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Title: URBAN GOVERNANCE, INSTITUTIONAL CAPACITY AND REGENERATING CITY CENTRES

Full Report of Research Activities and Results
URBAN GOVERNANCE, INSTITUTIONAL CAPACITY AND REGENERATING CITY CENTRES

SUMMARY

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The Issues

The issue of institutional capacity-building is currently being raised in many areas of urban policy and planning in Europe. However, the experience of urban regeneration special agencies and partnerships raises questions about the sustainability and innovation potential of some of the new practices. Do these new governance practices deliver on the claims being made for them? Do they really break old ways of doing things? Do new practices last? What institutional spin-off effects do they generate? How is it possible to tell? An important way to address such questions is by delving into the fine grain of institutional dynamics.

The Aim

The aim of our project was to investigate the qualities of the institutional capacity involved in, and generated through, an initiative in city centre management and regeneration. Specifically, we sought to identify the qualities of ‘institutional capacity’ and the ways such capacity is transformed. This required us to develop an evaluation framework. In this way, we aimed to make a contribution to the evaluation of policy processes, as a complement to the established evaluation focus on policy outputs, and to enrich the
conception of policy outcomes by expanding the conception of outcomes to include those related to governance capacity.

The Case

The case selected was the Grainger Town Partnership in Newcastle. This partnership faces the challenge of combining conservation and development initiatives in a situation where Council politics and priorities have been dominated by other priorities. The choice was made because of the ‘place development’ focus of the Partnership and because of the degree of access we could get to the governance processes involved in and around the Partnership.

The Evaluation Framework

We developed a framework for assessing the relational dynamics of the Partnership and its context which disaggregated the concept of institutional capacity into three dimensions: Knowledge Resources (range, frames, integration, openness/learning); Relational Resources (range, morphology, network integration, power relations); and Mobilisation Capacity (opportunity structure, arenas, repertoires, change agents). For each of these, we developed hypotheses about qualities which might enhance positive developments in building governance capacity for area development.

The Methods

The research involved four tasks. In the first and second steps, an account of the institutional setting and mapping the stakeholders was prepared. The third step involved an assessment of the relational dynamics of the Partnership and its context. This was done through developing the evaluation framework into more precise issues to explore in carefully-structured indepth interviews with a considerable sample of stakeholders, focusing on the dynamics of partnership working in general and specific issues and projects. There were also regular progress meetings with some of the principals. Data analysis and evaluation, using Nu*dist software, addressed the hypotheses generated by our evaluation framework.

Findings in relation to our original research questions

In our original proposal, we raised four research questions, linked to the nature of the knowledge resources, relational resources and mobilisation capacity available to and developing within the Partnership. These related to the significance of the density of social interaction and the extent to which ideas were shared; how far this fostered mobilisation and transformation of governance processes; the extent of dissemination of new ideas and practices; and the impact of supra-local policy cultures and practices.

Density of social interaction and shared conceptions

This case highlights the significance of the local institutional context. There was a dense array of social networks connecting those with considerable stakes in Newcastle City Centre. There was also a common awareness of the ‘problem’ and a shared vision of the future among a core group of people at the heart of the initiative. But these ideas were not widely diffused and there were many with stakes in the area who were outside this nexus and its ideas. Further, the existence of a shared awareness and vision among a core group did not release mobilisation capability because of the tensions over ownership and control of GTP among the key players. Nor did the GTP have an enduring priority for significant key players.
Mobilisation and transformation

The GTP case highlights the importance of the institutional inheritance. Although there was a strong nexus of relations among the core players at the centre of the initiative, there was mistrust among members, and only limited connections between these players and the array of groups and individuals with a stake of one kind or another in the City Centre. The GTP put a great deal of effort into widening the linkages with these other stakeholders. But it was difficult to sustain these when there were conflicts over control at the heart of the Partnership and competitive arenas for articulating City Centre networks. Thus GTP has lacked a rich inheritance of appropriate networks, except in a part of the business sector, and has been without a sufficiently strong institutional opportunity within which to promote new networks.

Dissemination of new ideas and practices

The GTP illustrates how power struggles and spoke-like network morphologies inhibit wider collective learning processes. Many of those involved commented on the learning they had experienced through involvement in the GTP, but this learning tended to be an ad hoc, atomised process. Individuals took their learning away, rather than disseminating it widely elsewhere. There was little involvement in collective agenda-setting. Stakeholders used different networks and ‘relational routes’ to accessing sources of information and power, and involvement in GTP did not help them to map out the various arenas where power and influence were exercised.

Impact of supra-local cultures and practices

The GTP shows that local initiatives are inhibited as much for local reasons as for supra-local ones. Supra-local forces encouraged the competitive bidding game, which provided the bulk of the resources for GTP. They channelled public subsidy into particular pots and agency responsibilities, which shaped who the key players were and their priorities. They demanded particular kinds of local practices, including Partnerships. They encouraged the division of responsibilities for the City Centre among different NCC departments. There was also continual re-organisation, disrupting local relationships and agenda setting. But local initiatives were also significantly compromised by local practices. The work of the GTP itself in building wider relations and more shared understanding was continually undermined by this wider context. It is not yet clear how these contextual conditions will develop.

Findings in relation to the evaluation framework

There was potentially access to a rich range of knowledge. However, there were only limited episodes of conscious reflection on the frames of reference which set the project parameters. Ideas and information were shared only among a penumbra of people linked to the project. Nor was there a rich infusion of new ideas. In contrast, a lot of effort was devoted to keeping the whole enterprise on track as far as the core players and funders were concerned.

As regards relational resources, the strong networks between the key players at the core of the initiative were primarily ones of convenience and mutual interest. They were characterised by a delicately handled endemic mistrust rather than open co-operation, and they were not of great breadth or richness. Many of the networks to which GTP related were hub-like rather than web-like. There were only limited linkages between ‘families’ of networks, except within the business community. Despite the qualities which the GTP sought to develop, the relations between the core players were often tense, rather than open and trustable, due to the conflicts over control of the initiative.
As regards *mobilisation capacity*, at the supra-local level, there were some structural opportunities available. However, both the local and the supra-local situations were too unstable to allow an initiative to flourish which focused on a contested territory (the city centre) and challenged local practices. There were too many arenas and too many change agents around. The capacity for collective strategic action was therefore limited. It is possible that new bases for a more strategic local governance are now emerging locally.
1. BACKGROUND

1.1 Context

The issue of institutional capacity-building is currently being raised in many areas of urban policy and planning. However, the experience of urban regeneration special agencies and partnerships raises questions about the sustainability and innovation potential of some of the new practices (Wilkinson and Appelbee 1999). Do these new governance practices deliver on the claims being made for them? Do they really break old ways of doing things? Do new practices last? What institutional spin-off effects do they generate? How is it possible to tell?

These efforts in institutional re-design are linked to wider shifts in governance, typically from welfare-state delivery systems to more dispersed and enabling governance forms. They raise descriptive and evaluative questions about the qualities and capabilities developed within these new forms. Although some of the literature in urban politics and planning has focused on the displacement of old structures with new, or with identifying new structures and 'regimes', empirical research mostly confounds such attempts. Instead a diversity of trajectories of evolution may exist in a single locality. Local institutional histories and the contingent pressures which affect particular localities combine with broad driving forces, leading to diverse outcomes, not merely from place to place, but from one institutional 'site' to another within a locality. Such findings emphasise the importance of delving into the finegrain of institutional dynamics.

Our project sought to contribute to understanding evolving urban and regional governance processes by identifying the qualities of ‘institutional capacity’ and the ways in which transformations in this capacity are taking place. We then sought to operationalise these to provide an evaluation framework, with potential for policy evaluation as well as urban analysis. In this way, we seek to contribute to the evaluation of policy processes, as a complement to the established evaluation focus on policy outputs, and to enrich the conception of policy outcomes by expanding the conception of outcomes to include those related to
governance capacity. We also contribute a focus on the significance of place-conceptions and place management and to the broader discussion of urban governance and management.

1.2 Approach and concepts

As discussed our original proposal and expanded in the papers presented with this report, our research is located in an ‘institutionalist’ analysis of urban governance processes. The challenge within the work of the present project has been to translate these general ideas into operational concepts and criteria for the purposes of analysis and evaluation. This involved specifying the concept of institutional capacity-building processes at two levels:

- Elaborating the meaning of institutional capacity, institutional capital and institutional capacity building, in the context of current debates on these issues, and situating our own approach.
- Elaborating the core concepts of our approach into research tools

We had already gone some way in this process when we submitted the research bid. We developed this work further, through a paper first presented at the AESOP Aveiro Congress in July 1998 and expanded, with some findings from the research, for publication in *Futura* (see paper submitted with this Report). We also organised a small seminar of researchers and policy practitioners in April 1999, part-funded by the ESRC Cities programme, on ‘Institutional Capacity and Urban Governance’. This allowed us to explore the conceptual ideas further. Below, we provide brief summaries of each of the key concepts we use.

**General Concepts**

1. institutional capacity
   
   Our conception of institutional capacity focuses on the webs of relations involved in urban governance, which interlink government organisations, those in private sector and voluntary organisations and those who in any way get involved in governance, that is, in collective action. We have consolidated Amin and Thrift’s concepts of ‘institutional capacity’ and the qualities of ‘local milieux’ into a conception of the institutional resources or ‘capital’, which are developed and made available through particular configurations of governance relations.

2. institutional capital (and the relation to social capital)
   
   There is a rapidly expanding but diffuse literature focused on trust, social networks and ‘social capital’. These ideas build on the perception that individuals are bound to others by relations of reciprocal trust (in families, religious groups, friendship networks, craftwork groups etc.). The term ‘social capital’ refers to these relational webs, or networks, and the ways of thinking and acting which bind them together. We discuss the institutional capital/social capital concepts further in Healey, Madanipour and de Magalhães 1999 (submitted with this report) and will be expanding the discussion in the book we are preparing from the April Seminar on *Institutional Capacity and Urban Governance*. We draw

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1 More precisely, we are positioned as ‘sociological’ institutionalists, developing tools for ‘interpretive’ policy analysis
3 The qualities they identify are: The six qualities they identify are: the persistence of local institutions, a deepening ‘archive' of commonly-held knowledge (formal and tacit), institutional flexibility (the ability of organisations to change), high innovation capacity (‘as the common property of a locality’ (p.104)), capacity to develop relations of trust and reciprocity, and a sense of a widely-held common project. (Amin and Thrift 1995)
specifically on Innes’ distinctions between three forms of capital which are deployed in interactive governance contexts: intellectual capital (knowledge resources), social capital (‘the stock of trust’ available to actors and political capital (the capacity to act collectively) (Innes et al 1994, Innes and Booher 1999). To avoid the currently often confused and broad use of the term 'social capital', we use the term ‘institutional capital’ to describe Innes’ three types of capital. As outlined in our research proposal, we recast Innes’ typology into: knowledge resources, relational resources and mobilisation capacity, and the first two leading to the third. It is through the analysis of this three-fold ‘nexus’ of institutional capital that we operationalise the concept of institutional capacity.

3. institutional capacity-building

Through this concept, we introduce a dynamic and developmental dimension into the analysis of institutional capital. This emphasises not just what institutional capital exists, but also how new resources are created and sustained.

Specific concepts and criteria

A central part of our work has been the specification of the concepts of knowledge and relational resources and mobilisation capability into criteria for analysis and evaluation. We have done this through reviews of the literature in each area, and developing our ‘institutionalist perspective in relation to them. They are discussed in more detail in Healey, Madanipour and de Magalhães 1999.

1. Knowledge Resources (K)

Social constructivist conceptions of knowledge focus attention on formalised knowledge, tacit knowledge and experiential understanding, operating at multiple levels, from deep structures to ‘information. Such a focus expands and enriches the current research attention on ‘policy discourses’5 by exploring the micro-dimensions of discourse development. This has led us to identify four criteria through which to characterise the knowledge resources deployed in a governance process:

Range - that is, scientific/analytical, technical, craft-based (including the craft-skills of policy work), common-sense, as manifest in formal presentations and justifications, in formal events, in reflections by participants, and in routine practices. We concentrated on place qualities, the ‘problem’ of urban ‘decay’, institutional relations and their power dynamics, and specific issues relevant to conservation and development processes.

Frames - that is, the underlying conceptions that shape the meanings and interpretations given to the flow of information and the ‘policy theories’ which are deployed. This can be found through the referents, which are called up as people justify their ideas, the distinctions they make and the boundaries they notice.

Integration - this refers to the extent to which the range and frames are seen and used as interlinked or disparate, and whether deliberate attempts are made to translate types of knowledge and frames of reference from one discussion arena or practice to another.

Openness and learning - this relates to the capacity to absorb new ideas, to mesh these with local ‘traditions’, to search for new ways of understanding and acting, and to access new sources of information and inspiration. This indicates the permeability of the frames of reference to new stimuli and opportunities.

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2. *Relational Resources (R)*

Our approach assumes that individuals are embedded in, potentially several, webs (or networks) of social relations. The webs may have different forms or morphologies. Their morphology affects both how ‘accessible’ they are and the definitions of insiders and outsiders. This in turn affects their power relations. In researching institutional capacity-building processes, the task is to examine the dynamic dialectics of the relations between particular governance arenas and the webs of relations which pass through them. Such analysis relates to the considerable contemporary research on policy networks and arenas\(^6\). We have used the following four criteria to identify the qualities of the relational resources being deployed and developed in our initiative, and the way these shape attitudes to place, process and change:

- **Range** - who are the key players active in and around the partnership, how do they relate to all potential stakeholders in the area, what networks are important to them, and to the other stakeholders, what bonding values hold them together, what divisions and boundaries do people refer to, how do these link to wider dimensions of cultural identity?

- **Morphology** - this refers to the ‘architecture’ of networks and the linkages between them. This encompasses not only the density (or ‘thickness’) of network interconnections, but identification of their patterns (e.g.: web, hierarchy, hub/spoke, corridor; that is, their ‘route structure’), their spatial and temporal reach and the ‘referents’ which identify these and their nodal points or arenas.

- **Network integration** - this refers to the extent to which the relational webs which transect a locality are integrated with each other. The most extreme possibility of integration is the idealised ‘place-based community’ or gemeinschaft, but we anticipated all kinds of ‘communities’ and links between them.

- **Power relations** – these are understood in our perspective in a general way as infusing all relations. Here we focus specifically on the perceptions of who, within the array of stakeholders and networks, has the power to act and who has power over whom. We also examine the authoritative, allocative and ideological structuring forces to which the networks link\(^7\) and the ability of network members to influence these.

3. *Mobilisation Capacity (M)*

Knowledge and relational resources within a locality provide a reservoir for urban governance initiatives. But they need to be deliberately mobilised to release their potential. To analyse mobilisation we have drawn in particular on Tarrow’s discussion of social movement dynamics (Tarrow 1994). He identifies four dimensions to such dynamics: a political opportunity structure, the availability of ‘symbolic frames’ of reference around which people can mobilise (included in our knowledge resources), the availability of social networks which can connect the leaders and the core of a movement to its base (our relational resources), and ‘repertoires’ of ways of acting to achieve change. Drawing on these ideas, we have used the following four criteria for identifying the qualities of mobilisation efforts.

- **Opportunity structure** - what perceptions of the desirability, opportunities and constraints on institutional change are held by the various stakeholders, and what issues are selected to

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\(^6\) For example, Muller and Surel 1998, Vigar et al 2000

\(^7\) See Giddens’ structuration theory, Giddens 1984
mobilise around. How far are these perceptions and issue agendas widely shared or are they diffuse and divergent?

Arenas - what institutional loci are the targets of mobilisation efforts? What institutional ‘spaces’ are being developed by stakeholders to take advantage of opportunities? How are stakeholders considering access to them (i.e. through what 'routes' to power)? Is there agreement on both the arenas and the routes to reach them?

Repertoires - what is the array of techniques of mobilisation which are considered or are in the experience of stakeholders? How far is there agreement on the repertoires to use? Is there experimentation in adapting techniques or developing new ones? Are new techniques being developed?

Change agents - which people are critical to the mobilisation effort and at what stages? Is it widely recognised who they are?

1.3 Research Hypotheses

The specification of above the criteria allowed us to generate hypotheses about the characteristics of governance processes which have the qualities of achieving the beneficial qualities of local ‘milieux’ identified by analysts and sought by policy makers. These are summarised below:

Knowledge Resources
• access to and use of a rich range of knowledge,
• conscious reflection and development of frames of reference,
• attributes are shared among a broad range of those involved,
• the range and frames are continuously developed through introduction and invention of new ideas, and the renewal of established ones.

Relational Resources
• a web of relations involved in the initiative which is broad in the stakeholders it reaches and rich in the bonds which bind the networks
• web-like patterns, but with clear nodal points, to which access from many points is possible,
• sufficient network integration channels so that connections can be made between key locality-focused nodal points in ‘families’ of networks,
• good links with regulatory and resource allocating power, characterised by open, sincere and trustable relationships.

Mobilisation Capacity
• located in contexts where there are structural shifts which create opportunities for change and where local actors are astute in local positioning relative to them
• a capability to identify the arenas where key resource and regulatory power lies and a capacity for sustained targeting of these arenas.
• a rich repertoire of mobilisation techniques and a capacity for explicit selection of appropriate techniques for specific situations (a capacity for ‘strategic action’).
• access to skilled ‘change agents’ to operate at critical ‘nodal points’ on the routes to ‘power’.
1.4 The Case: The Grainger Town Partnership, Newcastle

We selected as our ‘window’ on urban governance processes, an example of a city centre partnership funded by English Partnerships, the Single Regeneration Budget, English Heritage and Newcastle City Council. This partnership faces the challenge of combining conservation and development initiatives in a situation where Council politics and priorities have been dominated by the poverty and other difficulties faced by many constituents, especially in the inner neighbourhoods. The choice was made because of the ‘place development’ focus of the Partnership and because of the degree of access we could get to the governance processes involved in and around the Partnership. There was no prior expectation that the Partnership was either an illustration of best practice or being operated in a particularly favourable context. To assist us in our work, our colleague, John Pendlebury, a conservation expert, joined us on the research team and became fully involved in the empirical research and analysis work.
### Figure 1: Chronology of the evolution of the Grainger Town Project

<table>
<thead>
<tr>
<th>Date</th>
<th>Key Actors and Relations</th>
<th>Key agendas/discourses</th>
</tr>
</thead>
<tbody>
<tr>
<td>1989</td>
<td>Newcastle City Council</td>
<td>Conservation</td>
</tr>
<tr>
<td>1990-92</td>
<td>Newcastle City Council, English Heritage (national), The Newcastle Initiative, DoE (regional)</td>
<td>Conservation, Consultancy Study: The Grainger Town Study</td>
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<tr>
<td>1993-94</td>
<td>Newcastle City Council, English Heritage, DoE (regional), - seeking funding, - Conservation Area Partnership/LOTs scheme/SRB1</td>
<td>Conservation</td>
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<tr>
<td>1994-96</td>
<td>Newcastle City Council, English Heritage, English Partnerships (national/regional), GONE, EDAW consultants</td>
<td>Regeneration agenda, The ‘European City’</td>
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<tr>
<td>1998</td>
<td>As above, with the Business Forum, Urban Design Panel</td>
<td>Regeneration Agenda, The ‘European City’, Co-ordination of public sector activity, Shaping market expectations</td>
</tr>
<tr>
<td>1999</td>
<td>GTP Partnership, Newcastle City Council, English Partnerships, TNI/Chamber, GTP Forums and Panels, English Heritage</td>
<td>Property development and investment, Public realm strategies, Co-ordination of public sector activity</td>
</tr>
</tbody>
</table>

### 2. OBJECTIVES AND HOW WE HAVE MET THEM

The objectives in our original proposal remain unchanged.

1. To investigate the processes of institutional capacity building in relation to the promotion and regeneration of key focal points in urban regions
   
   *This has been achieved by our focus on a city centre partnership in the ‘Regional Capital’ of the North East. The Partnership’s territory is the symbolic historic core of Newcastle City Centre, whose commercial and cultural significance has been undermined by a series of developments around it, particularly in the 1960s/70s and 1980s/1990s.*

2. To refine the conceptual and methodological tools for the evaluation of social capital and of processes of institutional capacity building, in the context of urban region policies
   
   *We have developed a conceptual approach and an evaluation framework, as outlined above. From our analysis so far, this is proving robust. When our analysis is completed, we intend to test the framework, with some modifications, in other city centre contexts.*
2. To test empirically the proposition that social capital can be identified through the identification of the actors involved in each of the stages through which a place-making initiative evolves, their strategies, networks, and their perspectives on place and on the initiative itself.

We have approached this through the specification of our three forms of ‘capital’ – knowledge resources (intellectual capital), relational resources (social capital) and mobilisation capacity (political capital). We are finding the focus on actors and networks, and on conceptions of place and process, very fruitful. We are still assessing how much further it is necessary to go below our more detailed specification of the four qualities of our three forms of ‘capital’ in order to capture what is going on. Our use of the programme, Nu*dist, has been helpful in this regard.

3. Specifically, to investigate the governance capacities required for the enduring revitalisation of key parts of city centres, focusing on the processes of evolution of a major and multi-faceted initiative to promote a neglected part of Newcastle City Centre of national heritage importance (The Grainger Town Partnership).

We are preparing an account of the capacities available for the GTP and how far capacities developed during the GTP’s activities are likely to endure. Our interim conclusions are summarised in the Results section of this report.

4. To assess the qualities of the relational and knowledge resources, and the mobilisation capacity which are deployed in, and transformed through, the Grainger Town initiative, to create sustainable institutional capacity for the regeneration of the area.

We have examined these qualities through our evaluation framework. Our conclusions suggest that valuable qualities are being developed through the work of the Partnership but that there difficulties in spreading these more widely into the governance context. This is primarily because of the qualities of the local institutional context, but also to do with the wider governance context. In this conclusion, our findings echo those in analyses of many neighbourhood regeneration partnerships.

3. METHODS

As we anticipated in our proposal, the research involved four main tasks. The first was an account of the institutional setting of city centre governance, based on secondary sources, existing knowledge within the research team and 12 unstructured preliminary interviews with key actors in the city’s governance nexus. The second task was the ‘mapping’ of the actors involved in the initiative. The same sources were used. We used our knowledge of key formal and informal structures directly and indirectly related to the GT Partnership to situate stakeholders in their positions and in relation to one another. The third task (the assessment of the relational dynamics of the GTP) involved two sets of activities:

1. Adapting the core concepts of our approach into research tools (see Section 1.2 above)
2. Building data gathering tools for collecting information on the relatively abstract concepts our research deals with.

The second set required the design and conduct of two rounds of long, in-depth interviews with stakeholders located in the various institutional spaces in and around the GTP. For the first round we interviewed 10 stakeholders in different positions in the GTP structure (board, consultative fora and panels). For the second round we targeted 30 stakeholders in various positions within or around outside the partnership structure, but related to instances, episodes or issues, which are key to the success of the initiative. All the interviews covered aspects of K, R and M directly relevant to the degree and nature of
involvement of each stakeholder. This meant having different sets of interview proformas for the different groups of stakeholders. They were all transcribed verbatim, as how the interviewees formulated the issues was as important as the issues themselves. The reduction of the number of structured interviews to 40 (instead of 60 as in our research proposal) came as a consequence of a more realistic assessment of the amount of time available for setting up, conducting, transcribing and analysing these interviews, and our continuing opportunities for ongoing discussions on a regular basis with those involved in the work of GTP. The reduction was done immediately after the first round. Consequently, the second round was conceived in a way that compensated for this reduction without compromising the quality of the research results.

The fourth task (data analysis and evaluation of the qualities of K, R and M, and their implications for the partnership) required a stage-by-stage approach (see Figure 2). This came out of the need to derive our more abstract quality criteria for K, R and M from the substantive and topical information provided by the interviewees.

- 1st stage (data organisation): This involved arranging the interview data according to the substance of its content. The headings reflect the nature of the questions we posed to the interviewees about their experiences and understanding of their participation in the GTP. The results were consolidated into a database of substantive issues affecting the evolution of the GTP. Nu*dist software was used for this purpose.

- 2nd stage (initial analysis): Here we converted our database of ‘substantive issues’ into an ‘issues’ database. This was a necessary intermediate step towards connecting the interviewees’ views on GTP issues and processes to our quality criteria for K, R and M (see section 1.2). Nu*dist software was used again in this stage, but its benefits were less clear cut as in the previous stage. The extensive codification implied by this stage proved to be time-consuming and unwieldy. More generally, as the stage progressed we realised that the 2 levels of coding we had initially devised could be reduced to just one without compromising the quality of the analytical process.

- 3rd stage (intermediate analysis): This involved relating the now conceptually organised empirical data (our ‘issues’ database) to the quality criteria for K, R and M. It consisted of the application of those criteria to the organised data.

- 4th stage (final analysis): This is the stage we are currently at. We are now consolidating our analysis of the quality of K, R and M available to the GTP and the overall impact of that quality on the evolution of the partnership and its prospects.
## Figure 3: Methodology for data analysis

<table>
<thead>
<tr>
<th>Core concepts</th>
<th>Stage 1 (Nu*dist) Data Organisation</th>
<th>Stage 2 (Nu*dist) Initial Analysis</th>
<th>Stage 3 Intermediate Analysis</th>
<th>Stage 4 Final Analysis</th>
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<tbody>
<tr>
<td>Knowledge Resources</td>
<td>Stage 1 (Nu*dist) Data Organisation</td>
<td>Stage 2 (Nu*dist) Initial Analysis</td>
<td>Stage 3 Intermediate Analysis</td>
<td>Stage 4 Final Analysis</td>
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<td>1. Problems</td>
<td>1. Referents</td>
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<td>2. Qualities</td>
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<td>IMPACT OF QUALITY OF KNOWLEDGE RESOURCES ON INSTITUTIONAL CAPACITY OF THE GRAINGER TOWN PARTNERSHIP</td>
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<td>3. GT in the city</td>
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<td>4. Key interventions</td>
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<td>FRAMES</td>
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<td>5. Property Market</td>
<td>2. Images</td>
<td>Experience</td>
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<td>6. Culture and leisure</td>
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<td>Other</td>
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<td>7. Conservation</td>
<td>3. Depth</td>
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<td>INTEGRATION</td>
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<td>8. How to regenerate</td>
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<td>10. Essential skills</td>
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<td>11. Essential Legislation</td>
<td>1. Impact</td>
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<td>OPENNESS/LEARNING</td>
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4. RESULTS

We are in the middle of drawing together the findings from all our different sources of evidence to produce a full working paper on our study. We intend to make this available as a Working Paper from the project. We anticipate completing this by the end of the year. Here we summarise our interim findings in two ways, firstly in relation to the research questions outlined in our original proposal, and secondly, in relation to the hypotheses listed in Section 1.3 above.

4.1 Research questions

1. How far are a pre-existing, broadly-based and dense array of social networks, a high degree of shared awareness of, and access to, both internal and external knowledge resources, and a stable, broadly-shared conception of place identity critical to the efficiency and effectiveness of mobilisation and transformation initiatives? (see objective 3)

*The Grainger Town Partnership case highlights the significance of the local institutional context. There was a dense array of social networks connecting those with considerable stakes in Newcastle City Centre. There was also a common awareness of the ‘problem’ among a core group of people at the heart of the initiative. There was some agreement on a vision for the future of the Grainger Town area, linked to a specific conception of a ‘European city’ ambience. This has been built up by development work undertaken before the Partnership was formally constituted and reiterated within the work of the Partnership and in the City Council’s recent efforts to prepare a plan for the City Centre as a whole. But these ideas were not widely diffused and there were many with stakes in the area who were outside this nexus and its ideas. Further, the existence of a shared awareness and vision among a core group did not release mobilisation capability because of the tensions over ownership and control of GTP among the key players. Nor did the GTP have an enduring priority for significant key players.*

2. How far is success (in terms of product and process) of mobilisation and transformation initiatives dependent on developing a shared understanding and on ‘harmonising’ the knowledge and relational resources of key stakeholders, and how is this brought about? (see objective 4)

*The GTP case highlights the importance of the institutional inheritance. Although there was a strong nexus of relations between the Council, the dominant players in the business community, and English Partnerships, there was mistrust among members (‘fences’), and, more fundamentally, only limited connections between these players to the array of groups and individuals with a stake of one kind or another in the City Centre. City Centres as locales have an inherent complexity in their stakeholders. Fostering the confidence and innovative energy of these stakeholders is a necessary part of maintaining the dynamism of city centres in the contemporary context. The GTP staff put a great deal of effort into widening the linkages with these other stakeholders. But it was difficult to sustain these when there were conflicts over control at the heart of the Partnership and competitive arenas for articulating City Centre networks. Thus in the late 1990s, GTP lacked a rich inheritance of appropriate networks and was without a sufficiently strong institutional opportunity within which to promote new networks.*

3. Which factors encourage and which inhibit the extent to which the learning generated within a mobilisation and transformation initiative spreads into the wider networks of the participants, and in what circumstances does such learning enhance the overall institutional capacity for place-making initiatives? (see objective 5)
The GTP illustrates how power struggles and network morphologies inhibit wider collective learning processes. Many of those involved commented on the learning they had experienced through involvement in the GTP. Stakeholders learned about specific opportunities, and about the priorities, strategies and ways of working of others, particularly the City Council and the public sector generally. But this learning tended to be an ad hoc, atomised process. Individuals took their learning away, rather than building it into new developments within GTP or disseminating it widely elsewhere. There was little involvement in the kind of learning which develops around setting agendas, as the agendas tended to be pre-set. Stakeholders used different networks and ‘relational routes’ access sources of information and power, and involvement in GTP did not help them to map out the various arenas where power and influence were exercised. The limits on collective learning processes identified can be linked to the conflicts over control of arenas and over the territory of the city centre, and to the different morphologies of the relational networks which connected stakeholders to GTP.

4. How far are local initiatives compromised by supra-local policy cultures and practices which encourage vertical rather than horizontal governance relations, competition rather than collaboration among stakeholders and a focus on projects and products rather than strategy and process? (see objective 4)

The GTP shows that local initiatives are inhibited as much for local reasons as for supra-local ones. Supra-local forces encourage the competitive bidding game, which provided the bulk of the resources for GTP. They channelled public subsidy into particular pots and agency responsibilities, which shaped who the key players were and their priorities. They demanded particular kinds of local practices, including Partnerships. They encouraged the division of responsibilities for the City Centre among different Council departments. They also continually re-organised, disrupting local relationships and agenda setting. But local initiatives focused on place promotion and development were also significantly compromised by local practices – the way NCC played the bidding game, the local NCC culture of control, the departmental traditions, the competition between initiatives promoted by different groups of stakeholders under different regimes, even competition for ownership of ‘visions’ and ‘strategic ideas’. Thus the work of the GTP itself in building wider relations and more shared understanding was continually undermined by this wider context.

4.2 Comments on the Hypotheses

The GTP case does not invalidate any of the hypotheses outlined in Section 1.3. It is also important to stress that the Partnership is having some considerable material effects in its part of the City Centre. However, the hypotheses serve to illustrate the missing ingredients in the institutional situation in which GTP had to work and its limited opportunity to make a difference by building new institutional capacities.

Knowledge Resources

There was potentially access to a rich range of knowledge. However, there were only limited episodes of conscious reflection on the frames of reference which set the project parameters. Ideas and information were shared only among a penumbra of people linked to the project through various consultative fora and panels, despite considerable efforts by GTP staff to broaden involvement and awareness. Nor was there a rich infusion of new ideas, with in contrast, a lot of effort devoted to keeping the whole enterprise on track as far as the core players and funders were concerned

Relational Resources
The strong networks between the key players at the core of the initiative were primarily ones of convenience and mutual interest. They were characterised by a delicately handled endemic mistrust rather than open co-operation, and they were not of great breadth or richness. Many of the networks to which GTP related were hub-like rather than web-like, if there was any network behind a stakeholder at all. There were only limited linkages between ‘families’ of networks, except within the business community. Despite the qualities which the GTP sought to develop, the relations between the core players were tense, rather than open and trustable, due to the conflicts over control of the initiative.

Mobilisation Capacity

In this case, at the supra-local level, there were some structural opportunities available. However, both the local and the supra-local situation were too unstable to allow an initiative to flourish which focused on a contested territory (the city centre) which challenged local practices (in both the private and the public sector). There were too many arenas and too many change agents around. The capacity for collective strategic action was therefore limited. It is possible that new bases for a more strategic local governance to emerge are now being laid in Newcastle, as the Council struggles to shift towards more strategic, enabling practices. The problem for GTP thus lies in large part in its timing in the trajectory of change in governance.

5. ACTIVITIES

Associated with the research project, we organised a Seminar in April in Newcastle on Institutional Capacity, Social Capital and Urban Governance, sponsored in part by the ESRC Cities programme. A report is featured in the recent Newsletter of the Programme. We are now working on a book from the seminar, including special prepared papers from a range of contributors.

We have also been working with Dr Goran Cars, of KTH, Stockholm, and with colleagues at Chalmers University, Gothenburg, on a comparative study of urban governance in Gothenburg and Newcastle, using a similar framework and focusing approach to the present study. In parallel, we have been building up contacts for the wider study we have always planned, which will allow us to develop and test our approach in different contexts.

6. OUTPUTS

1. Healey P 1998 Building institutional capacity through collaborative approaches to urban planning Environment and Planning A Vol. 30 pp 1531-1546
4. Pendlebury J 1999 Place Identity and City Centres, paper to Planning Academics Conference, Sheffield, April
7. IMPACTS

Our close involvement with the GTP has added to the knowledge resources and relational resources available to the Partnership, though we have addressed our role in this as ethically as possible.

We have also used our research to link to our graduate teaching, which has added some complementary activities to this research.

When we discuss our ideas with practitioners, they find the approach very helpful. There has also been considerable interest in our work when presented at research meetings.

8. FUTURE RESEARCH PRIORITIES

We plan to expand our work in two ways:

1. A comparative study of governance mechanisms for managing and regenerating city centres, to illustrate situations where there are different institutional inheritances and contexts. This could be a study within the UK, but we also have the opportunity to undertake this in a few European cities, which would help to highlight institutional differences.

2. A study of governance capacity in relation to the management and regeneration of several types of locales in two cities with very different institutional contexts. The two cities we are considering currently are Newcastle and Gothenburg.

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