**The Continuing Popularity of the Neighbourhood and Neighbourhood Governance in the Transition from the ‘Big State’ to the ‘Big Society’ Paradigm.**

**REF 11/33**

**Authors:**

**Nick Bailey**, School of Architecture and the Built Environment, University of Westminster, 35 Marylebone Road, London NW1 5LS. [baileyn@westminster.ac.uk](mailto:baileyn@westminster.ac.uk)

**Madeleine Pill,** School of City and Regional Planning, Cardiff University, Glamorgan Building, King Edward VII Avenue, Cardiff, Wales, CF10 3WA. [pillmc@cardiff.ac.uk](mailto:pillmc@cardiff.ac.uk)

**The Continuing Popularity of the Neighbourhood and Neighbourhood Governance in the Transition from the ‘Big State’ to the ‘Big Society’ Paradigm.**

**ABSTRACT**

The neighbourhood in both the UK and Europe continues to dominate thinking about the quality-of-life in local communities, representation and empowerment, and how local services can be delivered most effectively. For several decades a series of centrally-funded programmes in neighbourhood governance have targeted localities suffering deprivation and social exclusion in England. From these much can be learnt about the strengths and limitations of a local approach to achieving multiple objectives. This article reviews the findings of a case study of neighbourhood governance in the City of Westminster and draws on evaluations of two national programmes. The conclusions discuss the problems arising from multiple objectives and examine the prospects for neighbourhood governance as the national paradigm moves away from ‘Big State’ solutions towards the less well-defined ‘Big Society’ approach and the reinvention of ‘localism’. While the rationale for neighbourhood governance may change, the ‘neighbourhood’ as a site for service delivery and planning remains as important now as in the past.

**Introduction**

Over the past half century the neighbourhood has received special attention as a focus for policymaking, the primary building block for democracy, for reducing disadvantage and as the arena for encouraging greater community participation in the planning and the delivery of services. A profusion of initiatives and programmes have been launched in the United Kingdom to address these objectives and to provide a comprehensive approach to deprivation and disadvantage. In the 1960s the USA War on Poverty (Levine, 1970) was a major influence but in subsequent decades similar approaches were reinvented or renamed to fit the ideological stance of different political parties in power. Similar trends have been observed in European states such as France and Denmark (Hall and Hickman, 2002; Kennett and Forrest, 2006; Smith et al*.,* 2007). The neighbourhood was also the primary focus of European Union sponsored initiatives such as the URBAN I and II programmes (Carpenter, 2006). But these trends raise important questions about why there is so much emphasis on the neighbourhood and why central government should devote political capital and resources to what appear to be largely local issues. Over time the focus has widened so that commentators such as Benington (2006) observe a shift from an early ‘remedial focus on small areas of poverty and disadvantage….to a more strategic and comprehensive concern with neighbourhood development and citizen participation’ (page 13).

Critics have defined the process as ‘new localism’ (Stewart, 1994) – a market-led approach involving ‘…the decentralisation of responsibility, but not power, from the national to local level (Coaffee and Johnston, 2005 page 165). Whilst area-based initiatives (ABIs) demonstrate a commitment to reducing deprivation and improving service delivery, the additional resources are often marginal compared to the mainstream and tend towards a culture of short term ‘delivery’, incrementalism and measurable outputs (Chatterton and Bradley, 2000) at the cost of longer-term, sustainable outcomes. The literature is full of examples of contested, as well as consensus-based, communities (see chapters in Hoggett (ed.), 1997). Wallace (2010) questions New Labour’s approach to the concept of ‘community’ arguing that ‘[It] has been used to territorialise the social into governable, spatially bounded sites which can function as ‘partners’ in networks of contingent relationships that constitute and implement public policy’ (page 805).

Despite the validity of these critiques, as is demonstrated later, the neighbourhood retains its pre-eminence as the site for intervention at the local level, though the extent to which the lessons from one initiative are incorporated into the next and whether organisational learning is taking place can be questioned. Commentators identify the importance of pragmatism: for example in New Labour’s Third Way since 1997 (Tiesdell and Allmendinger, 2001 page 923). Likewise, Lawless (2004) defines the associated New Deal for Communities initiative as ‘….a pragmatic development of a long-standing reformist policy stream’ (page 396).

This article sets out to explore the multiple meanings of the neighbourhood and in particular to review the various approaches to neighbourhood governance which have been piloted in England in the past decade. What experiments in neighbourhood governance have been carried out and with what impact? What assumptions have been made about delivery mechanisms and funding in particular localities? Is the model still viable in an era of economic austerity and deficit reduction? In answering these questions, the first section will set out a brief history of intervention at the neighbourhood level. The second section will discuss the various meanings of neighbourhood governance and the underlying rationales which can be discerned for it. The following section will set out an evaluation of neighbourhood governance as carried out in the City of Westminster in inner London. This will be followed by a discussion of two central government initiatives in neighbourhood governance drawing on the relevant national evaluation reports. The final and concluding section will discuss briefly the transition to the ‘Big Society’ paradigm which commenced in 2010. It will be argued that the various initiatives from New Labour tended to be top-down, process driven and primarily concerned with improving service delivery. The use of time-limited central funding, and reliance on additional staff and funding in each area, rather than wholesale reform of mainstream services, meant that these strategies could be relatively easily dismantled with few political consequences.

For the purposes of this article ‘neighbourhood governance’ is used as a generic term to cover the institutional arrangements for service delivery and community participation at the local level which arise from the targeting of deprived areas (however defined) by a (local or central) government initiative. ‘Neighbourhood management’ is sometimes used interchangeably but this term is used here only when referring to policies so designated, such as the Neighbourhood Management Pathfinders (NMPs).

**Initiatives, Pilots and Pathfinders**

The focus on the neighbourhood in England has given rise to a profusion of ABIs, pilot projects and pathfinders since at least 1968 when Education Priority Areas (EPA) were first launched. The key characteristics of all these initiatives included the targeting of additional resources for a predetermined period in order to achieve defined policy objectives. Early initiatives such as EPAs, the Community Development Projects and the Urban Programme involved allocating additional resources to local authorities in deprived areas. In later periods, for example with City Challenge and the Single Regeneration Budget (SRB), it was partnerships of public, private and voluntary sector organisations which were funded directly by central government. Although target areas were usually selected by central government, the exact definition of the boundaries of ABIs was largely left to local authorities to determine, though this process was delineated by programme requirements and since the advent of New Labour has relied heavily on central government’s regularly updated Indices of Deprivation (CLG, 2011) to identify the most deprived localities. Thus target areas tended to be defined by their relative deprivation in relation to adjoining areas, rather than in terms of social criteria such as residents’ perceptions of communities of place and neighbourhood. This quantitative approach to the definition of neighbourhoods was applied to the major regeneration programmes launched by New Labour in the period after 1997, such as the New Deal for Communities (NDC) and the NMPs.

In reviewing the spectrum of ABIs, a number of themes can be identified. First, it can be argued that the size of target areas was often influenced by the budget available and the extent to which emphasis was placed on engaging and consulting residents. For example, the National Evaluation of NMP argued that ‘meaningful community engagement becomes more difficult with areas over 15-20,000 population. Unit costs become very high with small populations’ (SQW Consulting, 2008, page 90). Second, initiatives were increasingly funded for longer time periods, such as ten years for the NDC programme. This was because it had been argued that in previous initiatives too little time was available to demonstrate impact. Third, community engagement was given greater prominence and over time the voluntary and community sectors were ostensibly at least given increasing influence over programme development and delivery by being included in the partnership arrangements established for ABI governance. This sometimes created tensions with elected members and raised questions about the ‘fit’ between new forms of participatory democracy and the existing system of representative democracy (Pierre, 2009). With the launch of NDC it was accepted that local residents should in most cases be in the majority on management boards, although this in turn created challenges relating to representation and accountability (see Taylor, 2003). Fourth, the policy focus gradually shifted from single issues such as education or housing to a multi-disciplinary approach to ‘wicked’ issues such as poor health, teenage pregnancy and anti-social behaviour. As is discussed later, final evaluations revealed that the impact of ABIs on different policy areas was often mixed and uneven between target areas. The difficulties of sustaining the continuity of programmes after central funding ceases and ensuring that mainstream services continue to deliver to standards achieved with additional funding were also serious challenges to ABIs.

As well as the limitations inherent in the delivery of neighbourhood-based programmes, Benington (2006) identifies a number of other conclusions to be drawn from a review of this area of government activity. The focus on the neighbourhood helps develop an analysis at the micro-level but ‘makes it harder to analyse root causes or to develop strategic or preventative action at national government levels’ (Benington, 2006, page 14). Not all problems can be solved at the local level and attention also needs to be paid to wider political and economic forces. Many of the programmes and areas were launched without sufficient consultation with local authorities or local communities. Evaluation was carried out but it is not clear how far findings were incorporated in subsequent programmes. Finally, government itself may be part of the problem in that services and funding streams may be partial, fragmented and lack integration (Benington, 2006, page 14).

The rapid growth of the voluntary and community sectors in the past 30 years has meant that these organisations have sought a greater deliberative role at the neighbourhood level and in many cases have been conferred representation on management boards and local forums. While this might increase the potential for influencing decision-making, critics have pointed to the dangers of co-option, tokenism and uneven power relationships shrouded in the language of ‘partnership’ (Davies, 2001).

**The Rationale for the Neighbourhood Focus**

The neighbourhood has particular attractions to policy-makers because it is manageable in size and has many ‘taken for granted’ attributes of sociability, familiarity and convenience in providing services and generating data (Kearns and Parkinson, 2001). Assumptions are made, often on the basis of limited evidence, about the interactions between residents and the extent to which they depend on local services in the immediate vicinity. Wider discussions about the impact of globalisation and the rise of the knowledge economy have hardly dented the rhetorical and practical commitment to this basic unit of democracy and community. The debates about the social construction of ‘neighbourhood’ (Jacobs, 1994) and the complex interplay of the global and local (Brenner, 2004) have still had relatively little impact on policy-makers. With increased mobility and wider social networks based on changing employment patterns and new technologies, it can be argued that many social groups are much less dependent on social contacts in their neighbourhoods. On the other hand, large amounts of policy-related research, such as by Burgess et al*.* (2001), have been putting the case for devolved approaches to local governance as part of a broader modernisation strategy.

As Kennett and Forrest (2006) argue, there are many different institutional arrangements across Europe for managing housing, planning and related services but the key unit for delivery is often the neighbourhood. However, this may be very differently defined according to variations in social, cultural and administrative practices (page 716). As Kennett and Forrest (2006) conclude: ‘The need for vibrant, engaged and socially sustainable neighbourhoods has been a strong and pervasive element in the European social project to build a cohesive European society’ (page 713). Yet as Durose and Lowndes (2010) argue ‘the definition of a neighbourhood is inevitably subjective, dynamic and multi-faceted’ (page 343) which perhaps explains in large part its appeal to the policy-maker.

Thus the broad policy trend from both European and national governments is that the ‘local’ has an important impact on quality-of-life and in reducing social exclusion. The assumption is often made that most neighbourhoods contain varying degrees and types of social capital and that this can be enhanced through capacity building measures with direct pay-offs in terms of economic development and political participation (Putnam, 1993). However, neighbourhoods with evidence of bonding social capital can also possess negative characteristics of criminality, discrimination and the exclusion of minorities which are much more difficult to reverse (see Portes and Landolt, 1996). As Wallace (2010) argues, one of the major criticisms of New Labour’s ‘turn to community’ is that there has been insufficient research into how best to address neighbourhoods which are dysfunctional and discriminatory and where special remedial measures are required (Cantle, 2005).

Thus despite the relatively weak evidence base for using the neighbourhood as the primary administrative unit there are a number of ideological and administrative reasons for adopting a particular set of boundaries for government interventions through ABIs. It will be argued here, drawing on the Westminster case study, Lowndes and Sullivan (2008), and Kearns and Parkinson (2001), that convenience, familiarity, representation and efficiency represent the main justifications for ‘neighbourhood’ interventions.

*Convenience*

Fundamentally, the neighbourhood has the advantage of convenience in that it is a readily understood unit of social life and (sometimes) of administration which has immediate relevance to those living within its boundaries. Once ABI boundaries are defined, they quickly become adopted by residents and service providers and in many cases develop their own identities through, for example, community events and festivals supported by ‘community development’ programmatic funding strands. Particular advantages are that local services are easily accessible to citizens and it is convenient for those administering them to consult with interested parties. Evidence from the NDCs suggests that residents may feel more strongly about some issues than others, such as crime, the quality of the local environment and provision of services and will be expected to contribute tacit knowledge to planning and service provision (CLG, 2010a, page 59). Neighbourhoods may be either homogeneous communities, which can express collective interests and locally elected representatives can get to know institutions and individuals identified as representing the community, or heterogeneous, where sub-groups compete for political influence. The residual commitment to the neighbourhood may well reflect the past where populations were less mobile and more homogeneous than in many towns and cities today.

*Familiarity*

The rationale relating to familiarity is that the neighbourhood is perceived as the fundamental geographically defined social unit in towns and cities and is therefore the most important arena where social interaction takes place. It is argued that not only do residents tend to know each other but are willing to interact in order to achieve public goods such as an improved environment and better quality services. The concept of social capital assumes that reciprocity and trust between citizens creates a resource which can be used to achieve wider societal goals such as regeneration. Where both bonding and bridging social capital exists, neighbourhoods may prosper but one or both are often largely absent in areas of greatest deprivation. The existence of social ties (with various degrees of bridging, bonding and linking social capital) means that local governance is likely to be more effective and that new ‘governance spaces’ (Gaventa, 2004) can be created which enhance the quality-of-life in the area. Experiments in different forms of neighbourhood governance are much easier to establish where trust and reciprocity exist between residents and where service providers are already familiar with the needs and issues in the area.

*Representation and Accountability*

Lowndes and Sullivan (2008, page 58) identify three key propositions regarding local representation and accountability. First, local residents are aware of the issues which affect them and can access the governance system more easily. Second, elected representatives are accessible and therefore more likely to be responsive to local opinion. Third, local democratic processes are likely to be more transparent since the consequences of different actions at the local level are likely to be visible and therefore it is easier to hold representatives to account. Again, these are very much suppositions which are appropriated in policy discourse and which do not hold true in all areas. The debate about the ‘democratic deficit’, the new localism and the need to empower citizens reflect a range of responses to contrary evidence.

*Efficiency*

Arguments about subsidiarity often include assumptions about greater efficiency and effectiveness in the delivery of services. It is argued that at the local level services can be targeted towards specific groups and policy objectives, thus reducing waste. At the same time, it is asserted that governance institutions can be designed to reflect local interests and to engage those stakeholders or interests that might be excluded if services were provided at a higher level. The use of information technology means that data can be collected more readily and processed more effectively to support local policies. Building on this base, it is argued that the quality of services can be enhanced by moving towards co-production (Boyle and Harris, 2008) and citizen-centred governance (Barnes *et al.,* 2008). While financial evidence on the impact of different forms of governance is hard to come by, there is anecdotal evidence (as revealed by the case study below) to suggest that increased expenditure through various forms of neighbourhood governance can lead to higher levels of resident satisfaction and reduced expenditure at a later date (for example through crime reduction, improved health and life expectancy and savings on financial transfers such as unemployment benefit and tax credits). This is sometimes called preventative expenditure.

It has already been suggested that neighbourhoods are socially constructed by those attempting to promote change in governance arrangements or quality-of-life. Although boundaries tend to be arbitrary, the assumption is often made that they contain between 1,000 and 10,000 residents. However, there is an inevitable tension between the need to emphasise the ‘local’ and the desire to define larger areas where economies of scale can be secured. Once defined, they then become a basic unit of administration. Lowndes and Sullivan (2008, page 58) identify four forms or ‘ideal types’ of neighbourhood governance, each accentuating different priorities for change: empowerment of citizens and communities; partnership; government through new forms of representation and participation; and management in terms of more effective local service delivery. These forms are often overlapping and competing for staff time and resources. They reflect the complex and frequently contested local policy environment where different stakeholders are both working collaboratively and promoting their own priorities and policies. Although compromises are normally reached, objectives can become too complex making it very difficult to assess impact. As Coaffee and Johnston (2005) note: ‘Area committees have, for some UK local authorities, increased the complexity of local government modernisation by placing too many contradictory agendas on the table, and by adding to an already-complicated policy maze, which the inexperienced, in particular, find hard to navigate’ (page 173).

**Innovations in Neighbourhood Governance in England**

Neighbourhood governance gained new political vigour with the election of the Labour government in 1997. The establishment of the Social Exclusion Unit and the publication of a National Strategy for Neighbourhood Renewal (SEU, 1998) heralded a strong commitment to ‘bridging the gap between deprived areas and the national average’ (SEU, 2000: 7) and addressing four key targets: worklessness, crime, health and better qualifications. Linked to this strategy was the creation of a number of cross-departmental Policy Action Teams (PATs) to review the evidence and put forward recommendations.

Neighbourhood governance was seen as a priority at the time because it involved addressing issues of deprivation at the local level by working through local authorities and other service providers. It could also be linked closely with other initiatives such as the modernisation of institutions, the achievement of ‘best value’ in delivering services and the active engagement of residents over and above traditional democratic processes. This convergence of attention towards the neighbourhood level was reflected in wider trends in society. Widening differentials in income and local housing allocation policies tended to aggregate the most disadvantaged populations in particular localities. Meanwhile, engagement with local democratic processes was in decline and there was a feeling that local government was becoming remote and failing to address local needs. This trend had been apparent at least since 1980 when a number of relatively short-lived experiments in decentralising services were established (see for example Burns et al., 1994). In addition, the perception of the loss of a sense of ‘community’ stimulated a revival in the debate about building capacity and social capital in deprived areas (see Taylor, 2007).

One of the early initiatives of the newly elected Labour Government was to set up a series of cross-cutting policy reviews to be carried out by policy action teams. PAT 4 was established to consider neighbourhood management (SEU, 2000). The report recommended setting up a series of neighbourhood management partnerships in deprived areas in order to test this approach and identify best practice. In 2001 the Government funded 35 Pathfinder partnerships in two rounds from 2001 for seven years each at a total cost of approximately £100m. Each area was awarded £3.5m over seven years to cover core management and running costs and to leverage projects. Each had an accountable body to manage the financial arrangements. While most were local authorities, a few were third sector organisations or registered social landlords. From April 2007 all Pathfinder funding was delivered through Local Area Agreements (LAAs), overseen by the Local Strategic Partnership in each local authority. Thus funding was fully integrated into local funding streams for the lifetime of the Pathfinders. Projects were managed by boards made up of local authority officers and elected members, representatives of service-providers and local residents.

**Neighbourhood Governance in the City of Westminster**

Running in parallel with the national programme, the City of Westminster Council launched its own experiment in neighbourhood governance. For this it relied heavily on the Paddington Development Trust (PDT), a third sector organisation which had been formed in 1998 to deliver a SRB programme in north Westminster. In 2002 the Westminster City Partnership was formed and the following year the Neighbourhood Renewal Strategy designated four Local Area Renewal Partnerships (LARPs) in the wards with the highest levels of deprivation. PDT became the accountable body for three and a housing association took on the fourth. Of these, Church Street ward was submitted to central government for inclusion in the NMP programme in 2005. This was accepted and it became one of only six national pathfinders with a third sector accountable body. From 2007 funding from central and local sources to all LARPS was channelled through the LAA and delivery agreements between the Council and PDT were effective until March 2011. Table 1 provides a summary of neighbourhood management arrangements in the City of Westminster.

**Table 1: Summary of Neighbourhood Management Arrangements in Westminster**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| LARP | Church Street Neighbourhood Forum and NM Pathfinder | Westbourne Neighbourhood Forum | Queen’s Park Forum | Harrow Road Neighbourhood Partnership |
| Full-time staff | 9 | 4 | 4 | 3 |
| Area covered | One ward | One ward | One ward | One ward |
| Population  (based on post- 2001 estimates) | c.12,000 | c.10,000 | c.11,500 | c.8,500 |
| Accountable body | PDT | PDT | PDT | Genesis Housing Group and 5 other RSLs |
| Annual revenue budget | £400,000 | £185,000 | £187,000 | n/a |
| Membership of the board | 6 local residents,  6 from neighbourhood organisations,  6 from statutory sector,  3 ward councillors,  1 young advisor | 11 elected residents, 2 from community organisations, 1 business rep, 6 service providers, 3 ward councillors | 6 elected residents, 4 from voluntary sector, 6 statutory bodies represented on board, 1 member nominated by PDT (ex officio) 1 ward councillor (ex officio) | Community organisations, key council departments and statutory bodies, ward councillors |
| Action plans | 2005 Delivery Plan regularly updated, ‘available’ but not distributed widely | Neighbourhood Plan 2006-09 | Neighbourhood Plan 2008-12 | Renewal Plan 2007-11 |
| Total public spend in the ward 2008-09\* | £126m | £120m | £118m | £106m |

\*The methodology for calculating these sums is set out in City of Westminster (2010, page 10)

In 2010 the authors were invited by PDT to evaluate the ‘Westminster approach’ to the organisation and delivery of neighbourhood management, focusing particularly on the Church Street Pathfinder (see Pill and Bailey, 2010). The methodology applied Lowndes and Sullivan’s (2008) four forms of neighbourhood governance as a conceptual framework of ‘ideal types’. It also drew on Mathur and Skelcher’s (2007) approach to evaluating democratic performance in situations of ‘network governance’ where ‘….we are concerned with the day-to-day behaviour of actors in a network governance system rather than the system’s formal properties’ (page 233). They argue that research should identify the ‘hardware’ of formal organisational structures as well as the ‘software’ in order to make empirical judgments about performance (2007, page 230). The project was executed by collecting relevant national and local policy documentation in order to establish the organisational ‘hardware’ and to explore in some depth the context in which the LARPs were embedded. The second stage involved carrying out 25 semi-structured interviews with key respondents from the City Council, PDT, officers from partnership agencies, board members and local residents with a particular focus on the Church Street area. Interviewees were asked about the selection of areas, their role in the management and delivery of the project, their assessment of the value-for-money and impact of neighbourhood management and the costs and benefits arising from the Westminster approach. They were also asked a series of questions about options and prospects for the future. All interviews were recorded, transcribed and coded. This enabled an exploration of the formal organisational and procedural structures, the informal negotiations and collaborative arrangements, and the relative importance of the four ‘ideal types’.

There was substantial evidence that the civic, social and political ‘ideal types’ were being addressed through the location of area offices, staffed by highly motivated officers in each area, and that substantial resources were put into consulting, supporting and enabling local communities to play a bigger role in neighbourhood management. The selection of PDT as delivery agent aided this process because they brought expertise and a strong commitment to community development as well as being credible to the community. Moreover, because several staff had been seconded from council departments, they proved very effective operators in brokering and negotiating projects between different funding bodies and agencies through officer and political networks. As one senior council officer noted:

The LARPs’ skills have developed and our skills on the other side in responding have been about finding ways through issues, and finding compromise, finding mediation, finding a solution. It has been a model of co-operation and partnership, but I think that has been helped by these soft linkages into the Council: relationships and trust and people getting to know each other.

In addition, new organisational arrangements were established to give residents a ‘space’ to express their views and opinions. The presence of residents on the boards of each LARP meant that processes of decision-making became more transparent and democratic. In general, elected ward members also welcomed the opportunity to engage residents. One senior officer expressed the view that ‘….there was a lot of hostility against the Council. That’s now completely changed…..neighbourhood management enables us to reach out. One of the biggest benefits is to the Council’s reputation’.

In relation to the economic ideal type there is less evidence although many respondents welcomed the closer collaboration between the council and other service providers such as the Primary Care Trust and the police. There was substantial evidence that services were being more effectively targeted on very diverse populations and new services were created to meet the specific needs of particular sub-groups, such as young school-leavers and recent immigrant communities. Evidence that neighbourhood management was either increasing the efficiency and quality of service delivery, or increasing its cost, was very hard to establish. However, many respondents referred to the benefits of having a targeted approach based on an agreed delivery plan. It was also noted by service providers that the LARPs were a very good way of providing feedback on the effectiveness of service provision and would often make suggestions for improvements. Westminster’s commitment to community engagement in the LARPs helped gain the council a ‘green flag’ commendation in the 2010 Comprehensive Area Assessment. This assessment of all local authority activities, together with local performance indicators, was abolished by the incoming coalition government in May 2010.

With regard to the use of existing wards as the boundary of each LARP, most respondents felt that wards were the most appropriate definition of neighbourhoods, although they accepted that definitions were relatively arbitrary. One important justification for using wards was that they were already the primary unit of political representation. The manageable size of population, the ability to build on previous projects (such as SRB) and a relatively strong civil society in the form of many voluntary and community organisations were more important factors in defining target areas than geographical characteristics or a sense of ‘community’. Moreover, the presence of the neighbourhood management teams and the engagement of existing ward councillors meant that the delivery programme reinforced the approach that each area should be treated as a ‘neighbourhood’.

**The Strengths and Limitations of National Programmes**

This section sets the Westminster case study in the wider context of the key findings from the national evaluations of Neighbourhood Management Pathfinders (SQW Consulting, 2008) and the NDC programme (CLG, 2010a, 2010b, and 2010c).

Both the primary research conducted in the City of Westminster and the national evaluations found that the strengths of neighbourhood governance relate to the allocation of staff and resources to specific locations with populations of less than 15,000 residents, whose role is to develop a strategy to reduce deprivation and improve service delivery (Pill and Bailey, 2010; SQW Consulting, 2008). Key stakeholders and residents are represented on a board which oversees strategy and implementation. Community involvement is a major aspect of neighbourhood governance in order to be able to assess and respond more effectively to local needs. Adopting a holistic approach is a major strength yet evidence suggests that it is place-related issues which are more effectively addressed at the local level (CLG, 2010a, page 6). Also different policy objectives may require differing time periods to achieve the required outcomes. Good organisational links with the local authority and other agencies, frequently facilitated through personal contacts, are vital for the success of these programmes.

The national evaluation of the NMPs (SQW Consulting, 2008) suggests that the most effective gains have been achieved in policing and community safety; environmental services; improving the management of private rented housing and improving the take up of employment, training and health services (page 85). The national evaluation of the NDC programme comes to broadly similar conclusions: at best, an area-based approach can integrate and co-ordinate delivery, focus larger agencies and leverage additional resources in order to achieve sustainable change in the longer term. However, there are qualifications to this general endorsement: The evaluation suggests that not all policy objectives will be appropriate for treatment at the neighbourhood level. There have been examples where NDC partnerships have extended their boundaries for some types of intervention. ‘Generally, the evaluation suggests that the issues most effectively tackled at the neighbourhood level are some aspects of crime, environment, housing management and public health…..In short, the services that are delivered best at neighbourhood level are those that interact at that level with service users’. (CLG, 2010a, page 6) Moreover, the NDC teams had difficulties in identifying ‘natural’ boundaries and few attempted to define the function of the area (page 9).

Both evaluations provide survey evidence to show a gradual, if modest, improvement in local conditions in the target areas. For instance, in the Pathfinder areas the percentage of residents satisfied with the area as a place to live increased by 4% between 2003 and 2006 in contrast to only a 1% increase in the comparator areas. The percentage satisfied with the police service in their area increased from 47% to 53% in the same period (SQW Consulting, 2008, page 87). Between 2002 and 2008 in the NDC areas there was an improvement in 32 of the 36 core indicators set by central government, and for 26 out of 27 indicators this change was statistically significant (CLG, 2010c, page 6).

The initiatives discussed here have all the limitations of time-constrained area-based initiatives. Teams and representative boards are established and additional funding is available for a fixed period. Resources can thus be targeted effectively but in the longer term questions arise about whether the higher level of resource input can be justified and where revenue funding will be found, if at all, for the future. Critics of NDC in particular argue that the centrally imposed policy objectives and performance management system distracted the local teams from effective local delivery:

...far from proving a radical departure in relation to implementation and governance, the NDC programme became a mechanism through which to deliver a series of mainstream projects within broad outcomes defined by central government. (Beatty et al*.*,2010, page 247)

In leading the national evaluation team of 39 NDC areas, Lawless (2011) draws similar conclusions: ‘The NDC programme can be seen as a form of ‘locality managerialism’ rooted in a centrally imposed framework designed to re-embed deprived individuals within the mainstream through the delivery of routine projects and the spending of annual financial allocations’ (page 530).

Other limitations of neighbourhood governance relate to the difficulties of collecting measurable data, for example on the impact of community involvement strategies. In the primary research and the national evaluations, transparency and accountability were identified as significant issues since only those with direct contact tended to be aware of the projects. In the Westminster case, the annual action plan for Church Street contained a large number of objectives with low levels of resources attached and the plan was used mainly for internal purposes and not widely publicised. In all cases evaluation teams identified weaknesses in procedures of monitoring and evaluation so that evidence of outcomes was not always collected on a regular basis. In the Church Street area a Performance and Evaluation Officer was employed two days a week to collect evidence of impact and outcomes and to inform policy. Yet, when interviewed he made it clear that:

Not everything we do is informed by a solid set of data, a lot is based on anecdotal information and the knowledge that officers have of the neighbourhood. In all cases I haven’t got the data to back up what we’re doing, but the ideal scenario is that we do have a baseline before the intervention begins….

And:

What I’m lacking in terms of my role is the evaluation side, partly down to capacity and partly due to it being difficult to do. And perhaps it’s not so far been a huge priority.

It appeared that because of the emphasis on community involvement and the need to improve inter-agency collaboration, the LARPs were less concerned about value-for-money and the cost of service delivery. The interviews suggested that the three elected members on the board were less concerned about value-for-money than in ensuring that Church Street and the LARPs received the resources to which it was felt they were entitled given their levels of deprivation. This suggests that of Lowndes and Sullivan’s (2008) four ideal types, the economic dimension of neighbourhood management (page 62) was of lesser importance, in that while policy innovation took place, the process became more important than the impact and little attempt was made to keep records or to evaluate outcomes.

Because of the difficulties of data collection and calculation, neither the Pathfinders nor NDC evaluations gave much consideration to value-for-money. The Pathfinder evaluation calculates that ‘a Pathfinder model neighbourhood management partnership with a full multi-sector partnership, a neighbourhood manager and a team of 4-5 people based in a local office can be delivered for £200,000 per year’ (SQW Consulting, 2008, page 86). Assuming an average population of 10,000, this works out at £20 per head per year. In reality, staff costs allocated to a particular locality can appear excessive when cuts in services elsewhere are being proposed. In addition, the development of new services and the replacement of existing facilities can add to both the capital and revenue costs of local authorities. On the other hand, early intervention through improved education, public health and housing for example can reduce dependency on services at a later date by preventing unemployment, criminal activity, hospital treatment and homelessness. These savings are extremely difficult to calculate.

The City of Westminster carried out a detailed review of its own spending patterns in 2010. The findings demonstrated that the wards with LARPs received the highest levels of public spending. For example, whereas the average City expenditure per ward in 2008-09 was £35 million, it was £68 million in Church Street ward. The average spend by all public bodies per ward in the same year was £75 million, but £126 million in Church Street (City of Westminster, 2010 pages 7-10).

The effective delivery of services through complex collaborative arrangements is time-consuming and difficult and often means that process becomes more important than outcomes. Both NDC and NMP were conceived as experiments with pre-determined funding periods. The Westminster approach was abruptly terminated in late 2010 when the Council announced that all funding for neighbourhood management would cease in early 2011. As a senior officer observed:

I suppose it depends how much you value what they [the LARPs] do. I think if they just disappeared there would be a lot lost in terms of our knowledge, our intelligence, our ability to deliver some of those resident involvement structures…..What we should be doing is looking at alternative sources of funding and thinking about the LARPs as models of delivery for those. There’s also this idea about them moving to a social enterprise model. I don’t really know what that means.

Many of the Pathfinders and NDC projects have established alternative organisational structures as part of their continuation strategy. Most have become community development trusts or social enterprises with income streams coming from assets acquired during the main funding period. This has contributed to the growth of what is known as the third sector (Office of the Third Sector, 2006).

**Continuity and Change**

The coalition government emerged out of the general election in May 2010. For economic and ideological reasons, its main priority was to reduce the economic deficit and thereby limit the role of the state. The ‘Big Society’ agenda is intended to fill the gap left after substantial cuts in public expenditure have been implemented at central and local levels. ‘Localism’ is the term being applied to a wide range of strategies emphasising devolving power down the hierarchy. As the coalition government’s strategy document states: ‘It is time for a fundamental shift of power from Westminster to people. We will promote decentralisation and democratic engagement, and we will end the era of top-down government by giving new powers to local councils, communities, neighbourhoods and individuals’. (Cabinet Office, 2010)

Recent research already suggests that local authorities have different understandings of localism and, as their central funding is cut by an average of 7.25% per year over four years, they are not ‘reconfiguring their organisations for localism with the same energy that they are for, say, budget cuts’ (Deloitte 2011, page 3).

Funding for new initiatives, so far as it is available, will come from a proposed ‘Big Society bank’ drawing on the dormant bank accounts held by the clearing banks. Social investment bonds are also being considered as a way of introducing private investment into welfare provision. Four local authority areas have been designated as ‘vanguard communities’ to develop particular self-help initiatives, although Liverpool City Council has already withdrawn. Any attempt at redistribution and the targeting of the most deprived areas prevalent in previous government sponsored initiatives which gave rise to neighbourhood governance is conspicuously absent from this approach.

The previous government had advocated ‘double devolution, which is the transfer of power ‘not just to the town hall, but beyond, to neighbourhoods and individual citizens’ (ODPM, 2006: 8), although this commitment was conspicuously absent from a subsequent policy document on empowerment (CLG, 2008; Bailey, 2010). More recently the Conservative party has argued for varying degrees of localism with a greater emphasis on community self-help (The Conservative Party, 2009). However, in advocating the transfer of responsibilities for unemployment benefits, community care and crime prevention from central to local government, three influential Conservative local authority leaders make no reference to neighbourhood governance (Barrow et al., 2010). A number of other think tanks, mainly from a right wing perspective, have argued for a combination of self-help, voluntarism, community organisation and what is now called ‘radical efficiency’ as a means of plugging the gap left in the retreat of the local state (see for example Coote, 2010; Gillinson et al*.,*2010; Shakespeare (ed.), 2010).

The coalition government’s commitment to the Big Society has been criticised on philosophical, political and practical grounds but it is not possible to examine all these arguments here in any detail. Kisby (2010), for example, refers to the ‘vacuity’ of the concept in that it attempts to revive ideas around ‘small state’, ‘active citizenship’ and volunteering promoted by previous Conservative governments. It tends to favour community organisations in more affluent areas (with high levels of social capital) and does nothing to challenge the growing levels of economic inequality or reduce social exclusion. Powers are included in the Localism Bill (2010) to enable communities to prepare land use-orientated neighbourhood plans but only where these set out new opportunities for development.

**Conclusions**

This article set out to examine a number of questions relating to the significance of the neighbourhood in the delivery of different approaches to neighbourhood governance, within the broader context of the ‘new localism’. Evidence was reviewed from commentators, a study of the City of Westminster and findings from the evaluation of two national programmes. The shrouding of the neighbourhood concept in a new set of ideological clothes since 2010 demonstrates the longevity of the idea.

Our main findings largely support those of Durose and Lowndes (2010) who argue that ‘the definition of a neighbourhood is inevitably subjective, dynamic and multi-faceted’ (page 343). We concluded earlier that the main justifications for using the neighbourhood were for reasons of convenience, familiarity, representation and efficiency. However, underlying these justifications are a number of factors which have often been overlooked in the evolution of neighbourhood governance.

First, the neighbourhood as defined in all the programmes cited above is often interpreted too narrowly as a static concept with a relatively stable, monolithic ‘community’. It was noted that in Westminster, wards were used as proxies for reasons of administrative convenience and political representation. Both the NDC and NMP programmes selected neighbourhoods with a population of about 10,000 for similar reasons. Wallace (2010), in particular, offers ‘the central critique …that New Labour’s ‘community’ depoliticises social relations and assumes a degree of homogeneity and unity within neighbourhoods’ (page 816). Benington (2006) is also critical of the lack of attention to ‘wider political and economic forces which shape local communities’ (page 14). Moreover, the policy context is itself subject to constant change, and whilst the launch of a particular programme may emerge out of a particular political and policy context, it may be quickly wound up in a different economic or political climate.

Second, the typology of ideal types introduced by Lowndes and Sullivan (2008) provides a very useful framework for examining the multiple objectives underlying neighbourhood governance. Two common themes emerging are the increasing inclusion of new and inter-related policy areas which require complex collaborative arrangements between partners, as well as the increasing dependence on community engagement and involvement in management and delivery. Both these factors can lead to differential expectations, objectives and perceptions of outcomes from different stakeholders. In Westminster, respondents tended to suggest that ‘process’ was often valued more highly than the ability to demonstrate impact. Also, as Pierre (2009) notes, there can be friction and a lack of transparency when network governance comes up against more traditional forms of local democracy (page 600).

Finally, the concepts of the ‘social’ and ‘community’ have evolved considerably since 1997. In 2006, Benington referred to the growing importance of ‘civil society’ as a newly emergent force at the local level and as a bulwark between the state and the market. This trend has become particularly apparent with the discussion of the ‘Big Society’. There are unlikely to be further programmes with the characteristics of NDC and NMP where central government superimposes its own ideas about local area organisation, funding and delivery on complex local political contexts in the form of area-based initiatives. For the foreseeable future it seems that the policy emphasis will focus on developing different forms of civil society but without large budgets, management of resources through LAAs, and a performance framework as was provided through the Audit Commission and national indicators.

What conclusions can be drawn about the changing meaning of ‘neighbourhood’? First, it is a geographical definition of space which confers identity and meaning for residents and other stakeholders. However, once boundaries are defined, it takes on a new administrative, political and sometimes socially-constructed reality. Second, the definition of ‘neighbourhood’ is based more often on administrative convenience and political representation than any objective study of social relations or ability to achieve economies of scale. Neighbourhoods can contain a variety of sub-groups and features, some of which might be defined as dysfunctional. Third, the ‘subjective, dynamic and multi-faceted’ nature of neighbourhoods (Durose and Lowndes, 2010, page 343) is often overlooked in the interests of delivering a relatively standardised set of policy objectives. Fourth, taking action within the neighbourhood often disregards wider, structural processes which can influence, for example, education, employment opportunities, health and life chances. Fifth, successive governments have devised complex programmes of intervention in order to ameliorate adverse circumstances and improve service delivery in the most deprived areas. Evidence from the programmes reviewed here suggests that these have had limited impact in challenging deep-seated inequalities but that community engagement has brought positive outcomes in many locations.

In the period from the 1960s the neighbourhood has been the site of innovation and experimentation around the selection of areas for special attention and the piloting of different ways of mobilising residents and in delivering better quality services (Durose and Richardson, 2009). From 2010, the neighbourhood retains its pre-eminent role as a locus for policy but there has been a fundamental shift away from redistribution towards a philosophy of self-help with few if any additional resources.

**7611 words**

``

**Bibliography**

Bailey, N, 2010, “Understanding community empowerment in urban regeneration and planning in England: Putting policy and practice in context”. *Planning Practice and Research*, **25**(3)317-332

Barnes, M, Skelcher, C, Beirens, H, Dalziel, R, Jeffares, S, Wilson, L, 2008, *Designing citizen-centred governance***.** (Joseph Rowntree Foundation, York)

Barrow, C, Greenhalgh, S Lister, E, 2010, *A Magna Carta for localism.*  (Centre for Policy Studies, London)

Beatty, C, Foden, M, Lawless, P, Wilson, I, 2010, “Area-based regeneration partnerships and the role of central government: the New Deal for Communities programme in England”. *Policy & Politics,* **38** 235-251

Benington, J, 2006, “Reclaiming the neighbourhood”. In *Lest we forget: democracy, neighbourhoods and government.* Eds Benington, J, de Groot, L, Foot, J. (SOLACE Foundation Inprint, London) pp. 8-18

Boyle, D, Harris, M, 2009, *The challenge of co-production.* (New Economics Foundation, London)

Brenner, N, 2004, *New state spaces: Urban governance and the rescaling of statehood.* (Oxford University Press, Oxford).

Burgess, P, Hall, S, Mawson, J, Pearce, G, 2001, *Devolved approaches to local governance: Policy and practice in neighbourhood management.* (Joseph Rowntree Foundation, York)

Burns, D, Hambleton, R Hoggett, P, 1994, *The politics of decentralisation.*  (Macmillan, London)

Cabinet Office, 2010, *The coalition: our programme for government.* (Cabinet Office, London)

Cantle, T, 2005, *Community cohesion: A new framework for race and diversity.* (Palgrave, Basingstoke)

Carpenter, J, 2006, “Addressing Europe’s urban challenges: lessons from the EU URBAN Community Initiative”. *Urban Studies* **43** 2145-62

Chatterton, P, Bradley, D, 2000, “Bringing Britain together? The limitations of area-based regeneration policies in addressing deprivation” *Local Economy* **15** 98-111

City of Westminster, 2010, *Mapping the money – public spending in Westminster* (City of Westminster, London)

CLG, 2008, *Communities in control: Real people, real power.* (Department for Communities and Local Government, London)

CLG, 2010a, *The New Deal for Communities programme: Achieving a neighbourhood focus for regeneration. The NDC National Evaluation: Final report volume 1*. (Department for Communities and Local Government, London)

CLG, 2010b, *Making deprived areas better places to live: Evidence from the NDC programme. The NDC National Evaluation: Final report volume 3*. (Department for Communities and Local Government, London)

CLG, 2010c, *The NDC experience: A final assessment. The NDC National Evaluation: Final report volume 7*. (Department for Communities and Local Government, London)

CLG, 2011, *The English Indices of deprivation 2010* (Department for Communities and Local Government, London)

Coaffee, J, Johnston, L, 2005, “The management of local government modernisation” *international Journal of Public Sector Management,* **18** 164-177

The Conservative Party, 2009, *Control shift: Returning power to local communities. Responsibility agenda policy green paper no.9*. (The Conservative Party, London)

Coote, A, 2010, *Ten big questions about the Big Society.* (New Economics Foundation, London)

Davies, J.S, 2001, *Partnerships and regimes: The politics of urban regeneration in the UK*. (Ashgate, Aldershot)

Deloitte, 2011, *A little local difficulty: The challenges of making localism work.* (Deloitte LLP, London)

Durose, C, Lowndes, V, 2010, “Neighbourhood governance: Contested rationales within a multi-level setting – A study of Manchester” *Local Government Studies,* **36** 341-359

Durose, C, Richardson, L, 2009, “’Neighbourhood’: a site for policy action, governance…and empowerment?” In *Changing local governance, changing citizens* Eds C.Durose, S.Greasley, L.Richardson (Policy Press, Bristol) pp 31-52

Gaventa, J, 2004, “Towards participatory governance: assessing the transformative possibilities”. In *Participation: From tyranny to transformation.* Eds S.Hickey, G.Mohan London: (Zed Books, London) pp 25-41

Gillinson, S, Horne, M, Baeck, P, 2010, *Radical efficiency: Different, better, lower cost public services.* (NESTA, London)

Hall, S, Hickman, P, 2002, “Neighbourhood renewal and urban policy: a comparison of new approaches in England and France” *Regional Studies,* **36** 691-696

Hoggett, P (ed.), 1997, *Contested communities: Experiences, struggles, policies.* (Policy Press, Bristol)

Jacobs, J, 1994, *The death and life of great American cities.* (Penguin, Harmondsworth)

Kearns, A. and Parkinson, M, 2001, “The significance of neighbourhood”. *Urban Studies*. **38**(12) 2103-2110

Kennett, P and Forrest, R, 2006, “The neighbourhood in a European context”. *Urban Studies,* **43**(4) 713-718

Kisby, B, 2010 “The Big Society: Power to the people?’ *The Political Quarterly* **81** (4) 484-491

Lawless, P, 2004, “Locating and explaining area-based initiatives: New Deal for Communities in England”. *Environment and Planning C: Government and Policy*, **22** 383-399

Lawless, P, 2011, “Understanding the scale and nature of outcome change in area-regeneration programmes: evidence from the New Deal for Communities programme in England” *Environment and Planning C: Government and Policy*, **29**(3) 520-532

Levine, R, 1970, *The poor ye need not have with you: Lessons from the War on Poverty* (MIT Press, Cambridge, Mass)

Localism Bill, 2010, (Houses of Parliament, London) <http://services.parliament.uk/bills/2010-11/localism/documents.html>

Lowndes, V, Sullivan, H, 2008, “How low can you go? Rationales and challenges for neighbourhood governance”. *Public Administration,* **86**(1) 53-74

Mathur, N, Skelcher, C, 2007, “Evaluating democratic performance: Methodologies for assessing the relationship between network governance and citizens”. *Public Administration Review,* **67** (2)228-237

Office of the Third Sector, 2006, *Social enterprise action plan: Scaling new heights.* (Office of the Third Sector, London)

Pierre, J, 2009, “Reinventing governance, reinventing democracy?” *Policy & Politics,* **37**(4) 591-609

Pill, M, Bailey, N, 2010, *Neighbourhood management in Westminster.* (University of Westminster, London) (unpublished)

Portes, A, Landolt, P, 1996, “The downside of social capital”. *American Prospect,* Summer: 18-21

Putnam, R.D, 1993, *Making democracy work: Civic traditions in modern Italy.* (Princeton University Press, Princeton, N.J.)

Shakespeare, T (ed.), 2010, *Small state, big society: Essays on reforming the state to create a stronger economy and bigger society.* (Localis, London)

Smith, I, Lepine, E., Taylor. M, 2007, *Disadvantaged by where you live? Neighbourhood governance in contemporary urban policy.* (The Policy Press, Bristol)

Social Exclusion Unit (SEU), 1998, *Bringing Britain together – A Strategy for Neighbourhood Renewal.* (HMSO, London)

Social Exclusion Unit (SEU), 2000, *National Strategy for Neighbourhood Renewal - Policy Action Team 4: Neighbourhood management*. (The Stationery Office, London)

SQW Consulting, 2008, *Neighbourhood Management Pathfinders: Final Evaluation Report.* (Communities and Local Government, London)

Stewart, M, 1994, “Between Whitehall and town hall: the realignment of urban regeneration policy in England”. *Policy & Politics* **22**(2) 133-45

Taylor, M, 2003, “Neighbourhood governance: Holy Grail or poisoned chalice?” *Local Economy*. 18(3) 190-195

Taylor, M, 2007, *Neighbourhood management and social capital.* (Communities and Local Government, London)

Tiesdell, S, Allmendinger, P, 2001, “Neighbourhood regeneration and New Labour’s third way”. *Environment and Planning C: Government and Policy,* **13** 903-926

Wallace, A, 2010, “New neighbourhoods, new citizens? Challenging ‘community” as a framework for social and moral regeneration under New Labour in the UK.” *International Journal of Urban and Regional Research* **34** 805-19