

English Regions

An early progress report on the New Deal for Communities programme



REPORT BY THE COMPTROLLER AND AUDITOR GENERAL
HC 309 Session 2003-2004: 11 February 2004

executive summary

- 1 During the course of the last decade, the government has placed emphasis on tackling the problems of deprivation and disadvantaged communities. The Office of the Deputy Prime Minister (the Department) defines communities as 'deprived' by reference to an Index of Multiple Deprivation (IMD) which takes into account income levels, employment, health, education, housing and access to services in each of the 8,414 wards within England. Communities that score in the lowest 10 per cent of the deprivation index endure conditions that, compared to the rest of the country, can be startling - for example, in these areas, unemployment levels are more than three times as high as the national average; twice as many people are dependent on means-tested benefits; three times as many children live in poverty; one million homes are derelict or hard to fill; and crime rates are significantly higher than in other areas, not only affecting the residents but driving businesses and employers away.
- 2 The task of 'turning around' deprived areas is difficult because the problems of deprivation are closely linked. For example, low levels of education and skills typically contribute to higher unemployment, which is linked to poorer health and child poverty. Children growing up in such conditions are statistically less likely to do well at school and more likely to find themselves consequently unemployed. There are significant social and economic costs to the country when deprivation becomes entrenched and lives on from one generation to the next.



- 3 Government efforts to tackle deprivation have taken two major forms - departments tailoring their programmes to target vulnerable groups, for example early educational initiatives such as Sure Start (managed by the Department for Education and Skills) and area-based initiatives focused on the places where deprivation is found. The major area-based initiatives have been the Single Regeneration Budget¹ and the Neighbourhood Renewal Fund both managed by the Department.

¹ Prior to the New Deal for Communities programme the Single Regeneration Budget (SRB) was the main source of funding for local area regeneration in England. Expenditure on the SRB programme varied each year between 1995/96 and 2000/01 but in total amounted to direct funding of £5.7 billion over 5 years. On 9 March 2001, the Single Regeneration Budget was subsumed within the Regional Development Agencies 'single pot' funding arrangement.

- 4 The New Deal for Communities (NDC) programme, the subject of this report, is one of the latest efforts to tackle deprivation. Its mandate is to 'narrow the gap' between deprived communities and the national average in five 'theme' areas of employment, education, health, crime, and the physical environment. Over a ten-year period, more than £2 billion will be invested in 39 of the most deprived communities in England (see page 2). The NDC programme marks a departure from previous area-based initiatives in terms of the significant level of funding involved, the length of the initiative, and the involvement of community residents. Unlike previous regeneration initiatives, elected community representatives are at the heart of the process in developing a long-term strategy and in helping to steer individual projects.
- 5 This report is about the first three years of the NDC programme and the indications to date of how well it is progressing. This report is intended to be constructive by highlighting good practice drawn from individual NDC partnerships and the lessons from less successful projects. We propose to return to this subject later in the programme to focus more explicitly on its achievements and impact on deprivation.



The design of the New Deal for Communities programme

- 6 Prior to 1998, the Department (previously the Department of the Environment, Transport and the Regions) ran a national bidding process to select eligible communities drawn from the lowest 10 per cent of wards in the Index of Multiple Deprivation. In considering which areas to focus the programme on, the Department looked at ensuring that there was a spread of recipient areas across England, that bids clearly set out long-term plans for their areas, and that there had been a sensible demarcation of the communities to receive funding. As a result the Department identified 39 communities from across England that would receive on average £50 million in direct funding over a ten year period.

- 7 Each neighbourhood comprised 10,000 people on average and was required to form a board of directors, to recruit a Chief Executive and delivery teams and to designate an 'accountable body', usually the local authority, to be responsible for ensuring proper financial management of each 'NDC partnership'. The Department has had oversight of each NDC partnership and keeps in close contact with developments through the nine regional government offices² located across England.
- 8 From the outset, NDC partnerships have been afforded a significant degree of freedom in deciding how best to approach the problems of their areas and this has been a defining feature of the programme. This has produced wide diversity in the strategies adopted and to date has led to a range of activities on the ground across the five theme areas of employment, skills and education, health, crime, and housing and the physical environment. For example, these include efforts to attract and support new businesses into the Bradford NDC neighbourhood, the construction of new school buildings to ensure they have a wider community role in Sunderland and improved street lighting in many of the NDC neighbourhoods to improve safety and to reduce crime and the fear of crime. **Figure 1** shows the roles and responsibilities of the main partners to the NDC programme.
- 9 Our examination of the programme and these arrangements has involved detailed analysis of five case study NDC partnerships, a survey of local service providers in all 39 areas (117 respondents in total), 15 focus groups involving 150 community residents, NDC board members and delivery staff, international comparisons, discussions with a wide range of stakeholders and a study of the national evaluation³ supporting the initiative.

Our findings

- 10 In looking at the task of regenerating poorer areas, and in particular by identifying lessons from thriving and less successful NDC partnerships, we identified four key stages (**Figure 2**) that NDC partnerships need to successfully move through to be able to deliver in later years:
 - The first stage of **community engagement** is needed for NDC partnerships to understand the problems of local people, which may vary widely from place-to-place, and to involve them in the process of developing plans for their local area and building the NDC partnership. The risks of failing to do this well are that funds are directed to areas that do not benefit local residents and do not deliver services to those in greatest need.
 - Having developed strategies, and re-visiting them as experience grows, NDC partnerships need to establish effective **operating processes** which involve shaping an organisational structure, bringing together a board of directors and a delivery team and adhering to sound financial management processes. If NDC partnerships do not establish strong operating procedures there is a risk that monies will not be spent for the purposes intended or that value for money will not be secured in the process.

² Government offices, set up in 1994 and established in nine regions across England, report to the Department. Each office represents the interests of several different government departments. This approach is intended to make government services more readily accessible to the public and to encourage the adoption of a cross-departmental approach to policy and services.

³ In 2002 the Department commissioned Sheffield Hallam University to undertake an evaluation of the programme.

1 Roles and responsibilities of the main participants in the NDC programme

Community representatives

Role

- To represent the views and opinions of the NDC community and have full executive status on the Board.

Responsibilities

- Include identifying local needs in their areas, eg. crime, developing strategies, reporting these to the Board and, steering projects.

Government Office - Observer/adviser

Role

- Supervision and monitoring of the programme.

Responsible for

- Agreeing NDC partnership strategies and annual funding to the partnerships;
- Monitoring progress of the projects; and
- Assessing progress towards narrowing the gap in the 'theme' areas.

NDC Chief Executive

Responsible for advising Board and, development and management of projects.

NDC Chairperson

Usually elected by the community.

NDC Partnership Board

Role

- To co-ordinate and manage action to address deprivation in the theme areas in the Partnership community.

Responsible for

- Identifying community needs;
- Liaising with existing service providers in key theme areas;
- Developing and agreeing a long term and annual development strategy with Government Office;
- Procure and manage the delivery of projects to meet their strategies; and
- With the assistance of its accountable body, (usually the Local Authority), manage and account for the funds allocated to them by the Government Office.

Main local service delivery agencies

(Local Authority, Education Authority, Primary Care Trust, Police Force, Job Centre Plus)

Role

The roles of existing delivery agencies and the NDC partnership are subject to agreement between the Partnership and the delivery agency. Most NDC partnerships have invited a senior member of staff from each of the main agencies to sit as a director on their Partnership Board. This is usually a non executive role though not always. Agency representatives also often attend working groups in their theme areas assisting, in an advisory capacity, the development of NDC theme strategies and delivery of projects.

Responsibilities

The NDC community forms only a part of the main delivery agencies wider community responsibilities. NDC Partnerships often, but not always, work with the respective delivery agencies to:

- Increase the existing services already supplied by the agencies to the NDC community;
- Bring forward projects planned by the agency for the neighbourhood;
- Deliver additional projects identified by the NDC partnership.

Accountable Body

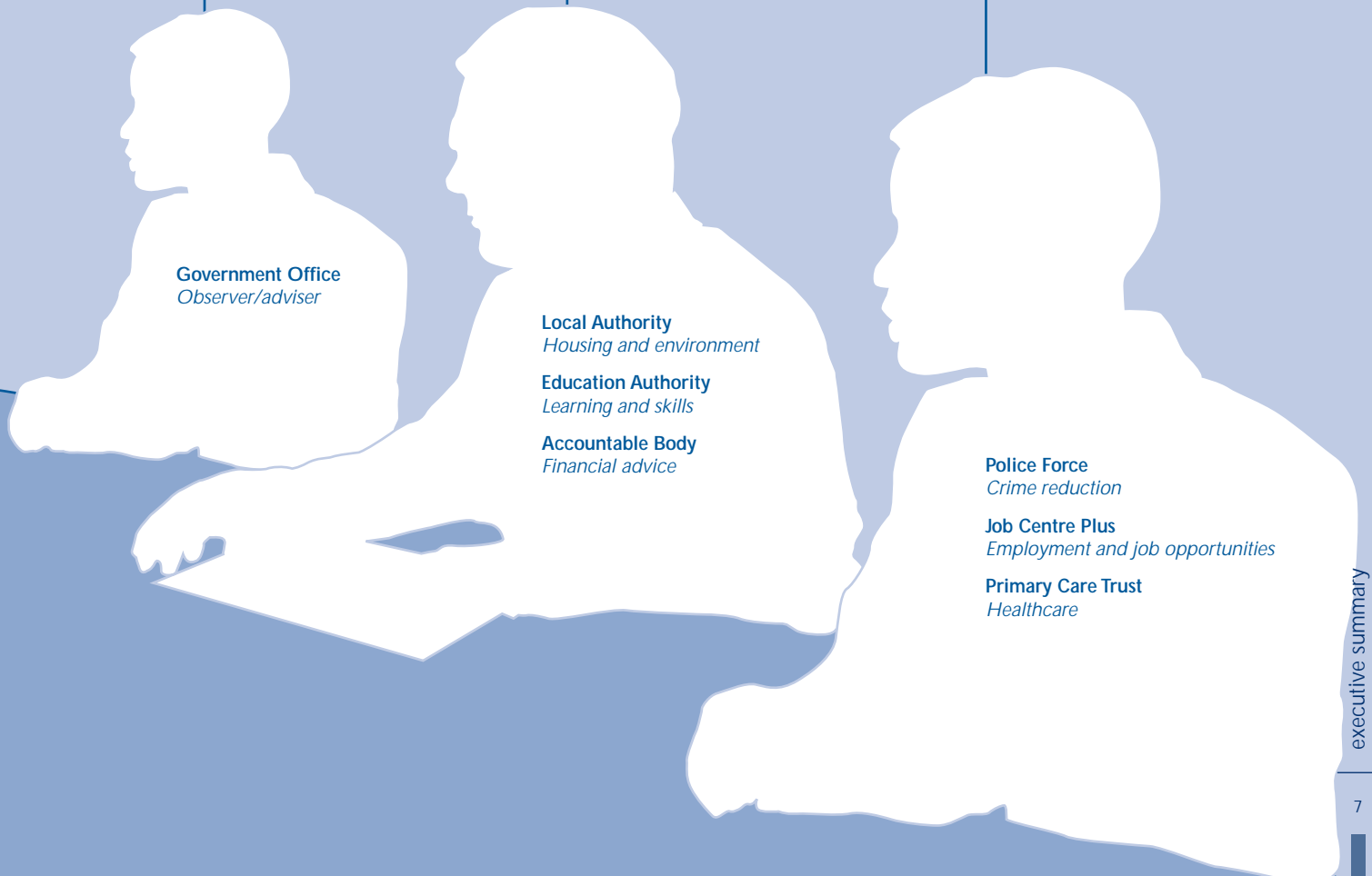
Partnerships were required to nominate an accountable body to act as their bankers and accountants. For the majority of partnerships this was their Local Authority.

Role and Responsibility

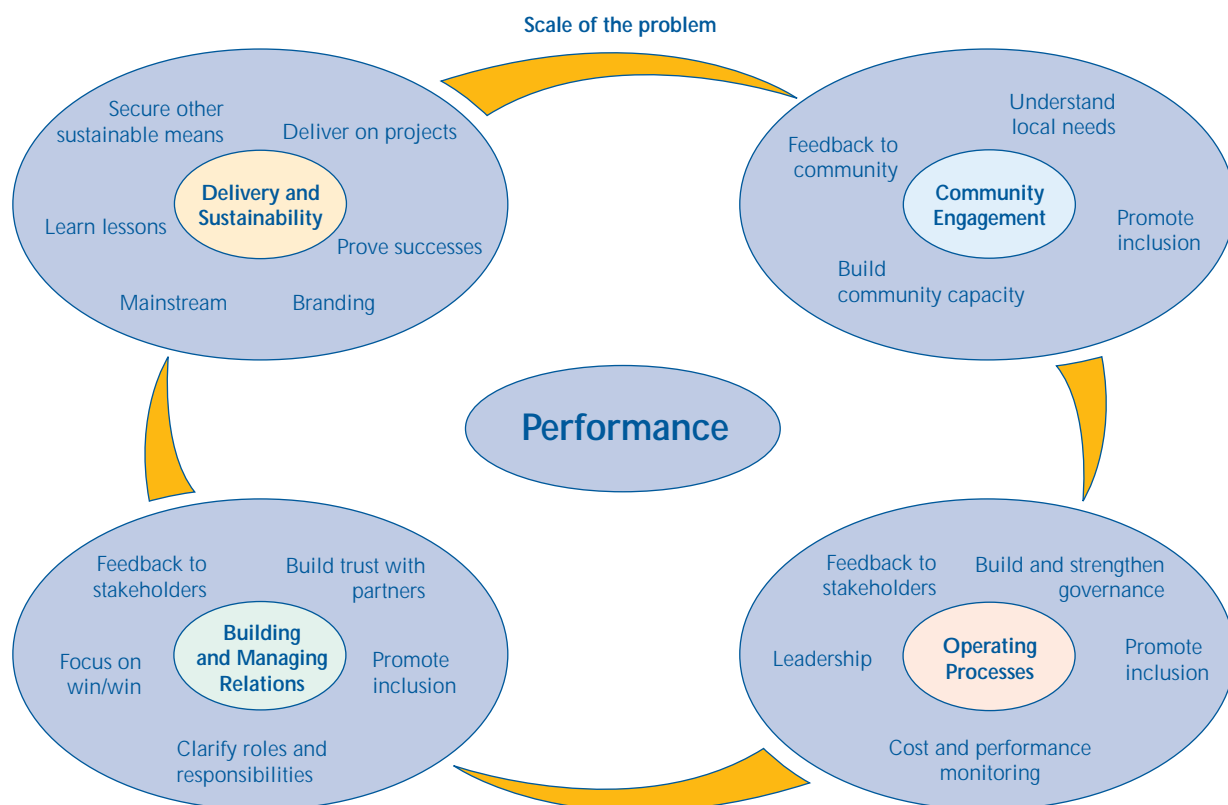
The accountable bodies are responsible for:

- establishing proper financial management, monitoring and, project appraisal systems; and
- any breach of grant conditions.

They are not responsible for managing the programme or taking strategic decisions.



2 Ingredients of success



Source: National Audit Office

- For NDC partnerships to then focus on delivering specific projects they need to work with partners and delivery agents and in doing so **build and manage relations** with a broad range of local and national organisations. Some of these bodies will help to steer progress, while others will be funded to deliver on behalf of the NDC partnership. Where NDC partnerships do not consult and work with partner bodies, they risk working against existing local area initiatives or failing to see opportunities for more efficient working arrangements with partner organisations.
- Finally, as NDC partnerships move into their delivery phase, they need to focus on **delivery and sustainability** so that projects are designed with long term benefits in mind and so that progress is monitored and evaluated. Without designing sustainability into projects, the benefits of the programme may only live as long as the NDC partnerships that fund them. And unless progress can be monitored, evaluated and proven, it is unlikely that partners will be persuaded to continue investing in NDC projects.

11 This report is based around these ingredients of success. (Figure 2). Progress against each of these areas for the five case study NDC partnerships is shown in Annex 1 on page 18.

Engaging fully and efficiently with communities

- 12** The NDC programme has given a very strong emphasis to the role that community residents can play in changing their local area. Our analysis of the programme has shown that, on average, within each NDC neighbourhood 11 per cent of the community have actively engaged in NDC partnership processes to form local plans and to shape priorities. This amounts to almost 50,000 people having participated in the process in the 39 communities involved. This marks a significant shift in emphasis towards community participation compared to previous regeneration initiatives, such as the Single Regeneration Budget and other international regeneration programmes examined during the course of this work, for example in Harlem, New York and Berlin, Germany.
- 13** Adopting such a community-focused approach has distinct benefits for the residents in that projects can be focused on the local needs and conditions of each NDC neighbourhood. From our case study work and our examination of the national evaluation it is clear that this approach has presented challenges. Most NDC partnerships have had to work hard to strike a balance between involving community members, which takes time and resources, and delivering projects. The range of consultative mechanisms used have varied widely and have included surveys of residents, focus groups, newsletters, board meetings and consultative workshops.



- 14 Some NDC partnerships have found that the process of community consultation has delayed and sometimes replaced tangible results. The Treasury allocated some £800 million to the first three years of the programme before partnerships had drawn up their plans. For such an innovative programme, to spend 40% of the overall £2bn allocated to the first 3 years of an 11 year programme was over optimistic. NDC funds were therefore ring-fenced from the start, 100% end year flexibility was provided for the programme, and the whole programme was re-profiled.
- 15 During 2001/02 against a budget profile of £129 million, NDC partnerships had spent a total £81.5 million (63 per cent). This position for 2002-03 has improved, although spend is still lower (81 per cent) than expected. Following Treasury reprofiling of the 2002-03 budget provision this became 98 per cent. Failure to spend in line with early projections has led to tensions between community expectations and visible progress which, in some areas, has added to the need for further consultation, and often to delays.
- 16 The more successful NDC partnerships have communicated realistically with communities about the time that it takes to deliver results and at the same time have recognised the need to secure 'quick wins' in order to give momentum to the programme. NDC partnerships that have been more effective at community consultation have done so through selected community representatives and have typically consulted where there is a clear need to do so, for example, to get in touch with residents likely to be affected by specific projects such as the build of a new childrens' playground. The Bradford NDC partnership is a particularly good example of this, and has been able to consult with community residents quickly through small working groups led by elected community board members. NDC partnerships that have been more discerning about methods and the timing of NDC consultation have also been able to make investments more closely in line with government projections.
- 17 The challenge that all NDC partnerships face over the remainder of the programme is how to continue to involve and consult their communities fully but to do this efficiently. For many, this will mean re-thinking their forward communication strategies.

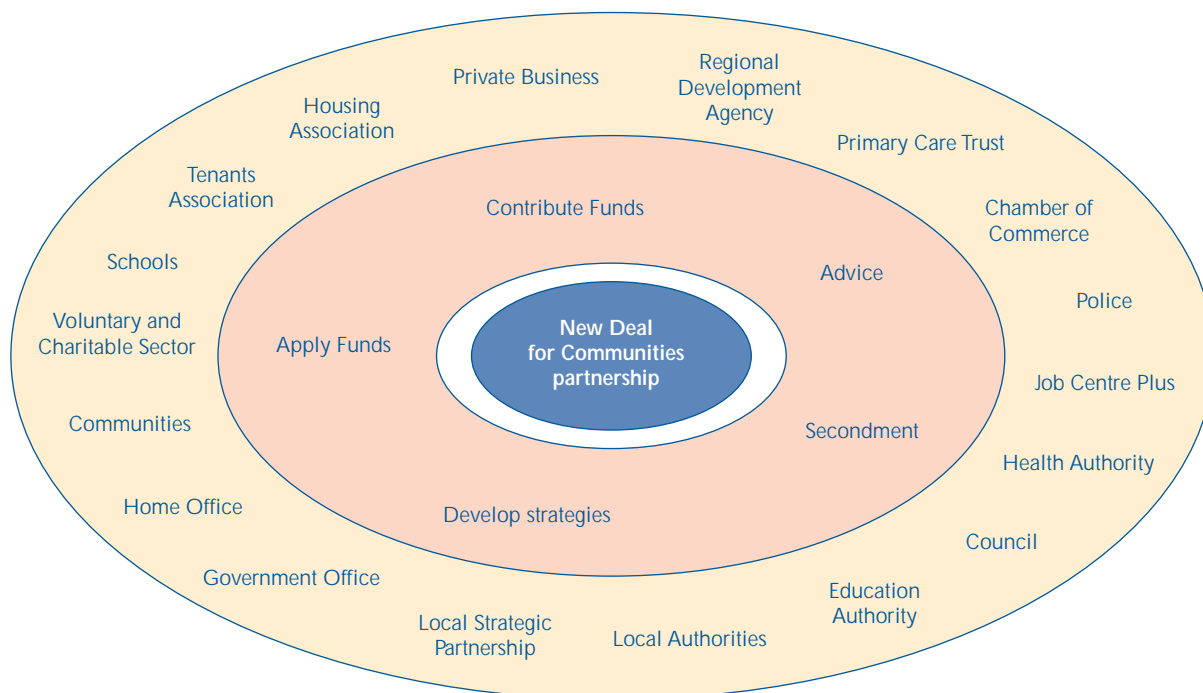
Establishing proper operating processes

- 18 The design of the NDC programme meant that all NDC partnerships had to be created from scratch. Delivery staff were recruited by partnerships to develop and manage projects and local consultation exercises. Chief Executives have been employed to direct the delivery teams and boards of directors have been formed in the majority, from local residents and from a mixture of service providers, topic experts and the local authorities. Under guidance issued by the Department, NDC partnerships have also had to establish governance arrangements, basic financial reporting regimes and decision-making processes.
- 19 Effective operating procedures established by NDC partnerships are important for a number of reasons. Good decision-making procedures can ensure that the best use is made of limited resources and can encourage community 'buy-in' and ownership of NDC projects. Clear 'conflict-of-interest' declarations and financial reporting systems help to demonstrate accountability to residents and give confidence to would-be investors in NDC partnership work. Effective communications adopted by an NDC partnership can help residents, partners and government alike to share in the progress of the programme and to build support for later years.

- 20 Our examination has shown that approaches to establishing NDC partnership operating processes have varied widely. Many NDC partnerships have taken a long time to agree and implement some important, basic operating conditions such as Registers of Interest, protocols for meetings and project appraisal criteria. At a national level, because NDC partnerships have opted for different financial reporting systems, it has been very difficult, even two to three years into the programme, for the Department and the national evaluation team (commissioned by the Department) to establish basic spend and performance data on projects related to health, education, crime, unemployment and the physical environment. This is of some concern and although not a problem in all NDC partnerships, it is sufficiently widespread to make this a priority for the Department to deal with.
- 21 As a direct result of this, we found in our case study NDC partnerships that where there had been poorer operating processes, there had been:
- Project delays caused by lengthy discussions to clarify project approval criteria
 - Cynicism within communities that fair and proper processes were not being applied
 - The disengagement of potential delivery partners who were wary of decision-making processes
 - The risk that monies were not being spent well.
- 22 The Department has recognised the risks associated with allowing for the creation of 39 different organisations governed by different financial regimes and operating conventions. During the course of the programme, particularly in these early years, the Department has worked at striking a balance between direct intervention in the operation of individual NDC partnerships, and working with their accountable bodies and regional government offices to support weaker NDC partnerships in tightening their systems. To date the Department has had to intervene in four NDC partnerships to insist on changes in leadership or the decisions that have been made. By working with partnerships and accountable bodies to clarify and strengthen basic operating processes, the Department should be able to avoid having to do this in the future.



3 Most New Deal for Communities partnerships work with a range of partners



Source: National Audit Office

Building and sustaining constructive relations with partners

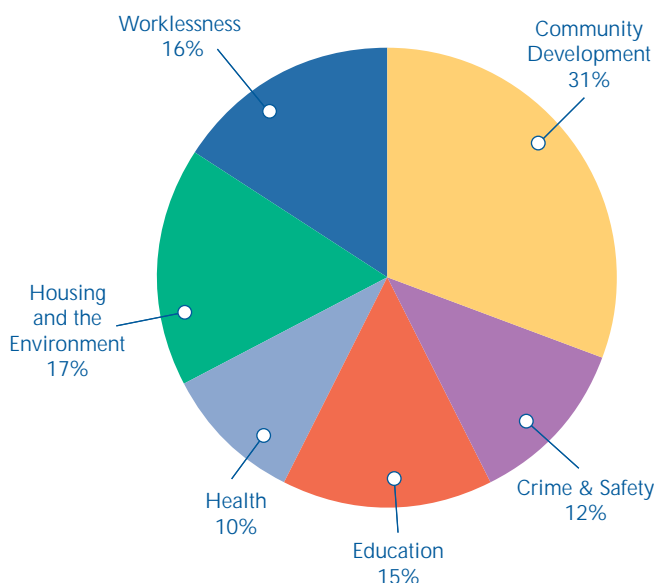
- 23** With a mandate to focus on crime, education, employment, health and the physical environment, each NDC partnership has been encouraged to form and maintain good relations with a broad range of local and national bodies (**Figure 3**). The basis of these relations have varied. For example, to share in the design and funding of specific projects, NDC partnerships have worked with local service providers such as Primary Care Trusts and Police Forces; and to draw on the knowledge of expert groups they have partnered with organisations such as voluntary sector bodies, tenants associations and private business.
- 24** Our survey of 117 local service providers in NDC neighbourhoods showed that close to one half (41 per cent) considered NDC partnerships to have been very or extremely influential with regard to their own policies, plans and services. Conversely, only 16 per cent of local service providers had not been materially influenced by their NDC partnerships. The contribution that NDC partnerships have made have ranged from collaborations with higher education institutions to improve accessibility (Kings Norton NDC partnership) to working with police forces to better target drug prevention strategies (Bradford NDC partnership).
- 25** Our examination also highlighted NDC partnerships that have opted for a narrower partnership strategy and have encountered difficulties as the programme has developed. A key area of difficulty has been where NDC partnerships have disengaged from local authorities and met resistance where their objectives have not complemented local authority priorities.

- 26 Our 15 focus groups with 150 people comprising residents, members of NDC boards and NDC delivery teams highlighted tensions between NDC partnerships and local authorities. A commonly reported difficulty related to the accountable body role, which in the majority of NDC partnerships is fulfilled by the local authority. In designing the accountable body role, the Department provided direction and an indication of what it should involve, for example, budgetary oversight and a responsibility for governance. Interpretation, however, and application of the role has varied widely leading to the situation where some accountable bodies have engaged in operational 'micro-management' while others have acted largely as a banking facility through which money is channelled. Neither approach is satisfactory and the Department recognises that what is required is a re-definition of the accountable body role, expressed more clearly in terms of a risk management function.
- 27 In all of this, the role of the regional government offices has been important and has evolved during the course of the programme from the early stages of community consultation to the establishment of boards. Where service providers, or potential providers, are not fully engaged in a constructive dialogue with NDC partnerships Government Offices should adopt a more facilitative function which should be handled at senior levels. This will help to engage and cement relations between the key partners and accelerate investment in, and results from, the NDC programme.

Delivering sustainable results

- 28 The programme is in its early stages and much of the work to date has been focused on developing communities and working with them to shape local delivery plans (Figure 4). At this stage in the programme, it is too early to measure the outcome of individual projects since many of them, in particular capital works, have yet to reach their completion dates. Our analysis has looked at the views of local delivery agents, the steps taken to build-in sustainability to projects and the initial impact, where available, on performance data, for example covering crime rates.

4 During 2001-2002, almost a third of the number of projects identified in NDC delivery plans were aimed at community development



Source: National Evaluation, Sheffield University

29 Our analysis indicates from Figure 4 that the programme is focused on issues that matter to agencies seeking to reduce deprivation. Encouraging delivery agencies, however, to engage with NDC partnerships is difficult and partnerships have worked hard to gain their attention and support. Our survey of 117 local service providers showed that some 65 per cent of them regarded their NDC partnership as having been at least 'quite' effective at helping to address the areas of crime, health, education, employment and education; and just over a fifth (21 per cent) felt their NDC partnership had been 'very' or 'extremely' effective. At this stage, this is very encouraging and suggests that prospects are good.



30 Looking to individual projects as part of our case study examinations and the national evaluation, we identified many examples of good practice in terms of sustainability and the impact on performance indicators, these include:

- **East-West bus route in Shoreditch project funded by the Shoreditch NDC partnership** was designed to meet a local need for residents to travel across their area to go to work, to travel to health services and to more easily attend local colleges and schools. After an initial period of one year, Transport for London monitored usage levels and were so confident of its contribution to the area that they permanently incorporated it into their own services, providing fully-sized buses for the route and increasing the service frequency to four buses per hour.

- **'Bobbies on the beat' project supported by the Devonport NDC partnership** is intended to help reduce crime and the fear of crime in the Devonport area. The NDC partnership and the Devon and Cornwall constabulary have joint funded (two thirds; and one third respectively) a dedicated and highly visible police unit to patrol the NDC neighbourhood. This approach to neighbourhood-focused (instead of wider area) policing has been well received by the Devon and Cornwall constabulary and they have begun to adopt this policing strategy for the whole area. Compared to 2001-02, recorded crime in the Devonport NDC neighbourhood (measured in incidence per 1,000 population) rose 3.4%, while Plymouth saw an increase of 29%. Initial indications are that this project will continue to make a measurable impact on crime rates.

- **The current 'Living Street' project funded by the Bradford NDC partnership** followed a major planning exercise to enable residents to walk across most of the NDC neighbourhood in a well lit, safe and visually engaging environment. In funding projects related to this such as childrens' playgrounds, the Bradford NDC have secured agreement with the Local Authority to take on responsibility for the upkeep and maintenance of common areas. This will help the project to be sustainable over the longer term.



31 Looking to the remaining seven years of the programme, our examination of case study NDC partnerships and international regeneration programmes suggests that sustainability might also be improved by:

- Investing still greater effort in connecting unemployed residents of the NDC neighbourhood with the wider labour market. This is a key means of securing long term benefits. Our examination of the Empowerment Zones programme in Harlem and the Bronx, New York, highlighted that for an investment of £83 million (half of which represents loans) over 5,000 jobs for people in deprived areas had been created.

- Giving more emphasis to demonstrating delivery successes, in order to sustain the momentum and degree of community engagement. In Andhra Pradesh, India, slums that had received funding from the Department for International Development routinely produced 'before and after' images powerfully demonstrating achievements and the return on investment. This has encouraged continued support and funding from local and national governments.
- Efforts to simplify and aid the evaluation processes and to standardise comparisons between NDC partnerships on a like-for-like basis. This is an important mechanism for identifying and sharing good practices. This has been greatly assisted by the Department's recent efforts to undertake a performance management assessment of progress on a simple but consistent basis.

Overall conclusions

- 32** Our examination of the programme in its early phases has shown that progress has been made and that the NDC programme holds the potential of being an important part of the Government's objective to 'narrow the gap' between communities within England. The Department's decision to adopt a highly community-orientated approach to regeneration brought with it substantial challenges in the early years of the programme. But it has brought with it the significant benefit of ensuring that responses are grounded in the needs of communities and as a result are more sustainable over the long term.
- 33** Slower spending than expected in the early years of the programme, and tensions due to some weaker governance and oversight arrangements have reflected the inevitable need for learning inherent in the application of a new, 'community-centred' model of regeneration. Providing that the Department and NDC partnerships grip these problems, prospects for the remaining phases of the programme will be good.



RECOMMENDATIONS

In taking steps to secure the success of the NDC programme we have the following recommendations for the Department:



- 1 **There is a lack of standardised basic financial reporting arrangements across NDC partnerships.** The Government intention for a flexible programme responsive to local conditions has, in part, resulted in NDC partnerships developing diverse accounting and management support systems. This lack of consistent accounting systems has constrained Departmental assessment of the NDC programme. **The Department should ensure the recording of basic financial information, such as spend within each theme area, on a more consistent and comparable basis. This might include establishing and disseminating a financial reporting framework for all NDC partnerships to use.**

- 2 **Relations between NDC partnerships and local authorities have become strained in many communities.** Most of the 39 NDC partnerships are using their local authority as the accountable body. Weaknesses in the definition and understanding of accountable body roles, at the start of the programme, have led to mistrust on the part of some local authorities and NDC partnerships. In those NDC partnerships where the accountable body has taken a risk management approach, programmes are progressing well. For other NDC partnerships, a more restrictive, interventionist approach has limited innovation and the potential for success, particularly at the project level. In some instances, accountable bodies have imposed project approval and funding assessment procedures from previous regeneration programmes that are overly bureaucratic or sophisticated for small scale projects. **The Department should define, clarify and standardise the accountable body role, and in particular:**
 - **Accountable bodies should be encouraged to adopt a risk-management approach rather than direct and close supervision of operational matters.**
 - **Governance arrangements should be urgently reviewed and strengthened for individual NDC partnerships.**

- 3 **Engagement of senior level government office staff is vital to NDC programme success.** NDC partnerships need to engage with local agencies to help tackle deprivation in their areas. Senior government office staff have the requisite skills, connections and influence to help broker opportunities for NDC partnerships to engage with key local stakeholders in reducing deprivation. **The Department should consider how best to arrange for government offices to give more senior level support to the programme, in particular to assist NDC partnerships in forging positive working relations with local and national bodies. This might include re-organising government office teams dealing with the NDC programme, so that there is greater senior level representation.**

- 4 **It has been difficult to assess the performance of the NDC programme.** Inconsistent performance evaluation and differences in project approval and implementation processes amongst NDC partnerships has led to difficulties in the identification and dissemination of good practice in tackling deprivation. **The Department should introduce a standard system for performance data recording so that comparisons between NDC partnerships can be made on a like-for-like basis. In particular, the Department may wish to require from the national evaluation team, a simplified and more consistent reporting approach to progress.**

We have the following recommendations for NDC partnerships:

- 5 **Because community engagement is an unrelenting task, new and better ways of engaging communities need to be found.** NDC partnerships are working with a diverse mix of community residents to improve deprived neighbourhoods. Genuine two-way communication with the 10,000 residents of a typical NDC neighbourhood has been more successful in some NDC partnerships than others. NDC partnerships are working hard to deliver programme results whilst at the same time trying to involve community members for example, to help define local problems. Balancing these two sets of demands on the time of NDC Boards (community consultation v project delivery) has proved difficult and the more successful NDC partnerships have been able to adopt effective but efficient means of community engagement. **NDC partnerships should review their communications strategies with residents and in doing so identify more efficient methods of engagement. This might include greater use of community representatives to gauge the views of residents and research to establish the impact of different channels of communication on community members.**
- 6 **Building good relations with stakeholders assists strong NDC partnership performance.** The disadvantages that NDC neighbourhoods face require comprehensive solutions from key stakeholders such as local authorities, the police, education authorities and primary care trusts. Higher performing NDC partnerships have recognised the need for a broad-based partnership strategy and have taken steps to ensure their plans complement the plans of local bodies, in particular local authorities and delivery agencies. This positive approach to partnership working needs to be adopted more widely amongst the NDC partnerships. **NDC partnerships should resist the temptation to 'go it alone' and work hard to maintain constructive relations with local and national bodies, in particular local authorities. And, those delivery agencies who are not engaging well with NDC partnerships should review their opportunities to work constructively with them and the communities they represent.**
- 7 **The exploitation of 'win-win' opportunities is a powerful determinant in NDC partnership success.** Successful NDC partnerships are committed to talking and working in strategic ways with local agencies to fund jointly projects that impact positively on their neighbourhoods. They have recognised that the NDC partnership and participating partners benefit from collaborative endeavours. This "I want to win and I want you to win too" approach results in NDC partnerships and partners making progress against respective programme targets, and enhances the NDC programme's potential for success. Win-win projects are benefiting NDC neighbourhoods through greater project funding and mainstreaming opportunities. **NDC partnerships should actively seek out opportunities to achieve 'win-win' gains with potential partners.**
- 8 **There is a lack of basic financial and performance reporting data across NDC partnerships that hinders their ability to demonstrate effective delivery and performance.** This has compromised partnerships' ability to monitor their own performance and to draw comparisons and learn lessons from each other, while also simplifying the tasks of accountable bodies, government offices and the evaluation team. **NDC partnerships should work with the Department to ensure they strengthen their performance data systems.**
- 9 **Exclusion from work is damaging for individuals and NDC neighbourhoods.** NDC neighbourhoods are characterised by high unemployment rates and low-income households with a dependence on state benefits. Residents need and seek work but may be denied opportunities to get a job for various reasons such as limited local business enterprise, poor education, inadequate childcare facilities, ill-health or disability. Some NDC partnerships are tackling worklessness by building resident skills through training opportunities and grasping the business engagement challenge. They are working with chambers of commerce and local industry to encourage enterprise that benefits companies, the community and job seekers. The evidence from international case studies indicates that employment is key to securing long term benefits. **NDC partnerships should step-up efforts to connect unemployed residents of the NDC neighbourhood with the wider labour market.**
- 10 **Finding ways of proving and publicising success is important if the programme is to work.** Lack of visible progress and limited understanding of what is happening in the NDC programme are causes for confusion amongst residents and damage the prospects of long term support. Continuing community support and growth in participation flows from clear demonstrations of NDC partnership success, whether it is the building of playgrounds, schools or long term work placements. Good examples found internationally of active marketing on the part of regeneration teams include showing of 'before and after' images of successfully regenerated areas. **NDC partnerships should give more emphasis to demonstrating successes which will help in sustaining the momentum of the programme.**