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local focus national voice

# The value and importance of neighbourhoods – and the vital role of local infrastructure

## NAVCA



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# The value and importance of neighbourhoods: and the vital role of local infrastructure

## Summary

A renewed focus on neighbourhoods across public services, regeneration and local democracy creates a major opportunity to draw on the strengths of the VCSE sector and local community action. Neighbourhoods are where community activity can meet public service delivery, enabling services to be designed with communities, not done to them.

For this to work, neighbourhoods need to be recognised as places of engagement and connection, where residents, the VCSE sector and public services work together around shared priorities. Local infrastructure organisations (LIOs) make this possible. They connect people to facilitate social action, they convene networks of communities, so energy, ideas and knowledge are shared, and they bridge the VCSE sector with statutory systems to build trusted relationships and help turn local insight into better services.

This work needs proper investment and recognition. Strong neighbourhoods rely on the specialist role of LIOs – supported by strategic partnerships and stable, long-term funding.

## Neighbourhoods – where we live our lives

**The term neighbourhood has been used over many years to describe the area around a person's home.** This could be a few streets, a suburb, part of a village, town or city that is familiar. There is no single definition, but it is a term which is readily recognised, is about both place and identity, and is loaded with meaning and value. For a person, their local neighbourhood is the place where they live, a place of belonging, and it has meaning for them and those around them. Neighbourhoods are places of relationship and connection, of shared knowledge and experience that can lead to high levels of trust and resilience. Neighbourhoods can also bring a certain degree of baggage – a negative view of problem areas, of deprivation and decline, and of issues and challenges that run through generations.



Against this backdrop, recent developments in government policy and delivery have given the concept of neighbourhoods more prominence, in at least five different areas:

1. **delivery of health and care services** – Integrated Neighbourhood Teams and provision of neighbourhood health services
2. **regeneration and economic development** – Plan for Neighbourhoods, Trailblazer Neighbourhoods, coming together in the Pride of Place Strategy
3. **community cohesion** – the Common Ground Fund
4. **devolution and local government reorganisation** – the introduction of neighbourhood governance within new unitary authorities, and the extension of this to all areas of England
5. **local democracy** – rekindling an interest in this through community participation in all of the above.

This is a welcome approach, signifying a desire to position delivery and decision making closer to where people are, to align delivery with need, and to meet need in areas described as being doubly deprived [being both economically deprived and lacking in social infrastructure]. A renewed focus on neighbourhoods creates the opportunity for a ‘do with’ approach that values the knowledge and experience of the people who live there, and works with them instead of doing to them. However, if the focus on neighbourhoods becomes exclusively about transactional delivery rather than building relationships and trust, the opportunity for holistic change will be lost.

## **Neighbourhoods – places of social action and connection**

**Neighbourhoods are also places of social action, where we ‘do the stuff that matters to us.’** They are where people come together in toddler groups, men’s sheds, for litter picks and lunch clubs. It is where people connect and form relationships, where they get to know and support each other and build community.[1] Many community organisations are formed and exist in this context, to enable social action, where people come together to ‘do’ and ‘be’. These community groups, based around common interests as well as place, form a major part of the voluntary, community and social enterprise sector [VCSE].

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[1] The terms neighbourhood and community are often used synonymously. For these purposes, community is used to describe a smaller entity than a neighbourhood [as defined by population or area] and to represent communities of interest or shared values.



**Neighbourhoods are the level at which bottom-up community action and progressive public service delivery can and should intersect.** If done well, partnerships could better meet the needs of local people and enable people to flourish, but it is difficult to make that connection. Communities and neighbourhoods are contested concepts with multiple definitions at play. Whilst we all recognise and can define the neighbourhood in which we live, there is overlap and confusion in public service delivery terms that define neighbourhoods on larger, often variable scales and do not recognise smaller scale communities. Moreover, despite undoubted progress in introducing consultation into public service design and delivery, this is often limited in scope and does not enable community power.

**Community power comes through the participation of people and VCSE organisations in partnerships that contribute directly to decision making and democracy.** Community-based VCSE organisations hold the space for people to develop shared purpose and have the organisational structures through which to do things differently. The We're Right Here campaign sets out a vision for community power – where people have common assets and the leading say in creating the future for their neighbourhood. Near Neighbours bring people together that are religiously and ethnically diverse to share their lives, build relationships of trust, and collaborate. These, and other programmes and campaigns enable, promote and are catalysts for activity that contributes to more resilient communities, with a shared voice in their future.

**The current focus on neighbourhoods creates an opportunity to devolve and share power and decision making at a level that will make a difference.** This approach contrasts with much of public service delivery, which still relies on top-down ways of working. Without fundamental change to who holds and wields power, the move to neighbourhood level delivery is doomed to failure. We are at a turning point – we cannot keep doing the same things with the same outcome. As well as delivering closer to the ground in neighbourhoods, public services need to 'do with' [2] people and communities. At the same time, communities need the space, the resource and the trust to come together and create change. The challenge is the connection between the two approaches – both are needed.

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[2] NAVCA is part of the #DoWith network, committed to a radical shift in how the public sector works with people from 'doing to' to 'doing with' <https://www.kingsfund.org.uk/insight-and-analysis/projects/do-with>



## Neighbourhoods and public service delivery

**A neighbourhood focus for public sector delivery is welcome, bringing service delivery closer to people and potentially enabling their participation in decisions that affect them.** However, neighbourhoods within Integrated Care Systems are defined as populations of 30–50,000 people, a scale far beyond the immediacy of local communities or neighbourhoods. They have become central to the delivery of health services through Integrated Neighbourhood Teams and the National Neighbourhood Health Implementation Programme, amongst other NHS programmes.

**Regeneration, economic development and community cohesion policy have all embraced the concept of neighbourhoods.** Neighbourhood Boards are an integral part of the Pride in Place strategy, enabling community and VCSE participation in decision making on allocation of regeneration funds. They typically cover neighbourhoods of around 10,000 people, but may be considerably larger. In the context of local government reform, neighbourhood governance will be introduced to all local authorities in England to further devolve power and decision making to local level on a scale yet to be determined.

Experience from existing neighbourhood governance structures, such as boards and area committees, shows that when membership and leadership is largely limited to elected councillors, and local people or the VCSE sector are not fully involved, these structures risk becoming disconnected from community realities. The insight, experience and needs of local people can easily be lost.

**Even though neighbourhoods are now central to delivery, approaches still tend to be top-down, without recognising that real solutions come from working alongside communities, not just through services.** Public services can help meet people's basic needs, but it's local relationships, connections and networks that enable neighbourhoods to thrive and build lasting resilience.

This is achieved not only through specialist services focused on addressing a specific deficit in someone's life, but through the breadth and depth of the diverse VCSE sector, offering a broader response to local need and building on existing assets. VCSE organisations can be responsive to need, enable people to solve problems and achieve their aspirations in a flexible and agile way that public services find difficult.



**Neighbourhoods are more than service delivery areas – they are places where civic engagement can grow, trust can be rebuilt, and people can find shared purpose. When connections deepen, social capital strengthens and opportunities for health, learning and employment follow.**

To do this, neighbourhoods need to be understood as places of engagement, relationship and connection between the people living there, the VCSE sector and public service providers. These relationships are enabled and facilitated by local VCSE infrastructure support organisations [LIOs], who act as a bridge and connector between people and the statutory sector.

### **The role for local infrastructure in neighbourhood policy and community power**

For both public service delivery and community level social action to be effective, convening, connecting and bridging are needed. This does not happen on its own or by accident. It is the outcome of the purpose and specialisms of local VCSE infrastructure support organisations [LIOs].

Recent research commissioned by DCMS identifies five distinct functions for local infrastructure:

1. facilitating funding for VCSE organisations
2. community participation, promoting community activities, volunteer brokerage and capacity building
3. VCSE organisational and strategic development and training
4. convening to bridge together VCSE networks, build collaborations and partnerships within and between sectors
5. advocacy with and for the VCSE sector with statutory partners.[3]

The research demonstrated that there are direct benefits from the work of LIOs to enable a thriving VCSE sector, specifically: increased access to funding, greater connections and increased confidence, with benefits to local communities through stronger frontline organisations and increased volunteering activities.

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[3] Local Civil Society Infrastructure (LCSI) R&D Programme – final research report, published 11 July 2025. <https://www.gov.uk/government/publications/local-civil-society-infrastructure-lcsi-rd-programme-final-reports/local-civil-society-infrastructure-lcsi-rd-programme-final-research-report>



Statutory bodies gain clearer insight into local needs, stronger commissioning, and better policy decisions when LCSI organisations act as an effective bridge – creating the conditions for open, honest communication between the VCSE sector and public services.

These outcome pathways from the connecting, bridging and convening roles lead to the impacts of:

- more capable VCSE organisations
- stronger place-based systems
- more resilient communities.[4]

**Strong local infrastructure is adapted to the needs of the local context, is knowledgeable about the local area, and builds effective relationships with statutory partners and the VCSE sector.** In areas with strong LIOs, the VCSE sector is more connected, has more access to funding, and is plugged in to wider developments and decision making. LIOs work best when there is a close relationship with the public sector so that decision-makers in local government and health systems have a strategic interest in LIOs, recognise their value, and know how it supports their own priorities.

In contrast, in areas with relatively weak or absent LIOs, the VCSE sector is less supported and more fragmented, and less successful in obtaining grant funding, resulting in isolation, duplication and competition amongst frontline VCSE organisations. Funders reported fewer grant applications from local VCSE organisations in these areas.

**This work of connection, bridging and convening needs investment to develop and extend existing capacity, and recognition as specialist roles and functions.** Local infrastructure is limited by the availability of sustainable funding and the nature of strategic buy in from statutory partners. Significant action is required to:

1. address the root causes of problems within the funding system
2. further develop local strategic cross sector relationships and partnerships, particularly in areas where these are less well formed currently.

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[4] <https://www.gov.uk/government/publications/local-civil-society-infrastructure-lcsi-rd-programme-final-reports/local-civil-society-infrastructure-lcsi-rd-programme-final-research-report>



## What next?

The renewed emphasis on neighbourhoods in public services, regeneration and local democracy offers a rare opportunity to reshape how services work. When bottom-up community knowledge from the VCSE sector is combined with the top-down delivery of public services, we can develop approaches that respond effectively to local needs and drive meaningful change. **This is an opportunity to invest in the connections and relationships that empower people and communities to bring about the changes needed for neighbourhoods to thrive.**

## Notes

NAVCA is the national membership body for local infrastructure organisations, with 184 members covering more than 80% of local authorities in England, supporting around 165,000 VCSE organisations. Find out more at <https://www.navca.org.uk/>

Within health policy in England neighbourhoods are defined as an area covering a population of 30,000 to 50,000, as part of a tiered description of an area: neighbourhood, place [250,000 people] and system [1.5m people]. The Plan for Neighbourhoods and other economic development and regeneration initiatives contributing to the Pride of Place Strategy defines neighbourhood more loosely as a small town or specific sub-area of a town or city.

Local Civil Society Infrastructure Research Programme (2025) reports are available at: <https://www.gov.uk/government/publications/local-civil-society-infrastructure-lcsi-rd-programme-final-reports>

Walking the Tightrope: What are the conditions that allow local VCSE infrastructure support organisations to thrive and deliver for stakeholders? (2025) Sheffield Hallam University: <https://www.navca.org.uk/walking-a-tightrope>

The Value of the Voluntary Sector Microbiome in Integrated Care Systems, Exeter University (2024): <https://www.navca.org.uk/news/unseen-but-essential-what-is-the-voluntary-sector-microbiome>

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