

# ENSURING THE REGENERATION PHOENIX SOARS

## HOW LOCAL AUTHORITIES ARE DELIVERING CHANGE



Regeneration should be targeted towards all areas, argue **Des Murray** and **Mo Baines**.

In December 2005, following the UK presidency of the European Union, 29 EU ministers met to develop a strategy on delivering an urban policy to promote jobs and growth. Central to the 'Bristol Accord' was a commitment to ensure that competitiveness and cohesion are at the heart of European cities. In a global economy the vision of the ministers was that Europe's great cities, from Barcelona to Birmingham, should be great places to live in, thriving on skills and investment to sustain their communities.

Many Association for Public Service Excellence (APSE) member authorities across the UK would certainly not dispute these aims. Indeed many welcome the Structural Funds Programme resulting from the Accord, and there is more work yet to be done in advance of the German Ministerial Informal Meeting in 2007 which will receive the findings and recommendations of the working group on skills and investment established as part of the Accord.

Many UK local authorities have already seized the opportunities provided by European funding streams as well as the domestic help provided through the

creation of Urban Regeneration Companies, and of course Housing Renewal Pathfinders to support the renewal of housing in areas of low demand. Whilst policy makers in the higher echelons of the EU and central government have facilitated the policy initiatives, it is local authorities that, often

Whilst there are solid examples of successful regeneration across the UK, linked to major investment funding, there is a need to be realistic. Successful regeneration can fundamentally improve and enhance an area, making it more attractive to business; but conversely, some of the

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without recognition from the wider public, have quietly transformed the urban environment, thereby facilitating the economic ideal of jobs growth, skills development and investment in training that European ministers now acknowledge is central to strong cities, strong regions and a stronger, more prosperous Europe.

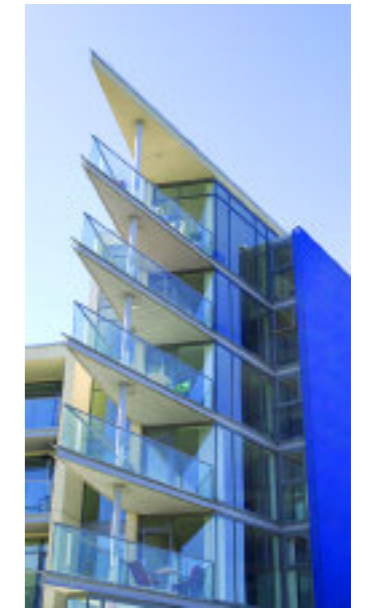
So is this marriage of EU and central government policy, wedded to action by UK local authorities, the perfect union that will bear fruit in long-term sustainable communities?

less desirable outcomes of regeneration, such as rising house prices, are not conducive to the long-term satisfaction of existing residents. A further problem that can arise is the concept of job relocation. Rather than new jobs being created, APSE member authorities are increasingly concerned by the 'beauty contest' approach to attracting jobs through businesses that are all too willing to chase the 'regeneration dollar'. Divorcing existing communities from regeneration because of unaffordable housing

and businesses seeking to exploit low-cost labour does not help to reduce the gap in the speed of economic growth across the UK's regions. This key Public Service Agreement target set out in the Regional Economic Performance Public Service Agreement, first developed in 2002, still needs to be met if the UK's North/South divide is to be bridged by a genuine sharing of economic prosperity.

Having learned the painful lessons of the sixties – high-rise blocks and low-cost, ill thought out developments – local authorities could easily be forgiven for taking an extremely cautious approach to regeneration. But that is not evidenced by our member authorities who have led the way in looking at urban regeneration in an integrated way.

Areas such as the east of Manchester, recently rechristened Eastlands, have seen a meteoric rise in house prices and jobs through a series of redevelopment opportunities. Clearly in this case Manchester City Council benefited substantially from the 2002 Commonwealth Games investment but it also sourced a range of funding streams from both Europe and the UK to enable a number of developments to take shape. Mixed housing supply has created a framework enabling existing residents and new entrants to the east of Manchester housing market to



have access to a ready supply of affordable housing and indeed 'prestige' apartments. Attracting anchor retailers such as Next and ASDA and world-class sports facilities such as the Velodrome has generated opportunities for local jobs with partnership approaches to training and investment from the retail, sports and leisure sectors.

However, Council strategy was to insist on developing opportunities to support the burgeoning knowledge economy; the Council had been concerned that a city with hugely successful universities was too often unable to 'maintain the brains' in the city through a lack of job opportunities. Rather than bemoan this loss, the Council, in partnership with the local universities and as part of its coherent strategy to develop the knowledge economy, has aggressively led the way in attracting investors, such as Fujitsu, that will help sustain jobs growth in the knowledge economy, thereby attracting the affluence to support the regenerated areas and opportunities for re-skilling and training.

Behind every regeneration scheme is an array of local authority services that at first glance may appear to be superfluous to the grand headline-grabbing investment scheme itself. However, regenerated communities need long-term support. Local

authorities are pivotal to this, leading the way by taking integrated approaches to safer, cleaner streets, street warden schemes (successfully reducing crime by 28 per cent in pilot areas) and the delivery of clean and green parks and open

apprenticeships within local authorities is to be applauded. This not only allows local labour to be used but also creates further opportunities for jobs growth.

Increasingly we are seeing local authorities rely upon the more permissive framework of the new

strategies and the development of Core Cities to ensure that synergies in economic and social development are disseminated within all regeneration initiatives. Authorities also need to exploit the new permissive EU framework though it is perhaps regrettable that the UK Government did not bite the bullet and establish a compulsory rather than permissive approach to social, economic and employment matters in public procurement schemes to ensure every penny spent brings maximum benefit to regenerated communities.

**Des Murray** and **Mo Baines** are both Principal Advisors at APSE

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spaces so that communities can be great places to live in supported by economic prosperity.

It would be remiss of APSE not to mention the often understated role that local authorities play in skills training and investment. Many regeneration schemes are delivered by local authority in-house services with councils exploiting the fact that the absence of rigid external contract arrangements gives them great flexibility to direct resources towards areas of greatest need. Local authority building maintenance teams are one of the few areas within the construction industry that have continued to offer apprenticeships, and whilst numbers are certainly less than in the seventies the steady recent increase in

EU Consolidated Directive to ensure that where public money is spent in procuring goods and services social, employment and environmental issues are integral to the contractual arrangements in order to stretch the return on the public sector pound. This is also true in ensuring that transport planning is integral to the development of regeneration areas. It would be self-defeating to create new jobs in areas that can only be reached by those privileged to have access to a car.

So, with all the positives that are evidenced does this mean that local authorities should be applauded and the debate closed? Probably not. Much could still be done to ensure that regeneration is not just about targeting specific areas of deprivation. More could be done through regional planning

### IN SUMMARY...

- The Bristol Accord was agreed to develop competitiveness and cohesion throughout Europe
- Areas such as the east of Manchester, recently rechristened Eastlands, have seen a meteoric rise in house prices and jobs through a series of redevelopment opportunities

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