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[Monograph]

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# Regeneration - How should the problem be addressed?

**A Discussion Paper Commissioned from the Regeneration and Economic Development Analysis Expert Panel for the Regeneration Futures Roundtable**

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This report was commissioned by the previous government and is not necessarily a reflection of the current government's policies and priorities. DCLG is publishing the report in the interests of transparency.

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March 2011

ISBN: 978-1-4098-2811-2

## Preface

The Regeneration and Economic Development Analysis Expert Panel is one of three expert panels established by the Department for Communities and Local Government (DCLG) to improve their analytical capacity. The expert panels aimed to strengthen the links between research, evidence and policy and provide fresh and challenging insights to policy makers by providing access to senior academics and researchers from a range of disciplines.

The analysis, findings and conclusions are those of the authors and do not necessarily represent the views of the Department for Communities and Local Government

This paper was commissioned, along with three others, as part of a 'round table' discussion held in 2009 as part of an internal review looking at the future role for regeneration. The three other papers by Peter Tyler, Anne Green and Paul Lawless are also published on the DCLG archive website.

## What is the 'problem'?

The problem to be addressed is rooted in the uneven spatial distribution of economic activity and how this is constantly shifting over time.<sup>1</sup> Historically different phases of economic development produce particular spatial and temporal fixes with their own geographic patterns of growth and deprivation. Evolving patterns of uneven economic development result from the constant interaction between wider processes of economic change (e.g. globalisation, sectoral change, technological change etc) and the existing geographically differentiated landscape. This process is particularly apparent at the current time, as the severe economic downturn produces the conditions for a new round of investment/disinvestment and an associated reconfigured geographical landscape.

The process of uneven development creates and maintains regional imbalances and produces different regional and local dynamics of growth and decline. The most acute problems for regeneration occur where area decline is dramatic, and/or involves a fundamental restructuring of the industrial base, and/or extends over a long period of time. The nature and types of the impacts rooted within wider processes of economic restructuring upon localities/cities/regions are mediated through their interaction with a range of interrelated processes (e.g. within housing markets; local labour markets; private investment flows; and public investment strategies)

## Differentiated landscapes: the importance of geography

Uneven spatial development is the norm in the economic development process. This is a fundamentally important starting point given that much, highly influential economic thinking continues to be premised on the mistaken assumption that spatial imbalance represents some sort of 'temporary' or 'transitional' condition. Conceptually, uneven spatial differentiation/regional variation needs to be understood as partially constituting the process of economic development and necessitates some form of policy response.

The spatial challenges raised by any phase of economic change will always be constituted in a 'unique' way within any place given its particular location in time and space. *The nature, and type of response will depend on the evolving and variable capacities of any given area* (e.g. related to the differentiated presence of levels of financial capital, physical capital, human capital and social capital). Therefore the nature of the challenges which regeneration activity seeks to respond to is path-dependent, reflecting past legacies and providing a particular array of institutions, actors and resources differentially developed across the public, private, voluntary and community sectors.

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<sup>1</sup> The nature of the 'problems' that regeneration activity is seeking to address and the differing rationales for action are addressed by other think-pieces and are not considered in detail here.

Within current economic recessionary conditions certain spatially differentiated impacts are already apparent (for example in manufacturing areas such as the West Midlands, or the major financial centres). Yet the full geographical implications will only become fully realised over a number of years as the economic downturn works through its various phases and aspects of recovery emerge.

*The impacts of the current downturn will be apparent in existing deprived areas (e.g. through further deindustrialisation, reduced public sector employment etc.) but will also lead to the emergence of 'new' problem areas.* Of particular concern here are those areas which were already experiencing some economic difficulties (e.g. certain outer suburban locations) where the impact of the economic downturn might trigger 'tipping-points' in levels of investment and housing markets, leading to a significant steepening in the rate of decline. In this respect past work differentiating between types of deprived areas and neighbourhoods (DCLG, 2009) and how they embedded within their wider regional contexts (Syrett and North, 2008) will need to be upgraded to identify the changing nature of the challenge faced.

More generally the new economic climate poses testing challenges to the existing regeneration policy framework which has developed over the last decade in an economic phase characterised predominantly by economic and employment growth. *Certain accepted assumptions that have underwritten recent regeneration policy, for example those related to continued employment growth and a narrow emphasis upon supply-side labour market interventions, are no longer tenable.* The need to address these different economic conditions combined with increasing acceptance that the environmental challenges presented by climate change and resource depletion need to be addressed in a fundamental manner, requires the development of a new regeneration discourse.

## An 'ideal response'

The rationale for 'regeneration' type intervention within a market-based economy emanates from an understanding that if the process of spatial shift is left solely to the operation of market mechanisms, then major spatial imbalances and severe localised crises will occur. This leads not only to spatially concentrated poverty and disadvantage but also to potential political instability, economic inefficiency and environmental degradation. Regeneration policy plays an important role in seeking to address these economic, social, political and environmental challenges.

An 'ideal response' would ensure that localities/regions can respond and adapt to change over a period of time in a manner that is environmentally sustainable and permits basic levels of income and quality of life to be retained by the residents of these areas. To achieve this requires the effective co-ordination and integration of top-down and bottom-up level interventions in a manner that is sensitive to spatial variation:

- (a) Top-down interventions: would seek to address *wider processes of change at the spatial scale appropriate to their operation* (national/international). This might include issues related to regulation, technological change, international labour market flows, low-carbon development etc., which might have particular regional/local economic impacts. In relation to deprivation it would involve the pursuit of *strong national level policies to ensure basic levels of social justice* through seeking to eliminate poverty, ensuring decent levels of pay and working condition, and promoting a progressive redistribution of wealth.
- (b) Bottom-up interventions: would be rooted within an *understanding of local conditions/opportunities/constraints* and aimed at *strengthening indigenous capacity* to respond, adapt and create new roles To achieve this would require local/city/regional governance structures that *possess genuine power and autonomy* to decide priorities, allocate resources and demonstrate leadership and a healthy and diverse civil society and third sector. Alongside genuine levels of local autonomy, *central state departments would routinely operate to align themselves to local and regional needs* wherever appropriate. The existence of a more autonomous local-level sphere would permit the pursuit of more decentred models of urban development and would generate forces to encourage more participatory democratic processes and a range of initiatives better attuned to locally identified priorities. However, it is also important to recognise that a process of political devolution would not necessarily lead to a greater concern for the most deprived areas and neighbourhoods, as with any given local political contexts, deprived areas and their residents are open to potential marginalisation by other dominant local interests.

### **An environmentally sustainable path**

To date, notions of 'sustainability' have been much abused in UK regeneration policy, being used in a diverse and generalised way predominantly to justify existing development practice. Yet, *a genuine commitment to rethink the current resource-intensive consumerist model of development in order to drastically reduce current and future environmental impacts, inevitably includes a recasting of regeneration activity.* Shifts towards people living closer to their places of work, the local sourcing of products and the development of localised services and supply chains, provide possibilities for a local economy oriented more directly to the needs and resources of the local population.

For deprived neighbourhoods that may have been blighted by the loss of local shops and services, and their residents who often have limited travel options and are less involved in commuting over longer distances given the predominantly lowly paid nature of their employment, a reinvigorated localised economic sphere provides a series of new possibilities largely absent from recent regeneration policy discourses.

## A 'real world' response

Regeneration practice needs to be predicated upon recognition of the following:

- a) That *'place-based' factors' matter in a variety of ways*: in relation to the operation of wider economic processes; to people and where they live, work and play; and in policy design and delivery.
- b) That *central government itself is unable to respond effectively to localised differentiation* and requires effective local governance mechanisms and personnel to achieve this in a manner that retains legitimacy.
- c) That the *problems of deprived areas are frequently not rooted within the areas themselves* but within wider processes of socio-economic change that extend beyond the area. For example, the problems associated with a shift towards a service-based low wage, casualised labour market need to be addressed via national regulation over minimum wages, working and service conditions etc.

## Central/local relations

Despite moves towards decentralisation and devolution by the British state since 1997, it remains one of the most highly centralised states within the advanced industrial economies. It has been a notable feature that at the same time that reforms to promote devolution and decentralisation have been pursued, the desire for central government to decide what outcomes are important locally and to put in place processes and auditing mechanisms to monitor these, has remained, and in some respects strengthened. The result is that *the British state system continues to struggle to accommodate the local differences that are fundamental to the pursuit of regeneration activity*.

Much regeneration practice is rooted within a dependency relationship whereby local level politicians, officers and practitioners starting point is to look first to central government, where funding emanates and the rules of the game are prescribed, rather than to address particular local challenges. In practice *central government agendas continue to structure thinking and action within local governance* as has been demonstrated in a number of recent policies. For example, one of the fundamental constraints on the New Deal for Communities partnerships in terms of their ability to deliver 'transformatory strategies' highlighted by the New Deal for Communities evaluations was the relation between the New Deal for Communities Partnerships and the centre (Lawless, 2006). Central policies and procedures provided complexity, limited strategy development and set out, funded and audited the delivery mode. In consequence the New Deal for Communities partnerships became about delivering change locally with respect to centrally defined outcomes and became remarkably similar in their strategies, projects and management.

Recent research on Local Area Agreements (and related Multi Area Agreements) similarly demonstrated elements of this dependent relationship (CEEDR, 2009). Whereas central government was keen to emphasise how Local Area Agreements and Multi Area Agreements provided greater flexibility and freedom to local and sub-regional authorities to pursue their economic agenda than what had gone before, the views of those working in local authorities routinely pointed out how the whole process was still prescribed and resourced from the centre (e.g. through the provision of a national indicator set and a need or expectation to sign up to certain indicators for different central departments). This in practice provided little significant room for local manoeuvre.

One result of continued central control over many years has been to limit local level innovation and 'can do thinking' and create an environment unattractive to more entrepreneurial individuals. One of the elements of success in the former Single Regeneration Budget was that it did encourage local partners to start with the identification of local issues and challenges within a wide remit of what constituted regeneration activity to generate innovative activity (Rhodes et al, 2007). It is noteworthy that in debates over Multi Area Agreements, it has often been common to hear staff from central government departments state that a sub-regional body 'could do that anyway' under existing rules and doesn't need any specially negotiated agreement - evidence that an institutional process of self-limitation exists. In this context *local capacity will only develop significantly if greater scope, freedom and resources are given to local actors* in order to make their own priorities, decisions and mistakes. Permission to fail is central to any meaningful learning process.

The role of central government is *not* then to decide on what outcomes are important locally and what is the best way of delivering them. It does however have a number of crucial roles:

- *To set out clearly the expectations, duties and competencies of local government and other sub-national bodies for taking forward regeneration activity.* The setting out and developing of this framework includes the identification of different incentives and forms of censure. For example, avoidance of wasteful duplication and 'beggar thy neighbour' activity needs to be promoted by incentives promoting co-operation and co-ordination.
- *To ensure that awareness of the spatial dimension activity (what might be termed a 'spatial imagination') is present throughout central government departments and the pursuit of national objectives.* This involves routinised thinking concerning how decisions over public investments, changes in regulation or service delivery arrangements, are likely to impact upon local and regional economies and a willingness by central government departments to engage meaningfully with sub-national authorities in policy development and delivery. Major national level public investments in infrastructure provision (e.g.

airports, road, railways) are particularly crucial in providing the sufficient conditions for the development of certain forms of regeneration activity.

- *To provide a facilitative role that ensures that local authorities have the necessary information and resources to pursue locally appropriate regeneration activity successfully.* Key elements of this role include:
  - data provision: to ensure good quality local level data is routinely available
  - knowledge transfer/peer learning: to build capacity and ensure past experience is communicated and learned from
  - support and co-ordinate pilot initiatives: in relation to providing leadership national priority objectives (e.g. in relation to the development of a low carbon economy).

## Prioritisation of investment in regeneration

Decisions over the prioritisation of investment in regeneration *should be routinely taken at the appropriate sub-national level*. This requires recognition that different types of regeneration activity operate more effectively at different spatial scales (Syrett and North, 2008) and that appropriate governance arrangements are in place to permit transparent and legitimate decisions to be made. With regard to this latter factor, under current governance arrangements *this* is problematic, notably at the neighbourhood, sub-regional and regional levels. However, there are currently various pilot governance arrangements under development (e.g. neighbourhood management in Coventry, city-region development in Manchester) that seek to address the limitations of current governance structures.

Decisions to prioritise particular regeneration investments need to be based on a *clear understanding of the workings of the local/regional economy and careful assessment as to what is likely to be successful and provide the best returns on investment* (measured in terms of economic, social and environmental criteria). However, they also must be *political decisions*, reflecting the particular objectives of local stakeholders and the workings of the political process.

On the basis of the evidence of past regeneration activity, the one area which appears an overriding priority with regard to the regeneration of deprived areas is that of *education and training*. This element of regeneration, especially in relation to school age education, has routinely been absent from much policy activity. Seeking to change opportunity structures, deeply entrenched expectations and low levels of aspiration among certain individuals and groups (particularly the young) within these areas remains at the heart of any successful regeneration project. To achieve this requires the development of a broadly based education agenda that incorporates

academic study and vocational training across different age groups in a routine manner across different types of areas. However, research has also frequently demonstrated the importance of a holistic vision towards regeneration. Consequently any such 'prioritisation' of this one factor needs to be pursued in a manner that understands and is sensitive to its interrelationship with a range of other factors.

## Mainstream programmes and area based initiatives

The large-scale development of area-based initiatives in relation to deprived areas was rooted in the desire of central government to deliver centrally decided targets and outcomes at the local level within a highly centralised system. In a devolved and decentralised system with sufficient power and resources located at the local level *there is no need for the generalised use of area-based initiatives*. The removal of a large number of area-based initiatives is desirable in that it removes one element of the highly complex and confusing landscape that has become a characteristic of British regeneration activity. Furthermore, many area-based initiatives are associated with short-termist and half-hearted attempts at regeneration, which have generated high levels of instability and cynicism among those working within the sector. However, given that the current state system has regularly created area-based initiatives over many decades it should be recognised that the forces that generate them – a desire to effect change from the centre which mainstream policies cannot deliver and as a (quick) 'fix' in response to a particular political issue or change in leadership – will continue to exist in the future.

A rationale for a restricted use of area-based initiatives continues to exist. This includes where there is a clear and consistent failure of mainstream policy to meet a particular social need and/or where there is a need to demonstrate leadership and innovation on a central government priority. However, if area-based initiatives are to be adopted in restricted circumstances, *a key challenge remains as to how to translate such initiatives into the mainstream when they are successful*. In practice, effective and sometimes inspirational area-based initiatives that have 'made a difference', are rarely successfully integrated into mainstream provision or learnt from as examples of best practice. Such difficulties of policy learning and rollout are partly rooted within the contextually dependent nature of individual initiatives.

*The challenge of ensuring mainstream programmes are aligned with local/regional level priorities remains considerable*. Whilst a certain amount can be achieved through the adoption of common indicators and targets, to effect more profound change requires the devolution of power by a range of central government departments to tackle key issues (e.g. worklessness, education, training, enterprise development, housing etc.) at appropriate spatial levels. However, in most areas this has not happened, and the desire of central government departments to retain control over their programmes and often to negotiate delivery contracts with large national level suppliers, militates against this.

## What is the appropriate role for the community?

There is no single 'role' for the community in regeneration. Different types and style of regeneration need to involve communities in multiple and different ways. There is also no one community. In any given area there are multiple communities of interest and fragmented populations. Given migration trends over the last decade, many deprived areas have increasingly diverse populations. Communities of place, where shared space feeds into the existence of common identities, practices and interest do exist, but are just one of a number of communities that exist within and beyond any given area.

The manner in which different communities are engaged with the regeneration process *will demonstrate different levels (e.g. information sharing, consultation, joint decision-making and action, independent action) and go through different phases (e.g. initiation, preparation, implementation, continuation)*. Community participation relates both to the particular structures within the regeneration process as well specific techniques used to promote participation. Whatever the particularities of any given regeneration activity, the most important commitment is to a process that is *open, transparent and accountable*. There is also a need to recognise that the practice of community engagement is profoundly political, involving multiple interests, conflicts and contradictions.

The *formal processes of local government remain highly important*, not least because within the complex of institutions involved in the regeneration lines of accountability and the basis of legitimacy remain unclear. Recent examples where local authorities have taken seriously a commitment to develop more active neighbourhood level governance structures has demonstrated the possibilities to stimulate stronger levels of community engagement routinely across a range of activities, including regeneration activity.

Regeneration schemes that adopt a predominantly *'tokenistic' or 'co-optive' approach towards community involvement have been demonstrated to have negative impacts upon the regeneration process*. Situations where community bodies feel that they have no real power to effect the regeneration process or are being given limited roles merely to legitimise decisions and actions, can rapidly lead to a loss of credibility and erode trust. Further loss of trust is particularly damaging given that in many communities in deprived areas existing levels of trust in state services and structures are already low. Inclusion of the 'community' within governance structures also raises major problems as to what constitutes legitimate representation of what are in reality, multiple, diverse communities. When operating at the sub-regional and regional level, any meaningful representation of the 'community' becomes yet more problematic given that there is little meaningful organisation of community groups at these scales.

For regeneration activity in relation to deprived areas and communities, evidence derived from a range of policy initiatives and differing contexts over many years has demonstrated that *effective regeneration cannot be 'done' to people*. In the regeneration process active and prolonged community

engagement is central to the success. There are multiple examples of how this can be done effectively in relation to specific projects in relation to different types of regeneration activity (e.g. getting people into work, encouraging self-employment, housing redevelopments, sporting activities etc.), but a common feature is the substantial and continued working of 'outreach' or ground level staff, who display energy and commitment to find ways of engaging with local people.

In terms of longer term, structural community engagement, there is less evidence of successful approaches within Britain's current governance system. A major limitation upon community groups taking a more central and active role in the regeneration process has been their *limited ability to take an autonomous leadership role*. Relative to other partners, community groups normally have a limited resource base and are frequently reliant on short term funding sources. This can lead to considerable uncertainty and a grant chasing mentality that inhibits strategic action. In this respect an *emphasis upon developing the assets base of community bodies*, notably but not exclusively through asset transfer, provides an important mechanism to help overcome these problems and build the base for autonomous action among community groups.

However, despite recent increased levels of asset based community development activity across the UK, there remains a lack of rigorous and independent analysis of the outcomes of this activity (Aiken et al, 2008). There is a need to examine concerns that although some community organisations might benefit from controlling or managing assets, that these benefits may not extend to the wider community and/or smaller organisations. Furthermore, a focus on attaining and managing physical and financial assets may distract attention from other forms of assets (human, social and intellectual) and the original mission of community development organisations. Therefore although asset based community development provides an important mechanism to strengthen the ability of community groups to develop an autonomous role, it *needs to be pursued consistently over the long term and on the basis of sustained critical analysis* to better understand its potentialities and limitations.

## What is the appropriate role for the third sector?

The third sector has traditionally played a *limited but often highly important role* within regeneration. Particularly within more deprived areas, third sector bodies have provided two major strengths. First by meeting, in a localised, bottom-up manner, the social needs of certain communities and social group which are unmet by private sector markets and public sector provision (e.g. credit, affordable local services, decent housing etc.). Second, in representing the needs of marginalised groups or those living in deprived areas, often giving them voice in the regeneration process. In so doing, third sector bodies have often succeeded in *reaching what state authorities label as 'difficult to reach' groups*. This is particularly important given that a recurrent finding of

evaluations across many regeneration policies and schemes is the on-going failure to reach the most marginalised individuals and groups.

The third sector currently occupies something of a *paradoxical position within regeneration* and indeed the policy environment more generally. On the one hand, the third sector is being actively promoted by politicians and policy-makers from across the political spectrum as a seeming panacea for a range of social evils and deserving of support and capacity building. On the other hand, it is under severe pressure through reductions in funding and changing funding arrangements, and there is a widespread concern that these changes are leading to a loss of diversity and capacity in the sector.

Many smaller voluntary and community sector bodies are poorly positioned to compete for service-delivery contracts that can provide a certain degree of funding sustainability. Many other voluntary and community sector bodies feel that by moving in this direction, they are being *co-opted by the state to deliver services, thus compromising their autonomy and ability to pursue their own individual vision*. The emphasis upon the development of a social enterprise model is embraced enthusiastically by some elements of the sector as a path towards a more liberated and high profile future, whilst others remain suspicious of models that prioritise trading activity and are seen as of limited relevance to their own areas of activity.

The third sector has a key role to play in regeneration. The social enterprise activity that has in the past played a limited role in deprived areas, could be augmented to play a more central role. Yet the current social enterprise models that predominate in the policy sphere are rather narrow, top-down ones. These appear limited in taking forward the *development of a broader based social economy*, which might recognise the importance of economic activity that takes place outside of the formalised sphere (whether in the home, family or community), (Williams, 2007) and be rooted within the development of a more small-scale, community based and socially useful economy, which might play a central role in the development of environmentally sustainable regeneration models.

## What is the appropriate role of business and employers?

A central tension within dominant market-based approaches to regeneration activity is that *although business is critical in taking this process forward, it remains cautious, if not sometimes hostile, to greater involvement* in the governance and delivery of policy interventions. Whilst much attention is often paid to the issue of private sector engagement within regeneration, *public sector employers* too represent a major, but often underutilised, resource. These are often some of the largest employers, particularly within deprived areas, and are potentially well placed to engage with local communities and other stakeholders.

The challenge of achieving routine and meaningful involvement of employers and business interests within regeneration therefore remains significant. The most effective engagement tends to take place around *focused interventions where the private sector can see a clear and immediate benefit*. This has been evident with respect to property developers' or transport companies involvement in large regeneration schemes or local businesses improving their retail environment within Business Improvement Districts. Yet, in other central aspects engagement has remained limited.

For example, the narrow emphasis upon supply side labour market initiatives has meant little attention has been paid to issues of employment demand, although this issue has now moved back onto the political agenda as we enter a period of a steep and prolonged rise in unemployment (Houghton, 2009). Notably even during the preceding period of employment growth, the majority of *businesses remained reluctant to take on those who had been out of the labour market for long periods of time, or to invest significantly in workforce development for low-skilled jobs*, citing that once trained, such workers are likely to move on to benefit other employers.

*Employer engagement in sub-national governance arrangements remains limited.* A relatively small number of larger businesses have been attracted to involvement within strategic development and longer term planning at regional and sub-regional levels and others have seen benefits in engagement with local communities as part of wider strategies of corporate social responsibility. However, the majority of UK businesses, particularly smaller businesses which often predominate within deprived areas, feel disinclined to engage with regeneration processes that they feel are dominated by public sector interests and delivery mechanisms that operate slowly and stifle initiative, enterprise and risk-taking.

Significantly, initiatives such as the City Growth Strategies that aimed to put business at the heart of the agenda in deprived areas have had little success, while the work of Local Strategic Partnerships and the development of Community Strategies remain dominated by public sector agencies and their agendas. Recent research on Local Area Agreements and the local economic development process again demonstrated the marginal role of employer involvement in this key process and the need for greater clarity over the nature and role of engagement in such processes (CEEDR, 2009).

Taking forward employer involvement in relation to deprived areas needs to proceed from *clearer recognition of areas of mutual interest and of conflict*. The potential exists to build stronger positive relationships with employers in areas such as workforce development, corporate social responsibility and environmental sustainability, where progressive businesses can identify benefits within an increasingly competitive environment. However, it should be noted that few local authorities and other agencies have any significant capacity for business engagement and retention activity. The *current economic downturn provides some new opportunities for engagement*, as some employers see an opportunity to invest in workforce skills in preparation for recovery and job retention strategies have received renewed interest.

However, there are *also substantial dangers*, in that businesses suffering difficult trading conditions are likely to withdraw from any engagement activities that do not provide immediate benefits to their profitability.

## Movement of people

The movement of workers is a fundamental mechanism in the development of local and regional economies. *Previous attempts to incentivise or limit internal flows have been largely unsuccessful.* First, because any incentives are most likely to be taken up by those who would have moved anyway. For those who do not wish to (or indeed cannot) move, the incentives available will be of marginal or no significance. Incentives are therefore quite likely to exacerbate problems of regional imbalance leading to the further concentration of the least mobile elements of the population in certain areas. Incentives available for carefully targeted groups might be more successful if based on a clear understanding of the particular labour market in which they are embedded, but the broader constraints of such policies still pertain.

Second, any attempt to constrain the internal movement of certain workers will be ineffective, as individuals who wish to migrate frequently demonstrate huge levels of commitment to do so, whilst attempts to enforce such a policy would inevitably be ineffective and politically unpopular. In addressing the particular problem of 'get on and get out' in deprived areas, any solution has to be rooted in making the local area a more attractive place to live and work, rather than limiting the movement of individual people.

## Conclusions

This paper has addressed a number of strategic issues that relate to how regeneration policy should address current challenges emerging from shifting socio-economic geographies and associated local and regional development paths. Although past policy interventions have achieved some success they have been limited by the nature of central-local state relations and their basis within a particular model of economic and employment growth. In seeking to address these limitations there is a need to develop new models of genuinely sustainable regeneration activity in which education and training are prioritised and the devolution and decentralisation agenda is pursued more aggressively, in order to build up local capacities that can identify and respond to the challenges of localities, cities and regions in a manner which central government struggles to do. However, this model also critically requires the continued presence of central state roles both in supporting the devolutionary programme and in tackling the socio-economic and environmental challenges rooted at national and international levels.

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