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**OFFICE OF THE
DEPUTY PRIME MINISTER**

Changing neighbourhoods, changing lives

The vision for neighbourhood renewal



Neighbourhood
Renewal Unit



Neighbourhood
Renewal Unit

“It has been hell living here in recent years, but all that is changing. I’m really optimistic now.”

Local resident, East Manchester

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The challenge we face

Our most deprived neighbourhoods have a lot in common. Poor housing, poor health, poor education, few job opportunities and high crime rates – what has been called postcode poverty.

Putting that into perspective, that means people living in our most deprived areas have to face:

- worklessness - in the 10 per cent most deprived wards in 2000, the average rate of unemployment was almost 14 per cent compared with a national average of under 4 percent.
- child poverty three times higher than in less deprived areas; and
- the likelihood of dying younger than people in more affluent areas. Boroughs just a few miles apart geographically have life expectancy spans varying by years. For instance, there are six tube stops between Westminster and Canning Town on the Jubilee Line - as one travels east, each can be seen as marking a year of shortened lifespan.

The deprivation gap

	10 most deprived wards	10 least deprived wards
people on means-tested benefits	44%	8%
children in families on means-tested benefits	60%	9%
working age adults out of work	25%	4%



Why it matters

These problems hit the residents of deprived communities hard. But there are many wider effects. The waste of potential holds back the country's prosperity. People from these communities are stigmatised by where they live. The taxpayer gets a poor deal as spending on crime and benefits is higher than it needs to be. And this level of inequality has a disproportionate effect on particular groups of people – for example, 70 per cent of all English ethnic minority residents live in the country's 88 most deprived districts.

That's why the Government has set out an ambitious vision for narrowing the gap between deprived neighbourhoods and the rest of the country so that, within 10 to 20 years, no-one should be seriously disadvantaged by where they live.

The aim is to deliver economic prosperity, safe communities, high quality education, decent housing and better health to the poorest parts of the country. Equality for black and minority ethnic groups is a cross-cutting theme, underpinning all of these objectives.



A strategy for change

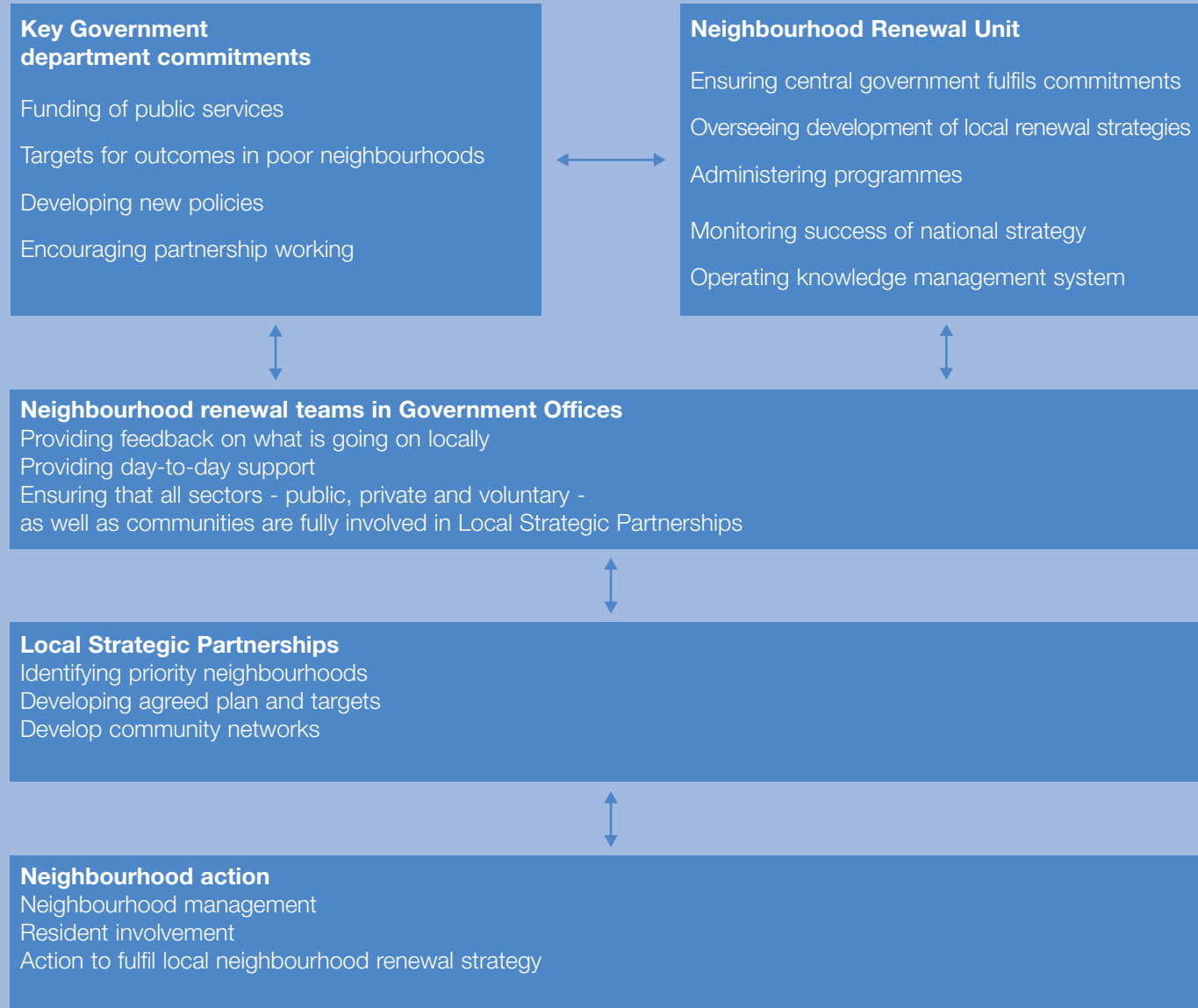
“We have made some progress, but we have further to go. Today we set out fresh challenges, and fresh thinking to meet them. Because one child raised in poverty is one too many; one person deprived the chance to learn or work, one too many; one old person scared to leave their home, one too many; one deprived estate, one too many.”

The Prime Minister, January 2001

The vision was set out in *A new commitment to neighbourhood renewal: national strategy action plan*, launched by the Prime Minister in early 2001. The strategy builds on what Government is already doing and challenges it to do it better. All corners of government will have responsibility for its effective implementation.

To spearhead change across and outside government, a new cross-government unit - the Neighbourhood Renewal Unit (NRU) – was established in spring 2001. Neighbourhood renewal teams working in Government Offices for the Regions support its work.

Key relationships in renewal



A new approach

There have been attempts to tackle some of these problems in the past. But many initiatives have failed to deliver lasting change. Too much emphasis was placed on physical regeneration and not enough on communities themselves. Often previous efforts and funds were wasted because of a lack of co-ordination. Too much attention was paid to fragmented initiatives at the expense of main Government programmes such as schools and the police which have a massive impact on people's lives.

The challenge is to learn from the mistakes of the past and try new and innovative ways of working.

The strategy represents a huge change in the pace and scale of the Government's attack on deprivation. It offers a major shift in approach, away from regeneration programmes shoring up poor public services in only a few areas towards ensuring high-quality public services in all neighbourhoods.

There are four main strands to the strategy:

- **better spending;**
- **better partnerships;**
- **better learning; and**
- **better information.**

The strategy summarised

- attacking the core problems of deprived areas, like weak local economies and poor schools
- harnessing the support of all sectors to work in partnership
- focusing existing services and resources explicitly on deprived areas
- giving local residents and community groups the power to make a difference

Better spending

It's too often the case that services are worst where they are needed most. The poorest communities are so often served by the worst schools. They suffer the highest levels of unemployment. Public transport is worse in places where people can barely afford a car. There are fewer health services in communities where health is poorest. Burglary rates are highest in the areas where people own the least. That's why it is so crucial that the quality of public services is raised.

The main effect on deprivation at a national level will come through the bending of the spending programmes of key Government departments to focus more specifically on the most deprived areas.



By 2006, this will mean spending across the country will reach £12.8 billion a year on education, £1.5 billion a year more on the police, and £1.4 billion more for investment in affordable housing and reforming the planning system.

And there are tough targets – called ‘floor targets’ - for departments to meet. This will mean that, for the first time, they will be judged on the areas where they are doing worst and not just on the national average. The NRU will monitor their progress against these targets.

Floor targets*

'Floor target' is a generic term that was used in the 2000 spending review to describe targets that set a minimum standard for disadvantaged groups or areas, or a narrowing of the gap between them and the rest of the country. On 15 July 2002 the Chancellor announced the outcome of the 2002 spending review setting out the Government's priorities for the next three years. This reaffirmed the Government's commitment to delivering strong and efficient public services that deliver greater opportunity and security for not just for some but for all. This review released resources to key priority areas, including education, health, crime, housing and transport. It also set new public service agreement (PSA) targets for each department, most of which will come into effect in April 2003. Many of the PSA targets set in SR2000 were rolled forward or developed as part of the SR2002 review, but there have been some changes to some.

Current deprivation-related targets remained the same until the end of March 2003. Then updated floor targets came into effect. 2002 Departmental floor targets include:

Department for Education and Skills (DfES)

To sustain improvement in primary education by raising standards in English and maths so that by 2004, 85% of 11 year olds achieve level 4 or above, and, by 2006, the number of schools in which fewer than 65% of pupils achieve level 4 or above is significantly reduced.

PSA 1

Transform secondary education by raising standards in English, maths, ICT and Science in Secondary Education so that by 2004 75% of 14 year olds achieve level 5 or above in English, maths and ICT (70% in science) nationally and by 2007 85% (80% in science), and by 2007, the number of schools where fewer than 60% of 14 year olds achieve level 5 or above is significantly reduced.

PSA2

Between 2002 and 2006 the proportion of those aged 16 who get qualifications equivalent to 5 GCSEs at grades A* to C rises by 2 percentage points each year on average and in all schools at least 20% of pupils achieve this standard by 2004 rising to 25% by 2006.

PSA5

Department of Health (DH)

By achieving agreed local conception reduction targets, reduce the national under-18 conception rate by 15% by 2004 and 50% by 2010, while reducing the level of inequality in rates between the worst fifth of wards and the average by at least a quarter.

PSA9

Starting with local authorities, by 2010 to reduce by at least 10% the gap between the fifth of areas with the lowest life expectancy at birth and the population as a whole.

PSA11

Department for Transport (DfT)

Reduce the number of people killed or seriously injured in Great Britain in road accidents by 40%, and the number of children killed or seriously injured by 50%, by 2010 compared with the average for 1994-98, tackling the significantly higher incidence in disadvantaged communities. (SR2000 target rolled forward with new enhanced element)

PSA5

Office of the Deputy Prime Minister (ODPM)

Work with the full range of Government departments and policies to raise the levels of social inclusion, neighbourhood renewal and regional prosperity to promote better policy integration nationally, regionally and locally; in particular to work with departments to help them meet their PSA floor targets for neighbourhood renewal and social inclusion. (New PSA)

PSA1

Make sustainable improvements in the economic performance of all English regions and over the long term reduce the persistent gap in growth rates between the regions, defining measures to improve performance and reporting progress against these measures by 2006. (joint target with HM Treasury and DTI) (SR2000 target rolled forward and amended)

PSA2

By 2010, bring all social housing into decent condition with most of this improvement taking place in deprived areas, and increase the proportion of private housing in decent condition occupied by vulnerable groups. (SR2000 target rolled forward and amended)

PSA7

Home Office (HO)

Reduce crime and the fear of crime; improve performance overall, including by reducing the gap between the highest Crime and Disorder Reduction Partnership areas and the best comparable areas; and reduce:

- vehicle crime by 30 % from 1998-99 to 2004;
- domestic burglary by 25 % from 1998-99 to 2005;
- robbery in the ten Street Crime Initiative areas by 14% from 1999-2000 to 2005; and maintain that level.

PSA1

Department of Trade and Industry (DTI)

Help to build an enterprise society in which small firms of all kinds thrive and achieve their potential, with (i) an increase in the number of people considering going into business, (ii) an improvement in the overall productivity of small firms, and (iii) more enterprise in disadvantaged communities.

PSA6

Make sustainable improvements in the economic performance of all English regions and over the long term reduce the persistent gap in growth rates between the regions, defining measures to improve performance and reporting progress against these measures by 2006. (joint target with ODPM and HM Treasury)

PSA7

In the three years to 2006, taking account of the economic cycle, increase the employment rate and significantly reduce the difference between the overall employment rate and the employment rate of ethnic minorities. (joint target with DWP)

PSA10

Department of the Environment, Food and Rural Affairs (DEFRA)

Reduce the gap in productivity between the least well performing quartile of rural areas and the English median by 2006, and improve the accessibility of services for rural people. (new target)

PSA4

Department for Work and Pensions (DWP)

Over the three years to Spring 2006, increase the employment rates of disadvantaged areas and groups, taking account of the economic cycle – lone parents, ethnic minorities, people aged 50 and over, those with the lowest qualifications, and the 30 local authority districts with the poorest initial labour market position, and significantly reduce the difference between their employment rates and the overall rate. (Ethnic minorities part shared with DTI)

PSA4

HM Treasury (HMT)

Make sustainable improvements in the economic performance of all English regions and over the long term reduce the persistent gap in growth rates between the regions, defining measures to improve performance and reporting progress against these measures by 2006. (joint target with ODPM and DTI) (SR2000 target rolled forward and amended)

* A full list of floor targets can be viewed on our website www.neighbourhood.gov.uk

So neighbourhood renewal requires real commitment from Government departments, local government and other public service providers to make sure that this significant investment in public services benefits deprived areas most. And it means using mainstream spending in different ways to better meet local needs, working in partnership with other agencies.

Kickstarting the strategy

In the most deprived areas, extra spending will be needed to address their particular problems.

The Neighbourhood Renewal Fund, worth £1.875 million over five years, provides extra resources for 88 of the most deprived local authority districts. The fund boosts Government departments' main spending programmes, helps kickstart new partnership arrangements and gets neighbourhood renewal strategies underway.

Better partnerships

Partnership working and consultation with local residents is at the heart of the new approach to regeneration. Many past regeneration initiatives did not work because they did not involve local residents. All that is starting to change.

“You get promised money but to see things actually happen is great. You go: Yes! We’ll never stop.”

Local resident, Sandwell



Building productive partnerships

Key to delivering neighbourhood renewal at the local level are local strategic partnerships (LSPs). Local strategic partnerships identify local problems and deliver solutions to regenerating neighbourhoods. They bring together public, private and voluntary sector service providers with the community and business and help co-ordinate national and local initiatives to improve people’s quality of life. They aim to cut out duplication and reduce bureaucracy by simplifying the many partnerships that exist already.

“We recognised that just holding public meetings wasn’t going to work. So we looked for interactive ways to consult people in a way they would enjoy.”

Local New Deal for Communities co-ordinator

Local Strategic Partnerships: Core tasks

To prepare a community strategy for the area, identify and deliver the most important things which need to be done, keep track of progress, and keep it up-to-date

- To develop and deliver a local neighbourhood renewal strategy to secure more jobs, better education, improved health, reduced crime, and better housing, narrowing the gap between deprived neighbourhoods and the rest and contributing to the national targets to tackle deprivation.
- To bring together local plans, partnerships and initiatives to provide a forum through which mainstream service providers (local authorities, the police, health services, central government agencies, and bodies outside the public sector) work effectively together to meet local needs and priorities.
- To work with local authorities that are developing a local public service agreement (PSA) to help devise and then meet suitable targets.

Eventually there will be over 300 Partnerships. Most are being established on the basis of local authority district boundaries. Of these, the national strategy focuses on the 88 areas in England who have been targeted for the Neighbourhood Renewal Fund.

Bringing people in

At the heart of this agenda is a commitment to ensuring that local communities' needs and concerns are given the importance they deserve. Local people know best what the priorities of their own neighbourhood are. It is essential that they have the opportunity and the tools to get involved in whatever way they want.

That means talking and listening to communities and, in particular, trying to include difficult to reach groups - young people, ethnic minorities, the elderly and disabled people. In many areas, faith groups are playing a leading role in local partnerships.

There's opportunities for people to get involved at a national level as well. The NRU has set up the **Community Forum** which brings together individuals with the skills needed to advise the Government on its progress in meeting its neighbourhood renewal commitments. The Forum members also help explain to their own communities what the NRU is doing to improve people's quality of life in the worst hit areas.

There is also funding on offer to help support community involvement. The **Community Empowerment Fund**, which will amount to £36 million over three years, supports community and voluntary sector involvement in LSPs in the 88 Neighbourhood Renewal Fund areas. **Community Chest**, worth £50 million over three years, will provide small grants of up to £5,000 to help pay for community projects - anything from toys and equipment for parent and toddler groups to training and IT for refugee projects.

“There was no long-term plan until the New Deal for Communities... everything around here was decided in annual budgets. They just spent as and when something had to be done, for health and safety reasons, or whatever.”

Resident, Bradford





Involving local business

Business engagement is fundamental to neighbourhood renewal both in terms of the role of business as part of the community and also the specific expertise business can offer in tackling worklessness and developing weaker economies. Business action can range from activities encompassed by companies' corporate social responsibility programmes to investing in profitable new or underserved markets in deprived communities.

There is clear evidence of significant interest by business in renewal but in many areas it has proved difficult to build effective links between businesses and local communities. The **Business Brokers** pilot scheme is at the forefront of the drive to involve the private sector much more closely in the process of renewal by helping local strategic partnerships engage businesses in the development and delivery of their Local Neighbourhood Renewal Strategies. The aim is to make sure that all parties form an effective relationship and get the maximum benefit from it.

Joining it up locally

The right levels of investment are crucial if we are to tackle the problems of deprived neighbourhoods. But it is equally important that investment is spent wisely and on those things that the community has identified as priorities. Difficult issues have all-too-often been passed from one body to another with no-one taking overall responsibility.

To combat this, £45 million has been made available through the **Neighbourhood Management programme** over three years to test out new ways of delivering priority services.

One person – or a team – is responsible for making sure that key services are delivered at neighbourhood level. Neighbourhood managers offer a single point of contact for residents and businesses and have the clout to negotiate with service providers – like the local authority and government agencies – about how services are delivered. By making sure there is someone taking overall responsibility at neighbourhood level, residents will get services that meet their needs.

Keeping a watchful eye

The **Neighbourhood Wardens' programme** is an important practical element in making deprived areas clean and safe. Neighbourhood wardens provide a uniformed semi-official presence in a residential area with the aim of improving the environment, quality of life and safety. They work closely with police and local authorities to tackle deprivation and anti-social behaviour at a grassroots level. They may promote community safety, assist with environmental or housing improvements or help with neighbourhood management. The programme has a budget of £18.5 million over three years.

The £50 million street wardens programme is similar to that for neighbourhood wardens but has more of an emphasis on caring for the physical appearance of an area.

Wardens are already proving a hit with many communities as their work can make a real difference to an area in a short space of time.

A new deal for communities

The approach set out in the national strategy is already being tried out on a smaller scale through the New Deal for Communities programme.

New Deal for Communities has been running since autumn 1998 and has been an important test-bed for many of the ideas and policy initiatives being developed to support renewal.

Partnerships have been established in 39 neighbourhoods across England. Over the ten-year duration of the programme, they will receive a total of £2 billion. Partnerships bring local communities together with service providers and other agencies to tackle the problems in their neighbourhoods in an intensive and co-ordinated way.

These partnerships are already teaching us valuable lessons, which will be passed onto the rest of the country through the wider neighbourhood renewal programme. In particular, the programme has made equality for black and minority ethnic groups an integral part of its framework and has developed equality guidance.



The **Deprived Urban Post Office Fund** is a £15million programme, which aims to prevent post office branches closing in those urban neighbourhoods where they are needed the most. It enables sub-postmasters in eligible areas to apply for grants of up to £50,000, for work that improves either the economic viability or the security of their branch.

The Fund opened for applications on 1 February 2003 and will run until March 2005. In the first six months only post office branches in the 10% most deprived urban wards, which are over a mile from the nearest alternative branch, will be able to apply. It is being run in conjunction with the Royal Mail's Urban Network Reinvention Scheme and only those branches which are remaining open under Reinvention will be able to apply.

Better learning

“One of the most depressing aspects of ... urban regeneration is the incidence of wheel reinvention and the failure properly to absorb the lessons of experience.”

Joseph Rowntree research report

Better skills and knowledge are fundamental to neighbourhood renewal. Too often people are expected to deliver ambitious programmes without being given the tools they need to do the job. People need new skills to work in new ways, to provide better public services. And we must share knowledge of what works – and what doesn't – much more effectively.

The national strategy requires a change in the way we work in and engage with communities in deprived areas. Residents, policy makers, practitioners, professionals and organisations all have a role in neighbourhood renewal, but many may not realise what is being asked of them. New skills and knowledge for neighbourhood renewal are needed if such widespread involvement is to succeed.

We need to change the way people working to renew neighbourhoods are trained and supported. Learning opportunities must be designed to help people and organisations 'do things right' - work more efficiently, more effectively, more inclusively. Such opportunities must also help them 'do the right thing' - identify what is wrong and how to rectify it.

Our **skills and knowledge programme** is committed to bringing about a change in the level of skills and knowledge for all involved in renewal and ensuring that everyone involved in neighbourhood renewal has the support they need to improve neighbourhoods. A vision for this change is set out in our learning and development strategy, **The Learning Curve**.

The Learning Curve, launched in October 2002 by Minister for Neighbourhood Renewal, Barbara Roche, takes forward the £21.6 million skills and knowledge programme launched in December 2001, which promised to put in place a comprehensive learning and development strategy for neighbourhood renewal.

Better information

The 23-point action plan targets everyone working to transform England's poorest areas: residents, professionals, regeneration practitioners, councillors, local and central government officials. It acknowledges that gaps in neighbourhood renewal skills and knowledge need filling in different ways at national, regional and neighbourhood levels, and identifies a framework of skills, knowledge and behaviours needed for delivering effective neighbourhood renewal.

As well as identifying what needs to be learnt, The Learning Curve recognises that no one size fits all - different people need different learning tools that encompass more than formal training.

The tools funded through the skills and knowledge programme include:

- www.renewal.net, the on-line guide to what works in neighbourhood renewal
- **neighbourhood renewal advisers**, including residents, providing face-to-face advice to partnerships involved in neighbourhood renewal activity
- £10 million for **Community Learning Chests** to fund learning opportunities for neighbourhood renewal, available from April 2002
- pilot project on **'Residents Consultancy'** (jointly with DfES).
- opportunities for **better networking** among those involved in renewal.

“Accurate information about social conditions at the local level is not just an interesting toy for statisticians. It provides a powerful tool for helping local and national partners to pinpoint problems and target solutions more effectively to renew the most deprived neighbourhoods.”

National Strategy for Neighbourhood Renewal

Information is power. It helps us plan for the future and learn from the mistakes of the past. But the type and level of information available to us has been lacking in the past. In particular, data on many national targets for tackling deprivation is only available at the local authority level – areas that are much larger than a neighbourhood.

This is because data is not yet available that would allow targeting at small area level such as wards and neighbourhoods. Also, much of the evaluation of past regeneration efforts has been carried out after the programme had ended – when it was too late to learn lessons or change course. Getting better quality and more relevant information is a priority for us.

Our Research and Development Division supports the delivery of the national strategy and tackling social exclusion by:

- developing our understanding of the causes and consequences of deprivation, and
- identifying effective means of reviving blighted communities.

The division aims to:

- respond to policymakers' and practitioners' needs for research and evidence and develop a research strategy in a consultative manner
- ensure that policies and decisions build on existing knowledge and are evidence based
- work with other government departments and stakeholders to improve our knowledge of the spatial and distributive effects of policies and programmes relevant to neighbourhood renewal and
- establish mechanisms to promote and communicate the evidence base widely, and support The Learning Curve, our learning and development strategy.

The division covers three broad areas of work:
Strategic initiatives and foresight: this focuses on assessment of strategic measures designed to improve the delivery of mainstream services in deprived areas, and also play a vital part in monitoring the key economic, social and spatial trends that will inform effective policy-making.

Neighbourhood information and analysis:

since accurate small-area data is critical to the successful design and impact of neighbourhood renewal policies and strategies, this area of work involves working closely with other departments and stakeholders and the Office for National Statistics (ONS) to develop priorities for data and satisfy the need for more sophisticated local information. In particular, we are working with ONS to develop Neighbourhood Statistics which will help address this. The project will include:

- The internet publication of a ward level dataset covering as much information as is currently available.
- An expansion of this dataset, after publication of the 2001 Census results in 2002/03. The aim is that this information will be underpinned by a new, fully flexible geographical referencing system that will enable analysis by any geographical unit, such as a neighbourhood.

Neighbourhood Statistics will link to other data collection initiatives including quality of life indicators produced by the Government working with the Local Government Association and the Improvement and Development Agency (IDeA)

Our work also involves maintaining and developing the Indices of Deprivation, which is an important measure of how deprivation is distributed across England. We offer advice on using the Indices to target resources at the most deprived areas.

Evaluation of programmes: this focuses on giving "real time" impact and process assessments of a range of neighbourhood renewal programmes including, for example, the New Deal for Communities, Neighbourhood Management pilots and Neighbourhood Wardens. The research will contribute to the delivery of programmes by helping to understand what works and why.

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Further information

www.neighbourhood.gov.uk

“Some parts of the area looked like World War Three before the clean up. Now our community has been transformed.”

Local resident, Sandwell