

Learning from your next-door neighbours: A European Network for Neighbourhood Policy

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Carola Signori

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About ICON

The Independent Commission on Neighbourhoods (ICON) launched in September 2024. The Commission is reviewing the current state of neighbourhoods across England, examining the role of neighbourhoods in people's lives, quantifying and qualitatively exploring the case for neighbourhood focused regeneration as a contribution to achieving wider social and economic objectives. The Commission is also establishing 'what works' by drawing on both international and domestic evidence, with a particular focus on the most deprived and 'left behind' communities.

The Commission is chaired by Baroness Armstrong of Hill Top and supported by a small, cross-party group of experts, practitioners and others with a keen interest in neighbourhood issues. Funded by Local Trust, the Commission is run by an independent secretariat and commissioners are supported by an academic panel, a lived experience panel and a representative group of community sector organisations.

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Context

Across Europe, cities and regions are grappling with a common set of pressures: a deepening housing crisis, widening geographic inequalities, rising social isolation, demographic change, and a growing distrust in political institutions. Despite differences in welfare systems, planning policies, and governance, these challenges manifest with striking similarity from Barcelona to Birmingham, Milan to Marseille, Rotterdam to Riga. Existing policy responses often operate at either the national or municipal scale, yet many of the issues at stake are lived and negotiated at a much smaller geographical level: the neighbourhood.

Neighbourhoods are where citizens encounter the state in their daily lives through housing, streets, schools, services, public spaces, and systems of safety and support. They are also where social ties are formed and where trust, mutual aid, and a sense of belonging either emerge or erode. While national and municipal policies define the framework, it is mostly at the neighbourhood scale that lived experience is shaped. When neighbourhoods struggle, residents feel abandoned, and distrust hardens. When neighbourhoods thrive, citizens are more likely to feel empowered, connected, and hopeful about the future. Yet, despite this centrality, neighbourhood policy remains fragmented, inconsistent, and often marginal in broader European policymaking.

Many of today's challenges are not only visible at neighbourhood level, but they are also produced or reinforced there. Neighbourhoods can become negative feedback loops where overlapping problems compound each other to entrench challenges and inequality.

Unequal access to services, concentrations of deprivation, gentrification-driven displacement, and the decline of everyday social infrastructure all play out at the hyper-local level. Problems such as loneliness, youth disengagement, local safety perceptions, and tensions around migration require responses rooted in proximity, trust, and participation: conditions that can only be built at the neighbourhood scale. Yet this scale is also where innovative and creative solutions to these issues can germinate, taking a true democratic turn and empowering people and the communities that are formed to take action and demand better services. National programmes can bring investment, and city and regional governments can coordinate, but only neighbourhood-level strategies can genuinely connect policy to people's daily realities and mobilise the knowledge, assets, and aspirations of residents themselves.

This paper makes the case for such an agenda. It analyses past European experiences, particularly in the context of urban regeneration, identifies common strengths and recurring pitfalls, and argues that countries can learn far more from one another than they currently do. It then sets out how a renewed neighbourhood approach, drawing on the work of ICON in the United Kingdom, could be scaled across Europe to empower places and people, especially those most often left behind.

Defining neighbourhoods

The concept of the neighbourhood remains inherently contested across academic, policy, and everyday understandings. Neighbourhoods may refer to statistical units, administrative boundaries, lived communities, social networks, or locally perceived areas of belonging, which do not necessarily overlap spatially or institutionally. Rather than seeking a universal definition, this paper adopts a functional and operational understanding of neighbourhoods as hyper-local spaces where socio-spatial disadvantage, public intervention, and everyday social life intersect. The scale and form of neighbourhoods vary considerably across European contexts and policy traditions. This is also reflected in the case studies discussed throughout the paper, where the territorial scope of neighbourhood interventions differs significantly depending on national governance systems, administrative structures, and policy objectives. While neighbourhood effects and community attachment are often most visible at highly localised scales, practical implementation frequently depends on the availability of administrative and statistical data. In practice, neighbourhood policy therefore involves an ongoing negotiation between lived experience, governance boundaries, and operational constraints.

A short contemporary history of neighbourhood policy in Europe

Regeneration (mostly urban) in Europe has undergone profound conceptual and institutional shifts over the past decades. Initially conceived as a much-needed technocratic task of rebuilding war-torn infrastructure, it gradually expanded to encompass social and economic dimensions, culminating in the integrated, participatory, and socially driven models that dominate contemporary policy. The objectives associated with neighbourhood regeneration have also evolved significantly over time, ranging from postwar reconstruction and physical renewal to social cohesion, economic competitiveness, participation, resilience, and climate transition. While the following section flattens national and regional differentiations, it drafts a useful timeline of neighbourhood policy in the European context, highlighting salient moments that defined its trajectory in the past century.

1. The reconstruction state (1945–mid 1970s)

In the immediate aftermath of the Second World War, European cities faced unprecedented challenges: massive housing shortages, widespread destruction of infrastructure, and urgent social needs. National governments responded primarily through state-led planning, viewing neighbourhoods largely as functional units within a modernist urban order. Large-scale housing estates, new towns, and mass apartment blocks were developed to address pressing quantitative deficits, often prioritising speed, cost-efficiency, and hygienic living conditions over existing social structures and local specificities.¹

This period coincided with the consolidation of European welfare states, characterised by universalist and redistributive social policies. Access to housing, education, and healthcare was increasingly framed as a social right. However, these interventions were largely sectoral in nature and only weakly integrated at the neighbourhood level. Policy frameworks tended to assume that improved material conditions would, in themselves, generate social cohesion, leaving limited room for consideration of place-based dynamics, informal networks, or community agency. As a result, the role of the state was predominantly paternalistic, and mechanisms for local participation in planning and decision-making remained limited and highly constrained.²

By the late 1960s and into the 1970s, however, the limitations of this model became increasingly apparent. While postwar interventions had been effective in alleviating housing shortages and modernising urban infrastructure, their longer-term social outcomes proved more uneven. Large-scale slum clearance programmes and the construction of extensive social housing estates frequently disrupted established communities and local economies, displacing residents

1 Power, A., & Houghton, J. (2007). *Jigsaw cities: Big places, small spaces*. Policy Press.

2 H. Broekman, (2008). Achtergronden bij de Aanpak van de Krachtwijken, *Journal of Social Intervention: Theory and Practice*, 17(4), 5–14.

from embedded social networks and eroding neighbourhood-level services such as small shops and informal meeting spaces.³ In some contexts, modernist urban forms, particularly high-rise developments, were associated with deficiencies not only in construction quality and maintenance but also in service provision and governance.

Importantly, these challenges cannot be attributed solely to architectural or planning models. Broader structural transformations, including economic restructuring, deindustrialisation, and changing demographic patterns, interacted with spatial design to produce new forms of socio-spatial inequality. Nevertheless, the concentration of disadvantage within certain neighbourhoods contributed to growing perceptions of isolation, marginalisation, and dissatisfaction.⁴ These developments played a key role in shaping subsequent critiques of technocratic planning and laid the groundwork for more integrated, socially oriented, and place-sensitive approaches to urban policy.

Within this context, neighbourhoods were conceived as instruments of social engineering: planners determined the spatial layout, infrastructure, and building types according to rationalist principles. In this era, a political discourse around resident participation remained limited, reflecting the dominance of top-down governance models and the prioritisation of rapid, large-scale housing provision in the face of postwar urgency, including population displacement and the return of soldiers. Examples of this approach include the New Towns and mass building in the United Kingdom, the *Banlieue* projects in France, the *INA-Casa* initiative in Italy, and welfare-oriented housing districts in the Netherlands. While these interventions succeeded in restoring housing capacity and supporting welfare expansion, they also contributed, in interaction with other socio-economic processes, to increasingly visible spatial inequalities, setting the stage for future contestation.

2. Deindustrialisation and the emergence of area-based regeneration (1970s–1990s)

By the late 1970s, European cities confronted a new set of pressures. The post-war welfare model came under increasing strain because of industrial decline, economic crises, and growing fiscal constraints. The oil shocks and subsequent structural transformations of the 1970s and 1980s accelerated deindustrialisation processes across Western Europe, leading to factory closures, population loss, and derelict brownfield land.

At the same time, patterns of urban decline were shaped not only by macroeconomic change but also by institutional and policy dynamics. In several national contexts, housing allocation systems and practices within both public and private sectors contributed to the concentration of disadvantaged populations in particular neighbourhoods. These processes, combined with suburbanisation and the out-migration of middle-income households, accelerated the residualisation of social housing. As a result, low-income groups, unemployed populations, and many migrant communities became increasingly concentrated in large postwar housing estates and inner-city districts, which became stereotyped as being problematic.⁵

Urban unrest in this period, observed in countries such as France and the Netherlands, reflected the interaction of multiple factors, including rising unemployment, socio-economic exclusion, and experiences of discrimination among marginalised groups. These dynamics revealed deepening territorial inequalities, as certain neighbourhoods became increasingly disconnected from broader patterns of economic growth and social mobility.⁶ At the same time, the large-scale housing developments constructed in earlier decades began to show signs of physical

3 Young, M. and Willmott, P. (1957) *Family and Kinship in East London*. London. Routledge & Kegan Paul.

4 Van Kempen, R., Dekker, K., Hall, S., & Tosics, I. (2005). *Restructuring large housing estates in European cities*. Policy Press.

5 Power, A. (1997). *Estates on the edge: The social consequences of mass housing in northern Europe*. Macmillan Publishers Ltd.

6 Power, A., & Katz, B. (2016). *Cities for a small continent*. Policy Press.

deterioration, often linked to construction quality, inadequate maintenance, and insufficient provision of public and community spaces.

By the late 1960s and 1970s, scholars and policymakers increasingly recognised the interconnections between physical decline and social disadvantage, including unemployment, educational inequality, and social exclusion. While the welfare state had significantly improved living standards for the majority, it proved less effective in addressing the needs of the most deprived areas. This growing awareness marked the emergence of early area-based regeneration strategies, characterised by geographically targeted interventions that sought to combine physical renewal with social and economic measures. Notable examples include the UK's Urban Programme (1968), France's *Habitat et Vie Sociale* (Housing and Social Life) (HVS) initiatives, and, from the early 1980s, the *Développement social des quartiers* (Social Development of Neighbourhoods) (DSQ) programmes. Although these initiatives represented an important shift toward more integrated approaches, they were often limited in scale and remained largely technocratic in their design and implementation. Mechanisms for meaningful resident participation were still constrained, and evaluation frameworks tended to prioritise physical outputs over longer-term social outcomes.

Concurrently, this period witnessed the emergence of grassroots mobilisation and urban social movements. As neighbourhood conditions deteriorated, residents increasingly organised through tenant associations, neighbourhood committees, and advocacy groups to contest top-down planning practices and demand greater involvement in decision-making processes.⁷ In some cases, these initiatives received support from local or national authorities, signalling the gradual institutionalisation of participatory approaches, even if their influence remained uneven and often peripheral to dominant governance structures.

From the late 1970s onwards, broader political and economic shifts began to reshape urban policy frameworks. In a context of fiscal pressure and ideological change, many governments moved toward market-oriented reforms, seeking to reduce public expenditure and expand the role of private actors in urban development. By the 1980s, policy emphasis increasingly shifted toward economic regeneration, competitiveness, and labour market restructuring. Instruments such as enterprise zones, industrial conversion programmes, and targeted infrastructure investments were deployed to attract capital and stimulate growth in declining urban areas. This reorientation was accompanied by the emergence of more entrepreneurial forms of urban governance, as cities sought to position themselves within an increasingly competitive and globalising economic landscape. Large-scale flagship projects such as the redevelopment of London Docklands and Barcelona's Olympic-led urban transformation became emblematic of this approach. Regeneration strategies were increasingly tied to city branding, cultural investment, and the attraction of external capital, often framed as catalysts for broader urban revitalisation.⁸

While these projects revitalised urban centres and attracted investment in specific post-industrial areas, their social benefits were uneven. Studies found limited trickle-down effects for local residents in adjacent areas, while rising housing costs and residents' displacement started to be seen as inevitable consequences of urban renewal. Critiques from urban sociologists and geographers exposed the urban settings as sites of competitiveness and growth over redistribution and participation.⁹ These critiques contributed to a renewed policy focus on social cohesion and inclusion, as it became increasingly evident that physical and economic interventions alone were insufficient to address entrenched urban disadvantage or rebuild trust in public institutions. A paradigmatic example of that is the *Politique de la Ville* (Urban Policies) programme in France, which developed into a comprehensive framework for intervention in deprived neighbourhoods. Based on multi-level partnerships between central and local government, civil society, and residents, the programme sought to integrate actions across

7 Castells, M. (1983). *The city and the grassroots: A cross-cultural theory of urban social movements*. University of California Press.

8 Power, A., & Katz, B. (2016). *Cities for a small continent*. Policy Press.

9 Harvey, D. (1989). *The condition of postmodernity: An enquiry into the origins of cultural change*. Blackwell.

sectors such as employment, education, youth policy, health, and urban safety, reflecting a more holistic and place-sensitive approach to neighbourhood policy.

Neighbourhoods thus emerged both as sites of contestation and laboratories for policy innovation and participatory governance. Programmes were introduced to stimulate local action and community development, such as the Priority Estate Project in the UK (1979), but their effectiveness was often constrained by limited funding, uneven institutional support, and an emphasis on market-oriented solutions. While these interventions fostered local empowerment in some cases, they were uneven and often remained marginal to broader urban governance structures.

3. The integrated regeneration turn (1990s–2010s)

From the 1990s onwards, European neighbourhood policy underwent a significant shift toward integrated, area-based regeneration. Area-based experimentations matured, allowing policymakers to redirect policy after having learned lessons from the past. At the same time, governments increasingly recognised that the socio-economic challenges affecting disadvantaged neighbourhoods were not merely cyclical or transitional, but structural and spatially entrenched. This realisation was reinforced by persistently high levels of long-term unemployment, labour market precariousness, and widening inequalities, which gave rise to a growing policy focus on social exclusion. The growing prominence of the concept of social exclusion within European policy discourse was particularly influential in legitimising area-based interventions. Poverty increasingly came to be understood not solely as insufficient income, but as a multidimensional and spatially concentrated condition linked to exclusion from labour markets, education, public services, and civic participation.

In response to the limitations of interventions focused solely on physical infrastructure or isolated sectoral programmes, policymakers sought to develop more comprehensive and territorially coordinated strategies. This period also saw the expansion of multi-level governance arrangements, involving partnerships between municipal governments, national agencies, residents, and civil society actors. Integrated regeneration aimed not only to restore the built environment but also to enhance social cohesion, participation, and opportunity in deprived areas. Neighbourhoods came to be understood as complex socio-spatial systems in which multiple policy domains interact, requiring coordinated and cross-sectoral responses. Compared to earlier initiatives, regeneration programmes in this period were characterised by larger and more sustained funding streams, as well as improved coordination across administrative levels and policy sectors.

National programmes across Europe exemplified this shift. In the United Kingdom, the Social Exclusion Unit and the New Deal for Communities (1998–2011) explicitly linked neighbourhood renewal to outcomes in education, employment, public safety, and community governance.¹⁰ In France, the *Politique de la Ville*, which had emerged in the 1980s, was further consolidated and expanded, culminating in the creation of the *Agence Nationale pour la Rénovation Urbaine* (the National Agency for Urban Renovation) (ANRU) in 2003. This institutional framework combined large-scale physical renewal with objectives related to social mix and cohesion. Similarly, Germany's *Soziale Stadt* programme (Socially Integrative City programme) (launched in 1999) represented a comparable move toward socially oriented, neighbourhood-level intervention, emphasising integration across policy fields and stakeholder participation.

The shift toward integrated neighbourhood policy was underpinned by emerging theoretical frameworks, particularly those associated with social capital and social investment. Drawing on the work of Robert D. Putnam and James Coleman, policymakers increasingly conceptualised social networks, trust, and civic engagement as productive resources capable of enhancing

10 Batty, E., Beatty, C., Foden, M., Lawless, P., Pearson, S., & Wilson, I. (2010). *Involving local people in regeneration: Evidence from the New Deal for Communities programme*. Technical Report. Department for Communities and Local Government.

collective efficacy and improving policy outcomes.¹¹² In this perspective, resident participation was not only normatively desirable but also functionally necessary for effective and sustainable regeneration. As a result, programmes began to allocate resources to community development, capacity-building, and local governance structures alongside traditional physical investments.

The European Union became an important driver of transnational learning and policy innovation during this era. Early initiatives such as the Urban Pilot Projects (launched in 1989), *Quartiers en Crise* (Neighbourhoods in Crisis) and the subsequent URBAN I and II Community Initiatives (1994–1999; 2000–2006) provided targeted support for deprived urban neighbourhoods across Member States. These programmes fostered experimentation with integrated strategies and facilitated the exchange of knowledge and best practices. Their legacy continued through URBACT, which supports transnational networks of cities in developing sustainable and integrated urban strategies.

These developments were further consolidated in the Leipzig Charter on Sustainable European Cities (2007), which established integrated urban development, multi-level governance, and citizen participation as core principles of European urban policy. Participation and partnership were increasingly embedded as formal requirements within programmes, influencing not only urban initiatives but also the broader framework of EU Cohesion Policy. While implementation varied significantly across Member States, reflecting different institutional contexts and starting conditions, this period marked the clear institutionalisation of neighbourhood-based, place-sensitive approaches to tackling socio-economic deprivation.

4. The austerity, resilience, and social cohesion turn (2010s–Present)

The global financial crisis and subsequent austerity measures marked the beginning of a new and unsettled phase of neighbourhood policy. Across many Member States, reductions in public expenditure exacerbated pre-existing inequalities and strained social infrastructure, particularly in already disadvantaged neighbourhoods. Rising unemployment, housing insecurity, migration pressures, and declining trust in institutions intensified spatial disparities. At a moment when neighbourhoods required sustained and integrated support, fiscal constraints limited the capacity of both national and local governments to intervene effectively.

Rather than disappearing, neighbourhood policy was reconfigured. In several countries, including the Netherlands, the United Kingdom, and France, decentralisation reforms coincided with austerity, alongside a renewed emphasis on citizen activation and local responsibility.¹³ Increasingly, responsibilities for welfare provision, social care, and community support were transferred to municipalities and, in practice, to neighbourhood-level actors. However, in the absence of stable, ring-fenced funding and consistent national frameworks for capacity building, outcomes have varied considerably depending on local administrative capacity, fiscal resources, and political conditions.

The 2010s and early 2020s further intensified these dynamics through overlapping crises: migration flows, the COVID-19 pandemic, energy price shocks, and climate-related risks. These shocks disproportionately affected vulnerable neighbourhoods, exposing how health inequalities, overcrowded housing, digital exclusion, and precarious employment are spatially concentrated. At the same time, many neighbourhoods demonstrated remarkable solidarity and adaptive capacity, reinforcing their role as critical sites of social cohesion and democratic resilience. While many national programmes were halted due to austerity, some resisted or were reinstated after a decade, as governments recognised their value.

11 Putnam, R. D. (2000). *Bowling alone: The collapse and revival of American community*. Simon & Schuster.

12 Coleman, J.S. (1988). Social capital in the creation of human capital. *American Journal of Sociology*, 94(Supplement), S95–S120.

13 Siza, R. (2025). Regenerating deprived urban areas in Western Europe: Three common approaches and new perspectives. *Journal of International and Comparative Social Policy*, 40(2), 1–12.

At the European level, the gradual integration of the URBAN Community Initiative into mainstream Cohesion Policy after 2007 marked a transition from a distinct, explicitly place-based regeneration framework toward a more diffuse form of urban mainstreaming.¹⁴ In the context of post-crisis fiscal constraints, multisectoral coordination became more challenging, and incentives to prioritise deprived neighbourhoods varied across Member States. Although the 2014–2020 Cohesion Policy introduced a requirement to allocate at least 5% of European Regional Development Fund (ERDF) resources to integrated sustainable urban development, this represented a partial institutionalisation rather than a full reinstatement of dedicated urban regeneration programmes. As a result, neighbourhood-focused interventions became less visible within EU policy discourse, even as their principles continued to inform broader territorial strategies.¹⁵ The adoption of the New Leipzig Charter (2020), alongside instruments such as URBACT and the Urban Agenda for the EU, reflects an ongoing commitment to integrated, place-based approaches, but primarily through soft governance mechanisms, knowledge exchange, and strategic guidance rather than binding regulatory or funding instruments. Initiatives such as Com.Unity.Lab, which promoted transnational learning from urban experiences like Lisbon in addressing urban poverty and fostering local leadership, further illustrate this emphasis on experimentation and policy transfer.¹⁶ In this context, EU urban policy increasingly operates through soft governance mechanisms that seek to coordinate, incentivise, and diffuse integrated approaches across Member States rather than directly implementing neighbourhood regeneration through large-scale redistributive programmes. Furthermore, climate transition objectives increasingly reshaped the neighbourhood policy agenda, as programmes related to climate adaptation became central components of urban intervention, particularly through frameworks associated with the European Green Deal and recovery funding after the COVID-19 pandemic. More recent initiatives such as the New European Bauhaus (NEB) further reflect the reframing of neighbourhood transformation through the lenses of sustainability, participation, aesthetics, and climate transition, embedding regeneration within broader ecological and innovation-oriented agendas.

Overall, this period underscores the persistent tension between short-term, financially constrained interventions and the systemic challenges that require long-term, holistic neighbourhood strategies. European neighbourhood regeneration policy has oscillated between top-down and participatory approaches, often combining physical improvement with social interventions yet without achieving a stable, long-term, and widely shared model. The post-2020 period reflects an important attempt to reconstruct integrated territorial approaches through new governance architectures, though these remain fragmented, unevenly institutionalised, and not yet consolidated around neighbourhood-scale regeneration.

14 Porcel, S., Antón-Alonso, F., & Muñoz, I. (2020). Les polítiques de millora de barris a debat: Una introducció. *Regió Metropolitana de Barcelona*. 63, 10-19.

15 De Gregorio Hurtado, S. (2024). The regeneration of urban vulnerable neighbourhoods: An EU policy that matters?. In Altrock, U., Kurth, D. (eds) *Urban regeneration in Europe* (pp. 267-291). *Jahrbuch Stadterneuerung*. Springer.

16 URBACT. (n.d.). *Com.Unity.Lab – Empowering local development*. Available at: <https://urbact.eu/networks/comunitylab>

Neighbourhood Policy in Practice: Pan-European Case Studies

The following section presents a series of case studies from across Europe, illustrating how national and regional governments have addressed these shared challenges through different policy frameworks and delivery models. While not exhaustive, these examples provide an overview of key approaches to neighbourhood regeneration both before and after the 2008 economic crisis, and they highlight the renewed commitment to deprived urban areas in recent years. Considering the vast archive of experiences of neighbourhood-based regeneration initiatives, this paper offers a reduced list of case studies focusing on national-scale programmes (apart from the Catalan case, which offers the example of an autonomous region programme). The area-based initiatives considered follow, at least in part of their implementation, the same criteria: they operate at the neighbourhood scale, follow a top-down model either in the selection or funding allocation, adopt an integrated approach to regeneration that encompasses economic, social, physical regeneration, and target localised social disadvantage.

This paper focuses primarily on deprived urban neighbourhoods, reflecting the historical concentration of European regeneration initiatives within urban policy frameworks. However, this should not be interpreted as suggesting that socio-spatial deprivation is exclusively urban, but rather as a consequence of the institutional trajectory through which neighbourhood-scale interventions have developed within European policymaking.¹⁷

¹⁷ This paper focuses on urban neighbourhood deprivation as a distinct and specific policy challenge. This is not to suggest that place-based approaches are inappropriate for rural or peri-urban contexts, the same governance principles of integrated investment, community power, and territorial targeting apply across area types, as the Community-Led Local Development (CLLD) framework already demonstrates in practice. Rather, it reflects that concentrated urban poverty characterised by spatial stigmatisation, housing market pressures, overcrowded or deteriorating residential stock, and the interaction of multiple deprivation indicators within dense communities, presents a sufficiently distinct set of challenges to warrant dedicated analysis. Rural deprivation, defined primarily by depopulation, service withdrawal, and geographic peripherality, requires its own analytical framework and programme logic, and while notable place-based rural initiatives exist (most significantly Italy's *Strategia Nazionale Aree Interne* (SNAI) and France's *France Ruralités*) they are less developed as comparable national programmes and present challenges that lie beyond the scope of this paper.

Country/ Region	Programme	Scale	Overall Objectives	Method
France	Politique de la Ville (1977–ongoing)	Priority neighbourhoods, often 2,000 – 15,000 residents	Reduce social disadvantage, improve inclusion, strengthen local governance	Social infrastructure, education, local services, community programs, resident consultation
France	Nouveau Programme National de Renouveau Urbain (2014–ongoing)	448 priority neighbourhoods, medium-to-large urban districts	Integrated renewal: physical, social cohesion, mobility, sustainability	Housing and public space renewal, social programs, citizen councils, project-based participatory governance, cross-sector coordination
Italy	Contratti di Quartiere (1998–2006)	Neighbourhoods and districts, typically 3,000–10,000 residents	Renew deteriorated neighbourhoods, integrate social inclusion, physical regeneration, participatory governance	Housing refurbishment, public spaces, social programmes, participatory planning, local networks
Italy	PINQuA (2020–ongoing)	District to regional scale, nominally neighbourhood-targeted but operating as a national housing quality instrument	Housing quality, sustainability, social cohesion, integrated urban regeneration	Housing renovation, public space, social services, participatory co-design, multi-criteria project selection
Spain (Catalonia)	Llei de Barris (2004–2021)	Neighbourhoods, typically 2,000–15,000 residents	Improve housing, public spaces, infrastructure, with some social/economic programmes	Housing and public space renovation, infrastructure upgrades, some social programs, limited resident participation
Spain (Catalonia)	Pla de Barris i Viles (2025–2029)	Neighbourhoods, typically 2,000–15,000 residents	Integrated physical, social, ecological interventions; community cohesion; social inclusion	Housing renovation, public spaces, green infrastructure, social initiatives, participatory planning, capacity building support

Country/ Region	Programme	Scale	Overall Objectives	Method
The Netherlands	Krachtwijken (2007–2012)	40 identified deprived neighbourhoods, typically a few thousand residents	Reduce socio-economic disadvantage, improve safety, employment, education, social cohesion	Large-scale housing and public space investment, social programs, resident consultation
The Netherlands	Buurtgerichte Aanpak (2013–ongoing)	Variable neighbourhoods, locally defined by municipalities	Strengthen social infrastructure, support resident initiatives, improve cohesion	Neighbourhood teams, preventative social services, participatory processes, resident-led initiatives, smaller-scale interventions
Poland	Ustawa o rewitalizacji (2015–ongoing)	Locally defined deprived areas, max 20% of municipal territory	Integrated neighbourhood regeneration, social inclusion, resident participation	Municipal programmes backed by ERDF without a national fund, model city competition, formal participation requirements

France

The *Politique de la Ville*, France's long-standing neighbourhood policy initiated in 1977, represents one of the most comprehensive and institutionalised approaches to addressing urban inequalities in Europe. It currently targets over 1,300 priority neighbourhoods (*Quartiers Prioritaires de la Politique de la Ville*, or QPV), encompassing approximately 5 million residents. These neighbourhoods include both small urban areas and large peripheral housing estates, reflecting diverse socio-spatial contexts. The policy aims to reduce territorial inequalities through integrated interventions addressing access to services, local economic development, education, and social cohesion.

Implementation is structured through *contrats de ville* (urban contracts), multi-year agreements negotiated between the state, municipalities, and a wide range of local partners, including civil society organisations. These contracts provide a framework for coordinating sectoral policies at the neighbourhood level, reinforcing a place-based approach within a centralised administrative system. Participation is formally embedded through mechanisms such as *conseils citoyens* (citizens' councils), which are intended to involve residents in the co-construction of local projects. The effectiveness of these mechanisms varies significantly across contexts. Where local political commitment, a strong associative fabric, and supportive institutional frameworks are present, residents are more able to shape priorities and outcomes; elsewhere, participation remains largely consultative, with limited influence on decision-making processes.¹⁸

Building on this framework, the *Nouveau Programme National de Renouvellement Urbain* (the New National Program for Urban Renewal) (NPNRU), launched in 2014 and running until 2030,

¹⁸ Billen, L., and Demoulin, J. (2018). *Programme de co-évaluation des conseils citoyens. Synthèse nationale*. Université Paris 1; Université Paris Nanterre: Observatoire national de la politique de la ville. HAL Open Science Archive.

represents the primary instrument for large-scale physical regeneration. The programme targets 448 priority neighbourhoods, largely overlapping with QPV, and is coordinated by the ANRU. With approximately €12 billion in national subsidies, leveraged to generate an estimated €50 billion in total investment from local authorities, social housing providers, and other partners, the NPNRU constitutes one of the largest urban regeneration programmes in Europe.

The NPNRU combines physical renewal with broader objectives related to social mix, environmental sustainability, neighbourhood attractiveness, and social cohesion. Participation is formally integrated through instruments such as *maisons du projet* (project house) and *conseils citoyens*, which aim to facilitate dialogue between institutions and residents throughout the project cycle. Despite its integrated design, coordination between social and physical interventions remains a significant challenge. At the national level, responsibilities for social policy and urban renewal are institutionally separated, with different agencies and funding streams operating in parallel. At the local level, these functions are often distributed across distinct municipal departments, which can complicate alignment and reduce the overall coherence of interventions.¹⁹ While some municipalities have developed strong local leadership and effective capacity-building initiatives, these practices are not systematically embedded across the country. As a result, the depth and quality of participation and the extent to which residents can shape regeneration processes remain uneven and highly context-dependent.

A notable strength of the NPNRU lies in its relatively robust monitoring and evaluation framework. ANRU conducts structured ex-ante and ex-post assessments at the neighbourhood level, tracking financial inputs, physical transformations, and selected social indicators.²⁰ While these mechanisms do not fully resolve attribution challenges, they enhance transparency and support policy learning, providing a more systematic evidence base.

Italy

Italy's *Contratti di Quartiere* (Neighbourhood contracts) (CdQ), launched in 1998, marked a significant departure from traditional public housing policies by introducing a more integrated approach to urban regeneration. Designed to address physical decay alongside social exclusion, the programme operated through negotiated agreements between central government, regions, municipalities, and local stakeholders. In cities such as Turin, Milan and Bologna, early resident and civil society involvement contributed to aligning physical interventions with local needs. However, outcomes proved uneven and participation was often procedural rather than transformative.²¹

The *Programma Innovativo Nazionale per la Qualità dell'Abitare* (the National Innovative Quality of Living Programme) (PINQuA), introduced in 2020 and scaled up through the PNRR in 2021, represents the most recent and significant attempt to address neighbourhood-level challenges at the national scale. Endowed with €2.8 billion, it operates at a dramatically larger scale than previous initiatives: 159 funded projects, over 900 separate interventions, and approximately 15,000 housing units across the national territory.²² Administered by the Ministry of Infrastructure and Sustainable Mobility rather than any social or territorial cohesion body, it was structured around a competitive evaluation process assessing proposals against criteria including design quality and innovation.

This architecture reveals a fundamental tension. PINQuA nominally embedded renewal within objectives of social inclusion and housing quality, yet its competitive, proposal-led model combined with the absence of a standardised national deprivation index created a structural

19 Esteve-Güell, M., Nel-lo, O., & Blanco, I. (2025). Shared challenges, divergent practices: The impact of institutional frameworks on area-based initiatives in Barcelona and Paris. *Urban Research & Practice*, 18(2), 243–267.

20 Observatoire National de la Politique de la Ville. (2020;2021;2024). *Rapport annuel*. ONPV.

21 Alietti, A., & Paone, S. (2010). Partecipazione, riqualificazione urbana ed esclusione sociale: analisi critica dei Contratti di quartiere. *Sociologia Urbana e Rurale*, 90(1), 27–48.

22 Baratta, A.F.L., Mariani, M. and Mazzoni, D. (2023). The National Innovative Program for Housing Quality (PINQuA): Strategies and Indicators for Design Quality. *Proceedings of the International Conference on Innovation in Architecture, Engineering and Construction*. Springer.

risk that resources would flow to municipalities with stronger administrative and technical capacity rather than those with the most acute social needs. A hard PNRR implementation deadline further compressed timelines in ways that disadvantaged socially complex, community-rooted interventions. Some approved proposals operated at scales well beyond anything recognisable as a neighbourhood, with regional-scale infrastructure interventions funded within the same framework as estate-level housing renovation. Moreover, compared to CdQ, PINQuA shows "an imbalance towards physical intervention at the expense of an integrated approach."²³ PINQuA is therefore best understood not as Italy's neighbourhood regeneration programme but as a large-scale housing investment instrument, illustrating a recurring European pattern: the gap between the scale at which social outcomes are experienced and the scale at which funding instruments operate.

Italy is also the only country examined in this paper to have developed a significant national place-based programme targeting rural and inner-area deprivation alongside its urban initiatives. The *Strategia Nazionale Aree Interne* (the National Strategy for Inner Areas) (SNAI),²⁴ launched in 2014 and now in its second programming period under 2021–2027 Cohesion Policy, targets clusters of small municipalities defined by their peripherality, understood as their distance from centres providing essential services in health, education, and transport. At the beginning of the first programme, inner areas in Italy covered approximately 60% of the national territory and 22% of its population.²⁵ Like urban neighbourhood programmes, SNAI is explicitly place-based, combining deprivation indicators, multi-level governance, and locally designed strategies co-financed through ERDF, ESF, and EAFRD. Yet its primary objective of halting demographic decline and restoring service access in dispersed, low-density communities is structurally distinct from the concentrated urban deprivation this paper addresses. The SNAI experience confirms both the transferability of place-based governance principles across area types and the necessity of designing programme logic for the specific spatial form that deprivation takes in each context.

Spain (Catalonia)

Since 2004, Catalonia has been a European reference point for place-based neighbourhood regeneration in Spain through the *Llei de Barris* (the Law of Neighbourhoods) and, more recently, the *Pla de Barris i Viles 2025–2029* (the Plan of Neighbourhoods and Cities). Together, these programmes demonstrate both the potential and the limits of large-scale, territorially targeted public investment.

Launched in 2004 and implemented primarily between 2004 and 2010, the *Llei de Barris* mobilised over €1 billion in public investment across 117 neighbourhoods and over 100 municipalities, reaching close to one million residents. Its most visible achievements lay in the transformation of the built environment: improvements in public space, green infrastructure, housing, and local facilities, contributing significantly to the physical quality and accessibility of disadvantaged areas. However, its impact on social and economic outcomes was more uneven. Nearly half of total expenditure was directed towards public space and green infrastructure, almost 22% to collective facilities, while less than 10% was allocated to social and economic programmes.²⁶ Independent health evaluations, however, offer a partial corrective to this picture, finding statistically significant improvements in perceived health and reductions in health inequalities among the most disadvantaged residents, suggesting that integrated physical renewal produced measurable wellbeing gains even where social investment was modest.

23 Franco, E. and Fregolent, L. (2023). PINQuA, facciamo il punto. *Il giornale dell'Architettura*.

24 Included for comparative reference only, as it operates at rural/inner-area rather than neighbourhood scale.

25 De Matteis, G. (2013). Montagne e aree interne nelle politiche di coesione territoriale italiane ed europee. *Territorio*, 66, 7–15.

26 Nel-lo, O. (2010). The challenges of urban renewal. Ten Lessons from the Catalan Experience. *Andlise Social*, 45(197), 685–715.

Participation outcomes were not primarily determined by programme design but by pre-existing local conditions, particularly the strength of neighbourhood associations. Where civic traditions were already well developed, residents exercised genuine influence over project priorities; where these foundations were absent, formal mechanisms remained procedural regardless of institutional intent.²⁷ The competitive bidding process and the original 50/50 co-financing requirement further disadvantaged smaller and less well-resourced municipalities. Research on the austerity period that followed the programme's suspension revealed that social innovation initiatives concentrated in middle-income neighbourhoods with established participatory traditions rather than those with the most acute need, suggesting that the interruption widened, rather than narrowed, the underlying gap in civic capacity.²⁸

A notable strength of the Catalan approach was the development of complementary sector-specific programmes like *Treball als Barris* (Jobs in the Neighbourhoods) and *Salut als Barris* (Health in the Neighbourhoods), demonstrating the value of cross-departmental coordination and reinforcing the principle that neighbourhood regeneration cannot rely on physical investment alone.

The *Pla de Barris i Viles 2025–2029* explicitly builds on these lessons. With planned investments of approximately €1.6 billion across around 120 programmes, it integrates physical, environmental, and social interventions within a single framework. Social action, community cohesion, and climate adaptation are core components rather than peripheral add-ons. Participatory mechanisms are embedded earlier in the process, including during project design, and the programme explicitly promotes coordination with sectoral policies in employment, health, education, and social services, positioning neighbourhood regeneration as a platform for integrated public action.²⁹

Despite this, the continued reliance on competitive project selection means proposal quality remains a key determinant of funding allocation, potentially favouring municipalities with greater technical capacity. Governance structures, while formally inclusive, may risk functioning primarily as monitoring bodies rather than proactive arenas for co-decision. Moreover, the programme's regional scope highlights a broader limitation: as a leading but territorially bounded initiative, it cannot fully address similar challenges in other Spanish regions, contributing to uneven national coverage of neighbourhood regeneration policy.

The Netherlands

The Netherlands has one of the most developed traditions of area-based urban renewal in Europe, characterised by close integration between national government, municipalities, and housing associations (*woningcorporaties*), which have historically played both a financial and operational role in neighbourhood regeneration.

The *Krachtwijken* programme (literally Power neighbourhoods), launched in 2007 under Minister Ella Vogelaar, represented one of the most ambitious national neighbourhood interventions of its era. Forty disadvantaged urban districts across 18 Dutch cities were designated as priority areas, selected on the basis of combined deprivation indicators across five policy domains: housing, work, learning and growing up, integration, and safety. Housing associations were required to contribute approximately €750 million annually over four years, representing a total sector commitment of €3 billion alongside national and municipal resources.³⁰ Each municipality developed a *Wijkactieplan* (neighbourhood action plan) in negotiation with central government,

27 Parés, M., Bonet, J. and Martí-Costa, M. (2012). Does participation really matter in urban regeneration policies? Exploring governance networks in Catalonia (Spain). *Urban Affairs Review*, 48(2), 238–271.

28 Blanco, I. and Nel-lo, O. (eds.) (2018). *Barrios y Crisis: Crisis económica, segregación urbana e innovación social en Cataluña*. València: Tirant lo Blanch.

29 Paisaje Transversal. (2025). *Pla de barris i viles: Regeneración urbana*. Available at: <https://paisajetransversal.org/2025/06/pla-de-barris-i-viles-regeneracio-urbana/>

30 Vogelaar, E. (2007). *Actieplan Krachtwijken: Van Aandachtswijk naar Krachtwijk*. The Hague: Ministry of Housing, Spatial Planning and the Environment (VROM).

structured around the five thematic domains and intended to integrate physical and social investment within a coherent territorial strategy.

A critical appraisal of Dutch integrated urban renewal published at the outset of the programme identified a persistent imbalance in Dutch neighbourhood policy: that the wishes of inhabitants for social mobility had consistently become subordinate to the ambitions of institutions to improve the physical quality and liveability of the neighbourhood, and that the level of integration between physical and social investment remained insufficient despite stated policy objectives to the contrary.³¹ The Krachtwijken programme, despite its explicitly integrated ambitions, replicated this pattern. The definitive independent evaluation by the Netherlands Institute for Social Research (SCP) found no positive net effects of the Krachtwijken policy on liveability, safety, or the socioeconomic position of the population in the priority neighbourhoods, comparing their development against the most similar non-target areas over the same period. The evaluation also found that the policy had an unfavourable effect on the active civic engagement of residents in the priority areas, suggesting that the programme's institutional intensity may have crowded out rather than cultivated existing community initiative.³²

These findings do not mean that no physical improvements occurred in the priority neighbourhoods. Investment clearly took place. They mean that similar improvements occurred in comparable areas that received no special Krachtwijken designation, and that the policy generated no measurable added value in the domains it was designed to address. This is a critical distinction for any comparative assessment: a programme can spend significant public resources and produce physical change without demonstrating that it was the specific design of the programme that made the difference.

The programme was terminated following the collapse of the government in 2010, well short of the original ten-year ambition. The Rutte government that followed pursued a broader decentralisation of social policy, devolving responsibilities for welfare, youth care, and community support to municipalities. By the mid-2010s, the large majority of Dutch municipalities had established some form of social neighbourhood team (*wijkteam*) as the primary delivery mechanism for integrated support at local level, a shift that embedded neighbourhood thinking in routine service delivery rather than in time-limited regeneration programmes, though with significant variation in capacity and effectiveness across municipalities.³³ While this decentralised model offers greater flexibility and the potential for closer alignment with local needs, it also introduces new challenges. Municipalities with strong administrative capacity and active civic ecosystems are better positioned to deliver meaningful engagement, while others risk fragmented or consultation-led approaches. Although decentralisation increases flexibility and allows closer alignment with local needs, it also weakens funding certainty, complicates evaluation, and may increase territorial inequalities between municipalities.

The Dutch experience offers two analytically important lessons for this paper's broader argument. First, the SCP evaluation's finding of no net policy effect despite substantial investment, integrated programme design, and strong institutional capacity challenges any assumption that the presence of these conditions is sufficient to generate neighbourhood-level change. Second, the negative effect on civic engagement is a direct empirical illustration of the risk that institutionally heavy programmes displace community agency rather than building it, reinforcing the case for genuine community governance as a structural condition rather than a procedural add-on.

31 Musterd, S. and Ostendorf, W. (2008). Integrated urban renewal in The Netherlands: a critical appraisal. *Urban Research & Practice*, 1(1), 78–92.

32 Permentier, M., Kullberg, J. and Van Noije, L. (2013). *Werk aan de wijk: een quasi-experimentele evaluatie van het krachtwijkenbeleid*. Sociaal en Cultureel Planbureau (SCP).

33 Movisie (2016). *Sociale wijkteams in ontwikkeling: stand van zaken na de decentralisaties*. Movisie.

Poland

Poland represents a distinct case within the European landscape of neighbourhood regeneration, one shaped not by a dedicated national programme but by a legal and governance framework in which municipalities carry primary responsibility for implementation. This makes it a particularly instructive counterpoint to the funded national programmes examined elsewhere in this paper.

The origins of Poland's approach lie in the post-1989 privatisation of the housing stock, which fragmented property structures across historic city centres and transferred large prefabricated socialist-era estates (*blokowiska*) to residents' associations without adequate maintenance frameworks, which significantly complicated collective neighbourhood intervention for decades. Early EU-funded regeneration efforts in the 2007–2013 period have been considered predominantly physical in character and insufficiently targeted at the most deprived areas.³⁴

In 2015, the *Ustawa o rewitalizacji* (Urban Regeneration Act) established the first dedicated legal framework for integrated neighbourhood regeneration in Polish history. Municipalities were required to develop *Gminne Programy Rewitalizacji* (Local Urban Regeneration Programmes), targeting areas where crisis phenomena are concentrated across no more than 20% of municipal territory and 30% of its population. Participation was formally embedded as a constitutive requirement. By the early 2020s, more than 1,400 municipalities, approximately 55% of all Polish local authorities, had developed programmes under the framework.³⁵

However, the Act provided no dedicated national funding. Municipalities have depended primarily on ERDF allocations and their own budgets, with wealthier, higher-capacity cities consistently better positioned to access resources, a structural inequity that has disadvantaged precisely the municipalities with the most acute needs. The absence of anti-displacement protections has been a further critical weakness: research on Łódź found that despite formal rights of return, a high proportion of displaced residents chose not to return to regenerated areas. Their social networks had been irreparably disrupted.³⁶ This finding directly echoes the critique that physical regeneration without sustained social investment and anti-displacement safeguards tends to serve incoming populations more than established ones. Participation, while legally required, has remained largely procedural rather than transformative, particularly where civic ecosystems were weak.³⁷

Poland thus demonstrates that legal architecture alone is insufficient. Without ring-fenced funding, national deprivation targeting, and genuine anti-displacement safeguards, a framework law risks functioning well only where it is needed least.

The United Kingdom

The United Kingdom has a long and diverse history of neighbourhood-focused regeneration, beginning in the 1960s with the Urban Programme and the Community Development Project (1969). This experience offers lessons about both successes and enduring challenges. Since the 1980s, the UK has experimented with a wide array of programmes designed to tackle urban deprivation, including urban renewal schemes, the Single Regeneration Budget (SRB), the New

34 Jarczewski, W. and Dej, M. (2015). Rewitalizacja 2.0: Działania rewitalizacyjne w Regionalnych Programach Operacyjnych 2007–2013: ocena w kontekście nowego okresu programowania. *Studia Regionalne i Lokalne*, 59(1), 104–122.

35 Masierek, E. (2021). Urban regeneration programming in Poland in the years 2014–2020. *European Spatial Research and Policy*, 28(1), 223–246.

36 Audycka, B. (2023). The right to stay put or the right to decide? The question of displacement in the revitalization of Łódź, (Poland). *Housing Studies*, 38(10), 1845–1859.

37 Kusiak, J. (2019). Revitalizing urban revitalization in Poland: Towards a new agenda for research and practice. *Urban Development Issues*, 63(1), 5–15.

Deal for Communities (NDC), and, more recently, place-based levelling up initiatives. These programmes have targeted physical infrastructure, social services, and community engagement, often attempting to combine top-down coordination with resident participation.

Despite significant investment, the UK experience illustrates many of the shortcomings observed across other European countries. Physical improvement frequently dominated policy agendas, with social regeneration and community capacity-building treated as secondary or optional components. Evaluations of the NDC, for instance, show improvements in housing, local facilities, and public spaces, but outcomes for employment, educational attainment, and social cohesion were more uneven and often dependent on local context, the involvement and participation of residents, as well as the support of councils.³⁸

Building on decades of neighbourhood-focused policy, the UK's most recent initiatives, the Levelling Up Programme and the Pride in Place Programme, illustrate both the potential and the persistent challenges of area-based regeneration. These programmes aim to address long-standing inequalities and improve deprived neighbourhoods, but early observations suggest that the lessons from past interventions remain highly relevant.

The Levelling Up Programme, launched in 2022, represented a national commitment to reducing regional disparities through targeted investment in infrastructure, education, and public services. While it has mobilised substantial resources, the programme repeated previous shortcomings such as the competitive allocation of funding, which was criticised for favouring better-resourced local authorities, a strong focus on towns and town centres at the expense of the most left behind, often more peripheral areas, and an emphasis on physical and aesthetic types of intervention.

The most recent place-based British programme, the Pride in Place Programme, adopts a more explicitly neighbourhood-focused approach, concentrating on the 284 areas identified as most deprived. Unlike some previous interventions, it recognises the importance of empowering local residents and communities to shape priorities, allocate resources, and participate in implementation. This represents a promising step towards overcoming the tokenistic consultation that has often characterised UK and European neighbourhood programmes. Yet the programme still faces structural constraints: as ICON's work has highlighted in its report *No Short Cuts*,³⁹ the municipal structures may not always be able to support the kind of sustained, flexible engagement necessary to build social capital and resilience at the neighbourhood level, especially after years of austerity. Capacity challenges might also be overlooked, both within the communities and within local and central government, hindering the success and outcomes of such a programme. Finally, while challenging, this initiative needs to be integrated within the broader body of policy development at the neighbourhood level, to produce real outcomes that outlive the funds' timeframe.

38 Batty, E., Beatty, C., Foden, M., Lawless, P., Pearson, S., & Wilson, I. (2010). *The New Deal for Communities experience: A final assessment*. Department for Communities and Local Government

39 Independent Commission on Neighbourhoods (ICON). (2026). *No short cuts: Towards a national strategy for neighbourhood recovery*. ICON.

From evidence to principles: the structural conditions for effective neighbourhood policy

The case studies examined in this paper span five decades, six countries, and a wide range of institutional contexts. Yet they share a set of recurring limitations that are neither accidental nor primarily technical. Physical investment has consistently outpaced social investment, not because policymakers lacked the evidence that social outcomes require sustained social spending, but because bricks and mortar are easier to photograph, audit, and attribute to a political term in office. Participation has mostly remained procedural where it should have been transformative, not because communities were unwilling, but because genuine co-governance requires public institutions to share power they have historically been reluctant to relinquish. In some cases, funding has flowed to better-resourced areas and authorities, not because targeting mechanisms were unavailable, but because competitive allocation systems structurally reward capacity rather than need. These patterns are outcomes of identifiable structural dynamics: short electoral cycles that make long-term community investment politically costly; the reluctance of institutions to share power; and the tendency to treat participation as a risk rather than a resource. Effective neighbourhood policy does not fail for want of good intentions. It fails because the structural conditions that produce neighbourhood deprivation are also the structural conditions that constrain the policy responses to it. The following principles are drawn from the evidence with this dynamic explicitly in mind.

Principle 1: Long-term, sustained investment over short-term project cycles

Neighbourhood transformation operates on a generational timescale; electoral cycles and programme funding periods do not. Effective policy requires multi-year, rolling funding commitments insulated from political discontinuity not because continuity is administratively convenient, but because the communities most affected by deprivation are also the most vulnerable to the disruption caused by programme termination. It would be completely unrealistic to think that programmes that run for only a few years could actually achieve meaningful and durable outcomes. In addition, even when initiatives are meant to have a longer lifetime, the budgetary annuity is often limited and provides inadequate funding for the compounded needs of deprived neighbourhoods, which would require stability, predictability and continuity. At the same time, people need time to create bonds and trust each other: where the work of creating that community glue has not secured a strong and connected community, it requires even more time (a period-zero), for a project to have the engagement required to be

successful and sustainable over time. Extended collaboration not only strengthens community capacity but also fosters the co-creation of trust between governance structures and citizens. This longitudinal perspective enables iterative learning, adaptation, and shared accountability.

Principle 2: Social investment as a condition of physical renewal, not an add-on

Across the cases examined, physical regeneration has tended to absorb the majority of investment, with social programmes relegated to residual budget lines. Parity between physical and social investment is a necessary condition of genuine neighbourhood transformation, not a supplementary aspiration. Evaluations of programmes demonstrate that physical renewal without complementary measures such as employment support, education, and community development has limited impact on residents' life chances and social cohesion.⁴⁰

Principle 3: Needs-based allocation rather than competitive bidding

Competitive funding mechanisms systematically reward administrative capacity over social need, channelling resources to municipalities best equipped to write bids rather than those with the most acute deprivation. Effective neighbourhood policy requires allocation mechanisms based on standardised national deprivation indicators, with capacity-building support to ensure that the most under-resourced authorities can access and manage funding and participate fully in the programme.

Principle 4: Social infrastructure as a core component of regeneration

Evidence increasingly suggests that neighbourhoods with weak social infrastructure struggle to sustain the benefits of public investment, particularly in contexts of economic insecurity, institutional distrust, and repeated crisis. Yet these assets often remain poorly integrated into regeneration funding frameworks and are especially vulnerable to austerity-driven reductions in local government expenditure. Regeneration strategies should therefore treat social infrastructure as a core component of neighbourhood recovery rather than an optional complement to physical redevelopment. This implies not only investing in community spaces and local anchor institutions but also recognising their role within broader frameworks of social cohesion, democratic participation, and community resilience. The role of social infrastructure is critical and the elements that constitute it are not secondary to physical regeneration but foundational to long-term resilience.

Investments in social cohesion, networks among people, and local governance have proven multiplier effects by building resilience and long-term sustainability. However, they are often underfunded or treated as complementary to capital investment. A more effective approach requires sustained support for the actors that maintain and build relationships locally. This includes funding for community organisations, intermediaries, and neighbourhood-level institutions capable of anchoring engagement over time. It also means developing local expertise in capital and revenue management, supporting sustainable stewardship of buildings and spaces, and providing clear policy guidance to help residents navigate funding and governance levers.

Principle 5: Community power rather than procedural participation

Consultation is not participation, and participation is not governance. Effective neighbourhood policy requires communities to hold structural decision-making power over the priorities, sequencing, and governance of interventions in their areas, not as a democratic aspiration but as a practical condition of producing outcomes that reflect local realities and build long-term civic capacity.

⁴⁰ Droomers, M., Harting, J. et al. (2014). Area-based interventions to ameliorate deprived Dutch neighbourhoods in practice: Does the Dutch district approach address the social determinants of health? *Preventive Medicine*, 61, 122–127.

Principle 6: Multi-level coordination with clear neighbourhood-scale accountability

Neighbourhood regeneration sits at the intersection of housing, employment, health, education, and public space: policy domains controlled by different tiers of government with different funding streams and accountability structures. Effective regeneration requires aligning neighbourhood-level interventions with mainstream public services, ensuring that improvements in the built environment are matched by access to opportunities and support systems. This implies not only coordination across sectors, but also flexibility to adapt interventions over time in response to local conditions. Integration, in this sense, is not simply a design principle but a governance challenge.⁴¹

Principle 7: Neighbourhood-scale delivery, not city-scale programmes relabelled

The neighbourhood is the scale at which deprivation is experienced and at which community relationships are built. Programmes that nominally target neighbourhoods but operate at district, city, or regional scale consistently fail to reach the communities most in need. Effective policy requires that scale be specified, protected, and enforced as a condition of funding, not left to programme designers who face structural incentives to operate at larger and more manageable scales. Hyper-local analysis combining quantitative indicators with qualitative knowledge from residents and local organisations allows for more accurate targeting and more context-sensitive interventions. It also shifts the focus from abstract categories of deprivation to the specific configurations of challenges and assets within each neighbourhood.

Principle 8: Create partnerships across different levels of local government

Neighbourhood regeneration operates within complex governance systems that span local, national, and European levels. A recurring challenge is the lack of clear coordination and accountability across these levels, leading to fragmented interventions and inconsistent outcomes. More effective approaches depend on clearer alignment between neighbourhood-level action and wider policy frameworks, with defined roles for different actors and stronger mechanisms for coordination. While local authorities can and should play a crucial role in supporting neighbourhood regeneration, relations between councils and residents are not always ideal. Many local governments lack the resources, powers, or collaborative culture necessary to act as enablers rather than barriers to these programmes. Enabling local authorities to act as facilitators of local initiatives, while ensuring that higher levels of government provide the stability, resources, and strategic direction is necessary for meaningful change.

These principles are not new discoveries. Versions of each have appeared in programme evaluations, academic research, and policy reviews for decades, including in the national programmes examined in this paper, several of which explicitly articulated them as design intentions. The gap is not in knowledge but in governance: in the absence of institutional mechanisms that make these principles structural conditions of neighbourhood investment rather than aspirational guidelines, they have been consistently subordinated to the short-term political and administrative incentives that shape how funding flows in practice. The proposals that follow are designed precisely to close that gap and to translate principles that the evidence has long established into the regulatory architecture, governance mechanisms, and funding conditions that would make them enforceable rather than advisory.

⁴¹ Independent Commission on Neighbourhoods (ICON). (2026). *No short cuts: Towards a national strategy for neighbourhood recovery*. ICON.

Learning from each other

Europe possesses a long history of neighbourhood-focused experimentation, yet much of this accumulated knowledge remains fragmented and underutilised. By connecting local experiences across countries and cities, neighbourhoods can draw on shared insights, tested methodologies, and adaptable innovations. Transnational learning offers the dual advantage of helping avoid repeating past mistakes while amplifying approaches that have proven effective in diverse contexts.

Existing EU initiatives, such as the URBAN Community Initiative, URBACT networks and the European Urban Initiative, have shown the potential of cross-border knowledge exchange and amplify their weight in decision-making spaces. These programmes enable cities to collaborate on common challenges such as urban deprivation, housing pressures, and social fragmentation. However, most of these mechanisms have operated primarily at a broader territorial level, with limited institutional engagement at the neighbourhood scale where inequalities are most acutely experienced. Acknowledging this dimension while embedding neighbourhood-level learning within national and European frameworks would provide a legitimate platform for communities to shape policy agendas. The objective is not to create a wholly new layer of European neighbourhood policy, but to strengthen the institutional visibility, continuity, and governance capacity of neighbourhoods within existing European, national, and local frameworks.

1. Comparative Measurement

A persistent weakness of European neighbourhood policy lies not only in fragmented funding, but in fragmented learning. Across Europe, neighbourhood regeneration generates extensive practical knowledge, local experimentation, and policy evaluation, yet much of this remains isolated within short-term projects, local administrative systems, or academic research networks. Projects like TRANSIT and SINGOCOM have provided rich, context-sensitive analyses of social innovation, governance, and community building, showing what works and where constraints persist.^{42,43} Yet their reliance on short-term, ad hoc funding reflects a deeper institutional fragility: knowledge production and exchange rise and fall with political cycles, eroding continuity and institutional memory. As a result, successful practices are difficult to scale, failures are frequently repeated across contexts, and institutional memory is often lost as programmes, funding cycles, and political priorities change.

One important consequence of this fragmentation is the absence of robust and comparable neighbourhood-level evidence systems across Europe. While important advances are being made in hyper-local data collection,⁴⁴ these efforts often remain disconnected from one another and insufficiently embedded within long-term governance frameworks. The challenge is therefore not only to generate more neighbourhood knowledge, but to build durable institutional mechanisms capable of translating local experience into cumulative European learning and long-term policy capacity.

42 TRANSIT. (2017). *Transformative social innovation: What have we learned in four years of research?* TRANSIT Brief 6.

43 European Commission. (2005). *EU research on social sciences and humanities: Social innovation, governance and community building (SINGOCOM)*. European Commission.

44 Il Post. (2025, December 18). *Quali sono i quartieri più disagiati nelle grandi città*. Available at: <https://www.ilpost.it/2025/12/18/mappe-disagio-citta-dati-grafici/>

A stronger European approach would involve consolidating this knowledge into a shared but flexible framework for neighbourhood-level measurement. This does not require imposing a single model, but rather aligning key dimensions such as socio-economic conditions, access to services, and forms of social capital, so that patterns can be compared across contexts. This could involve framings inspired by the Sustainable Development Goals (SDGs), or alternative multi-dimensional indicators, as well as including levels of social capital, social infrastructure and capacity within communities, ensuring that interventions and evaluations can be meaningfully compared while respecting local realities. The aim is therefore not to homogenise neighbourhoods across Europe, but to create institutional mechanisms capable of supporting comparison, learning, and coordination across diverse territorial and policy contexts.

Institutions like the European Observation Network for Territorial Development and Cohesion (ESPON) provide a natural framework for coordinating this work. By consolidating hyper-local data from national statistics, local authorities, and community organisations into a coherent, comparable evidence base, it could create the analytical foundation for cross-national learning. Its expertise in territorial analysis allows neighbourhoods to be compared not only by location but by shared challenges and assets, supporting the identification of transferable governance models and informing policy design. This approach should not be limited to data collection alone. Current neighbourhood policy frameworks often struggle to institutionalise feedback loops between local experience, policy evaluation, and strategic decision-making. By establishing continuous mechanisms through which neighbourhood practice informs comparative analysis, and comparative analysis in turn shapes policy design and implementation, such a framework would strengthen the collective learning capacity of European neighbourhood governance over time.

2. A Pan-European Neighbourhood Institution

Neighbourhoods can not only learn from one another, but also empower one another. In recent decades, cities have increasingly formed alliances within and across national borders to advocate for shared interests, influence governance reform, and shape more flexible funding and implementation frameworks. Yet the neighbourhood scale, where regeneration is implemented and inequalities are most tangible, remains institutionally marginal. As a result, regeneration knowledge at this level remains fragmented, short-term, and insufficiently embedded in European decision-making.

To address this gap, a European Neighbourhood Institution could be established as an independent, membership-based network bringing together neighbourhood-level organisations, local practitioners, and institutional partners. Its role would be to exchange practice, strengthen local agency, and articulate neighbourhood-scale perspectives within European policy debates. Its purpose would be to institutionalise neighbourhood learning and ensure that regeneration is understood not only as a municipal competence but as a governance scale. Rather than promoting a single model of neighbourhood policy, such a platform would facilitate comparison across diverse territorial contexts and policy objectives, enabling neighbourhoods facing different forms of deprivation or transition to exchange context-sensitive approaches.

This institution could operate at arm's length from both EU institutions and national governments, enabling it to act as a neutral convener and evidence-based advisor. The membership of such a transnational network should reflect the dual character of neighbourhood governance: both community-led and institutionally supported. Local neighbourhood forums, residents' associations, and community development trusts would form its core membership, ensuring that lived experience remains the foundation of exchange. Alongside these, municipal or regional authorities responsible for neighbourhood programmes could participate as institutional partners, providing policy alignment and facilitating scale. Representatives from EU institutions and research bodies might join as observers or knowledge partners, contributing to data and expertise without compromising the network's autonomy and localised character. This mixed structure would also preserve the network's bottom-up ethos while ensuring connections to broader governance frameworks.

For the platform to influence policy meaningfully, it should be institutionally embedded within the EU institutional landscape through recognised stakeholder status. Like established networks such as Eurocities, the European Association for Innovation in Local Development (AEIDL) and the Council of European Municipalities and Regions (CEMR), it would operate as a legally independent European association while engaging in structured dialogue with the European Commission, particularly the Directorate-General for Regional and Urban Policy, and contributing to initiatives such as URBACT and the European Urban Initiative. Recognition could take the form of consultation processes, participation in policy forums, and formalised cooperation agreements. Cooperation with pan-European organisations such as the Council of Europe or the Organisation for Economic Co-operation and Development (OECD) could further strengthen comparative learning and broaden participation beyond EU member states.

Its core functions would be:

1. Neighbourhood intelligence

Working alongside existing research frameworks, including ESPON, the platform would translate comparative neighbourhood data and evaluations into practical and policy-relevant guidance. By combining quantitative evidence with insights from neighbourhood organisations, it would contextualise findings, identify governance implications, and distil transferable lessons. In doing so, the taskforce would ensure that measurement informs implementation and that neighbourhood experience shapes the interpretation of evidence.

2. Structured peer learning and capacity building

The taskforce would facilitate long-term exchange among neighbourhood practitioners across Europe, focusing on governance innovation, community participation, and integrated regeneration strategies. This would include:

- multi-year peer learning cohorts between neighbourhoods facing similar challenges
- exchanges of practitioners, community leaders, and municipal staff
- training on participatory governance, social infrastructure, and integrated delivery

This approach would strengthen institutional memory and build capacity, particularly in municipalities and communities with fewer resources.

3. Policy engagement and advocacy

Drawing on its evidence base, the platform would provide structured input into European policy debates. It would not claim to represent all neighbourhoods but would institutionalise structured feedback from neighbourhood practice into European discussions, strengthening subsidiarity by grounding policy in local realities. Importantly, this network would not bypass national systems but mediate between local and central levels, providing continuity where domestic funding cycles or political shifts interrupt progress.

Through formal engagement with the European Commission and relevant policy processes, it would shift neighbourhoods from being primarily objects of policy intervention to becoming active participants in European governance by:

- contributing to the design of Cohesion Policy and urban programmes
- identifying implementation barriers at neighbourhood level
- feeding practical insights into debates on housing, social inclusion, and territorial cohesion

It would also create a channel for co-design by linking residents, practitioners, and policymakers in a continuous feedback loop rather than one-off consultation exercises.

3. Building an Integrated, Multi-Level Funding Architecture for Pan-European Neighbourhood Regeneration

Recent developments demonstrate the growing institutionalisation of integrated, cross-sectoral, place-based and participatory approaches within European policy frameworks, particularly through an emphasis on multilevel governance, local capacity-building, and cohesion policy coordination.⁴⁵ At the same time, these evolving architectures remain dispersed across multiple soft governance instruments and initiatives, affecting territorial continuity, neighbourhood-scale implementation, and long-term institutional anchoring. This can limit the emergence of neighbourhoods as a stable operational scale of intervention, weaken long-term impact and place a disproportionate administrative burden on local authorities and neighbourhood partnerships, particularly in the most deprived areas where capacity is already limited.

Strengthen integration

A move toward single, place-based neighbourhood investment plans, capable of blending multiple funding sources, would increase coherence and reduce duplication. Rather than designing a wholly new delivery mechanism, a more effective and legally coherent approach would build on the existing Community-Led Local Development (CLLD) framework. CLLD requires Local Action Groups (LAGs), partnerships in which community organisations, residents, and civil society hold at least 50% of decision-making power, to develop and implement locally designed strategies using delegated EU funding. This governance architecture is already operational in deprived urban neighbourhoods across several Member States: for instance, Berlin's *Quartiers Management* programme has run CLLD-structured neighbourhood committees in 34 deprived areas since the 1990s, and Lisbon's BIP/ZIP initiative has used the framework to support 67 deprived neighbourhoods annually.⁴⁶

Integrated Neighbourhood Investment Plans (INIPs) would specify what those LAGs are governing: integrated strategies combining physical renewal, social investment, economic inclusion, anti-displacement protections, and long-term community asset development, targeting areas meeting defined national deprivation indicators. CLLD strategies in those areas should meet INIP content standards as a condition of funding. This would embed neighbourhood governance into the structure of Cohesion Policy without requiring new Treaty competences, while ensuring that community decision-making power is exercised over genuinely integrated, place-based plans rather than disconnected micro-projects.

Simplify access and reduce competitive burden for communities

Such an approach would need to be supported by simplified and aligned administrative systems. At present, differences in reporting, auditing, and eligibility rules across funds make integrated delivery unnecessarily complex. Introducing harmonised reporting templates, shared monitoring frameworks, and interoperable digital systems would reduce duplication and enable local actors to focus on delivery rather than compliance.

At the same time, the current reliance on competitive bidding processes in some contexts continues to undermine equity across territories. A shift toward a hybrid allocation model is therefore necessary: combining pre-allocated funding envelopes for identified deprived neighbourhoods with more limited, targeted competitive elements. This would improve continuity, enable long-term planning, and reduce the structural disadvantage faced by weaker municipalities.

⁴⁵ Council of the European Union. (2026, May 11). *Council recommendation on the New European Bauhaus*, (Interinstitutional File: 2025/0412(NLE)). European Commission.

⁴⁶ European Urban Initiative (2023). *Delivering High Quality CLLD in Urban Areas*.

Embed regeneration within mainstream public services

A further structural weakness lies in the separation between regeneration programmes and mainstream public service provision. Too often, neighbourhood initiatives operate as parallel projects, disconnected from core systems in education, healthcare, employment, or housing. INIPs should therefore be conditional on alignment with national public service strategies, requiring coordination across ministries and co-financing between sectors. At EU level, this could be reinforced through ex-ante conditionalities and incentives for cross-fund programming, ensuring that regeneration strengthens public services.

Introduce ring-fenced strategic funding for neighbourhoods

A concrete near-term opportunity exists within the forthcoming revision of the ERDF Regulation, due by the end of 2027. Article 11 of the Regulation (EU) 2021/1058 already mandates that at least 8% of national ERDF resources be allocated to sustainable urban development, an increase from the 5% minimum of the 2014–2020 period.⁴⁷ This earmark has established the principle that neighbourhood-scale urban investment can be required rather than merely encouraged. The next regulatory cycle provides a concrete opportunity to raise this threshold and, critically, to specify that a defined proportion of the earmarked resources must be invested through sub-municipal neighbourhood-scale strategies with delivery through CLLD or equivalent community-governed instruments. Without this sub-specification, the urban earmark risks continuing to benefit larger, better-resourced cities at scales that remain disconnected from the neighbourhood realities where deprivation is most acute.

The bolder case: what EU governance of neighbourhoods should look like

The previous recommendations work within the already existing framework to expand on what can be implemented for neighbourhoods at the EU level. The next couple of suggestions would require much bigger shifts that are unrealistic at this moment, but could be taken into consideration for longer-term change.

Introduce cross-national co-financing

Neighbourhood challenges increasingly transcend national boundaries, particularly in relation to migration, climate adaptation, and social inequality. Existing instruments demonstrate the potential for cross-national cooperation, but remain underutilised at neighbourhood scale. Expanding transnational funding windows and enabling joint neighbourhood-level projects across countries would strengthen both innovation and solidarity.

Make delivery mechanisms mandatory

The critical step would be making CLLD and INIPs mandatory rather than optional for areas meeting defined deprivation thresholds, so that the community governance principle becomes a structural condition of EU funding rather than a discretionary choice for Member States. The governance architecture proposed here goes beyond what the current regulatory framework requires. It is offered not as a description of what is politically achievable today but as an articulation of what the EU's own commitments logically demand. The New Leipzig Charter (2020), the Urban Agenda for the EU, and the Cohesion Policy objective of territorial cohesion all affirm the neighbourhood scale as a site of critical policy intervention.

The gap between that affirmation and the actual governance instruments available to act on it (soft guidelines, optional mechanisms, time-limited project funding) is precisely the gap this paper seeks to name. Closing it will require political will that does not yet exist in EU institutions. But naming it clearly and showing that legal mechanisms like CLLD already demonstrate

⁴⁷ Regulation (EU) 2021/1058 of the European Parliament and of the Council of 24 June 2021 on the European Regional Development Fund and on the Cohesion Fund, 60 O.J. L. 231 (2021).

its feasibility in partial form, is how policy positions become regulatory realities. The history of European neighbourhood policy is a history of advocacy positions becoming mandatory requirements over successive programme periods.

4. Make participation a conditionality

Across Europe, participation has become an established feature of neighbourhood regeneration programmes. Mechanisms such as citizens' councils, consultations, and co-design workshops are now widely embedded in policy frameworks. Yet, as demonstrated throughout this paper, participation too often remains procedural rather than transformative, with limited influence over decision-making, resource allocation, or long-term strategy. This gap reflects a structural issue: participation is encouraged, but rarely required, resourced, or measured. If neighbourhood regeneration is to deliver lasting social outcomes, participation must move from being a principle to becoming a core operational condition of funding and delivery.

At EU level, this implies making meaningful participation a formal requirement within Cohesion Policy frameworks. Access to funding for neighbourhood regeneration should be conditional on the existence of co-designed neighbourhood plans and representative local governance structures. Member States could be required to demonstrate how residents are involved not only in consultation, but in shaping priorities and influencing decisions. A legal foundation for this reform already exists. The European Code of Conduct on Partnership (Commission Delegated Regulation (EU) No 240/2014) sets minimum requirements for stakeholder involvement across ESIF programmes, including civil society organisations and communities affected by funded interventions. The recent Council Recommendation, while not legally binding, represents formal political consensus among Member States that genuine citizens' participation not only creates a more democratic framework but leads to better outcomes, explicitly recommending the enhancement of participation tools in neighbourhood development projects.⁴⁸ Linking participation requirements to CLLD's governance architecture where communities hold structural decision-making power over delegated budgets rather than being consulted on institutional decisions, would give the Code of Conduct substantive rather than symbolic force. Conditionality, in this sense, is not an additional bureaucratic layer but a shift in the governance logic: from participation as a programme requirement to participation as the mechanism of delivery.

Linking a portion of funding disbursement to participation outcomes would also create tangible incentives for genuine engagement. Evidence consistently shows that participation does not emerge organically. It depends on time, trust, and capacity, all of which require sustained investment. Many past programmes have failed precisely because they assumed that communities could immediately engage with complex governance structures without support. Embedding participation therefore also means funding it properly: through community organisers, facilitators, and long-term support for local anchor organisations. Training in governance, budgeting, and project management is equally critical if residents are to engage on equal footing with institutional actors. A further step is to link participation to real control over resources. Without this, engagement risks remaining symbolic. Mechanisms such as participatory budgeting, small-scale flexible funding streams for community groups, and resident influence over specific allocations within neighbourhood plans can anchor participation in practice.

Participation must be measurable and visible within evaluation frameworks. Current monitoring systems tend to prioritise physical outputs and economic indicators, while neglecting the quality and depth of engagement. Introducing common European indicators on participation that capture the diversity of participants, degree of influence, and sustainability of local governance structures would align evaluation with policy objectives. Importantly, such frameworks should remain proportionate and avoid creating additional administrative burdens, particularly for smaller municipalities and community organisations.

⁴⁸ Council of the European Union. (2026, May 11). *Council recommendation on the New European Bauhaus* (Interinstitutional File: 2025/0412(NLE)). European Commission.

Conclusion

Over the past decades, European countries have developed a wide range of regeneration programmes to address the persistent and deeply rooted challenges faced by disadvantaged neighbourhoods. As this paper has shown, these experiences are neither linear nor uniform. While contexts differ, neighbourhood change depends on recognising the complex interplay between housing, employment, education, health, and social cohesion, on embedding these within approaches that go beyond physical transformation alone, and on rebuilding the social infrastructure of these places. Across Europe, locally driven initiatives such as community organisations, cooperatives, and neighbourhood networks have played a critical role in sustaining this effort. They provide context-specific responses, build trust, and anchor regeneration in the lived realities of residents. Yet, while participatory approaches have become more prominent, they remain uneven in depth and influence, often constrained by short-term funding, fragmented governance, and limited local capacity.

Most strategies remain confined to national or municipal frameworks, leaving a clear gap at the European level. This fragmentation is not due to a lack of knowledge, but to its dispersion. Europe has accumulated a substantial body of experience in neighbourhood regeneration, yet it remains insufficiently structured, unevenly applied, and weakly embedded in long-term, multi-level strategies. In a context of rising inequalities, pressure on housing systems, and declining social trust, this represents a missed opportunity.

The European Union now has a critical role to play. Moving forward, it should embed neighbourhood-level regeneration within Cohesion Policy through integrated investment frameworks, align funding instruments to support long-term, place-based interventions, and make participation and local governance core conditions of delivery. Without a deliberate shift toward the neighbourhood scale, Europe risks leaving its most fragile places structurally behind, despite decades of investment.

