Housing and Urban Regeneration

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Since 1990, government financial support for area-based private sector housing renewal programmes has been reduced significantly whereas neighborhood regeneration is more firmly rooted in the current government's policies to encourage 'social inclusion'. In present-day urban policy in the UK, neighborhood regeneration strategies are strongly favoured by government, while housing renewal programmes for private owners are in decline.

This paper gives an overview of the historical development of both housing renewal and urban regeneration programmes in UK. It highlights three different types of local intervention: area based housing renewal programmes (Renewal Areas); local programmes under the Single Regeneration Budget (SRB); and similar local schemes under the New Deal for Communities (NDR) launched by the government in 1998. The paper outlines the policy goals and objectives of these programmes; and explains broadly how they work, including the declaration of areas, how the different initiatives are funded, the organizations responsible for implementation, the determination and delivery of local programmes; and the methods used for evaluation. The paper concludes with a discussion of issues relevant to Korea.

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I. Introduction

Housing and urban regeneration programmes in the United Kingdom have a long history. State intervention leading to the renewal of private sector housing dates from the 1850s and has continued to the present day. Urban regeneration programmes are more recent. They have different origins and broader objectives than housing renewal. Urban regeneration began with the Urban Programme in the 1960s which sought to tackle urban deprivation in inner city areas. Since then, the approach to regeneration has been adapted and developed in response to the impact of urban economic decline on British towns and cities. As a result, it has reflected quite strongly the changing political ideologies of different governments. Housing renewal, by contrast, has been much less politically contentious.

For many years private sector housing renewal programmes were concerned with the clearance and replacement of ‘slum’ housing areas but since the late 1960s, the emphasis has been much more on the improvement and retention of the older housing stock.

Urban regeneration programmes usually are concerned with the broader consequences of urban economic decline and with attempts to rebuild a sustainable local economy. They tend to involve large areas of mixed land use which may include areas of industrial dereliction; run-down infrastructure; and sometimes, areas of older private housing\(^1\), or system-built public housing estates\(^2\), now in need of substantial investment. ‘Housing renewal’ and ‘urban regeneration’ policies may differ in their scope and objectives but often both are used together.

Since 1990, government financial support for area-based private sector housing renewal programmes has been reduced significantly whereas neighbourhood regeneration is more firmly rooted in the current government’s policies to encourage ‘social inclusion’. In present-day urban policy in the UK, neighbourhood regeneration strategies are strongly favoured by government, while housing renewal programmes for private owners are in

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1) Usually from the late 19\(^{th}\) and early 20\(^{th}\) centuries
2) Dating from the mid-1950s to the mid-1970s
decline.

This paper gives an overview of the historical development of both housing renewal and urban regeneration programmes in UK. It highlights three different types of local intervention: area based housing renewal programmes (Renewal Areas); local programmes under the Single Regeneration Budget (SRB); and similar local schemes under the New Deal for Communities (NRD) launched by the government in 1998. The paper outlines the policy goals and objectives of these programmes; and explains broadly how they work, including the declaration of areas, how the different initiatives are funded, the organisations responsible for implementation, the determination and delivery of local programmes; and the methods used for evaluation. The paper concludes with a discussion of issues relevant to Korea.

II. The historical background to housing renewal and urban regeneration programmes in the UK

1. Private sector housing renewal programmes

The principles upon which private sector housing renewal programmes are based in the UK are relatively simple and straightforward. There is a statutory minimum standard for the housing stock in England known as ‘the fitness standard’ (Appendix 1). This standard has evolved over many years. Local authorities3) have a statutory duty to survey housing conditions in their administrative areas and when they identify housing which is ‘unfit for human habitation’ they must take action to deal with it. They have three options: to

3) In the United Kingdom, many government housing policies are implemented through local authorities, which are responsible for assessing the housing needs of their districts and devising plans to ensure that needs are met. Since the mid-nineteenth century, local authorities have had responsibility for assessing the quality, or ‘fitness for human habitation’ of the housing in their areas.
improve the property at least to the fitness standard by using a variety of grants, to take enforcement action in respect of the property, (i.e. to require the necessary works to be undertaken through the use of legal procedures), or to include the property(ies) within an area-based strategy. In practice, grants are ‘means-tested’ and are restricted to low-income home-owners while enforcement action, although rarely taken against owner-occupiers, is often used on private landlords.

Discretionary improvement grants for private sector housing were introduced in 1949. They offered a contribution (50 per cent) towards the costs of the works considered necessary to bring the property up to a standard which would give it a future ‘life’ of 30 years. There were re-sale conditions on grants to owner-occupiers and limits on rent increases allowed for private landlords. During the 1950s these grants were used selectively to improve the condition of essentially sound properties but as post-war restrictions eased there was a greater emphasis on the clearance of older sub-standard properties and grants were used as a policy tool to complement clearance programmes. By the mid-1960s area-based improvement was being encouraged in the hope of increasing the effectiveness of improvement programmes by concentrating investment into areas of mainly privately rented housing. This was only partially successful until 1969, when the government overhauled the legislation, increased the amount of subsidy, relaxed grant conditions, introduced a facility to deal with disrepair and strengthened the emphasis on an area approach. These changes established area-based private sector house improvement as a cornerstone of government housing policy with the local authorities being responsible for its implementation.

Further legislation in 1974 introduced additional types of area designations, extended the variety of grants, increased grant contributions (to 90 per cent in cases of hardship) and generally strengthened local authorities’ capacity to develop local house improvement and renewal strategies. Paradoxically, after these measures were approved, the level of activity

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4) Grants which could be given at the discretion of the local authority. Mandatory grants were introduced in later legislation: in these cases the local authority was required to grant-aid certain types of housing improvements, for example, the installation of a running water supply in the house, if none existed.
fell because of deteriorating economic circumstances nationally and internationally arising from the oil crisis.

The next major development came in the late 1970s when the incoming Thatcher government approved a series of experimental programmes to use grant aid on a block-by-block basis. This initiative, known as the ‘envelope’ scheme, enabled local authorities to rehabilitate the external fabric of entire streets of houses at minimal cost to the owners. ‘Enveloping’ was a significant breakthrough. It enabled local authorities, acting as agents on behalf of owners5), to overcome much of the bureaucracy associated with the disbursement of individual grants and to envisage the improvement of whole neighbourhoods in an efficient and effective manner. A small number of local authorities made substantial use of this approach and developed their own variations on it. In Birmingham, for example, the City Council Environmental Health Department developed an approach in three phases. Phase I involved improvements to the exterior fabric of rows of terraced houses. Phase II focused on internal works (including bathroom installation where necessary, re-wiring, and the upgrading of kitchen facilities). Phase III saw the completion of the project with environmental works to the curtilages of the properties and to the streets and pavements. The Thatcher government was keen to sustain and to promote home-ownership and by the mid 1980s a high level of public expenditure was devoted to private sector house improvement programmes.

These levels of public expenditure were not to last. Immediately after its re-election in 1987, the Thatcher government curtailed expenditure and new legislation was introduced in 1989 which heralded a change of direction in policy. Means-testing of grant aid was introduced for the first time but grants became mandatory for those living in ‘unfit’ property whose income levels qualified them for assistance. The ‘envelope’ scheme was replaced in a comprehensive overhaul of the different types of grant and the area designations6) under the Housing Act 1974 were replaced by ‘Renewal Areas’ (RAs) which were to be subject to a systematic process of appraisal and declaration. RAs were

5) Both owner-occupiers and landlords.
6) For example, the ‘Housing Action Area’ or HAA.
intended to be much larger than previous improvement areas, such as HAAs, in an attempt to involve the private sector in their implementation. New grants were introduced to assist elderly and disabled persons in particular. But thereafter levels of government expenditure were severely constrained and this, coupled with the promise of mandatory (though means-tested) grants, soon caused problems: local authorities were faced with having to process and prioritise thousands of grant applications. Mandatory grants for improving unfit housing were abolished in 1996, though local authorities are still able to give discretionary grants to those who qualify for them.

The limited funding for improvement grants in the 1990s had three main impacts on local authority programmes for private sector housing renewal. First, there was a move away from area improvement towards improving individual properties. Second, the objectives of housing renewal programmes were often widened to include new concerns, such as the environment and energy efficiency, and to underpin other programmes, for example, ‘Care in the Community’. Third, was a growing recognition that effective renewal programmes required a ‘neighbourhood’ focus in which house improvement was only one of a number of improvements that needed to be made. Thus, housing renewal increasingly lost political prominence to higher profile urban regeneration initiatives.

Currently, the level of grant-aided private sector home improvement activity is low. The present government, however, has announced yet another major upheaval for private sector renewal programmes. It is proposing to introduce a mixed funding regime of grants and loans for house improvement; to remove the prescriptive system of various types of grant aid in favour of a general power to local authorities to give grants and loans for the purposes of home repair and improvement; to replace the ‘fitness’ standard with a new ‘Housing, Health and Safety Rating Standard’ which will ‘rate’ how residents are affected by housing defects; and to introduce a system of mandatory licensing for Houses in Multiple Occupation. Legislation on these matters is expected shortly.

7) A programme designed to provide care for elderly people in their own homes rather than institutions.
8) Dwellings in the private rented sector which are subdivided and let to a number of households.
2. Urban regeneration initiatives

Urban regeneration in the UK has its origins in the Urban Programme which was initiated in the mid-1960s in an attempt to deal with the pockets of deprivation which remained in the older, inner areas of British towns and cities, despite the supposed benefits of the post-war welfare state. The idea of the Urban Programme came from the USA where poverty at the time was largely seen as an aberration, a situation where the reason why people remained poor in an otherwise wealthy society was due to their own inadequacies. Consequently the Urban Programme was a package of measures focussing on local area initiatives and designed to prevent people falling through the ‘safety net’ of the welfare system.

In the late 1960s and early 1970s, two experimental projects were initiated by the government to ascertain the causes of poverty and to draw up appropriate anti-poverty strategies. One project became highly politicised and rejected its terms of reference in favour of a structural analysis of poverty associated with the decline of the older manufacturing sector of the British economy. Elements of this analysis were taken up by the second project which reported in the mid-1970s. Its conclusions were incorporated into government policy in 1977, resulting in a scaling down of the New Towns programme and tentative steps to re-direct government investment back into inner city areas. The Inner Urban Areas Act 1978 marked a significant change in policy. Area based measures of income support and investment in social projects in deprived areas were replaced by a greater emphasis on administrative co-ordination through ‘partnerships’ and on attempts to encourage new industrial investment in ailing local economies.

The emphasis on economic regeneration also found favour with the Thatcher government, elected in 1979: it inclined towards partnership led by the private sector rather than local authorities. The Urban Programme was continued and expanded but its emphasis throughout the 1980s was on local economic development and an enhanced role for the private sector. Many agencies, task forces and initiatives were set up during the 1980s and these began to develop an emphasis on ‘property-led regeneration’. Broadly this
implied the adoption of the American concept of ‘leverage’, using modest sums of public money to generate much larger sums of private investment. In many cases, quasi-government agencies, such as Development Corporations\textsuperscript{9}, were established in place of local authorities to take control of large areas of inner city dereliction. They had the power to use public money to reclaim sites, create a new infrastructure of roads and other services, divide the site into marketable plots and then dispose of them to private industrialists, entrepreneurs and property developers. The theory was that this ‘created’ wealth which could then be re-deployed or used to cross-subsidise other less commercially viable projects. This wealth would then ‘trickle down’ through the economy enabling more investment and the creation of more jobs which ultimately would benefit the poorer sections of society. It led to debates about ‘gearing ratios’, (the use of public money relative to private investment) and sometimes to exaggerated estimates of the leverage that might be achieved. Naturally these projects had considerable impact on urban property markets and by the end of the 1980s rapid inflation led to a catastrophic nation-wide collapse in property prices.

The weakness of the Urban Programme during the Thatcher period was that, within the context of declining public investment, more emphasis was placed upon underpinning private markets than on tackling the problems of urban deprivation. Successful schemes brought disused land into use and transformed the appearance of derelict areas, but their impact in creating genuine economic opportunities for the urban poor was negligible. There were, however, important legacies, notably the focus on the urban economy, the potential usefulness of local partnerships and an acceptance of the need for private sector investment if longer-term solutions were to be found.

A review of the Urban Programme by the Government appointed but independent Audit Commission in 1989 complained of ‘a patchwork quilt of complexity and idiosyncrasy’ and from the early 1990s there was a major restructuring of urban policy. The new approach marked a clear break from the experimental welfare initiatives of the 1960s and

\textsuperscript{9} For example, the London Docklands Development Corporation.
1970s and the property-led, market driven model characterised by wealth creation, growth and the ‘entrepreneurial’ culture which dominated the 1980s. The most important ingredient of the new approach was the ‘culture of competition’, in other words, ‘competitive bidding’ for a limited pool of resources. The City Challenge scheme, the first of a series of initiatives, was launched in 1991. This was a government scheme inviting local authorities with the most serious urban problems to bid for resources. After several years during which the role of local authorities in regeneration had been subordinated to the private sector, central government had once again restored the key organisational role to local authorities. They were to facilitate a partnership approach to the regeneration of disadvantaged areas based upon enterprise and vision, opportunity and incentive. The guidelines given to local authorities required them to:

- Target disadvantaged areas with development potential;
- Develop ‘practical partnerships’ which would draw together public and private resources; and
- Create comprehensive programmes to improve opportunities for residents and regenerate disadvantaged areas by re-establishing the links with the mainstream economy.

There were two stages to the City Challenge bidding process: first, there were to be ‘comprehensive but succinct outlines’ describing the vision for the area, the programme for regeneration, the process, the outputs, the costs and so on. This was to take the form of a panel presentation to the Minister and civil servants. Bids selected to go on to the second stage were required to produce elaborately detailed proposals in a phased programme over five years showing how the programmes would be implemented and how they would overcome the problems of disadvantage affecting the area. Those successful at stage two were then required to establish a separate company to implement the programme.

City Challenge was conducted for only two years before another major change of urban
policy took place: this introduced the Single Regeneration Budget Challenge Fund (SRB) in 1994. The SRB was created by merging together twenty, hitherto separate, programmes and budgets. It inherited many of the key features associated with the City Challenge programme: the bidding process, the requirement for partnerships, the focus on local economic development and the principle of ‘leverage’ or ‘added value’ as it was referred to in SRB. But it also discontinued the practice of targeting resources for regeneration on priority urban areas based on assessments of need. For the first time, the SRB programme encouraged an open competition for resources across the whole country to allow consideration of factors such as social isolation in rural communities, or the vulnerability of small towns dependent on one or two large employers. SRB schemes were to encourage ‘multi-sectoral partnerships’ but in practice, there remained a predisposition in government in favour of business sector leadership. The schemes were launched with the aim of achieving the following kinds of objectives:

- Enhancing local employment prospects and the education and skills of local people;
- Encouraging economic development and improving the competitiveness of local economies;
- Improving housing through physical improvements, greater choice and better management;
- Promoting initiatives of benefit to ethnic minorities;
- Tackling crime and improving community safety;
- Improving the quality of the environment and local infrastructure.

For several years after 1994, SRB schemes were the government’s principal means of implementing urban regeneration programmes. But a number of commentators were highly critical of the SRB approach. Their criticisms included:

(i) Inadequate resources. While the SRB had brought together the budgets for a number of existing programmes, the overall budget had been reduced and the
expansion of the scheme to include the whole country (not just urban areas) meant that resources were being spread too thinly to make any real impacts.

(ii) The bidding process was hugely wasteful of resources with large numbers of professional staff engaged on the development of bids which had little chance of success. Moreover, it encouraged the inclusion of unachievable objectives in terms of gearing ratios, employment opportunities to be generated and so on, in order to win projects.

(iii) The ‘dishonesty’ of a process which was supposed to engage with local communities but at the same time required the preparation of a very detailed five-year action programme. In practice, this meant encouraging communities to participate in developing programmes which were already largely decided. As a result there was little genuine participation by inner city communities and minority ethnic groups were almost ‘by-passed’ by the process.

(iv) Monitoring of the projects became ‘Kafkaesque’. Further financial allocations were dependent upon the successful disbursement of funds to achieve targets set years previously, which meant the objectives of the projects became subverted in order to achieve expenditure targets.

When the Labour government came to office in 1997 it might reasonably have been expected to scrap the SRB programme altogether, but in retrospect, it is apparent that the government did not have a coherent set of policies for tackling the issue of urban regeneration. A Social Exclusion Unit\(^\text{10}\) was established in the Cabinet Office with responsibility for improving understanding of the key characteristics of social exclusion and promoting solutions. For the time being the SRB programme was retained, subject to a number of modifications. These were:

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10) ‘Social exclusion is a shorthand term for what can happen when people or areas suffer from a combination of linked problems such as unemployment, poor skills, low incomes, poor housing, high crime, environments, bad health and family breakdown. The Social Exclusion Unit (SEU) was set up in December 1997. Its remit is to help improve Government action to reduce social exclusion by producing ‘joined up solutions to joined up problems.’ (Cabinet Office 2001)
The creation of a regional economic framework within which SRB bids could be considered. This was to be achieved through the newly established Regional Development Agencies (RDAs)\(^\text{11}\);

- The retention of the competitive bidding process but on a ‘managed’ basis with 80 per cent of funds targeted on the 65 most deprived local authority areas and the remaining 20 per cent available for other ‘problem’ areas;

- The decision to locate community involvement at the centre of future programmes with ‘capacity building’ funds to support this as a key element of the budget.

Four years later (in 2001) the SRB programme is still with us, but only just. In the meantime, however, the Social Exclusion Unit has published a series of reports aimed at developing a national strategy for neighbourhood renewal, (SEU, 1998; SEU 2000 and SEU 2001). The strategy confirms the role of RDAs in developing regional regeneration strategies and henceforth in processing bids for SRB funds. It also sets out a programme of action for dealing with deprived neighbourhoods as well as generating an array of new initiatives. The most important of the new neighbourhood based programmes is the ‘New Deal for Communities’ aimed at bridging ‘the gap between some of the poorest members of our society and the rest of Britain’, (DETR, 2000). The programme addresses five themes which are common to deprived neighbourhoods:

- Tackling ‘worklessness’;
- Improving the health of residents;
- Reducing crime and enhancing security;
- Raising educational achievement and improving skills; and

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\(^{11}\) Regional Development Agencies were established in England in April 1999. There are nine regions, including London, where the RDA was established in July 2000. Their aim is ‘to co-ordinate regional economic development and regeneration; enable the English regions to improve their competitiveness; and to reduce the imbalances that exist within and between regions’. The equivalent but more autonomous bodies in other parts of the UK are the Scottish Parliament, the Welsh Assembly and the Northern Ireland Assembly.
• Improving housing and the physical environment.

New Deal programmes are similar in principle to the revised SRB projects in that local partnerships are a pre-requisite and they remain subject to a complicated bidding process and a detailed programme of work. But unlike the large-scale mixed use areas tackled by SRB, the targeted areas for New Deal are established neighbourhoods and communities. They are also some of the most deprived neighbourhoods in the country according to the national Index of Local Deprivation (ILD).

These two programmes (Single Regeneration Budget and New Deal for Communities) together constitute the government’s main area-based initiatives for tackling run-down neighbourhoods, but within them they may include specific housing renewal programmes, such as Renewal Areas. In the remaining part of the paper we examine how each of these programmes works, looking first at a Renewal Area, then at a New Deal for Communities project and, finally, at an SRB programme. In conclusion, we highlight some of the most important issues for consideration in Korea.

III. Renewal Areas: an area-based approach to the renovation of areas of older private housing

1. Introduction

Renewal Areas (RAs) are the government’s recommended approach to area-based private sector housing renewal. They are an important and integral part of local authority housing and urban renewal strategies. Over 80 RAs including 120,000 houses have been declared by 46 local authorities in England since the legislation was introduced in 1989. Guidance to local authorities in establishing RAs was originally provided by the Department of the Environment[2] in Circular 6/90 and this has subsequently been replaced
by Circular 17/96, *Private Sector Renewal: a Strategic Approach*. A comprehensive evaluation of RAs was carried out by DOE in 1995/6 and published in 1997 (Neighbourhood Renewal Assessment and Renewal Areas, DETR).

2. Goals/objectives of RAs

The principal aim of RAs is to improve the condition and amenities of older private sector housing in areas where poor housing is concentrated and where it is likely to be accompanied by economic, social and environmental problems.

Other objectives may include factors such as:

- Seeking to restore market confidence in an area to reverse the process of decline;
- Developing additional social and economic programmes to improve the sustainability of low-income owner occupation in an area.

There is potentially a wide range of objectives for area based programmes depending on their role and function, for example, seeking to reduce the incidence and potential for criminal activity, such as burglary; reducing the level of overcrowded housing in an area; bringing derelict land or under-used premises back into use; and improving the energy efficiency of dwellings.

3. Pre-declaration requirements for an RA

RAs are time-limited programmes specifically directed at particular housing problems. There are criteria which local authorities are advised to follow in determining an RA.

12) Following the General Election of 1997, The Department of the Environment (DOE) was reorganised to form The Department for the Environment, Transport and the Regions (DETR). After the Election in May 2001, a further reorganisation created The Department for Transport, Local Government and the Regions (DTLR). DLTR is now the responsible Department for Housing and for Regeneration Programmes.
They include potential size (number of properties), the proportion of housing privately owned and other indicators, such as housing affordability. But the criteria may be varied and have recently been made much more flexible.

The most important element of the pre-declaration process is the Neighbourhood Renewal Assessment (NRA). This is a systematic and comprehensive appraisal technique designed to evaluate whether an RA designation is the 'most suitable course of action' for dealing with the housing problems of an area. Comprehensive guidance for local authorities exists elsewhere (Neighbourhood Renewal Assessments Guidance Manual, DOE, HMSO, 1992) but the NRA provides a detailed appraisal methodology which draws on economic, social and environmental factors in arriving at a preferred option.

If the declaration of an RA appears to be the best way forward then local authorities may establish the boundaries of an area and must publish their intentions, disseminate information widely within the area and undertake consultations with residents and other affected parties. Once the local authority, after widespread consultation on the approach, is satisfied that the declaration meets the statutory requirements and is the most appropriate way of dealing with the local problems, it may declare the area as a Renewal Area. If the area does not meet the statutory requirements, a special case has to be made to the DTLR\(^{13}\).

4. Post declaration

In preparing its NRA a local authority will have established a clear implementation strategy for the area. This is likely to include both the physical upgrading of the area, and social and economic programmes. Corporate working amongst the statutory authorities will be required to co-ordinate and improve local service delivery; to achieve an inclusive, community based approach supported by local residents; to deliver a partnership approach with other important potential contributors to the programme, such as local businesses,

\(^{13}\) See footnote 11.
voluntary agencies and other housing providers; and to mobilise as much support and financial assistance as possible.

When implementing a local RA strategy local authorities also have a variety of statutory tools available. These include different types of grant aid for house improvement (for example to install new facilities such as bathrooms); improving the energy efficiency of dwellings; or providing aids and adaptations in housing occupied by the elderly or disabled. Other types of grant are available for environmental improvement or for the provision of neighbourhood amenities. RAs also confer greater flexibility for local authorities in undertaking other forms of statutory intervention, such as serving Clearance Notices in respect of ‘unfit’ housing or derelict land and to assemble sites for productive use. There is also a range of powers to ensure that private landlords carry out the necessary repairs to their properties and continue to manage them well. Local authorities may also introduce local traffic management schemes to protect residential areas from heavy traffic; or ‘traffic calming’ measures to ensure that cars do not speed through them. Often, local authorities will use these powers as a means of attracting other grants and financial assistance; and to gain support, for example from local residents in order to make their renewal strategies more effective and robust.

RAs have an expected life of ten years and local authorities are required to monitor the performance of RAs over their lifetime. Reports must be prepared and publicised at intervals of no more than two years. Typically, local authorities are expected to develop a number of ‘Performance Indicators’ against which to measure outputs in the area. Good practice suggests that proper evaluation also requires an assessment of the ‘outcomes’ of the exercise in addition to a selective series of ‘outputs’. For example ‘who benefited?’ as well as ‘how many houses improved?’.

Experience shows that as long as RAs are actively ‘serviced’ by local authorities they work quite well. But once the project ends, many of the activities resulting from the initiative will be at risk unless the local authority has an effective ‘exit’ or ‘succession strategy’. This implies establishing other institutional structures that will survive after the completion of the project and continue to sustain the community in the future. The
continued presence of a local housing association\textsuperscript{14), or a local neighbourhood management initiative can be helpful here.

5. Financial support

No public resources are dedicated specifically to RAs. They are funded as part of a local authority’s capital programme for housing. Local authorities must prepare annual Housing Strategies which identify local housing problems and put forward appropriate solutions. Until recently, local authorities were required also to submit bids for capital funding to DETR, based on their proposed local housing programmes. These ‘Housing Investment Programmes’, in effect, were requests to DETR for permission to borrow against the capital costs outlined in the local housing programme. The local authorities’ bids were never approved in full by central government and one consequence of this is that the capital programme for private sector housing renewal has been substantially reduced over the last decade or so. This has seriously limited the number of RA declarations. As a result, astute local authorities have tended to develop a ‘resource mobilisation strategy’ when starting an RA. Such strategies aim to use public sector housing programme funds as ‘leverage’ for other funds, including other UK public funds, European Union funding and, where possible, private sector finance.

Until now, the main financial support for house improvement has been through discretionary improvement grants paid to individual households. Since means-testing was introduced in 1989, grants have been targeted to those on low-incomes living in poor housing conditions. The present government, however, has recently announced its intention to overhaul comprehensively the system of grants for private sector housing renewal and to replace it with a more flexible approach which will seek to draw in a greater amount of private finance from households themselves. If enacted, this will be a major change in the funding of private sector house improvement programmes in England.

\textsuperscript{14) A Registered Social Landlord (RSL).}
6. Responsible bodies for delivering the programme

The responsible body for drawing up, and implementing, private sector housing renewal strategies, including RAs, is the local authority, usually through the housing/environmental health service. The approach advocated by government, however, is to establish local ‘partnerships’ in the hope of mobilising all available assistance to secure the effective implementation of RAs. This means establishing local committees to assist with the formulation and implementation of various aspects of local programmes and seeking to involve other ‘stakeholders’ within the community to support the local RA strategy.

7. Evaluating Renewal Areas as an approach to the renewal of older housing areas

In 1997, the DETR published the results of an independent evaluation of RAs which concluded that:

‘Renewal Areas are a successful way of dealing with a wide range of local and national objectives for urban renewal. They provide a robust framework for the delivery of integrated action by many different public and private sector agencies. They are vehicles for the development and empowerment of communities. At their best they achieve sustainable improvement over a wide range of objectives, and even at their least effective they still tackle problems of private sector stock condition better than other initiatives’ (DETR, 1997).

The evaluation highlighted that RAs were not simply about housing, but also involved economic regeneration, planning, social and environmental issues. However, the absence of dedicated funding for RAs was seen as a problem.

The main recommendations of the evaluation included giving RAs a much higher profile and level of support than hitherto. Other important recommendations included encouraging
commitment to strong leadership; joint working with other agencies and ‘stakeholders’; the use of area-based teams with multi-disciplinary skills; and the importance of adopting an entrepreneurial approach to the generation of funds.

IV. Local projects under the New Deal for Communities programme

1. Introduction

The New Deal for Communities (NDC) programme was announced to coincide with the publication of the Social Exclusion Unit’s first report entitled, ‘Bringing Britain Together: a national strategy for neighbourhood renewal’ (SEU, 1998). The NDC sought bids from 17 local authorities with the highest levels of deprivation according to the national Index of Local Deprivation (ILD) to establish ‘pathfinder’ projects which would determine programmes of action in their most deprived neighbourhoods in order to improve the skills and opportunities of the local population and regenerate the infrastructure of these areas over a ten year period. The establishment of local community-based partnerships is a pre-requisite for eligibility. The partnerships are to:

- Identify an appropriate neighbourhood (irrespective of tenure);
- Analyse what is wrong and what needs to be done;
- Develop a programme of action that will involve the whole community.
- Establish an appropriate organisation with responsibility for implementing the plan; and
- Make a phased bid for resources.

Most of the local authorities involved in the first round of bidding have now successfully completed their bids. A further 22 bids have been invited in the second round of the programme.
2. Aims/objectives of the programme

The principal aim of the programme is to narrow the gap between the economic and social opportunities available to people in deprived neighbourhoods and those in the rest of the country.

The five key objectives of the programme are to:

(i) Reduce levels of ‘worklessness’ and improve prospects for the employment of the local population through training and job creation.

(ii) Reduce health inequalities by improving access to primary health care and preventative health services.

(iii) Tackle the incidence of crime and drug related activity in order to reduce the amount of burglary, vandalism, anti-social behaviour and drug-related crime; and to improve security.

(iv) Raise educational achievement by improving home-school links, working with alienated children and encouraging adult education.

(v) Improve housing and environmental standards by refurbishing run-down estates, demolishing property where necessary and improving the standards of housing and neighbourhood management.

As with other neighbourhood based programmes there is also a wide range of other possible objectives for NDC programmes. Those referred to in the guidance documentation, for example, are to:

- Foster community spirit within the neighbourhood by promoting cultural and sports programmes, develop ‘capacity building’ initiatives and encourage ‘positive’ community relations.

- Improve access to information technologies so that these communities are not
excluded from the information revolution.

- Encourage enterprise by making it easier for people to get help with business start-up programmes and to promote community businesses and local co-operatives.

- Provide care and support for families with young children to encourage early learning and ensure that young children thrive and are not disadvantaged by the time they reach school.

3. Pre-declaration activity the bidding process

The bidding process for NDC programmes is in three phases. Phase I (3 months) provides the opportunity for ‘local people, groups and bodies’ within the eligible local authority area (prescribed by government on the basis of the Index of Local Deprivation) to form a partnership, select a neighbourhood and draw up some preliminary proposals for submission to the Government Office for the Region (GOR)\(^{15}\). Fundamental to the success of this submission will be that the local partnership genuinely involves the local community.

Phase II enables selected partnerships to receive funding support from their GOR to produce a detailed local plan setting out the strategy for the neighbourhood. Partnerships may use consultants to assist with this process or undertake support studies. The partnerships have six months in which to submit detailed delivery plans to their GOR. The detailed delivery plans are expected to analyse the problems of the neighbourhood and show how these problems will be dealt with. Accordingly the local partnership will identify baseline information about the neighbourhood and the main problems associated with it. It will draw up a detailed plan of action, highlighting individual projects and associated costings for the first three years of the projects, with a further ‘forward look’ over the medium and long-term. The partnership will also seek to demonstrate what the outcomes of the detailed action plan will be and how this will improve circumstances in the neighbourhood.

\(^{15}\) In England, there are nine Government Offices for the Regions, covering the same geographical areas as the Regional Development Agencies.
Phase III involves the approval of government ministers and the offer of funds, allowing the programme to be implemented.

4. Post-declaration

The detailed delivery plan sets out the programme of action over the next three years with a ‘forward look’ beyond that. The kinds of programmes that are being developed are illustrated by the first NDC project in Birmingham, the Three Estates project in the suburb of Kings Norton, on the southern outskirts of the city. The Three Estates project has identified ten different programme areas, namely: Work; Health; Community Safety; Education; Child Care; Youth; Housing; Environment; Transport; and Community Development.

Looking more closely at the proposals for reducing ‘worklessness’, the level of unemployment on the three estates is 10.3 per cent compared to 8.8 per cent at city level and 3.6 per cent nationally. One of the project targets is to reduce the unemployment ‘gap’ by 25 per cent in 3 years, 50 per cent in 5 years and to improve employment prospects on the estates by 10 per cent above city levels after 10 years. It intends to achieve this by taking the following courses of action

(i) Linking residents with employment opportunities in employment ‘growth’ areas nearby.
(ii) Providing employment advice, support and mentoring appropriate to the project area.
(iii) Promoting the residents of the Three Estates to prospective and future employers.
(iv) Removing barriers to employment, namely, improving education and skills levels, overcoming the inadequacy of transport infrastructure and initiating appropriate

16) The three estates of Pool Farm, Primrose Hill and Hawkesley have about 4,300 households and a population of about 11,000. The area consists mainly of local authority housing (including multi-storey and maisonette blocks) built between the late 1950s and the mid 1970s to rehouse people displaced as a result of the City’s slum clearance programme. About three-quarters of the housing is owned by the local authority and housing associations. The remainder is privately owned, mainly through Right-to-Buy purchases by former local authority tenants.
childcare provision.

(v) Developing the ‘social’ economy to promote and develop social entrepreneurship.

In turn this will require initiating the following projects:

- A residents’ skills and aspirations survey;
- A local jobs Training Service; and
- A local jobs support and advice centre.

DETR has provided detailed guidance to the local partnerships on how to commission and operationalise these local programmes; to account for the finances; and to monitor progress of the schemes. Very close control of the projects is exercised by the GOR through six-monthly reviews and detailed annual reports. Local partnerships themselves are expected to conduct an evaluation of their projects on completion (or at intervals in the case of long-term projects) and to compare the outputs and outcomes achieved with those set out in the delivery plan. Great importance is placed on the ‘targets’ and ‘milestones’ in the delivery plan as a means of ensuring the NDC programme is on track and delivering the agreed projects and services.

As the NDC programme develops it will be subject to continuous review and adjustment. The government has made clear, however, that continued public funding will be dependent on good performance by the partnerships. The ‘forward look’ or medium term programme will need eventually to be operationalised in the same way as the detailed programme. It will be subject to the lessons learned during the earlier phase. The government requires partnerships to include most of their capital expenditure during the first five years of the life of the projects so that renewed infrastructure is in place near the beginning rather than the end of the projects.

5. Financial support

The government expects that each of the NDC projects will require direct financial
support from public funds of between 20m and 50m over their ten-year lives. The Birmingham project has been allocated over 50m. As with RAs, however, it is the government’s intention that this public funding should be used to stimulate other investment, notably from the private sector. Funding is made directly available to the ‘accounting body’, which may be one of the partners, or an agency working on behalf of the partnership. This body is ultimately responsible for all financial matters associated with the project.

6. Responsible bodies for delivering the programme

The government regards genuine local partnerships as a pre-requisite for success with NDC projects. It wants, ‘local people, local businesses, community and voluntary organisations, schools and further education colleges, local authorities and public agencies to work together in inclusive partnerships’, (DETR, 1998). A local partnership will establish a Board to oversee the project, which is implemented and managed by a team accountable to the Board. The ‘pathfinder’ projects have shown that local authorities usually have a key role in establishing local partnerships and in disseminating information about the projects.

7. Evaluation of NDC programmes

NDC programmes have only recently begun and there are, as yet, no overall evaluations of the programme. Local NDC programmes will be subject to ‘scheme evaluations’ by DTLR at intervals of 3 years and 6 years and on completion of the programme. There will also be a national evaluation of the NDC programme.

17) The first 17 projects announced 1998 are referred to as the ‘pathfinder’ projects. A second round of 22 projects was announced in 1999.
V. Single Regeneration Budget Programmes

1. Introduction

The Single Regeneration Budget (SRB) began in 1994 by bringing together a number of programmes with the aim of simplifying and streamlining the assistance available for regeneration. The programme has experienced a number of changes since then, but in 1999 responsibility for its administration was transferred from Government Offices for the Regions (GORs) to the newly formed RDAs. Each RDA has produced a regional economic framework to inform bids under the SRB programme, but from the current year (2001/02) the RDA will use the remaining uncommitted SRB resources to fund schemes which help to deliver their Regional Economic Strategies. SRB projects already approved will continue to be funded for the remainder of their intended life: that is, until 2006/7 for the most recently approved projects.

2. The goals/objectives of the programme

The latest round of bidding guidance from DETR, (1999), describes the SRB programme as ‘an important instrument in the Government’s drive to tackle social exclusion and promote equality of opportunity’. Its priority is ‘to improve the quality of life of local people in areas of need by reducing the gap between deprived and other areas, and between different groups’.

Its operational objectives are very similar to those of the NDC programme. They are:

- Improving the employment prospects, education and skills of local people;
- Addressing social exclusion and improving opportunities for the disadvantaged;
- Promoting sustainable regeneration, improving and protecting the environment and infrastructure, including housing;
- Supporting and promoting growth in local economies and businesses; and
- Reducing crime and drug abuse and improving community safety.
3. Pre-declaration activity the bidding process

SRB schemes were intended originally as large-scale, comprehensive regeneration programmes but over the years, many schemes have been approved for relatively modest sums of money. Since 1998, 80 per cent of new SRB funds have been targeted on comprehensive schemes in the most deprived areas, as measured by the Index of Local Deprivation (ILD). The ILD defines 65 local authority districts as the ‘most deprived’ in the country and these are specified in the bidding guidance. The remaining 20 per cent of the budget is available to fund successful bids from other ‘areas of need’ such as rural areas, former coal-mining areas and coastal towns.

There are strong similarities between the bidding guidance for the SRB and the NDC programmes. In both, there is a requirement for local partnerships, which must include the local community; and for the preparation of comprehensive programmes which demonstrate how they are to overcome local economic problems.

The main differences between SRB and NDC bids are in the type of areas to be proposed for projects. SRB projects are targeted at areas ‘big enough to sustain a critical mass of activity but not so big that the impact is lost’. They must show that they are consistent with the RDAs Regional Economic Strategy; that they have strong links with other regeneration plans; and that they are led by a competent body such as a major public service provider. The bidding process itself is slightly different from NDC projects, in that only a two-stage process is involved: first, an expression of interest which, if approved by the RDA, can be developed into a final bid.

The SRB programme recognises that community representatives are less likely to have access to the funds, facilities and support of other partners. For this reason an allowance is made within the bids for ‘capacity building’ within the local community and up to 10 per cent of the total approved grant may be set aside for this purpose to take place relatively soon in the programming of the strategy.
4. Post-declaration activity implementing the regeneration strategy

As with the other area based programmes, a detailed local delivery plan is required as part of the bid process. This is likely to include investment in the following areas:

- Education, employment and ‘lifelong learning’- the government is strongly committed to raising levels of educational attainment for all age groups. Current programmes provide assistance and support to families with young children through to the ‘lifelong learning’ initiative for those wanting a mid-career change or new skills to cope with the changing economic environment.

- Enterprise again the government is keen to encourage the growth of enterprise particularly amongst deprived communities. The SRB scheme encourages the formation of links with other funds and agencies able to provide support for training, business start-ups, and community businesses.

- Health emphasis is placed on improving the provision of primary health care to reduce current inequalities in provision between deprived communities and the rest of society. Encouragement is also given through SRB for local partnerships to establish links with other locally based projects such as Health Action Zones.

- Crime reducing criminal activity and the fear of crime is often an important part of SRB programmes. This may be achieved through local ‘community safety’ programmes organised in collaboration with the police.

- Drug misuse drug misuse is another potential problem requiring specialised support. SRB partners are urged to work with local Drug Action Teams established for this purpose.

- Housing both public and private housing areas may be found within some of the larger SRB areas and these require the assistance of the local authority in initiating upgrading programmes within their own stock or through private sector housing renewal programmes. The funds for these programmes are often derived from non-SRB budgets.

- Neighbourhood management the work of the Social Exclusion Unit has highlighted that in relatively deprived neighbourhoods, whether in the public or private sector, it
is beneficial to have a neighbourhood management presence. The government has recently initiated a Neighbourhood Management Pathfinders’ project to explore various options in introducing the capacity for neighbourhood management.

- Support for ethnic minority communities an area neglected by past SRB projects. The Labour government has given this a higher priority for spending.
- Tourism, culture and leisure arts, sport and cultural activity can contribute to the process of neighbourhood renewal and make a difference to levels of crime, to the health of young people, and to educational and employment opportunities.
- Proposals for improved transport and local infrastructure poor public transport facilities often contribute to the isolation of particular neighbourhoods and proposals to improve services are imperative to the successful regeneration of an area. Similarly, areas of industrial dereliction often require treatment to the sites and the renewal of infrastructure in order to bring them back into use.

The requirements for a detailed delivery plan and close monitoring by the RDAs are very similar to those described for NDC schemes. There is the opportunity within SRB schemes for a ‘Year Zero’, which means the project will have one year during which to establish management arrangements, ensure ‘capacity building’ training for local communities and so on. During that year there will be no funding.

5. Source of funds

SRB funding is now provided through the Regional Development Agencies (RDAs). Formerly it was administered through the Government Offices for the Regions (GORs). The amounts approved vary considerably from a few thousand pounds to 30m or more in a few major projects involving comprehensive regeneration. The period of funding is for a maximum of seven years, with the emphasis on most capital expenditure being incurred within the first five years. As with each of the other programmes mentioned, however, SRB funding is intended to ‘lever’ other funds, both public and private, and funding from the European Union.
6. Responsible bodies for administering the programme

The government has encouraged local partnerships to submit project bids and private sector bodies as well as public service providers have been encouraged to take a lead. In practice, local authorities have taken the lead role on most of the approved projects (53 per cent in round one, rising to 60 per cent in round three); but Training and Enterprise Councils (TECs)\(^{18}\) have also taken the lead in a significant number of successful bids (23 per cent in round one, but declining to only 7 per cent in round three). The Community and Voluntary sector is obviously increasing in confidence: having led in only 5 per cent of bids in round one, its share doubled to 10 per cent by round three.

The structure of a local regeneration partnership in Sandwell in the West Midlands Region is illustrated in Appendix 2.

7. Evaluation of the SRB programme

Whilst there is an ongoing national evaluation of the SRB programme there has been little published information on the programme since the changes made in 1998 by the Labour government.

The first three bidding rounds of the SRB programme were closely monitored by the Centre for Urban and Regional Studies (CURS) and the results drawn together in a report for the Local Government Association in 1998 (CURS, 1998). The evaluation concluded that, ‘The SRB Challenge Fund is, perhaps, seeking to achieve too much in too many areas with too few resources. The resources available are limited, declining and spread very thinly’ The report went on to argue that the decision-making process with regard to successful bids was often unclear. It welcomed the decision to transfer the administration

\(^{18}\) Training and Enterprise Councils were set up by government in 1991 ‘to foster business achievement and individual enterprise’. In April 2001 they were succeeded by Learning and Skills Councils (LSCs), responsible for all post-16 education and training. The national LSC works through 47 Local Learning and Skills Councils (LLSCs) across England. The responsible government Ministry is the Department for Education and Skills.
from GORs to RDAs and proposed that decisions on bids should be framed within an explicit regional economic strategy. The report acknowledged that the co-operation achieved between various agencies, public and private, in developing bids and in implementing strategies was ‘without precedent, and without doubt, a major achievement.’ Nonetheless, there were seen to be serious problems in genuinely involving local communities, particularly ethnic minority communities, in the local partnership arrangements. It also criticised the declining resources for housing programmes, arguing that ‘the prospects for deprived areas will not improve if efforts to increase the labour market prospects of residents simply result in out-migration’ and ‘investment in housing and living conditions is required to complement economic and employment initiatives’.

The changes made by the Labour government have been more responsive to some of these criticisms than others. For example, SRB is now more targeted towards areas of deprivation; opportunities for ‘capacity building’ have been included in the ‘new’ SRB and are integral to NDC programmes. On the other hand, the allocation of resources to housing has continued to fall. The SRB programme has become increasingly oriented to programmes of economic development and now the programme is the responsibility of RDAs, this trend is likely to continue.

VI. Issues for consideration in Korea

This concluding section of the paper highlights some of the key features associated with area-based renewal and regeneration programmes in the United Kingdom which seem relevant for consideration in Korea.

1. Different approaches for different problems:

British experience with housing renewal and urban regeneration is that an area-based approach is to be recommended. The policies followed in Britain have been based on the
view that different types of area, for example, areas of mixed land use, or areas of older housing, require different types of approaches: This is partly to do with the ownership and use of land and buildings. It reflects also the different nature of the housing stock: for example, an area of 19th century terraced housing presents different challenges to that of a 1960s high rise, system-built local authority housing estate. In Britain the different approaches are enshrined in different legislation, different mechanisms to assist with the process of upgrading and different sources of funds.

A more radical approach is possible. An Urban Development Agency, either national or regional/local, with broad legal powers could undertake all these functions, but with a few notable exceptions\(^\text{19}\) this has not been the practice in Britain.

2. The sustainability of low-income home-ownership

Low-income home ownership is quite widespread in Britain. There is now also a great deal of experience of the upgrading of older housing which suggests that the physical improvement of the housing stock alone is not sufficient to ensure the sustainability of older areas of low-income housing. There are too many examples of areas that have received millions of pounds of grant aid from the government only to fall back again into neglect and disrepair. The present government, like its predecessor, holds the view that owners must take more responsibility for the repair and condition of their properties. To enable this, the government is seeking to introduce a new, mixed funding regime for the repair and maintenance of older private sector housing. It is recognised also that area upgrading programmes must be concerned with both housing and social and economic improvement, which may help to sustain the local economy, so that owners have more chance to earn the necessary funds to maintain their properties. Initial experience of such projects in the UK is that they are not easy to develop.

\(^{19}\) Urban Development Corporations (UDCs) and Housing Action Trusts (HATs) are examples. Both types of organisation cover (or covered) limited geographical areas and were established for a fixed period of years.
3. Lead agencies and partnerships

The system of local government is very well developed in Britain and, despite the process of privatisation which has characterised public policy in Britain for the last two decades, local housing authorities remain the leading agencies for housing renewal programmes in both public and private sectors. The review of area based programmes, however, has shown that for area-based regeneration programmes, local authorities are not always the lead agency and in NDC programmes especially, the government is actively encouraging more community based organisations to take the lead.

In all these programmes, the government places great stress on ‘partnerships’, particularly where local social or economic programmes require the technical assistance of other parties, such as the police in ‘community safety’ programmes, or the Learning and Skills Councils (LSCs)\(^{20}\) in training programmes. The formation of these local partnerships has been one of the notable successes of recent urban regeneration programmes and a similar approach in future is advocated for area-based housing renewal programmes in the evaluation exercise being carried out on behalf of DTLR. One of the shortcomings, however, is that new partnerships take time to work. Harmonising different systems and organisational cultures, especially between public providers and private companies, can be a challenge.

4. Area designations and the selection of projects for approval

Area designations, whether for RAs, NDC or SRB projects are subject to systematic appraisal before declaration. Appraisal methodologies have been developed for this purpose. In the case of RAs, the Neighbourhood Renewal Assessment involves both an economic and a social appraisal of alternative courses of action to ascertain which is the ‘most satisfactory’ outcome, not only from the local authority perspective, but also from the point of view of other ‘stakeholders’ such as residents and local businesses.

\(^{20}\) See footnote 17.
NDC and SRB projects are now targeted on ‘areas of deprivation’, according to the Index of Local Deprivation. They involve bidding procedures which seek to ensure that programmes are ‘robust’ before they are approved. The SRB competitive bidding procedures have been controversial, especially under the Conservative government when they invited ‘open’ competition and where the criteria for approval were not as transparent as they might have been. The changes made by the Labour government elected in 1997 retained the bidding process (it was thought to result in more imaginative projects) but invited bids only from local authorities with the worst levels of deprivation, according to the ILD.

The main lessons from this experience are the need for clear and transparent guidelines governing the designation of areas selected for projects.

5. Upgrading and improvement versus clearance and re-building

The decision to clear or improve older housing is a major consideration for area programmes and since the 1989 Housing and Local Government Act in England, an appraisal has been needed to decide which of the two is the ‘most satisfactory course of action’. The appraisal method is similar to that used in determining the approval of an RA, namely the combination of a financial cost/benefit analysis and a social costs appraisal in respect of social (non-financial) issues. In practice, however, the system often favours renovation rather than clearance because of the large amount of compensation that would be payable to home-owners (market value compensation plus additional sums for ‘disturbance’ and home loss). This means that, unless there is an overwhelming financial case for clearance, properties, even if obsolete, may be renovated rather than cleared. This type of decision can cause much political argument. The appraisal methods are not objective and the results reflect the significance or ‘weighting’ of various factors.

What can be learnt from this is that the appraisal methodology and its assumptions must be clear and open to public scrutiny. This is important both in protecting the interests of professional officers (who have to apply the methodology) and in providing an objective basis for the judgement on whether to clear or improve.
6. Consultation and the involvement of the local community

Public policy in Britain, places great emphasis on the process of consultation and the involvement of local communities in both the formulation and implementation of area-based programmes. Private sector house improvement programmes have been in the vanguard of these participatory approaches, partly because the consent of private households is essential before any works can proceed; and because local initiatives and programmes are likely to be more sensitive to local circumstances and more appropriate to the needs of communities if local people are involved in the policy process. Both the declaration of RAs and the bidding process for NDC projects require community consultation and involvement. It is recognised, however, that disadvantaged communities may lack leadership skills: thus, ‘capacity building’ is an integral part of SRB and NDC programmes.

Community involvement and capacity building have become integral features of area based programmes in the UK. This is one of the main lessons from the UK experience, especially from the 1970s onwards.

7. Financial support for neighbourhood renewal programmes

In the essentially privatised housing market of the UK, the least choice is available to those on the lowest incomes. The poor standard of housing in older urban areas reflects the inability of the community to afford essential repairs and improvements to the properties and their environment. If such areas are to be improved without displacing the people who live there, other sources of investment in housing renewal are needed. For the last half century in Britain, the main source has been grant aid. This is unusual; it is also changing. In some other countries, an approach more commonly found is the system of ‘soft loans’, that is, loans at below-market rates of interest. Grants are a more generous system, but are much more expensive for governments.

The British government is reviewing the financial arrangements for private sector
housing renewal. It is likely to introduce a system which, while retaining grants for people on the lowest incomes, will offer a mixed funding regime of grants and loans, secured in part on the equity in the properties to be improved. The government believes this will increase the availability of resources for investment in the older housing stock.

The government has also taken the strategic view that, if locally-based improvement programmes are to succeed, the aim must be to re-integrate local neighbourhoods within the wider urban economy. This has meant adopting the American approach of ‘leverage’, using relatively modest sums of public money to attract much larger sums of private investment. Hence, local authorities are encouraged to think not only of the physical upgrading of areas but also of the economic development possibilities associated with RAs. In this way, it is argued, wider social and economic opportunities can be created for the local community, in line with the government’s agenda on ‘social inclusion’.

8. Monitoring and evaluation of the local strategy

All area-based programmes must identify the major problems of an area and establish a strategy for dealing with them. RAs have tended towards the physical upgrading of selected areas but unless social and economic problems are also tackled, the benefits of upgrading are likely to be short-lived. In NDC and SRB programmes, a detailed delivery plan must be prepared, showing how inequality between the area and the wider city can be reduced within a specified time. Baseline (‘Day 1’) data are collected and the programme is monitored from the outset, as part of its implementation. Successful performance against stated targets is needed to secure future tranches of funding. This may seem straightforward but is not as simple as it sounds. The eradication of poverty is not easily measured against ‘performance targets’ and the linking of future funding to past performance can be a problem when the ‘monitors’ are also the ‘implementers’. A monitoring system for projects is needed but ideally, it should be independent of the projects themselves.
References


Appendix 1

FITNESS FOR HUMAN HABITATION

Schedule 9 Section 83, Local Government and Housing Act 1989

‘A dwelling house is fit for human habitation unless, in the opinion of the local housing authority, it fails to meet one or more of the following requirements

(a) It is structurally stable
(b) It is free from serious disrepair
(c) It is free from dampness prejudicial to the health of the occupants
(d) It has adequate provision for lighting, heating and ventilation
(e) It has an adequate piped supply of wholesome water
(f) There are satisfactory facilities for the preparation and cooking of food, including a sink with a satisfactory supply of hot and cold water
(g) It has a suitably located water-closet for the exclusive use of occupants
(h) It has, for the exclusive use of occupants, a suitably located fixed bath or shower and wash hand basin, each of which is provided with a satisfactory supply of hot and cold water; and
(i) It has an effective system for the draining of foul, waste and surface water;

and any reference to a dwelling house being unfit for human habitation shall be construed accordingly.’
APPENDIX 2

SANDWELL REGENERATION PARTNERSHIP DELIVERY STRUCTURE

REGENERATION PARTNERSHIP

REGENERATION PARTNERSHIP GROUP

Programme approval & guidelines

Variations outside guidelines

Programme Approval

KEY IMPLEMENTATION AGENCY

AGENCY BOARD/COMMITTEE

• SMC Partnership & Competitive Bidding Committee
• STEC Board
• SHA Board

SRB1/2/ERC F

Education & Training Theme Group
Economic Regeneration Theme Group
Quality of Life Theme Group
Capacity Building Theme Group

Programme approval & delegated authorities

SRB3 Bid Development Group
• Theme Group Chairs
• Key Implementation Agencies
• Other Implementation Bodies
• Young People

Implementation Agency Lead Officers

Individual Project Officers

Project submission

Project approval, variations and amendments within guidelines

Annual Programme Approval

ACTION
국문요약

1990년 이후 민간부문의 지역기반 주택재정비 프로그램에 대한 정부의 재정적 지원은 상당히 감소한 반면에 근린주거 재활성화 프로그램은 사회적 포용을 장려하는 현 정부의 정책에 퇴진 군진한 뿌리를 두고 있다. 영국의 현행 도시정책은 근린주거 재활성화를 정부가 적극적으로 선호하는데 반하여 민간 소유자를 위한 주택재정비 프로그램은 감소추세에 있다.

본 논문은 영국의 주택재정비와 도시재활성화 프로그램의 역사적 발전을 조명하고 세가지 다른 형태의 지방정부 간여를 보여주고자 한다. 세가지 프로그램은 지역기반 주택재정비 프로그램, SRB에서의 지방정부 프로그램, 1998년 이후 정부에 의해 시도된 NRD의 지방정부 등이다. 본 논문은 이들 프로그램의 정책 목표를 약술하고 지구지정을 포함한 프로그램의 작동원리, 상이한 이니셔티브에 대한 자금조달방법, 정책수립의 주된 기관, 지방정부 프로그램의 결정과 이행, 그리고 평가방법에 대하여 서술하고자 한다. 끝으로, 한국에 대한 시사점을 결론에서 논의하였다.