

# Neighbourhood Management and the Future of Urban Areas

Anne Power

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Centre for Analysis of Social Exclusion  
London School of Economics  
Houghton Street  
London WC2A 2AE  
CASE enquiries – tel: 020 7955 6679

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Telephone:	UK+20 7955 6679
Fax:	UK+20 7955 6951
Email:	<a href="mailto:j.dickson@lse.ac.uk">j.dickson@lse.ac.uk</a>
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## **Editorial Note**

Anne Power is Professor of Social Policy at the London School of Economics, and Deputy Director of the ESRC Centre for Analysis of Social Exclusion. This paper is a revised version of a paper that originally appeared as CASEpaper 31.

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## **Abstract**

This paper is about low-income neighbourhoods, their organisation and management. It is not a study in deprivation, but is about problem-solving, about the reforms in delivery underway in Britain, about long run attempts to change neighbourhood conditions and environments, about the central role of local government and housing organisations in tackling ground-level problems. It addresses environmental and social problems within neighbourhoods as part of a wider understanding of social exclusion, sustainable development and the need for greater care of our urban communities. Although its perspective is shaped by British examples, many of the issues are relevant to other countries. Although its focus is on low-income urban neighbourhoods of predominantly rented housing, the ideas can be applied to any neighbourhood of whatever tenure, size or location. This revised up-dated edition takes account of the ODPM's Neighbourhood Renewal Unit, and the Neighbourhood Management and Neighbourhood Warden Schemes they are supporting.

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## 1. Introduction: What is Neighbourhood Management?

This paper is about low-income neighbourhoods, their organisation and management. It is not a study in deprivation, although all the areas we discuss are within the 10% most deprived areas in the country.<sup>1</sup> It is about problem-solving, about the reforms in delivery underway in Britain, about long run attempts to tackle deprivation, about the central role of local government and housing organisations in changing conditions on the ground. It addresses environmental and social problems within neighbourhoods as part of a wider understanding of social exclusion, sustainable development and the need for greater care of our urban communities. Although its perspective is shaped by British examples, many of the issues are relevant to other countries.<sup>2</sup>

Firstly, we set out the ideas behind neighbourhood management, why it is necessary and how it is organised. Clarity over the meaning of the term, neighbourhood management, is fundamental. **Management** involves the organisation, supervision and delivery of goods and services, the maintenance and enforcement of reasonable standards of repair, maintenance, supervision and provision of acceptable environmental conditions within agreed lines of control and accountability. Implicit within management responsibility lie the ability to make decisions and authority over identified and dedicated budgets to match the tasks necessary for making things work. Neighbourhoods require management just like any other structure, particularly if many residents rent their homes and ownership of property is held outside the neighbourhood – for example, by a local council.

A **manager** is the person where ‘the buck stops’. There is no one else to blame for failure within the agreed management remit. The performance of services outside the manager’s direct control is one of the most problematic aspects of successful management. Therefore the co-operation and support of as many local services as possible is essential to success in neighbourhood management. The art of management involves delivering all elements **within** the manager’s control **as well as** negotiating and ensuring the successful delivery of elements outside the manager’s direct control. A manager makes things happen **and** keeps things working. Lack of management causes a breakdown in control, delivery and enforcement of acceptable standards. The management of neighbourhoods shares these core management characteristics with other types

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<sup>1</sup> Neighbourhood Renewal Unit, ODPM, 2003.

<sup>2</sup> Power, A (1993) *Hovels to High Rise* London: Routledge.

of organisations – businesses, service bodies such as schools or hospitals, and specific programmes such as regeneration.

A **neighbourhood** is a delineated area within physical boundaries where people identify their home and where they live out and organise their private lives. However different residents and organisations will not always agree on the actual boundaries, as neighbourhoods are fluid, reaching out as well as in. However, the boundaries of urban neighbourhoods are often clear, if unwritten. There are both physical and psychological barriers between neighbourhoods such as a road or the tenure of the housing, or the social composition of residents. Some neighbourhoods, particularly near urban cores, with good transport links, are **mixed** socially and in property values. But most neighbourhoods are recognised either as ‘better off’ or ‘poorer’. More mixed neighbourhoods are often ‘going up’ or ‘down’, rarely static.

Neighbourhoods share many characteristics with an onion. The inner core is tightly drawn. In this core the home, immediate neighbours and security are paramount. Around this core, are the neighbourhood environment, shops and schools. The outermost layers can reach into adjacent neighbourhoods, the city centre or city rim for jobs, friends, relatives and wider services such as leisure.

A recognisable urban neighbourhood for social and management purposes is rarely more than 5000 households (the size of a large ward) and often much smaller with around 1000-2000 households, up to 6000 people. According to Peter Hall, it should be possible to walk across a neighbourhood in fifteen minutes or less – about three-quarters of a mile.<sup>3</sup> There is no absolute size of urban neighbourhoods. But neighbourhoods are complex, ill-defined areas that require clear definition and boundaries if their management is to be effective.

There is a strong social component to neighbourhoods. People connect with their neighbours in many, often unspoken ways – security, cleanliness, the environment, social behaviour, networks and conditions, access to basic services such as schools, doctors, transport and shops. Neighbourhoods provide important supports, particularly to families with children and more elderly residents. They can therefore also undermine that support if conditions are not maintained. The quality of a neighbourhood’s physical and social environment determines its value and status, the competition to access homes within it, the quality of services provided and how much people are willing and able to pay to live within it. Who lives in any area is a powerful determinant of both neighbourhood quality and property values. Therefore it is a circular process,

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<sup>3</sup> Professor Sir Peter Hall – Evidence on Urban Neighbourhoods presented to the Urban Task Force, 1999.

with conditions influencing behaviour and behaviour influencing conditions. Poorer neighbourhoods invariably experience poorer conditions and lower property values. The quality of services tends to reflect this, but also helps determine it.

We would define **neighbourhood management** as the local organisation, delivery and co-ordination of core civic and community services within a small, recognisable, built-up area of under 5000 homes. In the most disadvantaged neighbourhoods where there are many environmental and service issues to tackle, the 'manageable' size will rarely be above 2000 properties for the direct delivery of core services. Neighbourhood management requires a neighbourhood to have a logical identity, clear boundaries and manageable size for a single organisational structure and team. Box 1 shows the core services neighbourhood management can offer and the prerequisites for its success.

**Box 1: Core services of neighbourhood management**

- security, control of nuisance and general supervision;
- environmental maintenance and repair of damage to public areas;
- street cleaning, refuse collection and rubbish removal;
- community liaison, contact, consultation and support;
- co-ordination of specific services coming into the neighbourhood – co-ordination of inputs to maximise benefits and minimise waste and overlap – this includes housing, repairs, health, education, policing, leisure, regeneration;
- links with local businesses;
- links with wider and central services that are required for the successful functioning of a neighbourhood e.g. adult education, job centre, library;
- the development of local initiatives, special projects and new ideas;
- co-ordination with and support for local voluntary groups.
- Prerequisites for success:
- a defined area of operation;
- a manager of sufficient seniority to control and co-ordinate major service inputs;
- a small locally based and locally accountable staff team to implement management decisions;
- a defined budget to fund the team and agreed services; and to allow flexible local management decisions;
- a local base through which services can be organised and local residents can be contacted and make contact;
- a high priority to basic services, in order to make a visible impact on conditions, thus gaining the confidence and support of other services such as doctors and schools;
- an entrepreneurial approach to problem solving and to involving partner services in the neighbourhood effort;
- clear lines of communication with local authority policy makers and other decision making and service bodies;
- Mainstream core funding; not short term, project-based funding.

## 2. Approach to the study

This paper investigates and explains some of the forms of neighbourhood management that are being tried in England today. Scottish, Welsh and Irish experiments could be highly relevant but are not covered. We show what benefits neighbourhood management can bring, with what costs; and what structures are needed to deliver it. Working examples of neighbourhood management are often linked to local housing management in areas with significant social and private renting and we therefore include housing management in the discussion where relevant. Our study uncovered clear organisational characteristics, involving an agreed approach to a specific neighbourhood and its management. We therefore highlight the most significant elements of good practice in the area-based management of conditions and services. The structures we outline are based on actual examples and illustrate the potential for neighbourhood management as well as underlining its complexity. They encompass services that extend far beyond traditional housing management and have, as a major component close resident liaison.

We have based our discussion of neighbourhood management on what is already happening rather than what is theoretically possible. We use working models, most of which are based within the framework of social housing, in order to examine what is actually being delivered on the ground. This paper also draws on the work of the Neighbourhood Renewal Unit within the Office of the Deputy Prime Minister. Since March 2000, government has supported 30 pilot areas in developing neighbourhood management in deprived areas. These experiments will now be extended to a further 20 areas. We also include reference to town centre management as this approach has informed the development of neighbourhood management.<sup>4</sup> The report also makes frequent reference to neighbourhood warden services: we include this in our model as these have great relevance and in practise overlap with neighbourhood management. They are extremely popular and far more widespread than neighbourhood management. In practise, there are around 450 warden schemes, around 250 of which are government sponsored. Our main focus is on neighbourhood and town centre management, organised by local authorities, housing associations or dedicated management companies. As a result we discuss policing and security as part of the neighbourhood focus rather than as separate issues.

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<sup>4</sup> Power, A and Bergin, E (1999) Supplementary Report on Neighbourhood Management; Coventry City Council (1999).

One major limitation of neighbourhood management is that there is no strategy for implementing it beyond a series of experiments. This study of live experiments provides an 'implementation focused' understanding of what is going on at the neighbourhood level. We can offer an 'insider' view of the organisational and financial pre-requisites for neighbourhood management, since our direct sources of information are ground level accounts of how it works. It does not focus on the strategic framework proposed by the Social Exclusion Unit in 2000, and further developed by the Neighbourhood Renewal Unit since then.

The neighbourhood management approach can be applied to the delivery of all neighbourhood services, and not just housing, for in practise all the experiments we studied are addressing local problems on a much broader front than simply housing.

In 1999, when neighbourhood management became one of the government-supported approaches to overcoming social exclusion and to neighbourhood renewal, we investigated 7 already existing models. We collected detailed information through visits to seven areas, meeting with the most senior person at neighbourhood level (chief executive/ neighbourhood manager/ project leader/ board chairman/ area manager) of the case study organisations; also meeting with housing officers, caretakers, repairs personnel, wardens, police officers, health officials, community workers and community representatives. Follow up contact was made with the lead officer in each of the areas to check facts and add extra information.

We have also conducted some secondary research, through our review of all relevant documentation published by the case study organisations and our examination of the local authorities' Annual Statements of Accounts. In 2001-2003, we worked with the Neighbourhood Renewal Unit on further developments in neighbourhood management, collecting up-to-date information on the thirty or so experiments they are supporting. Chart A gives basic information about the areas we originally investigated, showing their organisation and remit.

**Chart A: Information about the seven examples of neighbourhood management**

<i>ISSUE</i>	<b>Community Housing Trust, Hackney</b>	<b>Regeneration Company, Tower Hamlets</b>	<b>Community-based Housing Association, Waltham Forest</b>	<b>Tenant Management Organisation, Birmingham</b>	<b>Council Estate, Haringey</b>	<b>Mixed Tenure new build and refurbishment housing area, Manchester</b>	<b>Town Centre Management Company, West Midlands</b>
<b>Type of area</b>	4 ex-council estates	7 ex-council estates	4 new build estates	council estate	council estate	multi-landlord estate	shopping centre
<b>Size of area - no. of homes</b>	1044	4539	862 (rising to 1500)	716	1063	648	city centre area
<b>Location</b>	inner city	inner city	outer city	inner city	outer city	inner city	core city
<b>Property Type</b>	balcony flats	mixed high density, mainly flats	new terraced houses (replacing high rise)	dense high & medium rise (some towers demolished)	dense high & medium rise	new houses, converted tower block	busy shopping area
<b>Organisation</b>	local housing company	local housing company	community based housing association	tenant management organisation	council initiative	council and RSL partnership	independent company
<b>Founding partners</b>	Hackney Council and housing association partner	Tower Hamlets Council with RSL support	government, council, housing association, residents	council residents, PEP	council, residents	council & housing associations	council and private retail partners
<b>Status</b>	Semi-autonomous	Full ownership	Semi-autonomous	Local authority sponsored	Local authority sponsored and funded but some local autonomy	Partnership of local authority and local housing associations	Legally autonomous
<b>Government role</b>	Regulator and funder	Regulator and funder	Regulator and funder	Local authority funded/regulated	Regulator and funder	Regulator and funder	Council sponsored
<b>Funding</b>	Government and private	Government and private	Government and private	Local authority	Local authority	Government and private	Council funded
<b>Remit</b>							
• <b>Housing</b>	✓	✓	✓	✓	✓	✓	-
• <b>Security</b>	✓	✓	✓	✓	✓	✓	✓
• <b>Environment</b>	✓	✓	✓	✓	✓	✓	✓
• <b>resident involvement</b>	✓	✓	✓	✓	✓	✓	user liaison owner involvement
• <b>wider initiatives/special projects</b>	✓	✓	✓	✓	✓	✓	✓
• <b>other services</b>		✓	✓	✓	✓		

The paper explains why neighbourhood management is necessary and how it is organised based on current experience. It outlines the basic components of neighbourhood management drawing on experience to date. We investigate the pattern of services provided, tracing the common patterns of provision, outlining the elements of good practice in neighbourhood management. We explore the services provided by other agencies, for example the police and the health authority and the extent of co-ordination by the neighbourhood organisation, usually housing-led. We detail the role of residents in the different models. We estimate the costs and benefits of neighbourhood management more generally, including warden services, and we set out ways in which it can be funded through mainstream budgets and responsibilities, based on our examination of actual budgets and funding streams. We then draw out the lessons for the future development of neighbourhood management.

### **3. Why do we need neighbourhood management?**

There are many factors at play in the drive for a tighter control over neighbourhood conditions and a more locally focused delivery vehicle for services. Modern society is increasingly mobile, urbanised, international. This makes neighbourhoods more transient. We live in increasingly fragmented and complex households within segmented and often highly polarised neighbourhoods. We rely more and more on remote and mechanical forms of communication and as part of this technological change, we have abolished many front-line manual and low skill jobs, reducing informal control and basic services. We live at far lower population densities as households have shrunk in size but multiplied in number, creating more spread out, ‘thin’ neighbourhoods; but lower densities generate less informal street activity and less informal guarding. The spread of car transport to cope with lower density and higher mobility reduces social interchange, affecting simple neighbourhood activities such as taking children to school. There is more fear of strangers, more insecurity and fewer levers of control, as people have spread outwards, families have fragmented, and cars have increasingly displaced pedestrians and cyclists.

The consequences of these changes hit much harder in poorer neighbourhoods for many reasons – above average population turnover, less resources, weaker social and service organisation, less access to influence and information, greater social dislocations through the concentration of problems.<sup>5</sup> All these factors make problems of disorder more intense and create the need for neighbourhood

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<sup>5</sup> Mumford, K and Power, A (2003) *East Enders: Family and community in East London* Bristol: The Policy Press.

management. Problems become concentrated and compound each other in ways that have been well documented in the Social Exclusion Unit's report *Bringing Britain Together*.<sup>6</sup> They do not need elaboration here but one result of these changes is a continuing, long run exodus of families from inner urban neighbourhoods.

Neighbourhood management is central to sustaining urban conditions, thereby stemming the demand for 'thinned out' housing in green fields. If we do not change the way we manage urban neighbourhoods, we could experience in Europe the intense ghetto collapse of US inner cities. Thus there is a general need to manage urban neighbourhoods differently, to improve environments, increase security, attract back and hold onto more mixed income groups and more families. Urban management can help compensate for the breakdown in more informal controls resulting from radical social change. Our study explores the role of neighbourhood management, including a senior neighbourhood manager based at a local level, assessing its impact on the ability of front line staff to affect conditions.

There is a particular and urgent need to install neighbourhood management in unpopular, difficult and disadvantaged areas. Without any special inputs, declining neighbourhoods can enter an accelerating spiral, leading to eventual collapse in conditions. They simply do not have the organisational resources to hold up under intense social pressure if conditions begin to get out of control. This is already happening in many city areas. The process is fully documented in earlier studies.<sup>7</sup>

Although better off neighbourhoods can benefit from and often need neighbourhood management, they face less acute problems for three main reasons. Firstly, most households have the resources to maintain their property and pay for the additional services that make for greater security and better general conditions. Housekeeping, childcare, maintenance, gardening, are but a few examples. Secondly, some residents are professionally and politically connected in ways that ensure delivery of core services. For example, police and cleansing often respond faster and service firms operate to higher standards in better off areas.<sup>8</sup> Thirdly, more people have the resources to buy their way out

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<sup>6</sup> Social Exclusion Unit report *Brining Britain Together*.

<sup>7</sup> References: Power, A (1997) *Estates on the Edge* London: Macmillan Press.  
Power, A and Tunstall, R (1995) *Swimming Against the Tide* York: JRF.  
Power, A and Tunstall, R (1997) *Dangerous Disorder: Riots and violent disturbances in 13 areas of Britain, 1991-92* York: JRF.

<sup>8</sup> Burrows, R (1998) *Unpopular Places?: Area disadvantage and the geography of misery in England* Bristol: The Policy Press/ JRF.

of problems – private schools, trips and leisure activities. Better off people also have more freedom to move out altogether. However, neighbourhood management is applicable to most urban areas and is actually needed in inner urban and central areas, regardless of income. The core ideas apply to many rural areas too. The government has recognised this in the recent round of neighbourhood management pathfinders,<sup>9</sup> which specifically set out to apply the concept in more scattered and more rural communities.

Neighbourhood management cannot operate in a vacuum. It requires leadership, political clout, dedicated funds and above all the creation of a neighbourhood level vehicle in every neighbourhood where it is needed. So far it has usually been created in response to extreme problems and has not been adopted more widely. This is because it requires the combination of many elements which are not within the direct control of a single body. In other words, the very complexity and fragility of modern urban systems make urban management more difficult to deliver and more urgent because without it conditions run out of control – a classic chicken-and-egg situation. However, as the neighbourhood management pathfinders (of which there are now 50 sponsored by the government's Neighbourhood Renewal Unit) chalk up some clear and visible successes, the government and local authorities may decide to establish a clearer and more general framework.

Progress is slow because it requires considerable organisational energy to break away from centralised structures and controls. Neighbourhood management cuts across traditional hierarchies and forces middle managers into a much more exposed position nearer the front line. It also forces a radical restructuring of the central organisation with a loss of some second and third tier central jobs, which are moved out to the frontline, pushing erstwhile bureaucrats into a much more delivery-focused set of tasks. Although overall it does not reduce the number of jobs, long-term funding and staff must be diverted from existing patterns.<sup>10</sup> There is inevitable resistance to such change and real obstacles in the path of people who try to achieve neighbourhood level gains. Therefore neighbourhood management will require a new delivery framework and considerable commitment to make it happen on a broader front.

Although many local authority decentralisation initiatives have been launched over the last 15 years, they invariably provide little more than an arm of central control. They are too generalised, too tied into central procedures, too lacking in

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<sup>9</sup> Neighbourhood Renewal Unit, Press release, Guidance of Neighbourhood Management (2003).

<sup>10</sup> Housing Commission Report (2002) Birmingham City Council.

local powers, covering too large areas, to make a noticeable difference on the ground, even though they offer better information and a loose form of co-ordination and consultation. The rationale for decentralisation is to reduce the scale of central systems whereas in practise they often add a layer of bureaucracy. We came across four main variants; one-stop shops, area offices, call centre services and area co-ordination, none of which attempts to perform the actual neighbourhood management task we have identified – hands on management and organisation of core services, conditions and standards. Something more is needed. Neighbourhood management offers a local identifiable organisation through which local residents can secure reasonable services and conditions – it offers a method for large urban local authorities to manage and respond to the areas that currently barely turn out to vote (in some cases only 11% of the electorate); it offers government a mechanism for delivering neighbourhood renewal; it offers universal services such as education, health, police, a local framework for support and co-ordination; it offers a structure for housing management which is invariably a core requirement in neighbourhoods of predominately rented housing; it creates a clear organisational and co-ordinating vehicle for core services, such as security, cleansing, environmental maintenance; it can prevent urban decay and help otherwise collapsing areas become viable.

The following Chart B summarises the rationale for neighbourhood management as we have explained it in this section.

The evidence from experiments in neighbourhood management, including the 50 government sponsored pathfinders, show how directly the **housing service** is already involved. This is because of the historic role of local authorities in providing rented housing, its concentration in large urban estates (originally 40% of the urban stock, now down to about 25 to 30%), its strong welfare role and its steeply declining condition and popularity. The combination of public ownership, concentrated poverty and weak, urban management structures has created extremely serious problems. Social landlords, as the owners of property usually concentrated in low-income areas, have a direct responsibility for neighbourhood conditions. If they are council landlords, then under the extreme pressures they encounter, they launch bold experiments based on the neighbourhood management concept and the rationale we have outlined. Most experiments in neighbourhood management derive from these housing management requirements. The United Kingdom shares this experience with other European countries.<sup>11</sup> Almost all the new neighbourhood management experiments are housing-based, and three quarters have been created directly by local authorities.

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<sup>11</sup> Power, A (1997) *Estates on the Edge* London: Macmillan Press.

## Chart B: Rationale for neighbourhood management

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**Town and city centre problems** have generated similar impetus for change. Town centres are the hub for many neighbourhoods and central to urban vitality. But town centres have often gone into acute decline following the expansion of large out of town shopping centres and inner city decay, leading to a drop in use, declining security, worse services, a rise in littering, vandal damage, crime and disrepair. Businesses and local authorities have found common cause in developing a dedicated town centre management structure, with many of the same ingredients as neighbourhood management, and for similar reasons. Most major cities but also many smaller towns and cities have a dedicated town centre management company.

There is another highly relevant neighbourhood level activity with a direct bearing on neighbourhood management – the rapid rise in popularity of **neighbourhood warden schemes**. These are often housing led or linked, focusing on security, guarding, crime prevention, basic environmental conditions and resident support. The police also play a critical role in supporting wardens and schemes can sometimes be organised by bodies such as the police, or other local authority departments, such as regeneration departments or by registered social landlords for particular schemes. They can be seen as a low cost version of neighbourhood management but to be effective in difficult neighbourhoods they do require a dedicated manager and they do have a distinctive role and contribution. In many neighbourhood management schemes, there are wardens services.

#### **4. What should neighbourhood managers manage?**

The boundaries of neighbourhood management activity can be tightly or loosely drawn. The first layer of activity is the most visible and immediate failure in **conditions** – cleanliness, order, security and maintenance. These basic conditions should logically be a first target of improvement. The most efficient delivery structure may be wider than a single neighbourhood but a neighbourhood manager will have the task of making them work for the benefits of the neighbourhood, acting as client, honest broker and conduit for delivery – the central role of all effective managers.

The second layer relates to **major welfare, public and social services**, including education, health, employment, income support. Each of these services is nationally funded, inspected and in some cases, organised. But they are invariably delivered within neighbourhoods, affect all local residents and have great potential for impact on conditions and opportunity. Each has its own professional and management structure and cannot be directly run through neighbourhood management, for example, a local school, or elderly care.

However, there is scope for collaborative effort, local links and special partnerships. A neighbourhood manager can have a major impact on how they work together and how much they benefit the neighbourhood.

A third layer covers the multiple **functions of local authorities** beyond the basics and mainline services we have already mentioned. These include all publicly provided amenities, social services and special responsibilities such as those imposed by the Crime and Disorder Act. These impact on neighbourhoods directly and some specifically need a neighbourhood delivery structure to work properly. Crime and anti-social behaviour are the obvious ones.

The fourth layer includes the **special programmes and regeneration initiatives** that are often directed at specific neighbourhoods. All the neighbourhoods we examined had more than one special initiative and several sources of special funds. Special programmes, which offer a lever to establish longer-term neighbourhood management are a common and obvious starting point as they offer immediate funding and the need for locally co-ordinated supervision. Most initiatives we visited began in this way. However, they only became effective neighbourhood management initiatives when they became part of a core, mainstream revenue funded locally-based service. Therefore the two main challenges for neighbourhood management are: creating a 'launch pad' with at least minimal pump-priming funds over several years; and devising a long-term, affordable funding stream within the main public structures.

Chart C sets out the layers of responsibility, showing how many publicly funded activities need to be devolved down to neighbourhood level.

The value of all public support is around £10,000 per household.<sup>12</sup> Public bodies must take responsibility for seeing that it is well managed. Only the public realm can broker and orchestrate resources and conditions on such a broad front. Therefore central and local government will be the inevitable drivers and creators of neighbourhood management – our models illustrate this and government programmes targeting the most deprived neighbourhoods underline this inevitable conclusion.<sup>13</sup> There are limits to the scope of neighbourhood management. For example, education, health, police services, each have an independent professional remit, with separate lines of accountability. They can have a neighbourhood focus and can benefit from neighbourhood management

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<sup>12</sup> Glennerster, H and Hills, J (eds) (1998) *The State of Welfare: The economics of social spending* Oxford: Oxford University Press.

<sup>13</sup> National Strategy for Neighbourhood Renewal (2000); Action Team Reports (1998-2000) SEU.

but essentially they retain their organisational integrity. However, they greatly benefit from better, more controlled neighbourhood conditions.

The size of areas managed by the neighbourhood manager ranges from 1,000 to 4,000 households. The size depends on the geographic distribution of properties, the configuration of housing estates and road patterns. The recurrence of managed neighbourhoods of 700-2,000 households and their efficiency compared to many earlier decentralisation experiments covering larger areas suggest that size of area needs to be examined carefully. There may be efficiency losses in larger areas. One of the most successful, long run neighbourhood management models is Broadwater Farm in Haringey with 1,000 units. Others are the Bloomsbury Tenant Management Organisation in Birmingham and the Monsell Estate in Manchester, both with under 1,000.

However, for many purposes – secondary schools, libraries and so on – the viable catchment area is far bigger and the permeability of neighbourhoods is a crucial component in realising the potential of neighbourhood management. In spite of this, larger areas have to be sub-divided for many purposes, particularly resident involvement. In all areas, neighbourhood managers have responsibility for building links with residents, involving them in priorities and organising consultation over local services, investment and proposed changes. These local links are a key role for the neighbourhood manager.

There are many routes to putting ‘someone in charge’ of the resources heading for each area. Most organisations manage at a level far removed from real neighbourhoods. Therefore political will, commitment to neighbourhood management, matched by financial incentives and scope for experiment will determine how neighbourhood services develop. Arm’s length companies, public-private partnerships, private companies, charities and trusts all have the potential to deliver neighbourhood management alongside local authorities, as Chart A show. Neighbourhood management can also be delivered directly by the local authority, although this model eventually requires a clear long-term, ring-fenced neighbourhood-level vehicle too, to guarantee its stability and dedication to neighbourhood tasks. Our discussion below of Broadwater Farm illustrates this. More often an arm’s length structure is created with the local authority as the lead organisation.

## Chart C: Layers of responsibility for neighbourhood services & tasks from local to national

<p><b>FIRST LAYER:</b> Basic conditions</p>	<ul style="list-style-type: none"> <li>• <b>Environmental</b> Street cleaning Refuse collection Nuisance control Repair and maintenance of public spaces Parks and playgrounds</li> <li>• <b>Security</b> Sometimes provided through housing A direct police responsibility Warden, concierge and super-care-taking services Sometimes privately organised</li> <li>• <b>Housing</b> Rent account Access, allocation, advice Investment Repair and maintenance Tenancy liaison, enforcement</li> </ul>
<p><b>SECOND LAYER:</b> Major public welfare services</p>	<ul style="list-style-type: none"> <li>• <b>School/Education</b></li> <li>• <b>Policing</b></li> <li>• <b>Social Services</b> Elderly/community care Warden services Childcare/nurseries/Family centres Protection and enforcement Mental health</li> <li>• <b>Health</b></li> <li>• <b>Social Security/Income Support</b></li> <li>• <b>Job centres/Employment</b></li> <li>• <b>Higher &amp; Further Education</b></li> </ul>
<p><b>THIRD LAYER:</b> Local authority wider functions</p>	<ul style="list-style-type: none"> <li>• <b>Leisure &amp; Amenities</b> Libraries Youth service Sports facilities Community centres Parks</li> <li>• <b>Special Responsibilities</b> Social services Crime prevention Partnerships Business liaison Security General well-being of area Promotion Neighbourhood/community development</li> </ul>
<p><b>FOURTH LAYER:</b> Special programmes</p>	<ul style="list-style-type: none"> <li>• <b>Regeneration Programmes e.g. SRB</b></li> <li>• <b>Service initiatives</b></li> <li>• <b>Additional funding e.g. National Lottery</b></li> <li>• <b>Targeted area initiatives e.g. Sure Start, New Deal for Communities, Neighbourhood renewal</b></li> </ul>

There is no escaping public responsibility for neighbourhood management. Residents contribute through council tax and income tax to the provision of basic services. It is possible to levy limited additional charges for specific additional services. Concierges and warden services are often funded this way. Housing revenue budgets can support neighbourhood management for socially rented housing areas because so many of their responsibilities overlap with neighbourhood management. The more autonomous local organisations such as housing companies can identify revenue resources within their overall budgets, as our examples show (see Chart A). Town centre companies are supported by retailers. So far private housing areas have been the most difficult to secure funding for, except in new mixed used, condominium-style developments where a management company is set up, such as the Greenwich Millennium Village. This provides a valuable model for the future.

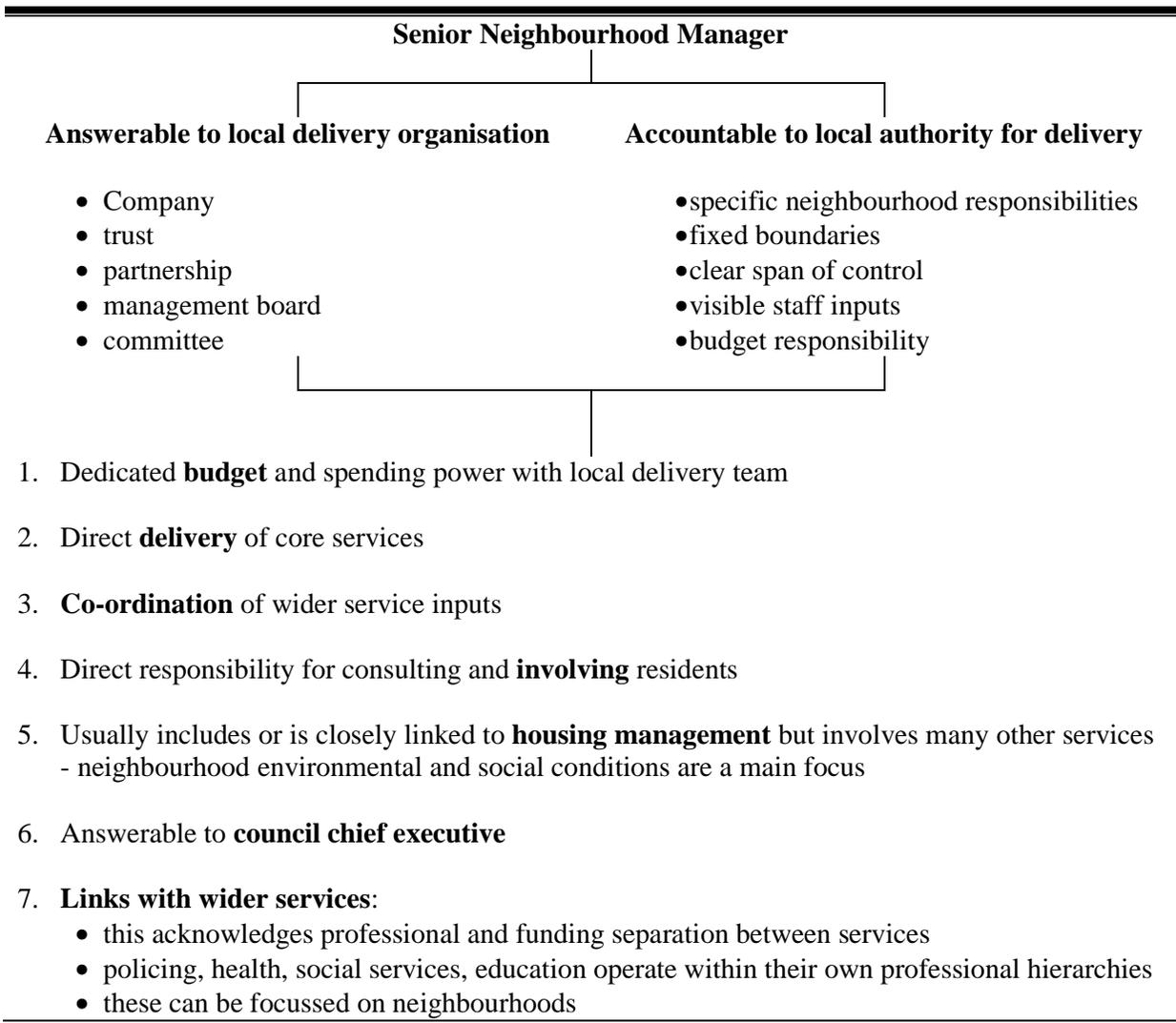
There are several reasons why housing organisations may play a leading role: they have to manage their assets and as part of this, neighbourhood conditions; they have a vested interest in tackling local problems; they assume responsibility (and credit) for progress. It makes sense for the government to promote arms length housing management vehicles as part of the drive for neighbourhood management in order to generate the regeneration and revenue resources that give impetus to change; and to give organisational momentum to neighbourhood management. Many major urban local authorities are already planning and adopting this approach. If the arms length companies are sufficiently independent of the local authority, they have the power to access private investment funds, along the continental lines of publicly or privately sponsored housing companies.<sup>14</sup>

Our definition of neighbourhood management – direct responsibility and control of some specific services, co-ordination of and liaison with other services, and responsibility for neighbourhood improvements – must be combined with the four layers of responsibility for services set out in Chart C to establish the manager’s role in a neighbourhood management framework. Chart D sets out the different roles in relation to the local delivery vehicle and to the local authority.

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<sup>14</sup> Power, A (1993) *Hovels to High Rise* London: Routledge.

## Chart D: Role of neighbourhood manager



## 5. How neighbourhood management works in practice

In this section we set out the essential components of neighbourhood management that we uncovered through visits and through evidence from the Neighbourhood Renewal Unit.<sup>15</sup> Chart E shows these.

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<sup>15</sup> Unpublished evidence from Pathfinders, Evaluation Framework, press releases, ODPM 2003.

## Chart E: The essential components of neighbourhood management

<i>How neighbourhood management works</i>	<b>What neighbourhood management can deliver</b>
<p><b>Neighbourhood manager</b></p> <ul style="list-style-type: none"> <li>• seniority</li> <li>• budget</li> <li>• control over neighbourhood conditions</li> <li>• co-ordination of services</li> <li>• community involvement</li> <li>• hands-on responsibility</li> </ul> <p><b>Neighbourhood office</b></p> <ul style="list-style-type: none"> <li>• organisational base</li> <li>• delivery of core services</li> <li>• information and access point for local and external liaison</li> </ul> <p><b>Neighbourhood team</b></p> <ul style="list-style-type: none"> <li>• dedicated to specific area</li> <li>• enhancing security</li> <li>• tackling basic conditions</li> <li>• building community support and involvement</li> <li>• providing / organising local staff to cover basic services</li> <li>• small core, multiple links</li> <li>• developing special initiatives</li> </ul>	<p><b>Core services</b></p> <ul style="list-style-type: none"> <li>• housing management (where renting from social landlords)</li> <li>• repair</li> <li>• super-care-taking and environmental services</li> <li>• warden, concierge &amp; security services</li> <li>• nuisance control</li> </ul> <p><b>Co-operation with other public services</b></p> <ul style="list-style-type: none"> <li>• police</li> <li>• health</li> <li>• education</li> <li>• training and jobs</li> <li>• community provision</li> </ul> <p><b>Community representation</b></p> <ul style="list-style-type: none"> <li>• local agreements</li> <li>• local boards</li> <li>• arms length models</li> <li>– community based housing association</li> <li>– local housing company</li> <li>– tenant management organisation</li> <li>– community trust</li> </ul> <p><b>Retail management</b></p> <ul style="list-style-type: none"> <li>• security</li> <li>• environment</li> <li>• insurance</li> <li>• customer liaison</li> <li>• public transport links</li> </ul>

### ***The role of Neighbourhood Manager***

A senior manager is essential to ensure successful delivery of services on the ground. He/she needs to have the seniority and capacity to ensure joined up delivery across all local inputs. The manager needs to be able to co-ordinate housing services, deal directly with the police, link with health, education, social and other services and respond to the needs of residents. Schools, shops, bus links and transport make a vital contribution to neighbourhood success and their interests also need to be encompassed.

In all of the case studies we visited and in the Neighbourhood Management Pathfinder programme there is a neighbourhood manager or company chief

executive on the ground, managing some core services and helping to co-ordinate other local authority, statutory and community services. Almost all include basic housing management alongside their wider remit. Each manager has considerable experience. Each manager attracts a principle-level salary or higher within the organisation. All have responsibility for their budget spending. All have direct support from the local authority chief executive, or in the case of independent companies, the chief executive has delegated financial control, monitored by the Housing Corporation and Audit Commission, and works closely with the local authority.

### ***Neighbourhood Office***

A neighbourhood office provides the local base within which neighbourhood management is organised. The neighbourhood office is also often the organisational hub of housing management services. This works very well. In neighbourhood initiatives which are housing-led or housing-based there is a layer of responsibility above the direct housing service with a broader remit to work with residents, support and address community needs, create a secure, attractive, well maintained environment and develop initiatives to support community development, expand the resources and enhance the viability of the area. The neighbourhood office in each of the cases that we examined closely provides a functional base, with a practical focus, essential services are often provided directly through it. Cleaning, security and environmental care are the most common, but youth activities and direct resident priorities run alongside housing management as central to progress. Some neighbourhood offices manage repairs, cleaning, caretaking, environmental improvements and tenancy matters directly.

### ***Housing Management***

Evidence from the Neighbourhood Renewal Unit is not available on how housing and neighbourhood management fit together. The neighbourhoods that we visited delivered most or all housing services locally. The main exception to this pattern was the allocation of council housing, although in low demand and difficult to manage areas, ‘community lettings’ and resident involvement in recruiting new applicants is being increasingly encouraged. Choice-based lettings, whereby vacancies are advertised and people needing a home can choose to apply, are also beginning to show positive results.<sup>16</sup>

Some key housing functions impact on neighbourhood conditions directly and are needed in almost all urban areas. Box 2 sets out these functions:

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<sup>16</sup> ODPM (2002) Choice-based lettings pilots.

**Box 2: Housing management functions**

- reinvestment and regeneration
- repairs and maintenance
- caretaking
- environmental care
- warden and concierge service
- enhanced security
- empty property and derelict land
- tenancy conditions and enforcement

Many of the targets for neighbourhood management, some of which affect all tenures, most often land in housing manager's laps. Some examples are shown in Box 3:

**Box 3: Housing related issues**

- nuisance
- anti-social behaviour
- abandoned buildings and spaces
- roads, traffic and parking
- arson and fire hazards
- sub-legal activities
- drugs
- support for community self-help
- poor quality shops
- racial harassment
- youth needs
- gang fights
- family needs
- extended family conflicts
- local community facilities
- mixed tenure management and leaseholder problems (often a result of the right-to-buy for council tenants)

Box 2 underlines the need for a wider neighbourhood management role, even where the main focus is on housing. The advantage of the neighbourhood management structure, particularly where it encompasses housing management, is that signs of social and environmental decay can be tackled quickly and directly.

Many services are involved and below we discuss the ones we believe are most important.

***Super-caretakers, wardens and concierges***

The responsibilities, expectations, training and involvement of caretakers in many different non-manual and manual tasks – community liaison as well as basic conditions – defines their role as ‘super-caretaking’, rather than basic caretaking. Caretakers are identified closely with the local community and spend all their time on the ground. Caretaking historically has been funded from rents for housing estates and everywhere on the continent it is still considered essential to the viability of rented housing. The idea of concierges and super-caretaking derived from this source. The functions of caretakers and wardens vary but they typically have security, cleaning, repairs, environmental care, youth and community liaison roles. Caretakers or wardens are a popular feature of neighbourhood management experiments. A MORI survey of residents in Hackney found that on the question of dedicated new services, the top request

was for resident caretakers (49%), followed by a locally- based estate manager (36%) and a local estate office (35%).

Warden, concierge and caretaking services offer local employment possibilities to people of the local neighbourhood. Some managers argue against residents holding caretaking, warden or concierge jobs because of fear of intimidation or corruption. Others regret its passing or advocate it strongly. In any case concierges and caretakers can be locally-based and cover areas other than their own home. Close supervision, training and senior management are essential to their success in tackling poor conditions.

We group caretakers, wardens and concierges together because their role is similar even though they are often deployed in different ways. While concierges are suitable for high-rise properties, the use of wardens works best in low rise/low-density areas and in areas of high crime. Wardens often perform functions similar to super-caretakers.

Concierges operating within dense flatted building can bring about a significant reduction in vandalism, an increased sense of security and higher occupancy levels, which further reduce overheads and increase income. According to staff, concierge surveillance has strengthened the hand of neighbourhood offices in dealing with difficult tenants. Reduced vandalism and crime, higher occupancy, lower turnover and lower repair costs all create savings. The value of a concierge in high-rise apartment blocks is widely accepted in neighbourhoods where they have been properly introduced.<sup>17</sup> It is an expensive service and is usually used to control large blocks of flats or dense flatted estates. Concierges are invariably organised and funded through housing management, but housing managers commonly argue that they pay their way through major savings.

Wardens take on multiple tasks in the areas we studied: security patrols, brokering neighbourhood disputes, informing the office and police about disruptive behaviour and criminal incidents. Other tasks, such as fixing minor repairs, tenant liaison, visits to vulnerable tenants, running youth activities, are also taken on by wardens. A warden scheme is usually less than half the cost of the high-rise concierge services. Warden schemes in terraced and low- rise areas offer a solution in places of high crime and low demand where a neighbourhood presence is desirable. Wardens are often funded by housing management even though half of their tasks relate to wider environmental and social issues. But

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<sup>17</sup> Bradford City Council (2002).

they can also be supported through general funding or as a supplement to the police.<sup>18</sup>

Concierges, wardens and super-caretakers offer a human link in insecure environments.

### ***Policing***

Partnership with the Police is central to neighbourhood offices in disadvantaged areas. All the areas we looked at did at one time and often still do face high levels of crime. A major unresolved policing problem in some of the worst areas is witness intimidation and difficulty in obtaining evidence to combat crime. This drives law-abiding residents away. A dedicated neighbourhood police unit is the optimum local service and sometimes essential to winning over the co-operation of residents. One major problem with special policing initiatives is that they tend to be withdrawn as soon as more normal conditions prevail. Dedicated police are often called away to other emergencies. This often results in a return of crime and the need for another bout of anti-crime activity. Sustained, visible, ground level policing, linked to warden-style services, can transform conditions. The police generally support the creation of local offices as it makes their job more manageable. Very often local housing officers set up close liaison with police. For all these reasons, neighbourhood management now invariably involves strong police links and inputs.

The addition of wardens, concierges and super-caretakers have all been important factors in the reduction of crime in each of the areas we visited. An estate level supervised service in all the areas we visited has resulted in lower crime rates and less fear of crime. In other words, ancillary security and custodial services, such as concierges and wardens, add to and enhance the police role and resources. Warden-type services are only effective with police backing.

### ***Repairs***

Repairs are often thought of as the most distinctly housing-related of all the functions, yet failure to repair and maintain property to a high standard has significant repercussions on neighbourhood conditions more generally. In fact, maintenance and repairs matter for pavements, street lighting, gates, fences, bollards, open spaces, empty buildings as well as for homes. It is the service that often most clearly signals neighbourhood conditions. In older low income owner-occupied areas it is a major unfounded problem.

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<sup>18</sup> See Neighbourhood Warden Team in ODPM website for details of the many schemes.

### ***Community Representation and Provision***

Neighbourhood management specifically targets community needs and community involvement. A community base within the neighbourhood management structure helps to facilitate participation and leadership from the community. The business plans of the independent non-profit companies responsible for neighbourhood management need to include social provision and support.

The extent of community involvement is partly dependent on the area's history of community activism and the profile of residents. Some areas have much stronger traditions of involvement and an accumulated experience of running things jointly or with residents in the driving seat. Where an area has a poor history of community relations, a great deal needs to be invested in this work to get it off the ground, particularly if the area is rundown and depopulating.<sup>19</sup>

Community Development Trusts provide an important model. Through them, a local community asset, such as a community centre, can be run and managed through a local community based charity or trust. In some cases the ownership is vested in the trust. There is now significant experience of community representation, leadership and ownership, providing models for neighbourhoods everywhere.<sup>20</sup>

Chart F sets out the main forms of community representation and ownership found in each case study.

### **Chart F: Forms of Community Involvement and Ownership**

1.	Consultative / Public Liaison Structure
2.	Negotiated Agreement- Estate Agreement with multiple landlords
3.	Representation or company board and community provision
4.	Resident Control <ul style="list-style-type: none"><li>• Tenant Management Organisation</li><li>• Community Based Housing Association</li></ul>
5.	Community Trust – assets and organisation owned by elected community representatives

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<sup>19</sup> Poplar HARCA, Supplementary Report on Neighbourhood Management (1999).

<sup>20</sup> Power, A (ed.), *One Size Doesn't Fit All: Community housing and flourishing neighbourhoods*, Independent Commission of Inquiry into the Future of Council Housing in Birmingham (2002).

All the neighbourhood management organisations we visited provide community development support, training for residents, pump priming for local initiatives and constant effort to involve local people in decisions. This effort is necessary, partly because of the social pressures poorer neighbourhoods are under, partly in recognition of the major contribution resident involvement makes to successful management of conditions. It would be difficult to overstate the role of community representation and involvement in the progress of the areas we visited and in the Neighbourhood Management Pathfinders.

### ***Health and social services***

Joint working between the neighbourhood and the health authority can lead to exciting stand-alone community health projects. Many health issues affect low-income areas: diet, smoking, disability, depression, asthma, isolation of the elderly and vulnerable, drug and alcohol abuse. Crime and its side effects have health implications. Adopting a more 'public health' approach with an emphasis on prevention can help tremendously. The Sure Start programme, supporting vulnerable mothers and young children in high poverty areas, is a good example of a health-related preventative programme. It operates in a number of areas that are the target of regeneration and neighbourhood management. Group practices and healthy living centres are also emerging under the umbrella of neighbourhood management.<sup>21</sup> This approach crosses the divide between health and social services, which is increasingly the way thinking and delivery should go.

### ***Education***

The emphasis on area conditions and housing problems has limited the links between neighbourhood management and schools. Yet, there is considerable scope for greater joint working between the schools and the neighbourhood office. Most neighbourhood management areas are trying to do more with the help of and in support of the schools, with the aim of integrating schools far more into the communities they serve – creating schools that are used for many different purposes.

### ***Training and Employment***

Landlords are obviously constrained in what they can do to bring people who are hard to employ into jobs. In spite of this, there is a focus on employing local people where possible in the housing and neighbourhood services, and linking residents to the wider job market. The employment of residents channels some extra money into the neighbourhoods while at the same time giving the organisations greater credibility and visibility in the eyes of residents. Some

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<sup>21</sup> Broadwater Farm Estate, Haringey, and Waltham Forest Housing Action Trust, in Supplementary Report on Neighbourhood Management, 1999.

cost-free measures (such as residents' membership on interview panels) for the appointment of local staff also help to build good will and a neighbourhood identity when outsiders are being recruited for jobs. There is great scope to do more on this. Box 4 shows how these ideas are being tried out in one way. Wolverhampton pilots Neighbourhood Management across the city.

**Box 4: Wolverhampton**

Wolverhampton City Council, a Black Country metropolitan authority within the West Midlands, has decided to jump ahead of the national neighbourhood renewal agenda and establish seven neighbourhood management pilots covering approximately 28,000 homes. The city has 29 Priority Neighbourhoods and 60% of the homes in the pilots are rented from social landlords. The seven pilots each have a neighbourhood manager, line managed by a managing agent from voluntary, not for profit or public sectors.

Their first task is to develop action plans with residents through a neighbourhood management board. They will challenge existing service delivery, in order to tackle litter and rubbish dumping, housing repair, environmental conditions and street supervision. These are the visible signals that will convince residents and investors that conditions are improving. There is a strong emphasis on involving multiple local services, on quick wins and on an asset based approach to community buildings and facilities. But the neighbourhood managers need the power and authority to manage – to call other services to account, and to make Wolverhampton's neglected neighbourhoods 'liveable'.

If neighbourhood pilots come anywhere near the success of the city centre regeneration and management in Wolverhampton, then the city will move from depopulation to repopulation, from decay and industrial collapse to new service sector vitality, from crumbling, unloved buildings and streets to renovated historic monuments. A great wealthy industrial city that fell apart over the last decades of the twentieth century could turn into a series of thriving, attractive urban communities clustered around an attractive, traffic calmed, bustling, and impressively restored.

Wolverhampton, like the rest of the Black County and the West Midlands conurbation as a whole, has the ambition to reinvent itself after a grimy past and a devastating decline in its industrial capacity. The Black Country Boroughs are planning for 30 years hence to rebuild the potential of the country's largest conurbation.

Neighbourhood Management makes neighbourhoods more sustainable by improving local services and reducing inequalities between neighbourhoods, becoming more attractive to investors and potential residents, stemming the long-run migratory outflow from Wolverhampton.

Piecing together plans for every block, building and street corner, then caring for them down to the last detail, has made Wolverhampton city centre bounce back. The same could happen in its inner neighbourhoods.

### ***Town Centre and Shopping Area Management***

Some of the ideas for neighbourhood management have been borrowed from the much more commercially driven successes of town centre management. Government restrictions on out of town shopping have encouraged a focus on town centres and the recognition of the need for careful management of conditions to encourage this. In a similar way, the growing restrictions on green field house building should drive the recovery of declining urban neighbourhoods, driving the impetus for stronger neighbourhood management. The experience of town centre management shows that it can reduce insurance costs and therefore the overheads on goods.

The emergence of the town centre manager role over the last 10 years – co-ordinating the basic services: cleaning, security, environmental care – has increased customer satisfaction and therefore expanded trade. The main requirements are: a competent manager; a clear service contract; agreement with traders of funding, services and standards; a dedicated budget; a contribution to costs from traders and the local authority; a significant input of dedicated staff. Town centre management can reduce crime and vandal damage, keep public areas clean, attractive and in good repair, improve customer relations, upgrade the quality of services provided and help promote the image of an area. It also cuts insurance costs and this can be critical in funding the service.<sup>22</sup>

Securing the future of shops and facilities in neighbourhoods is central to recovery, vitality, a broader mix of activity and population – all of which are central to survival. Many neighbourhood shopping areas are in acute decline. Shops have a need for security, cleanliness and intensive refuse collection. These basic services help attract trade and sustain businesses. Bus links, attractive secure environments and a good mix of traders affect the viability of shops. There often needs to be a critical mix of services and a clear maintenance agreement for a shopping parade or centre to work. But getting shopkeepers to co-operate as well as compete is often difficult. A reduction in insurance costs is a major selling point. Where there is a shopping parade or high street in a neighbourhood, it is a key function of neighbourhood management to make it work.

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<sup>22</sup> Report on Town Centre Management, Government Office for the North West (2000).

## **6. Costs and benefits of neighbourhood management**

In this section we outline the benefits of a neighbourhood-based service. We compare the costs of local housing management, including the neighbourhood management role, with the cost of the centrally run locally authority housing service, drawing on Birmingham City Council figures to update the work we did in 1999.

Most areas of neighbourhood management have a poor reputation, severe social problems and serious disrepair. Broadwater Farm estate, Haringey, where severe riots and a breakdown in police-community relations occurred, is one of the longest running and most thoroughgoing experiments in neighbourhood management. We carried out a more detailed study of Broadwater Farm and present some key findings, to indicate how neighbourhood management can be funded within a housing budget and mainstream local authority budget.

The strongest assets of the Broadwater Farm model include:

- a local base with a cohesive staff team covering basic services, ongoing maintenance and environmental care;
- well-organised resident input into decisions and development, far beyond accepted consultation e.g. resident representation on job recruitment panels;
- a neighbourhood manager with a broad remit to include community relations, direct services and wider co-ordination;
- a training approach to caretaking leading to outstanding cleanliness, maintenance and tenant liaison;
- close liaison with the police, health, education and social services;
- a clear role for black and other minority ethnic community representation;
- direct work with young people and support for youth initiatives;
- a clear security role - combining super-caretakers, concierges, active residents involvement and a dedicated police unit;
- support for other agencies and activities – a health centre, a sports centre, churches, employment and training services for the elderly.

The main ingredients of the model are replicated in most of the other neighbourhood management examples we found. The following chart summarises the costs and benefits of this important model.

**Chart G: Broadwater Farm – Estimate of costs and benefits of 5 main components of service including neighbourhood management function**

<b>Costs</b>	<b>% total local cost</b>	<b>Benefits</b>
<b>a) Neighbourhood officer</b> £35,798 p.a. £33.68 per unit £0.65 p.u.p.wk	3%	(i) Seniority and clout in Council (ii) motivation and energy to deliver (iii) clear co-ordination & co-operation (iv) high level, local supervision (v) high performance on basics (vi) strong tenant support
<b>b) Housing Management</b> £176,041 p.a. £166 p.u.p.a £3.18 p.u.p.wk	15%	(i) occupancy - 98% - above national average - previous high void rate (ii) rent collection - 99.5% (iii) rent arrears halved (from 1990) - still high at £588 per household (iv) tenant satisfaction above national average (survey findings)
<b>c) Super-caretaking</b> £164,800 p.a. £155 p.u.p.a £2.98 p.u.p.wk	16%	(i) clean, graffiti free environment (ii) no visible vandalism (iii) clean lifts, corridors, stairs, entrance (iv) personal contact with tenants (v) daily liaison with senior staff (vi) close collaboration with repairs staff (vii) enhanced security, supervision (viii) watch-out for vulnerable tenants (ix) regular contact with police
<b>d) Concierge system</b> (estimate for whole estate, currently half) £400,000 p.a. £376 p.u.p.a £7.24 p.u.p.wk	33%	(i) saving of £100 per unit in reduced repair costs (ii) elimination of vandal damage (iii) much improved block condition (iv) increased sense of security/reduces fear (v) informal and formal surveillance (vi) close liaison with office over difficult tenants (vii) friendly positive contact with residents
<b>e) Repairs Unit</b> £431,271 p.a. £406 p.u.p.a £7.80 p.u.p.wk	36%	(i) fast response to emergencies e.g. floods (ii) mutual reinforcement with caretakers (iii) collaboration with housing office (iv) familiarity with estates residents (v) costs one fifth <u>below</u> borough average (vi) high tenant satisfaction - Borough survey - higher than other estates (vii) extremely well maintained estate
f) Community support	Own budget	(i) large council funded community centre (ii) strong community involvement in decisions and priorities
g) Links with other services	Part of (a)	(i) police (ii) health (iii) sports & leisure } Outstanding locally-based services

**Total:** £1500 with concierges per unit per annum  
£1125 without

**Source:** Haringey Council, 1999

**Note:** This funding framework is broadly in place in 2003

The cost to the authority for warden services allowing for savings elsewhere is probably negative, which is why at least 200 local authorities have established warden services without additional funding from central government and why many independent, non-profit housing associations have also set up schemes. However, up front direct costs have to be met. It may be possible to charge people for the extra service and security - less than £1 per week for the cheapest security service, £2-£5 per week for warden services, £4-£8 per week for more intensive concierge services. Although more costly than warden services, but the potential savings of concierge schemes are much greater. Both services enhance conditions as the uncoded benefits show.

Chart H sets out the overall costs and benefits.

Imaginative new ways have to be found of funding this basic security and environmental maintenance if we are to keep city neighbourhoods and housing estates working. Private development companies in and near city centres who are responsible for new mixed developments are now generally providing local services through management companies, in order to protect property values and entice higher income residents in. They offer some clues of what is necessary to maintain the viability of estates. Innovative experiments in mixed-tenure and private areas, particularly in declining inner city areas, are now common. So most of the new mixed tenure, mixed use regeneration schemes that public-private partnerships are now developing will need to adopt this neighbourhood based management approach by establishing follow-on housing management companies.<sup>23</sup>

Funding problems arise in privately owned areas needing intensive management or in more scattered rural areas. It is not obvious who, other than the local authority can organise, manage and pump-prime neighbourhood management. Slimmer central management structures and greater focus on front line delivery makes neighbourhood management surprisingly cost-effective, as well as motivating. The efficiency and service gains seem to justify the investment. But it will in the end only work if arm's length management companies are established, into which residents pay a service charge, as happens with shared freehold or leasehold ownership and management companies. Many European countries organise neighbourhood management through service charges paid to a legal community entity. The Spanish 'Comunidad de Vecinos' system is one example. Chart I sets out the costs and benefits of neighbourhood management.

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<sup>23</sup> Greenwich Millennium Village, 2003.

## Chart H: Warden/concierge costs and savings – per annum, based on examples we visited

### *(a) Concierge/warden costs*

	<b>Estimated costs per dwelling/per annum</b>
<b>WARDENS</b>	£50-200
<b>CONCIERGES</b>	£200-400

### *(b) Concierge/warden savings*

	<b>Estimated savings per dwelling/per annum</b>
Savings on repairs due to reduced vandalism, quicker relets etc.	£100
Additional rent income of 5% from lower voids, lower arrears, quicker re-lets, reduced turnover/transfers	£150
Reduced property insurance charges due to lower claims, enhanced security, clearer supervision etc.	£100
<b>Costed savings</b>	<b>£380</b>
In addition, reduction in demolition creates significant savings per dwelling saved	£17,000-35,000

### *(c) Uncosted benefits of warden / concierge schemes*

- High visibility resulting from uniforms and local liaison responsibilities
- Reduced crime, greater security do not affect both repair costs and insurance for landlords other owners (e.g. shops) and residents
- Clear police liaison and reporting, control over anti-social and criminal behaviour
- Resident liaison, information exchange, support for vulnerable households.
- Clear records, more careful monitoring of costs etc.
- Clear lines of reporting because of proximity to problem
- Close supervision of ground level staff
- Higher standards of cleanliness and maintenance
- Safer, more welcoming environment
- Improved appearance and marketability of blocks
- Innovative approached to local problems, e.g. wardens using bikes; wardens helping with young people

**Note:** Costs and savings are derived from actual services.

**Chart I: Costs and benefits of neighbourhood management based on the models**

Costs/Inputs	Benefits/Outcomes
<p><b>ESSENTIAL</b></p> <ol style="list-style-type: none"> <li>1. senior manager locally based</li> <li>2. cleaning, wear &amp; tear repair, security services</li> <li>3. close rapport with residents/users</li> <li>4. discreet local budget under control of local manager</li> <li>5. strongly linked into &amp; supported by local authority and police</li> <li>6. proactive police liaison</li> <li>7. focus on basic conditions</li> <li>8. open co-ordination with other services, e.g. schools, doctors</li> <li>9. political backing &amp; central support/reorientation</li> <li>10. links with investors, enterprises (shops), community bodies (churches, playgroups)</li> <li>11. increase ground-level staff – caretaking/cleaning/basic repair (i.e. warden / super-caretaker). An area of 1000 properties requires 4-6 ground level staff &amp; 1 neighbourhood manager</li> <li>12. housing revenue for rented housing areas to provide local staff – 20 per 1000 properties</li> <li>13. initial up-front investment (e.g. office, equipment etc.)</li> </ol>	<ol style="list-style-type: none"> <li>1. Better environmental conditions</li> <li>2. General improvement in repair, cleaning &amp; other basic services</li> <li>3. More patrolling, supervision &amp; control over conditions</li> <li>4. More social contact &amp; liaison</li> <li>5. More reporting, more local information, better informed action</li> <li>6. More co-ordination between local actors e.g. housing &amp; police</li> <li>7. More resident inputs &amp; liaison</li> <li>8. New projects &amp; initiatives</li> <li>9. Greater sense of pride &amp; commitment to area</li> <li>10. More occupied property, stronger income base</li> <li>11. More interest from senior politicians &amp; city officials/more visitors – creating virtuous circle (until lots of neighbourhoods do it!)</li> <li>12. Knock-on development of local jobs</li> <li>13. Skill development among residents - greater access to training - new roles, demands, responsibilities</li> </ol>
<p><b>Summary:</b></p> <ul style="list-style-type: none"> <li>• Costs are comparable to the centrally organised service</li> <li>• Staff are highly visible on the ground.</li> <li>• Costs of repairs, lettings, vandalism are lower</li> </ul>	<p><b>Summary:</b></p> <ul style="list-style-type: none"> <li>• Direct benefits stem from the local framework &amp; local delivery with face to face contact as a key</li> <li>• Staff / property ratio is comparable to the centrally based service</li> <li>• Human contact &amp; manual tasks are combined</li> </ul>

**Note:** derived from the experiments we visited, the Priority Estates Project, and the Neighbourhood Renewal Unit

Box 5 offers a worked example which can be funded from currently available mainstream resources.

#### **Box 5: Birmingham**

Birmingham City Council offers a current example of the costs and benefits of neighbourhood management.<sup>24</sup> As a result of the failure to secure tenant support for the transfer of the whole council housing stock (80,000 properties) the city has proposed to create Community-Based Housing Organisations (CBHO) in all the areas of the city where the tenants favour this approach. Each CBHO will have the potential to manage neighbourhood conditions within a local housing management framework. It includes funding (from the housing revenue account) for super-caretakers or wardens, local repairs and a neighbourhood manager.

So far forty community-based groups within the city have declared an interest in pursuing this option. This is over and above the council's planned and much publicised devolution plans to much larger constituency areas covering around 90,000 people. The enthusiasm for change and for hands-on local management will hopefully stun the housing department into action.

Birmingham, the second largest city in the UK, with a population of just under one million, is running a live experiment, citywide, in the potential for neighbourhood management. Historically, it was the pioneer of civic responsibility for neighbourhood conditions – sewers, lights, pavements. Today it wants to demonstrate the untapped capacity of our big cities for neighbourhood renewal. It is breaking new ground in attempting to secure urban neighbourhoods for future generations.

Previous proposals encouraged large-scale demolition whereas current proposals attempt to secure their repair, upgrading, security and better environments. The acid test for Birmingham will be whether it 'lets go' of the central bureaucracy and supports the 40 communities and willing staff across the city in tackling often appalling local conditions through local neighbourhood management.

Birmingham is not the only council to go down this route and Wolverhampton Council has now developed a city-wide neighbourhood management strategy (see Box 4). Leeds, Kirklees, Derby and several other cities are going towards full arms-length management of all city neighbourhoods with majority social housing.

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<sup>24</sup> Power, A (ed.), *One Size Doesn't Fit All: Community housing and flourishing neighbourhoods*, Independent Commission of Inquiry into the Future of Council Housing in Birmingham (2002).

## **7. Lessons and Ways Forward**

### ***Lessons of neighbourhood management***

There are limits to what neighbourhood management can do. Firstly, it is hard to measure the direct impact of neighbourhood management on jobs, health, education, crime without much more detailed research. But it is clear that successful neighbourhood management is beginning to impact on these, particularly crime (through greater security measures) and jobs (through local recruitment, training and more jobs on the ground). Secondly, neighbourhood management costs around £70 per household per year. There is no dedicated mainstream fund outside housing revenue budgets to pay for it, although many services could contribute. Thirdly, it is impossible to launch something as complicated and sensitive as neighbourhood management in one go. It needs to grow with the capacity of local authorities and other bodies to organise it. There is a logic, underlined by the Social Exclusion Unit's reports, to focusing on the most difficult urban areas first. But even these, with 2000-3000 such areas, will take time. Fourthly, in most cases, initiatives are coupled with other targeted spending programmes. This additional investment provides a strong incentive to break out of the traditional management structure. Fifthly, many other types of neighbourhood, including more rural areas, would like to benefit.

The most encouraging elements of our evidence are that: neighbourhood management has become permanent and mainstream funded in all cases we used in our initial study; investment money has come through additional one-off start-up programmes; it costs about the same to provide neighbourhood management as to organise services centrally and it can help all services work better because it improves both conditions and co-ordination; its impact is verified by all the parties we spoke to and by the evidence we gathered on our visits and by the findings of the Neighbourhood Renewal Unit.

Such measures as resident satisfaction and involvement, support from schools, doctors, police, reduced empty property, vandalism and nuisance, high staff morale operating within core cost limits, all suggest that neighbourhood management is a critical piece in the jigsaw of solutions needed to tackle distressed, declining and highly built up neighbourhoods. If such neighbourhoods were better managed, they would retain and attract more people in work. If they did that, there would be more resources to fund better management. Developing and framing legally a community management structure is central to success.

Neighbourhood management is doable but it needs vision, energy and dedicated resources. It must have a strong local focus but a broad remit within the area to give it vitality and scope for radical change. It has major knock-on impacts on

the environment, security, jobs on the ground, and service innovation. It could make cities and inner neighbourhoods much more attractive. It can be applied and work almost anywhere.