

# Transforming places; changing lives

## A framework for regeneration

# Executive Summary

This document sets out an **ambitious package of proposals** – for consultation – that aim to shape the way that regeneration is carried out in future in England. The new approach builds on what we know works and aims to improve the value-for-money of regeneration investment. It contains a **renewed focus on ensuring that regeneration tackles the underlying economic challenges to increase social mobility** and support people to reach their potential, regardless of where they live. Specifically, the measures proposed aim to:

- ensure that regeneration investment is **co-ordinated and prioritised** in the right places, with public; private; and third sector organisations working together in the same places towards a shared vision;
- **devolve power** – decisions about where to invest should be made as locally as possible, so this framework proposes an approach to prioritisation that starts with communities and their councils, and provides an approach, co-ordinated by Regional Development Agencies, to **align investment behind local and regional regeneration priorities** – making programmes fit places, not places fit programmes; and
- **focus regeneration investment on tackling the underlying economic challenges** that hold back deprived areas, in particular supporting people to get a job and get on in the labour market and boosting levels of enterprise in those areas<sup>1</sup>.

**Chapter one** sets out **what we want to be different about regeneration in the future**. It talks about the nature of deprivation in England and considers what holds places back from reaching their potential. Over the past decade, we have made substantial progress, narrowing the gap between the most deprived neighbourhoods and the rest while conquering mass unemployment; tackling failing public services; and improving school standards. These improvements have reversed decades of decline and had important positive effects on people's satisfaction with and trust in local government and other local public bodies, and in their quality of life.

But, we recognise that in some places they have been slower to bring about a significant reduction in the number of people without work, and deprivation is still intense in some areas. Government believes that, in future, regeneration investment should be more focused on tackling barriers to economic growth through reducing rates of worklessness and promoting enterprise – to **transform the lives of people in the most deprived areas**. We want to see regeneration **better targeted and co-ordinated, based on a shared strategy to improve a particular place**.

**Chapter two** argues that regeneration in the future needs to be defined by the **outcomes it achieves, rather than the process it follows**. This signals a move away from output measures towards the underlying sustainable outcomes that really matter for the long-term regeneration of communities. The framework sets out three **priority outcomes** – for consultation – which aim to ensure every area reaches its potential. Subject to this consultation, they will guide targets set for Government expenditure on regeneration in future. They are:

- improving **economic performance in deprived areas**;
- improving rates of **work and enterprise in deprived areas**; and
- creating sustainable places where people **want to live and can work, and businesses want to invest**.

**Chapter three** sets out proposals for a common approach to targeting regeneration investment. This approach fits within existing planning processes and can be used to ensure **central government investment is aligned with local and regional priorities**. It suggests four **criteria that can be used to identify priorities for regeneration investment**, and to determine the type of regeneration investment that is likely to be most effective. The criteria are: *the level of deprivation; the strength of the wider sub-regional economy; the economic and social characteristics of the area; and the dynamics of the area (whether it's getting better or worse)*. The Government is exploring how these criteria could be used to improve the value-for-money of targeted regeneration investment, prioritizing investment, where it can deliver sustainable improvements in outcomes and contribute to economic prosperity.

**Chapter four** sets out proposals for how these changes might impact on the way different agencies work – if they were implemented in full. The chapter explains that Government expects these changes to **delegate decisions** currently taken at the centre to the regional and local level; to provide a process of regional prioritisation through regional maps; to put **communities and their councils at the heart of regeneration**; to develop a stronger sense of **common purpose** for regeneration across different agencies; and to improve the efficiency and effectiveness of regeneration investment, delivering maximum value for money for the taxpayer.

This is a **draft framework for consultation**. Annex A includes a series of consultation questions and sets out the arrangements for feeding in views.

The consultation period ends on **31 October 2008**. The framework will be updated in the light of feedback and finalised early in 2009, and will be part of the process of preparing for the next spending review.

## Who is this framework aimed at?

This framework aims to develop a shared vision between community and **neighbourhood organisations; local government** and other members of the Local Strategic Partnership (LSP); **sub-regional partnerships; Regional Development Agencies (RDAs<sup>2</sup>); the new Homes and Communities Agency (HCA); Urban Regeneration Companies (URCs); Urban Development Corporations (UDCs);** as well as the private sector, the third sector and central Government departments (including their delivery agencies and non-departmental public bodies).

In particular, the framework sets out proposed new expectations of **local government; sub-regional partnerships; RDAs; the HCA; and central government.**

<sup>1</sup> *New Deal for Communities 2001-2005: An Interim Evaluation*, CRESR, November 2005

<sup>2</sup> Because of **London's unique governance arrangements**; this consultation primarily covers the role of RDAs other than the London Development Agency (LDA). However, we welcome responses from the LDA