Local Trust
trusting
local
people



A new neighbourhoods policy

Local Trust's neighbourhoods manifesto calls on the next government to commit to improving the prospects of doubly disadvantaged neighbourhoods.

Local Trust

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Front cover: Local residents on the Friendly Bench at North West Ipswich Big Local (Photo: Local Trust/Glen Farthing – Red Wren Studios)

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A neighbourhood is not one single thing. It is a collection of small things: schools, parks, libraries and leisure centres. All of these can be improved with central funding, and thoughtful national policies. More often, though, the defining factor in lasting regeneration is not what happens in Whitehall, but what happens in the community hall. The forces of progress – better housing, transport, education and jobs – are all predicated on local agency: community groups, neighbourhood associations and civic leaders who can take advantage of the support the state provides.

In his famous book, *Bowling Alone*, Robert Putnam argues that the strong social connections created are, in turn, a prerequisite for the success of other government policies. "Police close more cases when citizens monitor neighbourhood comings and goings," he writes. "Child welfare departments do a better job when neighbours and relatives provide social support to troubled parents. Public schools teach better when parents volunteer in classrooms and ensure that kids do their homework."

We call this **social infrastructure** – the connectedness of people, manifest at the neighbourhood level in football teams, mental health support groups, communal gardens, bingo clubs, after school childcare, community centres and so on.

The problem

Over the past decade, community spaces have been shuttered up. Pubs and libraries have closed. Youth services have been cut. Membership of trade unions and social clubs has dropped off. Local authorities have been forced to reduce funding for community services and facilities. They have been placed under increasing pressure to do more with less.

Wealthier parts of the country are not immune, but neighbourhoods that were already more deprived have experienced a disproportionate erosion of local autonomy and institutions.

Without physical spaces to meet and the community groups and organisations that are hosted in them, social connectedness crumbles (Local Trust, 2019).

In 2018, a research group spun-out of Oxford University – Oxford Consultants for Social Inclusion (OCSI) – ran a study to understand which parts of the country were most affected by this decline. They identified **225 neighbourhoods that have a double disadvantage**: the highest levels of deprivation, and the weakest social infrastructure. These areas experience notably poor outcomes – not only compared to affluent areas, but also compared to places that are equally deprived but where a base layer of social infrastructure has been retained (OCSI, 2020). Their challenges are often complex and multi-faceted, requiring coordinated action across both central and local government to address them.

Doubly disadvantaged neighbourhoods experience:

- **Worse health:** Larger proportions of residents have mental and physical health conditions.
- **Higher vulnerability to rising fuel costs:** With higher numbers forced into fuel poverty as a result of the cost of living crisis.
- **A lack of opportunity:** Lower average educational attainment and a significantly higher proportion of young people with no formal qualifications.

- **Higher crime:** Greater incidence of criminal damage, and other criminal offences.
- **Struggling economies:** Weaker productivity and fewer good quality employment opportunities.

These are the communities whose residents have also reported feeling most 'left behind' by the political and economic developments of recent decades (APPG for 'left behind' neighbourhoods, 2023). They often live on housing estates on the outskirts of cities or former industrial towns or in coastal areas. And they identify social infrastructure – community spaces and places to meet – as the biggest resource they are not receiving their fair share of, even above other priorities like healthcare, transport, and job opportunities (Survation, 2020).

This manifesto calls for a patient, long-term commitment to improving these neighbourhoods.

Where current policies fall short

Both major parties recognise the need to turn the tide in neighbourhoods suffering from economic decline, increased deprivation, and a loss of social fabric.

The Conservative government's 2022 Levelling Up White Paper presented a vision of cross government action and investment to tackle geographic inequalities and spread opportunity. More recently, funding schemes such as the UK Shared Prosperity Fund and Long-Term Plan for Towns have focused on local regeneration and building pride in place.

Meanwhile Labour's five missions address the issues of crime, health, clean energy, planning and social opportunity. Within these are proposals such as the Community Policing Guarantee and the Local Power Plan, driven by a clear focus on long-term change, and the core assumption that prevention is better than cure.

The problem, however, is simple. Many elements of these programmes rely on organisations or individuals to apply for grants to get projects up and running. This will benefit parts of the country which already have civic capacity, in which residents are already well organised, and networks already exist to make things happen. But in many neighbourhoods local people don't have the information, networks or confidence to successfully apply for grants.

Other forms of investment and funding schemes that focus solely on towns and high streets will also not be sufficient. Such investment tends to 'stick' to the town or city centre and fails to benefit people living in peripheral areas that have been stripped of their local services and facilities. And while some local authorities have been active in addressing the challenges faced by their most deprived neighbourhoods – others need support and encouragement to take them on.

Without appropriate focus on these issues, we will continue to see a proliferation of small-scale programmes which fail to acknowledge differences in relative need, or the reality that places needing the most support often miss out. The risk is that a two-tiered system will emerge: more affluent places will be able to benefit, while the most deprived communities will continue to remain stuck.

What needs to happen?

Thriving neighbourhoods don't emerge out of the blue. They require both spontaneity and structure: physical spaces to meet, alongside capacity building and small-scale funding to get things up and running. In this sense, then, central government has a critical role to play.

A designated **Neighbourhoods Unit** could monitor and oversee neighbourhood capacity building efforts across the UK, bringing together information from

across government and the wider public sector. And a reinvigorated **Community Wealth Fund** could provide essential long-term investment to develop community capacity for local initiatives, like building a wind turbine or starting a social enterprise support programme. The goal for this fund would be to build the capacity to develop local ventures which, in time, could become self-sustaining sources of income for a neighbourhood, alongside close partnership with the public sector.

Our expertise

Local Trust is an independent charity established in 2012. For more than a decade, we have been delivering Big Local, a neighbourhood regeneration programme aimed at pockets of the country that have historically been overlooked for funding.

We work in 150 deprived neighbourhoods (with populations of 10,000 or fewer) across England, which have each received just over £1 million in funding from the National Lottery Community Fund. It is the largest neighbourhood-based investment programme since the last Labour government's New Deal for Communities.

Big Local provides success stories of building confidence and capacity in the most deprived neighbourhoods. Our experience is that community-led, and comparatively low-cost, solutions are extremely effective in supporting prevention across nearly every metric (Demos, 2023). The long-term evaluation of the programme outlines, above all, just how important social infrastructure is to achieving change in the places that need it most (TSRC, 2022).

The common denominators for success are:

1. **Spaces and places:** Community halls, leisure centres, parks, etc.
2. **An active and engaged community:** Local leaders, organisations and social clubs.
3. **Physical and digital forums** that bring people together and offer access to opportunities: public transport networks, websites, WhatsApp groups, notice boards, newsletters, etc.

Evidence based intervention

Successive governments from across the political spectrum have launched initiatives to address the root causes of inequality and regenerate disadvantaged areas.

The last Labour government took early action following the 1997 election to establish a Social Exclusion Unit (SEU) – in the Office of the Deputy Prime Minister – tasked with bringing together expert evidence and coordinating work across government to identify how best to take an integrated approach to tackling concentrations of complex need. The focus then was unemployment, poor skills, low incomes, poor housing, high crime, bad health, and family breakdown.

In 1998, the SEU went on to publish *Bringing Britain Together*, a national strategy for neighbourhood renewal. It recognised that successive governments had ignored the needs of many communities with policies focused on dealing with the symptoms of the problems faced by the people living in them without tackling the causes. Solutions imposed 'from above' had failed and so the SEU argued that power had to be devolved to communities to harness residents' capacity and appetite to take on responsibility for their areas.

This led to long-term, national, neighbourhood-focused programmes, most notably the **New Deal for Communities** (NDC) and Neighbourhood Renewal Fund. Subsequent evaluation of these programmes has demonstrated the extent to which they provided value for

money and met their key targets, delivering positive outcomes for residents including better employment and health as well as an increased sense of community belonging (CRESR, 2023; CCHPR 2019; Onward, 2021).

What was different about the NDC was the extent to which it was genuinely long term and recognised at the outset that solutions parachuted in from outside, without the engagement of local communities, were likely to fail.

Five years before the NDC, Conservative Secretary of State for the Environment John Gummer had launched the almost as ambitious **Single Regeneration Budget**, which streamlined 20 existing funding programmes and sought to align local and national priorities around the transformation of deprived communities, often – though not exclusively – at a neighbourhood level.

Recommendations

The next government should:

1. Expand the **Community Wealth Fund** and return it to the vision outlined by the Community Wealth Fund Alliance by targeting the doubly disadvantaged communities that need it most (the 10 per cent most deprived on the IMD – Index of Multiple Deprivation – which also rank amongst the 10 per cent with the least social infrastructure on the CNI – Community Needs Index). It should also consider putting additional funds from underspends on existing Levelling Up Funds to increase the number of communities that are able to benefit from the programme.
2. Create a new **Neighbourhoods Unit**. This should sit in either the Department for Levelling Up, Housing and Communities or the Cabinet Office. It should be tasked with identifying the needs and aspirations of our most deprived communities and promoting and supporting action across the different tiers of government and different sectors to address them. It should work to break down departmental and organisational silos, collect and disseminate evidence and learning on what works, and support capacity building for communities and the public sector. This would be a vital foundation to achieving the long-term transformational change our most disadvantaged communities so urgently need.

These are the single biggest things the next government can do to build local capacity in the places where it is needed most. They should be considered a **prerequisite to further steps** across its broader legislative and policy programme.

Conclusion

No one should be disadvantaged in terms of outcomes or opportunity on account of where they live. Research shows that previous neighbourhood regeneration programmes have failed to leave a lasting legacy because of a lack of genuine community control over decisions. It's time to learn from this and let residents who know their neighbourhoods best lead on decisions that impact their local area (CCHPR, 2019).

This is not just about doing right by local people. Time and again, studies find that building community capacity helps to solve complex problems and leads to better outcomes across a variety of metrics, from employment and training to quality of life and pride in place (Bennett Institute, 2021; New Local 2021).

If the next government is to shift the dial, it needs to make a sustained commitment to the neighbourhoods most in need, providing agency and opportunity for residents to tackle the causes of deep-seated issues based on their unique local expertise, knowledge and networks.

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About Local Trust

Local Trust is a place-based funder supporting communities to transform and improve their lives and the places in which they live. We believe there is a need to put more power, resources, and decision-making into the hands of communities.

We do this by trusting local people. Our aims are to demonstrate the value of long term, unconditional, resident-led funding, and to draw on the learning from our work delivering the Big Local programme to promote a wider transformation in the way policy makers, funders and others engage with communities and place.



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