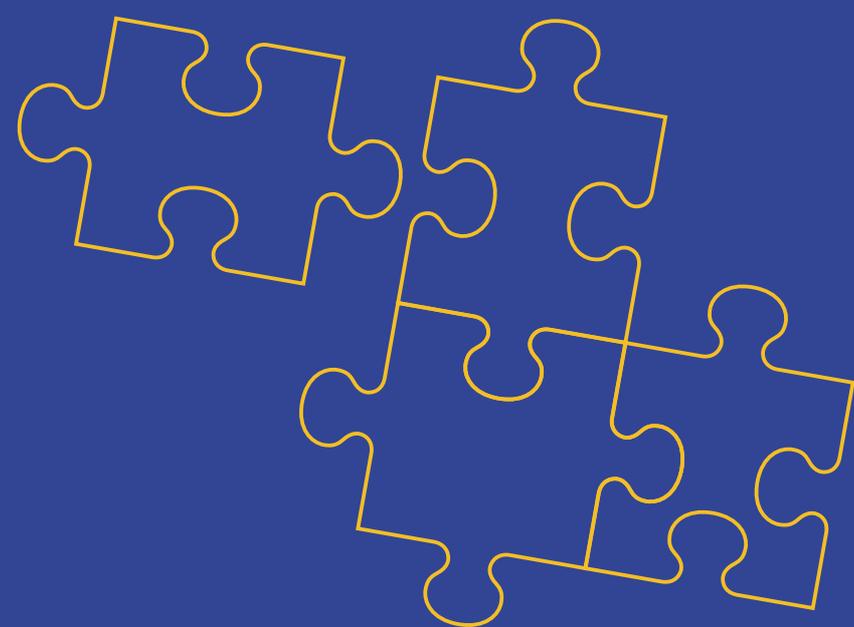
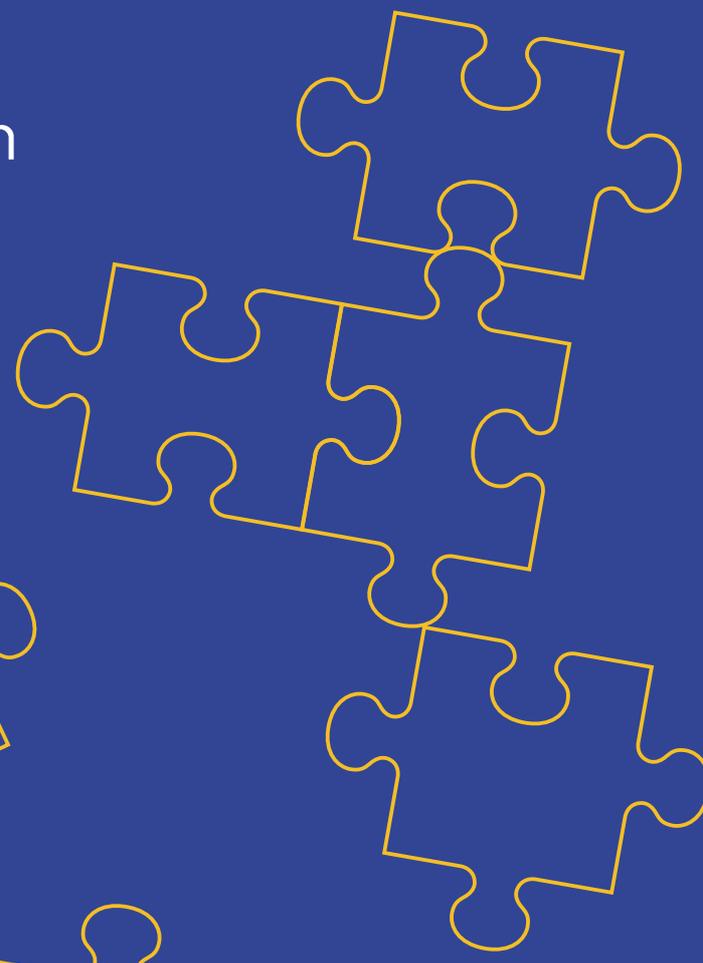
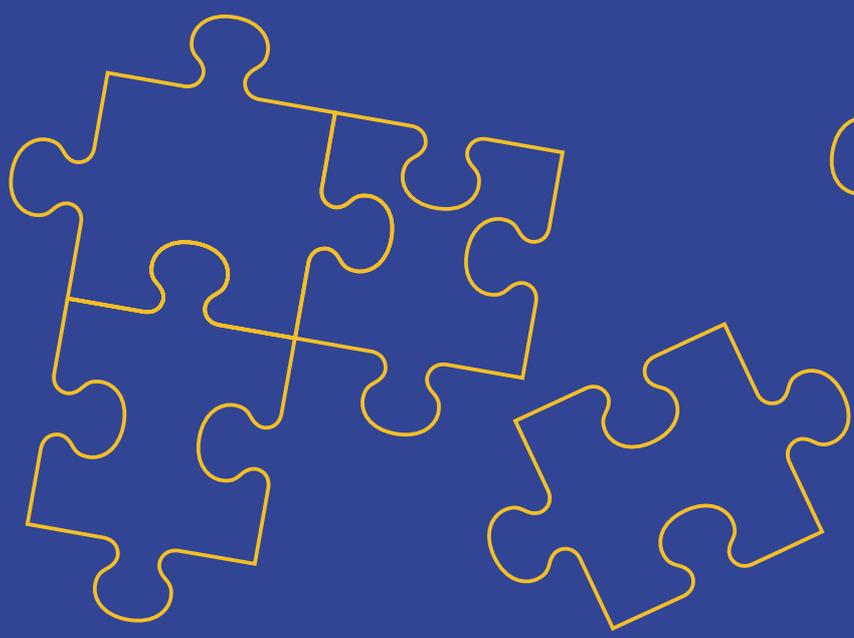


National Strategy for Neighbourhood Renewal

Policy Action Team report
summaries: a compendium



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summaries: a compendium

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■ List of abbreviations

ACPO	Association of Chief Police Officers
ACU	Active Community Unit
BLs	Business Links
BME	black and minority ethnic
CFI	Community Finance Initiative
DCMS	Department for Culture, Media and Sport
DETR	Department of the Environment, Transport and the Regions
DfEE	Department for Education and Employment
DH	Department of Health
DSS	Department of Social Security
DTI	Department of Trade and Industry
FE	further education
FSA	Financial Services Authority
GOs	Government Offices for the Regions
HMT	HM Treasury
ICT	information and communications technology
IDeA	Improvement and Development Agency
IT	information technology
JSA	Jobseeker's Allowance
LEA	Local Education Authority
LETs	local exchange trading schemes
LGA	Local Government Association
LSP	Local Strategic Partnership
NDC	New Deal for Communities
ONS	Office for National Statistics
PAT	Policy Action Team
PIU	Performance and Innovation Unit
RDA	Regional Development Agency
RSL	registered social landlord
SBS	Small Business Service
SEU	Social Exclusion Unit
SRB	Single Regeneration Budget
TEC	Training and Enterprise Council

■ Introduction

- 1 When the Prime Minister set up the Social Exclusion Unit (SEU) he asked it to report on:

“how to develop integrated and sustainable approaches to the problems of the worst housing estates, including crime, drugs, unemployment, community breakdown and bad schools etc.”
- 2 In response, the SEU published a report in September 1998 that set out the need for a National Strategy for Neighbourhood Renewal¹ – to be an agreed response, across Whitehall and beyond to the problems of deprived areas. The goals for the strategy would be:
 - to bridge the gap between the most deprived neighbourhoods and the rest of England; and
 - in all the worst neighbourhoods, to achieve lower long-term worklessness; less crime; better health; and better educational qualifications.
- 3 The report proposed that one of the building blocks of the National Strategy should be 18 cross-cutting Policy Action Teams (PATs), set up to take forward an intensive programme of policy development. The Teams would not be made up exclusively of Whitehall officials. Instead, they would bring in outside experts and people working in deprived areas to ensure the recommendations were evidence-based and reality-tested. The Teams would each have a Ministerial Champion. And many would be led not by the SEU but by other Government departments.
- 4 All of the Teams have now published their reports. The following pages summarise their main findings and recommendations.
- 5 Each of the PATs has made a vital contribution to the Government’s understanding of the problems of deprived neighbourhoods, and together, they provide an important reservoir of proposals for future Government policy. Some of these have already been accepted; some are being considered as part of the Year 2000 Spending Review process; and others require further consideration or consultation. Many of the recommendations feature in the framework version of the National Strategy which is currently out for consultation.² The National Strategy will be finalised and set out later this year.
- 6 The SEU also intends to publish a document later this year which will track each of the PAT recommendations and explain the ways in which they are being taken forward.

Further information

- 7 All the PAT reports and summaries are available on the SEU website (www.cabinet-office.gov.uk/seu/index.htm). Individual PAT contacts are shown overleaf.
- 8 A list of the abbreviations used throughout the text may be found on page 4.

1 SEU *Bringing Britain together: a national strategy for neighbourhood renewal* (Cm 4045), TSO, 1998.

2 SEU *National Strategy For Neighbourhood Renewal: framework for consultation*, 2000.

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■ PAT 1 – Jobs

An action team led by the Department for Education and Employment (DfEE) will report on:

- the number of people in poor neighbourhoods who could benefit from the New Deal programmes, but who do not because they are not on the right benefit or are off benefit entirely;
- what is known about those who leave the benefits register or New Deal programmes for currently unknown destinations;
- how to re-engage these groups in the labour market, for example through neighbourhood-based initiatives such as job-shops and outreach campaigns;
- what benefit rule flexibilities it might be helpful to pilot: for example, whether changes to earning disregards, or an easier regime for local exchange trading schemes (LETs) would be cost-effective in drawing people back into work;
- the best examples of 'intermediate labour markets' – where they work and why; their cost-effectiveness; which budgets might be used to fund them; and whether the Government should do more to promote them;
- evidence on how the barriers to employment for ethnic minority groups differ from those faced by other disadvantaged groups, and how much is down to direct or indirect racial discrimination; and
- the most successful strategies that have been used to combat ethnic minority unemployment in this country and abroad.

Goal: to set an action plan with targets to:

- reduce the difference between levels of worklessness in poor neighbourhoods and the national average; and
- within that to reduce the disproportionate unemployment rates for people from ethnic minorities.

Key findings

- Opportunities in the labour market are unequal. Rates of employment and unemployment vary widely from area to area. The disparities are greater between local areas within regions, than between regions themselves. Employment rates are much lower than the average among people from black and ethnic minority (BME) backgrounds. Rates of unemployment are much higher.
- There is no single cause of this inequality, but at its root is a long-standing trend towards greater income inequality and the persistence of low income. Around two-thirds of low income households are without work. And the lack of work locks these households into a cycle of decline. People who have been unemployed are at much greater risk of subsequent unemployment and low pay. And children from workless or low income households are much less likely to stay on at school and to have poor educational attainment. Educational attainment in turn has a significant impact on people's chances in the labour market.

- Jobless people living in deprived neighbourhoods and from BME backgrounds face distinct disadvantages in the labour market in competing for jobs:
 - there is an unequal distribution of the skills and aptitudes which employers want; long-term joblessness undermines the self-confidence, interpersonal skills and work record to which employers attach importance, or prevents young people from acquiring them in the first place;
 - racial discrimination in the labour market curtails opportunities for people from BME backgrounds;
 - there is a lack of networks linking people without jobs to the employers with jobs to fill; not all vacant jobs are accessible to jobless people;
 - the transitional costs of taking up a job deter some people who perceive that they will not be much better off or even worse off than if they stayed on benefits, and reliable information about the financial implications of making the transition is hard to come by; and
 - the help provided to jobless people – though greatly extended under the Government's Welfare to Work programme – is not always accessible to the most vulnerable people.
- Tackling unequal outcomes in the labour market cannot entirely be the province of labour market policy. It will depend on a concerted strategy – on which the Government is now embarked – to address the underlying causes of inequality:
 - by reforming the welfare system to make work pay;
 - by creating new opportunities to prosper through educational reform; and
 - by improving access to health care and the effectiveness of that care.
- Employment prospects in poor neighbourhoods will also be significantly improved by action being considered by other PATs to improve the infrastructure, resources and opportunities available to these neighbourhoods – for example, to provide more shops, and better access to cultural and leisure activities and to financial services.
- Labour market policy does, however, have an important role to play in equipping people to compete for jobs in the labour markets in which they find themselves. A labour market strategy must have a number of broad elements if it is to respond to the multi-faceted causes of inequality. It must:
 - overcome the obstacles to entry to the labour market facing disadvantaged people, including people from BME backgrounds and from low employment neighbourhoods – above all, by providing effective support for people without jobs who currently lack the skills and aptitudes to compete effectively for work, and by forging effective partnerships with business;
 - tackle racial discrimination in the jobs market; and
 - remove the financial disincentives – real and perceived – to making the transition from welfare into a job.

Key recommendations

The PAT report sees the following as the key elements to tackling joblessness in deprived neighbourhoods and among people from BME backgrounds:

- better information about rates of employment and unemployment in the most deprived neighbourhoods and among people from BME backgrounds so that the help available through existing programmes can be targeted and progress towards eradicating inequality monitored;
- better support for long-term jobless people so that they can compete effectively for jobs;
- a concerted assault on racial discrimination in the labour market;
- active involvement of employers, particularly those with vacancies to fill;
- removal of any remaining disincentives to taking a job as a result of concerns about benefit payments at the point of entry to the job market and lack of information about the financial consequences of taking a job; and
- involvement of local organisations working in deprived neighbourhoods and with BME communities in the provision of services to unemployed people.

■ PAT 2 – Skills

An action team led by DfEE will report on:

- the key skills gaps that need to be addressed in poor neighbourhoods to help those who are unemployed, in intermittent or unskilled employment, or lack basic skills and self confidence;
- how well institutions such as Training and Enterprise Councils (TECs), Further Education (FE) colleges, adult education services, schools and libraries meet these needs and whether there are any changes that would be cost-effective; and
- how well alternative methods (e.g. informal learning, outreach units, information technology (IT) and distance learning) work to motivate adults to re-engage in education and training, and how good practice could be spread better.

Goal:

- to assess the number of adults in poor neighbourhoods who do not have essential employment-related and other life skills; and
- to draw up an action plan with targets to help them acquire these skills.

Key findings

- People who live in areas that suffer from severe social disadvantage are disproportionately likely to have few or no qualifications, poor literacy and numeracy skills, and low self-confidence and 'coping' skills. Low levels of qualifications and skills do not only mean that people are more likely to be unemployed and hence poor. Low skill levels have a sapping effect on people's self-confidence and they also reduce individuals' capacity – and their willingness – to act.
- Action to improve skills in disadvantaged areas comes from a number of sources, such as the mainstream activity of the formal education and training system, investment by employers and regeneration programmes like the Single Regeneration Budget (SRB).
- Of the £33 billion of public funding invested each year in education and training, a significant amount is directed towards socially disadvantaged areas, some of which is specific to these areas. However, a recent study of the destinations of Government spending found that, while disadvantaged areas receive proportionately more public education and training expenditure than more prosperous areas, the differential is significantly less than for most other types of public spending.
- Despite all the investment, there are areas of the country where the number of people who lack essential skills is extremely high. There are three main reasons why this situation persists, as set out below.

The education and training system is not adequately addressing the needs of socially disadvantaged adults, because:

- too many adults have had a poor experience of compulsory education. A negative experience of school often leaves people disinclined ever to learn again;

- education and training for adults is often physically remote, intimidating or otherwise difficult for socially disadvantaged people to access;
- not enough is done to engage adults in disadvantaged communities in learning;
- not enough is done to provide ‘first-rung’ provision that can help people with low self-confidence or motivation to take the first few steps back into learning. Such provision can take any number of forms – examples might include first aid, child care or local history. What is important is that it engages local people’s interests and helps them to see how learning might be relevant to them;
- the qualifications system is itself complex and confusing and puts people off; and
- public sector education and training organisations for adults do not always treat the socially disadvantaged as a priority. This is partially a consequence of institutional incentives and disincentives created by funding schemes operating at the national level.

Local capacity to develop and sustain initiatives which can help people improve their skills is usually weak and, as a result, local involvement in and ownership of learning activities equally so. This is because:

- high concentrations of people with poor basic skills, low motivation and little experience of regular, paid work mean that local people willing and able to manage and support organisations in disadvantaged areas are thin on the ground; and
- where local structures do exist, their effectiveness is hampered by the funding and regulatory environment in the public sector, which is not well adapted to the needs of small organisations.

Residents of socially disadvantaged areas believe they have nothing to gain from improving their skills and that, no matter what they learn, it will make no difference to their prospects, in the labour market or more generally. Again, there are several causes:

- in some areas there are deep-seated cultural attitudes which lead people to discount the benefits of learning. Over time, such attitudes can lead to a culture which lacks enterprise and appreciation of the potential of enterprise;
- physical and psychological isolation, combined with little experience of regular, paid employment, means that people do not feel a sense of connection with the labour market;
- the benefit system and fear of losing benefit can act as powerful disincentives to engage in learning;
- some employers give a low priority to training and development, and there are few opportunities for people in low-paid employment to train independently of their employer; and
- taken together, these factors send the message that, just as the supply of suitable learning opportunities for disadvantaged people is inadequate, the perceived demand for skills does not make acquiring them worth the effort.

Key recommendations

- To ensure that people in disadvantaged areas have access to the education and training they need, there should be a step-change in the level of ‘first-rung’ provision that is available to them. Such provision should be delivered where people live through neighbourhood learning centres, which local people should have a role in managing where possible. DfEE should publish a plan setting out an approach to the development of such centres.

- DfEE should ensure that a strategic objective is set for the Learning and Skills Council and its local arms so that adequate provision is made for people in socially disadvantaged areas, taking due account of the importance of outreach work and of 'first-rung' provision delivered through neighbourhood learning centres.
- A programme of training and support should be put in place to ensure that practitioners responsible for delivering learning in disadvantaged areas are better able to meet the needs of local people.
- By April 2001, DfEE should revise its funding programmes and practices with a view to creating a funding and regulatory environment that allows for more community-generated initiative and enterprise in delivering education and training. The Home Office and HM Treasury (HMT) should together take the lead on the development of a code of good practice for Government funding programmes that are relevant to the community and voluntary organisations.
- DfEE, working closely with the Home Office, should organise a number of pilot community leadership programmes designed for local residents. On the basis of evaluation of the programmes, the two departments should consider the case for a national programme of training in community leadership.
- DfEE should encourage employers to invest more in training for people from socially disadvantaged areas, who are likely to be low paid or employed on a part-time or insecure basis.
- Overarching national aspirations need to be adopted to raise significantly the number of adults in severely disadvantaged areas who have Level 3 qualifications; and to reduce significantly the proportion who are non-learners. The aim should be to bring indicators on both counts much closer to the national average.
- As part of their new remit to develop local learning targets, Learning Partnerships should work with local communities to develop specific learning targets that make sense to local people and which respond to real local needs.

■ PAT 3 – Business

An action team led by HMT will report on:

- how successful business support organisations such as Business Links (BLs) are in serving the most deprived communities;
- how it can be made easier for people in poor neighbourhoods to get access to support to start a business or becoming self-employed;
- how access to capital for small firms can be improved, especially for start-ups, including innovative approaches such as 'microcredit'; and
- what can be learnt from new ways of encouraging self-employment, building on the New Deal and Employment Zones, and how access to capital can be tied into regeneration strategies more generally.

Goal:

- to draw up an action plan with targets to encourage more successful business start-ups in poor neighbourhoods.

Key findings

- A shortage of jobs, local services and enterprise is one aspect of exclusion facing people in disadvantaged neighbourhoods. But sustainable neighbourhood renewal will not happen without enterprise development. Conversely, enterprise development will be of only marginal relevance unless it is part of a wider strategy to develop people's skills and self-esteem and help them use mainstream services from which they feel excluded.
- There are a great many publicly funded or voluntary organisations which support enterprise in deprived areas. These include Enterprise Agencies, BLs, TECs, local authorities, colleges, Regional Development Agencies (RDAs) and voluntary sector organisations such as the Prince's Trust. Many of these organisations do excellent work, and the full report identifies many examples of best practice around the country. However, the PAT also found a number of serious problems.
- There is no national strategy or framework for providing support to enterprise in deprived communities in the same way that there is, for example, for businesses with high growth potential; by comparison, this area suffers from a lack of attention and clear responsibility at the heart of Government.
- The business support in these communities is too variable in its quality and coverage; the quality of service depends too much on accidents of history and geography, and there is too little shared understanding of what works and what does not.
- Too often, services are seen as inaccessible or unapproachable by people in deprived communities; provider agencies are often seen as part of the social mainstream, with little relevance to those who feel excluded; this is particularly true of BLs.

- BLs are the Government's primary mechanism for supporting business on the ground. They have strengths in terms of their relative expertise and links to the wider business community. Though some already work closely with regeneration agencies, their focus is very much on businesses with high growth potential.
- People in deprived communities often find it difficult to find capital to start or grow businesses. External finance therefore becomes all the more important. The problems generally faced by small firms are exacerbated in these communities by: a scarcity of collateral; a more fragile local economy, increasing the risk of business failure; and problems of cultural separation, which mean that the banks can be seen as unapproachable and uninterested.
- Self-employment is an undervalued avenue into work, even though it will not be the right option for everyone. Large private sector employers may not be present in these areas, and self-employment may be a more viable employment option as a result.
- Barriers to self-employment in deprived communities include: the perceived complexity of the tax and benefits regime; the fact that income in the early stages of trading is uncertain; and a relative lack of awareness and support for self-employment as an option.
- Social enterprises (businesses run for a social objective, rather than for the sake of profits to be distributed to shareholders) merit support in much the same way as any other businesses. They strengthen the social and economic fabric of deprived communities, and can act as a bridge between the community and the mainstream economy.
- Social enterprises in deprived communities face problems including: patchy availability of support services; a lack of understanding about how to measure 'success' as a social enterprise; weak and fragmented markets for their products; and difficulties in accessing mainstream sources of finance.
- Local and regional government have a key role in the regeneration of deprived communities, including promoting enterprise. They are significant sources of strategic leadership, funding, information and advice. Housing Associations are also major potential players.
- However, there is currently too little collaboration between central, local and regional government in ensuring that strategies for supporting enterprise are effective, and the potential of Housing Associations is not being exploited properly. In addition, the SRB funds provide relatively little support for enterprise compared to its importance as a potential engine of renewal.
- Many large firms presently make an outstanding contribution to their local communities. But behaviour seems to vary, both between different companies and across the different dimensions of social responsibility. The PAT found there is more that can be done to encourage mainstream business to play its full part in combating social exclusion.

Key recommendations

- The PAT believes that the new Small Business Service (SBS) could play an important role in this area, by providing a clear focus at the centre of Government for promoting enterprise in poor communities. As part of its wider remit to promote small business, the SBS should encourage enterprise and business growth in disadvantaged communities, and develop a strategy to achieve this goal.
- The RDAs and local SBS users' panels should advise the SBS on the coverage of business support for disadvantaged communities at local level. The RDAs should also be encouraged to recognise the importance of enterprise in regeneration more generally, for example in their regional economic strategies and in operation of the SRB.

- The 29 BLs covering the 44 most deprived districts in England should, from April 2000, develop plans to support enterprise in deprived areas more actively.
- The Department of Trade and Industry (DTI) and more specifically the Minister for Small Firms must take the lead in ensuring that this agenda is implemented by the SBS, RDAs and BLs. The first outcome should be a higher rate of economic participation in deprived communities.
- The SBS should be responsible for developing the approach to Community Finance Initiatives (CFIs) by identifying and spreading best practice.
- The Government should open experimental ‘funding windows’ to strengthen the financial base of CFIs and similar initiatives: for instance, a national challenge fund to finance CFIs, and loan guarantee support for CFIs borrowing from wholesale sources of finance, so that they can on-lend in deprived areas.
- As part of its ongoing reforms, the Government should continue to review the effect of the tax and benefits system on people moving into business. There should also be an urgent programme to make front-line staff in benefit offices and jobcentres more aware of self-employment as an option. Simple guidance should be available to inform clients about the benefit implications of self-employment.
- The Government should consider building on existing reforms of the tax and benefit system to provide an ‘income bridge’ for welfare recipients and their dependent partners who decide to enter self-employment.
- The SBS should have a remit to understand and support social enterprises in the same way as other businesses. RDAs should be encouraged to include the sector in their regional economic strategies.
- RDAs should be rigorous in deciding which SRB bids to fund – ensuring that they give enough weight to developing enterprise where there is need for this.
- The Department of the Environment, Transport and the Regions (DETR) and the Local Government Association (LGA) should work with the SBS and RDAs to develop and promote best practice in enterprise support as part of local regeneration and anti-poverty strategies.
- DTI should take responsibility within Government for promoting business involvement in deprived communities. Specific action might include: giving a Minister a specific remit for corporate social responsibility; promoting a more systematic approach to corporate social responsibility, through benchmarking and disclosure; and promoting a better understanding of why it is in businesses’ interest to be involved in deprived communities.

■ PAT 4 – Neighbourhood Management

An action team led by the SEU will report on:

- the problems that can best be tackled and services that might be co-ordinated by neighbourhood management;
- the extent to which the broad principles of neighbourhood management can be taken on by extending existing area initiatives such as 'housing plus', anti-crime programmes, local health initiatives etc.;
- the lessons emerging from the models of neighbourhood management being tested out through the New Deal for Communities (NDC) and how to assess the costs and benefits of these models; and
- whether and how neighbourhood management can be promoted more generally where no special programmes are available.

Goal:

- to identify cost-effective models of neighbourhood management; and
- to prepare an action plan with targets to promote neighbourhood management where cost-effective.

Key findings

- Neighbourhood management is a key vehicle to provide the focus for neighbourhood renewal. Working within the context of local government reform, its role would be to help deprived communities improve local outcomes, by improving and joining up local services, and making them more responsive to local needs. Different approaches will be appropriate in different places, but neighbourhood management projects are more likely to be successful if they adhere to the following five principles:
 - *someone with overall responsibility at the neighbourhood level* – when it is no-one's job to solve difficult problems, they will not get solved;
 - *community involvement and leadership* – unless renewal efforts are led and owned by local people, they will fail;
 - *the tools to get things done* – these include agreements with local service providers, devolved delivery, devolved service purchasing, ability to put pressure on agencies or government, and spending of special resources;
 - *a systematic, planned approach to tackling local problems* – there needs to be agreed ways to decide which areas get neighbourhood managers, involving the community itself and local strategic partners (police, local authority, health authority) with whom the manager would have to do business; and
 - *effective delivery mechanisms* – different bodies will be best placed to perform this role in different areas (e.g. the local authority, a regeneration agency, a housing organisation, a community development trust or private company).

- Effective local service partnerships are crucial to provide a forum at local level to pull together all relevant providers, and ensure that public services join up with one another to address the needs of priority neighbourhoods. They would also need to tie into regional and national strategic levels, and not just function at local level.
- Neighbourhood management is a new concept, so it cannot be fully costed. Evidence that is available suggests that it need not be expensive. It is primarily about spending existing money better, rather than spending new money.
- Neighbourhood management would be best tested through pathfinders rather than pilots, and there should be enough pathfinders to allow a number of different approaches to be tried.

Key recommendations

The pathfinder phase

- Neighbourhood management should be tested through a substantial pathfinder programme.
- The pathfinders should be funded from within regeneration programmes.
- All pathfinders should carry out ethnic monitoring and evaluation.
- Local authority areas would be chosen for pathfinders on the basis of local strategic capacity. Self-starting areas should be given preference. Some of the pathfinders should not be the most deprived areas.
- Several pathfinders should be areas with large or majority BME populations, and led by people from these communities where appropriate.
- A three-year evaluation should be commissioned, and should be ready in time to inform regeneration spending programmes in the next review of Government spending.
- If successful, long-term regeneration programmes should include a significant dedicated stream for neighbourhood management.
- Departments responsible for local service providers and their programmes should co-operate with those producing guidance for the neighbourhood management pathfinder programme.

The practice of neighbourhood management (including the pathfinder phase)

- Neighbourhood management should be financed by core-funding.
- This funding should be long-term and available on the basis of need and local capacity (a fair methodology for funding should be developed).
- Funding should be given to schemes enshrining the five principles of neighbourhood management outlined earlier.
- Guidance on funding should develop a target-setting system with certain key features (outcome focus; free from perverse incentives; agreed and monitored by local service partnerships and the community; backed up by proper sanctions; and shared with local authorities and local services).

- Organisations representing key local service providers should draw up guidance on how they can best work with neighbourhood managers and other services at local level. This should be used by neighbourhood managers and inspectorates as they assess the co-operation and performance of local service providers.

Other recommendations

- Data on the outcomes from public services should be collected at ward level. These should focus on, and support, the four key outcome targets of the National Strategy – more jobs, less crime, better health and greater educational attainment.
- All regeneration funding for deprived areas should be dependent on having an effective local service partnership in place, through which the money should be routed, on condition that it reaches neighbourhood managers as required.

■ PAT 5 – Housing Management

An action team led by DETR will report on :

- the key elements of successful, on-the-spot housing management, what kinds of neighbourhoods most need it, and what is needed to make it happen more extensively;
- how to assess the costs and benefits of such a package, to housing and other agencies;
- how to encourage other agencies to contribute to the costs, perhaps through pooling budgets; and
- options for promoting joint management of rented housing owned by a mix of landlords.

Goal:

- to prepare an action plan with targets to bring about local housing management that is more effective in tackling social exclusion, including on-the-spot management where appropriate and cost-effective.

Key findings

- Good housing management, with an on-the-spot presence, can make a real contribution to reducing social exclusion by improving the quality of life for those in deprived areas. On its own, however, it cannot eliminate social exclusion.
- There are many examples of good housing management around the country. The challenge is for all social landlords to reach the level of the best. The report looks to Best Value as a major instrument in bringing this about, on the part of both local authorities and registered social landlords (RSLs).
- On-the-spot housing management, providing a personal touch, is crucial in deprived areas. Housing managers are the landlord's main point of contact with tenants and are the 'eyes and ears' of landlords on the ground.
- There is no single model of on-the-spot management which suits all areas. Nevertheless, some form of local presence is necessary, whether estate or neighbourhood-based. At the same time, some services, especially repairs, can be more efficiently delivered to the home through the use of call centres.
- Concierges and caretakers can provide the human presence on estates. They reduce vandalism, increase personal security, and are able to provide other help to tenants. They should be more widely introduced.
- Tenants should be encouraged to be involved in managing estates at whatever level they choose, and need practical support. Occasional help for specific initiatives is no substitute for modest but reliable funding.
- The high-quality, on-the-spot housing management required in the most deprived areas is likely to be more expensive than a more centralised housing management service.

- The best service level agreements define enforceable service standards in housing and non-housing services (e.g. street cleaning, grass cutting). All areas need one.
- Managing housing effectively in the most deprived areas requires solutions that go beyond housing management. Similarly, housing managers are often asked to help tenants develop non-housing projects (e.g. crèches, credit unions). The housing manager will often be the first point of contact, and should stimulate action by others. Technically, this role, but not the funding of the wider activity, can be supported from rents.
- Training and professional standards must be raised to enable housing managers to meet new challenges.
- Letting policies that are sensitive to the community and to the need to relieve social exclusion are desirable for the long-term stability of an area.
- BME groups must have confidence that they will be treated fairly. There must be a commitment to racial equality from top management, to cover, among other things, equal opportunities training, pursuing perpetrators of racial harassment, and setting targets on race and service delivery.
- There are good examples of joint management in areas with several social landlords, but they are too rare. They may consist of Joint Management Boards or a lead management landlord.

Key recommendations

- The importance of good housing management, and in deprived areas of on-the-spot housing management, must be recognised. Under Best Value the housing management service should improve continuously over the next five years. DETR should actively advocate intensive on-the-spot housing management for large, difficult estates, and exhort local authorities with deprived estates and a poor housing management service to fundamentally review that service as an early priority in their programme of performance reviews under Best Value.
- Local authorities should draw up local performance indicators and targets in respect of effective housing management processes, particularly for on-the-spot management including, where appropriate, initiatives such as concierges and super-caretakers. The Audit Commission should ensure that external auditors scrutinise these as part of their annual inspection under Best Value of local authorities' local performance plans.
- Good, on-the-spot housing management must be supported through financial mechanisms. DETR should ensure that it continues to allow local authorities sufficient flexibility to fund activities beyond those such as rent collection and repairs traditionally associated with housing management, as the housing management agenda changes.
- Social landlords must recognise that housing management problems often do not have simple housing management solutions. They must develop links to deliver joined up solutions with other service providers and community organisations operating in their area. Local authorities and RSLs should, as part of Best Value, embrace a corporate approach to housing management, bringing in non-housing departments and other organisations.
- Good practice on housing management must be made available to housing managers. DETR should review existing practice on housing management and on its role in neighbourhood renewal, with the objective of providing an index of what is available for both local authorities and social landlords, and to provide a guide for good housing management in deprived areas.

- Training and professional standards must be raised to enable housing managers to meet new challenges. Key Potential UK, in drawing up its strategy for housing education and training, should identify the training needs of both housing professionals and tenants, and ensure that housing education and training is accessible and appropriate for the needs identified.
- Local authorities and social landlords must tackle social exclusion suffered by BME communities through a change of culture in core housing management to ensure the process is inclusive. They should adopt and implement a corporate written policy on racial equality for their housing management service which reflects the Commission for Racial Equality's Race Relations Code of Practice.

■ PAT 6 – Neighbourhood Wardens

An action team led by the Home Office will report on:

- what models of neighbourhood warden schemes are cost-effective and how they are financed;
- whether a national framework is needed to clarify links to, and the split of roles with, the police and local housing management, and the safeguards that might be necessary;
- whether the Government ought to take steps to encourage neighbourhood warden schemes more widely and, if so, who at local level should be encouraged to initiate them; and
- how neighbourhood warden schemes could become New Deal options.

Goal:

- to prepare an action plan with targets to extend the use of estate warden schemes where cost-effective.

Key findings

- There are already a wide variety of warden schemes – though all the schemes the PAT visited had the common element of providing an official presence in a residential area, which is designed to assist in the maintenance of order through a visible and accessible presence. The key functions of schemes fall into one or more of four broad categories:
 - crime prevention;
 - environmental improvements;
 - community development; and
 - housing management.
- There are also, broadly, four methods by which these functions are met – patroller, concierge, caretaker/super-caretaker and neighbourhood support worker.
- The population housed by social landlords has become progressively more disadvantaged over the past 20 years. There are more households whose income is less than half the national average, more teenage pregnancies, more youth underachievement, more children who truant or who have been excluded from school, more drug use and more ill-health.
- At the same time, the past 20 years have seen a gradual withdrawal of staff from neighbourhoods by a range of agencies. Housing departments have withdrawn their caretakers and locally-based staff, with sometimes disastrous consequences. There are fewer patch-based social workers and youth and community workers. Park keepers and bus conductors are much less in evidence. Generally, there are fewer people around able to exercise the sort of informal surveillance that can embrace safety and deter crime.

- Forty per cent of crime takes place in just ten per cent of areas. Ten per cent of residents of inner city areas are burgled once or more in a year – double the rate elsewhere. Half the people who are victims of crime are repeat victims, accounting for 81 per cent of recorded crime, while 25 per cent of BME residents in low income multi-ethnic areas say racially motivated attacks are a fairly or very big problem for them.
- In areas where these factors exist, neighbourhood wardens can make a real difference to the quality of residents' lives, to their sense of security, and to the way they feel about their environment. There is emerging evidence for this from research both in this country and abroad, although there is a clear need for more research into the impact of warden schemes. But many existing schemes visited by the PAT were successful, liked by residents and agencies, including the police, and produced positive outcomes, whether on their own or as part of a wider range of measures.
- The key components of successful schemes are:
 - being well designed with clear objectives;
 - full involvement of residents and relevant local partners;
 - particular emphasis on signing-up and involving local authorities and the police;
 - effective communications between all partners;
 - high-quality training and proper lines of accountability; and
 - continuity where the presence of wardens sustained over a period of time can ensure they realise their potential to contribute to prevention rather than just reacting to problems.
- Warden schemes cannot be the only solution for every residential area faced by problems of crime, poor housing, and a run-down environment. Local agencies, including the residents themselves, need to consider carefully whether such a scheme is the right answer, whether it needs other supporting measures to enable it to work effectively, and what form the scheme should take.
- The main funders of existing schemes are local authorities using resources from their mainstream programmes. While this is likely to continue, other ways of injecting more money into warden schemes need to be looked at, for instance through DETR.
- Well structured warden schemes, supported by the police, local authorities and residents, can benefit the police. They can be a source of valuable information, and can deal with the more minor incidents of anti-social behaviour, so freeing up police time to deal with other matters. They can also benefit the housing management service, and play an important role in integrated approaches to improving the poorest neighbourhoods. The most striking schemes have active police involvement.
- The PAT understands and shares concerns about the prospect of people being faced with poorly trained, unaccountable wardens. But it believes that the recommendations it makes in the report about the functions and powers of wardens, the need for accountability and the need for high-quality training, meet these concerns.
- The PAT did not recommend giving any special powers to wardens, believing their effectiveness comes from working with, and adding value to, the work of local agencies. Wardens are not to be seen as a substitute for the police or for local authority or other statutory services.

- The PAT endorses the 'Fundamental Principles', drawn up by the Association of Chief Police Officers (ACPO) group, 'Working the Beat', that:
 - wardens should not be given new powers;
 - local authorities and the police should have joint accountability for the outcomes of warden schemes;
 - uniforms of wardens should be distinct from police uniform; and
 - for warden schemes with a patrol/crime prevention focus, standard operating procedures and protocols should be drawn up.
- For social agencies trying to address anti-social behaviour, address the effects of crime and the fear of it, improve areas of unpopular housing, encourage resident participation and generally improve neighbourhoods, warden schemes can produce positive outcomes.
- Local partnerships involved in the establishment of warden schemes should always consider whether one of the objectives of the scheme should be tackling racial harassment. If so, BME communities should be fully involved. If not, other measures to tackle racial harassment should be put in place.
- The development of neighbourhood warden schemes, in a way which reflects all these points, needs to be actively encouraged. The evidence is, that in the right circumstances, and when set up in the right way, they can be an effective way of addressing some of the most worrying and corrosive problems experienced by people who live in deprived areas.
- The PAT believes that a formal national framework to clarify links between local housing management and police, and any necessary safeguards, is probably not necessary at this stage, so long as the report's recommendations are followed through and implemented.

Key recommendations

- The guidance being drawn up for the next round of the SRB Challenge Fund should be reviewed by DETR so as to highlight neighbourhood warden schemes as initiatives which could be suitable for funding. Staff managing the second NDC round should be made aware of the key findings of the report and of the potential of warden schemes as regeneration initiatives.
- The Home Office and DETR should examine the scope for pump-priming funding for specific warden schemes which seek to address racial harassment and/or seek to promote the involvement of BME communities in the scheme.
- DfEE should ensure staff managing the New Deal scheme are encouraged to use warden schemes as providers of jobs and training for the long-term unemployed.
- The Home Office, in conjunction with DETR, should commission the production of:
 - a training package covering the minimum requirements common to most warden schemes;
 - a checklist of issues for prospective warden schemes to consider, including standard operating procedures; and
 - a good practice guide for neighbourhood wardens.

- The Home Office should undertake focused evaluation of neighbourhood warden schemes. This research should:
 - incorporate cost effectiveness or cost-benefit analysis;
 - look at a wide range of measures of success;
 - draw lessons from schemes which involve ethnic minorities and/or have an aim of tackling racial harassment;
 - assess trends over time;
 - include resident feedback;
 - look critically at the input of partners – not simply assume that partnership is a ‘good thing’ by itself, regardless of what they contribute; and
 - assess levels of displacement of criminal and anti-social behaviour.

■ PAT 7 – Unpopular Housing

An action team led by DETR will report on:

- the scale and spread of problems of low demand, how much is attributable to crime and anti-social behaviour, how much to supply mismatches, poor stock and environmental conditions, and how much to underlying changes in household formation;
- how to align the forecasts and strategies underpinning local housing, economic development and land-use planning decisions so that low demand problems are less likely;
- what should happen about housing in areas of low demand – who decides, and on what basis, that the problem is reversible, and if so what are the most effective steps to take;
- what to do in areas which have been abandoned or where low demand is chronic, for example finding alternative uses for vacant housing; demolition; redevelopment or the creation of public open space;
- how funding systems relate to the problem and whether they distort local decision making; and
- what role the Lottery might play in funding alternative uses such as urban parks, play areas and community facilities.

Goal:

- to prepare an action plan with targets to reduce the incidences of surplus social housing where this occurs.

Key findings

- A majority of local authorities in England (61 per cent) report areas of low demand or unpopular local authority stock. This accounts for 11.5 per cent of the stock nationally, around 377,000 dwellings. RSLs report that eight per cent (around 89,500) of their homes are unpopular/low demand.
- Unpopular housing and neighbourhood abandonment is increasing in both the public and the private sectors. Over half (58 per cent) of authorities with low demand report rising numbers of low demand local authority dwellings, and 40 per cent of local authorities with problems in the private sector report an increase.
- Low demand local authority housing is heavily concentrated in the North East, North West, and Yorkshire and Humberside. There is also some unpopular local authority housing in the South, particularly in London, although this represents a small proportion of London's total housing.
- The reason for low demand for housing varies widely across the country, with many of the causes not housing related. One of the most important is the relative economic decline in some sub-regions, causing population decline. Demographic changes are also a factor. And while the provision of land for new houses increases the choice available, high levels of crime and a poor-quality environment reduce the attractiveness of the older neighbourhoods. Because the exact causes vary from area to area, so will the solutions, and it is important that programmes of physical improvement are implemented alongside a range of economic and social programmes.

- Housing markets do not conform to local authority boundaries. The PAT found authorities releasing greenfield land for housing that was in excess of immediate needs. Authorities did not take into account the plans of neighbouring areas or the future impact of allocating the land. The result was that new housing on some urban edges was increasing more rapidly than demand, and competing with older housing within the city.
- Traditionally the planning system arbitrated between different uses of land where the demand exceeded supply. The system may now need to ration land use in one area to prevent the collapse of a market elsewhere. This means linking strategies for land use at regional and sub-regional levels. Local authorities must work together on cross-boundary housing markets.
- It is critical that local housing authorities engage with a range of partners to develop comprehensive and well informed housing strategies covering all tenures. The PAT's research revealed that a wide range of initiatives were being used by local authorities to tackle unpopular housing, but with varying degrees of success.
- Crime and anti-social behaviour is an important characteristic of unpopular housing. Boarded-up properties attract crime and vandalism. This forces out long-term residents, leads to more abandoned houses and increases the sense of decay. The cycle continues, destabilising the area. Authorities must tackle security problems to restore the popularity of a neighbourhood. Having a prevention strategy in place and taking early action are both critical.
- The PAT witnessed BME families living in overcrowded and poor conditions beside areas of empty, often better quality housing and was made aware of their concentration in the least popular estates in areas that are otherwise in high demand. BME communities can face significant barriers in obtaining good quality housing or in having the confidence to move into it. Crime and intimidating behaviour play a significant part in this.
- Falling demand for an area directly affects a private property owner's capital assets and ability to move. Research suggests that in some cities owner-occupied properties are being abandoned and have a low or even zero value. In some areas rent officers find it difficult to assess rents because of the local market problems, and rents and Housing Benefit payments consequently appear disproportionately high. The PAT looked at measures to encourage better operation of the private rented sector in unpopular areas.
- Research commissioned by the PAT has found selective demolition to be the most effective solution where there is a clear surplus of stock, although more intensive management of stock came a close second. Demolition must be part of a well-thought-out strategy and the purpose made clear. The PAT found instances where it triggered further decline and broke up communities.

Key recommendations

- Regional planning advice should be revised to recognise that when local authorities consider releasing land for housing, they should not limit considerations to alternatives within their own boundaries but in areas of low demand should also consider the wider area, particularly at sub-regional level, also in consultation with Government.
- Government and Housing Corporation Regional Offices should establish good working relationships with RDAs to support the vital role played by housing in regeneration, and agree funding arrangements in support of prioritised strategies.
- Local authorities should co-ordinate early inter-agency management and intervention at the initial signs of decline, in an attempt to stabilise the community.

- Intensive housing management services, in particular the use of concierges and neighbourhood wardens, should be considered by local authorities in their strategies to tackle low demand, especially where crime and anti-social behaviour is a factor.
- In drawing up their strategies for tackling areas of unpopular housing, local authorities should consult with and involve BME communities across all tenures.
- Local authorities should be encouraged to refer high private sector Housing Benefit claims for redetermination.
- In preparing for demolition, local authorities need to be clear about the purpose to avoid confusion among residents about the long-term use of the site to avoid vacant and unsightly land.
- DETR should review renewal and group repair policies and consider whether current area regeneration programmes sufficiently address the needs of run-down areas of private sector housing.
- DETR needs to ensure that local authorities draw up local strategies that cover all housing tenures and link into the provision of all services in the area. Options should be identified and quantified, and priorities set in consultation with local residents and tenants. All sources of funding must be consistent with local strategies. Outcomes must be monitored against plans.
- Local authorities must ensure that local factors affecting the popularity of estates are identified and monitored, and are taken into account in local housing strategies.
- DETR must ensure that local authorities draw up local strategies that cover all housing tenures and link into the provision of all services in the area. Options should be identified and quantified, and priorities set in consultation with local residents and tenants. All sources of funding must be consistent with local strategies. Outcomes must be monitored against plans.
- DETR should discuss with DfEE and the Department of Health (DH) an agreed approach to the use of existing stock to meet demand for student housing and housing for medical staff before new developments take place in areas of low demand.
- DETR should build into the new financial regime for local authority housing the flexibility, in clearly defined circumstances, to charge rents up to the market level for local authority tenancies.
- Local authorities should promote the potential for National Lottery funding with community groups, to complement regeneration strategies.
- The Government's Green Paper on Housing should address radical options for the future of social housing, building on the recommendations of the PAT, incorporating more open access and more tenure and income diversification within the existing stock.

■ PAT 8 – Anti-Social Behaviour

An action team led by the SEU will report on what more is needed beyond the Crime and Disorder Act, in particular:

- how services can work together to prevent anti-social behaviour becoming acute;
- how perverse effects can be avoided, e.g. blanket policies not to house ex-offenders;
- how court cases can be processed faster;
- whether the rules for exchange of data between the police and housing bodies need to be clarified; and
- the approaches that work best with those who are evicted.

Goal:

- to produce an action plan with targets for reducing the incidence of anti-social behaviour and develop a set of measures to drive and measure progress.

Key findings

- Anti-social behaviour is a widespread problem, and one that is more prevalent in deprived neighbourhoods. Its effects are often most damaging in communities that are already fragile and where public services are over-stretched. There is no one accepted definition; it can range from dropping litter to serious harassment, and the lack of hard facts compounds the problem. The PAT identified that anti-social behaviour:
 - is perceived to be twice as high in deprived areas than nationally;
 - is considered to be a medium-to-large problem by three-quarters of social landlords, with some recording figures of up to 285 complaints a year per 1,000 tenancies; and
 - appears to be increasing, with reports to the police of disorder offences increasing 19 per cent from 1995–96 to 1997–98 and complaints to Environmental Health Officers about neighbours rising by 56 per cent from 1993 to 1997.
- Anti-social behaviour destroys lives and shatters communities. The facts are stark:
 - if left unchecked, it can lead to neighbourhood decline with people moving away and tenants abandoning housing;
 - it can contribute to high levels of fear of crime which can seriously damage quality of life;
 - vulnerable people, people who are elderly or disabled, single parents, people on low incomes, and women, are most affected by the fear of crime which can be the result of anti-social behaviour;

- the effects of victimisation can continue for a long time afterwards with almost one quarter of victims still reporting emotional problems six months after the event. This is especially true in cases of racial harassment or violence; and
- it incurs large costs to a wide range of people, including individuals, schools, local authorities, housing departments and other social landlords.
- Anti-social behaviour is often fuelled by wider problems of social exclusion and deprivation such as poverty, unemployment, family breakdown, truancy and school exclusions, drug dependency and community disorganisation. Although recent Government measures are helping and will have an increasing impact, there are still three deep-seated problems:
 - *lack of priority*: anti-social behaviour is a major public concern but no agency has a specific requirement to reduce it. There are no national objectives or targets. It is no agency's priority and so risks their collective neglect;
 - *no clear responsibility*: there is no one Government department responsible for pulling together efforts to reduce anti-social behaviour and no-one clearly responsible at a local authority or neighbourhood level. Some agencies have not seen it as their responsibility. Mainstream services have not been engaged; and
 - *lack of information*: little information has been collected on the number or severity of incidents of anti-social behaviour. Little is known about who suffers as a result of it. What information there is is patchily shared. Good practice is not disseminated.
- This results in poor implementation. There is a lack of effective joint working. There is confusion about the available measures and different attitudes of agencies and areas to the same behaviour. There is poor evidence collection and the legal process can be slow. It also results in real policy gaps, as strategies have not focused on strengthening communities' resistance to anti-social behaviour. Preventative services are often inadequate and those that exist can all too often be unco-ordinated. Action taken against those living in private properties can be inadequate. Little has been done to change perpetrators' behaviour and prevent them repeating the same behaviour in new locations. Poor implementation and policy gaps result in:
 - *lack of protection for those most at risk*: victims and witnesses have not always been adequately protected. Racist incidents are still underreported and have not always been treated with the seriousness they deserve;
 - *a failure to tackle the hard core of repeat offenders*: the current situation, with poor recording, problematic evidence collection, witness intimidation and an inability to deal with perpetrators after eviction, fails to deliver; and
 - *anti-social behaviour not being tackled effectively*: it remains a widespread concern that is costing individuals, organisations and communities dearly. There are worrying indications of an upward trend. The deep-seated problems need to be tackled for new measures to be a success.
- To be effective the problem of anti-social behaviour needs to be addressed as a whole, not in isolation. Tough enforcement action will not be effective unless it is linked to effective prevention. Evictions will only move the problem elsewhere unless perpetrators are made to change their behaviour.

Key recommendations

- *Assigning clear responsibility* – tackling anti-social behaviour should be a high priority and should be seen as a prerequisite for the success of the overall National Strategy for Neighbourhood Renewal. Central Government and local agencies need to take responsibility for delivering action. This can be delivered through the following measures:
 - the Home Office should co-ordinate tackling anti-social behaviour nationally, working closely with DETR and other relevant Government departments. The Home Office, working closely with other departments, should issue comprehensive good practice guidance;
 - Crime and Disorder Partnerships should name a person to co-ordinate action at a local level;
 - targeting anti-social behaviour to be a distinct and separate part of Crime and Disorder strategies. All agencies should state what their role will be in delivering this;
 - developing a set of key indicators for measuring anti-social behaviour, and corresponding Best Value performance indicators. The Home Office, DETR and other departments should use these indicators to monitor improvements; and
 - departments should ensure that combating anti-social behaviour is adequately reflected in key agencies' national service delivery objectives. Once key indicators are agreed, the Home Office should include targets within its Public Service Agreement. A national progress report will be published by the Home Office in 2002.

- *Promoting prevention* – prevention is crucial to reducing anti-social behaviour, particularly in deprived neighbourhoods. Investment in prevention can save large enforcement costs later. This can be achieved through the following measures:
 - changing the environment to reduce the risk of anti-social behaviour, for example through lighting in communal areas, entry phones and CCTV systems;
 - better housing allocation policies that aim to meet housing need and achieve more stable communities while not discriminating against particular groups, and explaining to potential tenants their rights and responsibilities;
 - better gathering and sharing of information with local audits of anti-social behaviour, all landlords recording complaints and agencies adopting information-sharing protocols;
 - co-ordinating preventative services through agencies working together to provide mainstream services, for example family and youth services, drugs and alcohol services, and introducing multi-agency training on combating anti-social behaviour;
 - improving prevention in deprived areas through piloting neighbourhood agreements, multi-agency prevention teams, neighbourhood wardens, and 'community chests' where money saved through reducing anti-social behaviour can be used by the community; and
 - involving schools and the youth services in discouraging anti-social behaviour by young people.

- *Enforcement* – there needs to be more effective enforcement, using the current powers to deliver rapid and tough action. To achieve this the PAT recommends:

- promoting early intervention through spreading good practice and encouraging the development of mediation services, use of warnings, tenancy clauses on anti-social behaviour, and a multi-agency case-conference approach;
 - using tried and tested methods through spreading knowledge of the enforcement options available and how to use them, improving gathering of evidence and improving use of injunctions and Anti-Social Behaviour Orders;
 - specialist help for deprived neighbourhoods through setting up a group of experts to provide on the ground support in developing good practice at a local level;
 - encouraging local authorities to set up specialist teams which engage people from a range of agencies to focus on combating anti-social behaviour;
 - protecting victims and witnesses by ensuring courts are always able to protect intimidated witnesses, by using the wide powers available, considering a speeded up possession procedure where nuisance or harassment is involved, and considering bringing in the power of remand for injunctions that have a power of arrest; and
 - tackling the ‘hard core’ through setting clear expectations of behaviour, taking tough enforcement action using Anti-Social Behaviour Orders and injunctions, effective action through the criminal courts and evicting where necessary.
- *Resettlement* – there will always be a small number of perpetrators whose behaviour needs to change if they are to live anywhere in peace with their neighbours. They need to be housed in appropriate settings with necessary levels of oversight and support, and with tenancy conditions to encourage them to behave acceptably. The PAT recommends:
- developing services locally to change perpetrators’ behaviour including placing people in suitable accommodation, residential help for those needing closer support and adopting a case-conference approach bringing together all the agencies involved in putting together a package of services, (e.g. mental health, drugs and alcohol); and
 - minimising the perverse outcomes of exclusions (e.g. homelessness) by having transparent exclusion policies, monitoring the number of people excluded from social housing and exclusions on a case-by-case basis.
- *Combating racial harassment* – tackling racism should be central to any Anti-Social Behaviour Strategy. The PAT recommends:
- establishing a ‘zero tolerance’ policy for racist actions to be established through Crime and Disorder Partnerships adopting the Macpherson Report’s universal definition of a racist incident and including clear statements of intent to tackle racism in Crime and Disorder Strategies and neighbourhood agreements;
 - monitoring the problem through establishing local protocols for reporting and recording racist incidents, which should be included in Best Value Performance Indicators and monitored nationally by the Home Office; and
 - taking tough action through tenancy agreements including no harassment clauses, acting against owner-occupiers as well as tenants, supporting victims and witnesses and taking account of their wishes, and providing training on tackling racist incidents for all staff involved in tackling anti-racist behaviour.

Consultation

- The report identifies two outstanding areas on which views are sought:
 - ensuring that there are effective sanctions against perpetrators in the private rented and owner-occupied sector, and
 - preventing perpetrators repeating their behaviour once they have been evicted.

The Home Office, working with DETR, will co-ordinate the response to these questions, and will publish the outcome by the end of 2000.

■ PAT 9 – Community Self-Help

An action team led by the Home Office will report on:

- what works in generating community commitment in poor neighbourhoods, whether through formal or informal volunteering, or other forms of community action;
- what can be done to address the barriers to these activities;
- how existing volunteering organisations can help;
- how existing and emerging community organisations can be built on and supported;
- how the strengths of faith communities can be harnessed;
- whether more use could be made of innovative ways to provide financial and other support for community activity in regeneration programmes; and
- how businesses and their employees can become more closely involved in supporting community activity and regeneration in poor neighbourhoods.

Goal: to draw up an action plan with targets to:

- raise the numbers involved in volunteering and community activity in poor neighbourhoods;
- increase the viability of community groups and services they deliver; and
- encourage the growth of informal mutual support.

Key findings

- The absence of strong communities makes it more difficult to enforce laws about anti-social behaviour, vandalism or keeping the streets clean, leading to degradation of the environment. Because people do not know each other they will be attended by the feeling of 'stranger danger'. Social decay will go in step with physical decay. The area will become unpopular, and people who can do so will start to leave. Eventually a point of no return may be reached. Community self-help is one of the key ways to deal with this vicious circle. Without effective self-help, it is unlikely that any other measures of community regeneration, however well resourced, will provide long-term solutions to long-term problems.
- The most effective approaches to community self-help have emerged in an organic way: community self-help is not something that can be imposed. Whereas some communities seem to have cracked the problem, with a wide variety of thriving community associations, others, without obvious distinguishing characteristics, are relatively unconnected, with limited community interaction. For these, skilled, professional intervention may be necessary.
- Community self-help is not a cure for all ills. It can, for instance, supplement public services, and campaign for better public services; it cannot make up for poor public services. It is a necessary but not a sufficient condition for a healthy community.

- There are five main types of barrier to community and voluntary activity on poor estates:
 - *motivational barriers* include: lack of hope among residents who have experienced neglect, poor service and powerlessness in the face of public authorities in the past; lack of energy due to personal circumstances; lack of confidence due to low literacy and education levels; and lack of trust of neighbours resulting from a mobile community, the presence of known criminals locally, and the adverse effects of local housing policies;
 - *organisational barriers* include: lack of resources and support for emerging community activities; inaccessibility of local bureaucracies; the failure of some local authorities, public bodies and voluntary organisations to recognise the distinctive nature, needs and contribution of economic groups;
 - *institutional barriers* include: issues around the benefits system, including the '48-hour' rule, which may act as a bar to jobseekers taking on significant community self-help commitments; inflexibility in the approach of some Employment Service and Benefits Agency staff; the Benefits Integrity Project, which treats engagement in volunteering as evidence of fitness for full-time employment; and the reluctance of Parliament, Ministers, Government departments and public funders to take risks with public money, even where very small sums are involved;
 - *political and cultural barriers* include: adverse 'labelling' of communities – e.g. by perceiving groups or areas as a problem; the reluctance of agencies and professionals to cede power, thus controlling the agenda and blocking local initiatives; and racism and other forms of discrimination practised by institutions and individuals both by those charged with providing services and within communities; and
 - *economic barriers* include: the need for people in low paid employment to work long hours simply to make ends meet, leaving less time and energy for voluntary activity; unemployment, with its attendant economic and motivational effects; and the costs of volunteering and community self-help activity – travel, child care and so on.

- The consensus of Home Office research is that something in the region of three to six active community groups per thousand population represents a reasonably healthy level of community activity. Guidance from the Community Development Fund has suggested that from a starting point of five per cent involvement in community activity by local people, a reasonable five-year target might be 15 per cent involvement.

- Through community self-help, everybody wins – the individual, the local community, the providers of formal public services and society as a whole. But it needs careful and patient cultivation: by definition, this is activity done by local communities, not for or to them. Ill-judged, poorly directed or even over-enthusiastic intervention will smother rather than support community involvement. Sensitive, well-judged and supportive assistance will reduce community potential and repay the investment many times over.

- A wide range of support is already available for community self-help, both from voluntary and community sector infrastructure bodies and from the public sector, but they are often under-resourced, with membership far from comprehensive:
 - the *performance of local government* is variable. While some local authorities work well with community groups, others are neutral or even negative about such activity; and

- the *key requirements for effective support* by local authorities, Government agencies and other public bodies are commitment, training, the will and capacity to work across organisational boundaries, and, equally, the will and capacity to cede power to external partnerships.
- Community involvement is both an essential input and desired outcome for any successful self-help project. Achieving this is perhaps the core problem of community development.

Key recommendations

- The Head of the Active Community Unit (ACU) should be responsible for taking forward, encouraging and monitoring progress on the PAT's action plan. She should review and report on progress to lead Ministers in 12 months.
- Given the debate as to what constitutes a sustainable, or desirable, level of community activity, ACU should commission a survey of existing research in this area and if necessary commission fresh research.
- The Government should commit itself both in policy and practice to support community self-help, for instance by ensuring that relevant programmes, such as NDC, do not place an undue burden on community groups, particularly in terms of accountability and financial reporting.
- The Government should also co-ordinate more effectively its relevant policies. ACU provides an ideal opportunity for this, as it could take a strategic role in developing Government policy on volunteering and community involvement.
- ACU should develop with other agencies a validation programme, possibly a Charter or Investors in People system, to raise the awareness and competence of agencies whose work has an impact on local communities and encourage a cultural change in their approach to them.
- Central and local government and other funders should recognise the vital role of faith communities in regeneration and involve them at all levels, from the Inner Cities Religious Council and other national networks, to the work of local organisations.
- Benefits Agency rules should be modified or clarified so that small advance payments by voluntary organisations made to cover volunteers' costs, such as travel expenses, do not affect benefits entitlements.
- The '48-hour rule' should be changed where its application impedes community and voluntary activity. (At present volunteers must be available for paid employment within 48 hours of getting a job.) The period should be extended to one week for people involved in community and voluntary activity.
- ACU should ensure that relevant major government spending programmes, such as the various New Deals, set targets for their spending on community involvement and build in monitoring of the quantity and quality of such involvement.
- Within the limits of accountability for public funds, funders should reach agreement that checks undertaken by one of them into such issues as the financial and managerial stability of an applicant organisation should be regarded as sufficient for others also. ACU should co-ordinate this.
- Funders should support mentoring and 'buddy' programmes such as Big Brothers/Sisters as a way of providing alternative, positive role models for young people; and mentoring and befriending should also be a key element of programmes of employer-supported volunteering.

■ PAT 10 – Arts and Sport

An action team led by the Department for Culture, Media and Sport (DCMS) will report on:

- best practice in using arts, sport and leisure to engage people in poor neighbourhoods, particularly those who may feel most excluded, such as disaffected young people and people from ethnic minorities; and
- how to maximise the impact on poor neighbourhoods of Government spending and policies on arts, sport and leisure.

Goal:

- to draw up an action plan with targets to maximise the impact of arts, sport and leisure policies in contributing to neighbourhood regeneration and increasing local participation.

Key findings

- Participation, and the provision of services to support participation, in arts and sport, can help address neighbourhood renewal by improving communities' 'performance' on the four key indicators of more jobs, less crime, better health and improved educational attainment.
- There are various distinctive contributions which the arts and sport have to offer to tackling the causes of social exclusion. These can be summarised under the headings of: growing industries; engaging and strengthening local communities; and an emphasis on people, not buildings or places.
- In addition to the well-established benefits to physical health, regular, moderate intensity, exercise can contribute to greater self-esteem, improved mental well-being, and, in certain circumstances, improved mental acuity. Play promotes children's development, learning, health, creativity and independence; and a number of schools have worked successfully with play to improve children's learning.
- However, these significant benefits are frequently overlooked both by some providers of arts and sports facilities and programmes, and by those involved in area regeneration programmes, and barriers remain:
 - projects are often focused on the requirements of particular funding organisations or programmes rather than on the needs of those on the receiving end;
 - they are often funded on a short-term basis, whereas a longer period will often be needed for sustainable benefits to accrue;
 - arts and sports bodies tend to regard community development work as being both an 'add-on' to their 'real' work and as a lesser form of activity;
 - other bodies involved in regeneration tend to regard arts and sport as peripheral; regeneration projects tend to focus on changing the physical environment, and to pay insufficient attention to building individual and collective 'self-help' capacity building within the community;

- there is a lack of available evaluated information about the regenerative aspects of arts and sports community development projects and information in accessible formats about facilities/funds available to community groups and people/groups at risk of social exclusion;
- schools could play a more important role in developing the habit of participation in arts and sports; and
- links between arts and sports bodies and the major organisations involved in area-based community regeneration schemes are often poor.

Key principles which help to exploit the potential of arts/sport in regenerating communities include:

- valuing diversity: people have a basic right to explore their own culture and identity in terms and forms which they choose and determine. This diversity should be recognised as a profound strength, and a rich source of ideas and practice which the whole cultural sector may draw upon. Whether in sport, art or approaches to local development, the diversity of community activity can often provide breakthroughs which more established and better-funded parts of the sector struggle to find;
- embedding local control: one of the major benefits of participating in cultural or sporting activity is the opportunity to build local organisational skills and capacity. Community-based sports and arts projects can be managed centrally, but they will tend to have less impact and be less sustainable, as well as finding it harder to secure people's commitment. A model which offers control by those who are involved, albeit in partnership with funding agencies, local authorities and other stakeholders, is likely to have much deeper impact on those involved and the wider community;
- supporting local commitment: the benefits of arts and sports projects are inseparable from the act of participation and engagement. One of the most difficult roles for the State, whether locally or nationally, is to find ways of supporting this type of local cultural activity without interfering with it, and especially without creating dependency. The most effective initiatives are those where local enthusiasm and voluntary commitment can be matched appropriately by the support of local authorities and partners in the voluntary, educational, cultural or business sectors;
- promoting equitable partnerships: all community-based arts and sports projects involve partnership of some kind, but the way they are conducted varies widely. The test of fair partnership is whether there is an equitable distribution of risks and benefits among all those involved;
- defining common objectives in relation to actual needs: it is essential that projects are undertaken by people and organisations who have shared – or at least not incompatible – objectives, and that they are articulated and understood by those involved. Since these objectives should relate directly to local needs, in many cases this is best done by bringing together all the stakeholders to agree an initiative's objectives jointly;
- working flexibly with change: one of the great weaknesses of the arts and sport funding systems is a tendency towards inertia arising from the difficulty of changing existing patterns of support. Once buildings, organisations and staff are in place, they tend to displace as the primary focus of concern the objectives they were intended to meet, or the communities they were intended to serve. At local level, it is vital to retain a degree of flexibility so that new responses can be offered to new situations. This needs to be built into the arrangements for monitoring and evaluating outcomes;
- securing sustainability: the development of community-based arts and sports activity has been severely hampered by a lack of sustained commitment and resourcing, whether at local or national levels. This is an argument not just for more money, but more importantly for the development of systems of support for services, not projects. A regime which offers only short-term projects and part-funding is inadequate. New programmes should normally be planned for at least a five-year timescale, although they will not necessarily require funding for that length of time;

- pursuing quality across the spectrum: community development work is properly seen as part of the task of sustaining high quality in the arts and sport, rather than as a distinct or even opposed activity. Community development work should not be conceived in terms which stigmatise or condescend to those in the neighbourhoods concerned. The aim is to give everyone the opportunity to develop their talents and broaden their horizons and to strive for best practice in delivering services to enable people to develop their skills. The more that happens, the better for arts and sport across the board; and
- connecting with the mainstream: it is essential not to isolate arts and sport community development initiatives, either from the rest of policy in the social inclusion and community development agenda or from mainstream arts and sports development. Sustained success in the cultural and sporting realms will be experienced only where initiatives are firmly connected with successful programmes addressing the other causes and symptoms of social exclusion. Policy which fails to make effective use of cultural and sporting issues will inevitably underachieve. The time is right to connect arts and sport policy with the mainstream.

Key recommendations

Funding bodies

- Funding bodies should develop and publish an action plan to promote access to arts and sport for BME and disabled citizens.
- All funding organisations should consider some form of dispensation allowing advance or prompt payment for voluntary organisations.
- Funding bodies should make external evaluation and the means to carry it out integral to funded projects and programmes.

Local authorities

- Wider regeneration strategies and other strategies adopted by local authorities to improve an area's performance in the four 'key indicators' of more jobs, less crime, better health and improved educational attainment should explicitly consider the role which their cultural, leisure and tourism capacity can play.
- Local authorities should map/assess culture and leisure provision and expenditure geographically (e.g. ward by ward) and according to the social, ethnic and professional background of users. There is a clear need for better information and analysis of expenditure and outcomes in this area.
- Local authorities should seek to improve value for money from their assets/facilities as a whole by ensuring the widest feasible use of them (e.g. school arts and sports facilities out of school hours).

Government departments

- Government departments in charge of area-based schemes should incorporate the best practice principles outlined in the PAT report into their guidance to avoid imposing solutions on the communities they are intended to serve. They should require applicants to state what consideration they have given to the contribution arts and sports can make, both to regeneration generally and to meeting objectives in the health, education and other fields.
- DCMS (and DTI through the BL network) should encourage commercial culture and leisure industries to invest in talent throughout society.

- DfEE, DH and the Home Office should encourage health/education/crime reduction organisations to consider ways in which arts and sport can help them achieve their aims.
- DCMS should ensure that the Government Offices for the Regions (GOs) and the new RDAs, DCMS Regional Cultural Consortia and Regional Chambers involve culture, leisure and tourism organisations in plans for regeneration.

Others

- The PAT has identified a number of area-based schemes which would particularly benefit from closer links with arts and sport. These are: European Social Fund and Regional Development Fund grants; SRBs; NDC Pathfinder Areas; Health Action Zones; Employment Zones; and Education Action Zones.
- The Arts Council for England and Sport England should provide a positive response to the report showing how they will: develop stronger partnerships with other agencies; consider novel funding arrangements for community groups; and involve the voluntary sector.
- National Lottery distributors should consider together the best ways to fund community-run multi-purpose 'community venues' in areas with poor access to facilities, which can be used flexibly to meet local needs rather than a more narrowly conceived facility to provide arts or sports facilities alone.

■ PAT 11 – Schools Plus

An action team led by DfEE will report on:

- the education projects, e.g. homework centres, breakfast clubs, summer schools, cross-age tutoring, that most improve educational outcomes;
- the best ways of involving parents in their children's education and how these can be extended to improve adults' skills;
- the best examples of mentoring and work-experience schemes;
- how schools can be encouraged and helped by Local Education Authorities (LEAs) and others to develop these activities more extensively;
- how schools can be used to engage the community more widely, drawing in greater support and making their facilities available to more people;
- evidence that co-locating health and other social services at school level contributes to improved educational outcomes; and
- how cost-effectiveness can best be measured and what can be done to promote good practice.

Goal:

- to identify the most cost-effective schools plus approaches to reducing failure at school and using schools as a focus for other community services, and to develop an action plan with targets to take these forward.

Key findings

- Although improvements are being made, the scale of educational underachievement is still too high. In 1999, around 46,000 students did not gain a GCSE grade A*–G in either English or maths. For 11 year olds reaching Key Stage 2, 173,000 were at Level 3 in English and 182,000 in maths, against an expected achievement of Level 4 or better.
- The costs of educational failure are enormous in economic and social terms both for the individual and society. One study has found that 42 per cent of young offenders sentenced in courts had been excluded from school and a further 23 per cent were truanting. Youth crime costs public services about £1 billion per annum. Underachievement at school has a knock-on effect in adult life – an estimated one in two prison inmates have serious difficulties with numeracy and literacy, and only half of adults with poor literacy skills have jobs compared with four out of five adults with the best literacy skills. Tackling underachievement is, therefore, both economically and socially cost-effective.
- There is strong evidence that the full range of Schools Plus activities can play an important part in raising the attainment of pupils and adults, and at its best can help regenerate areas. Schools can be one of the focuses for community regeneration acting as a gateway to education for children and adults alike.

- Schools Plus activities are most effective where they build on the solid foundations of well-managed schools and good teaching. They are not a remedy in themselves, but an important and at present under-exploited element in schools' overall strategy for raising attainment and expectations of both adults and pupils.
- Too many young people – particularly those from disadvantaged backgrounds – do not achieve their potential within the current education system. Reasons include:
 - too many children in disadvantaged areas do not have access to the same range and quality of opportunities as those in more prosperous areas;
 - some families in disadvantaged areas have difficulty in offering an appropriate level of learning support and encouragement to their children; and
 - some children find that other factors – such as low family income or poor living conditions – affect their ability to participate fully in the opportunities available to others.
- There is no inherent reason why young people from poor neighbourhoods should be less successful than their peers from more affluent areas. Expectations should be no lower in disadvantaged areas than in more affluent ones. Some schools in disadvantaged areas are providing their pupils with an exceptional education, often demonstrating some of the following characteristics:
 - dynamic and experienced leadership from the head coupled with strong support from the governing body;
 - clear targets shared by everyone at the school;
 - high-quality and stable teaching and support staff;
 - strong parental involvement and support;
 - study support activities available for young people to support their learning in school hours;
 - active involvement of local business and community organisations; and
 - promotion of active and effective support from other bodies, e.g. youth services, social services, Careers Service, libraries, sports clubs etc.
- Schools with these characteristics will often have high morale and standards leading to a cycle of success. Such schools may also be more likely to attract supportive parents who value education, and who will push for admission to the most 'successful' school in their area. Schools without some or all of the characteristics described above will struggle and this can lead to a cycle of failure from which it is very difficult to break free.
- DfEE's national framework for study support covers a range of activities in which young people can participate and which help them to learn. Activities include breakfast clubs, homework clubs, mentoring and creative activities. Studies have revealed an association between study support and success in schools, and study support seems to have a particular role in helping children from disadvantaged backgrounds. However, evidence also suggests that those most likely to participate are those from the most economically and educationally advantaged home backgrounds.
- An expansive and diverse range of study support is already under way. More needs to be done, however, to ensure that those at most risk of underachievement, and, therefore, those who have most to gain, benefit more from the provision on offer. The New Opportunities Fund has earmarked £140 million to

support study activity in England, and a further £20 million for summer schools. It is intended that half of all secondary and special schools and a quarter of all primary schools should receive support. Schools in areas where pupils are disadvantaged are particularly expected to benefit.

- Schools in deprived areas can spend a disproportionate amount of time trying to access health and social services before being able to tackle educational underachievement. The ‘Full Service’ school emerged in the USA in the 1980s as a response to this problem. The idea was for schools to provide integrated health and social services as a means of helping families and individuals and raising educational achievement in disadvantaged areas. There have been moves in Scotland through the New Community Schools to provide a seamless service of health, social care and education for pupils and their families.
- All young people, especially those in areas of deprivation, should have opportunities to learn about the work environment as part of their formal education. On average one in five young people have parents who are not employed, and this figure is far higher in some neighbourhoods. For such young people direct experience of the world of work during their school years can significantly improve their expectation of working and a better quality of life.
- Both schools and the community can gain considerably from encouraging school-community links and wider use of school premises. Support from parents and local community organisations can be a crucial factor in combating social exclusion and in improving pupils’ attainment, motivation and expectations. Using the local school as a centre of adult learning, child care facilities and for meetings helps regenerate and strengthen communities.
- While none of the issues is ‘just about money’, the PAT acknowledges a strong feeling among schools in multiple-deprived areas that current relative funding does not recognise the scale of the difficulties they face compared to other schools. The issues are more acute where schools are under-subscribed and may have a declining funding base or a deficit – this adds to the pressure of working in such circumstances and can undermine the morale of teachers and pupils.

Key recommendations

- All pupils in schools where there is 35 per cent or more entitlement to free school meals to have the opportunity of at least three hours’ study support each week including various activities over the weekend.
- Extended opening hours at some schools allowing pupils extensive access to study support-type activities, including enrichment activities, throughout the day.
- A network of locally agreed One Stop Family Support Centres should be established by 2001, based on Scottish Community Schools and US Full Service models, bringing together social, educational and health professionals to provide an integrated service for pupils and families on site. DfEE, DH, the Department of Social Security (DSS) and local authorities should consider how to take this forward.
- Schools should have the support of paid Community Learning Champions, who would come from within the community and have an enabling and co-ordinating role talking to parents and the wider community and encouraging them into the school.
- An identifiable Neighbourhood Learning Centre should be established in disadvantaged areas. These could be fixed or mobile but would provide a tangible learning facility in the community.

- Schools Plus Teams should be made available to support schools facing most difficulty in developing the 'Plus' aspect. These would offer practical help and guidance, where appropriate mobilising support from other agencies, and work with schools to identify the areas in which they needed support, for instance raising BME achievement, increasing parental support or stimulating community development.
- A network of schools which are working closely with their communities should be established to spread good practice and act as a sounding board for policy developments.
- An expanded programme of mentoring should be established for pupils from BME backgrounds, offering qualifications through accreditation for mentors taking part in the programme.
- While not directly part of the remit, the PAT felt there should be a review of the relative funding for schools in deprived areas, so there could be more confidence that existing funding mechanisms fully recognised the greater challenges such schools face.
- LEAs should be encouraged to make full use of funding flexibilities to ensure that funding for schools in deprived areas reflects their relative needs.

■ PAT 12 – Young People

An action team led by the SEU will report on :

- the key costs of youth disaffection and the most effective interventions for preventing it;
- the respective roles of the different agencies including schools, the Careers Service, the Youth Service, TECs and FE colleges, police and probation, health and social services, Drug Action Teams, and the voluntary sector and business;
- how work to reduce youth disaffection can be planned, targeted and co-ordinated more rigorously;
- what can be done to support families with older children and deal with problems such as conflicts with step-parents, children leaving home prematurely; and
- how the design of services can take greater account of the perspectives of young people.

Goal:

- to identify what needs to be done to develop cost-effective preventative work with disaffected young people in poor neighbourhoods; and
- to develop an action plan with targets to take this forward.

Key findings

- Much of the SEU's work has focused on individual dimensions of youth exclusions, such as truancy and exclusion from school, teenage pregnancy, youth homelessness and 16–18 year old unemployment. This work has highlighted two repeating themes:
 - the complex disadvantage faced by certain groups of young people such as those who grow up in care, in poverty, in deprived neighbourhoods or who do badly at school; and
 - the inadequate response young people have often had from a fragmented set of services that do not organise around their needs.

PAT 12's report tries to get at the root of these two issues.

- For a significant minority of young people, disproportionately concentrated in the poorest areas:
 - family life is characterised by disrupted relationships, poverty and worklessness;
 - education provision does not meet their needs;
 - their way of life lacks stimulation, enjoyment and challenge;
 - they face serious health problems and are prone to problem behaviours;

- they find it difficult to find a decent place to live or money to live on; and
 - they are far too likely both to be victims of crime and to offend against others.
- Young BME people also face these problems disproportionately – not least because they live in poverty and disadvantaged neighbourhoods, as well as facing the additional effects of racism.
 - The PAT recognises the potential and, in some cases, success of some current services and changes that this Government has introduced. However, if a more comprehensive approach to youth inclusion is to be implemented, there remain shortcomings on three main fronts:
 - *gaps in individual services* – the report looks at a number of services and concludes that: there is not enough emphasis on prevention; services are not delivered in ways which recognise the specific needs of disadvantaged young people; and services need to be provided wherever they are needed, not haphazardly or on a restricted basis;
 - *allocation of resources* – far from resources being targeted on those most in need, recent research reveals that while government spending on children generally increases with increasing deprivation, there are a number of instances where very deprived wards have less spent on them than more affluent ones. Furthermore, emerging evidence suggests that on average, the State spends 14 per cent less money on young people in the most deprived areas, than on the average young person; and
 - *fragmentation of policy thinking and service delivery* – the absence of a ‘big picture’ and somebody to pull it together nationally, locally and at the level of the individual. Instead, at least eight departments have an interest in policies and services for young people, and at least four local authority services work directly with young people. At the level of individual young people, responsibility is also fragmented.
 - The exclusion and underachievement of so many young people clearly has significant public expenditure or economic costs. These are very difficult to track, but the report attempts to bring together the calculations that can be made. The PAT welcomes the establishment of a cross-cutting Spending Review to examine these issues. But the case for change is about more than money. It is about enabling young people to lead decent and purposeful lives as an asset to their community, and to move into a fulfilled adult life.
 - Despite the magnitude of the problem and the distance between past practice and what is needed, the PAT believes that an effective and comprehensive approach to the problems experienced by young people can be developed. A lot is known about young people prone to disengagement and what helps them avoid it, and about how effective services for young people work. Together, these provide a solid basis for designing interventions that pick up early warning of potential problems. The PAT’s proposals try to do four things:
 - create a new cross-Government approach to youth inclusion and structures to ensure that the Government designs and delivers its contribution effectively;
 - shift the emphasis from crisis intervention to prevention;
 - make individual services better. The PAT agrees there needs to be action on: support for families; a new preventive budget; and an overhaul of professional training; and
 - adopt a new approach to designing and delivering services based on consulting and involving young people and on evidence about what works for them.

Key recommendations

- The Government should set overarching youth inclusion objectives for its policies and ensure that they are reflected in departmental policies.
- The cross-cutting Spending Review on young people at risk, linking with departmental Spending Reviews, should consider how to reflect overall objectives more closely in departmental programmes. On conclusion of the Review, the Government should publish a strategy document setting out what has been done and what is still planned.
- To carry forward the strategy, the Prime Minister should consider establishing a standing cross-departmental structure on youth affairs and nominating (at least) two specific Ministers responsible for cross-Government co-ordination.
- The Government should establish a Youth Unit or other arrangement to support Ministers in carrying forward strategy, and as a common resource for departments. Functions should include driving forward implementation of cross-Government objectives and assembling knowledge to support the Government's strategy for youth inclusion.
- Consideration should be given in the Spending Review to the possible role of the Youth Unit in encouraging local co-ordination, perhaps through distribution of a special 'joining up' fund to create incentives and financial headroom for joint working.
- The Government should make clear that it wishes to see effective co-ordination of information and policies about young people at local level. It should consider the scope for building on the Connexions Service, Children's Services Plans, and other developments such as Best Value and the National Strategy for Neighbourhood Renewal itself.
- The Young People at Risk Spending Review should consider the case for developing family support as a mainstream policy.
- One success measure for the overall Spending Review outcome should be whether it produces an appropriate relationship between need and per capita spending on children and young people in deprived areas.
- Other Spending Review outcomes the PAT would wish to see are:
 - identifying targets and funding to provide adequate and effective support for the short- and long-term housing needs of young people;
 - adequate specialist health services especially for drugs, alcohol, mental health and sexual health to back up the operation of the Connexions Service;
 - a strategy and targets for improved access to leisure facilities for young people in deprived neighbourhoods; and
 - new targets and funding to bring about a step change in the educational achievement of offenders on the basis of the Government's commitments in *Bridging the Gap: new opportunities for 16–18 year olds not in education, employment or training*.
- DfEE, DH and the Home Office should publish proposals for a process by which the initial and in-service training of all professionals working with young people can be overhauled to increase understanding of risk and protective factors for young people in very disadvantaged risk groups, and effective approaches to prevention.

- DSS and DfEE should, as a matter of urgency, consider the approach to giving information to young people and their advisers, evidence requirements, staff training and deployment, as these relate to the administration of Jobseeker's Allowance (JSA) Severe Hardship Payments and Income Support for young people still in education but estranged from their parents. Both departments should also commission research on how effectively the administration of JSA Severe Hardship Payments and income support is meeting the needs of vulnerable 16–17 year olds.
- All Government departments and agencies whose work has a significant impact on young people should have a policy of consulting and involving them in policy development and service delivery which affects them. The Youth Unit should facilitate this and set out in its annual reports what has been done. Local authorities, in keeping with Best Value principles, and the voluntary sector should also have policies for consulting and involving young people.
- DfEE should work with other relevant departments to develop proposals linking together across government the range of initiatives described above with the Millennium Volunteers programme.

■ PAT 13 – Shops

An action team led by DH will report on how to identify best practice and innovative approaches in improving shopping access for people in poor neighbourhoods. This should cover:

- ways of promoting existing good practice, e.g. subsidising estate-run food co-operatives, providing own-brand goods for small shops, using discounting to encourage healthy eating, offering home shopping or special buses, or linking small retail outlets to public sector facilities such as health centres; and
- options for encouraging small and large retailers to return to neighbourhoods where shops have disappeared. This work would examine the scope for new kinds of franchise, the potential role of a range of different types of outlet, for example, Post Offices and pharmacies, the links between new retail investment and crime reduction strategies, and the scope for using local planning and rent policies to support neighbourhood shopping centres.

Goal:

- to develop a strategy to increase access to affordable shops for people in poor neighbourhoods.

Key findings

- The majority of shops that traditionally served those living in deprived neighbourhoods were small, independent, convenience-type stores. While the number of superstores in this country has increased from 457 in 1986 to 1,102 by 1997, some eight independent shops disappeared every day between 1986 and 1996. The number of independent stores has declined by almost 40 per cent between 1986 and 1997. For people on low income, shopping journeys by car and the average distance travelled to shops has increased.
- Many of these small, convenience shops closed down because they were not commercially viable. While the factors are complex and vary from one neighbourhood to another, the PAT has identified three main reasons undermining the commercial viability of small independent stores operating in deprived neighbourhoods. These are:
 - *falling and low local demand*: where there is a shop, people often do not want to use it, and those that can take their spending power elsewhere, do;
 - *crime and the threat of crime*: unsightly security measures and threat of personal safety put customers off using local shops; and
 - *competition*: lack of local competition from alternative local convenience stores sometimes leads to overpricing and provides no incentive for improving quality resulting in the provision of poor quality goods.
- The cumulative negative effect of these factors, and others such as poor transport, bootlegging etc., means that the once vibrant local shopping centres or neighbourhood stores that provided a safe place for the local community to meet and shop have mostly disappeared. Boarded up small shops on street corners or in small neighbourhood parades, with only the locals knowing which are open for business and which are not, remain. Only people with no other choice shop there.

- Those from BME communities who run small shops, in particular, can be the focus for a considerable amount of crime. It is hardly surprising, therefore, that many shops close and their traders leave. Those that remain often struggle to survive and provide a service of variable quality, a limited range of goods, and prices sometimes a good deal higher than most supermarkets. In neighbourhoods where car ownership is low and public transport inadequate, many families have no choice but to use these shops.
- Most of the bigger retailers the PAT spoke to said that the size of the neighbourhood focused on – around 3,000 to 4,000 households – was too small to sustain commercially one of their supermarkets. Population density was generally too low, servicing access was often inadequate and there was generally insufficient parking space to attract significant custom from outside the neighbourhood.
- The current trends in neighbourhood retailing can be reversed. Using the very latest information and technology, neighbourhood stores have increased their turnover by as much as 40 per cent with no capital outlay. This was simply by putting the right product in the right place and giving it the right amount of selling space:
 - for example, a community of 4,000 households, with a total average spend of £275,000 (i.e. on average £66 per week), would need spend only ten per cent of this at the local shop, and its turnover would be £27,500 per week, over £1 million a year. This data suggests that small communities can sustain small stores if they sell the right goods and are supported locally.
- There are five key challenges to be addressed if the goal of supporting more shops in deprived neighbourhoods providing a range of quality goods at affordable prices is to be achieved:
 - *a local retail strategy* – there is no established practice of developing a retail strategy when local regeneration strategies or plans are constructed; consequently, there is no single person, organisation or body responsible for pulling together the views and needs of key local stakeholders (including the retailers themselves) so that retail needs can be planned and implemented successfully at local level;
 - *proactive planning* – too often communities are consulted about the future pattern of shopping facilities in their neighbourhood but are not listened to. Often it appears that consultation is not integrated with discussions with local retailers and a common understanding of the constraints and drivers for successful retailing is not developed. Planning has for too long been about controlling development rather than actively promoting local retail centres or improving access for local communities to a range of everyday needs;
 - *crime reduction and the fear of crime* – crime, particularly perceived or actual threats to personal safety, can impact negatively on the number of people circulating around the neighbourhood. This may limit the amount of passing trade that the store might otherwise capture. Vandalism or graffiti may also deter local people from using the local shops as a community gathering place. There is a high level of repeat victimisation, particularly among Asian and other BME community traders;
 - *improving business support for small retailers* – small neighbourhood retailers operating on tight margins need skill to survive but often do not have the resource timewise to seek the expertise they need. Expertise is often badly signposted, not in one place, not designed specifically to meet their needs or is given or formulated by someone who knows little about the sector. In addition, post code intolerance and perception of ‘bad risk’ make accessing sources of finance for new shops, or improving existing ones, notoriously difficult for the aspirant or existing trade in deprived neighbourhoods; and

- *easing business burdens on small retailers* – small traders in deprived neighbourhoods work at extremely tight margins. This does not present a very attractive commercial environment for them to remain in or for new traders to enter. Easing the fiscal burdens, such as rents, rates and tax, on small businesses operating in these areas may provide the incentives needed to keep and improve the quality of provision already there and attract new investment in.
- The PAT also heard time and again about the impact which new regulations impose on small retailers. While they understand the necessity of such regulation in protecting their staff and their customers, the cost of compliance with regulation can be particularly and disproportionately burdensome. Rarely does advice on implementation come in language that is easy to understand or co-ordinated in a way that makes it accessible.

Key recommendations

- The PAT recommends that the work of PAT 4 (Neighbourhood Management), should explore the potential of local retail forums in developing local retail strategies at the neighbourhood level. PAT 4 should also consider how these local forums might link with other agencies to input into the development of retail strategies as part of authority-wide community plans.
- As part of the Urban White Paper, the Government should set out a more proactive approach to planning for community needs at the local level, including retailing. This should then be followed up by planning policy guidance from DETR.
- Much higher priority should be given to tackling neighbourhood retail crime: the Home Office should ensure that the initiatives taken under the £250 million crime reduction programme and the CCTV schemes to be introduced under the £150 million initiative announced in the 1999 Budget, should be strongly targeted on deprived neighbourhoods and that effective monitoring mechanisms are put in place to ensure this happens.
- The SBS announced in the 1999 Budget may provide the right structure for improving business support for small retailers. If however, this does not prove to be the case, an alternative support mechanism needs to be developed. The model the PAT proposes is that of a National Micro Retailing Organisation. This would be independent of Government and designed specifically to meet the needs of small retailers.
- As the Small Loans Guarantee Scheme excludes retailing activities, further consideration should be given to establishing a targeted, ring-fenced scheme to guarantee loans enabling retailing services of social strategic importance to start up.
- To ease fiscal burdens, more work should be undertaken on assessing the benefits and effectiveness of providing fiscal incentives, such as rate, rent and tax relief, linking into the Urban Taskforce report, the Urban White Paper and the European Commission's White Paper on Commerce. Pending the outcome of DETR's rate review, it should clarify whether a 'community store' could be eligible for discretionary relief.
- Advice to small retailers on implementing regulations should be clear, understandable to a lay person and formulated in a way which is accessible to those it is meant to reach. The PAT also recommends that the remit of the SBS should cover community-based enterprises.
- The establishment of a neighbourhood retailing taskforce to champion the voice of neighbourhood retailing at a local, regional and national level should be considered. This would aim to bring together all the local agendas on neighbourhood retailing and would also provide a link with the proposed local retail forums by disseminating, for example, models of good practice and new innovative approaches to retailing.

■ PAT 14 – Financial Services

An action team led by HMT will report on the scope for widening access to financial services. This will examine:

- the scope for development of credit unions, building on planned legislative change;
- increasing the availability of insurance services to deprived communities; and
- the role of the retail banks, Post Offices and other organisations in providing access to and delivery of financial services in deprived neighbourhoods.

Goal:

- to develop a strategy to increase access to financial services for people living in poor neighbourhoods.

Key findings

- About one and a half million low income households use no financial services. This represents over two million adults, mostly not in employment, living on benefits, and social housing tenants.
- The reasons poor people use financial services less are complex. Outright refusal by banks or other institutions to do business with them is relatively rare. More often, the problem is mismatch between potential customers' needs and the products on offer. As providers develop new products that are more suitable for low income customers, those who live in poor neighbourhoods should benefit, as well as those in less deprived areas. Product diversity is clearly part of the answer, for all underserved markets.
- People in poor neighbourhoods may make little use of financial services for reasons that are related to the area itself. Where crime rates are high, property insurance, both household and business, may be unaffordable. Remoteness from major commercial centres, and the withdrawal of financial service outlets from poor communities, may be factors in low income households' non-use of mainstream institutions. The development of new delivery channels can help overcome this.
- The report found that credit unions can make a difference, because they: are open to low income groups; encourage small-scale savings; provide low cost credit; and can be a bridge to other financial services. But the movement covers only a fraction of one per cent of the population and the credit unions serving poor communities are often making only a limited impact at local level.
- Low income households use insurance less than average. People in deprived communities often do not use house contents insurance, because of cost, restrictive policy conditions, inconvenient payment methods and lack of information. They find that life assurance deals turn bad when job loss means they can no longer afford the premiums, but cashing in the policy gives them a poor financial return. Door-to-door collection of insurance premiums is in decline, but payment by cheque or direct debit is impossible for people without bank accounts.

- The PAT believes that one way forward is to build on the success of the Insurance with Rent schemes now operated by many social housing providers. Housing Associations or local authorities arrange a group policy for an estate with an insurance firm, usually house contents insurance. The tenants who choose to join pay their premiums with their rent to the landlord, who then pays the insurance company. These schemes can be extended to include other kinds of insurance, or other houses in the neighbourhood.
- Banking has expanded enormously over the past 20 years, but nearly one in ten households has no bank or building society account. For these people, paying bills, handling cheques and getting access to affordable credit are all more difficult and often more expensive than for those that do have them.
- Banks and building societies continue to downsize their branch networks – but they have managed to carry on providing services to ever more people through cash machines and other delivery channels. These alternatives are only just beginning to reach deprived neighbourhoods, but the technology now exists to help improve the situation.
- The Government’s decision to pay benefits by automated credit transfer and to computerise the Post Office network is going to make a huge difference. Paying benefits the new way will increase the demand for banking and other financial services, ranging from conventional current accounts to more limited facilities. Computerisation will provide a platform for the Post Office, with a branch network ten times the size of the biggest of the high street banks, to be an alternative delivery channel for every community.
- People sometimes get refused a bank or building society account because they cannot provide identity documents to show who they are and where they live, or the banks say that only a driving licence or a passport will do. This is often a problem for low income households, but the banks and building societies have agreed to be more flexible about the range of documents they will accept, and work with the authorities to give prospective customers a better deal in future.
- There is a special need for money advice, and help with debts in particular, when people move off benefits into work. They lose their entitlement to help from the Social Fund and, because they have a regular income, their debtors start chasing them.

Key recommendations

- DETR should work with the LGA to ensure that credit union development work at local level results in healthy and sustainable growth.
- HMT should continue to promote its proposed deregulatory measures, to allow credit unions with growth potential to achieve it.
- The proposed credit union Central Services Organisation (recommended by the Credit Union Task Force – which published its report on the same day as the PAT report was published) should promote itself to all sections of the credit union movement, and encourage broad-based development, with due emphasis on credit unions serving deprived communities.
- The Financial Services Authority (FSA) should ensure that, in devising the future regulatory system for credit unions, the principle of proportionality is duly observed, and that the feescale applied to credit unions is in accord with a reasonable view of affordability.
- DETR, the Housing Corporation and the LGA should work with the insurance industry to promote Insurance with Rent schemes, and should explore ways of extending these schemes to neighbourhood private tenants and owner-occupiers. Social housing providers and insurance companies should carry out pilot studies to test demand for and viability of extending the schemes, involving additional types of insurance besides contents cover.

- Banks, building societies and other providers should continue to develop and promote basic account services, in the light of the announcement on the future benefit payment system and the future of Post Office Counters services.
- The banking industry's associations should work with the Government, the FSA and other agencies to revise the guidance on identity requirements, draw their members' attention to the scope for flexibility and issue an information leaflet for the public.
- DSS should explore the scope for further reform of the Social Fund, to extend existing loan facilities to those in low-paid employment. It should also consider with DfEE how to promote wider access to debt counselling and refinancing, targeted at those coming off benefit to take up employment. The aim would be to involve money advice agencies, private sector finance and the Employment Service in any new arrangements.
- The full report makes over 40 recommendations in total. If they are all taken up, it is possible to envisage a time when financial exclusion will have disappeared entirely. This does not mean that everyone will use financial services to the same extent. But it does mean that the barriers and constraints on choice that limit access now will have been substantially reduced. HMT will need to establish landmarks along these lines, to ensure its monitoring is meaningful:

By the end of 2000:

- increase in number of banks offering basic accounts;
- further fall in proportion of households where no-one has a bank account;
- substantial decline in refusal of bank accounts because of non-standard identity documentation;
- DETR, Housing Corporation and LGA work with insurance industry to promote Insurance with Rent schemes;
- passage of credit union deregulation measures; and
- development of FSA credit union supervisory framework.

By the end of 2003:

- Post Office offering computerised access to bank accounts;
- continued increase in access to bank services by alternative delivery channels;
- first wave of benefit recipients getting payments by automated credit transfer;
- credit union Central Services Organisation up and running;
- substantial increase in coverage of Insurance with Rent schemes; and
- enhanced Social Fund in operation.

By the end of 2005:

- all benefits paid by automated credit transfer;
- low income household usage of banking and insurance at similar levels to other social groups; and
- substantial increase in credit union membership among low income groups.

■ PAT 15 – Information Technology

An action team led by DTI will report on:

- best practice in providing access to IT and IT skills for people living in poor neighbourhoods;
- lessons learnt about the provision of shared access points, such as kiosks in community centres, libraries and Post Offices, and greater access to the Internet etc.; and
- the best models for improving access to communications networks as a means of strengthening community ties.

Goal:

- to develop a strategy to increase the availability and take-up of information and communications technology (ICT) for people living in poor neighbourhoods.

Key findings

- Over time, it is expected that information technologies will change the whole pattern of people's lives, as completely as broadcasting, telephones, and high-speed transport did in the past. ICTs are having, or will have, a huge impact on the economy, employment, education, health and entertainment.
- For people living in low-income neighbourhoods, gaining and exploiting ICT skills can lead to opportunities to participate fully in the local and national economy. The arguments for social inclusion and for economic development in the Information Age are mutually re-enforcing.
- Lack of access to ICTs leads to or reinforces disadvantage at a number of levels: for children, not having access to computers and the Internet at home or in the community, may make it hard to keep up at school; for adults, computer literacy can be important for re-entering the labour market; and for the community as a whole, better access to communications networks can improve the quality of services, make it easier to access opportunities in other areas, and enhance local social cohesion.
- In some housing estates, well under 50 per cent of households have a telephone, compared to a national average of over 90 per cent. Ownership of, and access to, personal computers is also much lower. However, television is ubiquitous, and digital television may offer a more likely future route to home access in these neighbourhoods.
- People who live in deprived neighbourhoods are less likely to be able to use the most common methods of training or points of access to ICTs. This presents particular problems. Many people in deprived neighbourhoods are unemployed, and as a result do not get the hands-on supported ICT experience that many do through their work. They also have often had off-putting educational experiences in the past, and tend to find formal training unattractive. This is particularly a problem for young people who have been excluded or truant from school.
- Some deprived neighbourhoods have high proportions of BME communities. For some of these, English is not their first language. They therefore require special language facilities.

- Women are generally less likely to be interested in ICTs than men, a position exacerbated in some communities where women's activities are constrained by their cultural background. Special arrangements such as home outreach, child care provision, and women-only groups may be needed.
- At national level there are a number of key programmes and initiatives already operating and a significant number of others already well into their planning stages. However, although a lot of work is being done, this is not well co-ordinated. There is no single Government department overseeing where resources are focused and no co-ordinated approach to evaluating outcomes.
- The PAT found a range of barriers which prohibit the establishment of successful ICT access points and constrain the involvement of the target audience:
 - *lack of a joined-up approach*: there is no clear policy or strategy locally and nationally. Sharing of good practice is as poor as sharing of facilities;
 - *promotion*: marketing is generally poor. The target audience lacks awareness of the potential of ICTs. The role of community IT centres is not well understood, and many community groups lack ICT awareness;
 - *content*: content is often unattractive or unsuitable, not having a local focus or being over-dependent on literacy;
 - *access*: there are physical barriers like location, access and opening times, as well as security issues. There is a lack of suitable venues, and some are off-putting for some groups. There is a lack of child care support and facilities for people with particular needs such as people with disabilities, older people, etc.;
 - *competencies*: staff and volunteer availability is a problem, as is developing their ICT skills;
 - *funding*: funding is often unsuitable, inconsistent, partial or unsustainable, and scarce resources are often devoted to chasing it. Too little support is given to running costs and perhaps too much to capital; and
 - *costs and perceived costs*: costs of telephone calls are said to be a barrier for Internet access for community projects. The cost of equipment is also seen as a barrier. Many people think they cannot afford access, and charges, real and perceived, dissuade use.
- The PAT found no comprehensive survey of attitudes towards, and use of, ICTs by BME groups. This lack of data indicates that comprehensive research is necessary.
- For ICT programmes to be successful they need local ICT champions and mentors who are drawn from the same background as the community they serve. They should also ensure that local provision reflects the cultural background of the neighbourhood.

Key recommendations

- The Government must ensure that all of its actions to promote the use of ICTs and e-commerce are coherent and reduce social exclusion. To this end, the new e-Ministerial network should co-ordinate work on ICT and social exclusion as part of its overall remit. Also, DfEE should be responsible for acting on the recommendations of the report, and report annually on progress, initially by April 2001.
- Individual departmental programmes to provide ICT-based facilities should be presented to the public as a single, cohesive proposition which demonstrates the Government's strong commitment to maximising national benefits of new technology.

- Within individual neighbourhoods local marketing and outreach activities, using local mentors, where possible, should be implemented to encourage people to take the first steps towards using ICTs.
- By April 2002, each deprived neighbourhood should have at least one publicly accessible community-based facility to complement any home access which is available, in line with the Government's targets for e-commerce as set out in the Performance and Innovation Unit (PIU) report.
- How these are provided should be defined in a neighbourhood plan which should build upon the services offered by national, regional and local programmes. As recommended by PAT 4 (Neighbourhood Management), the delivery mechanisms would be Local Strategic Partnerships and a neighbourhood-level delivery organisation. These could include local authorities, existing regeneration partnerships, housing organisations, community development trusts, and voluntary and private sector organisations.
- As part of the provision of IT Learning Centres, DfEE, in partnership with local organisations, should offer an ICT familiarisation programme, starting with an ICT taster session which could lead onto other education, enterprise and employment programmes.
- The Government has set a target that by 2005, all public services will be available on line. The PAT supports this aspiration for deprived neighbourhoods too. DfEE should establish annual targets towards the achievement of this aspiration.
- ICT projects are usually funded from numerous funding sources. The rationalisation of these funds, including their source and management, should be determined in the context of the National Strategy for Neighbourhood Renewal. This should also look at how to co-ordinate and assist bids for European Union, Lottery, charitable and private funding.
- The PAT strongly supports the PIU recommendations that telecommunication operators be encouraged to offer a wider range of tariff structure options, and explore new commercial arrangements, allowing more flexible retail tariffs, provided this does not increase the cost of basic telephone provision. It is essential that any changes in tariffs do not price people in deprived neighbourhoods out of using the full range of telephone services. The PAT recommends that OFTEL take these factors into account in setting policy for this area.
- The Government needs to develop mechanisms for the continuous identification and promotion of good practice in this area, and should ensure that, by 2001, the following facilities are available and publicised:
 - ICT familiarisation and awareness training for those involved in development of neighbourhood plans;
 - good practice information, both existing and ongoing; and
 - a framework and tools for establishing service level agreements.
- In addressing the needs of poor neighbourhoods, particular consideration needs to be given to BME groups. Local ICT champions and mentors should be drawn from the community they serve, and local provision should reflect the cultural background of the neighbourhood, for example by providing supported home loan of laptops in communities where women find using public facilities difficult.

■ PAT 16 – Learning Lessons

An action team led by the SEU will report on :

- the scope for more secondments of civil servants to work in local authority or voluntary sector projects in poor neighbourhoods;
- how to promote 'twinning' of senior civil servants with poor neighbourhoods or regeneration projects like the NDC to give such areas a contact point in central Government and to develop civil servants themselves;
- the training requirements for future professionals in regeneration and local area initiatives, and new ways of encouraging civic and social entrepreneurs;
- how the people running NDC Pathfinders and other regeneration programmes can be trained and train each other to deliver maximum effectiveness;
- whether there is a need for a 'University of Regeneration', making use of IT and distance learning; and if there is any existing institution that could develop this; and
- models in other countries which the UK could draw from.

Goal:

- to identify the skills, experience and support needed in public agencies and local partnerships to ensure that programmes are designed and implemented successfully and achieve desired outcomes; and
- to prepare an action plan with targets to take this forward.

Key findings

- The PAT concluded that for neighbourhood renewal to be effective, new ways of working need to be developed among three key groups:
 - *people within communities* – encouraging more of them to take up leadership roles and become 'social entrepreneurs';
 - *local practitioners and professionals* – helping them to become more effective at their core jobs and better at working with each other and with local communities; and
 - *national policy makers* – encouraging them to understand, from personal experience, the deprived communities their policies are designed to help.
- The PAT found that: community leaders do not get the support and encouragement they need; professionals are often not equipped to operate effectively in poor neighbourhoods; and civil servants lack a full understanding of the communities they are trying to influence. In addition, there is a lack of entrepreneurship, drive and innovation and no reliable way for local organisations to learn from 'what works'.

- In response, the PAT considered that the following approaches were likely to work best:
 - *in communities* – providing funding, skilled mentoring and training so that many more people are helped to become community leaders and social entrepreneurs; and changing attitudes towards community leadership, within communities, among local professionals and among policy makers, by promoting its importance;
 - *among professionals and practitioners* – improving basic training within professions and making that training more relevant to the challenges of working in deprived neighbourhoods; opening up access to professional groups to people with community experience; and developing and promoting cross-sectoral thinking and working;
 - *among policy makers* – increasing interchange with organisations working in front-line neighbourhood renewal so that policy makers have some direct first-hand experience; and building that into normal management systems – development, appraisal etc. – so that this sort of interchange becomes a routine part of the culture; and
 - *for everyone* – encouraging entrepreneurship and creating a knowledge management system about ‘what works’ in neighbourhood renewal which is validated and readily available to communities, local professionals and policy makers.

Key recommendations

Community leaders

- Recommendations focus on:
 - new forms of funding;
 - a more coherent framework for training, development and mutual support; and
 - new ways of promoting social entrepreneurs.
- DETR should establish a new development fund to support social entrepreneurial activity. This would release small amounts of money to community groups on a step-by-step basis to allow them time to develop initial ideas.
- The SBS in the DTI should establish a national bursary scheme to enable directors of new projects to acquire business and management skills. A strong emphasis would be placed on BME candidates.
- ACU should develop a training and support strategy for entrepreneurs. This would look at existing support, provide mentoring for new ones, and ensure relevant training is available across the country.
- There should be an awareness-raising programme for politicians and public agencies on the benefits of social entrepreneurship. The SEU should consider this recommendation as part of their work towards the National Strategy.
- Social entrepreneurs should be considered for appointment to the boards of RDAs and similar types of organisation, to promote the contribution which social enterprise can make to economic development.

Professionals and practitioners

- Recommendations focus on:
 - initial training of practitioners and professionals; and
 - cross-sectoral and on-the-job training.
- The Government should set up a new National Centre for Neighbourhood Renewal to improve the training of public sector professionals working in disadvantaged neighbourhoods. DETR should complete an initial scoping study on such a Centre by summer 2000.
- Training providers should modify their curricula to place a higher value on the skills and knowledge needed to work in multi-disciplinary teams and partnerships. This should be monitored and inspected by accrediting bodies. DfEE should also require all national training organisations seeking official recognition to place sufficient emphasis on partnership working and tackling cross-cutting problems.
- All regeneration programmes should include adequate time and resources for staff training and development. As a first step, DETR should review the adequacy of current training for GOs and NDC/SRB Partnerships.

Policy makers

- Recommendations focus on:
 - setting targets to increase the numbers of civil servants spending time outside their departments;
 - creating a Civil Service culture which values interchange and secondment; and
 - removing organisational and financial disincentives.
- There should be a substantial increase in the numbers of civil servants with experience outside their home departments. A significant proportion of this outside experience should be focused on social exclusion issues. *All* civil servants working on regeneration issues should, in due course, have some direct experience of the poor neighbourhoods they are trying to influence.
- Each Government department should set annual numerical targets for interchange focused on social exclusion issues. These targets should be monitored by the Cabinet Office's Interchange Unit.
- Public sector employers, training providers, accrediting bodies and National Training Organisations and Inspectorates should take full account of the new approaches to learning outlined in the report and ensure they are incorporated in courses and inspection schedules.

■ PAT 17 – Joining it up Locally

An action team led by DETR will report on:

- what is best practice in local strategic planning to tackle social exclusion and what policy levers are available to foster its wider adoption;
- best models for rigorous use of data and targets;
- the most effective ways of linking in other agencies and organisations at the local level; and
- how local authority plans can be linked upwards to national and regional strategies, and downwards to the neighbourhood level, e.g. to promote more neighbourhood management.

Goal:

- to reach an agreed plan for building on existing area initiatives and local government reform so that in the long term broad based local strategies to prevent and tackle social exclusions become the norm, and good practice is disseminated and acted on.

Key findings

- The problems facing deprived neighbourhoods are multi-faceted and not joined up. A combination of public, private, voluntary and community sector effort is needed to address them. The need to join up is particularly strong at the local (i.e. local authority) level. It is at this level that many core public services do their operational planning, and at which many decisions about allocation of resources are made.
- The problem of poor neighbourhoods is not new. There have been some Government successes in addressing it, but there is little evidence that Government intervention has resulted in a sustained narrowing of the gap between the poorest areas and the rest. This is in part due to failures to generate effective joint working. Past attempts at joint working have floundered because:
 - communities were not adequately involved or empowered;
 - initial joint strategies were not translated into sustained joined up working;
 - too much action was driven by central funding rather than local needs; and
 - central government policies and practices made joint local working difficult.
- This has led the PAT to draw out seven principles for effective joint working in deprived areas:
 - *empowerment is essential*: unless the residents of deprived communities are partners in joint working, nothing will change;
 - *leadership and commitment*: successful joint working needs strong leadership, and involves real – rather than token – commitment from all partners;

- *prevention is better than cure*: joint action should focus on spotting problems some way off and addressing them before they are serious enough to require a more intensive and expensive response;
 - *a radical change of culture is needed*: public service culture needs to move away from focusing on the inputs and outputs of particular services, towards achieving real improvement like better health, and lower levels of crime;
 - *all levels of government need to be involved*: neighbourhoods cannot be expected to find solutions to all their problems on their own. Some factors – like structural economic decline – can only be dealt with elsewhere;
 - *mainstream services are the key*: sustainable change cannot be effected through area-based initiatives alone; and
 - *central government should be a facilitator*: the Government needs to play a role in local joining up. But this should be as a facilitator, not as a director or a distant and disinterested party.
- Evidence also demonstrates the practical importance of: strategic or community plans to focus activity; neighbourhood-based planning and delivery to facilitate change; strong links between strategic and neighbourhood levels of activity; and bending mainstream programme activity to support a joint local vision for tackling social exclusion.
 - Sharing data on individuals can help local agencies to join up their services so that they can better meet the needs of the public they serve. Yet agencies are unsure how to share data without violating data protection law. While there is a need for privacy safeguards, more could be done, and local public sector bodies need more guidance on what they can and cannot do.
 - Targets provide powerful incentives for public sector action. They can either help joining up, or hinder it. Two kinds of targets are necessary to motivate public services to work together:
 - service-specific targets (e.g. for education in deprived areas), to ensure that all services make deprived neighbourhoods a priority. This should provide some impetus to joint working, especially if services recognise their interdependence in achieving related outcomes; and
 - cross-cutting targets, to focus all services on common renewal objectives, ensuring they make helping each other a higher priority.
 - Central government targets alone are not enough. At local level, key targets based on real improvements in crime, health, education and employment should be broken down to the neighbourhood or ward level if possible. Where outcome measures do not reflect fully the effectiveness of public services – e.g. where population mobility makes it difficult to analyse the net effect of intervention – output targets provide an alternative. The new Best Value regime, which covers local authority and police services, provides a good mechanism for driving up local performance.
 - Local authorities have a unique role in facilitating joint working, given their democratic mandate and dual roles as service providers and strategic enablers. The local government modernisation programme provides an excellent opportunity to encourage local authorities to help facilitate a joined up local response to neighbourhood deprivation.
 - A mechanism is needed at local authority level to encourage core public services to work with each other, local residents and the community, voluntary and private sectors, to improve outcomes in deprived neighbourhoods. The PAT's vision is that this role would be played by Local Strategic Partnerships (LSPs).

- These would not necessarily be new bodies, but would be built on existing partnerships, where possible. They could play a role in joining up that goes wider than just neighbourhood renewal, and by serving as an overarching 'umbrella' body could bring coherence to the patchwork of partnerships in many areas.
- These would work in different ways in different places. But there would be five common steps that each would take in drawing up a strategic response to local neighbourhood deprivation. These would be:
 - identify which neighbourhoods need special help;
 - find out what can be done to improve outcomes there;
 - agree a response that meets these concerns;
 - bid for money from area initiatives for cross-cutting needs; and
 - monitor and evaluate progress and maintain dialogue.
- The new framework for local authorities to prepare community strategies with their partners in the current Local Government Bill is likely to drive the creation of LSPs.
- There is also a clear need for effective champions of poor neighbourhoods at neighbourhood level. An important role of neighbourhood champions and neighbourhood managers will be to fight on behalf of their areas when main services are neglecting them or underperforming. The role of LSPs will be critical to success in achieving this.
- Central government has a crucial role in facilitating joining up at the local level. It needs to address concerns about: the effectiveness of area-based initiatives; separate funding streams that make it difficult for local agencies to take a holistic approach; and its failure to act corporately on neighbourhood renewal. Recent PIU studies and the National Strategy address many of these issues.
- Much of the action required to make joining up happen in practice falls to those at the local level. Issues include:
 - improving understanding about how to manage partnership working;
 - new skills and competencies for public sector staff; and
 - breaking down barriers between different professions.
- For local government, the Improvement and Development Agency (IDeA) is well placed to take this forward.
- It is particularly important that groups who are most easily ignored or have fewer resources are involved in local joint action. These include local residents themselves, voluntary and community sector organisations, and BME groups. A lot of this boils down to ensuring that local partnerships are broad and inclusive.

Key recommendations

- Guidance should be produced on the sharing of data on individuals. (This is also a recommendation of PAT 18 (Better Information).)
- The 2000 Spending Review should examine the case for setting Government departments service-specific and cross-cutting deprivation targets broken down to the neighbourhood level. Any new targets should avoid perverse effects.
- At the local level Best Value authorities should be encouraged to build into suitable performance indicators facility for comparison between poor neighbourhoods and the rest, and all relevant public sector agencies should aim to ensure that performance management systems include information about effectiveness in deprived neighbourhoods so that relevant targets for improvement can be set.
- ‘Neighbourhood renewal’ should be a theme for a future round of the Beacon Council scheme.
- Guidance accompanying legislation on the reform of political management structures in local government should encourage the adoption of cross-cutting scrutiny committees on social exclusion issues, and the introduction of area-based structures, focused on poor neighbourhoods.
- Statutory guidance under well-being legislation should be used to encourage local authorities to focus on social exclusion and neighbourhood renewal.
- Well-being legislation should be used to pilot the rationalisation of service and strategic plans, especially where this will aid joining up to tackle social exclusion.
- As part of the 2000 Spending Review, central government departments should review their mechanisms for distributing resources – and in particular the balance between hypothecated and non-specific grants – with a view to facilitating joining up at the local level.
- The 2000 Spending Review should examine area-based initiatives to ensure that they make a greater impact on long-term outcomes in poor neighbourhoods.
- The formation of LSPs should be encouraged – especially in the most deprived areas – to help generate joint working between core public services, residents and community, voluntary and private sectors. They should have the core characteristics set out above, but be flexible to respond to local conditions.
- Statutory guidance on community planning, which will accompany well-being legislation, should encourage local authorities to build LSPs with a specific role in tackling deprivation in deprived neighbourhoods.
- The IdeA should undertake an investigation into the status, careers and training requirements of the local authority managers and workers who play a key role in neighbourhood renewal.
- Guidance on community planning under well-being legislation should encourage local authorities and their partners to assist the voluntary sector to participate in the community planning process.
- This guidance should also make it clear that partnerships need to involve all sections of the community. Specific effort should be made to involve BME representatives.
- The IdeA should look at its role in disseminating best practice in the light of the work of the PATs and the National Strategy.

■ PAT 18 – Better Information

An action team led by the SEU will report on:

- the scope for a coherent cross-Government strategy to get more up-to-date information on deprived areas and collect more of it on a consistent basis;
- how this can be done without generating undue bureaucracy;
- evidence of good practice by individual local authorities, and how this could be spread more widely; and
- the role of RDAs in aggregating area information.

Goal:

- to identify how to overcome the barriers to obtaining quality, small area information and to prepare an action plan with targets to do this.

Key findings

- The SEU's 1998 report set out a sobering picture of life in deprived neighbourhoods. However, what it did **not** illustrate was how difficult it was to obtain and pull together sufficient information from a range of disparate and often incompatible sources to paint a clear picture of conditions in deprived areas.
- No single and up-to-date data resource exists that provides a remotely comprehensive picture of social conditions at the local level. This is not to say that the information does not exist – somewhere. Government collects information about the people and the facilities in these areas all the time, but the benefits of this information often go untapped for a number of reasons (described below).
- The most comprehensive single source of information on socio-economic conditions at the local level is the Census. However, this only paints a partial picture of neighbourhoods, and it only occurs once every ten years. Information from the next Census will only be available in 2003.
- This lack of information presents problems for central government in assessing the strategic challenges it faces, and for local service providers who need to know more about the conditions they have to tackle on the ground. It has created four key problems: lack of awareness of neighbourhood problems and trends among communities, local and national government; poor diagnosis of problems, leading to poor government strategies and resource allocation; new programmes forced to spend time and money collecting new information; and not being able to judge adequately whether policies work.
- Unless small-area information is available, neighbourhood managers and local communities will not be able to tell whether their strategies are working, and central government will not be able to monitor whether its policies are making a difference. Better information will therefore be central to the National Strategy for Neighbourhood Renewal. Comprehensive and good quality information at a small area level, which will provide an up-to-date – and updateable – picture of conditions in neighbourhoods, would enable better understanding of local problems and more effective targeting of solutions.

- The PAT identified a number of general barriers to obtaining good quality information about area deprivation. Some of these include:
 - much of the necessary data is collected by public institutions but is not shared because of confusion about the law, ‘hoarding’ instincts by collectors, concerns about charging and poor ‘information about information’. The Data Protection Act has tended to be seen as one of the biggest barriers in getting the kind of information that is needed. However, this is far less of a barrier than it is thought to be;
 - much of the data that institutions would be willing to share are hard to join up with other data because the institutions use different area boundaries (such as schools catchment areas, police authorities areas, local authority districts, electoral wards, etc.);
 - an agreed system of ‘geographic referencing’ would correct this, allowing data to be re-aggregated on different boundaries. However, no-one is in charge of implementing this, though several institutions are trying to address parts of it;
 - much of the necessary data is not routinely collected at all. There are particular gaps in some of the areas that matter most, including residents views, availability of private sector services such as shops and banks, and data by ethnicity;
 - the Census is the one regular source of information that comes close to what is necessary, but it does not cover all aspects. Carrying it out once every ten years is too infrequent, and it takes time before it can generate meaningful outputs;
 - generally, much of the information is collected to differing definitions and conventions, creating a lack of comparability and consistency between different data sets;
 - data is not given the priority it deserves; and
 - charging for data between agencies has been seen as a potential, and sometimes possibly an actual, barrier to the effective use of data. Charging is currently governed by complex and different agreements between departments, with some data that is free and some that has a cost attached. It is possible that this has hindered wider access and sharing.
- PAT 18 has demonstrated the enormous use that Government and communities could make of comprehensive and up-to-date information about social and economic conditions in local areas. Better information would highlight problems when there was still time to nip them in the bud, would enable better diagnosis and solutions of complex joined up issues, and make it easier for local services and local people to evaluate their efforts and compare themselves with other neighbourhoods.
- Better information is not only necessary but possible. A range of pioneering projects – many from local government – are developing innovative approaches to effective use and management of information. However, these examples are small in number, and have succeeded despite the present state of affairs, rather than because the Government has put in place an adequate framework for information development.
- This is an area where a national lead is badly needed. The PAT therefore presents a strong case for central government to take the lead in drawing together a range of data about small neighbourhoods, that might be called ‘Neighbourhood Statistics’. Drawing on the information that has been sought by other local and central government initiatives, and the issues that have come up in other PATs and the development of the National Strategy, PAT 18 has suggested a collection of data sets that should be considered for ‘Neighbourhood Statistics’.

- The precise content of 'Neighbourhood Statistics' is something on which views are invited during consultation on this report, and more development work would be needed. Some data is already available locally but simply not publicised and shared (e.g. empty property). Other information is available but is harder to assign to geographic areas (e.g. crime data). Some data only comes from national surveys and needs to be 'modelled down' to smaller areas (such as unemployment by age or ethnicity). Some data is not collected routinely at all (e.g. on access to services). Further work will need to assess the costs and benefits of obtaining this data, and to take account of views expressed during the consultation on the report.

Key recommendations

- The Government should attach a high and early priority to delivering a coherent cross-Government information policy and strategy, with particular reference to social exclusion. It should embed practices which regard information as a resource to be shared widely rather than hoarded. This strategy should be co-ordinated by a group of Ministers from key departments across Government.
- Government should ensure that an initial version of 'Neighbourhood Statistics', in the form of a ward-level dataset, is made available electronically at nil cost to users no later than April 2001. This is recognised as an interim measure to provide information support for the National Strategy for Neighbourhood Renewal.
- Following publication of the 2001 Census results during 2002–03 the Government should expand this version to provide a consistent time series of data using Census survey and administrative data in combination, and using a standard geographical referencing system.
- A single organisation, the Office for National Statistics (ONS), should be the operational focus for synthesising and disseminating Neighbourhood Statistics, acting as a focal point for all data held by departments, local authorities and agencies (who will continue to 'own' their data).
- The Census should continue in its present form but ONS should be invited to evaluate whether there is merit in conducting a Census in 2006, and put its case to the Ministerial Group identified above.
- ONS, in conjunction with the Data Protection Registrar, LGA and the Home Office, should prepare guidance on what sharing of statistical data is currently allowed and not allowed, with examples of good practice.
- Central government should ensure that cost is not a barrier to accessing 'Neighbourhood Statistics'.
- ONS should play a lead role in providing training and technical support in the use and interpretation of data. Local government and other agencies should be closely involved.