Rethinking the impact of regeneration on poverty: a (partial) defence of a 'failed' policy

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**Abstract**

For decades regeneration programmes in England targeted areas where spatial concentrations of poverty exist. These ‘area-based initiatives’ (ABIs) came under sustained attack, however, from the previous Coalition government for being expensive and ineffective. This paper assesses this claim by re-evaluating past evidence on the impact of regeneration on poverty. It finds regeneration did relatively little to transform households' material circumstances but significantly ameliorated negative experiences of living in poverty in relation to housing, community safety and the physical environment. This partially undermines the rationale for the policy shift away from neighbourhood renewal interventions toward the current focus on 'local growth' as the sole remedy for spatial inequalities. It also suggests a need for more nuance in wider critical accounts of regeneration as a deepening form of neoliberalism.

**Introduction**

It is well established that poverty and related forms of disadvantage are often spatially concentrated and enduring (e.g. Dorling et al., 2007). A succession of ‘area-based initiatives’ (ABIs) have aimed to regenerate such areas through seeking to bring about economic, physical, social and environmental improvements. However, there has been no systematic examination to date of the impact of regeneration on poverty (Adamson, 2010). This is a critical omission given the sustained, but largely unevidenced, criticism of the Coalition government of previous regeneration programmes as ineffective (e.g. HM Government 2012). This paper addresses that gap by re-evaluating existing evidence on the impact of regeneration on poverty based on a recent wider evidence review undertaken by the authors (anonymised). The review considered more than 400 evaluation reports and academic articles produced since 1990 identified through a systematic search of electronic academic databases combined with open calls for relevant ‘grey’ literature. The most rigorous evidence base centres on regeneration initiatives in England which is the focus of this paper.

The primary aim of this paper is to understand the impact of regeneration on poverty. A secondary aim is to consider the resonance of academic conceptualisations of the current government’s approach to regeneration within a broader political economy of urban deprivation. The remainder of the paper has four sections. The first section details the Conservative government’s policies on regeneration and economic development. It frames these within wider academic debates about the wider political economy of urban regeneration. The second section proposes a conceptual framework of poverty to enable evaluations without an explicit focus on poverty to be reassessed through the lens of poverty reduction. The third section uses this framework to review the evidence on the impact of regeneration on poverty. It contends that past regeneration programmes have only had a limited impact on ‘material’ forms of poverty. By contrast, regeneration has been notably and consistently more effective in tackling the place-based elements of ‘non-material poverty’.

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1 Separate reports were produced as part of the wider study for Wales, Scotland and Northern Ireland (see anonymised).
particularly in terms of housing, community safety and the physical environment. The fourth section reflects on the implications of findings for the current Conservative government's 'localist' approach to regeneration. It contends that the 'neighbourhood renewal' agenda was more effective than the present government claims. This challenges the decision to terminate the 'neighbourhood renewal' agenda to focus exclusively on local economic development. Such an approach runs the risk of neglecting disadvantaged areas and, possibly, widening spatial inequalities. It suggests that more effective forms of economic regeneration could be attempted, especially if delivered within a wider framework of policies to address significant and enduring regional imbalances in the UK economy. Finally, the paper proposes that current policy can be understood as a form of 'austerity urbanism' (Peck, 2012) that firmly embeds a neoliberal orientation within urban policy in England. However, it would be wrong to frame this as an inexorable long-term development given the extent to which, with hindsight, the neighbourhood renewal agenda breached this trajectory.

**Framing regeneration**

There has been some debate about the extent to which the Coalition and, now Conservative, government’s policies on urban regeneration mark a distinct departure from those of previous administrations. Certainly, there have been significant changes in structures of territorial governance as well as the strategic and spatial focus of new urban policy instruments (see Pugalis and Bentley, 2013). Perhaps the most significant is a shift in emphasis from neighbourhood renewal under the previous 'New' Labour administrations to an almost exclusive focus on promoting local economic growth. This was reflected in the Coalition government’s decision to end, or not replace, a series of local or sub-local ABIs, strategies and funding streams including the New Deal for Communities (NDC) and National Strategy for Neighbourhood Renewal (NSNR).

In its place the previous Coalition government introduced a new 'localist' (DCLG, 2012) approach to regeneration. This included a series of on-going initiatives including Local Enterprise Partnerships (LEPs), the Regional Growth Fund, City Deals and Growth Deals. These devolve funding and responsibilities to sub-regional and local bodies to stimulate private sector-led growth. The aim is redress past regeneration approaches perceived as expensive, ineffective, indifferent to local needs and encouraging 'dependency' on public sector funding (HM Government 2012; HM Government 2010, BIS, 2011; DCLG, 2011). The election of a Conservative government in May 2015 looks set to entrench this policy agenda, particularly with the publication of the Cities and Local Government Devolution Bill. This legislates to devolve further powers to combined authorities in city-regions in return for adopting elected 'metro-mayors'. Crucially, all these changes are underpinned by significant cuts in spending on regeneration. Data provided by the Department for Communities and Local Government (DCLG) to the House of Commons Committee on Regeneration (House of Commons, 2011) estimated that spending in 2010/11 amounted for £7.9 billion but was set to fall by around half to £3.87 billion in 2011/12. More recent estimates confirm falling levels of funding (Lupton et al., 2015).

These changes do not mean the neighbourhood agenda is dead (Broughton et al., 2015). At lower spatial scales, the Coalition promoted community-led forms of regeneration, such as Neighbourhood Plans and the various 'Community Rights' powers. However, these community-led initiatives only
provide a framework for residents and organisations to take the lead in developing local assets and services without the funding, staffing or supporting infrastructure attached to past neighbourhood renewal programmes. They also raise questions about uneven engagement with, and outcomes from, such programmes depending on levels of individual and organisational capacity to operate the levers of these organic, bottom-up forms of regeneration (Pugalis and McGuiness, 2013).

The 'localist' approach within England has not been adopted, though, by the devolved administrations within the UK (anonymised). Whilst local government has been given greater control over regeneration priorities and budgets in both Scotland and Northern Ireland, there is no direct equivalent to the 'localist' agenda. Scotland, Wales and Northern Ireland all continue to have strategic frameworks for regeneration in place that are currently lacking in England, often with a stronger emphasis on tackling poverty. Moreover, Wales and Northern Ireland also both continue to address regeneration through ABIs although Scotland has moved far closer to a mainstreaming approach - notably through Community Planning Partnerships.

Some observers of urban policy suggest, though, that the extent of change in England under the Coalition, and now Conservative, government is sometimes overestimated (e.g. Deas, 2012). Urban regeneration has been orientated over decades towards securing economic development through a succession of initiatives including Urban Development Corporations, Enterprise Zones, Urban Regeneration Companies and the Regional Development Agencies. Against this backdrop, the panoply of initiatives under the Coalition government has been framed as the consolidation of a 'post-political consensus' (Deas, 2012). This has seen political parties coalesce around a priority of supporting economic growth with diminishing concern for addressing localised socio-spatial inequalities, albeit pursued with particular vigour by the Coalition and Conservative governments.

From a more critical perspective, some urban scholars such as Meegan et al. (2014) have suggested that Peck’s (2012) notion of ‘austerity urbanism’ has some traction in explaining the trajectory of UK policy. Key features of austerity urbanism include cuts in funding; the paring back of ‘ameliorative’ infrastructure; ‘fire-sale’ privatization; reliance on low cost market-orientated initiatives; ‘risk-shifting rationalities’ as responsibility is downloaded further onto localities; challenge, bid-based or demonstration project financing; and austerity governance in terms of management by audit (ibid.). Broadly, Peck deploys this notion to contend that urban policies in the United States in the wake of the financial crisis have deepened a long-term trend of ‘downloading’ the negative externalities of neoliberal spatial policies:

‘[S]ystemic dumping of risks, responsibilities, debt and deficits, to the local scale has become a hallmark of austerity urbanism. Historically this can be seen as the most recent episode in what has been a decades long movement towards devolution, decentralization and downloading’. (Peck, 2012: 650)

This recent development in critical urban scholarship builds on a well-established body of literature that suggests urban regeneration is systemically incapable of properly tackling spatial inequalities because of role it performs in a longer-term process of 'neoliberalizing space' (Peck and Tickell, 2002; for a fuller discussion see anonymised, 2012). Regeneration initiatives are conceived in this critique as ‘flanking strategies’ (Jessop 2002: 452; see also Brenner and Theodore, 2002; Gough
to contain the socio-spatial inequalities generated by neoliberal forms of economic growth and development.

These strategies differ in form from more aggressive, disciplinary forms of neoliberal intervention evident in domains such as welfare reform, crime, immigration and policing. For example, they can take on more socially ameliorative forms such as community engagement, often delivered by ‘little platoons’ (Peck and Tickell, 2002: 390) of voluntary and community organisations. But critics contend such initiatives are not necessarily 'benign' (Raco, 2003: 242). They are often predicated on the same assumptions underpinning more punitive, conditional forms of state intervention such as ‘workfare’ (Peck, 2001). These characterise residents in disadvantaged neighbourhoods as trapped in debilitating local cultures where dependence on benefits, antipathy to work and reliance on public sector support has left them as passive recipients of state help (Johnston and Mooney, 2007).

Seen from this perspective, urban regeneration initiatives become a tool for reversing these forms of dependence by encouraging individuals or, collectively, communities to take responsibility for improving their own social and economic outcomes (Amin, 2005; Cochrane, 2007; Raco, 2009). As a consequence they may remain orientated towards achieving neoliberal goals such as incorporating the workless into low-wage labour markets (Fuller and Geddes, 2008; also Gough, 2002; Mayer, 2007; Peck and Tickell, 2002). This illustrates how, from the perspective of critical urban scholars, regeneration can be conceptualised as a tool for reshaping recalcitrant urban populations.

One feature of some of these accounts is that they share the view of the current government that regeneration has largely failed to address geographical inequities. Evidently, the diagnosis is different. Critical urban scholars blame the lack of an overarching set of policy mechanisms to engineer growth and redistribute the proceeds more fairly. By contrast, government see such redistributive mechanisms as precisely the root of the problem by promoting dependency on public largesse and stymieing entrepreneurialism. However, the notion of failure remains central to both narratives. Close empirical scrutiny of previous evidence on the impact of regeneration on poverty provides a new opportunity, therefore, to reflect on the validity of claims of ineffectiveness from both sides.

Conceptualising poverty

Identifying the impact of regeneration on poverty is far from straightforward. Poverty reduction has rarely been an explicit aim of regeneration programmes and has, therefore, not been measured directly within programme evaluations. There are also practical limitations in measuring poverty outcomes. Key datasets that measure poverty or deprivation are either unavailable at lower spatial scales or lack the timeliness or frequency to be used as evaluation metrics. One response to these challenges is to look at how poverty can be conceptualised, including its relationship to place, and then ask how regeneration activities might bring about change to the various dimensions of poverty. This provides a basis for identifying outcome measures that already feature in the evaluation literature and be used as proxies for poverty. As the ensuing discussion shows, poverty can be understood as having both 'material' and 'non-material' dimensions, both of which can be assessed using a range of proxy indicators.
Poverty is most frequently understood and measured in 'material' terms. This is operationalised either by reference to household incomes below a given threshold (usually 60 per cent of the median) or through identifying material deprivation in terms of households' inability to afford essential goods and services (Spicker, 2007). It follows that any analysis of the impact of regeneration on poverty should look at extent of the material changes it brings about for residents in poverty. There is scant research on regeneration which measures this directly. However, there are proxy measures which can be used. Changes in levels of worklessness or employment among residents, for example, may indicate a change in poverty status among households if movement into work raises income above poverty thresholds.

Poverty is about more than income or deprivation, however, and also encompasses a range of 'non-material' factors including poor health or disability, low educational attainment, poor housing, higher rates of offending and higher experiences of crime (for examples see Lister, 2004). Poverty has also been defined in terms of the way that it effectively excludes individuals from participation in what might be regarded as the customary life of society (Levitas, 2006). These non-material forms of poverty can also have a spatial dimension relating to the subjective experience of living in the social and physical space of 'poor places'. Features include poor housing, a run-down physical environment, neglected public space, inadequate services and facilities, and high levels of crime or anti-social behaviour (Lupton, 2003; Lister, 2004; Spicker, 2007; Batty et al, 2010).

This conceptual distinction between material and non-material forms of poverty provides a useful framework for understanding how different regeneration activities can impact upon poverty and what proxy measures can be used to assess outcomes. These relationships are outlined in Table 1 below.

INSERT TABLE 1 HERE

Clearly, there are limitations in using proxy measures. One particular issue is that employment and worklessness data are often presented at area rather than individual level. This means transitions from worklessness into employment that lift households out of poverty are not captured if the household then moves out the area. A separate issue is that growing levels of in-work poverty (see MacInnes et al., 2014) have reduced the likelihood that securing paid employment takes households out of poverty. Nonetheless, it remains reasonable to assume that changes in levels of worklessness and employment within a given area are likely to indicate at least some movement in levels of material poverty. With this in mind, the next section explores the evidence base on the impact of regeneration in poverty.

The impact of regeneration on poverty

This section explores the evidence base on the impact of regeneration on poverty. It looks firstly at impacts on the 'material' dimensions of poverty using proxies around jobs, employment and worklessness. It then considers outcomes related to 'non-material' forms of poverty, distinguishing between 'people-based' outcomes around health, education and community participation and 'place-based' outcomes relating to housing, crime and the physical environment.
Impacts on material poverty

The roots of area decline in processes of economic restructuring have seen a number of regeneration programmes focus wholly or partly on trying to promote growth and employment. This has included 'demand-side' interventions to encourage inward investment and generate jobs through large-scale business and infrastructure development. Examples include the Urban Development Corporations and various rounds of Enterprise Zones as well as the current suite of 'localist' interventions. Physical regeneration itself has also been used as an opportunity to create jobs through, for example, engaging residents in construction work on housing. Supply-side initiatives to improve the employability of residents have also featured prominently in the regeneration landscape. Standalone schemes such as Employment Zones and the Working Neighbourhoods Fund as well as worklessness 'strands' within major programmes such as NDC have all delivered various forms of pre-employment and jobsearch support.

Evidently, the impact of these respective types of interventions on poverty depends on the extent to which they create jobs and support access to employment for individuals in households experiencing poverty. Looking firstly at demand-side programmes, the evidence on job creation is mixed. Table 2 below shows that gross jobs created varied widely from a few thousand to nearly a quarter of a million in the case of Single Regeneration Budget (SRB). The extent to which jobs were additional also shows marked variation. Only one in five jobs in the first round of Enterprise Zones were genuinely 'new' compared to over half in the Coalfields Regeneration Programme.

Variations aside, it is clear that some regeneration programmes have created large numbers of additional jobs. Yet what matters in terms of poverty reduction is who takes them up and any changes in pre- and post-employment incomes that result. Here, the evidence is scarce. Some programmes report levels of take up by 'local residents'. The implicit assumption is that the benefits of regeneration are maximised if jobs go to local people in deprived areas rather than 'leaking out' to other, potentially less disadvantaged, individuals living elsewhere. Take up levels can be high with estimates of 60 per cent for the National Coalfields Programme and 66 per cent for first and second round Enterprise Zones (PA Cambridge Economic Consultants, 1995; House of Commons Committee of Public Accounts, 2010).

Yet local take up is not automatically synonymous with poverty reduction as that still depends on who takes up jobs, whether they live in poverty and the change in income experienced. Here, the evidence is scarce but, where it exists, faintly damning. For example, Potter and Moore (2000) estimate that only 35 per cent of the additional jobs created in first and second round Enterprise Zones were taken by people who had previously been out of work. This does not preclude the possibility of wider multiplier effects if any additional incomes of those already in work feed back into local economies, or if existing vacancies are freed up for those who are out of work. But without sufficient evidence to show this it is difficult to reflect conclusively on whether large-scale, private sector-led regeneration initiatives have made significant inroads into poverty.

A stronger and more conclusive evidence base emerges from supply-side programmes to support residents into work. Programme evaluations of the Employment Zones, Working Neighbourhoods
Pilot and the NDC programmes all consistently found they improved residents' chances of finding work (DWP, 2007a, DWP, 2007b, Noble et al, 2005). Critically, however, there is little evidence to suggest that improving individual prospects translates into area-wide improvements in outcomes around employment and worklessness. For example, evaluations of the SRB, NDC and Communities First programmes all reported broadly equal or better overall performance in similarly deprived but 'policy off' comparator areas on key indicators around employment and worklessness (Rhodes et al., 2009; DCLG, 2009a; Hincks and Robson, 2010). Explanations for limited area-wide improvements include a failure to create jobs commensurate with residents' skills and experience; the lack of spend relative to the overall scale of worklessness; and the weakness of wider local economies (Deas et al., 2000; Potter and Moore, 2000; DCLG, 2009a).

Growing concerns about the scale of in-work poverty mean the quality of work secured through ABIs is also important to consider. Unfortunately, there is only limited evidence on what kinds of jobs individuals take up. Qualitative evidence from the NDC programme found residents tended to move into low-wage, low-skilled sectors including administration, retail, security, hospitality, cleaning, catering and driving (DCLG, 2009b). These are precisely the kinds of jobs associated with low wages. As MacInnes et al (2013) show, 30 per cent of jobs (1.4 million) that pay below the living wage of £7.45 are in the wholesale, retail and transport sectors. This association between sector of employment and in-work poverty highlights a need to better understand the nature of work secured through targeted area-based forms of regeneration and its impact on poverty.

In summary, the existing evidence base does not indicate that demand- or supply-side ABIs had transformative effects in terms of creating jobs and improving employment or worklessness rates. The implication from the performance of these proxy measures is that impacts on 'material' poverty are likely to have been muted. It certainly does not commend regeneration as a tool, in itself, for tackling this form of poverty. A different picture emerges when looking at impacts on 'non-material' forms of poverty, as the next sub-section shows.

**Impacts on non-material poverty**

Poverty is associated with a range of adverse 'non-material' outcomes which relate to the broader conditions and circumstances which frame people's 'lived experiences' of poverty. These have provided the rationale for a series of area-based interventions, focusing on outcomes for both 'people' and 'place'. People-based interventions have largely sought to improve health, education and community participation. Place-based interventions have targeted adverse area outcomes although improvements are clearly intended to generate benefits for individuals such as enhanced satisfaction with housing or area. The distinction between people and placed-based interventions is not exclusive, and holistic programmes typically combine a range of both types of initiatives (Griggs, 2008).

**People-based interventions**

The concentration of poverty and deprivation within certain places has provided a rationale for regeneration initiatives to focus on improving outcomes for residents. Regeneration programmes have focused on improvements in the delivery of services in health and education, and building social capital through participation and community involvement. Such initiatives reached their
apogee under previous Labour administrations, particularly in the first term of the Blair administrations. Health was tackled through dedicated programmes, most notably Health Action Zones, whilst education was addressed through Education Action Zones (EAZs) and Excellence in Cities (EiC). Wider holistic programmes such as NDC and NSNR also had health and education strands. Community engagement was also a prominent theme in this period. The NDC programme in the 2000s placed local residents at the heart of partnerships overseeing ten year regeneration programmes in deprived areas (DCLG, 2010a), alongside a suite of targeted Community Participation Programmes (CPPs) included Community Empowerment Networks (CENs), Community Chests (CCs) and Community Learning Chests (CLCs).

A consistent finding of evaluations across all the three 'people-based' themes is that they had a relatively marginal effect on individual outcomes. HAZ areas did not experience greater improvements to population health when compared to non-HAZ areas between 1997 and 2001, although there were examples of improvements to services in the form of increased collaboration and local capacity for change (Bauld et al., 2005). The short lifespan of HAZs may explain the limited health outcomes identified in the national evaluation. Improvements generated through more holistic programmes also tended to be limited to the process of delivery in terms of innovation, increased resident involvement and partnership working. Again, evidence on health outcomes showed more limited impacts. The evaluation of the NSNR (DCLG, 2010b), for instance, reported that gaps in health outcomes between Neighbourhood Renewal Fund (NRF) areas and non-NRF areas widened over the period of evaluation, particularly in relation to mortality rates. In Northern Ireland, the mid-term evaluation of the holistic ‘People and Place’ regeneration programme also found little positive impact on health outcomes, with suicide actually increasing in target Neighbourhood Renewal Areas (NRAs) compared with non-NRAs (DSD, 2010).

A similar distinction between improvements in process and outcomes was also highlighted within evaluations of interventions to improve educational attainment. There were improvements in terms of the process of delivering area-based education programmes. The evaluation of EAZs, for instance, reports on their positive contribution to fostering collaboration between schools and inter-agency activity within and beyond EAZ areas (Halpin et al., 2004). But data on the impacts of ABIs on educational attainment is more equivocal. Analysis of data for NSNR and non-NSNR areas does suggest the programme had a positive impact on educational outcomes which equates to an estimated average improvement equivalent to one GCSE grade per pupil in the most deprived 15 per cent of LSOAs (DCLG, 2010b). By contrast, the NDC evaluation concluded that the NDC programme did not make a decisive difference to the attainment of pupils in NDC areas relative to similarly deprived comparator areas (DCLG, 2010c).

Once again, the evidence base for the impact of community participation programmes highlights a greater contribution around the process of engagement than in generating positive outcomes. For example, qualitative evaluation of CPPs (ODPM, 2005) found that they succeeded in building capacity, confidence and social capital and made a small but significant contribution to neighbourhood renewal through improving co-ordination and cohesion, building links with service partners and influencing monies spent. However, there is little evidence of a wider programme effect in terms of significant improvements in area-wide outcomes. The NDC evaluation also reported that NDC areas saw no more improvement than similarly disadvantaged comparator areas.
in terms of involvement in local activities; trust in local agencies; attitudes towards neighbours and local area; and quality of life (DCLG, 2010a).

The evidence presented suggests that 'people-based' regeneration initiatives have had a limited impact on the non-material aspects of poverty. This may be explained by the short-term nature of initiatives as well as difficulties influencing mainstream service delivery and spend, which are the primary levers for improving outcomes in these areas. Wider evidence from both the NDC and SRB evaluations suggest few, if any, mainstream agencies significantly altered spending or activities to prioritise disadvantaged areas (DCLG, 2010; Rhodes et al., 2009). In addition, these interventions generally benefit only small numbers of people in target areas, meaning that the impact on area-based outcomes is limited.

**Place-based interventions**

Regeneration has also sought to address the non-material aspects of poverty by seeking to improve the circumstances of people living in 'poor' places. The rationale is that improving the quality of place, primarily through improvements to housing and the physical environment and reducing crime, might impact on social capital and social cohesion, enhance economic vitality, and increase the possibility of sustaining improvements across a range of outcomes. To this end, there is a long tradition of estate-based regeneration initiatives, in which dwelling improvement played a central role. Examples include Estate Action, the Priority Estates Programme, Housing Action Trusts, Estates Renewal Challenge Fund (ECRF) and the Mixed Communities Initiative. Broader spatial initiatives such as the Housing Market Renewal programme have also sought to address the issue of low demand in sub-regional housing markets.

Recent years have also seen a number of interventions put in place to improve environmental conditions, crime and anti-social behaviour in deprived neighbourhoods. In particular, the neighbourhood renewal programmes implemented under the Labour governments of 1997-2010 had a strong focus on the 'cleaner, safer, greener' agenda. Both the Neighbourhood Wardens and Neighbourhood Management Pathfinders programmes and wider NDC and NSNR initiatives sought to reduce low level crime, anti-social behaviour and environmental degradation.

There is strong and consistent evidence to suggest that this range of place-based initiatives delivered tangible improvements to the living conditions of residents in target areas. Estate-based regeneration improved the living conditions of many disadvantaged households, with positive effects reported in terms of better health, satisfaction with home and neighbourhood, and increased optimism for the future (DETR, 2000b; Atkinson and Kintrea, 2000; Evans and Long, 2000; Hull, 2000; Critchley et al., 2004). Evidence has shown, however, that investment in 'bricks and mortar' alone often fails to see positive outcomes sustained. Evaluations of Estate Action and City Challenge pointed to the erosion of improvements due to vandalism and graffiti (DoE, 1996). Residents have also suffered uncertainty and disruption during implementation of regeneration schemes, especially those involving wholesale estate restructuring, temporary 'decanting' and tenure diversification (e.g. Batty et al., 2010). Moreover, attempts to disperse concentrations of poverty through creating more 'mixed areas has sometimes lead to gentrification that displaces marginal populations (Allen, 2008; Rae, 2013; Lees, 2014; Muir, 2013, Kallin and Slater, 2014).
To address some of these shortcomings of ‘bricks and mortar’ interventions, many recent housing-based ABIs have implemented a more holistic ‘housing-plus’ mixture of interventions focusing also on crime prevention, community development, social inclusion, environmental improvement and employment and training. Where this approach has been adopted it has brought associated benefits such as reduced crime levels, better community spirit, greater commitment to the area, enhanced skills and increased employment (Fordham et al., 1997; Evans, 1998; DETR, 2000b).

Similarly positive results were reported for programmes focusing on improving community safety and the quality of the physical environment. Holistic ABIs contributed to positive changes in residents’ satisfaction with their neighbourhood and overall quality of life (Russell et al., 2000; Audit Commission, 2009; Bennington et al., 2010; Leather and Nevin, 2013). Detailed data from the Neighbourhood Management Pathfinders (NMPF) programme, which brought together residents and service delivery agencies to improve local services and increase access and take-up, also confirms the value of this approach. Between 2003 and 2006, relative to their counterparts in comparator areas, residents in NMPF areas reported greater improvements in area satisfaction; an increased feeling that they had influence on local decisions; greater satisfaction with street cleaning; and fewer problems with litter, vandalism or graffiti. The national evaluation (ODPM, 2004) of the Neighbourhood Wardens (NW) programme also indicated that residents in NW areas experienced more positive change in relation to quality of life and perceptions of anti-social behaviour than similarly deprived comparator areas.

Broadly, therefore, place-based interventions that have addressed housing, community safety and environmental issues have generated positive change, particularly in terms of higher levels of satisfaction with the area and the local environment as well as reductions in fear or experiences of crime. Consistent improvement across a range of indicators suggests that this is one of the domains where regeneration has been most effective. The notable exception is where interventions have led to gentrification and displacement of original residents, particularly in areas where demand for housing is high. These are important concerns. But the success otherwise of less disruptive forms of place-based initiatives remain important and may be explained by their far greater visibility and their capacity to generate ‘quick-wins’ that benefit larger numbers of people. By contrast, people-based interventions around health, education and community participation reach fewer people, require longer time-scales to bring about change than most time-limited programmes allow, and lend themselves less readily to influencing, or ‘bending the spend’, of mainstream providers.

Discussion

Reassessing 25 years’ worth of evaluations of regeneration through the lens of exploring impacts on poverty provides a new opportunity to reconsider the effectiveness of past ABIs. The findings above clearly show that regeneration has had mixed results in reducing poverty, but has certainly not been the abject failure it is sometimes portrayed as. On the one hand, there is limited evidence to suggest regeneration made significant inroads into material forms of poverty. It may have created jobs and improved individual prospects of work but this does not translate into area-wide improvements in residents’ economic status. But on the other hand, there is strong and consistent evidence to suggest that regeneration did generate significant improvements in non-material forms of poverty,
particularly in relation to 'place-based' outcomes around housing, crime and the physical environment. These findings suggest that regeneration works best when it performs an 'ameliorative' function, investing or levering in additional resources into neighbourhoods to provide services that impact on quality of life. It is less effective in tackling poverty when it seeks to play a 'transformative' role, bringing about fundamental change at the individual level through improving outcomes around employment, health and education.

So what are the implications of these conclusions for the current direction of policies on local growth and economic development? The first implication is that they undermine the decision of the Coalition and now Conservative government to terminate neighbourhood-level regeneration on the basis it had failed. Stripping out neighbourhood renewal runs counter to clear evidence of its success in tackling non-material forms of poverty. The decision is all the more puzzling given that, housing aside, interventions to improve the physical environment and community safety were delivered at relatively low cost. Estimates for average annual regeneration spend between 2009/10 and 2010/11 show that spending across all regeneration programmes in England on these themes amounted to just over five per cent of the total budget (anonymised). In short, it was both cheap and effective.

A second implication is that past research points to a need for a new approach to economic regeneration. Successive ABIs failed to generate significant area-wide changes in outcomes around worklessness and employment. By extension, material poverty impacts are likely to have been muted. At first, glance, this appears to support the claims of the current Conservative administration that previous area-based programmes have been largely ineffective in tackling spatial disadvantage. Equally damningly, it seems to validate critical academic accounts of regeneration. At best, these dismiss ABIs for neglecting wider imbalances in the distribution of economic, political and financial power and resources that create spatial imbalances. At worst, they frame regeneration as a sop that ineffectually seeks to ameliorate the negative externalities of neoliberal development that perpetuate or exacerbate spatial inequalities.

But to suggest past performance invalidates regeneration entirely as tool for tackling material poverty perhaps shows a failure to appreciate possibilities for reconfiguring the scale and form of area-based interventions to improve outcomes. Two points can be made here. First, regeneration has never commanded anything like the level of resources as policies on cash transfers through the benefits system which have the most direct effect on income poverty, despite Coalition government claims about the expense of regeneration (HM Government 2012). To give one example, average annual spend on regeneration was £9.1bn in the period 2009-2011 (Tyler et al., 2013) compared with £182.8 billion in 2010-11 (at 2009-10 prices) on tax credits and benefits (Hills, 2013). Far from being too expensive, this suggests regeneration was perhaps not expensive enough, especially given evidence that the level of spend within a regeneration area is positively correlated with better performance in reducing worklessness (DCLG, 2009a).

Second, this is not a call for reinstating a slightly souped up version of previous forms of local economic regeneration centred around piecemeal programmes in targeted areas. This alone is unlikely to have a transformative effect because of the broader spatial imbalances that constrain the potential impact of such programmes. The UK is currently experiencing unprecedented regional spatial imbalances in output and employment that are the consequence of the 'big processes'
(Martin, 2015: 258) that have shaped the relative prosperity of areas over decades. This includes, among other things, the timing of industrialization, technological advances, international competition, and shifts in the way government has intervened to regulate the economy (ibid.) Space precludes a fuller discussion but due attention needs to be to paid calls to de-centre the historical and cumulative concentration of financial, corporate and political power and decision-making in London and its hinterlands that has contributed to regional geographical imbalances (Martin et al., 2015).

Current moves towards greater devolution of powers and funding as exemplified by the Greater Manchester devolution agreement represent a tentative step towards recognising the need to rebalance the spatial economy. But this approach of selectively devolving powers to favoured cities or city-regions falls well short of the need for a comprehensive and vertically integrated approach to pursue more spatially equitable forms of economic development (Rae, 2011). The inherent risk is that a policy of supporting areas better positioned to realise growth creates a 'sink or swim' (Lowndes and Pratchett, 2012) situation. Less prosperous cities and sub-regions with fewer immediate prospects of growth may well be left behind, particularly by programmes underpinned by competitive or incentive-based funding or direct 'deals' with central government. Indeed, this prospect was explicitly conceded, and accepted, under the previous Coalition government: 'In some cases this means areas with long-term growth challenges undergoing transition to better reflect local demand. National and local government policies should work with and promote the market, not seek to create artificial and unsustainable growth' (BIS, 2011: 8). The clear implication here is that regeneration should not prop up areas perceived to be experiencing irreversible decline.

A third implication is that the evidence from past programmes does not fully support the current wholesale reconfiguration of the governance structures for economic development and regeneration. Past initiatives that had some success in tackling non-material poverty such as the NDC and Neighbourhood Wardens programmes helped to create a valuable neighbourhood renewal infrastructure that has now been eviscerated. This may reduce the scope for generating further positive place-based outcomes at sub-district level. New city-wide or sub-regional mechanisms such as LEPs do not necessarily have the expertise, remit or interest to prioritise poverty reduction - material or non-material - in disadvantaged areas or to try and ensure 'inclusive' growth. Emerging evidence suggests that new institutional actors will not always prioritise poverty reduction, with many LEPs omitting mention of disadvantaged neighbourhoods in their Strategic Economic Plans (Lupton et al., 2015). The issue of putting in place the right institutional infrastructure to ensure neighbourhoods benefit from wider economic opportunities has been a perennial challenge for regeneration. However, the 'disconnect' (North and Syrett, 2008) has perhaps become even wider.

This is not to suggest that recent reforms do not create possibilities for new and more progressive policies to support local economic development that is aligned with anti-poverty goals. For example, combined authorities could use devolved funding for housing to build or refurbish stock in disadvantaged areas, whilst trying to connect residents in poverty to the jobs generated as a result. Greater powers over devolved skills and employment budgets provide opportunities to create pathways to steer more marginal groups outside the labour market into apprenticeships or paid work. However, the effectiveness of such initiatives is likely to be hamstrung by the pressures of shrinking budgets and the lack of an overarching national strategy for regeneration, bar a widely
derided and increasingly dated 'toolkit' of measures published back in 2012 (DCLG, 2012). This clearly sets England aside from the devolved administrations of the UK that all have active national strategies for area-based regeneration (for more details see anonymised). This shortcoming seems all the more urgent to redress given the consistent finding that the socio-spatial inequalities in England have persisted or increased since the financial crisis (e.g. ICA, 2015).

Bringing this all together, there is a need to ensure that regeneration is reinstated as an explicit strategic priority within the current panoply of local growth programmes and 'deals'. This should undoubtedly include renewed funding and support for developing a neighbourhood renewal infrastructure to deliver the positive outcomes around non-material poverty generated by previous ABIs. These programmes were widely popular and generated significant gains around quality of life and satisfaction with area. On-going concerns about the gentrification and displacement effects of large-scale housing demolition and redevelopment in London (e.g. Lees, 2014) and elsewhere demonstrate, nonetheless, that physical regeneration can have still have highly deleterious effects. It is important therefore to distinguish between the positive potential of sensitive, small scale place-based interventions designed to benefit existing residents and the far less desirable outcomes associated with some large-scale housing programmes, particularly in areas where high demand can see households priced out of new developments.

Evidently, economic regeneration that genuinely improves material poverty is undoubtedly a tougher nut to crack but could, arguably, be achieved through greater funding within a broader national programme to rebalance the spatial economy. Regeneration needs to be aligned with a wider understanding of, and attempts to address, structural inequalities and so move beyond previous incarnations in which it has largely operated as a 'flanking strategy' to soften uneven economic development. This would require a major reconfiguration of spatial policy that would not be possible without a dramatic change in current political thinking.

Without this fundamental reconfiguration there is a real risk that policy is ineffective or even exacerbates inequities between areas. Certainly, the 'local growth' agenda in its current incarnation bears the hallmarks of an 'austerity urbanism' (Peck, 2012) likely to increase spatial inequality. In brief, it cuts funding and support for ameliorative programmes to local areas whilst devolving risk and responsibility to local and sub-regional actors through competitive or incentive-based, market-orientated programmes. At the same time, the findings presented in this paper highlight the need for cautiousness in applying this US-derived concept wholesale to the UK context. With hindsight, the neighbourhood renewal agenda represented something of a rupture with the tendency of urban regeneration to focus on private-sector led economic development. It constituted a serious attempt to improve the fortunes of disadvantaged areas and had some important ameliorative effects on non-material forms of poverty. This may fit with the critique of regeneration as one of several 'short-term fixes, bandaids and bromides' (Peck, 2012: 621) to wider economic malaise. But it is also hard to square with framing austerity urbanism as a deepening of longer-term neoliberal policies towards urban areas. England may now be entering a new era of downloaded risks and responsibilities against a backdrop of Austerity. The evidence from the past, though, suggests that regeneration has not always been as systemically orientated towards achieving neoliberal goals at the expense of reducing poverty and spatial inequalities.
Those lessons from previous programmes suggest ways in which regeneration could be reinstated as a far more effective lever to tackle poverty, particularly if delivered within an ambitious framework of interventions to redress regional spatial imbalances. Regeneration will, of course, only ever constitute one means of tackling poverty and will never have the breadth and immediacy of outcomes as other policy tools, most notably reforms to the tax and benefits system. Nonetheless, it has the potential to play a more significant role in tackling poverty that is perhaps not fully recognised in wider political and academic critiques.

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