</b>	<b>Support in strategy development</b>
Hartlepool	Consultants: SRC and Urban Design Consultants; Residents appointed to support on resident consultation.
Hull	Neighbourhood Renewal Advisor
Knowsley	Consultants for options appraisal.
Lambeth	Consultants.
Manchester	Local authority officer responsible for the City housing strategy is also responsible for HMR Partnership and NDC.
Rochdale	Local authority officers lead on development and implementation of the NDC housing strategy.
Sunderland	Neighbourhood Renewal Advisor. Support from local authority strategy team.
Wolverhampton	NDC depend on the local authority to develop and deliver the housing strategy. Consultants appointed for Master Planning.

Consultants were used to support strategy development in Hartlepool, Lambeth and Knowsley: primarily for option appraisal and master planning, although in Hartlepool SRC appeared to have a longer term role. Neighbourhood Renewal Advisors were used in Hull and Sunderland to provide support and guidance – in the former example because of the difficult relationship with the local authority and in Sunderland due to the need to meet a deadline from the Government Office to submit the strategy.

NDCs such as Heywood, Manchester, and Wolverhampton depended on their local authority partners to both develop and implement their strategy, while, as sated above, Shoreditch had devised an independent path forward development is being led by the Council. Strong

partnerships need time to develop and for mutual trust to take root. In Newcastle strong partnership working with the City Council, local RSLs and the Housing Corporation enabled the housing and low demand strategy to be developed alongside wider strategic initiatives for the area. A joint working protocol had been developed to ensure effective sharing of information and the development of consistent strategies, but this required considerable time and effort from all parties.

*“The development of effective networks has taken time, and has only really been effective recently” (Newcastle)*

## 8. Links to Housing Market Renewal Pathfinders

The announcement of the nine Housing Market Renewal (HMR) Pathfinders last year, as an integral part of the Communities Plan, affected nine NDCs directly and three other NDCs were not far outside the Pathfinder boundaries. While Pathfinders were still at a very early stage in their development at the time of this research, it was considered valuable to explore at some length whether a relationship was being developed with NDCs. Pathfinders have a long-term, sub-regional and strategic focus and thus, in the light of the previous discussion, this emphasis may need to be carefully aligned alongside the community-led ethos of NDCs. Few of the NDC officers interviewed had involved HMR Pathfinders directly in development of their strategies, although most NDCs were beginning to make links and were drawing on market renewal principles in their strategies. The position is summarised in Table 9.

**Table 9: Level of HMRF involvement in NDC strategy development**

NDC area	Limited/ None as yet	Some	Significant	Comments
Aston	X			Strategy on hold until links can be developed.
Hull	X			No links originally but some cross-representation now.
Liverpool	X			NDC strategy had been developed before HMRF pathfinder was established.
Manchester			X	Strong links at officer level.
Newcastle	X			NDC strategy had been developed before HMRF pathfinder was established.
Oldham	X			Links being developed.
Salford	X			Links being developed.
Sandwell		X		Links at senior strategy officer level.
Sheffield		X		Links at senior officer level.

In Salford, strong links have developed with the HMR Pathfinder through the Central Salford Strategy and, although the Pathfinder has not been directly involved, the NDC housing strategy will mirror the priorities for the Central Salford Development Framework being established for market renewal. In Newcastle and Liverpool the NDC housing strategy had been developed before the Pathfinder was established. In Liverpool, NDC staff are represented on HMR working groups involved in developing the long-term programme.

*“There is a detailed and well documented housing Strategy for Kensington, this is partly being used as a template by HMRF” (Liverpool)*

Manchester was unique in the level of strategic interaction between the Pathfinder - achieved primarily through senior officer links between the Council, NDC, Pathfinder and New East Manchester partnership, with the same officer having strategic responsibility in all areas. Sandwell and Sheffield also had strong officer links between the two bodies.

The interviews identified a clear concern that NDCs and Pathfinders needed to learn from each other, and that Pathfinders should take heed of progress made by NDCs in their

housing strategies and not seek to re-invent the wheel. In Liverpool, for example, the Pathfinder was interested in considering the outcome of initiatives developed by the NDC to support owner-occupiers during clearance, including strategies to offer gap funding to help owners trapped in negative equity. This showed a positive way in which NDCs could be used as a 'test bed' for ideas and programmes designed to address low demand problems across a wider geographical area.

In terms of the relationship between the Pathfinder and NDCs, much depended on the personal relationship between officers and the extent to which they found mutual benefit in developing this further. As one respondent put it:

*"In order for what we do to work we need to make sure we are consistent with the bigger picture; that is why we need to be involved with the HMRF".* (Oldham)

In Salford NDC officers saw it as their role to ensure that:

*"NDC issues are represented in the HMRF and that NDC outcomes are a priority for the HMRF".* (Salford)

And in Sheffield the main concern of the NDC was that early Pathfinder activity in neighbouring Fir Vale could impact on Burngreave, and that demolition could cause population displacement from Fir Vale to Burngreave.

In most areas, developing links with the Pathfinders was seen as a priority: enabling NDCs to set their strategy in a wider context, giving them an increased credibility and potentially access to more resources. This was as true for those NDCs based just outside HMR boundaries, such as Heywood, Sunderland and Knowsley, as well as those within the areas.

*"As Pathfinders develop area boards I think good links will be established. They are conscious we are a pathfinder for them"* (Newcastle)

In Manchester, continuing development of the close relationship with the Pathfinder was seen as a priority. The NDC has already benefited, through developing schemes for Home Owner Equity Release, giving independent financial advice to owners and through early acquisition of empty property. None of these projects would have been possible without Pathfinder support. In addition, a programme of Neighbourhood Management piloted in the NDC area has now been rolled out across a wider area. As one officer put it:

*"HMRF enables us to bring forward our programme and to be more innovative in our interventions"* (Manchester)

NDCs such as Oldham and Sandwell have also seen the Housing Market Renewal programme as an opportunity to access additional resources, pilot Pathfinder projects in their areas and establish their prominence in sub-regional regeneration strategies. From the other side, the skills and experience of NDC staff make it a valuable partner for the Pathfinder – especially if there is an opportunity to utilise this knowledge about housing renewal and community consultation more widely across the sub-region. As indicated in both the first year evaluation report of the NDC programme and the recent Select Committee inquiry into the effectiveness of regeneration programmes, there is a serious skills shortage in regeneration nationally.

For some NDCs the main bottleneck in developing links to the Pathfinders was lack of time and resources, and a feeling that the market renewal programme was not yet sufficiently advanced to impinge on NDC activity.

*"The HMRF lacks direction at the moment. It should be better once the executive is in place"* (Liverpool)

*“HMRF thinking is not as cooperative as it could be ... there is no way they [the Council] will allow any HMRF money to be spent in Kensington” (Liverpool)*

The variable progress in developing links between NDCs and Pathfinders is summarised in Table 10.

**Table 10: Priority Given to Developing Links with HMR Pathfinders**

NDC area	Low	Medium	High	Comment
Aston			X	Links being established via the North West Regeneration Corridor. Housing strategy is on hold while links are developed.
Hull	X			Links have just started following approval of the HMR Pathfinder.
Liverpool		X		NDC is represented on HMR working groups, but the links seem to be a higher priority for the Pathfinder than for the NDC. HMR Pathfinder still needs to find clear direction.
Manchester			X	Links are already well established; seen by the NDC as an opportunity to access resources, to bring initiatives forward and roll out NDC programmes across a wider area.
Newcastle			X	Links are developing, through meetings and representation on the Board. Pathfinder seen as an opportunity to share experience and to apply some NDC initiatives across a wider area.
Oldham			X	Links are seen as an opportunity to pilot HMR projects and access additional resources. NDC staff are on the Development Framework and theme groups.
Salford			X	Strong links developing through the Central Salford Strategy, and representation on the Pathfinder corporate working group. Other NDC stakeholders are also involved.
Sandwell			X	Radical option for regeneration is favoured and makes good links to Pathfinder, which is seen as an opportunity to access additional funding.
Sheffield		X		Links are developing through staff working with the Pathfinder and NDC.

## 9. Barriers to Strategy Development

Only four NDCs (Liverpool, Heywood, Shoreditch and Newcastle) had a fully formed and approved strategy for responding to low demand. The interviews explored whether any barriers had been encountered, or were anticipated, in developing their housing strategies. A range of issues were raised, including concerns over resident involvement, partnership working and resources, and these are summarised in Table 11 below.

**Table 11: Barriers to Strategy Development**

NDC area	Resident Involvement	Resources	Skills	Time	No agreement with LA	Other
Hartlepool	X	X	X		X	
Hull					X	
Knowsley	X					Research
Newcastle	X					
Oldham	X	X				Engaging private landlords
Rochdale	X	X	X	X		
Sheffield	X					
Shoreditch	X	X				
Sunderland	X			X		Bringing wide range of partners on board
Wolverhampton	X					

Resident involvement had both driven forward and limited the development of strategies. In Newcastle, for example, *“community consultation was a hurdle”*. The community had been heavily involved in consultation around the Delivery Plan, and sustaining community involvement in the longer term had been a challenge to NDC staff. Similar concerns were expressed in Hartlepool:

*“There are tensions with some residents dissatisfied that things have not moved fast enough”*  
(Hartlepool)

The most common barrier was the ability to retain resident support over proposals for demolition – especially when the local authority sought to increase the number of properties to be demolished. In other NDCs, such as Oldham and Wolverhampton, staff anticipated that any discussion on demolition would be *“contentious”* and would need to be handled sensitively. In Sunderland staff were concerned that the tight timetable required for strategy development would make it difficult to carry out effective consultation on the demolition programme:

*“Community consultation needs sensitive handling, especially around demolition”*.  
(Sunderland)

In Sheffield the community consultation strategy was still developing:

*“The biggest battle is getting local people involved”* (Sheffield)

In Sheffield staff saw the need to support and develop local groups in Burngreave and need to relate to a wide range of black and minority ethnic groups. A need was identified for

resident capacity building, to enable local people to engage effectively in strategy development and for NDC staff as well to be trained in promoting and sustaining community participation. In both Heywood and Knowsley it had taken some time to explain to residents some of the more complex external pressures and market trends impinging on local housing circumstances.

In Shoreditch NDC, a strong and active resident leadership had argued the case forcibly to remain with local authority housing management, despite possible consequences for future investment opportunities, and this had been aligned with a prominent leaseholder element conscious of the high and rising values of their properties.

*“The housing strategy is designed to accommodate the political perspective, not necessarily to deliver the best housing options. ... No one wants to challenge the politics in the area.”* (Shoreditch)

Resource constraints were also mentioned: in Hartlepool the NDC apparently faced a deficit of £10 million in implementing their community housing plan, while the plans in Oldham and other NDCs rested on a tenant vote in favour of stock transfer.

Shortage of staff resources and a lack of skills in housing renewal were mentioned by several NDCs as a constraint. In Heywood, there was a lack of experienced NDC staff to support the local authority’s programme of resident consultation and participation. In Hartlepool there was a general skills shortage to deal with compulsory purchase issues. The ‘independent’ approach taken by Shoreditch was being supported by just one ‘housing’ staff member on the NDC team.

Given this skills shortage, the sharing of specialist skills and resources was seen as essential, especially for those NDCs in HMR Pathfinder areas. Time and resource constraints would add additional pressure, and one respondent felt strongly that, due to the deficiencies in the skills base:

*“...housing market renewal may fail because of this”* (Heywood)

As discussed earlier, tensions between the NDC and the local authority had arisen in both Hartlepool and Hull. In Hartlepool the disagreement over demolitions and the change of proposals had caused problems:

*“We thought we had a positive relationship and cooperation with the Council. But they did not tell us about the problems they saw with the process and planning until it was too late”.* (Hartlepool)

In Hull the tension between the parties, especially over the case for demolition, was of longer standing, with the risk that the NDC might be excluded from the debates around market renewal in the sub-region.

In spite of the anticipated problems and bottlenecks, NDC officers were generally confident that their strategies would be effective in tackling problems of low demand and unpopular housing. NDCs have begun to innovate in overcoming some of the obstacles. Shoreditch NDC, for example, has planned a self-funding scheme to fund area renewal, and other Partnerships - such as Oldham, Sunderland and Manchester - are building partnerships to bridge funding gaps, access additional funding and help overcome staff and skills shortages.

*“In terms of implementation there is a need to work with the strategy team [Local Authority] to make sure the strategy can be implemented. The key will be to get other agencies on board to lead projects.”* (Sunderland)

## 10. Impact on Neighbouring Areas

The balance between the ‘inward-looking’ and ‘outward-looking’ approaches to regeneration will be shaped in part by the impact of NDC programmes (whether positive or negative) on neighbouring areas. In areas of chronic low demand, strategies may induce household mobility into the NDC neighbourhood, but at the expense of other communities in adjacent areas, resulting in a rather hollow gain. If overall demand does not increase, the improvement of one neighbourhood will simply create a ‘churning’ of the population within a relatively small geographical area, as the majority of household mobility takes place within a two mile radius. The need for a more comprehensive form of intervention, of course, lay behind the development of the more strategic approach of the HMR Pathfinders. Whether within a Pathfinder area or not, the challenge for NDC housing strategies is to link effectively to wider regeneration at a city or sub regional level. Programmes need to attract new households from outside the area to stimulate demand (often alongside allied changes in the tenure composition, size and type of the housing stock) and/or undertake demolition to reduce the supply of unpopular housing. As one officer put it:...

*“..if the NDC is to make a sustainable impact locally they need to relate strategically to the wider area”* (Liverpool)

A different dynamic is likely to apply in London, given the overall context of housing shortage. Improvements to the housing stock in NDC areas should create new demand from concealed households or from new households willing to move into the area. In London the process of revitalisation will have to balance the needs of existing residents with those of in-coming households.

In fact, the interviews found that most NDCs did not think their strategies would have a negative impact on neighbouring areas. Overall responses are shown in Table 12 overleaf.

**Table 12: Potential Impact of NDC Interventions on Neighbouring Areas**

<b>NDC area</b>	<b>Negative impact anticipated</b>	<b>Comments</b>	<b>Action planned in response to possible negative impacts</b>
Hartlepool	Yes	Neighbouring areas declining faster as a result of NDC activity.	No.
Hull	No	Anticipated a positive impact locally.	
Knowsley	Yes	Wider strategic impacts seen as Council responsibility. Negative impact expected from neighbouring HMR Pathfinder.	None as yet.
Lambeth	No	Anticipated a positive impact locally.	
Liverpool	Yes	Kensington is part of a much bigger area of low demand.	Developing links with Pathfinder to minimise the negative effects.
Manchester	No	The New East Manchester strategy enables interventions across the whole of east Manchester.	
Newcastle	Yes		Examining options to minimise the potential negative impacts, e.g. rolling out initiatives across a wider area
Oldham	No	Anticipated a positive impact locally.	
Rochdale	Yes	Anticipated negative impact from neighbouring HMR Pathfinder.	Looking to overcome potential negative impacts via partnership working.
Sheffield	No	Felt the community was self contained and there would be minimal in migration from neighbouring areas.	
Shoreditch	No	Not aware of any negative impacts.	Interventions to be used as a template elsewhere in Hackney.
Sunderland	No	NDC was a relatively self-contained market.	
Wolverhampton	Yes	Interviewee felt movement between areas was healthy.	No plans.

In Newcastle, Liverpool, Knowsley and Heywood, the NDC area was bordered by similar areas of unpopular housing, and this had caused officers to foresee that the housing strategies could have negative consequences elsewhere. While partnership working was advocated to minimise these effects, both Newcastle and Heywood expressed concern that the funding rules governing NDCs constrained their ability to operate beyond their own boundaries.

*“Looking township-wide is made more difficult by the NDC monitoring process” (Heywood)*

Heywood was concerned about the potential impact of their activity on Bury, and had concerns about the development on Heady Hill impacting on neighbouring Darnhill. The

NDC was working in partnership with the Heywood Housing Partnership and the Oldham-Rochdale HMR Pathfinder to devise a joint approach. Newcastle NDC was also working with the Pathfinder:

*“We are very aware of the danger of our interventions having a negative impact on neighbouring areas ... We hope the Pathfinder will enable NDC initiatives to roll out to neighbouring areas”.* (Newcastle)

Newcastle NDC has identified potential for a Neighbourhood Renewal Area covering the NDC area and neighbouring areas, with Pathfinder funding to support activity outside the NDC area. There are similar opportunities to extend crime initiatives and the NDC is currently working with the City Council to expand the Private Rented Project city wide.

Liverpool NDC Partnership was examining how links with the HMR Pathfinder could help minimise negative impacts on neighbouring areas.

*“The 4,500 properties in the NDC area are not isolated within Liverpool; the NDC area is in a critical strategic position for the HMRF. Anything we do in Kensington will have an impact on the surrounding areas”.* (Liverpool)

In Manchester, staff felt that links to the New East Manchester strategy would ensure that interventions would be applied across the area and that the NDC strategy was well integrated within this wider stream of activity. In Knowsley, it was anticipated that there could be negative impacts, but this would not necessarily flow in one direction only. An officer from Knowsley Housing Trust took the view that *“movement between areas within the housing market can be healthy”*.

In Wolverhampton, although it was recognised that people would move out of the NDC area during regeneration, there were no explicit plans to seek to retain households within the neighbourhood. However, staff expressed concern that - because the NDC area had previously been a *“dumping ground”* for tenants, many of whom have support needs - these problems would inevitably be moved to other parts of the borough, and there did not seem to be a strategy to respond to this.

In Lambeth and Oldham the NDC areas are surrounded by more popular and stable residential areas. It was anticipated that the spiral of decline in the NDC area could be reversed, and that this would reinforce already stable demand in neighbouring areas - for example the catchment area of new schools in Lambeth should attract new households from outside the area immediately adjacent to the NDC.

*“Regeneration will have a positive effect on neighbouring areas ... the multiply and filter effect”* (Lambeth)

Neither Sunderland nor Sheffield NDC officers expected interventions to have a marked impact, whether positive or negative, on neighbouring areas. Both described their areas as ‘isolated’. The Sunderland NDC area is bordered by the city centre, the sea and stable RSL and owner occupied areas; Sheffield Burngreave is distinct because of its identity and function as a neighbourhood in the city. In these cases, interventions were expected to strengthen the existing community rather than displace problems to neighbouring areas.

In community-led partnerships like NDC, it is inevitable that activists will be primarily concerned with problems within their own area. However, there were some signs of a wider perspective taking root; in Sandwell, for example, community representatives were supportive of links with the HMR Pathfinder and could appreciate the potential gains from partnership working outside the area.

*“Local people understand that HMR is an opportunity and has to be part of the strategy for housing in the area if aims are to be achieved” (Sandwell).*

This is an example of a Partnership that has kept resources locally focused, but has also been able to extend their influence and, through effective joint working, bring additional benefits into the NDC area.

## 11. Looking Ahead: Marrying Strategic and Community Concerns

The relationship between NDC housing strategies and those of the local authority in which the NDC is located, or in several instances the local HMR Pathfinder, will be central to the future success of initiatives to combat low demand and unpopular housing. In some cases these neighbourhoods, which are by definition severely disadvantaged, might have otherwise been identified as leading candidates for neighbourhood 'remodelling' (often a proxy term for widespread demolition). In a sense, the mere existence of the NDC Partnership might give the community some protection and status within the local authority or Pathfinder area, and the NDC can act as an advocate for sensitive housing strategies to be adopted locally. However, a purely defensive approach will not be enough. It will also be imperative for links to be made between the community-based options taken to mitigate low demand at neighbourhood level and the wider strategic agenda.

In the years ahead, the regional level of government will be of growing importance for neighbourhood-based housing strategies, with the creation of Regional Housing Boards and the further development of regional housing investment strategies. The Government Offices can play a crucial bridging role here, due to their specific responsibilities for NDC, in reviewing the degree of 'fit' between NDC housing plans and future housing investment allocations at the relevant sub-regional level. Clearly any situation has to be avoided where the NDC works up a head of steam in arguing the case for substantial re-investment while, from a sub-regional viewpoint, there are underlying doubts about the sustainability of demand for that area.

For many NDCs, the implications of the emerging 'prospectuses' to be produced by the HMR Pathfinders over the coming months will be crucial. In interview, some NDC representatives expressed concern that Pathfinders would focus unduly on physical improvements, even though housing market renewal programmes have been set up with an explicitly multi-mode remit.

*"NDC priorities will be diverted to HMR Pathfinder priorities, from wider environmental projects to bricks and mortar." (Aston)*

*"There is a need to make sure that NDC objectives do not get lost" (Manchester)*

Concerns focused on the ability of NDCs to retain their independence in the face of the far-reaching sub-regional programmes that are being produced:

*"Area initiatives are likely to be forgotten in the rush to take advantage of the HMR Pathfinder" (Liverpool)*

Some respondents were worried that the objectives and resources of NDC-based housing programmes might be artificially skewed by Pathfinder programmes, and that there could be loss of local strategic vision in consequence. In Aston, it was thought that the local community might support a shift from environmental to property improvements, in line with perceived Pathfinder priorities; however, this had not originally been intended in the Delivery Plan. Similarly, in Sandwell officers saw a need to ensure that NDC resources were adding value, in terms of meeting the broader aims of community renewal rather than simply slotting into the Pathfinder agenda.

NDC partnerships just outside Pathfinder areas (Heywood, Sunderland and Knowsley) were especially likely to see the potential for conflict between HMR strategies and their own objectives.

*"Housing Market Renewal plans need to look beyond its boundaries at overall needs sub regionally; they will be focusing on the most rundown areas for action but they will create an impact beyond those areas". (Heywood)*

NDCs bordering Pathfinders areas may be placed in a difficult position, in that they will need to ensure they are 'in the loop' for market renewal planning. Pathfinders are developing systems to monitor the displacement effects for their plans, though no one would underestimate the complexity of such an exercise. Clearly, improvements within the Pathfinder area may result in out-migration from the NDC area lying just outside its boundaries. Partly for these reasons, officers for Heywood NDC were concerned about the impact of HMR interventions and lobbied successfully for the Area Development Framework for Rochdale to include Heywood, even though it is not within the Pathfinder boundary. Similar concerns were raised in Knowsley about the impact of the HMR Pathfinder for Merseyside.

However, NDCs were generally positive about the opportunities to be gained from partnership working with the Pathfinders. Where they saw potential threats they tended to feel it was better to be on the inside than the outside, working with the Pathfinder to ensure that NDC priorities were carried through. Partnership working could also enable NDCs to operate as a test bed for projects, and to innovate with the advice and support of the Pathfinder behind them.

*“My role is to make sure NDC issues are represented in the HMRF ... and that NDC outcomes are a priority for the HMRF ... we are loath to accept a new set of outcomes”* (Oldham)

In a similar vein, an officer from Aston NDC thought that *“there will be a pooling of common objectives rather than a conflict”*. A priority for Oldham NDC was to ensure that local issues were reflected in the Pathfinder strategy, and to bring to the debate an understanding of the need to tackle issues beyond housing in area renewal. The strongest partnerships had emerged where there was the clearest sense of mutual benefit, especially in areas where low housing demand had dominated policy agendas for some time. Thus officers from East Manchester and Kensington NDCs recognised that, due to both their experience and their location, the NDCs would be important partners for the Pathfinders

*“The 4,500 properties in the NDC area are not isolated within Liverpool; the NDC is in a critical strategic position for the H. Anything we do in Kensington will have an impact on surrounding areas... There are huge opportunities to link initiatives together in an effective way”* (Liverpool)

At first, Hull NDC had not developed any links to the Pathfinder. This prompted a concern that the local authority would develop links with the Pathfinder and develop a strategy for the NDC area without adequate reference to the community or to the outcomes of consultation that had already taken place locally. More recently, following formal approval for the Pathfinder, a dialogue has started, with cross-representation on the Boards of both organisations.

This Hull case was an exception, though it should be noted of course that the Pathfinders were at a very early stage at the time of the research and any 'hard decisions' were still some way off. Generally there was more concern from Partnerships about conflict with the local authority, either as a result of resources being diverted away from the NDC area or because the NDC consultation machinery might be used to 'soften the blow' with the local community, if radical measures such as widespread demolition were contemplated.

The challenges of aligning the neighbourhood focus of area-based initiatives such as NDCs with the powerful social and economic influences of their sub-regional hinterland are felt more acutely in housing than in any other policy arena. This is due to various factors: the geographical fixity of housing, the high cost of investment - whether through redevelopment, refurbishment or demolition - the need for complex financial mechanisms to sustain interventions, and the fact that housing markets are the first to feel the consequences of any shifts in patterns of household preferences and mobility. The capacity of NDC housing

strategies to square the circle - and meet neighbourhood priorities, the perceived needs of incoming households and the assumptions of wider sub-regional interventions - will have a resonance beyond the housing strand of the neighbourhood renewal programme. They will be an acid test of the contribution that can be made by area-based initiatives in a context of increasing regional and sub-regional differentiation.

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## **Appendix: Case Study Profiles**

### **1. Clapham Park NDC (Lambeth)**

Clapham Park NDC is situated in South London between the popular town centres of Streatham and Brixton, but is isolated by poor public transport links. It is primarily residential in nature, with a mix of housing types and densities. There are 3,400 households in the NDC area, of whom 61% rent from the local authority. The original public housing on the estate dates back to the 1920/30s, with further phases being completed between the 1950s and 1970s. The estate is divided by the Kings Avenue. To the east, the housing stock is solid, while to the west many properties have structural problems. There has been a record of poor housing management and under-investment (for example, 30% of local authority properties lack central heating).

There has been piecemeal stock transfer and investment but this has rarely been co-ordinated effectively. While there are few voids, there is high turnover, and the area has a high proportion of vulnerable households. There is an annual 20% turnover rate for tenancies on the Clapham Park Estate and over 50% of tenancies are less than four years old. Squatting, drugs and prostitution is prominent locally, although recent police and community initiatives have begun to tackle these problems.

The NDC is creating a masterplan to regenerate housing in the area by improving housing conditions, strengthening local services, improving transport links, creating greater tenure diversity, retaining the existing population and attracting a new mix of people to the area. An extensive consultation process with residents was undertaken to determine residents' preferred options for the area. The masterplan strategy involves a major programme of demolition and renewal, accompanied with stock transfer to an RSL. New development is planned for demolition sites and the extensive green spaces in the area. The masterplan aims to provide the same number of social sector properties as at present. Private sector developments will help to create tenure diversity, and will provide a cross-subsidy to finance affordable housing. New supported and sheltered accommodation is also included in the plans. The masterplan requires significant investment beyond the means of the NDC, and stock transfer, private investment with cross-subsidy and RSL support will all be crucial to its success.

The NDC's main partner on the masterplan development is Lambeth Council, and it has worked closely with neighbourhood managers, the housing department and the planning department. This positive working relationship has been bolstered by the NDC's ability to channel funding to the council, for example through the funding of a planning officer to work directly on the masterplan. Generally, RSLs and private investors have not been involved at this stage.

## 2. Heywood NDC

The Heywood NDC area covers low demand housing in both the public and private sectors. This is not an area of chronic low demand, so much as a neighbourhood considered by the NDC and the local authority as 'on the edge', where early interventions could reasonably be expected to kick-start the local market. The interventions planned are therefore not radical, but tried and tested in other parts of the borough, focusing on physical and environmental improvements alongside changes to management practice in both the public and private housing sectors.

There is no discrete housing strategy to tackle low demand in the Heywood NDC area, and interventions follow closely the plans laid out in the original Delivery Plan. As a result of the robust nature of the Delivery Plan and strong resident involvement in its development, the NDC was able to move quickly from this into programme delivery.

Progress in implementing the interventions has also been helped by the strong relationship between the NDC and the Council, leading to wider strategic links and effective support for the local housing teams established to deliver the interventions. There was unanimous agreement that the NDC should have a separate housing strategy. This would help to bring together housing with other themes and act as a bridge between the public and private sectors. However there was also agreement that any NDC housing strategy should link directly to wider strategic objectives in the Borough, including its housing strategy, Neighbourhood Renewal Strategies and the Housing Market Renewal Pathfinder programme, still at a formative stage.

The potential for tension between the strategic aims of the borough and those of the local community were recognised but not seen as a fundamental problem. The borough-wide approach has been designed to be inclusive, acknowledging the need for local communities to be involved in strategy development. The proposed model is of a Borough master plan with local areas determining local priorities and strategies, although one Council officer did point to the fundamental difference in approach between the more global view of the HMR Pathfinder and the local perspective of NDCs.

The approach to low demand, and the approach to future strategy development in Heywood, has been devised by the Council rather than the NDC. Some of the interventions for housing may have been implemented regardless of NDC. Although the NDC is proposing to evaluate all their housing interventions through Project Cycle Management within the year, in order to develop a clear way forward for the housing strategy, the key challenge will be to marry the outcome with the approach of the local authority, neighbourhood renewal programmes and the forthcoming prospectus from the Housing Market Renewal Pathfinder.

### **3. Fitton Hill and Hathershaw, Oldham NDC**

The Oldham NDC area is split into two distinct areas. Hathershaw is predominantly terraced housing in the owner occupied and private rented sector. Although Hathershaw has a core of established residents, low demand is manifested through void properties and high turnover, and a growing problem of private landlords accepting a more transient community in their tenancies. Fitton Hill is a 1930s built Council estate with 1,400 properties, of which about 400 have been bought through right to buy. Low demand on Fitton Hill is a product of property disrepair and the poor image of the estate, and its reputation is negatively affected by a high level of crime and anti social behaviour.

There is no discrete housing strategy for the NDC area as yet, but NDC staff and the Board team have a strong vision for housing linked to other NDC themes. Partnership working is considered essential to achieving housing outcomes both because low demand is not seen as exclusively a housing problem and because the NDC does not have the resources to tackle all problems in the area directly. There was a consensus that the NDC needed to link a separate housing strategy to broader thinking at the Borough and HMR Pathfinder level.

The housing strategy for Fitton Hill has been based on stock transfer to Villages HA; and the NDC has been represented on the Villages steering group, also providing £6m to support the Villages' business plan. There is a relationship of co-dependence between NDC and Villages, with the NDC seeking to ensure that their own outputs will be met through stock transfer.

The private sector strategy, focusing on Hathershaw, is being developed and implemented by the recently appointed NDC housing team. Again partnership working will be central to the private sector strategy, depending to a large extent on accessing HMR Pathfinder resources in the future.

Although the relationship with the Pathfinder is at an early stage of development, some positive signs are emerging. The NDC team attends Pathfinder meetings and shadows the area development framework process to be used in the first HMR areas in Oldham. The NDC team has seen itself as a resource for the Pathfinder in terms of offering staff skills and time to develop and implement a strategy for Hathershaw. However, there is concern that, if the NDC area is not included in the first round of interventions; the NDC programme will be adversely affected. There was also some concern (stemming from the rather difficult relationship with the local authority) that the NDC might be downgraded as a priority because of its access to additional funding. However, more positive relationships are developing between the NDC and the Pathfinder, Villages HA, West Pennine HA and residents.

#### 4. Newcastle NDC

Newcastle NDC is located to the west of the city centre and comprises the distinctive neighbourhoods of Arthur's Hill, Cruddas Park, Elswick and Rye Hill. The NDC's baseline data suggests that the area has around 4,600 properties, of which 52% are local authority owned, 14% are RSL owned, 19% are owned by private landlords and 15% are owner-occupied. There is a diverse and multi-ethnic community. A growing number of people seeking asylum are living in the area and a significant student population is also housed there.

Housing problems are evident across all tenures, stemming from poor conditions, lack of investment, high turnover rates, high voids in some locations and a deteriorating physical environment. However, the past three years have seen changes to the nature of housing demand locally. The *Newcastle New Deal Private Rented Project* has contributed to a reduction in voids and turnover in the Arthur's Hill neighbourhood through a number of management initiatives. At the same time, Newcastle's housing boom has had an impact on the NDC, increasing local average prices from £33,000 to £80,000 in three years and stimulating new private sector development in some parts of the area. However, there is still low demand in the local authority and RSL stock.

Housing is a key priority for the NDC Partnership Board, which has devised a housing strategy (published December 2002) focusing on improvements to the existing housing stock rather than large-scale demolition and renewal. This sets out a number of strategic priorities which include: developing neighbourhood-specific plans; establishing a neighbourhood management strategy; further partnership working with the city council, RSLs and the HMR Pathfinder; and continuing to meet the housing needs of specific groups such as older people, people in need of supported housing and BME communities. Work has begun on strategies for individual neighbourhoods and specific local priorities have been determined for four distinctive areas.

Newcastle NDC's approach to tackling low demand has relied on partnership working, important for meeting the costs of the strategy and complementing other emerging housing strategies in the region. The NDC has £6.05 million to invest in housing, and, while some of this is being used for direct capital investment, the majority is intended to be devoted to strategic initiatives. The strategy relies on leveraging-in funding from other streams, including the Housing Market Renewal Fund, Newcastle City Council's 'Going for Growth' strategy and the forthcoming Arms Length Management Organisation.

The most important of these partnerships is with the Housing Market Renewal Fund Pathfinder. There has been close co-operation to ensure that both strategies complement each other, and the Pathfinder is in turn allocating significant resources to the NDC area. Progress in working with local residents has been more uneven, although efforts are being made to address this. One of the biggest challenges for the NDC's housing strategy will be to ensure that all of its neighbourhoods and communities benefit from future improvements.