Renewing deprived neighbourhoods through mixed communities: lessons from the US

John Houghton


Hubert H. Humphrey Institute of Public Affairs / Office of the Deputy Prime Minister

April 2006
## Index

Summary 3

Section 1: Understanding mixed communities 5
- Context – where are we now with mixed communities? 5
- Definition – what are mixed communities? 11
- Objective – why do we want mixed communities? 13
- Effectiveness – does mixing work? 15
- Hope VI – what can we learn? 23
  - Development 23
  - Impact 28
  - Relocation 30
  - Low-hanging fruit 35
  - Loss of units 38
  - Gentrification 40
  - Maintaining a mix 42
  - Community involvement 43
- Conclusions 46

Section 2: Supporting mixed communities 47
- Operate in the metropolitan and regional context 49
- Pursue mixing everywhere 52
- Shape urban development to encourage mixed communities 55
- Focus market-led renewal on economic integration 56
- Understand neighbourhood change 59
- Conclusions 62

Bibliography 63
Summary

Mixed communities must be a sustainable feature of the Sustainable Communities agenda, not a ‘flavour of the month’. Special initiatives aimed at transforming high concentrations of deprivation might move forward under a ‘mixed communities’ banner. For the most part, however, success in achieving and maintaining mixed communities will depend on the routine planning, housing and regeneration decisions made each day by regions, local authorities and communities.¹

Alan Berube

The purpose of this paper is to contribute to the development of the mixed communities strand of the National Strategy for Neighbourhood Renewal by assessing the available evidence from the US on the effectiveness of mixing as a means for tackling deprivation.

It is written in the context of growing interest in the role that mixed communities can play in breaking up concentrations of poverty, increasing social mobility and creating sustainable communities. The Prime Minister’s Strategy Unit’s report *Improving the prospects of people living in areas of multiple deprivation in England* and the Office of the Deputy Prime Minister’s (ODPM’s) first five-year plan *Homes for All* both commit ODPM to testing out a programme of mixed communities. Three pilots have been launched in some of the poorest neighbourhoods in England, with more expected in 2006. New Deal for Communities programmes – intensive area-based regeneration initiatives in some of the very poorest small neighbourhoods – are showing an interest in adopting mixed communities as sustainability strategies after their 10-year funding has ended. Outside neighbourhood renewal areas, a recent Joseph Rowntree survey of Housing Associations and local authorities found that 70% had instigated some form of mixed communities and 90% ‘always, usually or on occasion’ promoted some form of mixed tenure.²

Despite this growing interest, there is little agreement and few reliable data or evaluation materials on how mixed communities are defined; how they are constituted; what benefits, if any, they deliver; and how they might be developed and sustained. ‘Our knowledge’ Brophy and Smith put it ‘about the correctness of…the factors that contribute to successful mixed-income development is extremely limited’.³ This paper seeks to draw on the available research and experience from the US to identify the key lessons for the UK and identify the issues that should be addressed as the mixed communities policy develops and the pilots move from planning to implementation.

The quote at the beginning of this introduction is a convenient summation of the evidence and arguments presented in the rest of the paper. The creation of mixed communities is an important goal and mixing poor neighbourhoods can play a part in the delivering the goals of the National Strategy, but only if the pursuit of mixed communities everywhere is mainstreamed across ODPM’s policy responsibilities. Mixing poor neighbourhoods in isolation from the rest will not help narrow the gap and the process of mixing is not an accelerated or simplified version of neighbourhood renewal. The evidence suggests that mixing can deliver certain improvements to some areas and bring benefits to some households, but it also creates problems and raises issues which need to be addressed. We need therefore to avoid the determinist assumption that mixing an area means it will necessarily improve and recognise instead that mixing must be one element of a coherent strategy for tackling deprivation which should also include physical regeneration, improved service delivery and community capacity building.

The paper is organised in two sections:

- **Section 1: Understanding mixed communities** looks first at the context, definitions and objectives of mixed communities. It goes on to analyse the available evidence and experience of mixing from the HOPE VI programme in the US and unpacks a range of issues raised by the programme that should be considered in developing a mixed communities strategy in the UK. The key message is that mixed communities are an important goal but mixing poor neighbourhoods is a limited and problematic strategy for tackling deprivation. Mixing can work in certain areas and in certain circumstances, but will not necessarily help deliver the goals of the National Strategy for Neighbourhood Renewal. This does not mean that mixing should not be pursued at all, but its limitations and consequences should be addressed.

- **Section 2: Supporting mixed communities** draws on a range of recent research from the US and sets out what else might be needed to support the implementation of mixed communities in the UK. The key message is that mixed communities have to be pursued everywhere as part of an effort to create economically integrated communities. The pilots’ chances of creating sustainable and vibrant mixed communities in the most deprived areas are greatly enhanced if broader urban policies also encourage some level of mix everywhere.

The nascent but growing interest in mixed communities in the UK is an exciting and potentially far-reaching development for all involved. At the moment, there are more questions about mixed communities than there are answers, but it is hoped this paper can make something of a useful contribution to the policy as it developed.
Section 1: Understanding mixed communities

Section 1 sets out the current mixed communities policy context in the UK; analyses the definitions, objectives and effectiveness of mixed communities; and highlights the key lessons and issues raised by HOPE VI.

Context - where are we now with mixed communities?

As noted above, mixed communities are increasingly regarded as at least part of the solution to the problem of concentrated poverty and are becoming an important element of the National Strategy for Neighbourhood Renewal and the Sustainable Communities Plan. It’s worth re-capping briefly the latest developments in order to put mixed communities into some context.

The ideal of mixed communities has been around for a long time and the argument that they are ‘nothing new’ has become a mainstay of the literature. The model villages of Victorian philanthropists were influenced by some notion of mix ‘in order that all classes may live in kindly neighbourliness’. Likewise, the post-war New Towns were designed in Bevan’s famous phrase to recreate ‘the living tapestry of the mixed community’. The ideal has long been with us, but rhetoric has not been translated into reality. Mixed communities have always been aspired to, but there has never been a specific and implemented mixed communities strategy. Nor has the pursuit of mixed communities infused mainstream housing and planning policy. The current level of interest and the potential for mixed communities to be vigorously pursued across ODPM is in fact ‘something new’.

In recent years, Cole and Sprigings argue, mixed communities ‘re-enters the formal political discourse in 1995’ with the Conservatives’ Housing White Paper. Since then, mixed communities have played an increasingly prominent role in central government’s housing, planning and neighbourhood renewal strategies. The Department for the Environment, Transport and the Regions’ (DETR’s) 2000 Housing Green Paper stated that ‘a joint objective of our housing and planning systems is to encourage mixed and balanced communities’. This was echoed by the Planning Policy Guidance note 3 which stated that ‘the government believes it is important to create mixed and inclusive communities’. The Sustainable Communities Plan includes ‘a well-integrated mix of decent homes of different types and tenures to support a range of household sizes’ as part of its vision. The Social Exclusion Unit’s National Strategy for Neighbourhood Renewal: A Framework for Consultation - the precursor to the National Strategy Action Plan - also stated that ‘communities function best when there is a broad social mix’.

As this brief survey of key ODPM documents suggests, mixed communities have always been an assumed part of the National Strategy and the Sustainable Communities Plan. By 2000, DETR itself referred to mixed

5 I. Cole and N. Sprigings, ‘Developing Socially Mixed Communities – A Triumph of Hope over Evidence?’, Presentation to ODPM Seminar on Social Mix, 2005
communities as part of the ‘professional orthodoxy’. This is a welcome development for advocates of mixed communities, but the problem with orthodoxies is that they are repeated uncritically and without question. It is only now that mixed communities are moving from an implicit ideal to an explicit policy objective. This requires a much sharper appreciation of what we mean by mixed communities and what we want from them.

Three recent developments frame the immediate context for this paper. In his 2004 pre-Budget report, the Chancellor of the Exchequer announced the government’s plan to ‘pilot mixed communities in deprived areas’ in the context of the Sustainable Communities Plan and the Barker Review of housing supply. The Strategy Unit, in its January 2005 review of progress toward the goals of the National Strategy, noted that good progress had been made in some domains but further achievements were hindered by persistent concentrations of economic inactivity; poor-quality housing and local environments; and inadequate co-ordination of public services and regeneration efforts.

To overcome these barriers and speed up the pace of change in the most difficult areas the Strategy Unit included a recommendation that ODPM should:

Undertake further work on the relationship between social housing and concentrations of disadvantage. This should explore government’s objectives for social housing in the context of short supply, strong demand, and goals to create mixed income communities. It should also look at the role social housing plays in reducing geographical mobility and examine the impact of increased choice in social housing on concentrations of vulnerable residents.

Following this recommendation, ODPM’s first five-year plan Homes for All, published in Summer 2005 announced that it would ‘remodel deprived estates to create a more sustainable mix of housing types and tenures, and to address deep-seated problems of worklessness, low skills, high crime, poor environments and poor health’. Homes for All also emphasised the centrality of mixed communities to the Sustainable Communities Plan as a whole.

To take forward these commitments, three pilots have already been launched, with more anticipated in 2006. The three existing pilots contain concentrations of neighbouring Super Output Areas among the 1% most deprived in England: Harpurhey in Manchester; Gipton in Leeds; and Canning Town in the London Borough of Newham. They are all situated in areas with weak local housing markets – this was a condition of their selection – but the broader housing markets in Manchester, Leeds and East London contrast in terms of growth rates, aggregate levels of supply and demand, and the size and condition of the existing stock.

---

7 Strategy Unit, Improving the prospects of people living in area of multiple deprivation in England, HMSO, 2005, p. 15
8 ODPM, Homes for All, London, HMSO, 2005, p. 53
Like HOPE VI, the pilots have a great deal of flexibility in deciding local approaches without centrally-determined targets or processes. There is a strong emphasis on local discretion and experimentation, with regional and central government providing support where needed and helping with advice and best practice, rather than setting down strict rules or detailed processes. Unlike HOPE VI, there are no new additional funds for the pilots. Their task is to attract investment from other sources and tap into and better co-ordinate mainstream funds.

Although the pilots are at a very early stage of development, it seems likely that in at least three respects they are likely to test out new approaches that have not generally featured in existing neighbourhood renewal programmes. The first innovation is the adoption of ‘market-led renewal’. Market-led renewal tends to focus on changes that will attract new residents, rather than meeting the needs of existing ones, in order to create a viable market for housing and services in depressed areas. There is generally less emphasis on community empowerment, and city-wide housing and labour markets, rather than specific neighbourhoods, are seen as the crucial level of intervention.

The pilots also have a stronger focus on ‘transformative’ change. Transformative change is premised on delivering radical, visible changes to the physical and social make-up of deprived communities. Certainly, this is the goal of some neighbourhood renewal areas, but others have focused on better meeting the needs of existing residents through incremental improvements in neighbourhood conditions and public services. The validity of this approach is questioned by advocates of transformative change, who argue that incremental, place-based measures lead only to minor, ameliorative improvements and do not deliver sustainable and lasting regeneration.

Third, the pilots have an explicit focus on deconcentrating poverty. This is something of a break from existing programmes, which have tended to focus on improvements in situ or ‘mixing from within’ by improving the outcomes and prospects of existing residents. Deconcentration presupposes that, to some extent, poor households have to move to less deprived areas and deprived areas have to attract higher-income tenants for sustainable change to be delivered.

The pilots’ approach may be new, but they do not start from a clean slate. Previous and existing housing and planning policies have either been ambiguous about mixed communities or have actually worked to prevent them. As the Sustainable Communities Plan emphasises, land-use and housebuilding policies have subsidised sprawling, mono-tenure, low-density developments, inadvertently fuelling the processes of segregation that cause communities to become un-mixed. Social housing developments have been concentrated in poorer and less desirable areas, and needs-based allocations systems have concentrated deprived households in unpopular and poorly managed estates. New forms of housing management – Arms-Length
Management Organisations, Private Finance Initiatives and Large Scale Voluntary transfer – and neighbourhood renewal programmes do not have an explicit mixed communities focus, although many projects have adopted it as a local goal.

Broader demographic and geographic changes in the shape and make-up of our cities may also make it more difficult to implement mixed communities. De-urbanisation and suburban sprawl in particular prevent mixing by drawing out higher-income households from existing city boundaries. This has reached crisis point in some regions of the US where the growth of ‘boomburbs’ – rapidly expanding out-of-town developments – is undermining the integrity of city centres and the suburbs themselves because they do not have the infrastructure or resources to maintain their exponential growth.

There is not space here to explore in great detail how all these factors impact upon the prospects for mixed communities. The key point is that the problem of un-mixed communities has many causes and the goal of mixed communities has implications for how all neighbourhoods – deprived and non-deprived – are planned, developed and managed. The pursuit of mixed communities should not be confined to neighbourhood renewal but is dependent on housing, planning and land use policies across ODPM’s responsibilities.

The policy context is changing, but what is the situation ‘on the ground’ – how far are British cities and neighbourhoods already mixed? What is the scale of the challenge? As there is no agreed definition of mix, it’s difficult to provide a simple answer to this question. Much will depend on the level of analysis; one study found that depending on what definition is applied, anything between 8% and 38% of enumeration districts in England could be classed as mixed tenure.³

Nevertheless, some overall conclusions can be drawn. Cities in the UK are not generally as segregated either by race or income as those in the US and the pockets of poverty within them are not as deep, but there is little cause for complacency. Areas dominated by social housing pose a particular problem and the current mixed communities initiative is designed in part to tackle the residualisation of the stock and increase tenants’ choice and social mobility. These are both major challenges. The current stock of social housing is small, stigmatised and struggling under the burden of a repairs and modernisation backlog estimated in 2000 at £22bn.

The Right to Buy has helped diversify some areas, but it has not generally improved conditions in the most difficult and unpopular estates. In 2003/04, 69% of households in social housing had no earner and the problem is worsening; the average income of households moving in to social housing was less than half that of households moving out. Allocations policies give tenants little choice over where they end up living, particularly in areas of high

demand, and the administration of Housing Benefit creates ‘poverty traps’ for households trying to move off benefits into work.

These pockets of poverty may not be as deep as those in the US but they are in some cases larger. As Berube notes, one quarter of households in Liverpool lives in a neighbourhood where more than 40% of the population is on benefits compared to one tenth of households in Detroit.\(^\text{10}\) They are also falling further behind neighbouring areas as self-reinforcing processes of segregation take hold. As an area declines, higher-income households leave more quickly; as an area grows in popularity, prices increases and lower-income families are forced out. The Sustainable Communities Plan highlights the development of dual housing markets within and across cities and regions. There are depopulating, low demand areas where the market has all but collapsed alongside ‘hot spots’ where prices are growing to the point that affordability is a problem even for middle-income households. On the national level, there are also, of course, big gaps in average incomes, productivity, growth rates and house prices between North and South.

Steps have been taken in recent years to tackle these imbalances and ensure that new developments contain some level of mix in terms of affordability, density and housing type, but the causes of un-mixing are deep and persistent. Atkinson and Kintrea argue that the current system for assessing local housing needs leans toward building more social housing in areas where it already exists and does not push local authorities and developers strongly enough toward building it in places where there is unmet need. Similarly, Minton argues that current policy encourages mix but does not do enough to require and enforce it. In a paper for the Royal Institution of Chartered Surveyors, she argues that until the level of mix is made a material consideration in planning and housebuilding decisions ‘it will remain, as now, little more than a worthy idea carried out at the discretion of local authorities and individual housebuilders’.\(^\text{11}\) Power, Katz and others have expressed a particular concern that the plans for the five Growth Areas in the South East must be very clear about density and mix requirements. As Katz cautions, ‘the pressure to build new housing, particularly in the southeast, cannot become an excuse to replicate the mistakes of the past.’\(^\text{12}\) It should also be remembered that new developments make up only 1% of the stock per year. It will take a long time for new developments, even if they were to be fully mixed, to undo the effects of policies that for decades have encouraged un-mixed communities.

In conclusion, the new commitment to mixed communities is not only ‘something new’ but something potentially radical as the pilots test out innovative approaches for narrowing the gap. The scale of the task facing the pilots cannot be underestimated as they seek to tackle the many complex

factors which drive un-mixing. Berube's observation that ‘to most Americans, England already looks like a mixed-income country’\textsuperscript{13} provides some comfort, but the level of mix we currently enjoy has been achieved in the absence of a clear policy steer in favour of mixing. Having set out the context, the next section explores the definition of mixed communities.

Definition – what are mixed communities?

Problematically for the mixed communities agenda, there is little agreement and few reliable data or evaluation materials on how mixed communities are defined; how they are constituted; what benefits, if any, they deliver; and how they might be developed and sustained. Much of the available literature on the topic serves only to highlight how little we know. *Mixed-income housing: unanswered questions* is a useful précis of how spotty are the available data.  

This paucity of evidence, in contrast to the weight of policy development and consultation that led to the National Strategy and the Sustainable Communities Plan, suggests a need for some caution in implementing mixed communities. This section looks at the contrasting definitions of mixed communities.

The term ‘mixed community’ is used variously as a proxy definition for neighbourhoods that have a mix of:

- incomes;
- tenures;
- housing sizes, types and uses;
- groups of people in terms of ethnicity, age and family structure;
- or that contain some all-embracing notion of ‘social mix’ which encompasses elements of all these things.

This ambiguity has been one of the reasons for the ubiquity of mixed communities. Mixed communities are everywhere but nowhere – ‘accepted, almost without question, as a key objective in successive government documents’ but nowhere as yet precisely formulated and implemented.

One of the reasons for this ambiguity and confusion is that the term ‘mixed communities’ is, to put it quite broadly, used to define two different things. The first definition sees mixed communities as a strategy for tackling concentrations of deprivation. The goal is to encourage a greater diversity of incomes and tenures in poor neighbourhoods in order to break up poverty clusters on the assumption that this leads to better outcomes for communities and households.

The second definition sees mixed communities more universally as an underpinning principle for urban development. The aim here is to encourage a mixture of tenures, incomes, housing types and people in all areas, poor and non-poor alike, in order to build inclusive communities and tackle residential segregation and its consequences in terms of sprawl, unsustainably low-densities and social division. As Tunstall puts it, mixed communities has meant ‘tenure diversification in council estates, or at least to the 1 – 2,000 identified as “difficult”’ and avoiding ‘the complete extinction of social housing

---


and private renting in some areas, particularly those areas with low wages in some parts of the labour market alongside high house prices.\textsuperscript{16}

In policy terms, the first approach has been manifested in HOPE VI in the US, and the Right to Buy, the demolition without replacement of council homes and support for Housing Association and other non-Local Authority landlords in the UK. The second has been manifested in planning gain and other measures to ensure a supply of non-market homes in new developments. The first approach has had greater prominence, as deprived neighbourhoods have been a greater concern of public policy. Nevertheless, it should be noted that in none of these policies are mixed communities the primary goal. The first set of policies were designed to end large scale municipal landlordism and the second are justified primarily on the grounds of affordability, particularly for key workers.

Clearly, the two definitions are not mutually exclusive, but to advance one is not necessarily to advance the other. In particular, seeking to create a greater mix in deprived neighbourhoods while leaving untouched the forces that drive segregation across whole cities and regions is self-defeating. The focus of this paper is on the first definition of mixed communities, as a strategy for tackling concentrations of deprivation. It argues, however, that such a strategy stands a far greater chance of succeeding, in terms of breaking up clusters of poverty, increasing mobility and creating sustainable communities, if the pursuit of mixing is mainstreamed across the housing and planning systems that influence the level of mix in all areas.

In conclusion, mixed communities have hitherto been ill defined and used as a convenient rubric for divergent policy objectives. It is important not to get too ‘hung up’ on detailed definitions because no one size fits all and a mixed community will necessarily mean different things in different areas. Nevertheless, it is important that we get a firmer grip on how mixed communities are defined in order to better set out our objectives for them.

Objective – why do we want mixed communities?

The next issue to address is the objective of mixing. As noted above, mixed communities have hitherto served as a handy euphemism for a wide range of policy objectives. Consequently, they have been charged with delivering outcomes which are invariably desirable but frequently inchoate and sometimes contradictory. Moving toward a more explicit focus on mixed communities requires a sharper response to a basic question - why do we want mixed communities? This section addresses the objectives of mixed communities for the emerging UK strategy.

We are at an early stage of development in the UK so the objectives of the mixed communities strategy will change as we learn more. The emphasis on local flexibility also means that the pilots will develop their own local goals, within high-level national objectives, which were identified by HM Treasury in 2004 as:

- An alternative to problems of concentrated deprivation (high crime, anti-social behaviour, low educational outcomes, poor physical conditions etc).
- More sustainable places.
- Better economic outcomes in the long term.
- An avenue for achieving other important goals.\(^{17}\)

In order to deliver these goals, and to answer the question of why we want mixed communities, it is crucial to clarify whether mixed communities are the end or the means.

We need to be clear about whether mixed communities are the desired goal in themselves, as the first two bullet points suggest, or the route to achieving other objectives, as suggested by the final two bullet points. This is important because if mixed communities are the end – we want mixed communities because they are inherently good – then we need to understand what is good about them that makes them worthy of resources and effort. If mixed communities are the means – we want mixed communities because they allow us to deliver other objectives – then we need to be clear about what it is about mixed communities, and the process of mixing more specifically, that allows us to deliver these other goals.

It’s important to address this issue because it leads us toward greater conceptual clarity and therefore more effective implementation. It also helps avoid the temptation to load mixed communities with unrealistic demands or leap to the assumption that mixed communities are by definition safer, healthier, more sustainable and so on. There is probably no single answer to the question, and if there is there is one, it is probably that mixed communities are something of both at the same time. In fact, that is broadly the argument presented in this paper; we should view mixed communities as an important end in all areas, but recognise that mixing in itself is a limited means for tackling poverty in deprived areas.

\(^{17}\) HM Treasury, ‘Mixed Communities – Evidence and Policy Prospects’, MS PowerPoint Presentation, 2004
Returning to the specific objectives of the current initiative, ODPM has refined down the initial objectives to three core outcomes:

1. High quality homes for all;
2. Narrowing the gap between the most disadvantaged areas and the rest; and
3. De-concentration of deprivation, and prevention of social and economic segregation in new areas of development.

These are underpinned by eleven specific ‘indicators’ of a mixed community:

1. Greater mix of income; greater social mix
2. Greater mix of housing type & tenure: integrated & indistinguishable
3. Communities of choice
4. High quality housing and neighbourhood management
5. Strengthened housing market & increased property values
6. Improved performance against deprivation-related targets
7. Improvements to environment and key services
8. Improved educational outcomes for all sectors of the community
9. Improved connectivity to local economies & employment opportunities
10. Lower levels of crime and anti-social behaviour
11. High quality preventive services to support at risk families

There is not the space here to explore, compare and contract each of these in detail, but it’s worth coming back to the issue of ends and means. A mixed community can possess all of these qualities, but mixing is not necessary to achieve them. There are many ways to deliver, for example, ‘improved educational outcomes for all sectors of the community’ and the evidence presented in this paper shows that the level of mix has little impact on educational outcomes. Similarly, ‘low levels of crime and anti-social behaviour’ may be associated with mixed communities and may be more easily achieved in a mixed setting, but mixing is not intrinsic to delivering to low levels of crime and low levels of crime are not intrinsic to mixed communities.

In conclusion, we should not seek to set in stone the objectives for different mixed communities initiatives, but it is important to be clear about whether mixed communities are the ends or the means in order to be clear about why we want mixed communities.
Effectiveness – does mixing work?

Having explored definitions and objectives, the next question is whether mixing works as a strategy to tackling concentrations of deprivation and, if so, how. Again, the evidence base conjures more questions and qualifications than conclusions. Each of the arguments made in support of the effectiveness of mixing has either been disputed or flatly contradicted. There are claims that mixing increases cohesion and social capital and counter-claims that it leads to more tension; evidence that mixing promotes better employment outcomes and evidence that shows it has no effect, and so on. This section assesses each of these arguments before moving on to the evidence from the HOPE VI programme.

The claims advanced in favour of mixing are described and assessed under three generalised headings:

- Mixing strengthens communities
- Mixing improves outcomes for poor households
- Mixing drives up the quality of public services

Tunstall’s ‘Mixed Tenure’ Policy in the UK: Privatisation, Pluralism or Euphemism? provides a more exhaustive yet concise list of the supposed benefits of mixed communities.  

‘Mixing strengthens communities’

It can be argued that mixing strengthens communities in a variety of ways; deepening social capital, promoting social cohesion and encouraging aspirational behaviour among low-income residents by exposing them to role models and social networks. The theoretical basis for these arguments is that living amongst and connecting with people of different backgrounds promotes greater understanding and co-operation across the board and enables poor households in particular to develop more productive social relationships. Orfield, for example, argues that ‘observing success within the boundaries of our own experience clarifies the possibility and processes of social advance and stimulates healthy competition. It shows the way up.’

A more extreme version of the strengthening communities argument is that mixing tackles the ‘culture of poverty’ by inspiring low-income households to emulate the habits of higher income neighbours. If going to work becomes the cultural norm on an estate after households in work move in, then the argument goes that unemployed households are more likely to see and aspire to the benefits of paid employment.

There is scant evidence for these arguments. Mixing has little impact on ‘neighbouring’ and other forms of social interaction and there is some evidence that mixing can actually foster tensions where there is an obvious contrast in housing quality or management between different income or tenure

---

groups. There are apocryphal tales but no conclusive evidence that low-income households benefit from living next door to higher income neighbours by, for example, picking up job leads. For some households, particularly those who relocate as part of a redevelopment, the loss of social networks actually can be a problem, particularly in the short term. The networks and friendship groups on which a poor household relies may seem to the outsider concerned with ‘bridging’ social capital to be going nowhere, but their disappearance is challenging.

In a study of ten mixed-tenure estates in the UK for the think-tank Demos, Jupp found that mixing did not increase co-operation or communication between different communities. Jupp makes some interesting points about resident empowerment which reinforce the messages from the National Audit Office’s study of the NRU’s single Community Programme. The sense of community can be strengthened through information sharing and consultation. Properly organised and facilitated mechanisms can bring people together to tackle local problems. Neighbourhood managers and other frontline agents can bring public services closer to local people. These features are not, however, unique to mixed communities and there is little evidence from Jupp or others that they are more likely to succeed in areas that are mixed.

New and existing residents in Jupp’s study areas were largely indifferent to the prospect of living in a mixed community and few attributed positive or negative developments on their estates to the fact that it was mixed. There was little outright resistance to the prospect of living in a mixed community, which is noteworthy because other research suggests that there is some reluctance on the part of owner-occupiers to living in a mixed community. One important point to note is that most interaction occurs between immediate neighbours, so if the goal of mixed communities is to strengthen communities then they would have to be implemented on a detailed, street-by-street basis. Putting blocks of different tenure nearby but clearly distinct from one another will not result in mixing and may increase tensions.

The community strengthening effects Jupp observed tended not to be the result of mixing but of the extra capacity building activities and resources which accompanied mixing. This point is crucial and has clear implications for the development of mixed communities strategy in the UK. Improved outcomes for poor areas and individuals may be facilitated and furthered in a mixed community but it takes much more than mixing to deliver them. As argued in the introduction, mixing can only really be effective as one element of a coherent strategy for tackling deprivation which includes physical regeneration, service delivery and community capacity building.

The strengthening communities argument may have more validity with regard to children. There is some evidence that living in a mixed community or, more precisely, going to a mixed school may be beneficial to children from deprived households. This may be because children at the same school interact with

---

each other more than neighbours do and because children are more likely to be influenced by their peers. Katz cites that the example of the Century Foundation’s Task Force on the Common School, which found that low-income children benefited from mixing with higher-income children who had a larger vocabulary and were generally better behaved. This is encouraging but the arguments for mixing schools are different from those for mixing communities. The US has long bussed children across cities to different schools to encourage racial integration while the neighbourhoods in which they live have become increasingly segregated.

In short, mixed communities are no more or less neighbourly, civic-minded or cohesive than non-mixed communities and there is little evidence that mixing in itself builds stronger communities. There is little evidence of greater interaction between people and the interaction that does occur does not help or inspire deprived adults. A great many theories and controversies have been generated in the discussions of whether mixing leads to role modelling, mentoring and neighbouring. The debate is lively because it taps into deeper and more contentious notions of ‘blaming the victim’ by attributing poverty to bad habits or bad friends. Invariably, such arguments obscure more important factors. If households benefit from mixing, they do so for more practical and grounded reasons than their interactions with others. To give one brief example, the HOPE VI households who moved from very deprived projects to more mixed suburban communities and found work did so because there were more available jobs in the suburbs, not because they were trying to ‘keep up with the Joneses’.

The justification for mixing has to be founded on a stronger basis than the strengthening communities argument. As Jupp argues, ‘the hope that the current models of mixed tenure estates will foster widespread mutual support between people from different economic groups and or introduce role models into an area appears largely misplaced’.

‘Mixing improves outcomes for poor households’

The second argument is that mixing improves outcomes for poor households in terms of housing quality, lower crime, education and employment. This is a more difficult argument to parse because there are examples of households that are better housed, in work and whose children are doing better at school after their neighbourhood has been mixed. However, the knot of ends and means has to be unpicked in order to understand the role mixing played in such cases.

The evidence suggests that mixed areas do offer better housing, safer neighbourhoods and a higher standard of area management because these basic conditions have to be in place in order to attract higher-income households. This will bring some benefits to deprived households, but beyond

---

immediate environmental factors, mixing has little effect. Popkin, Buron et al. analysed a range of studies and evaluations of HOPE VI projects and concluded that ‘their results suggest that other than providing improved housing, mixed-income developments are unlikely to have social or economic benefits for the lowest-income tenants’.\(^{23}\)

Mixing can help to deliver other improved outcomes by creating a better environment in which improvements can be implemented – but again other interventions are needed to actually deliver those improvements. Mixing helps by reducing the influence of ‘area effects’ associated with living in severely deprived areas. There is not the space here to explore the various nuances and disagreements in the area effects literature, but there is general agreement that living in a deprived area multiplies, to some extent, the problems faced by poor households. The area effects which contribute to negative outcomes for poor households do not exist – or at least exert much less influence – in mixed areas. Consequently, mixing a neighbourhood should lessen those effects particularly for children who are, as highlighted above, more susceptible to their impact. Again, however, the evidence base is limited. As Tunstall argues ‘there is little available evidence on what mixes or changes in mixes create neighbourhood effects’.\(^{24}\)

Even if more conclusive proof existed to show that mixing diluted negative area effects, this would still be a limited argument for the effectiveness of mixing. Negating area effects through mixing is beneficial but only a first step. After all, area effects do not cause poverty; they multiply its impact. A mixed community therefore can only go so far as providing a better environment in which other activities and programmes can improve outcomes for poor households. Several studies of mixed-income development arrive at this conclusion. Berube describes the value of mixed communities in ‘providing an important platform for addressing social, economic and health inequalities’.\(^{25}\) Atkinson and Kintrea argue strongly that mixed communities should be pursued but note that ‘it seems unlikely that whatever advantages there are in living in new housing that it can compensate for further-reaching disadvantages such as long term unemployment or lack qualifications’.\(^{26}\)

This is also borne out by examples from HOPE VI. The lessons from HOPE VI are explored more fully in the next section, but it’s worth looking briefly at the programme here because it is often cited as the prime example of the effectiveness of mixing. Undoubtedly, HOPE VI had an impact – in some cases a dramatic impact - on housing conditions, on day-to-day quality of life

and on households’ immediate outcomes and long-term prospects. In city after city, run-down and deeply troubled estates were replaced with well-run and attractive new developments. Nonetheless, it was more often the extra investment and activities that HOPE VI brought to deprived areas that led to these positive outcomes; not mixing per se. The poor households who are better housed, in work and whose children are doing better at school after their neighbourhood has been mixed are not doing so because their neighbourhood has been mixed. It was the extra investment in housing quality, in attracting employers, in improving tenants’ employability and so on that led to these improvements.

In conclusion, creating a mix usually requires better housing and area management. In turn, this can help create a better environment in which improvements can have an impact by diluting area effects. However, as Brophy and Smith argue, ‘if the goal of mixed-income housing involves positive outcomes — including upward mobility — for the low income population, more is needed than merely bringing together people of different incomes in one physical location’.

In practical terms, this means that the high-level objectives for the mixed communities strategy in the UK may be more easily achieved through mixed communities but creating mixed communities will not automatically deliver them. High quality homes are required to create a mixed community, but mixing will not create high quality homes. Mixing in itself will not narrow the gap between the most deprived areas the rest, and while it may help deliver improved outcomes, other resources and activities are needed to deliver them in the first place. It’s crucial therefore that the pilots identify the resources to support these additional activities and work closely with public services and other local players to ensure that their activities are closely aligned. Rolling out effective area management and neighbourhood policing and meeting local Decent Homes Targets will be particularly important first steps in stabilising their areas and laying the ground for later changes.

‘Mixing drives up the quality of public services’

The third argument, and perhaps the most realistic, is that mixing drives up the quality of public services by bringing in households with higher expectations. Instead of providing low-quality services to low-income recipients, local services would need to ‘raise their game’ to meet the demands of households who can exercise a choice to move out or buy in services from other providers. As a result, low-income households will benefit from the better schools, law enforcement and amenities that their new neighbours have the political and financial muscle to demand. As Popkin et al. put it:

A mixed-income strategy should…create a strong market incentive for high-quality management and maintenance, potentially improving the quality and sustainability of the housing

---

that is reserved for the poorest households. To attract higher income tenants, mixed-income developments must be well maintained and have a reputation for being safe and secure; failing to meet these criteria may cause the development to fail financially.\(^{28}\)

A concomitant argument is that mixing can improve the quality of public services in a deprived area by reducing the level of absolute demand that is placed upon them. A school, for example, should be able to improve its results if its intake is less severely deprived.

There is logic to this argument and some evidence that mixing helps lock in improvements after they have been delivered. There are also individual testimonies from local officers to the effect that new higher-income households are more demanding and less likely to let public services ‘get away with’ poor performance. There are, however, three important caveats in relation to the objectives of the mixed communities pilots in the UK. The first is that lower-income households often use different services from higher-income households or at least, as Goetz puts it, ‘relate to…amenities in ways that fundamentally differ from more affluent families’.\(^{29}\) Services can improve their general performance without necessarily delivering benefits to those most in need.

Second, improved public services will have a beneficial impact on poor households, but they will not deliver increased mobility or deliver the kind of profound changes that are required to narrow the gap. The child from a deprived household is poor before and after a higher-income household moves next door. Their arrival may herald an improvement in the performance of the local school but this in itself is only part of the solution, as Popkin et al. go on to argue:

Thus, while it is clearly feasible to create a healthy mixed-income development that will attract higher income residents and provide a pleasant and safe community for all residents, it remains less clear what conditions are required to ensure that living in these communities with have substantial payoffs for the social and economic status of low-income families over the longer term.\(^{30}\)

Following on from this point, the third and most important caveat is that better services precede mixing; not vice versa. As the first quotation from Popkin et al. suggests, higher quality environments and amenities must already in be place before higher income tenants can be attracted.

In conclusion, mixing does not in itself result in improved outcomes for poor households; it has to be combined with new investment and reforms to public services. Once a mixed community has been developed, the leverage on public services exercised by higher-income households should lock in a

\(^{28}\) S. J. Popkin et al., *A Decade of HOPE VI: Research Findings and Policy Challenges*, Washington, Urban Institute, 2004, p. 23

\(^{29}\) E. G. Goetz, *Clearing the Way: Deconcentrating the Poor in Urban America*, Washington, The Urban Institute Press, 2003, p. 28

virtuous circle of higher expectations and better performance, which impacts directly or indirectly or poor households. Mixing has a role to play in consolidating improvements, but more than mixing is needed to deliver them in the first place. It makes more sense to think of a mixed community as the proof that services have been improved, rather than as the way to improve services. Again, mixed communities are an important end, but mixing is a limited means.

Conclusions

Rosenbaum et al. evaluated the Lake Parc mixed-income development in Chicago against the programme’s own objectives, which reflect the three areas explored above:

- Increased social interaction between the low-income (“project”) and moderate income (“nonproject”) groups.
- A positive effect on the employment rate of low-income residents.
- Institutional maintenance and support of the management by moderate-income groups.

Although the development did attract a wider mix of incomes, its performance was mixed. There was no appreciable increase in interaction or support for local management, while employment rates actually decreased.

The overall conclusions drawn from the arguments explored in this section are that there is little evidence that mixing strengthens communities. Mixing does not deliver better outcomes for poor households, but they will benefit to some extent from improved services in a mixed setting. Mixing helps lock in public service by creating a more demanding higher-income constituency, but more than mixing is required to deliver those improvements in the first place.

Strengthening communities, improving outcomes for poor households and driving up the quality of public services are core objectives of the National Strategy for Neighbourhood Renewal. On the basis of this evidence, mixing should not be regarded as a ‘sped up’ version of neighbourhood renewal and will not in itself deliver the goals of the National Strategy. As Smith argues:

> There is nothing inherent in mixed-income developments that links households to these important factors that can alleviate poverty. Therefore, housing developers and policymakers need to consider factors beyond a single development in addressing housing and poverty problems in this country. While mixed-income housing is one key strategy in linking households to these needed elements, it is only one factor among many needed to address the complex problem of poverty.

In the UK, the National Strategy seeks to address holistically these complex and multiple factors. The US experience of HOPE VI offers an opportunity to explore the role of mixing in a similarly broad and multi-faceted regeneration programme. The next section uses the programme to assess the practical

---

effectiveness of mixing, draw out the key issues raised by the programme and highlight the key lessons for the National Strategy.
HOPE VI – what can we learn?

The theoretical arguments in favour of mixing reviewed so far are fairly unconvincing. What can we learn from the practical experience of implementing mixed communities in HOPE VI? This section provides a brief overview of the development HOPE VI; highlights some of the key impacts; and unpacks a range of inter-connected issues raised by the programme.

Development

HOPE VI projects are often cited as mixed communities success stories; evidence that diversifying the tenant population can achieve better outcomes for poor households, in terms of lower crime, more jobs and better schools, and regenerate neighbourhoods by attracting commerce and winning back middle-income households. There are some HOPE VI projects in which this is the case. Yet there are also HOPE VI projects which have transformed poor neighbourhoods without changing the income mix, and others which have transformed the income mix with little impact on crime, employment or other outcomes. The redeveloped Lake Parc Place in Chicago for example has a mixed-income population, but employment has not increased and crime is still a serious problem. Mixing has been achieved but it has not delivered the kind of results that mixing is often assumed to bring. Why? To understand how this is possible, it’s important to understand what HOPE VI actually sought to deliver and what role mixing has played within the programme. There is not the space here to provide anything more than a potted history of HOPE VI, but an appreciation of the broad contours of the programme is important for teasing out the most valuable lessons for the UK.

When it was launched in 1992, HOPE VI was designed as a community development and housing rehabilitation programme with a strong emphasis on resident empowerment. The focus was on the quality of houses and services in the neighbourhood and the goal was to improve the quality of life for existing residents and give them a voice in local decisions. 20% of the initial $300m appropriation was set aside for job training, youth activities, childcare and other community support services. In 1995, after the newly Republican-controlled Congress threatened to eliminate it entirely, HUD radically re-engineered HOPE VI with a strong and unprecedented emphasis on creating ‘economically integrated communities’. The ‘new’ HOPE VI was far more wide-ranging than its earlier iteration. Conventional neighbourhood-based approaches were rejected, to use the harsh phrase, for ‘gilding the ghetto’; delivering superficial improvements but doing nothing to tackle the underlying social and economic problems stemming from poor neighbourhoods’ isolation from job and housing markets.

Instead, HOPE VI would deliver ‘transformative’ change. The ghetto would not be gilded - it would be re-made physically and socio-economically by relocating poor households to other neighbourhoods and redeveloping their neighbourhoods to attract a wider range of incomes. Mixing has become an increasingly central feature of HOPE VI, but it is only one amongst many new elements to be tested out. Projects blend mixing strategies with some
combination of relocation; housing redevelopment; intensive neighbourhood management with a muscular emphasis on crime and liveability; community capacity building; real estate marketing techniques; and projects designed to enhance tenants’ health, skills and employability. As Zielenbach puts it, ‘what had once been seen principally as a public housing program has now become an endeavour laden with broader expectations’.

Within this diversity of approaches, some HOPE VI projects have aggressively pursued a mixed communities approach, while in other areas it is not much of a priority. The push from the federal government to develop mixed communities has not been as strong or consistent as might be thought. Mixed communities did not feature, for example, in the list of criteria against which the first round of ‘new’ HOPE VI bids in 1995 would be assessed, which were:

- Create communities of choice
- Leverage additional sources of public and private sources of capital
- Establish collaborations
- Establish innovative partnerships and approaches to owning and managing public housing
- Establish innovative approaches to funding and delivery of supportive services
- Establish community services programmes

Mixing has since become a stated feature of all HOPE VI sites, but often it is used as a generic description for safer and better run neighbourhoods and in many cases the spectrum of incomes in the redeveloped neighbourhood is still fairly narrow.

The primary goal of HOPE VI was not therefore to create mixed communities, but to deconcentrate poverty. Mixing is one way to deconcentrate poverty, but it is not the only way. Broadly, deconcentration can be achieved in three ways. The first is to deconcentrate through dispersal by physically re-locating poor households into new homes across a wider area. The second is to deconcentrate through dilution by lowering densities and / or attracting less deprived households i.e. mixing. The third is to deconcentrate ‘from within’ by improving the economic position of poor households. This last strategy does not necessarily require relocation or the introduction of higher-income households, but it was implicitly rejected in the design of HOPE VI because the project neighbourhoods were regarded as simply too deeply troubled to deliver meaningful in situ changes. The social make-up of the area had to change in order to make living there a viable proposition for a much wider cross-section of people which would, in turn, make the neighbourhood sustainable in the long run.

Deconcentration, although controversial, was a deliberate strategy designed to undo what Henry Cisneros, the first Clinton administration’s Housing and

---

Urban Development Secretary, referred to as the ‘warehousing’ of poor families in large, poorly designed and low-quality projects. This was to be achieved at least in part by ‘vouchering out’. Before HOPE VI was launched, HUD already operated Section 8 certificates and vouchers. The certificate allowed their holders to rent any unit in the market of a certain quality at or below a fair market rent for the region. The certificate made up the difference between the market rent and 25%, later upped to 30%, of the household’s income. Section 8 vouchers operated on the same principle but more flexibly, allowing households to find higher-priced homes if they were prepared to make up the difference themselves, and could be used anywhere, not just within the housing authority’s local jurisdiction. In 1998 the two were merged into a single system.

In addition to vouchers and certificates, Congress initiated the Moving to Opportunity programme in 1992, the same year that HOPE VI was launched. Moving to Opportunity is a more intensive and supported form of vouchering with a greater emphasis on moving households out of poverty, at least in a geographic sense. Broadly modelled on the Gautreaux programme in Chicago, it requires participants to move to non-poor neighbourhoods as defined by the percentage of households classed as living below the poverty line. It includes counselling and support to help households consider and make the transition to new areas and it plays a more proactive part in recruiting and ‘courting’ landlords that would not normally take assisted households.

Deconcentration was not a new venture, having been an important part of racial desegregation programmes. Over time, deconcentrating households on the basis of their income, as distinct from their race, became a distinct and increasingly important tool for tackling economic segregation. As run-away costs, community tensions and controversies over demolition undermined the feasibility of ‘urban renewal’, like post-war clearance programmes in the UK, policy shifted away from place-based to people-based forms of assistance focused on increasing mobility. ‘From the late 1980s through most of the 1990s,’ Goetz notes ‘HUD policy finally moved toward a paradigm that emphasized dispersion’.34 By 1997, 72% of federal rent assistance was spent on tenant-based aid with an emphasis on moving poor households into non-poor neighbourhoods and only 20% went to project-based programmes.

The strong emphasis on deconcentration in HOPE VI was new, as was the use of mixing to achieve it - a link which was strengthened by the 1998 Quality Housing and Work Reform Act. The Act ‘institutionalized the mixed-income approach’ by directing Local Housing Authorities to reserve as few as 40% of units in new and replacement public housing developments for the very poor.35 In addition, the Act allowed Local Housing Authorities to reinstate ceiling rates (without a ceiling rate, higher-income tenants were charged

34 E. G. Goetz, Clearing the Way: Deconcentrating the Poor in Urban America, Washington, The Urban Institute Press, 2003, p. 54
higher rents); to introduce incentives to attract higher-income tenants; and to impose work requirements on unemployed tenants.

The promotion of individual self-sufficiency through work, in the context of the Clinton’s administration to ‘end welfare as we know it’ and Congress’s sweeping Welfare Reform Act meshed neatly with the emphasis on economic integration. Getting off welfare and competing in the job market would promote self-sufficiency amongst residents, and moving away from subsidies to compete in the housing market would encourage a form of neighbourhood economic self-sufficiency. The Act also sought to encourage relocation by setting aside 75% of new voucher awards for very poor households. Of the 165 HOPE VI projects, 72 will provide half or less public housing units after redevelopment and only 21 will be entirely public housing, while others will provide affordable and market-rate units.\textsuperscript{36}

A series of further legislative changes gave HOPE VI projects greater powers to adapt the programme to local needs and test out new methods of delivery. Each reform was a break from standard practice, a move away from people- and place-based programmes toward a new method of market-led, transformational change. Congress repealed requirements that local housing authorities give priority preference to very poor households and allowed them to set-up lists for specific developments, rather than allocate new units solely on the basis of immediate need. There was concern at the time, as there is today, that this would exclude the poorest from the new developments. Equally, there was a general acceptance that the projects had failed the people they were trying to help by excluding all but the neediest households. The abolition of the ‘one-for-one rule’, which had required that a new unit be built to replace each one demolished, made major redevelopment and demolition a much more affordable, and therefore feasible, proposition. Instead of building a substitute ‘hard unit’, Local Housing Authorities could provide displaced households with a ‘soft unit’ – a house that could be accessed through a voucher.

From 1996, HUD also ‘began to encourage grant applicants to explore mixed-financing strategies’.\textsuperscript{37} In line with the move toward innovation and local experimentation, there was no set model for how HOPE VI projects should be financed. The overall thrust was toward instilling an entrepreneurial and market-driven ethos by adopting or contracting-in private sector management and leveraging-in private sector funds. Public-private partnerships were encouraged and for the first time federal support would be given to privately owned houses, which would qualify for the Low-Income Housing Tax Credit as long as they were allocated according to public housing rules. As with local authorities in the UK, Local Housing Authorities in the US moved from direct providers and managers of housing to overseers and regulators of provision from the private, philanthropic, community and voluntary sectors.

\textsuperscript{36} A. Berube, \textit{Mixed Communities in England: A US perspective on evidence and policy prospects}, York, JRF, 2005, p. 44

\textsuperscript{37} S. J. Popkin et al., \textit{A Decade of HOPE VI: Research Findings and Policy Challenges}, Washington, Urban Institute, 2004, p. 14
Within the new funding regime, HOPE VI funds were to be treated not as a federal grant to be spent on mandated activities but as a ‘flexible source of capital’ to be used as equity to raise money from private sources.\(^{38}\) This was a radical break with previous funding regimes and reinforced the instillation of a market-based philosophy. As Turbov and Piper argue ‘for the first time in its history, the construction and management of public housing is rooted in market principles’.\(^{39}\) It should be noted that with the exception of outstanding case studies, this new philosophy has not easily translated into a new approach on the ground. The US government’s own analysis found that while HOPE VI was leveraging in additional $1.85 for every $1 awarded through the programme, most of this came from other federal government programmes and funding streams. The available figures are quite sketchy, but it seems likely that a good proportion of this money would have been spent in the poorest areas anyway. HOPE VI may be better co-ordinating these funds but there isn’t much evidence that it is tapping into non-governmental sources. Mixed financing was combined with higher per-unit costs than was previously permitted for social housing developments, on the grounds that higher up-front costs would be recouped over time by lower maintenance costs and higher rents; a calculation that has been borne out.

Finally, HOPE VI coincided with the ‘war on drugs’, as part of which the Public Housing Drugs Elimination Programme funded drug prevention programmes and increased policing and security. HUD encouraged landlords to tighten tenant screening, including the ‘one strike and you’re out rule’ which gave them the power evict whole households if any one member was engaged in drug-related activity. HOPE VI did not, as some critics would have it, simply turf all ‘problem households’ on the streets. Criteria were set locally and most HOPE VI projects adopted a fairly hard-line attitude to drug use, vandalism, anti-social behaviour and tenancy enforcement including extensive screening. However, the screening systems in each project were different and while some adopted a very tough and exclusionary approach, others matched penalties with support for households with members who had drug problems. There was a strong emphasis on making a clean break; the new development was not another estate in which the misdemeanours of the tenants or the failures of the landlord were to be ignored.

This very brief history of HOPE VI shows how complex the programme was in design; how inter-connected it was to other housing, crime and public policy developments; and how important it is to look at the role that mixing had in the programme alongside relocation and its various others aspects. The nascent mixed communities strategy in the UK has to be equally enmeshed in other programmes, funding streams and non-governmental sources of funding. Private sector commitment is already a condition of selection for the pilots, but it is clear that commitments are not easily converted into dollars, or pounds.

\(^{38}\) S. J. Popkin et al., *A Decade of HOPE VI: Research Findings and Policy Challenges*, Washington, Urban Institute, 2004, p. 34

ODPM will need to continue working closely with other government departments to align the goals of the mixed communities strategy with other mainstream strategies. In line with the move toward Local Area Agreements, freedoms and flexibilities for the pilots should be explored and negotiated with other departments and local agencies. Within ODPM, the potential for relocating poor households, which is explored in more detail below, has clear implications for housing provision. Increased screening and stronger enforcement of tenancy conditions, particularly in relation to the Respect agenda, raises fundamental questions about amendments to tenants’ rights and privileges.

The remainder of Section 1 looks at the impact of HOPE VI and identifies the issues raised by the programme that should be addressed as the mixed communities strand of the National Strategy develops. There are also examples of good practice relating to these issues set out in the Section 3 ‘toolkit’.

Impact of HOPE VI

So what impact did HOPE VI have? There are powerful case studies and successes stories that should be learned from and emulated where possible, but the overall research is more equivocal and throws up more questions than answers. What actually happened to households who moved out? Do lower unemployment levels in HOPE VI neighbourhoods show that poor households are moving into work or that more working households have moved into the area? Will the area stay mixed after funding has run out or will it tip into gentrification or re-concentration? This section explores the programme’s impacts, before going on to look at the specific issues which the programme raises and which will need to be addressed in the UK.

Given the diversity of local projects and the absence of a national evaluation, it’s impossible to give a simple assessment of HOPE VI’s impact. Most research and data are drawn from analyses of individual neighbourhoods, such as Rosenbaum’s study of Lake Parc which was noted earlier, or larger studies of groups of projects, such as Zielenbach’s paper *The economic impact of HOPE VI on neighbourhoods*, which is cited in this section. The Urban Institute’s *A Decade of HOPE VI: Research Findings and Policy Challenges* is the most wide-ranging and concise summation of the available evidence. A further complicating factor is that the programmes develop at different speeds and some, for a variety of reasons, have moved at a slow pace. By 1992, for example, only 15 of 165 funded projects were complete – 10 years after the launch of the programme fewer than 10% of the programmes were complete. As odd, and frustrating, as it may seem, it’s still too soon to tell what impact HOPE VI is having.

The high-level figures are often impressive. Zielenbach’s study of eight larger and more advanced HOPE VI projects found that:

- average per capita incomes of neighbourhood residents rose 71% compared to 14.5% for the city as a whole;
- unemployment fell by 8.4% compared to no change in city average;
• overall crime fell by 46% compared to 25% in the city average; and
• concentrated poverty fell from 81% of households living on low income in 1989 to 69% in 1999.\textsuperscript{40}

Health warnings must be attached to such figures. HOPE VI was initiated during a period of rapid economic growth and job creation in the US so it may be, to put it simply, that most of these improvements would have occurred anyway. HOPE VI also operated alongside a whole range of other action zones and initiatives, which should also have impacted on the statistics. In the absence of a national evaluation, it is impossible to definitively conclude that these improvements were the direct result of the programme’s interventions.

At the very least, HOPE VI stabilised and started to improve basic neighbourhood conditions. Most programme neighbourhoods look and feel very different in terms of cleanliness and day-to-day upkeep and are much better managed. Alongside these improvements, most HOPE VI neighbourhoods experienced rapid decreases in levels of crime and anti-social behaviour and this has had knock-on benefits in terms of reducing stress-related illnesses. There are many personal testimonies from residents to the effect that they feel safer, happier and more confident in their homes than they did previously; they aren’t harassed or asked for money on their way home, their children don’t have to negotiate gang turfs on the way to school, and so on.

The general conclusion drawn in this paper is that HOPE VI generally contributed to and further catalysed the benefits of improving economic conditions and house price rises that were already under way. Better management and lower crime rates have reduced the stigma attached to HOPE VI neighbourhoods, made them less of an ‘eyesore’ and increased the willingness of businesses and shops to open up in those areas. These improvements have had further-reaching impacts, especially in areas where the problems in the programme neighbourhood were depressing local house prices and conditions. As Popkin et al. point out:

The research on neighbourhood impacts indicate that several of the HOPE VI projects had remarkably positive impacts on the surrounding areas, suggesting that in locations where a public housing project had been a significant blighting influence, holding back an otherwise promising market environment in the surrounding area, the economic and other payoffs from HOPE VI can be substantial.\textsuperscript{41}

HOPE VI did not, however, trigger these improvements - no single programmes could, no matter how far-reaching.

The programme helped create the right conditions to enable deprived neighbourhoods to benefit from these improvements where previously they would not have had the same effect. The above statistics from Zielenbach’s study show that improvements in the HOPE VI neighbourhood were actually

\textsuperscript{40} S. Zielenbach, \textit{The economic impact of HOPE VI on neighbourhoods}, Washington, Housing Research Foundation, 2005, p. 3
\textsuperscript{41} S. J. Popkin et al., \textit{A Decade of HOPE VI: Research Findings and Policy Challenges}, Washington, Urban Institute, 2004, p. 45
occurring at a faster rate than in other neighbourhoods. There were many other factors driving these improvements but, as Zielenbach concludes, ‘HOPE VI development has helped determine the extent and pace of that change’.42

However, questions remain about how far HOPE VI helped lift households out of poverty as opposed to moving them out of poor neighbourhoods and redeveloping their old neighbourhoods as they left. This is a major gap in the research; few studies or evaluations measure the impact on households and individuals. For example, Turbov and Piper offer a positive evaluation of the programme, citing evidence that it has brought ‘market activity and quality of life back to long-neglected neighbourhoods’, improved education and employment outcomes and reduced crime, by as much as 93% in the Centennial Place development in Atlanta.43 This is encouraging, and there is much to learn, but the authors do not ‘evaluate the program’s impact on resident outcomes’.44

This is important because while there is a link between household poverty and area effects, we need to very wary of concluding that area improvements lead to lower household poverty. This is particularly true in the case of HOPE VI, because moving deprived households out of a deprived area to allow the improvements to take place makes it much more difficult to assess how changing neighbourhood conditions were impacting on deprived households. As pointed out earlier, some – perhaps most - of the improved outcomes in the HOPE VI neighbourhoods are the result of better-paid and better-educated households moving in, rather than deprived households improving their circumstances. The remainder of this section deals with a range of interconnected issues which HOPE VI raises, and draws out some lessons for the development of the mixed communities strategy in the UK.

Relocation

It's worth looking at the issue of relocation in some detail because mixing and relocation have become tightly intertwined in the US and may well become so in the UK as the mixed communities strand of the National Strategy develops. Relocation aroused some controversy among communities and their advocates in the US but other analysts and commentators on both sides of the Atlantic welcome the shift. Atkinson and Kintrea, for example, urge that neighbourhood policy in the UK should at least consider mixing and relocation as ‘radical alternatives to standard area-based initiatives’.45 This section

45 R. Atkinson and K. Kintrea, Neighbourhoods and Social Exclusion: The Research and Policy Implications of Neighbourhood Effects, Glasgow, University of Glasgow, 2001, p. 16
examines the arguments and evidence for relocation and draws out the key lessons for the pilots.

For many HOPE VI programmes, mixing and relocation are two sides of the same coin, complementary strategies for deconcentrating poverty. They differ in approach but ultimately are founded on the same principle, as Schwartz and Tajbakhsh explain:

Although they share the objective of deconcentrating poverty, the two approaches operate in different ways. Dispersal strategies try to move the poor into more affluent neighbourhoods, while mixed-income housing attempts to attract higher-income households to developments that are also occupied by the poor.\(^\text{46}\)

The basic idea behind relocation is simple and expressed succinctly by Brophy and Smith; ‘if low-income tenants are subsidized to live in developments that are in locations with good schools, low crime rates, and access to jobs, there is some likelihood that the benefits of the location will result in [improved outcomes]’.\(^\text{47}\) Combined with mixing, relocation is also very effective at delivering striking neighbourhood change. As Goetz notes, moving poor households away, demolishing their homes and replacing them with mixed communities is very effective at ‘eliminating local poverty clusters’.\(^\text{48}\)

Eliminating poverty clusters, however, is not the same as eliminating poverty. Moving a household out of a poor neighbourhood does not necessarily move them out of poverty. Relocating can be a step forward, but it can be followed by two steps back if the problems caused by moving out outweigh the potential benefits. Critics of HOPE VI have argued that the failure to mix from within is a sign that the programme is more interested in pushing poor people out than helping them up. Even proponents of relocation concede that there are problems with the approach.

Two crucial questions for the pilots are ‘where do relocated houses move to?’ and ‘what benefits does moving bring?’ The available evidence for both these questions is patchy and tentative. The lack of sustained studies into what actually happened to households who relocated and the relative newness of many HOPE VI projects make it difficult to arrive at absolute judgements. Some overall conclusions can be drawn. Relocation is appealingly simple in theory but complex to implement. The process of being relocated is difficult and the quality of support services and counselling is crucial. There is evidence that some families benefit from improved living conditions in terms of housing quality and health, but little evidence that it leads to improved education or employment outcomes. It does not increase the social mobility of most households. Data also suggest that families experience problems with feelings of isolation, travel costs and increased rents with the result that that

---


some end up back in deprived neighbourhoods within a few years. Most problematically for the pilots, the poorest and most vulnerable households are often the least likely to qualify for relocation, less likely to benefit and more likely to experience worse outcomes, especially if they are moved involuntarily.

In answer to the first question, 49,000 households had been relocated from HOPE VI properties by 2005. On average, 46% of original residents expect to return after redevelopment, but in general more tenants want to return than are able to, mainly due to tougher screening and the loss of available units, which is addressed in more detail below. An early tracking study of eight of the first projects found that 19% of displaced tenants moved back into the new HOPE VI development; 29% moved into other public housing; 33% rented privately with vouchers; and 18% moved off public assistance altogether. A later and larger HUD survey of 83 HOPE VI projects produced similar figures. A third of relocatees were renting elsewhere with vouchers; half were living in other forms of public housing; and the remainder – again, about a fifth - left assistance. Why and how these households left assistance is generally unknown. For some, relocation may have proved a spur to a successful move into the market, but poor tracking has meant that some households have been ‘lost’ which raises concerns about their ultimate destination.

The average poverty rate of the neighbourhoods to which households relocated was much lower than that in the neighbourhood they had left. However, the majority of relocatees live in neighbourhoods that have a 30% poverty rate, that are highly racially segregated and that suffer from high crime. Research into the consequent relocation decisions of Moving to Opportunity participants further complicates the picture. Two thirds of the families that moved through the programme into non-deprived neighbourhoods moved again within three years, many into more highly deprived neighbourhoods. Overall, fewer than in one in five households remained in neighbourhoods with a very low poverty rate. The reasons cited included rent increases above the value of the voucher as markets tightened; feelings of isolation and loneliness; and practical factors like transport costs. In some cases, the households moved back in or near to their original estate or formed new poverty clusters; deconcentration led to re-concentration.

The second issue is whether and how relocatees benefit from moving. Much depends on the quality of the new neighbourhoods; the circumstances of the household; and process for brokering and managing the move. Rosenbaum’s evaluation of Gautreaux programme found that the quality of the new neighbourhood had an important impact. Families who moved to the least deprived areas of Chicago – the suburbs – benefited most from relocation. Suburban relocatees were 25% more likely than city movers to find a job; 75% of young people who moved to the suburbs found jobs compared to 41% of those who stayed in the city; and school performance increased across a range of measures. The programmes did not offer transition support and assistance to help households cope with their new neighbourhoods, which meant transport, childcare and others costs became a major problem.
Even with support and assistance into a better neighbourhood, relocatees can experience problems relating to the quality and type of services and amenities on offer. As Goetz points out:

The poor relate to many of these amenities in ways that fundamentally differ from more affluent families...A voucher does not put a bus line in front of the building, relocate the community college or affordable day care nearby, and bring along the family’s network of friends and relatives for emotional and material support.\(^{49}\)

This is reinforced by evidence found by Atkinson and Kintrea that residents of poor neighbourhoods perceive services offered outside their neighbourhood to be for ‘other people’ and consequently do not seek to access them. Moving to a less deprived neighbourhood can be beneficial, but those benefits may not be realised if the families involved cannot access or afford the services and facilities in a more expensive neighbourhoods.

The circumstances of the households also matter, as Rosenbaum goes on to highlight. One of the reasons for Gautreaux’s success is that it excludes households with large debts, four or more children or who are judged to have unacceptable housekeeping standards. Rosenbaum, who is generally positive about the potential for relocation, points out correctly that this reduces the pool of eligible tenants by only 30%. However, that 30% includes the neediest households. Taking a different tack, Popkin, Buron et al. review a range of studies into relocation including Rosenbaum’s and argue that ‘these studies offer little solid evidence that such strategies will benefit the neediest public housing residents, those who make up the majority of households in the developments being most heavily targeted’.\(^{50}\) The authors go on to argue that relocation and mixing actually do more harm than good to the immediate circumstances and long-term prospects of the neediest households. Other research into the effectiveness of vouchers shows that their impact is uneven across different groups. White recipients generally fare better than BME households, as they face fewer barriers accessing neighbourhoods and are less likely face discrimination or harassment. Elderly households do better than non-elderly households, because there are more options for childless households.\(^{51}\)

The process of relocation also matters. Voluntary relocatees who apply to move as part of a redevelopment or who apply to mobility programmes like Moving to Opportunity are the most likely to benefit. Households who volunteer already aspire to move out and are most able to make the transition into a new neighbourhood. Vouchers allow them to exercise greater choice in the marketplace and access housing options which they were previously unable to afford. Families who are relocated involuntary to make way for


redevelopment often find themselves in a worse state than they were previously; uprooted from friends and neighbours, their children having to settle in new schools, struggling to afford increased transport costs – a major problem for many relocated households – and potentially facing hostility and discrimination from new neighbours. For these families, the process was a denial of choice. Studies have shown how many families, and isolated minority communities like the Hmong in the Midwest in particular, felt that they were effectively forced out of their homes, without consultation or support, to make way for a real estate development in which they would never be able to live.

From this mixed bag of evidence and findings a few key lessons for the pilots emerge. Relocation can benefit the most stable and least deprived households in terms of higher-quality living environments and generally less stressful surroundings. Beyond that, it does not have much impact on long-term outcomes. Atkinson and Kintrea’s survey of research into Moving to Opportunity finds that relocation had some positive impacts on health, child behaviour and exposure to violence, but ‘that there are no clear impacts on moving to a low-poverty area on the actual school achievement of young people nor on economic self-sufficiency’.

Whether mixing and relocation increases social mobility depends upon how ambitiously one defines social mobility. The evidence from HOPE VI and Moving to Opportunity shows, to put it very simply, that some households moved from one very bad neighbourhood to another (either directly or in a subsequent move); most have moved from a very bad neighbourhood to a comparably better but still quite bad area; and a few have moved from a very bad area to an ‘average’ or ‘good’ area. For some households, relocation has increased their social mobility and opened up choices that they would not otherwise be able to access. For others, usually the poorest, it has had the opposite effect.

Following on from this point, it seems clear that a balance has to be struck between using relocation efforts to benefit some households and recognising that it will have neutral or negative effects on others. Relocation does not help the neediest households directly, but that does not mean that it should be rejected as a strategy. As long as other programmes are in place to support the most vulnerable households, there is no reason that relocation cannot continue to help the least needy. There is a danger, in other words, of making the perfect the enemy of the good by refusing to invest in a programme that helps some people because it doesn’t help everyone. As with mixing, the limitations and potential downsides of relocation have to be recognised to implement it successfully.

In broader policy terms, if deconcentration is pursued rigorously it should help ensure that all areas provide their fair share of social housing. Relocation works best when there are a range of alternative housing types across a wide

---

52 R. Atkinson and K. Kintrea, Neighbourhoods and Social Exclusion: The Research and Policy Implications of Neighbourhood Effects, Glasgow, University of Glasgow, 2001, p. 9
area, so that poverty is not clustered elsewhere and families are not placed in unsuitable homes. This, however, can prove very difficult to implement. Housing providers of all types are often reluctant to build social housing where they can build more profitable market rate housing. Ken Livingstone, the Mayor of London, has criticised some London boroughs for failing to provide their fair share of social housing and leaving the job to poorer boroughs which already contain a disproportionately large number. ‘Receiving’ communities and their representatives can be hostile to households whom they assume will cause problems.

As Goetz observes wryly, fair share programmes to encourage all areas in the US to accept some public housing ‘survived where local interest was [sufficient in assuring] that subsidised housing opportunities existed equitably throughout the central city and developing suburban areas. It survived, that it to say, almost nowhere.’ Efforts to use mixing and relocation to create a greater balance of communities cannot be founded on goodwill, requiring instead a firm and co-ordinated determination and legal enforcement. This is explored in more detail in Section 2.

Low-hanging fruit

A consistent criticism of HUD’s administration of HOPE VI is that it tended to pick ‘low-hanging fruit’ by selecting neighbourhoods with the greatest potential for gentrification in cities with growing housing markets, rather than those neighbourhoods with the deepest problems in the most difficult areas. Critics have questioned the choice of sites in Atlanta, Washington D.C. and Chicago on these grounds. This is a specific controversy with the programme, but it points to a general problem, which this section seeks to unpack, about the feasibility of mixing.

Picking low-hanging fruit does not necessarily mean avoiding the poorest areas. This is somewhat counter intuitive, as one might expect that mixing is most difficult to achieve in areas that are dominated by the poorest households. In fact, the evidence suggests that the potential for mixing is more dependent upon three latent neighbourhood characteristics that have little relation to the existing social make-up: being situated in a buoyant city-wide housing market; containing assets that can redeveloped; and being well-located in terms of access to job centres and other desirable amenities.

As with most housing-related decisions, the key is ‘location, location, location’. In Mixed-Income Housing: Factors for Success, Brophy and Smith analyse seven HOPE VI developments and conclude that a large part of the developments’ successes in achieving a mix was due to the fact that ‘each of the projects surveyed was in a strong market area that holds the potential of

---

53 E. G. Goetz, Clearing the Way: Deconcentrating the Poor in Urban America, Washington, The Urban Institute Press, 2003, p. 28
54 S. J. Popkin et al., A Decade of HOPE VI: Research Findings and Policy Challenges, Washington, Urban Institute, 2004, p. 45
attracting renters who can afford to make choices’. Three of the areas also benefited ‘as a result of their proximity to growing employment centers and universities’. Similarly, in his study of eight HOPE VI projects, Zielenbach notes the importance of location in relation to jobs and amenities and a buoyant local housing market, in which ‘a rising tide can indeed lift all boats’.

Rusk argue that ‘location, location, location’ actually means ‘neighbourhood, neighbourhood, neighborhood’; that residents are more concerned with quality living environments. There may be some truth in this, and certainly some households will commute long distances to live in cleaner and calmer outer-lying areas. In the context of mixing, however, more peripheral and/or poorly connected areas struggle to attract households with choice. The offer of renovated housing and clean environments is not in itself a sufficiently attractive incentive for living in recovering and often stigmatised areas.

The low-hanging fruit argument does not invalidate the value of mixing. As with relocation, there is a danger of making the perfect the enemy of the good; because a strategy will not work everywhere doesn’t mean it shouldn’t be pursued anywhere. The key implication for the UK is that the choice of mixed communities pilot areas should not be guided by the extent of deprivation but rather by the three characteristics of the neighbourhood as described above.

The pilots were chosen according to four criteria:
1. they contain some of the most disadvantages Super Output Areas;
2. they have high concentrations of social housing and housing stock which is conducive to redevelopment;
3. they have a weak housing market; and
4. there is a clear commitment to public and private partnership.

These are sound, but it may be worth revisiting them in light of the evidence so far presented and the learning generated by the pilots. Specifically, the first criterion is important for deciding where to target resources, but may not be relevant in terms of deciding where mixing is feasible. The third criterion may need revision because mixing is most difficult in weak markets where there are few incentives and little demand for high-income households to live in deprived areas. Trying to mix an area because it has a weak market may require enormous amounts of resources. A more relevant guide may be ‘they have a weak local housing market but potential to connect to improving city-wide markets’. A further indicator may look at an area’s location in terms of access to job centres and other amenities and the potential to increase its connectivity.

Mixing therefore has to be a selective strategy. It will not have the same effects or chances of success in all deprived areas and its use should be guided by a detailed knowledge of local conditions. Deprived neighbourhoods

share many characteristics, but it is the nature of the changes within and around those neighbourhoods that are most pertinent in determining the applicability of mixing. Lupton’s work on the trajectories of deprived neighbourhoods provides a useful summary of how different areas have changed and continue to change over time.

There are many typologies of deprived areas but Lupton’s is underpinned by a detailed longitudinal study of twelve deprived neighbourhoods in England and Wales. Lupton identifies four broad categories of neighbourhood:

1. Neighbourhoods on the edges of ex-industrial areas that are continuing to decline as the city loses jobs and population and unemployment falls more slowly than the national average;
2. Inner-London neighbourhoods that are gaining population experiencing an economic, though one based on low-paid and unstable jobs leading to ‘within neighbourhood polarisation’;
3. Poor neighbourhoods in other large urban areas that are experiencing some gentrification but where low demand remains a problem; and
4. Inner-city neighbourhoods connected to thriving centres demonstrating a potential for re-growth.\(^58\)

The last set of neighbourhoods is mirrored in the US where downtown areas or ‘central business districts’ are staging a recovery in some cities after years of stagnation.

Apparently similar neighbourhood profiles belie contrasting dynamics because as Lupton observes ‘neighbourhood trajectories are diverging, even among the poorest neighbourhoods’.\(^59\) Lupton provides a stark example of such differing fortunes; between 1993 and 2002 the employment rate for men with low qualifications rose from 58% to 65% but fell in the Northern conurbations, where many of the first category of neighbourhoods are found, from 32% to 25%. Mixing is more likely to succeed in ‘repopularising’ inner-London neighbourhood where demand is so strong that households will move to areas that have until recently had a poor reputation - but all deprived neighbourhoods can’t be moved to inner London. Looking at evidence from the US, it’s difficult to see how mixing would work in peripheral areas where demand is weak and there is a surplus of housing across the region.

A second aspect of the low-hanging fruit argument is that mixing seems to be most effective when used proactively to halt concentrations of poverty being formed by heading off incipient low demand. Mixing can stop the spiral of decline before it takes hold, as demonstrated by the Sales of Alternative Vacants on Estates or “SAVE” scheme on the Joseph Rowntree New Earswick estate in York. In response to signs that the estate was losing its traditional mix and gaining a reputation for disorder, the Trust sold every other empty unit to owner-occupiers. Estate agents were brought in to advertise and manage the sales and potential buyers were targeted with incentives, although these were discontinued as sales took off quickly. House prices rose


and buying a property in the neighbourhood, which came close to becoming regarded as 'sink estate' by local people, is now a popular choice for local families. As Richard Best concludes, this model of mixing has proved very effective on the New Earswick estate but will not work 'in areas of very low demand, and estates of extreme unpopularity, where the opportunity for a SAVE programmes may be too late'.⁶⁰ Again, this does not mean that mixing will not work in the most deprived areas, but it does require some thought about the optimal deployment of effort and resources.

In conclusion, as with the need to be realistic about what mixing can achieve, there is a need to be realistic about where mixing is feasible. Mixing can be achieved with relatively modest interventions in certain areas by realising their advantages; in other areas, it will be much more difficult to make mixing a feasible proposition. Turbov and Piper argue that mixed-income approaches are simply inappropriate for areas without the necessary market conditions or assets to sustain redevelopment and argue that it is better to focus on providing a better quality of life for the existing residents.

Mixing is more likely to occur in certain areas covered by the National Strategy. Well-located, inner-city areas are generally more attractive to young, professional single people and younger childless couples – the two groups who are the most likely to move into a recovering area. Like the Atlanta HOPE VI project, London's Olympics redevelopment will also make areas of East London and the Thames Gateway more attractive. On the other hand, mixing will have less impact in outlying neighbourhoods that are far away from and poorly connected to employment centres. Measures can be put in place to make mixing more feasible in these more difficult areas by, for example, improving transport links to employment centres. But the costs of such measures may be very large and the resources may be better used on alternative renewal strategies.

In the more difficult areas, the pilots may want to try out radical incentives for higher-income households in order to overcome the barriers of poor location and distance from desirable amenities. Meen highlights the importance of council tax levels, an issue which is generally overlooked in the mixed communities. A council tax reduction, even a waiver, may be necessary to encourage 'pioneers' into the most unpropitious areas.

Loss of units

There is no disagreement that HOPE VI resulted in a net loss of houses set aside for very low-income households. This is an inevitable consequence of a programme which funded the large-scale demolition of low-income projects and the construction of replacement developments which, as noted earlier, will contain as few as 40% of units for the assisted households. This is unlikely to be repeated in the UK. ODPM's first five year plan, Homes for All, states that remodelling could form a part of the pilots' plans but that 'in areas

⁶⁰ G. Martin and J. Watkinson, Rebalancing communities: Introducing mixed income into existing rented housing estates, York, JRF, 2003, p. vii
where there is high demand for social housing we will expect remodelling to result in higher densities overall, with no loss of social housing.\textsuperscript{61} Even without a net loss of units, remodelling will mean potentially radical changes to the location, size and type of units on offer and again there is much to learn from the experience of HOPE VI.

The loss of units is often used as a stick with which to beat HOPE VI, but there are various complicating factors beneath the high-level figures that need to be borne in mind. Figures from Popkin et al. show that as of 2003, 94,600 units were scheduled for demolition. A slightly higher number of units, 95,100, would be built to replace them, but only 48,000 of those would be subsidised for very low-income tenants. In absolute terms, a new unit is being built to replace each one demolished but only half are set aside for the poorest families. The other half is to be let out at market or affordable rates or, in some cases, sold to owner-occupiers.

Only two thirds of the houses scheduled for demolition were actually occupied and many of those ‘had been vacant - and virtually uninhabitable – for a long time’.\textsuperscript{62} At the Connie Chambers project in Tucson, Arizona, for example, two out of every three potential tenants declined an offer of housing there.\textsuperscript{63} Many HOPE VI neighbourhoods were depopulating and had large numbers of voids that were unlikely to be filled. A higher proportion – 78% – of occupied units would be replaced by public housing. Over the same period, as many as 70,000 vouchers were awarded to help households move into new homes after demolition – ‘soft units’ – although it is not known how many of these were for HOPE VI replacements. Digging a little into the headline figures reveals a more complex picture but questions still remain about the impact of the loss of units on the most deprived households in particular. Again the lack of follow-up studies and poor tenant tracking makes it difficult to come to definitive conclusion about where many tenants ended up.

The implicit calculation underpinning the HOPE VI programme is that the loss of some housing units for the very poor is justified by the wider benefits delivered by replacing them with mixed-income communities. If there are available and suitable housing options elsewhere for those households that are displaced, this loss can be further justified. However, as has already been noted, it’s very difficult to strike this equilibrium. Few landlords are willing to take in deprived households and plans to relocate and re-house large numbers of households rarely go to plan, as many HOPE VI projects have experienced.

Goetz details several examples where the zeal for demolition in HOPE VI, as so often with large-scale clearance projects, ran ahead of measures to ensure that displaced households could find suitable replacement homes. Project delays and protracted litigation cases further hindered re-housing, leaving

\begin{footnotesize}
\begin{itemize}
\item \textsuperscript{61} ODPM, \textit{Homes for All}, London, HMSO, 2005, p. 54
\item \textsuperscript{62} S. J. Popkin et al., \textit{A Decade of HOPE VI: Research Findings and Policy Challenges}, Washington, Urban Institute, 2004, p. 21
\item \textsuperscript{63} S. J. Popkin et al., \textit{A Decade of HOPE VI: Research Findings and Policy Challenges}, Washington, Urban Institute, 2004, p. 9
\end{itemize}
\end{footnotesize}
tenants in a state of limbo for months and sometimes years. Driving the demolition was an understandable desire to demonstrate progress. But whereas demolition sent a dramatic signal that action is being taken, reallocation is a complex, laborious and behind-the-scenes task that often received less attention.

The pilots will need to balance the need carry out enough remodelling to make the area attractive with the need to ensure that it is not detrimental to residents in the short term and is beneficial in the long run. A temporary loss of units is often necessary to allow redevelopment to take place. In these cases, tailored support and counselling has to be provided, particularly for ‘hard to house’ families. The commitment to increased overall densities, set out in *Homes for All*, should be strongly enforced in order to provide more housing options for all households.

**Gentrification**

Gentrification is the bogeyman of mixed communities. It is also, to mix metaphors, another stick with which to beat HOPE VI because it conjures up memories of discredited urban renewal strategies; clearing away poor, usually black, communities to make way for middle class homes and lucrative real estate developments. One urban renewal programme in Washington D.C. cleared away a large, predominantly African American neighbourhood to make way for the new HUD head office. Gentrification is a loaded term so it’s important to look coolly at both the potential benefits of some measure of gentrification and question whether it is a realistic possibility for the UK pilots.

A simple criticism of mixing is that it is a by-word for clearing out poor people and moving in middle-class households. A more nuanced concern is that even with measures to help with affordability, gentrification can occur as lower-income households are priced out over time. Even households that can afford to stay can face problems and may be pushed out for reasons other than cost. Recalling the point made earlier in the discussion of relocation, poorer households interact with services and amenities in different ways and they may suffer if local facilities become focused on higher-income households and local shop prices, for example, go beyond their range. Popkin et al. cite studies of individual HOPE VI projects which find that the people who benefited most from the redevelopment were middle-income households who found themselves living in a hot spot.

Gentrification can occur extremely rapidly. Cabrini Green in Chicago had an infamous reputation for all that was wrong about the projects; poorly-designed and decaying buildings, high crime rates, widespread drug abuse and so on. By the mid-1990s, the heated Chicago housing market responded to the HOPE VI programme and the estate became the latest ‘hot spot’. Clearly, there is hope to be taken from the fact that a neighbourhood as notoriously troubled as Cabrini can be revitalised, but as part of the redevelopment process the number of public housing units was reduced to 30%. Price increases in the rest of the housing market further narrowed the range of
options available to displaced households. A similar process occurred in Atlanta where the return rate of original tenants declined as prices increased.

This has to be a concern for the pilots. As Goetz puts it:

Efforts of deconcentration must walk a fine line between having enough impact to reverse neighbourhood decline and establish a viable multi-income community on the one hand, and triggering gentrification on the other. Though gentrification may represent to some the ultimate success, the ultimate turnaround for a high-poverty neighbourhood, it will not appreciably deconcentrate poverty as much as simply moving those concentrations to other places.  

As this quotation suggests, gentrification has somewhat different connotations in the US and UK. Without the national and regional income equalisation systems that exist in the UK, localities in the US must compete much more aggressively with another to attract sufficient higher-income residents and businesses to generate a tax base. Some level of gentrification is more likely to be regarded at least as a necessary evil. Orfield for example uses gentrification and neighbourhood revitalisation interchangeably; the first has to happen in order to generate the resources to fund the latter.

Gentrification should not be regarded as a success because it clearly creates problems for lower-income households. However, the reality is that it probably will not pose much of a risk in many neighbourhood renewal areas. Following on from the point made above in the discussion of low-hanging fruit, many areas do not have sufficient assets or locational advantages to attract would-be gentrifiers. As Katz argues, using US examples:

For these places – the Detroits and Clevelands of the world – the problem is more the continued drift of out of population than any rapid appreciation of housing prices. For these cities, simply mimicking the housing strategies of ‘hot markets’ is the wrong strategy any may exacerbate the problems of isolated poverty.

Interestingly, Katz argues that mixing in these areas may be more effective if it is based on attracting new immigrants, citing examples of neighbourhoods in Chicago and New York which have repopulated and revived on the back of new population influxes and the cities of Baltimore and Pittsburgh which are re-establishing themselves as ‘gateways’.

In conclusion, gentrification is a risk but one that has to assessed realistically in an analysis of prevailing market conditions and local circumstances. For those areas where it may occur, where the pilots will have to walk the ‘fine line’, measures should be taken to ensure that there are sufficient numbers of social and affordable units. These numbers will need to change over the time as the market changes. If a neighbourhood is showing signs of poverty re-concentration, then increasing the number of houses for sale and incentivising owner occupation on the SAVE model may be justified. In addition, local

64 E. G. Goetz, Clearing the Way: Deconcentrating the Poor in Urban America, Washington, The Urban Institute Press, 2003, p. 9
conditions should be monitored to ensure that services do not become overly skewed in favour of higher-income households.

**Maintaining a mix**

Whether and how a mix can be maintained is largely a moot point and too few HOPE VI projects have progressed far enough to test the question. A few examples have already been highlighted of areas that slipped quite quickly into gentrification. There are also examples of the opposite problem. Popkin et al. cite Lake Parc Place where conditions deteriorated after a new contractor was appointed and the income mix went from half and half very low-income / low-income to two thirds very low income in a few years. Without a longitudinal survey of the level of mix in HOPE VI areas, we are left with many more questions than answers. Will the development un-mix either through rapid gentrification or a reversion to concentrated poverty? Once the incentives for higher-income neighbourhoods have been removed, will they stick around? These are crucial questions for the UK policy because the creation of more sustainable communities is one of the core objectives of the mixed communities pilots. This section draws on some evidence to highlight key issues for the pilots.

All neighbourhoods are to some extent vulnerable to market changes, but mixed communities may be particularly fragile. If improvements are not sustained then higher-income households are likely to look elsewhere unless they feel a particularly strong sense of loyalty to the area and / or to the principle of living in a mixed community. As noted earlier, Jupp found that this was rarely the case. Schools are a very powerful indicator of social mix and if test results decline, higher-income families with children are likely to leave, triggering further failure.

A surge in tenants exercising their right to buy / right to acquire can shift the balance toward owner-occupation and potentially create problems if the local authority / Housing Association has an inadequate pool of social and affordable homes. Unregulated private renting and sub-letting can upset the balance and trigger the departure of higher-income households, although this can be tackled by enforcing tenancy restrictions. Rising house prices can price out lower-income households, although this too can be tackled with affordability assistance.

In practical terms, the pilots will need to clear about what level of mix they are seeking to achieve and these judgements should be grounded in a realistic assessment of prevailing market conditions. Some areas may be able to attract a wide range of incomes and tenures, others will need to be more modest and focus on attracting less deprived and moderate-income households. As the market and the neighbourhood changes, local managers and developers will need to respond, changing the balance of different tenures and introducing incentives to attract different households. Berube puts forward three recommendations:

1. ensure availability of affordable housing in new communities and prevent mono-tenured developments;
2. foster a wide mix in area that lack economic diversity; and
3. actively monitor neighbourhood conditions to prevent them from tipping toward homogeneity.  

Berube’s first point is particularly important and leads on to the importance of pursuing mixing everywhere, which is explored in more detail in Section 2.

Community involvement

There is very little research into the community involvement aspects of HOPE VI. As has already been noted, studies and evaluations focus much more on neighbourhood outcomes than individual outcomes and even less on the extent of local engagement. A high level of community involvement is not included amongst the UK pilots’ main objectives. It is not included amongst the eleven indicators of a mixed community listed above and market-led, transformative change in general tends to have a lower level of commitment to involvement that neighbourhood-based approaches. The pilots are, however, rooted in the National Strategy, which has a strong commitment to community empowerment, and the Sustainable Communities Plan, which includes an active and engaged community as a component of a sustainable community. The pilots will determine their own strategies for involving local people in their plans and although studies of HOPE VI tend to be quiet on the subject there are still some key lessons.

The commitment to community engagement was diluted during the HOPE VI’s reformulation. Some welcomed this as a necessary condition for achieving transformative change. The argument goes that existing communities are unlikely to favour mixing, or any other form of dramatic change, so giving sitting tenants a strong voice is likely to entrench existing conditions and act as a brake on redevelopment. As Atkinson and Kintrea argue, ‘encouraging residents to take part in or to manage aspects of regeneration activities is to really invite them to put the needs of their own (unreconstructed) communities first’. In a similar vein, Minton argues that ‘researchers are increasingly finding that strong community participation, while positive and essential, can also serve to reinforce the inward looking set of values and negative social capital which often characterise deprived estates and excluded areas’.

There are, however, problems with this analysis. With the exception of a handful of examples cited by Atkinson and Kintrea, those who argue that a high level of engagement hinders change tend not to provide much evidence. For example, Minton goes on to argue that the ‘numerous examples of failed area-based initiatives which have not looked towards a social mix as a key

---

66 A. Berube, Mixed Communities in England: A US perspective on evidence and policy prospects, York, JRF, 2005, p. 25
regeneration tool, bear testimony to this\textsuperscript{69} – referring the problem of engagement. However, as noted at the beginning of this section, the reason why area-based initiatives have not pursued mixing is because government policy has not encouraged or required it; not because communities got in the way.

These arguments also contradict a fairly substantial evidence base that engagement can create solutions and make change sustainable. The recent National Audit Office audit of the NRU’s single Community Programme, for example, found that engagement delivers better services by bringing service providers closer to local people and actually saves money by making those services better tailored. Without much evidence to show that community engagement is a hindrance – and in the face of evidence to the contrary – criticism tends to be focused on ‘straw man’ targets. Katz, for example rejects the ‘community control’ vision dedicated to maintaining the status quo’.\textsuperscript{70} It’s difficult to see why people living in a deprived area would get engaged in a programme in order to maintain the status quo. Residents will get involved to ensure that they benefit from whatever change is proposed, but that is not the same as favouring no change.

Much of the research into community engagement shows that problem is not engagement itself but poorly managed engagement strategies. People become suspicious and resistant to change when they feel they are not being fully and honestly involved in the process. It’s important to be clear about the purposes and objectives of engaging people from the start in order to engage local people in an honest dialogue. People react badly when they are told they will be treated as ‘partners’ but in fact are only really being consulted. People are more likely to ‘get on board’ and go along with change if they are actually involved in the process.

A final point is that the evidence so far presented suggests that there may be good reason why individuals are resistant to the kinds of changes that some HOPE VI projects delivered. It is not surprising that the households who were left in limbo during relocation; or who were ‘lost’ during the redevelopment; or who were unable to return to the estate despite earlier indications, were resistant to change. Nor is it surprising that communities who become aware of these cases were equally resistant. Dismissing the objections of residents to major change is a questionable strategy; even more so when those objections have a great deal of validity.

The pilots will therefore need to be clear about how far they will seek to engage local residents and should not assume that community involvement, if explain openly and clearly brokered and facilitated, will prevent ambitious change. The pilots will also need to recognise that there is no such thing as ‘the community’. Their neighbourhoods are populated by diverse and heterogeneous groups, all with different needs and views. The pilots could

\textsuperscript{69} A. Minton, \textit{Building balanced communities: the US and UK compared}, London, Royal Institution of Chartered Surveyors, 2002, p. 27

also benefit from the many examples, from neighbourhood renewal programmes and from the planning system, of how to involve local people in large-scale redevelopment.
Section 1 conclusions

What are the key lessons for the mixed communities strategy in the UK that emerge from the analyses and issues explored in Section 1?

The first lesson is that the theoretical arguments and empirical evidence for mixing as a strategy for tackling concentrated deprivation are not very strong. Mixing dilutes the negative impacts of area effects and helps lock in service improvements. Mixing provides a platform, but more than mixing is needed in terms of additional resources, activities and programmes to deliver stronger communities, improved outcomes for poor households and improved public services. In developing a strategy, we need therefore to be wary of investing unrealistic expectations in mixed communities and recognise that mixing has a beneficial but fairly limited impact. The outcomes and indicators for the current and future pilots should be kept under review. The pilots will need to be very clear about what they expect mixing to deliver locally and what else will be needed to deliver more ambitious goals. Additional activities will need to be developed and resourced if they are to deliver greater mobility and better services.

The second is that there is much to learn from HOPE VI, but the programme should not be interpreted as a clear demonstration that mixing works. Mixing can deliver some benefits as one element of a wider strategy but it can be a messy process and raises difficult issues regarding the consequences of relocation, the loss units, the potential for gentrification, long-term feasibility and community engagement. As the pilots test out the market-led renewal approach, we need to recognise that they will confront these issues and will need new forms of help and support to deal with them.

The third is that mixing is usually effective when used proactively to prevent concentrations of deprivation developing and can be effective in certain well-located neighbourhoods with latent assets in an otherwise healthy housing. It will not work in all areas and cannot be regarded as a panacea or a sped-up version of neighbourhood renewal. Mixed communities initiatives in deprived areas have to be deployed selectively and have to be reinforced by policies that promote mixing everywhere.

The fourth and final lesson is that none of these caveats and qualifications means that mixing should not be pursued, or that it has no value. Mixing can play a role in delivering the goals of the National Strategy and the development of the pilots should move us closer to a clearer understanding of its impact. But we need to identify how broader policy can support mixed communities across the piece.

Section 2 sets draws on a range of recent research from the US and sets out what else might be needed to support the implementation of mixed communities in the UK.
Section 2: Supporting mixed communities

Section 1 argued that mixed communities are an important goal but mixing poor neighbourhoods is a limited and problematic strategy for tackling deprivation. Mixing can work in certain areas and in certain circumstances, but will not necessarily help deliver the goals of the National Strategy for Neighbourhood Renewal. This does not mean that mixing should not be pursued at all, but its limitations and consequences should be addressed through a broader strategy for tackling deprivation. In short, mixing is not enough. So what else is needed?

Section 2 draws on a range of recent research to set out what else might be needed to support the implementation of mixed communities in the UK. The lessons are outlined under five headings:

1. Operate in the metropolitan and regional context
2. Pursue mixing everywhere
3. Focus market-led renewal on economic integration
4. Shape urban development to encourage mixed communities
5. Understand neighbourhood change

The key message is that mixed communities have to be pursued everywhere as part of an effort to create economically integrated communities. The pilots’ chances of creating sustainable and vibrant mixed communities in the most deprived areas are greatly enhanced if broader urban policies also encourage some level of mix everywhere.

Mixing has to be pursued selectively and with an eye to the impact of these five factors on the likelihood of success. The pilots’ efforts have to be buttressed by mainstream policy and other interventions will be needed on the ground to make mixing work to the benefit of deprived households. The core programmes and policies outlined in the National Strategy will still be required; intensive neighbourhood management, liveability improvements, community capacity building, community cohesion, and public service investment and reform.

Put simply, the emerging mixed communities programme can deliver communities that are mixed. But the National Strategy will be required to ensure that those communities are safer, stronger, healthier and better educated. And the Sustainable Communities Plan will be required to ensure that those communities are well-built, well-designed, balanced in terms of supply and demand and genuinely sustainable. These policies are mutually reinforcing and must be harnessed together. As Smith argues ‘there is more evidence to support the importance of living in a healthy, mixed community in breaking the cycle of poverty than living in an isolated mixed-income development. Such a development may have an important role in achieving a healthy neighbourhood; however, other housing strategies may prove more effective’.

Underpinning each of these five lessons, therefore, is the imperative for policy interventions to operate at different levels and in tandem. HOPE VI demonstrates the importance of aligning local place-based programmes with wider regional strategies and market forces. By the same token, city- and region-wide interventions and forces have to be shaped so that they reinforce efforts on the ground.

For the pilots at the local level, this means adopting outward-looking strategies, and grounding their interventions in local market conditions. At the level of the city and region, it means local authorities, Government Offices, Regional Development Agencies and other bodies must ensure that their strategies encourage mixing within their own boundaries. The Housing Market Renewal Pathfinders have a particularly important role to play given their overlap with neighbourhood renewal areas. At the national level, it means ensuring that ODPM’s policies across the board actively promote and facilitate the creation of mixed communities in line with the vision set out in the Sustainable Communities Plan.

It should be noted that the five lessons listed above are not exhaustive. There is not the space here to explore every relevant policy and many of the crucial steps in building mixed communities have been either established or pledged. The Sustainable Communities Plan and subsidiary Five Year Plans already set out a clear and inspiring strategy for creating high-quality homes for all in well-built, well-designed and inclusive communities that will stand the test of time. The commitment to high-density development, recycling brownfield land, tackling low demand and abandonment and protecting the greenbelt all help create the right condition for mixed communities. These aspects are mentioned where relevant, but this section tries to focus on areas where HOPE VI points toward more specific lessons.

Following on from this section, the Section 3 toolkit sets out practical examples of best practice.
Operate in the metropolitan and regional context

Until the problems of cities are placed in their true metropolitan geographic context, in-place initiatives will remain palliative – a series of small, broken arrows in an increasingly empty quiver.\textsuperscript{72}

Myron Orfield

There is a growing conviction amongst analysts and practitioners in the US and UK that regeneration programmes have to operate within their metropolitan and regional context if they are to deliver lasting change. Specific and tailored neighbourhood-based programmes have a crucial role to play, but they cannot operate solely within their own boundaries. Lupton’s work on neighbourhood trajectories in the UK, highlighted above, underscores just how far changes within deprived neighbourhoods are determined by city-wide forces. This is particularly relevant to mixed communities pilots because attracting higher-income residents means their plans must be grounded in a proper understanding of the social, economic and demographic forces that determine why and to where households move. This section looks at the importance of operating in the metropolitan and regional context, and draws out the lessons for the pilots and for ODPM’s policies more broadly.

Analysts and commentators are divided on many aspects of HOPE VI, as we have seen, but most cite the move away from a narrow neighbourhood focus to a broader perspective, in which the neighbourhood is seen as one piece of a larger jigsaw, as a crucially important shift. Katz, Berube and Orfield in particular consistently critique area-based initiatives for, as Novak puts it, operating ‘in strategic isolation from the rest of the economy’.\textsuperscript{73} The roots of this conviction lay partly in the oft-cited research of William Julius Wilson and Paul Jargowsky in the US in the 1980s and 1990s, which is very briefly recapped here. In order to refute the ‘underclass’ arguments, put forward by conservative commentators like Charles Murray, author of \textit{The Bell Curve} and \textit{Losing Ground}, Wilson and Jargowsky mustered extensive evidence to show that the employment prospects and economic status of poor households rose and fell in line with economic upswings and downturns. This may seem obvious, but it was an important point to make in order to show that poor households were not, as Murray contended, mired in an alienated and dependent underclass that was impervious to outside assistance.

In demonstrating that poverty was not the result of cultures or attitudes, but the by-product of broader social and economic changes, they made a connected point; that efforts to tackle poverty needs to address these broader factors. As Jargowsky argues:

\begin{itemize}
  \item A primary finding of my research is that the extent of ghetto and barrio poverty within a metropolitan area and the changes within them over time are largely determined by dynamic metropolitan-
\end{itemize}


wide processes... The corollary to this finding on the policy side is that neighbourhood poverty cannot be "solved" with programs in ghettos and barrios alone.\textsuperscript{74}

The particular reference to ghettos and barrios relate to the typology of poor neighbourhoods in the US that Jargowsky develops according to their racial mix, but the general point holds true in any context.

Operating in the metropolitan and regional context means that the pilots’ focus should be on outward-looking regeneration. Cole offers a useful typology of the characteristics of inward- and outward-looking strategies.

<table>
<thead>
<tr>
<th>Explanatory focus</th>
<th>Inward</th>
<th>Outward</th>
</tr>
</thead>
<tbody>
<tr>
<td>Focus</td>
<td>Agency</td>
<td>Structure</td>
</tr>
<tr>
<td>Focus</td>
<td>Existing residents</td>
<td>Potential residents</td>
</tr>
<tr>
<td>Focus</td>
<td>Neighbourhoods</td>
<td>Sub-region</td>
</tr>
<tr>
<td>Approach to housing</td>
<td>Re-invest</td>
<td>Re-model</td>
</tr>
<tr>
<td>Housing management</td>
<td>Accessibility / Support</td>
<td>Marketing / Re-branding</td>
</tr>
<tr>
<td>Nature of links</td>
<td>Management-centred</td>
<td>Strategy-centred</td>
</tr>
<tr>
<td></td>
<td>Inter-departmental</td>
<td>Inter-sectoral</td>
</tr>
<tr>
<td>Community involvement</td>
<td>High</td>
<td>Low</td>
</tr>
<tr>
<td>Strengths</td>
<td>Visible impact</td>
<td>Market-centred</td>
</tr>
<tr>
<td>Vulnerabilities</td>
<td>Spill-over</td>
<td>Delivery vehicle</td>
</tr>
<tr>
<td></td>
<td>Displacement</td>
<td>Boundary issues</td>
</tr>
</tbody>
</table>

In practice, regeneration programmes blend a mixture of these approaches and none would conform to an ideal type. In general, the New Deal for Communities programme would tick more of the ‘inward’ boxes while the Housing Market Renewal Pathfinders would tick more of the ‘outward’ boxes. The pilots, in so far as they have been formulated, sit somewhere in between.

The pilots’ delivery strategies need therefore to be closely aligned to Local Neighbourhood Renewal Strategies and Sustainable Communities Strategies. In turn, those Strategies need to be reviewed and adapted where necessary to ensure they are helping the pilots to deliver. Operating more strategically means that project approval criteria should assess a potential intervention’s long-term market impact as well as its short-term environmental effects. Progress should be measured against the neighbourhood’s relative position in terms of growth and attractiveness as much as by absolute local improvements. Outward-looking regeneration also means delivering changes that make their area more appealing to outsiders, like potential residents and investors. It means rooting long-term strategies in an understanding of the metropolitan and regional labour and housing markets.

Looking inward can deliver some improvements but it does not alter the neighbourhood’s position in the geography of opportunity or bring in the people and resources needed to maintain change. The Canning Town pilot,

\textsuperscript{74} P. A. Jargowsky, \textit{Poverty and Place: Ghettos, Barrios, and the American City}, New York, Russell Sage Foundation, 1997, p. 186
for example, has already established that its fundamental objective is ‘normality’; establishing a normal housing market, delivering normal social outcomes and so on. Normality may not sound very inspiring, but it is in fact an extremely ambitious goal. Raising house prices and quality of life standards in the one of the most deprived areas of the capital to the London average is a major task. That the pilot has adopted this goal suggests that it is already thinking about its position in relation to its surrounding area and trying to identify what steps it needs to take to make the neighbourhood better fit into the surrounding market and social infrastructure.

Operating in the metropolitan and regional context is clearly important, but it raises difficult questions. Section 1 highlighted examples of HOPE VI projects which ran into controversy and resistance from local people because large-scale redevelopment was not helping the poorest households. These interventions were often justified on the grounds that the programme was delivering changes that were necessary in a strategic context because they re-established the neighbourhood in the broader city- and regional market. Opponents argued that there was little point in operating strategically if the households whom HOPE VI was supposed to assist were actually suffering.

For the pilots, a balance therefore needs to be struck between, on the one hand, recognising the value of inward-looking approaches; stabilising local conditions, improving the day-to-day quality of life, ramping up the quality of public services that are delivered to low-income households. And, on the other, maintaining a focus on the long-term imperative to operate more strategically by encouraging a greater level of mix and going ahead with redevelopments that may create problems for some households in the short-term but which are ultimately necessary to achieve lasting change.

Cole highlights two other vulnerabilities in the outward-looking approach: the absence of an obvious delivery vehicle and potential confusion over boundary issues. To take each of these in turn, the question of a delivery vehicle is crucial to the pilots. They are still at a very early stage of development so it is not clear exactly what powers and flexibilities they will have. They are charged with delivering a very ambitious set of goals, yet they are only one player in a crowded environment. Mixed communities are the ultimate cross-cutting initiative. The Strategy Unit report highlighted the need to streamline and better focus the delivery of support to deprived areas. The pilots’ structure and objectives will need therefore to be kept under review; each will have to adapt to local circumstances and work closely with other delivery vehicles.

The question of boundaries highlights a related issue. The areas in which the pilots operate have already been defined and yet they will have an impact beyond their own boundaries. Equally, a whole range of outside factors will shape events within them. Those factors will, in turn, be shaped by a whole range of other players and agents. Just as a strong neighbourhood focus has the potential for insularity, operating in a metropolitan and regional context has the potential to become diffuse and unfocused. The pilots need to be clear about the key issues within their cities and regions that impact on their activities.
Pursue mixing everywhere

Instilling a more outward-looking approach in the pilots is one important way to support mixed communities. This has to be matched by a concomitant determination to pursue mixing everywhere. The chances of creating a sustainable mix in deprived neighbourhoods are greatly enhanced if mainstream policy promotes, as a matter of course, a varied and flexible mix of tenures and incomes in all neighbourhoods. The achievements of even the most dynamic and outward-looking pilot will be nullified if this is not the case. This section sets out the reasons why pursuing mixing everywhere is important and what it means in policy and practice.

Study after study of mixed communities come to a similar conclusion; if mixed communities are worth pursuing, they must be pursued everywhere. Atkinson and Kintrea argue that ‘social mix should not just be seen as a solution to the problems of the worst estates, but should pervade housing development policy’.75 Turbov and Piper argue that ‘the most successful mixed-income redevelopment efforts will form part of a larger vision for improving housing conditions for all low-income households served by the local housing authority and city’.76 Katz argues that ‘neighbourhood policy has to embrace economic and demographic diversity in both cities and suburbs’.77 Berube argues that ‘if mixed communities are to be an effective response to growing economic segregation, they must represent a policy objective across the full range of places’.78 Jargowsky concludes his analysis of neighbourhood programmes by arguing that ‘a better approach would be to pressure both state and local government to move toward more socio-economically mixed development patterns’.79

This consistency is remarkable given the multiple and manifold disputes over the meaning, value and benefits of mixed communities. It is not, however, that surprising given the very practical reasons why pursuing mixing everywhere is important. Trying to implement a mix in deprived neighbourhoods while mainstream planning and land-use systems promote and silently subsidise un-mixed communities is clearly self-defeating. As has been argued, programmes like the pilots can only do so much, and if mainstream policy does not support them, they will be left swimming against a very powerful tide. The commitment in the Sustainable Communities Plan to tackle sprawl and low-density is therefore crucial to the success of the pilots and the mixed communities agenda more broadly.

75 R. Atkinson and K. Kintrea, Neighbourhoods and Social Exclusion: The Research and Policy Implications of Neighbourhood Effects, Glasgow, University of Glasgow, 2001, p. 6
77 B. Katz, Neighbourhoods of choice and connection: The evolution of American neighbourhood policy and what it means for the United Kingdom, York, JRF, 2004, p. 31
79 P. A. Jargowsky, Poverty and Place: Ghettoes, Barrios, and the American City, New York, Russell Sage Foundation, 1997, p. 186
If higher-income households have a choice between living in a redeveloping mixed area and a new, unmixed development, the vast majority will choose the latter. This is not because people are inherently resistant to the idea of living in mixed communities – as noted earlier, most people are fundamentally indifferent – but because the second option is a less risky investment. A reviving, inner-city neighbourhood that seeks to attract higher-income residents has little chance of doing so if it is forced to compete for residents with a new out-of-town development offering larger homes in tranquil neighbourhoods. Creating a mix everywhere expands opportunities for all households. Poor households can be helped to live in non-deprived neighbourhoods where they can find a much better quality of life; other households can find new options in areas they would have previously avoided and, in the process, help revive them.

In high-demand areas where the housing market is tight, reducing the number of houses for poor people in deprived areas through a strategy of mixing requires that replacement units are created elsewhere. Several HOPE VI projects failed to do this, with the result that displaced households struggled to find appropriate and affordable homes. Conversely, pursuing mixing everywhere in low demand areas guards against re-clustering. The problem of re-clustering has already been highlighted. There are examples from the UK and US of initiatives which have broken up existing poverty clusters only for them to re-appear elsewhere as displaced households seek out the cheapest available housing options. Such examples are particularly salutary for existing and future pilots in the North and Midlands. Of the 850,000 low-demand properties in the England, 90% are concentrated in 40 local authority areas in those regions. The average house in a Housing Market Renewal Pathfinder area is £65,000 – not far shy of one third of the national average of £176,000. Yet, as *Homes for All* notes, the gap between low- and high-demand areas within regions is growing. In such areas where the housing market is starkly un-mixed and affordable housing exists only in certain areas then the problem of ‘hot spots’ and ‘cold spots’ is exacerbated.

In practice, pursuing mixing everywhere means first clarifying the level and definition of mix that is appropriate in different areas and, second, ensuring that it is provided. Clarification has to be the first step because while mixed communities are central to the Sustainable Communities Plan, there remains confusion around what that commitment actually means on the ground. As Minton argues:

> Planning and area-based regeneration...are the two key mechanisms to create greater balance by integrating affordable housing and social mix in our towns and cities. To succeed, both rely on clearer guidance from ODPM.  

Combined with the flaws in the housing delivery chain explored by the Barker Review of Housing Supply, it becomes clear that a largely risk-averse, fragmented and slow-to-learn industry is struggling to get its head around a new, complex and unformulated agenda.

---

The Chancellor’s announcement that the pilots should test out new approaches in the context of the Sustainable Communities Plan and the Barker Review is therefore crucial. There can be no one size fits all answer to the question of how a mix is determined. The level of mix that is desirable and feasible in an inner-London neighbourhood will be different from that in an outer-London neighbourhood; and both of those will be different from the nearest equivalent neighbourhoods in and around Macclesfield or Huyton. Arguably, analysts like Minton expect too much of central government in laying down exact guidelines, rather than giving local agents the freedom to find local solutions in line with the move toward Local Area Agreements. Nevertheless, as argued in Section 1, there is a need for a clearer basic concept of mixed communities to underpin those innovations.

Second, ensuring that the appropriate local level of mix is provided requires government at all levels to work with builders, developers and other housing suppliers and managers to define and meet local needs. Every area has to provide their fair share of social and affordable housing and some level of regional and sub-regional consistency is needed to guard against an uneven level of mixing exacerbating hot spot / cold spot differences. Disincentives to mixing in the planning system have to be recognised and tackled. Mixing everywhere will not be delivered by goodwill alone. As Minton goes on to argue ‘the major difficulty for advocates of this balanced communities approach is that while it may be socially, economically and politically in the interests of the region as a whole it is easy to see why taking in larger numbers of social housing may not come high on the priority list of individual local authorities’.

This more universal approach to mixing does not require large-scale new construction or a HOPE VI programme in every neighbourhood. The evidence suggests that gradual processes of insertion and dispersal – incrementally helping low-income households into non-poor neighbourhoods while altering the make-up of poor neighbourhoods – are just as effective, if not more so. In some cases dramatic change may be necessary, as explored below in the section on neighbourhood change, but in the majority of neighbourhoods that are neither extremely deprived nor extremely wealthy, existing and emerging measures can be utilised to help create a greater mix.

The current Local Housing Allowance Pathfinders might be expanded to help more people move into new areas, just as choice-based lettings schemes have demonstrated their effectiveness in some areas in opening up new housing options for low-income tenants. The pilots may want to further experiment with the Local Housing Allowance approach, testing out more radical methods of benefit portability. Increasing portability, although it requires assistance and support, could also help speed decanting in pilot areas scheduled for redevelopment.

81 A. Minton, Mind the gap – tackling social polarisation through balanced communities, London, Royal Institution of Chartered Surveyors, 2004, p. 11
Recent policy changes have also begun to erode the long-standing ‘Chinese walls’ between owner-occupation and social renting. Affordable homes, shared equity schemes, part-ownership and similar initiatives all help create a greater diversity of tenures by increasing the available options to lower- and moderate-income households. The pilots should look at how these innovations, as well as less obvious options like community self-build, can be used effectively in their plans. They should be helped to encourage closer co-ordination between different housing providers within their areas to make better use of the existing stock. Most landlords never make full use of their existing portfolio and very few will have enough specialist units. Linking up these different providers and working closely with smaller, specialist housing providers greatly increases the potential for mobility and the chances of finding a suitable home for hard-to-house individuals and families.

*Shape urban development to encourage mixed communities*

The above section on pursuing mixing everywhere argues, self-explainatorily, that mixing cannot be confined to deprived neighbourhoods. In addition to clarifying and ensuring the provision of some level of mix, there are other ways urban development can be shaped to encourage mixed communities, with the ultimate goal of re-shaping the geography of opportunity so that deprived neighbourhoods can stage a comeback. Many factors go into creating a mixed community, the majority of which will be out of the hands of programmes on the ground. Mainstream housing, planning and land-use policies should support them by encouraging a smart growth approach, in line with the Sustainable Communities Plan, that creates the right conditions for success.

Left unchecked, the inter-connected processes of de-urbanisation, suburban sprawl and inner-city dereliction all hasten residential segregation and unmixing. As cities leach outward, jobs, households and investment are sucked out and the urban centre becomes hollowed out. Households with choice depart for new and attractive but very expensive and environmentally unsustainable new developments. The Sustainable Communities Plans sets out a clear vision for tackling these forces and evidence from the US underlines the importance of this commitment. It is doubtful whether some HOPE VI projects can achieve lasting change. Although the local projects might be very effective within their own terms, the surrounding patterns of urban growth continue to encourage segregation by zoning different building types and neglecting to repair the inner-city infrastructure.

There are many ways to create a counter-momentum, shaping urban development to encourage mixed communities, all of which are underpinned the principle of smart growth. Downs defines smart growth as:

- limiting outward expansion;
- encouraging higher density developments;
- encouraging mixed-use zoning;
- reducing private traffic;
- regenerating older areas; and
- preserving open spaces.
Encouraging smart growth makes sense for a range of environmental and financial reasons, but two factors are particularly pertinent to the pursuit of mixed communities. First, revitalising existing but vacant or under-used infrastructure within cities reduces the demand for new developments. The boom in warehouse apartments demonstrates that dilapidated industrial infrastructure can be successfully and profitably recycled. Second, it is much easier to create a mix in existing communities, particularly in inner-city areas near to jobs and amenities, than in new, outlying, mono-tenure areas.

The primary driver for the pursuit of smart growth in the US in the realisation that suburban sprawl is fundamentally unsustainable on economic, environmental and social terms. Communities need a certain level of density to generate the wealth and warrant the investment to support local economies and sustain public services. As US cities have sprawled outward, their populations have thinned, traffic has increased and more and more land has been gobbled up by ‘McMansions’. The cost of connecting new suburban developments to physical infrastructure like sewerage systems and electricity grids and establishing the social infrastructure of schools is immense.

In response, states and cities are developing a ‘smart growth toolbox’ using voluntary and incentive-based schemes. The most common technique, pioneered by Portland, Oregon, is the urban growth boundary which constrains new development by designated existing areas as a growth zone and re-investing in under-used infrastructure. New Urbanism has also inspired US cities to emphasise liveable, compacts and higher-density developments that are less car-dependent and use sustainable materials.

The UK does not suffer from the most egregious problems of sprawl and derelict infrastructure that are found in the US, not least because there is far less available land, but there is no space for complacency. Power, Katz and others have argued that the principles of smart growth – higher density, mixed-use zoning and so on – have to underpin the implementation of the Sustainable Communities Plan. As Katz argues, ‘the pressure to build new houses, particularly in the southeast, cannot become an excuse to replicate the mistakes of the past’. The Growth Areas and the Housing Market Renewal Pathfinders have to ensure, in different ways, that they deliver the right conditions for the pilot areas to stage a comeback.

Focus market-led renewal on economic integration

Market-led renewal is very much an outward looking-regeneration strategy. It is grounded in a recognition that concentrations of deprivation are in part, if not primarily, the consequence of dynamic, market-driven processes. Market forces are part of the problem and must form part of the solution. It’s important to appreciate that market-led renewal, like mixing, is a means rather than an end; it needs to be focused on an ultimate goal. Like HOPE VI, the UK pilots have adopted market-led renewal as their guiding principle. This section argues that, like HOPE VI, the focus of this approach should be the creation of economically integrated communities.
For advocates of market-led renewal, the flaw in standard neighbourhood-based programmes is that they keep deprived neighbourhoods artificially and hermetically sealed from the forces of growth, instead of looking at how they can be remodelled to fit better into the geography of opportunity. The projects in the US and the ‘worst estates’ in the UK were doomed to fail as soon as they became isolated enclaves for the very poorest households. Businesses left, people struggled to find jobs and households with choice departed as, over time, the houses and their tenants became dependent on subsidies. Even though many deprived estates are in otherwise desirable inner-city locations, regeneration initiatives failed to tap this potential by neglecting the economic, market-driven aspects of renewal. As Novak argues, ‘the neighbourhood development model, organised around place and community, has tended to consider neighbourhoods in terms of constituent services rather than in economic terms’.  

In contrast, market-led renewal seeks to re-model, re-develop and re-brand deprived neighbourhoods so that they can succeed in the market place by attracting residents, businesses and employers, thus creating the jobs and generating the investments that make neighbourhoods self-sustaining. Market-led renewal is particularly important for mixed communities because the goal of mixing is to provide the goods that households in the market place are demanding: high-quality homes in safe, clean, accessible and well-run neighbourhoods. Using market terms, the target audience for a neighbourhood-based strategy is the existing community of residents. In contrast, the target audience for mixed communities are potential investors, residents, businesses, banks, amenities and so on.

Market-led renewal adopts many of the practices associated with private sector management and marketing. This does not require private ownership, but it does demand new skills and attitudes. As Brophy and Smith argue: Timberlawn Crescent demonstrates that mixed-income projects can be developed and owned by a public body. It is necessary, however, for the officials to understand market dynamics, value and employ competent management, be unconstrained by preference rules in selecting tenants, and act as freely as a private owner in evicting tenants.  
The pilots will need to identify their own skills gaps and appoint people and organisations to fill them by, for example, contracting estate agents to publicise the redeveloped area.

Like mixing, however, market-led renewal is a better end than it is a means when it comes to creating sustainable communities and increasing social mobility. Market-led renewal does not necessarily deliver benefits to the neediest households and can actually run counter to the creation of mixed communities. As Cole and Sprigings observed in a recent presentation to ODPM, the promotion of mixed communities frequently ‘fades from view in

---

face of primacy of market processes'. As with mixing, there is nothing intrinsic to market-led renewal that leads to better outcomes or increased social mobility for deprived households.

The pilots’ adoption of market-led renewal must therefore be focused on an end that will deliver these benefits. The evidence from HOPE VI suggests that the objective of creating ‘economically integrated communities’ has great potential in terms of improving outcomes for poor households and increasing social mobility. There has been little analysis of the economic integration aspect of HOPE VI, and far less compared to the role of mixing in the programme.

Katz strongly argues that creating mixed communities ‘requires, first and foremost, an acceptance of economic integration as a goal of neighbourhood and housing policy’. He defines economic integration as a strategy for turning deprived and stigmatised neighbourhoods into places in which higher-income residents will choose to live in and in which low-income residents will also prosper. Atkinson and Kintrea strike a similar note when they stress the importance of making deprived areas more ‘permeable’ in a physical and social sense; reconnecting isolated areas with better transport links and making it easier and more attractive for lower-income households to move out and higher-income households to move in.

The goal of economic integration is to move beyond short-term improvements by re-connecting areas and individuals to the drivers of growth: the housing market, the labour market and the broader geography of opportunity. Integration has to be applied to neighbourhoods, households and individuals, and the connection between the housing and labour markets is particularly crucial because getting into work is for most people the first step out of poverty.

There are limits to market-led renewal. Not everyone will be able to meet their needs in the market place. As explored in Section 1, even with support, counselling and other forms of assistance, some HOPE VI households were unable to find or afford suitable accommodation outside of public assistance. Other forms of intervention are therefore necessary to make integration work or to find ways of meeting the needs of households who cannot be successfully integrated in the housing and labour markets. Some HOPE VI projects opened up the estate to higher-income residents but failed to make that process work to the benefit of lower-income tenants. Other projects delivered short-term benefits but failed to attract higher-income households or bring in additional investment and jobs. A lot of things have to be done well in order to economically reintegrate a neighbourhood. Regional Spatial Strategies, which are designed to ‘integrate housing, economic development

---

84 I. Cole and N. Sprigings, ‘Developing Socially Mixed Communities – A Triumph of Hope over Evidence?’, Presentation to ODPM Seminar on Social Mix, 2005
and new infrastructure’ will have a key role to play in driving forward economic integration and the pilots will need to link to these strategies.\(^{87}\)

Market-led renewal is also something of a misnomer because it suggests the market leads policy and determines interventions. In fact, the trick, as has already been noted in the design of the pilots, is to ‘exploit’ the market. Markets do not operate autonomously and focusing on market-led renewal is not an abnegation of public intervention; it is a recognition of the interplay between government policy and market behaviour. As such, efforts to make deprived neighbourhoods better fit the market have to be met with efforts to re-shape the market so that deprived neighbourhoods can stage a recovery. As Katz argues, ‘neighbourhoods of concentrated poverty, then, do not arise simply as by-products of inexorable demographic market forces or consumer choice and selection. Government policies—federal, state, regional, and local—have helped create them and, therefore, can be part of their dissolution’.\(^{88}\)

\textit{Understand neighbourhood change}

The final element of supporting mixed communities is understanding neighbourhood change or, perhaps more accurately, understanding why some deprived neighbourhoods don’t change in response to conventional interventions. We do not yet have a sufficient understanding of how mixed communities are created, but it is clear that creating a mixed community requires fundamentally different interventions than those required to create a less-deprived neighbourhood without changing the social mix. In particular, there is a much closer relationship to the market and other outside factors. The UK pilots contain some of the most deprived and challenging areas so learning the lessons of neighbourhood change from HOPE VI can be particularly beneficial. This section looks at the evolving research into new models of neighbourhood change and draws out the implication for the pilots.

New models of neighbourhood change recognise that different approaches are needed to deliver sustainable regeneration in the most deprived areas like those covered by the pilots. Methods which increase the value and appeal of most neighbourhoods do not apply in those neighbourhoods that are deeply deprived and stigmatised. In a ‘typical’ neighbourhood, a specific set of improvements leads to a certain appreciation in value, and the greater the improvements the greater the appreciation. Add a new garage to every house in the street and the attractiveness and house prices will increase. There is a basic correlation between investment and market value.

These conventional ‘rules’ of supply and demand, investment of capital and appreciation of assets do not apply in very deprived neighbourhoods; interventions that would otherwise catalyse a response in terms of increased desirability and higher house prices have much less effect. There is no single answer as to why this is the case, but the confluence and depth of problems, poor neighbourhood conditions, the depth of stigma and lack of market

\(^{87}\) ODPM, \textit{Homes for All}, London, HMSO, 2005, p. 10

confidence all combine, as Berube puts it, to ‘mute the impacts of regenerative investments’.\textsuperscript{89}

Understanding how and why deprived neighbourhoods change is therefore crucial to the success of the pilots if their efforts are not to be ‘muted’. Research by Galster and Quercia focuses on the importance of thresholds. They define a threshold effect as ‘a dynamic process in which the magnitude of the response changes significantly as the triggering stimulus exceeds some critical value’.\textsuperscript{90} In other words, poor neighbourhoods need to be moved toward a particular point after which change will be self sustaining; fall short of the threshold and very little change will occur. The argument explored earlier that mixing locks in service improvements could be used as an illustration of this argument. Once a certain number of higher-income households is formed to create a constituency large enough to force providers to raise their game, services should improve without outside pressure. The internal dynamics of the neighbourhood have been altered such that change becomes self-sustaining.

Conversely, once a threshold has been reached in terms of worsening conditions, then an area will rapidly deteriorate. To give a generic example, a certain threshold number of boarded-up vacant units on an estate will spur households with choice to leave, and as soon as some of these households leave, others will follow. The threshold number of boarded-up windows acts a market signal that the area is on the way down. As the neighbourhood goes further beyond the threshold, the more difficult it is to reverse the process. Even if the number of boarded-up vacant units were reduced to a point beneath the threshold – if that point can be defined - confidence and market interest would not rebound. The vocabulary differs in the literature – thresholds, tipping points, triggers, take-off points etc - but the key argument is the same.

The corollary of these emergent findings is that piecemeal changes will not have any meaningful effect because, as already discussed, there is much less of a correlation between investments and improvements in very deprived areas. As Berube argues:

Incremental approaches in the social conditions of the most severely deprived communities may produce little market response and may fail to catalyse the broader forces on which regeneration programmes depend...Striking, visible changes in the physical and social features may be a prerequisite to arresting further decline and achieving lasting regeneration.\textsuperscript{91}

The pilots need therefore to consider radical changes in order to make a lasting impact. These interventions will need to be based on an understanding of the key thresholds. The pilots will have to identify those crucial points, and

\textsuperscript{89} A. Berube, \textit{Mixed Communities in England: A US perspective on evidence and policy prospects}, York, JRF, 2005, p. 38
\textsuperscript{91} A. Berube, \textit{Mixed Communities in England: A US perspective on evidence and policy prospects}, York, JRF, 2005, p. 35
map out which interventions are needed to move the neighbourhood to toward them.

Again, however, this is easier said than done. Ideally, thresholds should be used proactively. They should be identified in advance of investment and effort should be directed to moving the neighbourhood to the point where change takes root, or keeping neighbourhood away from the point of inexorable decline. As Galster and Querica put it, ‘it follows that planners should strive to keep neighbourhoods from slipping over the various precipices, thereby enhancing the aggregate level of societal well-being in the metro area’. However, thresholds are much easier to identify retrospectively after changes have taken place. There is also a risk that dramatic interventions set off dramatic problems. Large-scale clearance in particular can deliver radical physical changes, but it can also fatally undermine poor communities and blight neighbourhoods.

A further problem is that the point at which a threshold can be reached may be very far away. In a recent presentation to ODPM, Meen pointed out that getting the Harpurhey pilot to its ‘take-off point’ would require falls in the local levels of unemployment, long-term illness and people with no qualifications to the Manchester average. As Meen pointed out, ‘to put it mildly, this is tough’.

Ironically, perhaps, the kinds of ameliorative, neighbourhood-based improvements – to which HOPE VI was created as an alternative – may be needed to gradually move the pilot neighbourhood close enough to the threshold, after which more radical interventions can take over. This reinforces the need to see mixing within the broader approach of the National Strategy.

A final point in relation to understanding neighbourhood change links back to the issue of low-hanging fruit explored in Section 1. In areas where the conditions are right, mixing can be achieved with relatively small inputs because the potential already exists in terms of market strength, location and amenities. In areas that lack these characteristics, the task of mixing will be of a different magnitude altogether. Further research into thresholds may give us a more robust picture of which neighbourhoods are closest to their take-off points. In turn, this should allow us to identify what role mixing can play in getting different neighbourhoods to those points and what role other forms of interventions will need to play. In short, it should allow us, as Berube puts it, to ‘proceed from areas of market strength’.

93 G. Meen, ‘Success Factors for Mixed Communities’, Presentation to ODPM Seminar on Social Mix, 2005
Section 2 conclusions

What are the key messages from these five lessons from the US in supporting mixed communities?

The first is that the pilots cannot operate in isolation. They signal a new approach to tackling deprivation in the UK and not just for the obvious reason that they are the first to make the creation of mixed communities an explicit objective. The adoption of a market-led renewal approach that seeks to deliver transformational change is particularly ground-breaking. Yet it is clear from HOPE VI that neither of these new approaches will be the silver bullet and both will need to work with the neighbourhood-based approaches outlined in the National Strategy.

Second, the pilots’ efforts to be more outward-looking at the local level has to be matched by a determination by other partners to deal with the metropolitan and regional forces that drive un-mixing. Clarifying and ensuring the delivery of a level of mix everywhere will give the pilots a much firmer grounding in their attempts to deliver a mix in the most deprived areas. As Orfield argues, just as local initiatives have to operate more strategically within their cities and regions, so the focus of government policy must be on ‘overhauling the larger institutional framework in which poor communities are located’.

Consequently, the market has a crucial role to play. Market forces have to be exploited to the benefit of deprived neighbourhoods – in terms of land value and house prices – and households and individuals – in terms of access to decent homes and quality jobs. This is a major task, which again requires a new, more strategic attitude on the ground and a determination at all levels to shape those market forces to allow deprived areas to make a comeback. An important way to do this is shape urban growth, in line with the Sustainable Communities Plan, in ways that promote economic integration.

Finally, to reiterate the point made in the introduction to this section, it’s interesting to note how many US commentators offer a broadly positive assessment of HOPE VI but bemoan the absence of a wider anti-poverty and pro-sustainability strategy to underpin it. We have these things in the UK in the form of the National Strategy for Neighbourhood Renewal and the Sustainable Communities Plan. The pilots have to be firmly rooted in these strategies and mixing should be seen as complementary to their efforts. Mixing is neither an alternative to neighbourhood renewal, nor a cleaner, faster version of it. ODPM’s mainstream policies have to support mixed communities everywhere to deliver lasting change in the most deprived neighbourhoods.

Bibliography


Cole, I., and Sprigings, N., ‘Developing Socially Mixed Communities – A Triumph of Hope over Evidence?’, Presentation to ODPM Seminar on Social Mix, 2005


Meen, G., ‘Success Factors for Mixed Communities’, Presentation to ODPM Seminar on Social Mix, 2005


ODPM, *Homes for All*, London, HMSO, 2005


Strategy Unit, *Improving the prospects of people living in area of multiple deprivation in England*, HMSO, 2005

Tunstall, R., ‘“Mixed Tenure’ Policy in the UK: Privatisation, Pluralism or Euphemism’, *Housing Theory and Society*, Vol. 20, No. 3
