



Viewing **regeneration** areas as **business** **opportunities**

**economic
development,
regeneration and
community
engagement**

**welfare to work,
wider role of
housing agencies,
learning and
skills**

Rocket Science is a
consultancy supporting
clients across the UK.
We help people to learn
from each other, to
manage and deliver
change and to improve
performance.

**young people
and youth
issues**

**creative
financial
solutions**

**effective
procurement**

Across the UK regeneration neighbourhoods are categorised according to their levels of deprivation. These indicators emphasise the weaknesses and deficiencies of these areas and say nothing about their assets and potential. This perspective reinforces the view of much of the private sector that these are areas to be avoided.

How can we change perceptions?

We need new data tools that analyse the market and investment potential of a neighbourhood focusing upon the strengths and not just the deprivation indicators.

Over the last ten years Social Compact, a not-for-profit organisation based in Washington DC, has pioneered the use of an innovative information tool, *Neighbourhood Market DrillDown*. This tool has helped forge strong new partnerships and catalyse hundreds of millions of dollars worth of investment in regeneration communities across the U.S. Rocket Science has been working with Social Compact to explore the feasibility of using this tool in the UK.

The *DrillDown* tool analyses the market and investment potential of a neighbourhood - focusing on its strengths and not its weaknesses.

Where would you invest?

Profile: Neighbourhood 1

- Twice the national rate of poverty
- Four times the national rate of overcrowding
- Ageing housing stock
- Above national average unemployment
- Perception of high crime

Profile: Neighbourhood 2

- Aggregate income of \$1.1 billion
- \$440 million spent of retail
- Median home sales value of \$315,000
- Average household income of \$55,400
- Falling property crime

Neighbourhood 1 is a 'no go' area for investors.

Neighbourhood 2 in contrast is a market that is ripe for private sector investment.

In fact, these profiles describe the same neighbourhood, an underserved community of 35,000 people in the city of Oakland, Northern California.

The profile of Neighbourhood 1, highlighting the deficiencies, was generated using the same census data cities use to leverage funding from central government. The profile of Neighbourhood 2 was developed using the *DrillDown*.

What's been the impact of the DrillDown?

The *DrillDown* is specifically designed to identify community strengths and market assets in neighbourhood areas previously termed 'deprived'. Outdated census and modelled data are enhanced with current economic and demographic information.

The *DrillDown's* success across America has been threefold:

- Existing public and private data sources are used to generate information that tends to show that deprived neighbourhoods are far larger, safer and have greater buying power than previously thought;
- *DrillDown* data provides the platform for new arenas of engagement between the public, private and community sectors;
- It has leveraged hundreds of millions of pounds in investment in some of the most deprived inner-city neighbourhoods.

"The strength of Social Compact's methodology lies in its ability to "drill-down" deeper into a market's demographics and go beyond the analysis of the U.S. Census and other mainstream analyses. The resulting data provided the most accurate market analysis available on purchasing power, market growth and demographics in Harlem's neighbourhoods."

***Gail Snowden, former MD,
Community Investment Group, Fleet Bank***

Local government across the UK is increasingly earning greater autonomy and flexibility (through new tax raising and planning and transport powers) to design and implement local economic development strategies that require greater involvement of the business community as partners and investors. To ensure these local strategies reflect the needs of businesses and investors, public-private partnerships need to be informed by a new generation of data tools which analyse the market potential of regeneration areas.

Piloting the DrillDown in the UK

Rocket Science is currently identifying appropriate neighbourhoods in the UK to pilot the *DrillDown*. As part of this we are assembling a leadership team comprising senior representatives from the public, private and community sectors to guide the *DrillDown* programme in the UK.

If you are interested in being involved in this project, then please contact **Jamie Alderslade** on **020 7253 6289**.

Please contact Keira Farley on 0131 226 4949 for a copy of our other **Rocket Science** leaflets.



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