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Austerity-era regeneration: weathering the storm or political marginalisation?



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Defining regeneration

“Comprehensive and integrated visions and action which leads to the *resolution of urban problems* and which seeks to bring about a lasting improvement in the economic, physical, social and environmental condition of an area that has been subject to change” (Roberts, 2000, p. 17, emphasis added).



Our definition

- Regeneration as a *state strategy*
- More specifically, a place-based development strategy



The issue

- Favoured (housing-led) model of regeneration predicated on the wide availability and easy access to relatively cheap credit – no longer viable (Parkinson et al., 2009)
- Smaller pot of state regeneration funds – reduced by around two-thirds (HOC, 2011)
- Termination of initiatives and retreat of the state ...

Closure of Tunbridge Wells Regeneration Company

- December 2008 – Tunbridge Wells Borough Council and John Laing entered into a 50/50 Joint Venture partnership (LABV)
- Closed because of the “economic downturn and subsequent public sector spending cuts agenda following the government’s last comprehensive spending review, forced TWBC to reassess its key corporate priorities”
- Joint statement said that the council was no longer able to “consider the regeneration partnership a priority”

Regeneration – 1990s to mid 2000s



- **Principles and objectives** – Holistic approach; brownfield development first; “joined-up” policy; community involvement/consultation; supporting deprived communities
- **Flagship policies** – SEU; NRS; Urban Renaissance
- **Organisations/Initiatives** – City Challenge; Urban Regeneration Companies; New Deal for Communities; English Partnerships; RDAs
- **Innovations** – SRB and RDA Single Pot; challenge funding; cross-sector partnerships
- **Critique** – Was it making a difference? i.e. lasting improvement; tension between economic competitiveness and social inclusion persisted even under the “Third Way”; failed to close the gap between haves and have nots; top-down and overly bureaucratic; target driven

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- **Principles and objectives** – Importance attached to economics of regeneration and growth objectives; improving the coordination and prioritisation of investment (i.e. value-for-money); focus on *economic* regeneration
- **Flagship policies** – Sub-National Review, Regeneration *Framework* (159 pages)
- **Organisations/Initiatives** – HMR Pathfinders, WNF, RDAs, City Regions/MAAs, City Development Companies, Urban Regeneration Companies, HCA
- **Innovations** – Public-Private-Partnerships, Local Asset-Backed Vehicles, Special Purchase Vehicles
- **Critique** – Was it making a difference? i.e. lasting improvement; mounting tension between economic competitiveness and social inclusion; failed to close the gap between haves and have nots; top-down and overly bureaucratic; target driven

Regeneration – 2010 onwards

- **Principles and objectives** – Rebalance the economy; reduce the budget deficit; Big Society and localism– redefine the role of government and society; focus on economic growth
- **Flagship policies** – Regeneration to Enable Growth *Toolkit* (4 pages); a “non-policy”?;
- Central government’s role to be strategic and supportive:
 1. **Reforming and decentralising public services** – lifting bureaucracy, empowering local areas and welfare reform
 2. **Providing incentives to drive growth** –New Homes Bonus, local discretion over business rates and an amended Community Infrastructure Levy
 3. **Removing barriers that hinder local ambition** – planning rules and enabling TIF
 4. **Providing targeted investment and reform to strengthen the infrastructure for growth** –high speed rail network, new affordable homes, Regional Growth Fund, Growing Places Fund... but competitive bidding...

No definition of Regeneration

- The Coalition has refused to define “regeneration”, claiming that “it is not for Government to define what regeneration is, what should it look like or what measures should be used to drive it”
- As a consequence ...
- “for the first time in over forty years there are no area based initiatives targeted at the most deprived parts of England” (Work Foundation, 2012, p. 1).

Devolved nations

- “the holistic process of reversing the economic, physical and social decline of places where market forces won’t suffice” (Scottish Government, 2011, p. 2).
- “Our regeneration policies encompass a range of integrated activities which aim to reverse economic, social and physical decline in order to achieve lasting improvement, in areas where market forces will not be sufficient to achieve this without some support from government” (Ministerial Foreword, Welsh Government, 2012, p. 2).

New organisations, initiatives and innovations



- **Organisations/Initiatives** – Regional *Growth* Fund?; *Growing* Places Fund?; Local *Enterprise* Partnerships?; City Deals?; HCA?; Enterprise Zones?; Mayoral Development Corporations; New Homes Bonus?
- **Innovations** – TIFs, “Earn Back”, forward financing – build now, pay later
- The *Toolkit* is replete with incentives, tools and policies that convey a myopic mantra of “economic growth at any costs”
- Lord Heseltine, the Chair of the RGF Independent Advisory Panel, has been resolute that the £2.4bn RGF “is not about regeneration”

People rather than Place?

- The case for a people orientated approach argues that place based approaches to turning around declining areas have failed

Therefore, the focus of policy should be:

- Supporting disadvantaged people to achieve better individual outcomes regardless of where they live (e.g. welfare and skills policy)
- Increasing geographic mobility (e.g. social housing reforms)
- Reducing the barriers to expansion (Work Foundation, 2012, p. 35).

Views from the field

“Those communities where you have affluent, prosperous and well educated people are ready to take up the challenge. These are the places that don’t need regeneration. The places that need it are the places that don’t have, for a variety of reasons, don’t have the aspirations, abilities, skills – they are the ones that will be left behind” (Interviewee).



Will rebalancing and growth lead to regeneration?



“The UK government’s policy of don’t worry lads, the public sector will contract and everyone will get a job in the private services sector, that just doesn’t work outside London and the South East” (Interviewee).

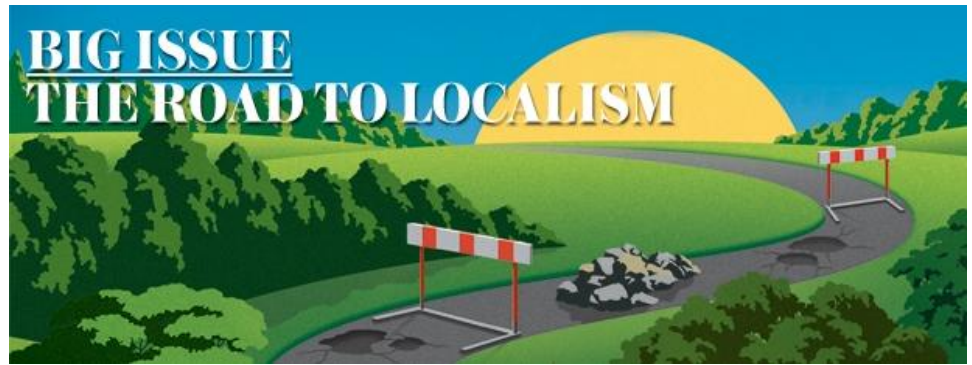
“The economy has forced us down this route, but it is what you would expect from what is a Tory government in all but name. Regeneration doesn’t feel like it has a place in this – regeneration steps in where things aren’t working, but this government’s attitude is, you just let the market take care of that, it either stands or falls on its own merits” (Interviewee).

Year Zero approach: Loss of institutional capacity

“The loss of One North East will have a far greater impact than the loss of SEEDA for example. RDAs were at the forefront of things they were the ‘players’ not the local authorities” (Interviewee).



Limitations of Localism



“At the end of the day you only get regeneration outputs when money is spent, jobs are created or bricks are laid, for me it is about actual delivery and I can’t see where the delivery mechanism is going to be” (Interviewee).

“There is a naivety about how much can be done through this [localism] which frightens me” (Interviewee).

“Without regeneration, the most deprived communities in the UK will have little chance of economic recovery” (Work Foundation, 2012, p. 1).

City Deals

- “...so much will depend on the success of the first eight deals, and some of the commitments cities have made on jobs and apprenticeships are risky. Many are relying on growth at a time when the economy seems to be stagnating. Yet if they fail, the government will have a stronger case for centralization” (Centre for Cities, 2012, p. 15).
- “If the rising tide left some people and places behind, a falling tide could ... in a new age of austerity... cause extensive hardship, especially with state resources depleted by indebtedness from bailing out the financial system” (Turok, 2011, p. 75).

Concluding remarks

- Has “regeneration” as a state strategy given way to “economic growth”?
- A change in the orientation and practice of regeneration was apparent prior to the 2010 General Election
- Scorched earth approach – 2010 as “year zero”
- English “toolkit” – appears to dismiss the regeneration evidence base (40+ years)
- Regeneration as a government priority and service has been marginalised – a “non-policy”
- Regeneration is now synonymous with local growth
- Myopic focus – create jobs at all costs
- Challenging communities to “sink or swim” through people-based policies, competitive bidding and incentives regime is likely to exacerbate socio-spatial divides
- Next stage of research will investigate the actually existing forms of regeneration – may challenge the post-political “growth” consensus

Future directions – the end of regeneration or a new beginning?



Discussion and questions



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