

LIMERICK, Ireland

Limerick Enterprise Development Partnership

Limerick Enterprise Development Partnership (LEDP) purchased and redeveloped the old Krups factory as a hub for enterprise, employment, training, education and economic and social inclusion in one of the poorest neighbourhoods in Limerick city. LEDP is a multi-stakeholder local partnership, led by the private sector, operating as a social enterprise. The risks taken have come to fruition, with LEDP providing a critical mass of economic activity and community-based services to support inclusive growth.

Limerick Enterprise Development Partnership

Limerick Enterprise Development Partnership (LEDP) is a private sector-led multi-stakeholder partnership that supports social and economic inclusion in poor neighbourhoods on the south side of Limerick city. LEDP, initiated by local business personalities, was developed in response to a local employment crisis resulting from the loss of over 500 jobs with the closure of the Krups-Moulinex factory in 1999. The factory was subsequently purchased by seven local partners, including a private sector organisation, the city and county authorities, the PAUL Partnership, Shannon Development (the regional development agency) and the Roman Catholic Diocese of Limerick. The partnership is a good example of community-led development. The purchase and refurbishment costs were met by a combination of bank borrowings, government grant aid and philanthropic funding.

LEDP, now located in the redeveloped factory, houses a range of education, training, enterprise and social projects. During its 12 years of operation, LEDP has achieved significant results, bringing investment and jobs into this part of the city, creating an education and training infrastructure and developing local services. Thus, it has a long track record. Social and community projects are funded via a combination of surpluses from the rental income of LEDP and funding from public agencies and philanthropic sources. Over the years, the partnership has broadened its activities to work with new stakeholders, as well as the original partners, in a wide range of local projects. Sustaining the partnership has been a challenge but the challenges encountered have been met successfully to support inclusive growth based on education, up-skilling via training and new job opportunities in the social economy and the private sector located at LEDP, including new micro-enterprises set up by disadvantaged social groups. An ERDF-supported project to create the Family Tree Crèche on the site came on stream in 2005.

The ongoing deterioration of the neighbourhoods targeted, despite the impressive achievements, is a disappointment for LEDP and shows that local action needs a wider supportive policy context, especially to deal with the complex social problems that exist in most disadvantaged neighbourhoods. The neighbourhoods targeted are now the focus of a major urban regeneration programme in Limerick city. The regeneration programme seeks to address the crises of social disorder and extreme deprivation that exist on the social housing estates. This is now taking shape in more difficult conditions linked to Ireland's deep economic and public funding crisis. LEDP is an important stakeholder in the regeneration programme. Despite the more difficult circumstances, LEDP has maintained the same levels of reinvestment of surpluses in the local communities and its efforts to promote inclusion.

Limerick Enterprise Development Partnership

A local jobs crisis with the closure of Krups

Krups set up its appliance assembly operation in Limerick in 1964. It was one of the first inward investment projects in the region. From the 1970s, in particular, the city underwent a process of industrial restructuring, away from traditional industries and into new areas such as light engineering, metals and machinery, and computing. Krups brought important new skills to this old industrial city. Its workforce was drawn mainly from the community of Southill, a social housing estate constructed in the mid-1960s. The social housing estates, populated mainly by young families, were built to address the serious housing shortage that existed at the time. They were also developed to provide a local workforce for the new industries being attracted to the city.

The estates grew as more and more industries located in and near the city. They were characterised by extremely high rates of male unemployment and, over the years, strong concentrations of female-headed lone parent families. Indeed, there had been few work opportunities for men with low education and skills for many years. When Krups-Moulinex closed in 1999, it had a mainly female workforce, with low education. Meanwhile, labour market demand in the city was moving up the skills chain, requiring higher levels of education and workforce skills. The community was devastated by the closure of Krups, which was strongly embedded in, and part of the identity of, the local neighbourhood, often employing several family members and several generations of families.

A local response to the crisis

The political response to the crisis was to set up an inter-agency task force to explore options to attract new investment and replacement jobs. This task force involved national, regional and local public agencies, as well as representatives of the private sector. It failed to make any real progress, and some local partners, including local business people, soon began to promote the idea of purchasing and redeveloping the old factory site. Despite many obstacles, including a lack of support from some public agencies, the partners, led by private sector representatives, negotiated the purchase of the site from Krups-Moulinex and raised the funding required for its purchase and renovation from a mix of sources, including bank credit (€8.8 million in total). The idea for the project came from the local business personalities. This was driven by altruism, a sense of commitment to 'do something' to transform the most disadvantaged neighbourhoods hard hit by the closure of Krups, rather than any potential for business or economic profit. However, not all parties engaged in development in the city were convinced of this motive at the time. With their networks among political and administrative decision-makers in the city, the region and at national level, the private sector partners engaged with and gained the trust of key players including the local authority, Limerick City Council, and the trade union representatives in Krups. It was in the interest of the wider group of local partners to cooperate in the initiative, especially as it became clear that no other response was forthcoming and, in the absence of new sources of activity at the 'old Krups', this part of the city would be devastated economically.

The new owner of the site was Limerick Enterprise Development Partnership (LEDP), which was established as a public-private-voluntary sector partnership with non-profit status and operating as a social enterprise. It has been in operation since 1999. The ERDF-supported project, the Family Tree Crèche, came on stream in 2005. This local facility to provide quality childcare and pre-school education had been seen as necessary for some time and its development on site was consistent with LEDP's objectives and strategy.

Jobs, enterprise, skills and community

The objectives of LEDP from the outset were to create replacement jobs by attracting relocating enterprises, creating new enterprises, and upgrading the education and skills level of the population. This was to be done by creating a cluster of activities on site, highly integrated across education, training and work, and accessible to the local population. Employment problems in the local neighbourhood were deeply structural in nature and reproduced themselves across the generations. This produced a 'poverty of expectations' in the neighbourhoods especially in relation to success in education (e.g. aspirations to leave school with qualifications and go onto third level education) and on the job market. The education and training objectives of LEDP were extremely important in view of the low education profile and low expectations of the population and the changing skills demands in the local labour market. LEDP's main strands of activity are centred on:

1. Commercial development, involving the redevelopment of the factory site initially, and subsequently attracting tenants to rent the space so that the enterprise of LEDP as a whole could achieve commercial viability.
2. Employment development, by attracting businesses to relocate to LEDP and supporting small business development including business start-up by socially disadvantaged groups. Measures to support small business development include the provision of workspace, advice and mentoring, and small loans for new business start-ups.
3. Skills training, with two mainstream training providers operating from LEDP: Fáilte Ireland, offering training in hotel and catering; and FÁS, providing training in sectoral skills for unemployed people.
4. Education, supporting activities to help retain young people in school, where there is a strong local pattern of early school leaving; homework/study clubs to improve educational attainment on leaving second level education; mentoring, advice and bursaries to promote access to third level education; provision of early (pre-school) education, childcare and parenting support in the crèche; and work with local schools to improve management and services to respond better to the education, health and well-being needs of the local population.
5. Community-based initiatives, including a jobs club and various initiatives in areas such as estate management and family support.

The policy context: EU, national, regional and local

For the purposes of EU cohesion policy, the whole of Ireland falls under the competitiveness objective. Ireland is also divided into two regions, the Southern and Eastern Region and the Border, Midlands and Western region, and for the 2007-2013 EU Structural Funds period, there are two regional operational programmes (ROPs). Regional Assemblies, one for each region, are responsible for overseeing the implementation of the ROPs. Limerick city is located in the Southern and Eastern region, which is the more advanced of the two regions.

Since 2000, wider strategic priorities and corresponding programme objectives are presented in a National Development Plan. There is also a National Spatial Strategy (2002-2020), which identifies a network of 'gateways', or key urban centres for national and regional scale economic activity and critical population mass, and 'hubs', which are towns that are considered centres for county level activity. Limerick city, with a population of 56 800 in the city administrative area, and 101 110 in city and suburbs (2011) is the largest urban centre in the Mid-West region, which forms part of the Southern and Eastern region. Under the National Spatial Strategy, Limerick-Shannon is designated as a 'gateway' for the Mid-West region.

At local level, the planning context is controlled by the statutory City Development Plan, which is approved by the local authority. In 2007, following a serious incident of social disorder on one of the estates (the burning of two children in their mother's car following a petrol-bomb attack by local youths) and the national outrage that followed, a regeneration programme was agreed by government to address the problems of social disorder in Limerick's most disadvantaged social housing estates. Two regeneration agencies, one for the north side and one for the south side of the city, were established to drive the programme.

At the time, the Masterplan for Limerick Regeneration 2008 was to be the largest regeneration programme in the history of the state, with a budget of €3 billion in public and private investment. However, the roll-out of the programme has been severely affected by the economic downturn and the public debt crisis. Institutional reforms of local government and the regeneration agencies are now taking place and, from June 2012, the regeneration agencies have been disbanded and the regeneration project integrated into a reformed local authority, while the city and county councils will be amalgamated to form a single unitary local authority for Limerick.

Getting the project off the ground: a village concept

To get LEDP off the ground, the key business leaders in the partnership entered discussions with Krups-Moulinex, agreed a purchase price of €3.5 million, paid the deposit of €320 000, and raised the remainder of the funds needed for purchase and renovations. LEDP, a public-private-voluntary sector partnership, was established as a charitable trust (non-profit organisation).

In an effort to raise the necessary funds, the local business people behind the project identified and negotiated with prospective investors, and later with the main training providers in the state, FÁS and Fáilte Ireland, to relocate to the LEDP site. Within a short time, they were successful in attracting UPC Ireland (formerly Chorus), a TV and broadband company operating a customer support and telesales operation. This was the 'anchor tenant' that was needed to rent a substantial proportion of the commercial space, and create significant numbers of jobs. LEDP realised, however, that most of the jobs available in this enterprise required levels of education and skills well above those of the local population.

The physical redesign and refurbishment of the factory buildings and physical works on the land around the factory got under way quickly. The idea from the start was to create a business park, with the old factory at the core, and a village concept based on diversity of use of the space and accessibility to and from the local estates. Part of the idea of the village concept was to create a more diversified social milieu for local people from the estates, and to create many reasons and opportunities to come to the LEDP complex – for work, shopping, education and training, community services and leisure.

The factory space was redeveloped as mixed-size units (small, medium and large), access to utilities inside the building was re-engineered, natural light was maximised and physical access points were created at various places around the building. Later, a large workshop at the centre of the building was opened up as a boatbuilding school, and an 'art corridor' consisting of murals designed by local children working with a professional artist was developed in the central corridor. Designed into the renovations was the objective to have visibility of the various activities inside the building. Outside, pedestrian access to LEDP was improved by laying footpaths from the local neighbourhoods. Other improvements to the park included removing the large barrier fencing, improving car access and parking, and planting trees.

Step by step, the components came together. Within a relatively short time, two large training agencies, FÁS and Fáilte Ireland, relocated from the suburbs to LEDP. The University of Limerick (UL) also set up an Access Campus office to help people from socially disadvantaged backgrounds to get into third level education. This project includes homework/study clubs, supported by volunteer college students, providing tuition and mentoring to students in local schools.

The proposal for the Family Tree Crèche was based on an identified need to provide childcare places and early education and to address specific social and health needs of local families. Assessments by school principals of children from the neighbourhood who were entering school for the first time showed that they were presenting with serious emotional and behavioural difficulties, and poor speech and language development. This was linked to social and economic deprivation and poor parenting.

Limerick has a maritime history and the Wooden Boatbuilding School is a major attraction to young people and also to volunteers, some of whom are experienced boatbuilders. Young people at the boatbuilding school are predominantly from disadvantaged backgrounds, some with serious social problems, including homeless men. They work side-by-side in the workshop with the tutor and older people.

In 2005, the village concept was realised through the sale of land for development on the business park. There is now a mix of business, retail (shops, supermarket, pharmacy), leisure (based at the hotel) and health services, as well as enterprise units, education and training facilities, a community café and community services in the old factory building. Of the 35 tenants, 14 are from the private sector, including UPC Ireland (the largest employer), a hotel within the Maldron chain, an Aldi supermarket and small businesses in retail and services, including the café. The remainder are public agencies providing training for the unemployed, the office of the Regeneration Agency/City Council and community/social economy projects including workspace.

Management that is both tight and flexible

LEDP is set up as a charitable organisation and operates under a board of directors, drawn mainly from its shareholding partners. It is run by a small team of five, led by a Chief Executive Officer (CEO), who is the former manager of Krups-Moulinex. Recently, LEDP and LEN (Limerick Enterprise Network), the formal private sector partner, were amalgamated and now operate under the same board. In 2008, LEDP, in partnership with other stakeholders (Limerick City Council, the Southside Regeneration Agency and the Holy Family Parish Southill) set up Limerick Southside Ltd as a separate non-profit organisation. Family Tree Crèche is also a separate organisation with non-profit status. Each organisation has a specific role: LEDP is the umbrella structure, responsible for the strategy and management of the whole project; LEN's role is to oversee and mobilise 'soft' support for enterprise, and manage the small loan fund and a prisoner support programme. Limerick Southside Ltd supports estate management in the neighbourhoods, as well as education and training.

The Family Tree Crèche operates with one manager and 13 childcare/early education staff. The three community workers on the estates have employment contracts with Limerick Southside Ltd but



operate relatively independently of it. The main focus of their work is to mobilise and support local residents' participation in the Limerick Regeneration Programme. The community workers facilitate community participation in the inter-agency structures of the Local Regeneration Committees on the estates. These bring together the city council, health service, educational organisations and police, and are very important in promoting the inclusion of local residents in decision-making.

LEDP's approach is 'light' management of activities outside the commercial operation, which is tightly managed. Most of the activities on site are managed at arm's length. For instance, LEDP does not get involved directly with the mainstream training providers but provides input on strategy and on the content of training. Given the lack of demand for skills in the construction industry during the current recession, LEDP is working with the state training bodies and national and local energy utility companies to develop training in green energy technologies.

The funding mix and commercial viability

The redevelopment of LEDP cost around €8.8 million. The funds were raised through a mix of equal financial contributions from the seven partners (€190 000 each), €1.27 million in grant aid from an enterprise fund at the Department of Enterprise, Trade and Employment, €1.7 million from the JP McManus Trust – a charitable trust set up by a successful business personality from Limerick, which is now an important source of funding for local social and community projects – €4.4 million in bank loans plus a small contribution from a trade union training fund at Moulinex-Krupps. In 2005, LEDP secured an additional €1.08 million for a new-build crèche (Family Tree Crèche) under the Equal Opportunities Childcare Programme under the National Development Plan (2000-2006). This project was supported under the sub-measure 'Capital Grant Scheme for Childcare Facilities (ERDF)', part of the Social Inclusion Sub-Programme of the Regional Operational Programme for the Southern & Eastern (S&E) region. The project was funded at the rate of 50% by the ERDF, with the remainder coming from the national exchequer.

Through prudent financial management and the sale of land around the factory for development, including the construction of a hotel with leisure centre, shops and health centres, LEDP became debt-free in 2006. It now generates gross rental income of some €750 000 a year, which allows the enterprise to provide (after all costs) some €300 000 in funding for social and education projects in the local community. It has sustained this level of reinvestment in social projects in the disadvantaged communities, even in these difficult times of economic crisis. Indeed, this source of funding is even more important now in view of the shortage of public money generally and to maintain social and community initiatives.

What is innovative about LEDP?

There are many innovative aspects to LEDP. The concept itself is innovative in the Irish context. There are many derelict factories which once employed large numbers of people and were brought to localities and regions as a result of successful inward investment strategies. In LEDP, a local community-led partnership of private, public and voluntary sectors came together to purchase and redevelop a factory as a new centre for social and economic activities aiming at the inclusion of people from the most disadvantaged local neighbourhoods. LEDP generated and tested new ideas including mobilising local social capital to set up a community time bank of business people providing free advice and mentoring to new start-ups. The project also applied 'old ideas', such as the provision of enterprise workspace and small loans for business start ups, to new target groups, including disadvantaged young people, prisoners and ex-prisoners, and more recently, people from ethnic minorities.

In terms of social relations, LEDP has built links across social classes in a city known for its history and residential pattern of social segregation. Activities in LEDP provide opportunities for social interaction between professional workers, public officials and the local disadvantaged population in the busy community café and in the homework/study clubs (with college students as volunteers). It also builds inter-generational relationships between young people who are socially disadvantaged and older volunteers at the wooden boat building school.

It has also contributed to democracy: the structures of Local Regeneration Committees, for the first time, provide opportunities for local residents to present their views and issues to the various public agencies responsible for managing public services in the city, and also to politicians and government ministers.

At a more abstract level, the financial engineering of the site development, the mix of public, private and philanthropic funding, and the management of the venture as a social enterprise are innovative in the local and national context. The direct approach of LEDP in seeking inward investment, and in negotiating with public agencies to relocate to the LEDP site were not normal practice. LEDP brought public and voluntary agencies into a partnership and applied its own style of management to the project. While there have been some frustrations over the years, generally, the partnership has worked well.

A record of significant achievement

LEDP has a record of significant achievement. However, there are areas where, at the outset, LEDP expected to achieve more. This applies in particular to the economic and social inclusion of the local population and neighbourhood regeneration. Its founders did not fully understand what was needed, and how long the process would take – that is, there are no ‘quick solutions’ to complex and deeply embedded problems.

An additional sum of around €65 million has been invested in the site. There are now 35 tenants and an estimated weekly footfall of 10 000 to 12 000 in the business park (for work, shopping and services).

There are approximately 700 jobs in businesses and services. Indeed, there are now more jobs and there is a more diversified base of employment at LEDP than was there at the time of the Krups closure. The largest employer is UPC Ireland (450 jobs). There are also new enterprises in sectors including the management of warehousing and financial services (small in employment numbers) as well as a community café. Efforts are being made to bring local people into employment but this has been difficult owing to the higher skills required in some businesses. Almost all staff employed in the crèche (11 of the 14) are from the local neighbourhood. A significant proportion of staff in retail, hotel, community and other services, as well as some manufacturing, also come from the neighbourhood originally.

The Limerick Enterprise Network’s Community Time Bank involves 140 individuals in the provision of free professional services (legal, financial, property). Approximately 3 000 hours have been provided, with an estimated value of around €250 000 a year. This support has resulted in some 200 new start-ups and 260 new jobs. The loan fund has disbursed a total of €425 000 and this has enabled the creation of over 60 jobs. A Prisoner Aid programme has assisted eight ex-offenders in setting up a new business and advice is also being offered to existing prisoners.

Up until recently (2011), the mainstream training agencies provided 400 training places annually (255 in catering and hospitality and 150 in vocational skills), and about half of them were taken up by unemployed people from the neighbourhood. Training in catering skills has an excellent jobs placement record (80-90%). With institutional changes, training provision is now being reshaped.

The community crèche (Family Tree Crèche) provides 50 full-time equivalent places, has 63 children enrolled and employs 14 staff. School principals report that children transferring to school from this crèche are more advanced in terms of school readiness (speech, behaviour) compared with other children from the neighbourhood who never attended the crèche.



Mural in the LEDP building



Family Tree Crèche

The wooden boat building school, at any one time, offers weekly training workshops to 35-40 participants. Positive benefits for young people who attend include: improved concentration skills, better performance and behaviour in mainstream school, and the acquisition of boatbuilding skills (initially at FETAC levels 2 and 3) that can be further developed through training and education. The school is now developing an educational programme with accreditation up to university level (FETAC 6-8), in cooperation with the University of Middlesex in the United Kingdom.

The homework/study clubs provide 60 places and run throughout the school year. They have good success rates in terms of young people staying on at school, levels of attainment in state exams and access to third level education. Some students in the study clubs were the first in their families to complete second level education. LEDP offers two bursaries every year to attend third level education.

While it might be argued that much of the project's success is due to the relocation of existing activities from other parts of the city or region, and that overall this is zero-sum game, a deeper understanding of the project indicates that there is a genuine added value to the local economy. It was not a foregone conclusion that Chorus, the first large enterprise to relocate to LEDP, would locate to Limerick City. Its location in LEDP was the outcome of extensive efforts on the part of the LEDP at the time. This was a magnet to attract other enterprises and services, creating a critical mass of activity here, based on a mix of investment by large retail (Aldi) and hotel (Maldron) industries, local enterprise and a new layer of community, public and private services. There was also added value in relocating training centres to LEDP. They were previously out in the suburbs where they were hard to get to by public transport and there was no tradition of commuting across the city to such activities. When the training centres relocated to LEDP, the numbers in training increased and, as outlined above, 50% of places were taken by the disadvantaged population of the neighbourhoods. In the absence of this local facility, it is most unlikely that there would have been this level of engagement of local unemployed people in training.

There has been wider interest in LEDP in Limerick and internationally. With the closure of Dell Computers' manufacturing operation and the loss of 1 900 jobs in Limerick in 2009, there was particular interest in the LEDP model. However, at that time LEDP was not in a position to take on the 'Dell project' as it prioritised consolidation of its own operation. Certain aspects of the Dell closure were also

considered to be too challenging at that time (e.g. the scale of job losses, the very large factory buildings located in the suburbs, the considerable cost in local taxes for taking on the building, and the tightening of bank credit). However, the potential application of the LEDP model to the Dell situation is now being reconsidered. In view of the situation of economic crisis and its severe impact on employment in the city, LEDP has enhanced its team to include a new member dedicated to job creation and micro-enterprise initiatives.

Success through leadership, flexibility and luck

LEDP's success stems from a number of factors. First, the strong leadership and skills of the key personalities involved are a distinguishing. The private sector personalities behind the partnership had a track record of success in business and proven management skills. The LEDP manager was the former manager of Krups and also played a strategic role in regional and enterprise development as Chairman of Shannon Development. Other personalities in the shareholding partners had a high status in their organisations, as well as personal networks with significant financial resources, skills, and political and social capital. This was important in the success of the overall project in terms of getting the investment and bank credit needed, but also in setting up specific initiatives such as the loan fund and community time bank involving local business people and professionals supporting micro-enterprise creation and development by socially-disadvantaged groups.

Secondly, LEDP facilitates initiatives run from its premises by other organisations, often providing co-financing and/or management support. It developed links across these initiatives (training, employment and education) without controlling them. This gave flexibility to the overall project and autonomy to the component parts. While LEDP manages the commercial aspects of the operation tightly, project-based activities operate with considerable autonomy.

Thirdly, LEDP was embedded in the local environment from the start, linked to its physical presence in Krups, and brought relevant activities into that environment. Its activities, in short, addressed local needs and attracted the local population. LEDP recognised the need to involve the communities but has found this challenging and the process has been slower than expected.

Finally, there was an element of luck and timing in LEDP's commercial success, as the purchase of Krups-Moulinex coincided with an economic and property boom. The early attraction of the training providers – FÁS and Fáilte Ireland – and UPC Ireland as the anchor tenant were also critical success factors. The commercial viability of LEDP is a very important part of its success. Commercial success means that the LEDP complex is a valuable asset. It gives LEDP the financial independence to host a team and invest in local projects.

Risk-taking and multi-level partnership

What are the lessons of LEDP? This project would not have happened in the absence of a risk-taking culture. This came from the private sector partner and key personalities. The partnership arrangement mitigated the risk to some extent. The private sector, acting alone, could not have taken the risks because the capital requirements were relatively large and prospects uncertain, while the public sector would not have taken such risks.

Partnership is challenging and needs nurturing, an ongoing renewal of commitment and perhaps a broadening of the partnership over time. The partnership worked particularly well at the start, probably because of the gravity of the jobs crisis in the neighbourhood, the opposition from some and the quality of leadership in the local authority. Over time, the strategic partnership became weaker as the project was going well, was financially viable and showed a track record of success. Some

partners have wavered from strong and proactive engagement to more passive involvement at different stages. In the current situation of economic crisis, the partnership is going through a process of renewal and re-engagement. It is taking on new challenges presented by the crisis including switching training from construction to new sectors, strengthening efforts and enhancing the LEDP team involved in supporting job and enterprise creation, and joining with other partners in the city centre renewal strategy and regional development.

The project is very much a product of the private sector partner. This is in a context, however, where the project has significant achievements and is commercially viable so there is no real risk now. Beneath the strategic partnership, practical partnerships which are project-based have proved to be successful. This suggests that the combination of strategic partnership (articulating the vision, goal and body responsible for the overall direction) with more practical project-based interventions involving specific partners is a good model.

A complex project of this nature requires good management of the 'bigger picture', a flexibility to adapt to changing conditions, and autonomy for the various component parts. However, even good and successful local projects can be limited in terms of the results achieved if difficulties in the wider conditions are not successfully addressed. A lesson from LEDP is that the project was not sufficient to 'turn around' the situation in the disadvantaged neighbourhoods targeted. This is partly because local and national public policies and mainstream services were not sufficiently reshaped to address the needs of those who did not benefit from the trickle-down effect of economic growth in the boom times. A specific problem is the centralised decision-making and lack of a joined up approach in government policy, particularly in key areas of social policy such as education, health and children and families.

Furthermore, some aspects of policy, for instance, national housing policy, which provided incentives for the most stable families and homeowners to leave as the estates were maturing, unintentionally made the situation worse and had negative effects in the local context. The combined effect was that the target neighbourhoods deteriorated into 'sink estates'. As the national and local economy was doing particularly well in the 'boom times' with no shortage of jobs, the focus was not on the problems of the disadvantaged estates. The estates had to reach the ultimate 'tipping point' before the state intervened with a major regeneration programme. This deterioration of the neighbourhoods has been particularly disappointing.

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