

The New Deal for Communities Experience:  
A final assessment

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



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

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# Executive summary

This is the executive summary of the report entitled *The New Deal for Communities Experience: A Final Assessment* which is the final volume in the set of reports which together comprise the National Evaluation of the New Deal for Communities (NDC) Programme. This volume provides a synthesis of evidence and policy recommendations from across the evaluation.

## Chapter 1. Introduction

The National Evaluation of the NDC Programme was carried out between 2001 and 2010 by a consortium led by Sheffield Hallam University. The Programme, launched in 1998, is one of the most intensive and innovative area-based initiatives (ABIs) ever introduced in England. Over 10 years the Programme is designed to transform 39 deprived neighbourhoods in England, each accommodating about 9,900 people. The 39 NDC partnerships are implementing local regeneration schemes each funded by on average £50m of Programme spend. The Programme is designed to achieve six key objectives:

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

## Chapter 2. What have NDC partnerships done?

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

## Chapter 3. What has the Programme achieved?

### Transformatory change

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

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

### Closing gaps with the rest of the country

When benchmarked against:

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

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

### Value for money

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

**The Programme has provided good value for money.**

## Working with partner agencies

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

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

## Engaging local communities

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

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

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

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

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

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

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

## Chapter 4. Lessons for regeneration policy

### **Higher-order policy implications arising from this Programme include:**

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

- partner delivery agencies may be useful in informing the way regeneration bodies should spend their money, but be less inclined to bend their own resources into defined regeneration areas
- from the outset neighbourhood-level regeneration schemes need to establish what the community dimension actually means and to set objectives accordingly: consultation, involvement, engagement, empowerment, or delivery?
- it is vital to manage expectations; local residents can have unrealistic views in relation to the speed with which projects can be delivered, and the degree to which benefits from regeneration projects will be distributed across all of those living in the area
- communities can play an especially strong role in defining needs and validating the 'additionality' of new proposals emerging from mainstream delivery agencies; they tend to be less interested in, and may lack the skills for, overseeing the delivery of projects
- it is never too early to address issues of sustainability
- regeneration programmes need to provide guidance in relation to legacy and succession at an early stage; the whole arena is fraught with financial and technical problems
- new, neighbourhood-level, physical developments can provide income after regeneration funding ceases; but the management costs of such projects can be underestimated, it may be difficult to maintain full occupancy rates, and rental income will not be sufficient to maintain the same scale of activity.



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