

cabe > the value of urban design

executive summary

Good Urban Design Adds Value

The Commission for Architecture and the Built Environment and the Department of the Environment, Transport and the Regions commissioned the Bartlett School of Planning at the University of London to investigate the economic, social and environmental value added by good urban design. The aim was to start, by means of an analysis of selected commercial developments, to provide evidence of whether, and how, good urban design added value in these three areas. It is hoped that by providing evidence to back up what is already known intuitively about the benefits of well-designed spaces and places, both private and public sectors will be encouraged to invest adequately in high-quality urban design.

The research found that good urban design

- > adds economic, social and environmental value and does not necessarily cost more or take longer to deliver
- > delivers high investment returns for developers and investors by meeting a clear occupier demand that also helps to attract investors
- > enhances workforce performance and satisfaction and increases occupier prestige
- > delivers economic benefits by opening up new investment opportunities and delivering more successful regeneration
- > helps to deliver places accessible to and enjoyed by all
- > benefits all stakeholders – investors, developers, designers, occupiers, public authorities and everyday users of developments

There is still, however, a need to

- > promote the value of good urban design to occupier organisations and extend value concerns beyond prestige markets
- > use planning powers and regeneration resources proactively to promote positive change
- > educate key stakeholders about good urban design and address the urban design skills deficit
- > learn and apply the lessons from successful and less successful urban design practice

THE RESEARCH

The research sought to address the following related questions:

- > does good urban design add value and if so how?
- > who benefits?
- > how can greater value be released?

KEY FINDINGS

Does better urban design add value?

The research suggested that good urban design adds value by increasing the economic viability of development and by delivering social and environmental benefits.

It also indicated that the existence of these benefits was increasingly acknowledged across stakeholder groups – by investors, developers, designers, occupiers, public authorities and everyday users.

How does good urban design add value?

Good urban design adds economic value

- > by producing high returns on investments (good rental returns and enhanced capital values);
- > by placing developments above the competition in their local markets at relatively little cost;
- > by responding to occupier demand;
- > by helping to deliver more lettable area (higher densities);
- > by reducing management, maintenance, energy and security costs;
- > by contributing to more contented and productive workforces;
- > by supporting the 'life giving' mixed-use elements in developments;
- > by creating an urban regeneration and place marketing dividend;
- > by differentiating places and raising their prestige;
- > by opening up new investment opportunities, raising confidence in development opportunities and attracting grant monies;
- > by reducing the cost to the public purse of rectifying urban design mistakes.

Good urban design adds social and environmental value

- > by creating well connected, inclusive and accessible new places;
- > by delivering mixed environments with a broad range of facilities and amenities available to all;
- > by delivering development sensitive to its context;
- > by enhancing the sense of safety and security within and beyond developments;
- > by returning inaccessible or run down areas and amenities to beneficial public use;
- > by boosting civic pride and enhancing civic image;
- > by creating more energy-efficient and less polluting development;
- > by revitalising urban heritage.

Who benefits from that value?

- > Investors benefit through favourable returns on their investments and through satisfying occupier demand, although the full pay-off may not be immediate

- > Developers benefit by attracting investors and pre-lets more easily and hence from enhanced company image. If they retain a stake in their developments for long enough, they benefit from good returns on their investments
- > Designers benefit because good urban design is crucially dependent on their input
- > Occupiers benefit from the better performance, loyalty, health and satisfaction of their employees and from the increased prestige that well-designed developments command with guests and clients
- > Everyday users and society as a whole benefit from the economic advantages of successful regeneration, including new and retained jobs, and also from access to a better quality environment and an improved range of amenities and facilities
- > Public authorities benefit by meeting their clear obligation to deliver a well-designed, economically and socially viable environment and often by ripple effects to adjoining areas.

How can greater value be released?

While the research identified economic, social and environmental benefits flowing from good urban design, it also identified barriers to delivery, particularly those inherent in established patterns of investment and development.

The research suggested a number of recommendations that may – in time – encourage a greater shared valuing of, and investment in, good urban design:

Extending value concerns beyond prestige markets (promoting value)

The message that good urban design does not necessarily cost more to deliver but nevertheless offers strong competitive advantages needs to be spread to those operating across all sectors of the market – and not just at the prestige end. This is a task for CABE, DETR and local authorities, who might enlist the support of the Urban Design Alliance.

Occupiers in particular need to be persuaded of the advantages of good urban design since their attitudes influence the actions of developers and investors. This may not be straightforward given the disparate nature of occupier organisations.

Fulfilling the public sector role

The role of the public sector is crucial to the delivery of value through urban design. This role extends far beyond regulatory planning processes, notwithstanding their important role in stopping introspective, exclusive and disconnected developments. Local authorities can and should be proactive, positively setting the urban design agenda through

- > clear development plan policies supported by design briefs, frameworks and masterplans
- > using their influence to help ensure that funding is conditional on the delivery of good urban design
- > using the leverage offered by ownership of brownfield sites. The research revealed that this can be decisive in ensuring better quality urban design
- > working with private interests to achieve agreed economic and urban design objectives

Local authorities must be willing to see high quality urban (and architectural) design as a component of development strategies, including those which are conservation-led. Achieving this may require better publicity to be given to contemporary urban design success stories – nationally and particularly locally.

Educating for better urban design

The research indicated that poor quality urban design is not necessarily a result either of an active decision not to invest in good urban design or of a lack of time and effort put into producing a high quality product. In their own way, all the case study developments were carefully designed and crafted products. In the better ones, though, urban design considerations extended beyond corporate image-making objectives.

Poor delivery, where it occurs, might result from a lack of urban design skills in both the private and public sectors. Efforts are already being made by DETR and CABA to address this skills deficit. Fundamentally, the gap needs to be filled across all professional education concerned with the built environment (particularly in the finance/investment related professions) and through continuing professional development. Initiatives on this front cannot come too soon.

Delivering better urban design

As well as these 'process' related recommendations, the research revealed a number of findings that might usefully inform urban design practice.

- > Delivering good urban design seems to some extent to rely on delivering the critical mass needed to support it. New public spaces, infrastructure improvements, mixing uses and so forth all rely on the realisation of developments large enough to fund their delivery. This suggests an important role for the public sector in assembling larger sites.
- > Smaller developments can also contribute to the delivery of good urban design if clear strategies are put in place (by public or private parties) to coordinate adjoining sites and help deliver a well-considered whole. Proactive planning is the key.
- > Lifetime costs should be considered upfront in the development process. This may not be easy to achieve when many of those with a longer-term interest in developments do not come on board until later in the development process. Nevertheless, the capacity of good urban design to reduce management and maintenance costs should be highlighted.
- > Where the strategic dimension of urban design is appreciated and acted on through positive planning at a larger spatial scale – particularly the integration of development into established infrastructure – the value (particularly social value) added by development is enhanced.
- > Mixing uses leads directly to higher user and occupier satisfaction and was fundamental to the social, economic and environmental value added by the most successful case studies.
- > Public spaces and amenities are far more successful if located at accessible, well-connected points.
- > Good urban design can make areas more attractive to higher-income residents and the businesses and services which supply or employ them. It is important, however, to sustain social diversity within new developments to help ensure that the benefits of regeneration are widely shared.

FURTHER RESEARCH

The current work is not definitive. It represents a step towards clarifying the relationship between urban design and value but further research is needed. This might usefully take the form of a quantitative study of the economic value added by good urban design, a comparative examination of policy mechanisms associated with the delivery of good urban design and research into a possible method for measuring the value added by new developments. Further details are included in the full research report. It may also be valuable to commission research to confirm (as this research suggests) that better urban design speeds up the planning process.

The findings presented here are consistent with those of other UK and international research in this area and it is expected that they would be substantiated by further work.

ABOUT THE STUDY

The study was undertaken by a team led by Dr Matthew Carmona of the Bartlett School of Planning, at the University of London. The researchers reviewed literature and quantitative data on the value of urban design and undertook six case studies of predominantly office developments in Manchester, the West Midlands and Nottingham. Each of these developments was assessed against a range of urban design criteria and key stakeholders were interviewed.

The study was funded by CABA and DETR. The conclusions and recommendations presented here are those of the researchers and not necessarily those of CABA and DETR.

FURTHER INFORMATION

The full report, *The Value of Urban Design*, is published by Thomas Telford (ISBN 0 7277 2981 0, price £25.00).

It is available from Thomas Telford Ltd, Units I/K, Paddock Wood Distribution Centre, Paddock Wood, Tonbridge, Kent, TN12 6UU. Tel 020 7665 2464, Fax 020 7665 2245. e-mail orders@thomastelford.com

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