From a framework to a toolkit: Urban regeneration in an age of austerity

Lee Pugalis

David McGuinness

Abstract

An age of austerity presents considerable challenges for those engaged in purposeful acts aiming to regenerate communities of places. Driven by an intense period of global economic uncertainty and a crippling banking crisis, the last rites were effectively read for holistic notions of area-based regeneration in England across the space of a few months. Of central concern to this research is investigating the recalibrated urban policy measures involving the examination of the transition from a dense national regeneration framework accompanied by a plethora of area-based initiatives to a minimalistic 'regeneration' toolkit to enable growth. Drawing on interviews with some principal agents of regeneration, the paper explores emerging new agendas. The research material generated indicates that the public policy field of regeneration has largely been subsumed by a single-minded pursuit of economic growth as a spatially unjust neoliberal toolkit is unmasked. Views from practitioners, however, also indicate the complexity of actually existing regeneration projects as well as some potentially progressive activities associated with the retreat of the state.

Keywords: Regeneration, austerity, incentives, single-mined economic growth, Labour Government, Coalition Government

INTRODUCTION

Urban regeneration programmes and area-based initiatives can be distinguished from other public policies because of their geographic focus. That is to say that particular places are designated for special forms of state assistance beyond the norm, ie urban regeneration sites. Although not always referred to as regeneration, such special assistance has been a defining feature of state policies around the world from the 1940s onwards: whether upgrading slum conditions in Bogotá or revitalising the post-industrial waterfronts of Boston. Certainly not beyond criticism in conceptual terms, specific regeneration practices — from estate renewal to the renaissance of commercial quarters — continue to generate heated public debate and raise some fundamental political questions. Yet, a mainstay of urban regeneration theory and discourse has been its explicit or implicit aim to ameliorate some of the social, economic and environmental injustices produced by capitalist modes of production: namely, uneven patterns of development.

Over the past four decades in the case of countries such as the UK and the US, but more recently for other countries such as China, public policies have, in broad terms,

shifted from redistribution towards more market enabling approaches consistent with neoliberal political outlooks. Nevertheless, the variegated forms and effects of actually existing neoliberalisation need to be acknowledged. Thus, according to Jamie Peck, the fiscal purging of recurrent neoliberal acts has resulted 'in the cumulative incapacitation of the state'. This would imply that the current age of austerity presents considerable challenges for holistically framed patterns of regeneration that many communities of need around the world grew accustomed to over the past two decades. Yet, recent empirically informed research, which may help to reveal some of the actually existing patterns of austerity-induced regeneration, has been noticeably lacking. There is a critical gap in knowledge of the framings of English regeneration since the UK General Election in 2010, partly because of a renewed and allencompassing political discourse of 'localism'. 2 Critical questions relating to whether a transformation in state-led regeneration policies has actually materialised or whether such a shift has been focused on appearance or the substantive form of regeneration have remained largely unexplored.³ It is these guestions that framed the research project reported in this paper.

Backdrop

Legislation by Thatcher's Conservative Government paved the way for a range of market-oriented regeneration ventures, including Urban Development Corporations (UDCs) and Enterprise Zones (EZs) in the 1980s, to which more recent reincarnations such as Urban Regeneration Companies (URCs), Local Enterprise Partnerships (LEPs) and City Deals continue to bear some similar neoliberal hallmarks, albeit variegated in their spatial manifestations. It could be argued that a series of policies designed to achieve quick 'wins' have predominated over longer-term strategic planning and spatially inclusive ideals. This reveals an underlying tension between more holistic targets that favour social objectives (seeking to serve local communities at large) and those seeking narrowly to organise and control space to maximise economic growth (primarily benefiting individuals and corporations through capital accumulation) that target areas of development and economic opportunity.

During the 1990s, the Conservative Government introduced the competitive 'challenge funding' approach, which included initiatives such as City Challenge and the Single Regeneration Budget. The popularity of competitive bidding regimes did wane to some extent under successive Labour Governments between 1997 and 2010. For example, flagship redistributive initiatives such as New Deal for Communities and the Neighbourhood Renewal Fund were based on quantitative measures of multiple deprivation that sought to targets areas of need. Competitive bidding remained prominent, however, as it became accepted among a growing neoliberal repertoire of regeneration tools.

With an economy still reeling from the effects of the 2007-08 credit crunch and a global economic downturn, it was apparent that the favoured (housing-led) model of regeneration predicated on the wide availability and easy access to relatively cheap credit to which the UK's public-, private- and third-sector interests had become accustomed was no longer financially viable.⁴ A change in the orientation and practice of state-led regeneration was thus apparent prior to the 2010 General Election, epitomised in the Treasury-led 2007 Sub-National Review of Economic Development and Regeneration (SNR).⁵ The election, however, provided a defining moment for the practice of regeneration and the significance of regeneration as a national urban policy concern. Upon accession to office, the Conservative-Liberal Democrat Coalition Government proposed what they claimed would be a radical 'new model' to rebalance the economy of England.⁶ As a discourse and policy goal, 'regeneration' was sidelined by the interwoven narratives of 'localism' and 'economic growth', closely aligned with the Coalition's imperative to reduce the public budget deficit and to ease the reliance on public-sector employment. Although politics and discourses differ markedly around the world, many nation-states and especially those members of the European Union have accepted the necessity of fiscal austerity. Consequently, debate has been limited to the depth of cuts, the speed of implementation and the spatial distribution of such measures.

English regeneration programmes withered as funding was reduced by around twothirds of the resources committed under previous spending rounds.⁷ This headline figure arguably disguises deeper cuts to resources made available for holistic forms of regeneration, especially when one considers that new 'regeneration' resources include initiatives such as infrastructure enhancements, primarily focused on delivering economic growth that are essentially loans rather than grants (eg Growing Places Fund).

Significantly, at the end of 2012, 'for the first time in over forty years there are no area based initiatives targeted at the most deprived parts of England'. The repercussions of a spatially unjust fiscal revanchism are potentially far reaching: for example, the 'extreme measures' taken by some US cities, such as the decision to permanently remove 1,300 street lights in Michigan.

This paper analyses English regeneration policy during austere socio-economic times. It explores whether the shift towards 'austerity-era regeneration' is due to a pragmatic strategy to weather the economic storm or whether it could indicate a more covert strategy to complete the right-wing ideological 'mission' fundamentally to reconstitute the role of the state, initiated by the Thatcher administration of the 1980s. Focusing on England as a window through which actually existing neoliberal repertoires can be examined may help to elucidate some broader trends associated with austerity politics and places under austerity rule. More modestly, the shifting contours of regeneration during an age of fiscal revanchism may serve to illustrate some of the repercussions when debates about the

merits of regeneration are curtailed by a discourse that is only concerned with the depth and pace of cuts.

Methodology

The empirical and secondary research that forms the basis of the research used for the analysis in this paper was carried out between 2010 and 2012. The aim of the research was to develop an understanding of the impact of the Coalition Government's urban policies and the emerging era of austerity for the regeneration landscape in England. One of the key tasks was to compile a comprehensive desk-based literature review; this was completed by examining key contemporary and historical policy documents, relevant academic research and reports from think-tanks. To provide further depth, including qualitative information on what the era of austerity means for regeneration policy at the micro level, semi-structured interviews were carried out with a number of regeneration and economic development practitioners (in the public, private and community sectors). The programme of interviews remains ongoing, as the research continues to track the shifting contours of state-led regeneration policy. Analysis is therefore provisional and explorative, with more detailed research reports and publications subject to follow. This paper discusses some of the key issues that research participants highlighted within the new paradigm of austere public policy and its political antecedence, using selected examples from the interview data for illustration.

Structure

In the first substantive section, divergent interpretations of the practice of regeneration are analysed. The purpose is to understand the competing narratives and motivations that have guided the formulation and implementation of regeneration policy. By this means, the goal is to analyse the holistic conceptualisation of regeneration that integrates social, economic and environmental facets. This approach will be contrasted with a more economically focused approach to regeneration, which began to appear after the first decade of Labour rule (c. 2007) and which has been intensified but also adapted by the Coalition Government. The conceptualisation provides the lens through which the policy shift from an integrated framework to a limited toolkit is examined. The following two sections identify the defining features and rationale of Labour's framework and the Coalition's toolkit, respectively. By way of conclusion, the paper identifies the marginalisation of holistic regeneration values in favour of economic growth objectives.

STATE-LED REGENERATION: A BRIEF REVIEW OF CONCEPTUAL DEBATES

The concept of 'urban regeneration' is used here as a catch-all term to encompass terms, such as 'urban revitalisation', 'urban renewal', 'urban renaissance' and similar terms, as regeneration is a contested concept with no universally accepted definition. Different terms have found favour in specific countries at particular times and related to certain interventions. Urban regeneration is traditionally understood to be concerned with economic, environmental and social aspects, yet with a preoccupation with physical development activities that seek to redress social imbalances. Roberts⁹ refers to urban regeneration as 'a comprehensive and integrated vision and action which leads to the resolution of urban problems and which seeks to bring about a lasting improvement in the economic, physical, social and environmental condition of an area that has been subject to change'. Together with being a social, economic and environmental (physical) activity, regeneration is also a symbolic process that aims to foster a geography of hope. It carries an implicit message of resurrection, that 'something new' will be created, while simultaneously suggesting that a return to 'better times' is possible.¹⁰ It is such regenerative properties that are distinct from other public policy pursuits, such as economic growth and development. The hope that is often conveyed in regeneration initiatives suggests that it may help to repair what has been ravaged by capitalist uneven development. Urban regeneration is a form of place management predominantly concerned with the management of the micro spatial processes, but it could be argued that its neoliberal incarnation is preoccupied with the management of perceptions and products to help situate localities at the forefront of the global competition of cities. 10 Critiquing the middle-class gentrifying logics and consumerist tendencies of neoliberal regeneration efforts, Lovering¹⁰ observes that it 'is ubiquitously used to refer to a fairly standard set of policy goals and outcomes'. From this reading, regeneration responses, such as neoliberal repertoires, are emulated and mutated (to greater and lesser degrees) as part of the global-local mobilities of urban policy. This suggests that an examination of actually existing forms of practice in a particular jurisdiction may help to harvest lessons for other jurisdictions.

The identification of regeneration sites is not a spontaneous process: indeed, it is the opposite. Places are specifically chosen for targeted spatial intervention as a 'corrective' to the processes of uneven development. In this sense, state-led regeneration is part of an 'official strategy', 10 rolled out to alter representations, practices and urban formations. It is a particular urban policy repertoire intended to temper some of the most visible and deleterious manifestations of capitalist uneven development. Hence, the designation of urban regeneration sites for special state assistance. Where social objectives remain important, this can result in channelling of regeneration resources towards deprived communities through, for example, specific area-based mechanisms such as New Deal for Communities. Alternatively, where economic objectives preside, this can result in channelling regeneration resources towards places of perceived growth potential, such as edge of city centre sites that were the favoured sites of intervention by the UDCs.

While many agents of regeneration consider that the central mission of regeneration is to improve the social climate, one tends, on cross-examination with project 'outputs', to find the striking dominance of 'hard' physical measures and outputs favoured over process. This paradox between stated strategic goals and 'final' delivery targets may explain why regeneration initiatives have long been criticised for failing to address deeprooted structural issues. Trebeck,¹¹ for example, calls for a more nuanced understanding of transformations taking shape, which departs from the narrow range of socioeconomic indicators by focusing on overall 'quality of life', which may help to challenge the tenets of regeneration. Attempting to negotiate between demand-side objectives, such as tax incentives, and supply-side objectives, such as safe living environments, is a persistent issue. Consequently, the debate continues about the effectiveness of areabased regeneration. Recent research provides some evidence to affirm that spatially targeting resources can reach concentrated pockets of poverty, but also cautions that the accuracy of targeting is non-uniform and, at a finer grain, found that the regeneration process bypasses many excluded people and households.¹²

In political—economic terms, state-led regeneration is administered to help repair the social, environmental and economic repercussions of capitalist uneven development. It is a capitalist policy instrument intended to respond to and assuage the outcomes produced by capitalist frameworks — a safety net of sorts. Conceptually, state-led forms of regeneration therefore remain locked into the structural logics of capitalism. In practical terms, state-led regeneration is administered for a variety of purposes, but can be distilled as a distinct form of assistance channelled towards particular communities of places. Assistance may include financial resources, political support, fiscal incentives and policy tools.

LABOUR'S REGENERATION FRAMEWORK

In broad terms, the Labour administrations from 1997 to 2010 pursued two key strands of regeneration policy: 'urban renaissance', which encompassed design-led physical regeneration, with a city-centre focus; and 'neighbourhood renewal', specific area-based initiatives to tackle social exclusion. The Urban Task Force described the pressing need to create an urban renaissance, revitalising the urban core through high-quality design and the regeneration of brownfield sites, the review was heavily influenced by practice in European cities such as Barcelona. Neighbourhood Renewal was a central feature of the first two terms of the Labour administration; it formed the social justice strand of the New Labour vision. The delivery mechanism was to be a plethora of area-based initiatives to enable 'problem spaces' to increase their economic activity and narrow the gap with more prosperous localities; the end goal, as Tony Blair famously stated, was that no one should be 'seriously disadvantaged by where they live'. In theory, there was the potential for the two key regeneration strands to support each other and create a holistic framework for regeneration, but in reality there were also significant

contradictions¹⁴ and the potential for one agenda to undermine the other (see, for example, the substantial body of literature on gentrification).¹⁵

The two major area-based policy initiatives pursued by Labour were the decade-long New Deal for Communities initiative (involving 39 deprived neighbourhoods) and the more widespread Neighbourhood Renewal initiative. Layer upon layer of area-based initiatives were introduced by New Labour, until the global economic conditions began to turn in 2007; the economic climate became toxic in September 2007 with the collapse of Northern Rock. The policy agenda then began to shift decisively from the holistic regeneration of place to the more modest aim to generate economic activity to bolster the flagging economy.

Transforming places; changing lives: A framework for regeneration', ¹⁶ issued by the Department of Communities and Local Government encapsulated many of the key messages and ideologies replete in the Treasury's SNR, ⁵ which emphasised the tensions between neoliberal and neocommunitarian objectives: namely, increasing economic prosperity and reducing social inequality. The role of 'Transforming places' was to consult on a framework for confronting the root causes of deprivation in order to improve social justice by tackling the underlying economic challenges, which were perceived to be preventing places from reaching their potential. It aimed to:

- tackle underlying economic challenges including worklessness by boosting enterprise;
- improve the coordination and prioritisation of regeneration investment;
- devolve power to more local levels so that programmes fit places through local and regional regeneration alignment.

This was a clear recognition of the deep-seated deficiencies of previous state-led regeneration policies that had failed to overcome structural issues. Yet, 'Transforming places' remained locked into the structural logics of capitalism. It did not at any level seek to challenge the causes of uneven development. As a precursor to an enduring politics of austerity, Labour's framework was intended to retain a safety net that would require less direct public assistance.

Self-styled as 'ambitious', much of the framework was fabricated from existing initiatives. At the time of its launch, it was also feared that the proposals were a 'done deal', which had prompted practitioners to focus on the more technical aspects of the package of proposals rather than consider the overarching objectives. The technocratic nature of state-led regeneration was a defining feature of the Labour years. Focusing on meeting targets, evidencing returns on public investment and demonstrating efficiency savings diverted attention from broader questions relating to the purpose of regeneration.

Extolling Third Way communitarian principles of helping people to help themselves by developing enterprising places to reduce worklessness, the framework laid out an agenda for improving the coordination and prioritisation of regeneration investment. Underpinning Labour's drive to achieve better value for money from regeneration investment was the principle that 'regeneration is a sub-set of economic development'. Prevalent here was the neoliberal orthodoxy that assumes areas of need and acute deprivation can be revitalised by spatially targeting investment in areas of opportunity.

As a means of extracting 'best value' from regeneration, Labour's technocratic method was to propose criteria to assess projects predicated on economic values, such as 'improving economic performance' and 'creating the conditions for business growth'. Driven by the intent to achieve better value for money from regeneration investment, the framework favoured an approach of enabling people to reach their full potential and preventing places from being held back economically, socially and environmentally. Referring to 'decades of de-industrialisation and economic restructuring' in the past tense indicated an extremely detached understanding of the economic challenges facing many urban and rural localities. The argument underpinning the framework was that direct investment in deprived neighbourhoods can often be very expensive compared with the economic uplift it generates, whereas reinforcing economic opportunities in central locations provides better value and greater success. Such economic tones were reminiscent of property-led regeneration initiatives launched in the 1980s that abided by a 'trickle-down' theory.

As part of Labour's top-down managerialist and paternalistic regeneration policy, they had a hyperactive tendency of experimenting with new structures of governance, partnership arrangements, performance management measures and special-purpose bodies. Each of these operated across different, albeit overlapping, scales and variously involved different, albeit overlapping, constellations of public, private and community actors. For example, cross-sector Local Strategic Partnerships were responsible to central government for delivering against targets established in Local Area Agreements (LAAs), while at the same time Multi Area Agreements (MAAs) between groups of local authorities and other partners were established, which again were predicated on the annual delivery of central government targets. As one interviewee expressed, 'Having been involved in previous MAA processes, MAAs felt very tangential to the real issues'. Such systems received criticism for devising technocratic institutional architecture and onerous reporting frameworks that recalibrated regeneration delivery away from the realities of particular communities of places. Indeed, post-2007 Labour's scalar preference for neighbourhood-based area initiatives started to wane. This provided a key indication that part of the state-led regeneration safety net was being unravelled, although clothed in the rhetoric of enhanced coordination and greater prioritisation of regeneration resources — an economic investment. It was perhaps the technocratic complexity of state-led regeneration that helped to mask the retreat from seeking to address social needs.

The framework suffered from some notable deficiencies. It lacked any consideration of how places of need can be more adeptly connected with places of opportunity, despite an escalation in area-based initiatives, partnerships and scales of governance over the preceding decade. Without a direct policy connection being made between places of need and opportunity, whereby connections would include a mixture of physical, social, cultural and economic relations, the Labour administration's recognition that some places 'have been slower to bring about a significant reduction in the number of people without work, and deprivation is still intense in some areas' was unlikely to find a suitable remedy. Hence, the state policy recognition of uneven development failed to comprehend, or at least acknowledge, that this is an outcome of capitalist modes of production, the result being that Labour's regeneration framework was not so much a holistic frame of reference for providing an adequate safety net for tempering the most destructive effects of neoliberal capitalism, but was more precisely a state-led attempt to recalibrate regeneration to facilitate the ceaseless quest for economic growth. Put in other words, regeneration remained locked into the structural logics of capitalism, and the safety net was being unravelled to help some people and places to prosper.

The economic climate had further deteriorated upon publication of 'Taking forward the regeneration framework'. Consequently, the imperative of 'tackling worklessness', 'boosting enterprise' and supporting business during a recession was amplified with £418m allocated to 20 Local Enterprise Growth Initiative partnerships between 2006 and 2011, for example. By this stage, it was common for England regeneration practitioners to conceive of regeneration interventions as a means of delivering economic growth. Indeed, many considered that the primary role of regeneration was to promote prosperity, although this viewpoint remains more contested (especially among those operating at neighbourhood scales). In recognition of this prevalent regeneration mindset, the next section examines how regeneration has altered since the Coalition entered office in May 2010.

THE COALITION'S REGENERATION TOOLKIT

Signalled in the pre-election political party manifestos, it quickly became apparent that with the installation of a Coalition Government Labour's technocratic approach, including their regeneration framework, did not fit with the Coalition's 'economic growth' and 'localism' crusade.² Indeed, it is noteworthy that the 'Local growth' White Paper¹⁹ rarely mentions 'regeneration', which is in stark contrast to the political attention that regeneration as a policy field received under Labour.²⁰ The term 'regeneration', as is also the case with 'regions/regionalism',^{6,21} has been largely omitted from the Coalition's vocabulary and, more importantly, this discursive absence has had a direct impact on regeneration programmes, as ministers have refrained from establishing any bespoke regeneration initiatives. If the state-led regeneration safety net was being

unravelled by Labour, has this safety net been completely dispensed with by the Coalition?

Arguably, it was a result of the House of Commons Communities and Local Government Committee's decision to launch an inquiry into regeneration that prompted the Coalition hastily to produce 'Regeneration to enable growth: What government is doing in support of community-led regeneration'. 22 This rudimentary toolkit is limited to a few pages of text and some appendices. Of central concern, the toolkit offered no definition of regeneration.²³ The Coalition has refused to define 'regeneration', claiming that 'it is not for Government to define what regeneration is, what it should look like or what measures should be used to drive it'. In contrast, the Scottish Government published a comprehensive regeneration strategy at about the same time, which defines regeneration as 'the holistic process of reversing the economic, physical and social decline of places where market forces won't suffice',²⁴ consistent with Roberts' definition of 'holistic' regeneration and similar to the notion of regeneration that guides Wales' 'New regeneration framework', which was published in March 2013.²⁵ This affirms that the retreat from holistic notions of regeneration, consistent with a politics of austerity, is not necessarily a hegemonic trend. Indeed, England is distinct from other nations of the UK when it comes to conceptualising (or not) the goals and principles of state-led regeneration.

Refusing to define regeneration and refraining from sanctioning any area-based regeneration initiatives of note was a clear signal of the Coalition's approach to fiscal purging: a localism gripped by financial cuts and devolving austerity. Indeed, denigrating the state as part of the problem would unleash further 'incapacitation', which Peck has observed across US cities.¹ Neglecting regeneration practice and experience accumulated over several decades, the Coalition's approach towards regeneration has been characterised as commencing from 'year zero'.² More accurately, they eviscerated Labour's technocratic framework and prevalent regeneration practice of the 1990s and 2000s, which attempted to be holistic in its scope, design and intent. Yet, the Coalition also borrowed from and adapted the neoliberal repertoire of tools pioneered during the 1980s, such an incentive-based mechanisms.

The outcome was that, for the first time in several decades, England was left bereft of a genuine regeneration strategy and accompanying dedicated resources. Under the guise of 'localism', the Coalition has, instead, provided a toolkit of instruments, from the New Homes Bonus to EZs, which are intended to dispense financial rewards for additional housing delivery and incentivise additional business investment, respectively. More so, the toolkit is replete with incentives, tools and policies that convey a myopic mantra of 'economic growth at any costs'. The sole focus on the economics of regeneration signifies a deepening of neoliberal regeneration policy encapsulated in Labour's framework. Akin to Labour, the repercussions of uneven patterns of development, such as worklessness or deprivation, are considered by the Coalition to be a drag anchor on the quest for economic growth. To put it another way, the

Coalition has completed Labour's recalibration of regeneration from a state policy primarily administered to address societal challenges to one primarily administered to attend to market demands. Distinct from Labour's approach, which perceived technocracy to be paramount to managing the regeneration problem, the Coalition perceive the 'big state' to be the foremost problem. Worryingly, the toolkit relies on many instruments launched in the 1980s that appear to rely implicitly on the much maligned 'trickle-down' theory. It is unclear how localist community-led regeneration can be reconciled with top-down policies, such as EZs, and centrally administered resources, such as the Regional Growth Fund (RGF).

Indeed, Lord Heseltine, the Chair of the RGF Independent Advisory Panel, was resolute that the £2.6bn RGF 'is not about regeneration'. A number of respondents commented on the manner that the RGF had centralised funding decisions for what limited public resources remained available, with one respondent stating:

'The RGF nationalised decision making — decisions are being made without the benefits of local knowledge. The process is flawed compared to the previous approach ... [which] brought a lot of local strategic knowledge to the decision making process.'

Notwithstanding substantial criticisms of some of Labour's regeneration machinery, which a significant proportion of regeneration agents perceived to be 'very tangential to the real issues', in rendering such technocracy obsolete, the Coalition's toolkit had also dispensed with 'a lot of local strategic knowledge', often accumulated over many years of practice. The withering of regeneration as a public policy priority has been accompanied by a loss of skills, tacit knowledge and expertise. Views held by practitioners and councillors suggest that the present 'austerity-era regeneration' approach is a retrograde step:

'At the end of the day you only get regeneration outputs when money is spent, jobs are created or bricks are laid, for me it is about actual delivery and I can't see where the delivery mechanism is going to be'

The deficiency of mechanisms to aid regeneration helps to draw attention to spatial implications of a localism gripped by austerity. Despite claims that the Coalition's toolkit is designed to enable community-led regeneration, it has not gone unnoticed that risks and responsibilities have been devolved, but local autonomy over funding decisions has not followed suit. It is in this sense that Peck refers to 'an urbanization of neoliberal austerity', whereby it is something that central government does to local authorities, and local authorities do to deprived neighbourhoods. Austerity is devolved, but it can only be devolved so far. In the case of state-led regeneration, this is usually the neighbourhood scale, and thus it is those deprived neighbourhoods that suffer disproportionately. This analysis helps to unmask the spatial injustice that secretes the structural apparatus of the Coalition's neoliberal toolkit. Several interviewees indicated that the preference for economic opportunism (over socio-economic need) is likely to result in some longer-term spatial implications:

'Those communities where you have affluent, prosperous and well educated people are ready to take up the challenge. These are the places that don't need regeneration. The places that need it are the places that don't have ... the aspirations, abilities, skills — they are the ones that will be left behind.'

Although a scenario of some communities of places being 'left behind' was widely recognised by agents of regeneration, and supported by evidence from the propensity of emergent Neighbourhood Plans to correspond with communities of places of 'prosperous and well educated people ready to take up the challenge', there was a sense of resignation — particularly among local government practitioners — that there are no alternatives. It was as if the future path of regeneration had already been marked and a change in direction would not be possible. This was quite surprising, and can be contrasted with the rhetoric of localism that intends to offer enhanced freedoms, flexibilities and incentives that reward innovation.

There was a gut instinct among the majority of research participants that the Coalitions' approach was, at least in part, ideologically driven; a sense of an unfinished political agenda from the Thatcher era, although 'this latest austerity offensive is being prosecuted under historically and geographically distinctive conditions', that commences from an already neoliberalised configuration. Hall²⁹ concurs, suggesting that, in the 1980s, only severe Inner City riots stopped the Thatcher administration carrying out a more extreme neoliberal agenda, by leaving 'the Northern regions and cities [to] face inevitable decline'. Such a policy theme was revived by the Policy Exchange in their 2008 report 'Cities unlimited'. Hall questions the future for the north, now that the Coalition has rapidly begun to remove the palliative of public-sector and quasi-public-sector jobs from the region:

'Is it simply proposed to cut off the codeine and the tranquilisers that have eased their long-drawn-out pain over the last three decades, leaving them on a minimal life support? Or is the real intention ... to leave the North to wither and facilitate a great drift south?'²⁹

This fear, of a downscaled austerity politics actually existing in many American cities, was echoed by research participants, with one public-sector interviewee observing that '[r]egeneration doesn't feel like it has a place in [the Coalitions' approach] — regeneration steps in where things aren't working, but this governments' attitude is, you just let the market take care of that'. In political—economic terms, the recalibration of state-led regeneration means that its administration to help repair the social, environmental and economic repercussions of capitalist uneven development is becoming more infrequent. The depth of austerity measures, involving the retreat of public-sector spending, reduced welfare support as part of a strategy to 'make work pay' and a focus on supporting 'real' jobs in the private sector, has proved challenging for many communities of places. This pernicious situation led one interviewee to argue that: 'The UK governments' policy of "don't worry lads, the public sector will contract and

everyone will get a job in the private services sector", that just doesn't work outside London and the South East'.

Indeed, those familiar with the growing socio-economic inequalities within and across London and the South East,³¹ would prompt a reaction that a regeneration safety net is warranted in all parts of England. The localism agenda, which, in the words of one research participant, challenges communities to 'sink or swim', is showing signs of reinforcing the competitive advantages enjoyed by more affluent places with economic potential and penalising those places traditionally the beneficiaries of additional state support.³² Conceptually, this may indicate that not only are current state-led forms of regeneration locked into the structural logics of capitalism, but they have been recalibrated to support primarily capitalist growth. Equally, the Coalition's offer of greater autonomy to localities could be interpreted as a 'double edged sword', as one respondent stated that: 'sometimes increased autonomy has come with reduced resources, sometimes it has felt like it has come down to us to make decisions where we cut investment rather than where we can make investment'.

From the situated perspective of this agent of regeneration, 'localism' could be readily equated with 'cuts'. This raises new questions that concern whether greater autonomy has compensated for public-sector disinvestment. The Coalition's preference for a 'toolkit' over a 'framework' is perhaps instructive, as the former exudes connotations of self-help, where only the most basic tools are provided. Despite the toolkit's use of the phrase 'community-led regeneration', there appears to be a chasm, which continues to widen, between such bottom-up initiatives and the top-down economic growth incentives (a chasm that was also all too apparent in Labour's framework).

The Coalition's approach to regeneration has been to treat it as a non-policy. In a report published by the Work Foundation, it was argued that, 'Without regeneration, the most deprived communities in the UK will have little chance of economic recovery'. Interview responses corroborate this assessment and also extend it by suggesting that the loss of institutional capacity would have a disproportionate impact on peripheral regions: 'The loss of One North East will have a far greater impact than the loss of SEEDA for example. RDAs [Regional Development Agencies] were at the forefront of things: they were the "players" not the local authorities'. Conversely, a different interviewee highlighted the positive aspects of the process: 'taking the RDAs away and giving us a more direct relationship with the government ... we are much closer to the people making policy, we have got a much better access around, opportunities like City Deals or Enterprise Zones'.

In a practical sense, there was a unanimous current of belief that replacing some of Labour's machinery, especially LAAs and MAAs, with more streamlined systems had improved central-local government relations. What the above interviewee extract also helps to identify is that a localist mindset is yet to penetrate the approach of all regeneration practitioners. The research participants held a strong presumption that

central government are 'the [only] people making policy'. This also serves to support the perspective highlighted earlier 'that there are no alternatives'. With most research participants taking a pragmatic stance that 'as a society we cannot expect the same levels of service previous generations have enjoyed, it was also noted that the 'onus has moved to [communities] from government — "do it for yourself or don't have it" localist brand of regeneration. In Peck's terminology, it reflects '[t]he neoliberal proclivity for downloading, by way of responsibility dumping and devolved discipline'. The implication is that, in some communities, there are particular cases where bottom-up forms of regeneration are thriving as they respond in creative ways to the shift from a grant funding regime to an incentives regime. Examples of community-operated post offices, public houses and village shops abound, together with the success stories associated with the transfer of 'assets' to voluntary-sector organisations. In practical terms, these are examples at a fine-grain scale of communities stepping in where the market (and state) will not. The perverse feature of this trend, however, is that it is often, although not entirely, areas of opportunity that are benefitting from the regeneration toolkit devised for an age of austerity. In conceptual terms, communities equipped for the task (eg socially, culturally, professionally, financially) are able to provide their own safety nets.

Whereas some interviewees suggested that deprived communities have been 'forgotten', an alternative perspective is that the Coalition Government (as well as other political factions such as Blue Labour and Red Tory) has represented deprived communities as an 'undeserving poor', signifying the end of more holistic forms of regeneration as we have come to know it.³³ Respondents also remarked ruefully that 'it was not a great time to be in government [as a politician or officer], whatever your politics', with one interviewee elaborating on this sentiment by stating:

'There is an economic dimension but there is also a political dimension, in that the government has had to prioritise in terms of spending decisions ... regeneration expenditure has been less protected than some other forms of expenditure; like the NHS [National Health Service] or adult social care.'

It is such a sentiment that affirms the argument that the public policy field of regeneration has withered. Political choices have been made that have resulted in budget raids at national scales and left regeneration resources unprotected at local scales. To paraphrase Peck,¹ there has been a cumulative incapacitation of state-led regeneration.

CONCLUDING DISCUSSION

This paper has demonstrated the withering of more holistic area-based regeneration policy ideals over recent years, specific to the geography of England and its unique historical conditions. This is in stark contrast to the halcyon days of regeneration experienced from the mid-1990s through to the latter part of the 2000s. Yet, a return to

a regeneration paradigm of yesteryear is not being advocated. The issue at hand has been to draw attention to the recalibration of regeneration that has taken place, often concealed by *de facto* austerity measures and austerity politics.

Labour's regeneration framework attempted to outline how people, organisations and information could be marshalled more effectively to tackle deprivation and improve social justice by tackling the underlying economic challenges that are impeding places from prospering. It conceived regeneration as 'a sub-set of economic development', which was used to support a narrative that areas of acute deprivation could be 'lifted up' by targeting resources in areas of opportunity. Yet, numerous observers have noted that a 'rising tide' does not lift all boats by the same height, 34 and the results can leave some places 'sunk' in poverty. Despite such 'costs', the approach outlined in the Coalition's regeneration toolkit has intensified the competitive nature by which prospective projects bid for government support. In addition, the 'incentives' on offer are spatially selective, favouring only some social groups and some places. Substantiated by empirical material, this paper has demonstrated how the incentives regime rarely favours deprived communities and has helped to unmask a spatially unjust neoliberal toolkit. The present policy preference is to target public resources in 'value-added' schemes that favour private-oriented objectives in a highly unbalanced way. This criticism can be traced back several decades, but has grown in prominence over more recent times. Indeed, it has been normalised by an austere state strategy, which has created a discursive space, which suggests that there are no alternatives. Most recently, 'regeneration' as a state-led policy objective and political concern has been virtually expunged from the Coalition lexicon. 'Regeneration' now appears to be at the mercy of capitalists seeking to maximise exchange values: a process contingent on market decrees of viability. In the words of one interviewee:

'Regeneration won't happen until economic development progresses and we see an upturn in economic activity, which will increase demand and that will start to fuel development, which will move into some major regeneration projects. Demand and finance are currently a depressant on the whole sector.'

It is as if regeneration is no longer considered to be a role for the state. There is a perception held by some agents of regeneration that regeneration needs to ride on the wave of economic growth. Hence, austerity politics has been accepted

- largely without debate and resistance
- as a convenient truth.

Such views also affirm the broader point that state-led forms of regeneration remain locked into the structural logics of capitalism. But significantly, regeneration is no longer locked into repairing the destructive tendencies of capitalist uneven development; rather, it is locked into assisting the quest for continued economic growth.

While space does not permit the analysis of counter-regeneration strategies, views from the coalface indicated the complexity of locally derived regeneration practice and pointed towards some instances of progressive alternatives. Therefore, the apparent post-political consensus repositioning regeneration as a means to enable economic growth needs to be tempered with insights derived from practice on the ground — the actually existing forms of regeneration that often challenge and adapt state-led regeneration conceptions in novel and creative ways. Distinct from state-led regeneration initiatives that have been experimented with over several decades by political parties of different hues, actually existing forms of 'community-led' may offer some useful pointers to inform the design of future policy. Questioning the validity of subsuming regeneration to a neoliberal capitalist logic that 'the market knows best', the research indicates that the reverse may prove to be productive: understanding economic development as a sub-set of regeneration. Indeed, economic development is just one of several components collectively required to regenerate social spaces.

The curtailment of broader regeneration debates has framed discussions limited to the depth of cuts, the speed of implementation and the spatial distribution of such measures. The result is that regeneration, understood as a capitalist policy instrument intended to respond to and assuage the outcomes produced by capitalist frameworks, is no more. The safety net of sorts has largely been subsumed by a single-minded pursuit of economic growth, unless one is fortunate to reside in a community of place that is equipped for the task of community-led regeneration. Insights from agents of regeneration suggest that these communities rarely align with the most deprived communities in most need of state-led regeneration assistance. A challenge for those wishing to pursue holistically framed patterns of regeneration in an era dominated by austerity politics must go well beyond technocratic and resource issues by restoring regeneration to a policy platform that demands a new political debate.

Acknowledgments

The authors wish to acknowledge the incisive comments provided by Alan Southern. These helped to clarify the key arguments as the paper passed through its final drafting stage. Any errors and views rest solely with the authors.

Notes and References

- 1. Peck, J. (2012), 'Austerity urbanism', City, Vol. 16, No. 6, pp. 626–655.
- 2. Bentley, G. and Pugalis, L. (2013), 'New directions in economic development: localist policy discourses and the Localism Act', *Local Economy*, Vol. 28, No. 3, pp. 255–272.
- 3. The focus of this research is on 'state-led regeneration', which can be defined as policies pursued by state actors that usually involve some manner of central government involvement (eg funder, policy architect). This is a much more restrictive definition of regeneration than is commonly applied in the relevant literature. Neverthless, the definition of state-led regeneration is an important analytical distinction and has methodological implications.
- 4. Parkinson, M. (2009), 'Guest editorial:The credit crunch and regeneration', *Journal of Urban Regeneration and Renewal*, Vol. 3, No. 2, pp. 115–119.
- 5. HM Treasury (2007), 'Review of sub-national economic development and regeneration', HMSO, London.
- 6. Pugalis, L. and Townsend, A.R. (2012), 'Rebalancing England: Sub-national development (once again) at the crossroads', *Urban Research & Practice*, Vol. 5, No. 1, pp. 159–176.
- 7. House of Commons (2011), 'House of Commons Communities and Local Government Committee, Regeneration, Sixth Report of Session 2010–12', The Stationery Office, London.
- 8. The Work Foundation (2012), 'People or place? Urban policy in the age of austerity', The Work Foundation, Lancaster.
- 9. Roberts, P. (2000), 'The evolution, definition and purpose of urban regeneration', in Roberts, P. and Sykes, H. (eds) 'Urban regeneration, a handbook', Sage, London, pp. 9–36.
- 10. Lovering, J. (2003), 'MNCs and wannabes: Inward investment, discourses of regional development, and the regional service class', in Phelps, N. and Raines, P. (eds) 'The new competition for inward investment: Companies, institutions and territorial development', Edward Elgar, Cheltenham, pp. 39–60.
- 11. Trebeck, K. (2007), 'Looking at private sector contribution to regeneration: Problems, objectives, concepts and measurement', Working Paper 7, Centre for Public Policy for Regions, University of Glasgow, Glasgow.
- 12. Baker, D., Barrow, S. and Shiels, C. (2009), 'How effective are area-based regeneration initiatives in targeting socially excluded individuals?', *Journal of Urban Regeneration and Renewal*, Vol. 2, No. 4, pp. 351–363.
- 13. Social Exclusion Unit (2001), 'A new commitment to neighbourhood renewal', Cabinet Office, London.
- 14. Cochrane, A. (2007), 'Understanding urban policy: A critical approach', Blackwell, Oxford.
- 15. Lees, L. and Ley, D. (2008), 'Introduction to special issue on Gentrification and Public Policy', *Urban Studies*, Vol. 45, No. 12, pp. 2379–2384.
- 16. Communities and Local Government (2008), 'Transforming places; changing lives: A framework for regeneration', The Stationery Office, London.
- 17. Pugalis, L. (2008), 'A framework for regeneration: More questions than answers', *Journal of the Institution of Economic Development*, Vol. 106, p. 7.
- 18. Communities and Local Government (2009), 'Transforming places; changing lives: Taking forward the regeneration framework', The Stationery Office, London.
- 19. HM Government (2010) 'Local growth: realising every place's potential', The Stationery Office, London.
- 20. Pugalis, L. (2011), 'Regeneration "con-demned"?', Town & Country Planning, Vol. 80, No. 4, pp. 188–191
- 21. Pugalis, L. and Townsend, A. R. (2013), 'Rescaling of planning and its interface with economic development', *Planning Practice and Research*, Vol. 28, No. 1, pp. 104–121.
- 22. Communities and Local Government (2011), 'Regeneration to enable growth: What government is doing in support of community-led regeneration', The Stationery Office, London.
- 23. The toolkit was updated in 2012, but continues to be exclusively framed by economic logics.

- 24. Scottish Government (2011), 'Achieving a sustainable future. Regeneration strategy', Scottish Government, Edinburgh.
- 25. Welsh Government (2013), 'Vibrant and viable places A new regeneration framework', Welsh Government, Cardiff.
- 26. Pugalis, L. *et al.* (2012), 'Chalk and cheese: A comparison of England and Scotland's emerging approaches to regeneration, *Town & Country Planning*, Vol. 81, No. 2, pp. 84–88.
- 27. Pugalis, L. (2011), 'Sub-national economic development: Where do we go from here?', *Journal of Urban Regeneration and Renewal*, Vol. 4, No. 3, pp. 255–268.
- 28. Pugalis, L. (2010), 'Looking back in order to move forward: The politics of evolving sub-national economic policy architecture', *Local Economy*, Vol. 25, No. 5–6, pp. 397–405.
- 29. Hall, P. (2011), 'The economic geography of a return to Speenhamland', *Town & Country Planning*, Vol. 80, No. 7/8, pp. 306–307.
- 30. Leunig, T. and Swaffield, J. (2008), 'Cities unlimited: Making urban regeneration work', Policy Exchange, London.
- 31. Dorling, D. *et al.* (2007), 'Poverty, wealth and place in Britain, 1968 to 2005', Joseph Rowntree Foundation, York.
- 32. McGuinness, D. *et al.* (2012), 'Swimming against the tide: A study of a neighbourhood trying to rediscover its "reason for being" the case of South Bank, Redcar and Cleveland', *Local Economy*, Vol. 27, No. 3, pp. 251–264.
- 33. Southern, A. (2013), "Regeneration" in a time of austerity will mean the death of this metaphor, but what will come next?', *Journal of Urban Regeneration and Renewal*, this issue.
- 34. Cooper, M. and Shaheen, F. (2008), 'Winning the battles but losing the war? Regeneration, renewal and the state of Britain's cities', *Journal of Urban Regeneration and Renewal*, Vol. 2, No. 2, pp. 146–151.