

# Funding Healthy Streets Assets

## Guidance for Effective Public Private Partnerships in Delivering Healthy Streets Projects



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## About Cross River Partnership

### Cross River Partnership

Cross River Partnership (CRP) is a partnership delivering environmental, economic and community focused projects. We support public, private and voluntary organisations to address creatively challenges around Air Quality, Transport, Placemaking and Wellbeing. CRP's vision is to address sustainability challenges collaboratively in London and beyond. As a testbed for exciting projects in towns and cities, we will share knowledge, evidence, and best practice for the people who live, work and visit these places. All of CRP's partners are represented on its Board. CRP is proud to be working collaboratively with all these public, private and community partners across central London and beyond. CRP is an alliance of:

- Angel London
- Better Bankside BID
- Brixton BID
- Cadogan
- Camden Town Unlimited BID
- Central District Alliance
- Cheapside Business Alliance
- City of London Corporation
- Eastern City Partnership
- Euston Town BID
- Fleet Street Quarter
- Greater London Authority
- Groundwork London
- Hammersmith BID
- Hatton Garden BID
- London & Partners
- London Borough of Camden
- London Borough of Hackney
- London Borough of Hammersmith and Fulham
- London Borough of Islington
- London Borough of Lambeth
- London Borough of Southwark
- Network Rail
- Port of London Authority
- Royal Borough of Kensington and Chelsea
- South Bank BID
- Team London Bridge
- The Fitzrovia Partnership
- The Northbank BID
- Transport for London
- Vauxhall One
- Victoria BID
- Westminster City Council

## About Authors and Contributors

### Momentum Transport Consultancy

Momentum is an integrated transport consultancy, bringing together progressive, knowledgeable thinkers in planning, analytics and engineering. Momentum's aim is that communities benefit from its strategies and the recommendations it make. We work closely with clients and industry partners – from architects, planners and property associations to developers and local authorities – to create forward-looking solutions that address the needs of the future city.

As a people-focused consultancy, Momentum considers the impact for both existing and future users of streets, how developments connect with their urban environment and operate within it, together with how this is likely to evolve in the future. We work diligently to develop mitigating solutions and we are driven to ensure that our recommendations lead to transport and environmental gains, benefiting our clients and the wider community. Momentum has vast experience in designing and implementing schemes that meet the Healthy Streets Approach and undertaking consultations with different types of stakeholders. We have worked closely our clients, which are predominantly from the private sector, in submitting planning application documents and undertaking pre-application consultations.

### Volterra

Volterra is a niche socio-economics consultancy who specialise in the economics of infrastructure, property development and regeneration. With over twenty years of experience delivering innovative socio-economic analysis for our clients, Volterra have a reputation for providing innovative and bespoke analysis that transparently and robustly considers the overall impact of wide range of projects and interventions. We are experts in utilising such analyses to collaborate with our clients in determining the priorities for investment to level up an area.

Volterra has a wealth of experience providing socio-economic assessment on the impact of regeneration proposals. We have previously worked to produce innovative guidance on valuing public realm improvements on behalf of Transport for London (TfL) as part of the Pedestrian Environment Review System (PERS). Across London we have contributed to making the case for public realm investments for a range of partners including for the Royal Borough of Greenwich and Cadogan Estate. Volterra has a history of developing socio-economic appraisal guidance, as was the case for our pioneering work leading to the incorporation of wider economic impacts into national transport appraisal guidance by the Department for Transport (DfT).







## Executive Summary

As London faces the increasing challenges around air quality, climate change and an increasing urban population, the need for Healthy Streets interventions is imperative. Following conversations with developers, landowners and local authorities, this guidance document has been developed to explore how to widen the scope of funding available for public realm schemes and to inspire collaboration between public and private sector organisations.

The report highlights how developers and landowners view public realm schemes, including implementation approaches, scheme benefits and maintenance, providing a basis of understanding their motivations on funding these works. The research is also supported with a set of case studies which set out various intervention types and a high-level assessment of the value generated by the improvements.

Based on these findings the research led to the following key conclusions, which are accompanied with a set of recommendations for both local authorities and developers.

- **There is a change in the way public space is being perceived as developers view the street space as an extension of their building or development**
- **Developers are motivated to explore alternative avenues of funding, beyond the standard planning contributions, as part of both new and existing schemes**
- **Business Improvement Districts (BIDs) were recognised by developers as an important conduit between them and local authorities, and the role they can play in bringing Healthy Streets interventions forward**
- **A growing importance of Environmental, Social and Governance (ESG) standards which often align with Healthy Streets values**



## Key Considerations

Collaboration is vital for considering stakeholder needs and ambitions, and for the success of Healthy Streets interventions.

Smaller scale interventions can support the 'retrofitting' of areas from a developer point of view, and should be co-ordinated to broaden their impact.

Transparency in how developer contributions will be used are important, as well as providing awareness of these requests early in the process.

Maintenance of schemes and the associated cost can be a critical challenge, and therefore should be considered at the design stage.

Private sector property owners find Business Improvement Districts (BIDs) to be effective conduits between the private and public sector, and for some a prerequisite, in supporting Healthy Streets interventions. BIDs can also play a key role in the long-term maintenance of schemes.



# 1. Introduction

This Funding Healthy Streets Assets Guidance Document has been prepared by Momentum Transport Consultancy and Volterra for the Cross River Partnership (CRP), who manage and facilitate Transport for London's (TfL) Central London Sub-Regional Transport Partnership (CLS RTP).

This guidance seeks to explore funding opportunities for Healthy Streets interventions in London, and to inspire collaboration between local authorities and private sector organisations. Whilst there is a plethora of existing research on the importance of Healthy Streets initiatives and public realm improvements, there is a lack of understanding on how to attract private sector funding for these schemes and encourage collaboration between private sector developers and landowners, and local authorities.

The findings of this report are based on a combination of desktop research, interviews and a developer round table event which was held on the 27th April 2022. The interviews and round table included representatives from the following organisations:

- **Brookfield Properties**
- **Cadogan**
- **CO-RE**
- **Grosvenor**
- **Pocket Living**
- **Portman Estates**
- **Shaftesbury**

This guidance document would not have been possible without their valuable contributions and the authors would like to thank them all for their time and participation.



## Project Objectives

The aims of the project are to help CLSRTP partners:

- Explore and explain the transfer of liabilities to private sector organisations for public realm interventions;
- Approach and attract funders to help share costs;
- Understand developer motivations so Healthy Streets enhancement proposals can be presented in the most positive way to attract funding;
- To easily position these interventions within borough risk adaptation and future planning strategies; and
- Maximise benefits by prioritising high impact interventions.

### How to use this report?

The guidance is designed to help public authority Officers understand the benefits sought by developers, and for Officers to enhance developer understanding of the benefits of managing environmental assets for their property and their users. This can then help facilitate future conversations that Officers may have with developers, landowners or other stakeholders involved in the delivery of public realm enhancement schemes. Quotations provided throughout the report are captured from the round table event.

## 2. Context and Good Practice

### Healthy Streets

The Healthy Streets Approach is the framework to support more Londoners to walk, cycle and use public transport. It seeks to improve the experience of our streets to tackle challenges such as poor air quality, inactivity and other health impacts related to car-dependent environments. It is key in supporting the Mayor's targets related to 20 minutes of daily active travel and a modal share of 80% sustainable travel by 2041.

To create active and liveable streets, the Healthy Streets Approach is underpinned by 10 Healthy Streets Indicators. These are evidence-based indicators used to consider the experience of being on our streets.

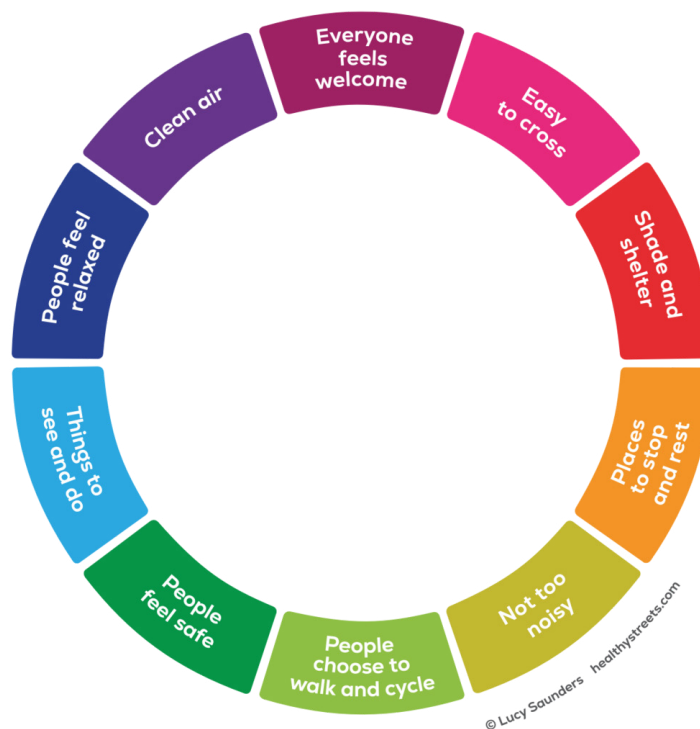


Figure 1: Healthy Streets Indicators



The Healthy Streets Approach is embedded within the London Plan (2021) to prioritise reducing health inequalities in the planning of London and its public spaces.

There is an absence however in the policy context on funding opportunities for Healthy Streets interventions, aside from through TfL and local authorities. TfL's 'Small Change, Big Impact' guide for delivering the Healthy Streets Approach does outline options for largely community-led initiatives including crowdfunding and grant-making organisations. There is little consideration from the perspective of local authorities, or discussion of developer contributions.

## Impacts of Public Realm Improvements

Public realm interventions have intrinsic social value in themselves, whilst also delivering positive economic impacts for local economies. Through making places better to live, work, and visit, public realm interventions have the potential to generate additional economic activity and increase asset values within local areas.

There are a wide range of socio-economic, health and environmental benefits arising as a result of the provision of accessible open space and public realm. The provision of well-designed public realm can result in large benefits for recreation, activity, tourism, amenity, childhood development and crime reduction<sup>1</sup>.

### Economic

Improving placemaking through public realm improvements helps to create more attractive places to live, work and visit. Public realm interventions that improve accessibility to local services or more generally improve the pedestrian and cycling environment can deliver benefits for local users.



### Increasing Attractiveness and Amenity Value

Existing literature shows that improving placemaking and perceptions of an area can lead to additional economic activity, directly through bringing in greater visitors and expenditure, and indirectly through catalysing investment in local economies<sup>2</sup>.

Figure 2 provides a logic chain through which public realm improvements can deliver positive economic (land value) benefits.

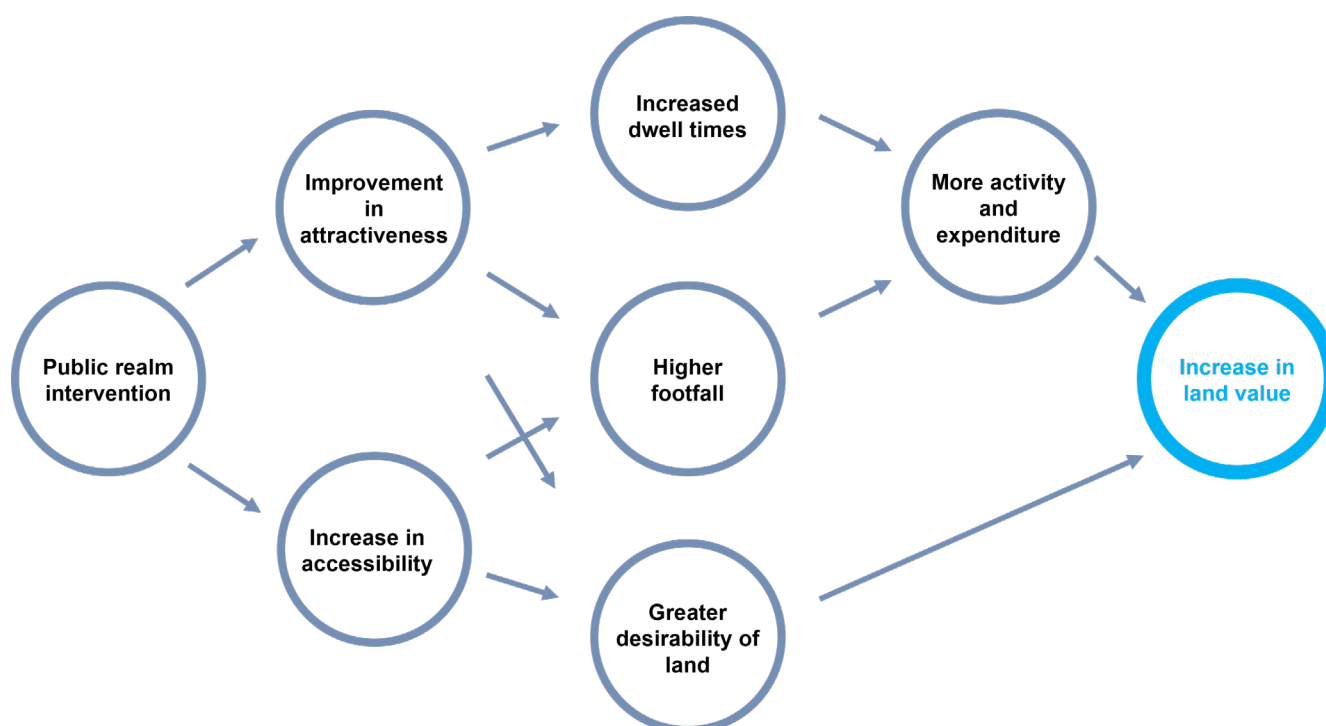


Figure 2: Logic Chain Identifying Public Realm Impact on Land Value

Any improvement in attractiveness and amenity value of the public realm can increase local land values through delivering additional activity and expenditure, and through increasing the desirability of commercial and residential land. Investment in public realm can attract a combination of visitors (travelling to the area for leisure or to access retail and social opportunities), residents (encouraged to live in an area for its improved sense of place and access to local amenities), and businesses (choosing to locate in an area to provide a positive experience for employees and clients).

### **Improving Accessibility**

Public realm interventions can contribute to improving access to local services and amenities, which brings about commercial and economic benefits to businesses<sup>3</sup>.

Existing literature that presents case studies that have created positive economic impacts as a result of active transport accessibility improvements include the following:

- Improved pedestrian and cyclist safety on Newlands Avenue in Kingston-upon-Hull in 2005 increased pedestrian movements in the town centre by 18%, cycle movements by 17%, and crossing movements by people with reduced mobility by 15%<sup>4</sup>
- Improvements in pedestrian amenity, including landscaping, footpath surfacing, improved crossings and new street lighting, contributed to a 98% uplift in pedestrian footfall in Wanstead High Street, London in 2008<sup>5</sup>
- A 2006 literature review of pedestrian access improvements in the UK concluded that, on average, pedestrian access improvements led to an increase in value of 22% for residential rents and 24% for commercial rents, with a reasonable range in the order of 10% to 30%<sup>6</sup>

## Social and Leisure

Well-designed public realm can reduce opportunities for crime and anti-social behaviour and contribute towards community cohesion, which can then translate to increased feelings of safety and security within communities<sup>7</sup>.

Increased activity from public realm interventions can contribute towards greater social engagement as more residents, visitors and amenities are located in proximity to one another. For some communities this has the potential to deliver more social opportunities for individuals to interact, and greater link existing residents to one another.

This can be measured by existing TfL tools include the Valuing Urban Realm Toolkit, which places monetised values on improved wellbeing arising from urban realm enhancements, and the Pedestrian Comfort Guidance which ensures that the design of pedestrian footways and crossings are appropriate for the expected user types.

## Health and Environment

A variety of studies have linked increased exposure to open space and improved health outcomes, such as longer life expectancies.<sup>8</sup> Public Health England have estimated that improved access to open space could save £2.1 billion in health costs each year through reducing obesity and improving mental health and wellbeing, and that green spaces removed a further £162 million worth of air pollution annually<sup>9</sup>.

Shifting transport patterns towards active travel also has the potential to result in significant environmental benefits for local residents. Through increasing the amenity of pedestrian and cycle journeys, individuals may switch away from other modes of transport to generate health benefits for themselves and improved environmental outcomes through reducing carbon emissions and air pollution. The environmental benefits arising from public realm interventions can often be considered additional to other supporting impacts in appraisal<sup>10</sup>.

# 3. Map of Key Players

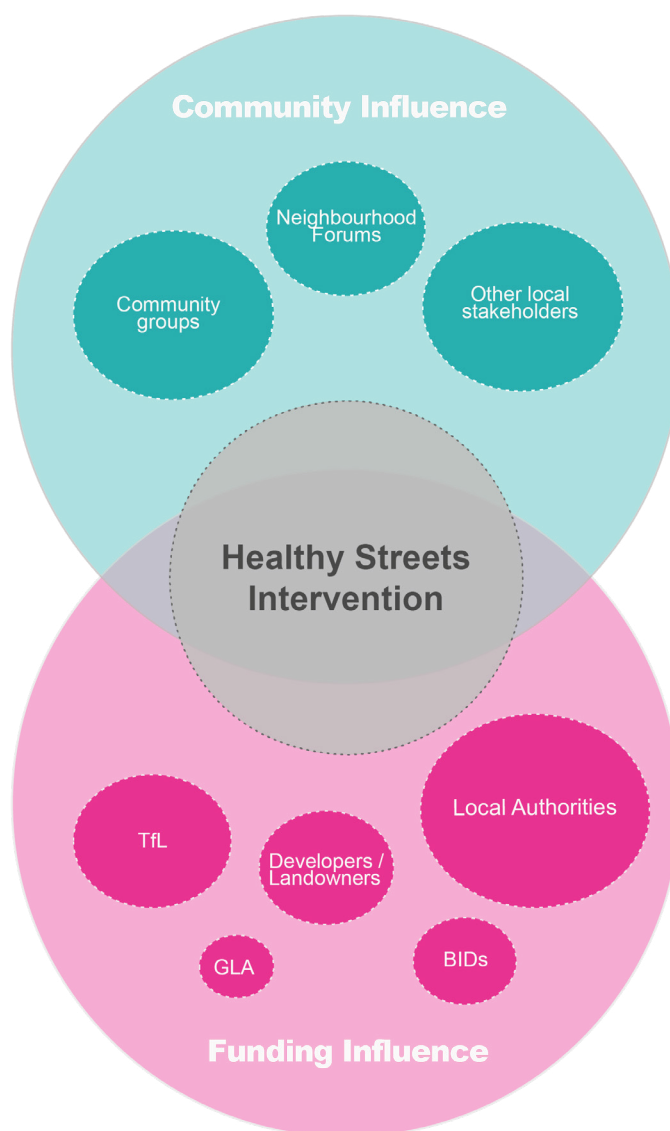


Figure 3: Map of Key Players



## Business Improvement Districts (BIDs)

**“BIDs are the prerequisite for me. I think if you are going to go for major investment in public realm in order to turn a high street around in the medium term, I would start by putting a BID in place and then think about the public realm”**

**“I’ve found in BIDs that public realm is the one thing where you can knock on developers and owners doors and actually say you would see a direct impact, it wouldn’t get lost in BID funds, we could almost put a plaque on it and say this developer contributed ‘X’”**

A Business Improvement District (BID) is a business-led organisation for a defined geographical area, in which local businesses have voted to invest together to deliver local improvements. BIDs are funded by a mandatory levy on all eligible businesses, with additional funding streams available from the public and private sector.

There are currently over 70 BIDs in London as shown in Figure 4 below, with this number growing each year. A list of existing London BIDs is available in Appendix 1.

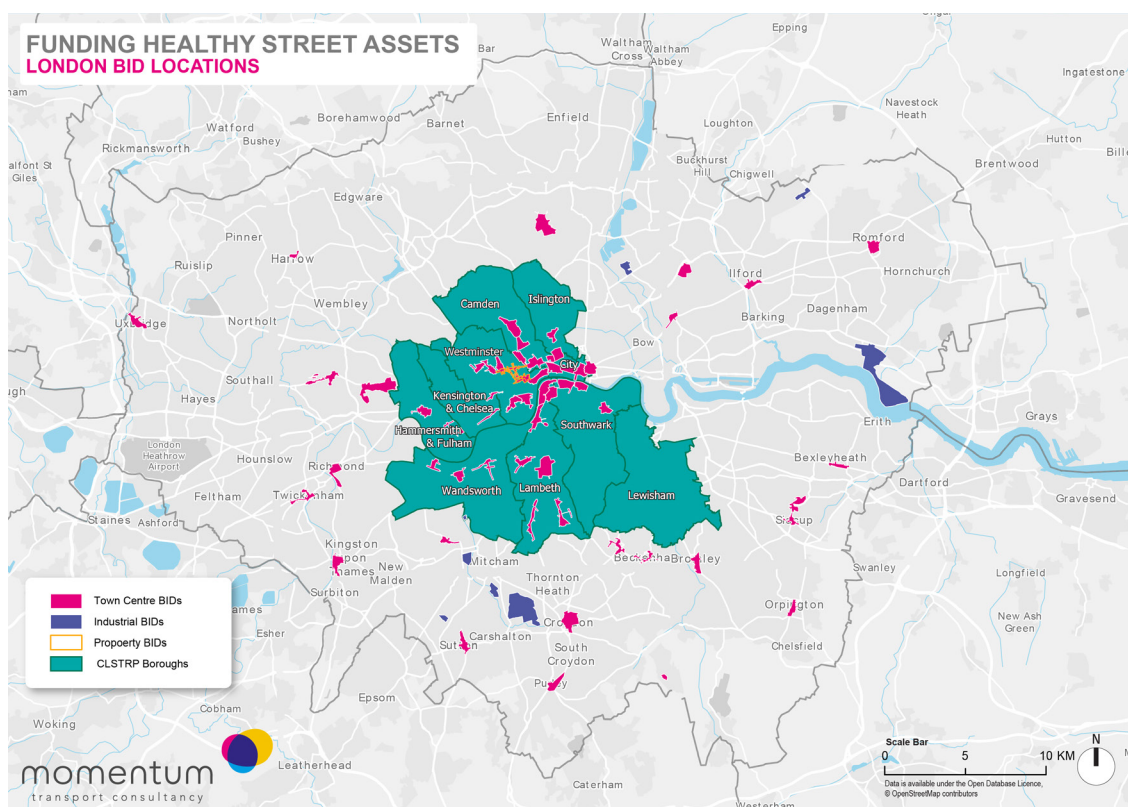


Figure 4 Map of BIDs in London

BIDs are involved in delivering Healthy Streets in a number of ways. At a strategic level, BIDs are a key mediator between several key players. BIDs liaise with local authorities and TfL, and can proactively seek funding opportunities for local improvements. BIDs can also propose and lead on public realm enhancements on development sites with the support of local businesses and developers. As such, BID involvement can include developing their own public realm strategies, undertaking street greening and cleaning, promoting active travel and encouraging sustainability measures from business members along privately managed and controlled routes in their development area.

As highlighted in the quotes above, a key discussion point during the round table was the importance of BIDs to developers in delivering public realm improvements. Whilst it is recognised that BID activity and level of influence varies from place to place, where possible, their involvement was seen as beneficial by developers.

The round table event also raised different ways in which BIDs outside the UK operate, providing inspiration for possible future funding mechanisms. In the US, where (the equivalent of) BIDs originated, contributions come from landowners (rather than businesses) to raise funds for public realm schemes. This is typically done through bond issues and tax incremental financing which are secured against a BID levy or other revenue streams, and can often result in more funding and longer term planning leading to higher quality outcomes. Alternatively, in Germany, private promoters can advertise a public realm scheme, which would be funded by landowners. This is then followed by a vote and where this results positively, all the landowners in the BID contribute based on a 'subscription system' to fund the chosen public realm upgrade.

## Neighbourhood Forums

Neighbourhood forums are in direct consultation with local planning authorities and not only can they act as a conduit between developers and local authorities but they also have their own initiatives in place which can be aligned with proposed public realm interventions. Although they are involved in the planning side and do not comment on highways land or changes, further dialogue between the planning and highways departments of local authorities is encouraged so that highway or public realm improvements can be aligned with any new upcoming developments or applications, and vice versa.

## Community Groups

Where there is a strong community presence, involving local community and amenity groups can facilitate the long term resilience of a scheme. Whilst they may not provide significant levels of funding, involving them in the discussions will ensure that a space is appropriately designed. For example, Shaftesbury worked very closely with community groups such as the Seven Dials Trust and the Covent Garden Community Association to deliver the enhancements around Seven Dials.

## Other Local Stakeholders

Other local stakeholders may include local businesses, landowners, charities and academic institutions that have an interest in the quality of the surrounding area. The degree to which these groups can provide funding will be entirely dependent on the nature of the organisation but involving them in discussions and aligning with their values will benefit the scheme and its viability in the long term.



# 4. Developer & Landowner Motivations

## Introduction

A round table discussion was undertaken with representatives from Brookfield Properties, Cadogan, CO-RE, Grosvenor, Pocket Living and Portman Estates to gain insights into their perspectives on Healthy Streets interventions. The discussion was structured around the benefits of public realm enhancements, maintenance of public realm and mechanisms and approaches to funding. This enabled broad themes to be identified, which are highlighted in this section, supported by direct anonymised quotes from the discussion and key takeaways.



Figure 5: Word Cloud of Round Table Quotes

## Approaches To Streetscape Interventions

This section highlights the different strategies for reconfiguring street space and public realm that are favoured by developers. These should be considered by local authorities when developing new interventions to help propose schemes that attract funding and meet developer needs.

- Reallocation of Road Space
- Collaboration
- 'Retrofitting' and Regeneration
- Long-term Investment

## Benefits Of Public Realm Enhancements

There are a multitude of benefits of public realm enhancement schemes and these should be highlighted by local authorities when presenting their proposals to developers and other sources of funding. These benefits as identified in the round table can be categorised into the following:

- Commercial Benefits
- Environmental Benefits
- Social Benefits

## Mechanisms For Funding

This section captures the various funding streams that were raised in the round table, including planning contributions such as the Section 106 and Community Infrastructure Levy (CIL), as well as the opportunity to explore alternative avenues. The discussion also raised the importance of transparency when setting out funding streams.

## Maintenance Of Interventions

The maintenance of interventions post implementation was flagged as something that is often overlooked and requiring its own funding arrangements. Beyond funding, developers also noted the importance of setting out who is responsible for the operations and monitoring of maintenance.

## Approaches to Streetscape Interventions

### Reallocation of Road Space

In order to accommodate higher footfall and dwell time, which are key contributing factors to land value, more space needs to be provided for pedestrians. This is particularly pertinent as London's population continues to grow and there is greater demand for kerbside space.

**“It’s really important that as you take capacity out of the road network, you take that space and recommission it for new uses, otherwise you don’t achieve anything from the traffic agenda”**

- More space can be reallocated to pedestrians by reducing road space and capacity for vehicles, however it is important that these changes are trialled and implemented by assessing the impact on the surrounding road network and ensuring that emergency vehicle access and other servicing needs can be met

- Road space can also be reallocated to pedestrians through de-cluttering of street furniture, which could be achieved through reducing planting, replacing lampposts with lanterns on buildings or mounting signs on existing posts or buildings
- Alongside this, the newly created space can be used to provide outdoor dining, which can translate to increased commercial activity or outdoor public seating and shelter which will encourage longer dwell times

### Collaboration

It was widely agreed between participants of the round table that a collaborative approach across stakeholders is critical for the success and viability of public realm schemes. This not only ensures that a wide range of stakeholder priorities are addressed, but also allows those who are designing the scheme to think creatively about outdoor space and incorporate different user needs into the space.

**“For a wider public realm scheme, with forethought and collaboration with stakeholders, it can become the new masterplan into which future opportunities fit in a coordinated way”**

**“I think it’s incredibly difficult to isolate to a particular intervention, you have to take a more rounded and holistic view”**

- In the early stages of a scheme’s inception, prior to the design, local businesses, land owners, residents, councillors and other community groups should be invited to provide initial thoughts or comments on the intervention proposed. This can then be used to inform developer or

landowner contributions from an early stage in the process

- During the scheme’s implementation, continuous dialogue should be maintained with these stakeholders which will allow any newly arising conflicting interests to be raised. This can be achieved by ensuring communication channels and platforms are established to facilitate these conversations
- Schemes should also go beyond considering what the present needs are and be designed with future opportunities and stakeholder ambitions in mind so as to benefit from possible neighbouring interventions which would contribute to the long term value of the scheme



*Kings Crescent Estate, London Borough of Hackney*



## ‘Retrofitting’ and Regeneration

A key challenge of attracting sufficient funding for a Healthy Streets intervention can be the scale of the intervention, particularly where it is localised and does not directly benefit a large portion of the community. However, it was raised in the round table that a scheme can be interpreted as ‘retrofitting’ a city or a neighbourhood, where the coming together of a series of smaller scale interventions can result in a significant long-term effect.

Linked to this, regeneration cannot be delivered by improving the building fabric alone but in combination with public realm improvements. Whilst a stand-alone pocket park may not directly generate tangible commercial value, these elements contribute towards sense of place and strengthen neighbourhood identity, which in turn enhance the commercial and social value of the development in question.

**“A really good opportunity to bring some comprehensive masterplanning and retrofitting that into an existing situation”**

**“[Enhancing amenity] is an essential part of a regeneration of an area, you can’t just do it on building fabric alone, it has to be in combination with public realm”**

**“[Public realm interventions are] all part of that regeneration story which encourages the commitment from the sector to its best and that has knock on benefits”**

- This narrative can be brought into conversations with developers or land owners to illustrate how a localised intervention, such as the introduction of public seating in an existing square or new lighting columns, fits into the broader picture and overall permeability of the area
- On the other hand, identifying what existing proposals are in place for the wider area and highway, or streetscape changes in neighbouring boroughs, will also be important to ensure that new interventions align with these broader ongoing changes
- Funding can also be sought to refresh the existing street material such as street lighting, signals and junction safety. Developers and landowners can benefit from these improvements as they contribute to the broader regeneration of an area and provide an avenue to deal with essential upgrades to what already exists on the ground which is often overlooked

## Long-term Investment

The difficulty of calculating the immediate return on investment for public realm interventions is generally recognised and usually relies on a long-term approach to be taken during which the cumulative benefits of the scheme can be addressed and measured.

**“We take a very long term view, we work very hard to make our buildings fit for purpose and we can do that but if the bits in between which we don’t own look shabby, it lets down the whole thing. So we then work very closely with local authorities and community groups to try and improve the bits in between our buildings.”**

- The case studies in Chapter 5 of this document illustrate ways of assessing existing land value of the area and wider land value uplift that may be achieved through a scheme’s implementation. These case studies can be used as examples to refer to when discussing other similar intervention types with developers, landowners and other potential funding sources
- As suggested in the quote above, taking a long term approach also means thinking about the value of the space beyond the building or development footprint and considering how the quality of the surrounding space will ultimately influence the quality and experience of the developer or landowner’s property
- Likewise, it can be useful to bring into discussion what would happen if no enhancements were delivered to emphasise the potential loss or drop in land value as a result of streets and public realm not being well looked after

## Benefits of Public Realm Enhancements

### Commercial Benefits

It was expressed in the round table that enhancing the space around properties can increase the commercial value for the buildings themselves, whether that would be through increased footfall translating to increased retail activity, or a rise in rental value to reflect the enhanced quality of the environment.

**“By enhancing the spaces around our properties, they ultimately create value for the properties in the vicinity”**

**“There is a parallel towards looking at what amenity and offer we’re putting into our own schemes to generate the best rents. Things like roof terraces and balconies and those sorts of outside spaces do have tangible rental benefits as well as the benefit of leasing your property a little bit sooner. It’s an extension of that, people want the opportunities to work in different places and use the workplace in a different way”**

**“There is wide recognition that good public realm schemes create a sense of community, sense of pride, and safety and security. All of those**

**things have got to not just necessarily go to the bottom line and to the rent, but potentially enable you to rent things sooner, and potentially mean you have less turnover because people want to stay there longer because they are more invested in their locality than they might be if it weren’t such a high quality or so well looked after.”**

**“Good public realm allows the deployment of food retail units, you are literally creating more covers albeit ones that can only be used possibly at certain times of the year, there is a very direct commercial value there”**

- It is encouraged that local authorities draw on the commercial benefits that can be achieved when seeking funding and detailing how developer land and assets will positively be impacted by the scheme. Further to the uplift in rental value, local authorities can also raise the point that developers and landowners can benefit from properties being leased sooner and from lower occupier turnover as a result of the increased attractiveness of the surrounding area





*Pimlico Road, Belgravia*

- In instances where a scheme encourages more pedestrian activity, such as widening of pavements, pedestrianisation or formation of a public square, the opportunities for these spaces to be used by surrounding businesses for street markets, outdoor dining and other commercial activity should be highlighted and encouraged

## Environmental Benefits

Greening schemes can have a positive impact on both the built and natural environment through effective landscaping and engineering design. Such interventions also provide opportunities for climate change adaptation, which was an important factor considered by developers at the round table.

**“[Public realm schemes] allow us opportunities to put greening back into our public spaces”**

**“Every public realm scheme offers an opportunity for climate change adaptation and better management of water and planting and all those good things”**

- Greening schemes can be implemented at a variety of scales, ranging from tree planting on pavements and sustainable urban drainage. The round table indicated that developers generally welcome increased greening of shared public space as this contributes to a positive image of their development

- However, it is important to consider the maintenance of greening schemes to ensure there is agreement as to who will be responsible for the long term maintenance and funding of these schemes

## Social Benefits

Social and wellbeing benefits are critical for the long term viability of an area and this is notably observed following the pandemic as streets that benefitted from public realm enhancements lent themselves to social distancing and accommodating change. This feeds into the wellbeing of tenants which is often a key consideration for commercial occupiers who have ESG (environmental, social and corporate governance) values to meet. These elements outside of the building become part of the overall concept that is portrayed by the scheme therefore increasing the attractiveness for prospective tenants and occupiers.

As such, a key message emerging from the round table was that developers are increasingly taking into account the less tangible, non-financial values attached to schemes and the wider area in which

their development lies. This provides local authorities with the opportunity to assess the social value of upcoming Healthy Streets schemes in a way that is attractive and appealing to developers beyond their commercial value.

**“[Public realm schemes] can massively help turn the dial in terms of the amount of social impact we can create”**

**“Trying to encourage the feeling of belonging and welcoming”**

**“If you can maximise what offer you are giving within the scheme, and then let that bleed out into the wider community, that’s sort of best of both worlds”**

- When approaching developers and landowners, local authorities should highlight the ability of public realm schemes to help create a sense of place which allows a space to feel welcoming. This is key from a safety perspective as people are more likely to visit and spend time in a place where they feel secure

**Environmental, Social and Governance (ESG)** is “a set of standards measuring a business’s impact on society, the environment, and how transparent and accountable it is”. ESG credentials and strategies are vital for companies to demonstrate their commitment to sustainability and ethics, which are often reported on yearly. This has become more prominent since Parliament declared a climate emergency in 2019, and following the COVID-19 pandemic. Stakeholders, such as investors and customers, are increasingly basing business decisions on whether companies have a positive impact on the environment and society.

- A key social consideration is the accessibility of the public realm, going beyond standard mobility requirements (which remain as important) but also capturing other user needs such as street lighting for vulnerable users and play spaces for children
- ESG credentials are increasingly becoming important for developers and landowners; therefore it is recommended that discussions on potential Healthy Streets schemes are closely aligned with these values and for local authorities to reflect on how certain interventions can help to meet ESG targets. Many businesses and estates will have a formal ESG framework or policy in place, which can be used to guide intervention types and design as part of attracting potential funding

## Mechanisms for Funding

The Section 106 agreements, which were typically used to set developer contributions as a funding stream for public realm improvements, was replaced by the introduction of the Community Infrastructure Levy (CIL) in the Planning Act 2008. It was highlighted in the round table that the CIL limits the opportunity for developers to fund public realm schemes which they could (directly) benefit from as the funds get allocated to a borough-wide funding pot and therefore may not be spent in the locale of the development. Therefore, there is a need to align the delivery of public realm improvements with opportunities provided by development

which could become absent within the planning process.

**“In the past we have benefitted through public realm credits, where as an organisation we can invest in the public realm and commit capital in the knowledge that we will have development in two, three years down the line that will generate in the old days a section 106 contribution. If we could bring in some form of credit for public realm improvement that is later recouped through mitigation offsetting against planning gain, then that is a really positive mechanism”**

**“[On some of our bigger interventions], we are starting to explore whether there is an opportunity to invite neighbours and beneficiaries of schemes to contribute and work through what this might look like. Rather than us putting in the funding, can we give others an opportunity to have a stake in what we’re doing”**

- Section 106 contributions allowed for negotiation between developers and local authorities to ensure that new infrastructure or highway improvements benefitted and supported both parties. Based on this, developers expressed interest in working closely in partnership with local authorities and understanding their aspirations and intentions. It is therefore recommended that local authorities engage in this way to seek funding

- There is growing interest, particularly around more large scale interventions, in seeking opportunities to attract funding and contributions from neighbours and other potential beneficiaries. Local authorities are encouraged to use this approach by bringing different landowners and businesses together to present how the intervention meets the needs of each stakeholder. This provides an opportunity for smaller businesses that might not otherwise be able to fund such schemes to contribute as part of a collective group

## Transparency

It was understood from the round table that developers are seeking more knowledge surrounding the contributions made during planning (i.e. through CIL funding) and for alternative funding

streams to set this out clearly so that they can have assurance on what the investment will be spent on.

**“It’s key for us to have a bit more transparency around those sums, more knowledge surrounding those contributions earlier on in the process which would be much more beneficial to us as a developer”**

- Where contributions are made, local authorities should provide transparency in how the funds are used. Breaking down the costs is useful for developers as it provides assurance on how the improvements impact or are impacted by their developments – essentially, providing greater understanding on value for money

**The Community Infrastructure Levy (CIL)** is a charge local authorities can impose on new developments to help deliver local infrastructure needed to support development.

The Levelling Up and Regeneration Bill, published in May 2022, set out reforms for the planning system to be implemented from 2024. The Bill includes legislation that replaces CIL (except Mayoral CIL in London) and Section 106 (S106) agreements with a single Infrastructure Levy (IL). This is to ensure that infrastructure required to support development is funded in part by owners or developers of land. Local authorities will need to prepare infrastructure delivery strategies to outline how they intend to spend the levy. The levy will be mandatory for local authorities to charge on all new developments and will be based on the development’s final gross development value. This contrasts with CIL, which is based on the floorspace of a development when planning permission is granted. The rates and thresholds for IL will be set by local authorities, rather than nationally.



## Maintenance of Interventions

A key aspect of maintenance addressed at the round table was providing the appropriate facility and personnel for the upkeep of the intervention as this is something that was noted as being overlooked in existing schemes. Whilst the funding that supports the maintenance is key, this should be accompanied with a clear understanding of responsibilities and roles post implementation.

**“Green landscaping is a lot harder for us to maintain than hard landscaping. On our residential schemes, more often now we are looking at irrigation systems, [which] may be a greater capital cost upfront but means we have less maintenance issues in the long term”**

**“I think it’s an easy trap to fall into where you focus on the design and the end product, but you don’t necessarily always think exactly what it might look like in 5 or 10 years’ time and how it’s going to be preserved.”**

**“Where we see public realm properly coordinated, adopted, maintained and loved in the future, and properly utilised, is where you have a Business Improvement District in place to coordinate all that amongst the private sector beneficiaries”**

- Where new infrastructure or landscaping is being delivered, the day to day cleaning and supervision of that space needs to be considered

and integrated into the scheme design. This might involve finding creative ways of incorporating facilities such as storage of maintenance equipment and welfare facilities for maintenance staff into the space. This will then provide an understanding of the funding required to support it

- Green landscaping interventions, compared to hard landscaping measures, are seen as a key maintenance challenge by developers, as well as local authorities. In such cases, developer experience has found that early investment into measures which may require capital costs up front can prevent further costs and other maintenance issues in the long term thus increasing the resilience of the space
- Similarly, in addition to operational maintenance, monitoring of the actual delivery of the intervention also requires careful consideration and funding, which local authorities should be aware of when approaching developers for contributions. An example that was raised in the round table discussion was the necessary fencing and control of green spaces to ensure that the appropriate time and care is provided for the soft landscaping to fully develop and deliver benefits
- This long term maintenance support is where BIDs can play a key role and provide assurance to local authorities of how and by whom the scheme will be preserved and appropriately maintained

## 5. Case Studies

### Introduction

The following case studies are presented to showcase examples of successful public realm interventions which local authorities can refer to in discussions on funding for future schemes. The evidence has been drawn from existing reports and evaluations, and the methodology for assessing and monetising any impacts varies between the studies based on the information available. As shown in Figure 6, both central and non-central London examples have been selected to cover a range of contexts.

The case study methodology is provided in Appendix 2 and full case study write up (including references) in Appendix 3.



Figure 6: Map of Case Study Locations

## 5.1. Baker Street Two Way

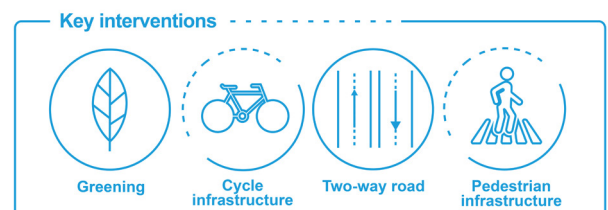
### Context

A joint scheme by the City of Westminster, TfL, Portman Estate and the Baker Street Quarter Partnership to redevelop sections of Baker Street and Gloucester Place to greatly improve the public realm of this commercial area. The aim of the project was to reduce high traffic speeds, circuitous routes and traffic dominance caused by one-way systems on both roads. This would also improve air quality, reduce noise pollution and improve bus service accessibility.

The project involved multiple delivery partners. Initial proposals were put forward by Westminster City Council and TfL, supported by the Baker Street Quarter Partnership and Portman Estate. Each of these parties contributed funding to the scheme. Whilst the majority of funding was provided by TfL, the other stakeholders were important delivery partners. These partners were heavily involved in the consultation process, scheme design and subsequent promotion of the final scheme.

### Interventions

- Implementation of two-way traffic flow on both Baker Street and Gloucester Place
- New cycle lanes and bicycle parking were introduced on both roads.
- To improve the public realm, footways were widened, more trees planted, street lighting improved and street clutter reduced
- In addition to the changes on Baker Street and Gloucester Place, there are 50 new or upgraded signalised crossing facilities



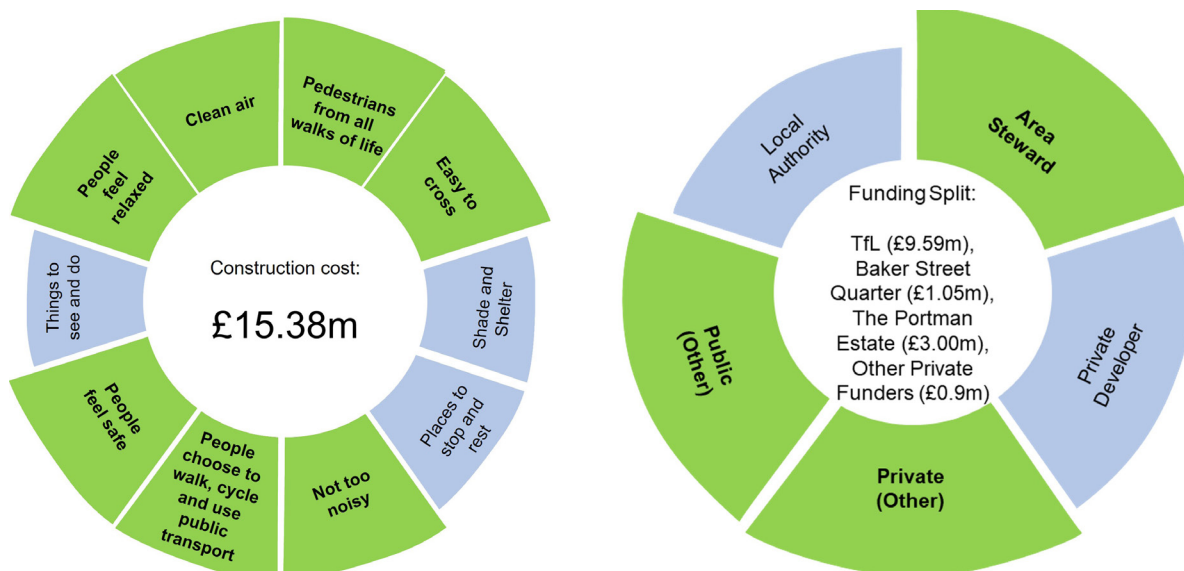


Figure 7: Baker Street Two Way Healthy Streets Indicators and Funding Split

## Construction and Maintenance

- Capital cost: £15.38m, funding split shown in Figure 7
- £0.84 million funding gap eventually covered by TfL
- 18 month construction duration, commencing in 2017



## Impact of Interventions

- **25-30% average drop in vehicle speeds** on Gloucester Place and Baker Street between 2017 and 2019
- **29% average increase in pedestrian crossing activity on Baker Street in the AM peak**, and **35% in the PM peak**
- **15% uplift in cycling volumes on Gloucester Place and 20% uplift on northern Baker Street**
- At the time of completion in 2019, it was estimated there was a total £7.28bn in land value within the intervention boundary. Table 1 outlines the additional land value delivered to local landowners and occupiers (in present value terms) under different uplift scenarios
- The completed scheme is estimated to have delivered approximately **53 additional cycling trips and 5,870 additional pedestrian trips each day** in the site area. Under the DfT's Active Mode Appraisal Toolkit this would result in **£20.2m in active travel and health impacts**
- In the scenario where an assumed 5% reduction in crime is achieved in the study area, this would generate a total benefit of £2.02m in public cost savings over a ten year period
- Table 2 outlines the estimated benefit-cost ratio (BCR) when compared to the total capital and maintenance costs of the scheme under low and high land value uplift scenarios. A BCR above one represents a scheme delivering greater economic benefits than its costs and therefore represents positive value for money for local landowners and for active travel users in the area

		Total value
Existing land value within catchment		
Office		£2.31bn
Retail		£1.79bn
Other/industrial		£10.5m
Residential		£3.17bn
<b>Total land value within catchment</b>		<b>£7.28bn</b>
WLVU* delivered	1% uplift scenario	£68.0m
	2% uplift scenario	£136m
	4% uplift scenario	£272m
	Transformational scenario (4% over five-year period)	£1.27bn

Table 1: Estimated Wider Land Value Uplift (WLVU)

\* Please refer to page 72 of the Appendix for an explanation of this term.

	Value expressed in £2019
WLVU delivered (under 1% - 4% uplift)	£68.0m - £272m
Wider external impacts – active travel and health impacts	£20.2m
Wider external impacts – crime reduction	£2.02m
<b>Total economic benefits</b>	<b>£88.7m - £293m</b>
Scheme capital cost	£15.4m
Maintenance costs (over 10 years)	£9.75m
Total economic costs	£25.2m
<b>Estimated benefit-cost ratio (low to high)</b>	<b>3.8 - 12.5</b>

Table 2: Estimated BCR

## Key Lessons Learnt

- Improving pedestrian amenity can significantly uplift footfall
- Even small percentage land value uplifts in central London occurring from public realm improvements can lead to substantial welfare gains, given central London's high property values
- Impacts of public realm interventions are often cumulative and can interact with wider economic and social factors
- Delivering the scale of consultation necessary to ensure local success with public realm interventions can require sizeable public sector resource



Post intervention artist's impressions of Baker Street Two Way

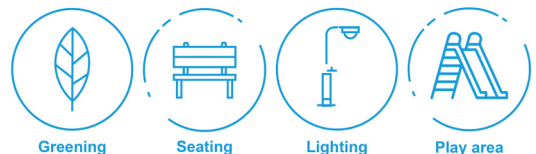
## 5.2. Jubilee Gardens

### Context

Jubilee Gardens is a landscaped park located at the foot of the London Eye. The Garden was initially created for the Queen's Silver Jubilee in 1977 and the decision was made to redevelop it in time for the celebrations around the Queen's Diamond Jubilee and the London Olympics and Paralympics in 2012. The improvements were delivered as a partnership between public and private organisations, with funding from TfL, private developers, South Bank Employers Group, and involved securing a funding arrangement to enable continual provision of maintenance funds and activity.



#### Key interventions



### Interventions

- Central to the redevelopment designs was the generation of a 10,700sqm turf area, with surrounding flowerbeds continually maintained with seasonal flowers and the planting of 94 trees
- A new playground was installed along with granite edges that would double as seating, and a new path network through the area
- To make the area safer at night, 27 lighting columns were installed
- The International Brigades Memorial has been restored and re-located in a more accessible position with adjacent seating areas

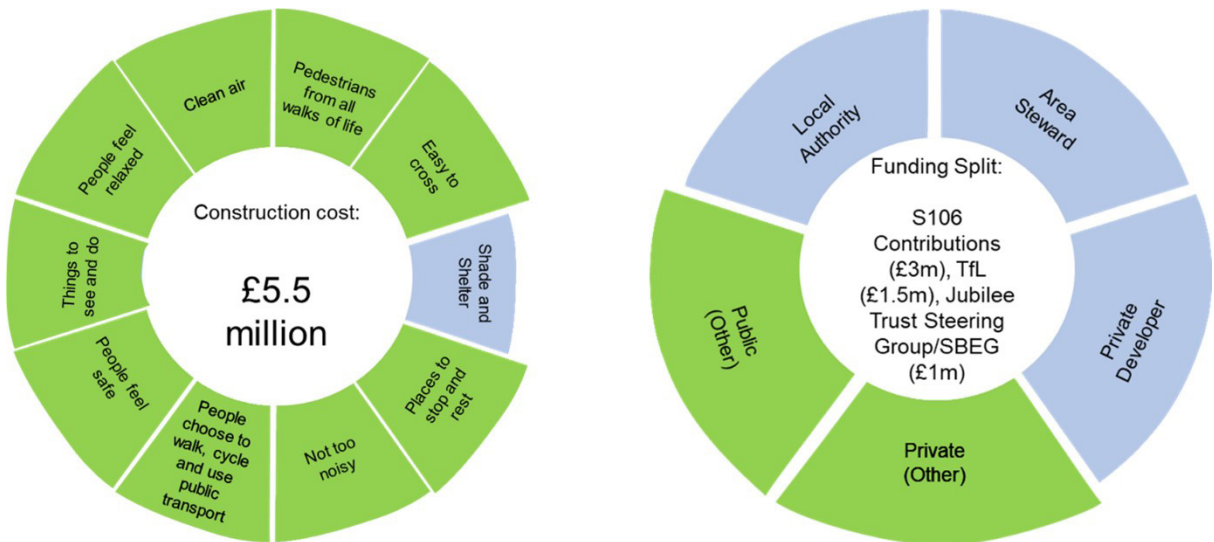


Figure 9: Jubilee Gardens Healthy Streets Indicators and Funding Split

## Construction and Maintenance

- Total cost: £5.5m, funding split shown in Figure 9 above
- £1m funding gap eventually covered by the Jubilee Trust Steering Group/SBEG through local fundraising
- 12 month construction duration split into two phases over 2012
- In the financial year ending March 2021, maintenance costs totalled £254,894 which was largely garden maintenance and upkeep
- Continual maintenance is undertaken by the Jubilee Gardens Trust, which is funded through ringfenced S106 contributions to the London Borough of Southwark. However, there is a need to secure additional long term funding following the conclusion of S106 payments



## Impact of Interventions

- In 2018, it was calculated that a total of approximately **19m visitors, 61,000 workers and 9,800 residents were using the space annually**. When combined, visitors, residents and workers in 2018 were estimated to spend a total of 330m minutes in Jubilee Gardens annually
- It was estimated that **litter removal maintenance delivered an annual benefit of approximately £530,000** to users and visitors to the surrounding area as a result of garden dwell time
- At the time of completion in 2012, it was estimated there was a total **£1.19bn in land value** within the site catchment. Table 3 outlines the additional land value delivered to local landowners and occupiers (in present value terms) under different uplift scenarios
- In the scenario where an assumed 5% reduction in crimes is achieved in the study area, this would generate **a total benefit of £309,000 in public cost savings** over a ten-year appraisal period
- Table 4 outlines the estimated benefit-cost ratio (BCR) when compared to the total capital and maintenance costs of the scheme under low and high land value uplift scenarios. A BCR above one represents a scheme delivering greater economic benefits than its costs and therefore it would represent positive value for money for local landowners and for active travel users in the area

		Total value
Existing land value within catchment		
	Office	£397m
	Retail and leisure	£403m
	Other/industrial	£3.98m
	Residential	£383m
<b>Total land value within catchment</b>		<b>£1.19bn</b>
WLVU delivered	1% uplift scenario	£11.9m
	2% uplift scenario	£23.7m
	4% uplift scenario	£47.5m
	Transformational scenario (4% over five-year period)	£222m

Table 3: Estimated Wider Land Value Uplift

	Value expressed in £2012
WLVU delivered (under 1% - 4% uplift)	£11.9m - £47.5m
Wider external impacts – active travel and health impacts	-
Wider external impacts – crime reduction	£309,000
<b>Total economic benefits</b>	<b>£12.2m - £47.8m</b>
Scheme capital cost	£5.50m
Maintenance costs (over 10 years)	£4.17m
Total economic costs	£9.67m
<b>Estimated benefit-cost ratio (low to high)</b>	<b>1.3 - 4.9</b>

Table 4: Estimated BCR

## Key Lessons Learnt

- Maintenance costs tend to be higher for green elements of public realm, with greening measures typically harder to fund in the long term
- Early collaboration between public and private actors should establish the mechanisms for addressing cost overruns in construction and in operation
- Active maintenance of the public realm can infer significant benefits in addition to its completion
- The proposed removal of S106 commitments by HM Government has the potential to create issues for ongoing maintenance of public realm interventions

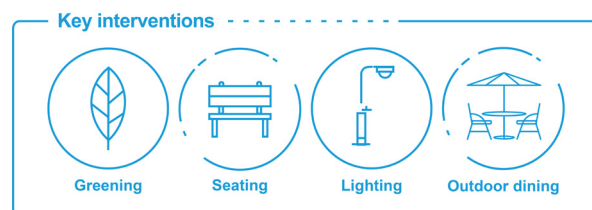


## 5.3. Bromley North Village

### Context

Bromley North Village makes up part of Bromley town centre, which is classified as one of Outer London's metropolitan centres. The town centre serves as a catchment across southeast London and north Kent, however it faces strong competition from competitors, such as Croydon town centre and Bluewater shopping centre, which has resulted in increasing vacancy rates and declining footfall levels. A wider Bromley Town Centre regeneration project was initiated through the Mayor of London's Outer London Fund, with TfL and the London Borough of Bromley. The Bromley North Village scheme was a part of this wider project.

The objectives of the project were to provide a much more competitive and vibrant town centre with higher quality buildings, public spaces and connections which would make it an area to shop, work and spend leisure time in. Changes in the surrounding area would improve the accessibility of the town centre by promoting active travel choices whilst making it a safer environment especially in the evenings to facilitate a successful day and night time town centre<sup>11</sup>.



### Interventions

- Improvements to the public realm including upgrading street furniture, lighting, pocket parks, wayfinding signs and planting
- Reduction of road space through additional street furniture and widened pavements, which alongside speed limit reductions and traffic enforcement cameras promoted pedestrian access through the town centre
- The total area of public realm improvement equated to 4,000sqm
- The project hit all ten of the Healthy Streets indicators as shown in Figure 11

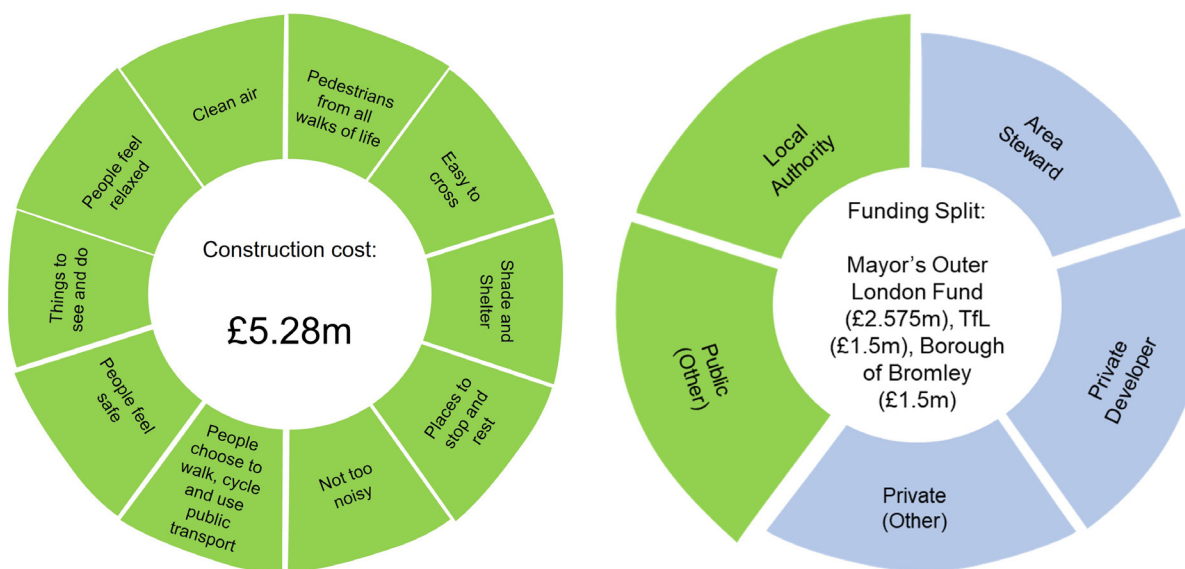


Figure 11: Bromley North Village Healthy Streets Indicators and Funding Split

## Construction

- Total construction cost: £5.3m, funding split shown in Figure 11 above
- 2 year construction period, completed in 2014
- Details on maintenance costs were not available



## Impact of Interventions

- In post evaluation surveys with local residents and businesses, **over 80% agreed that the enhancements had made the area more attractive**
- Similarly, over 70% agreed that their satisfaction with the area had improved as a result of the interventions
- Net delivery of **30 additional jobs, generating approximately £12.9m in Gross Value Added (GVA)** terms over the 15 years following completion of the scheme
- An estimated **£661,000 in annual health benefits**
- **Restaurants on East Street reported an average 30% increase in turnover**, partly as a result of the expansion of outdoor seating delivered by the scheme
- At the time of completion in 2014, it was estimated there was a total £492m in land value within the site catchment. Table 5 outlines the additional land value delivered to local landowners and occupiers (in present value terms) under different uplift scenarios
- In the scenario where an assumed 5% reduction in crimes is achieved in the study area, this would generate a total benefit of £309,000 in public cost savings over a ten-year period from the project implementation
- Table 6 outlines the estimated benefit-cost ratio (BCR) when compared to the total capital and maintenance costs of the scheme under low and high land value uplift scenarios. A BCR above one represents a scheme delivering greater economic benefits than its costs and therefore it would represent positive value for money for local landowners and for active travel users in the area

		Total value
Existing land value within catchment		
Office		£83.8m
Retail		£298m
Other/industrial		£2.40m
Residential		£108m
<b>Total land value within catchment</b>		<b>£492m</b>
WLVU delivered	1% uplift scenario	£4.92m
	2% uplift scenario	£9.85m
	4% uplift scenario	£19.7m
	Transformational scenario (17.5% uplift)	£92.0m

Table 5: Estimated Wider Land Value Uplift

	Value expressed in £2014
WLVU delivered (under 1% - 4% uplift)	£4.92m - £19.7m
Wider external impacts – active travel and health impacts	NA
Wider external impacts – crime reduction	£550,000
<b>Total economic benefits</b>	<b>£5.47m - £20.2m</b>
Scheme capital cost	£5.27
Maintenance costs (over 10 years)	£1.20m
Total economic costs	£6.47m
<b>Estimated benefit-cost ratio (low to high)</b>	<b>0.9 - 3.1</b>

Table 6: Estimated BCR

## Key Lessons Learnt

- The impact of public realm interventions may not be visible in quantitative metrics for economic performance, and may impact general amenity through wider interaction with other factors
- The land value uplift (in percentage terms) that can be achieved in less central or more deprived locations is likely to be higher than in interventions occurring in affluent parts of central London (which would still likely achieve higher absolute land value uplifts)
- The length of consultation required to implement public realm schemes can be a barrier to deliver by public bodies. The necessary engagement with landowners and businesses can cause issues for council resourcing



Before



After

## 5.4. Pavilion Road

### Context

Pavilion Road, in the Royal Borough of Kensington and Chelsea, is part of the Cadogan Estate and home to London's longest mews. Over the past two years it has been developed from a set of stables into an attractive retail environment, delivering requested local amenities for residents and establishing the area as a key retail and leisure destination within Chelsea. The Pavilion Road improvements were undertaken on the initiative of the Cadogan Estate.

### Interventions

- Permanent pedestrianisation of Pavilion Road and cycle zone to improve safety and amenities of the local area
- In order to aid the recovery of Chelsea's restaurants and cafes and to improve the general vibrancy of the area, 1,000 outdoor seating was provided for alfresco dining
- Cadogan has worked with Pavilion Road retailers to trial an e-cargo bike delivery scheme which was aimed at reducing traffic and improving local air quality



#### Key interventions



Pedestrianisation



Outdoor dining



e-cargo bike

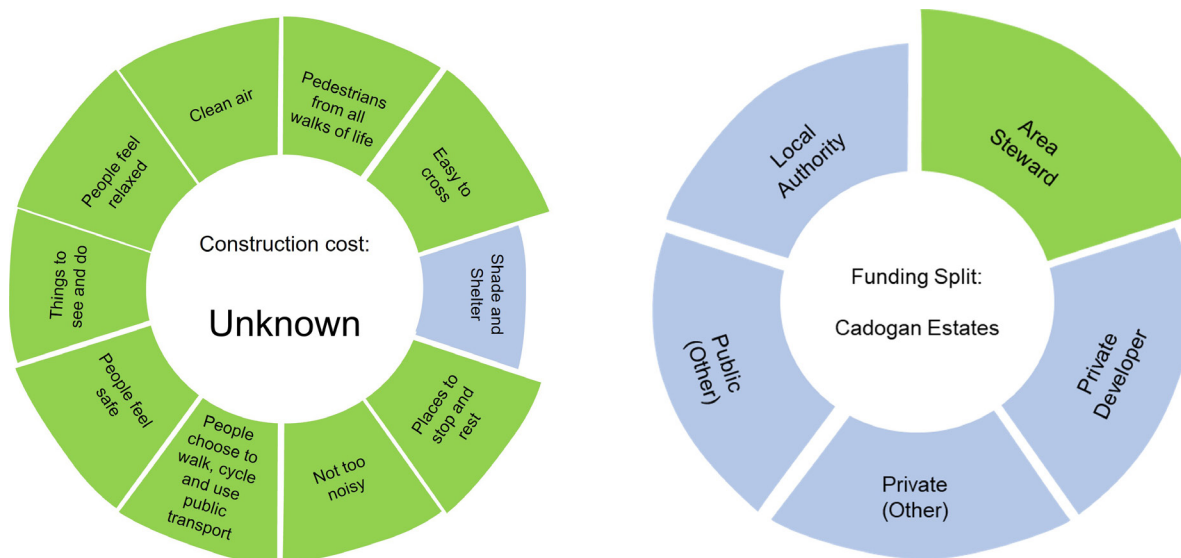


Figure 13: Pavilion Road Healthy Streets Indicators and Funding Split

## Construction and Maintenance

- The scheme was led by and entirely funded by the Cadogan Estate
- Construction cost figures are private information held by the Cadogan Estate
- The construction works for the scheme were completed in 2018



## Impact of Interventions

- In 2019, **footfall was up 11.8% on the previous year**
- Achieved a Pedestrian Environment Review System (PERS) of 2.0 (scale from -3 to +3), compared to surrounding roads which score an average -0.1
- Estimated **social value of public realm investment valued at £170,000 - £240,000 in net-present value (NPV) terms**
- At the time of completion in 2018, it was estimated there was a total £1.32bn in land value within the site catchment. Table 7 outlines the additional land value delivered to local landowners and occupiers (in present value terms) under different uplift scenarios
- The scheme resulted in a 6.5% uplift in pedestrian footfall. Under the DfT's Active Mode Appraisal Toolkit the generation of average of 1,345 pedestrian trips per day would result in a total of £4.45m in active travel and health impacts
- In the scenario where an assumed 5% reduction in crimes is achieved in the study area, this would generate a total benefit of £88,400 in public cost savings over a ten-year appraisal period
- The capital cost of the Pavilion Road case study is not known and therefore a comparison cannot be made between the scheme's respective benefits and estimated costs, as shown in Table 8. However, the scale of the benefits of the case study is significant, and the capital cost of the scheme would be required to total £17.7m to outweigh its estimated benefits under the lowest scenario of additional land value generation

		Total value
Existing land value within catchment		
Office		£154m
Retail		£121m
Other/industrial		£760,000
Residential		£1.05bn
<b>Total land value within catchment</b>		<b>£1.32bn</b>
WLVU delivered	1% uplift scenario	£12.8m
	2% uplift scenario	£25.6m
	4% uplift scenario	£51.1m
	Transformational scenario (17.5% uplift)	£239m

Table 7: Estimated Wider Land Value Uplift

	Value expressed in £2019
WLVU delivered (under 1% - 4% uplift)	£12.8m - £51.1m
Wider external impacts – active travel and health impacts	£4.45m
Wider external impacts – crime reduction	£88,400
<b>Total economic benefits</b>	<b>£17.2m - £55.5m</b>
Scheme capital cost	Unknown
Maintenance costs (over 10 years)	£250,000
Total economic costs	-
<b>Estimated benefit-cost ratio (low to high)</b>	<b>-</b>

Table 8: Estimated BCR

## Key Lessons Learnt

- When public realm interventions are appropriately targeted, they can deliver significant commercial returns
- Continued relationships between public and private partners can contribute to smooth delivery and ease barriers to project implementation

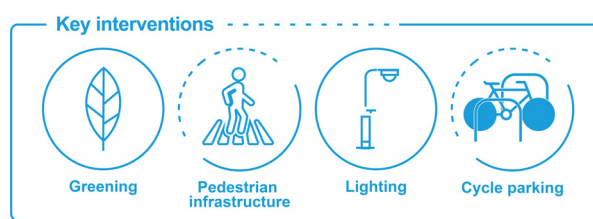
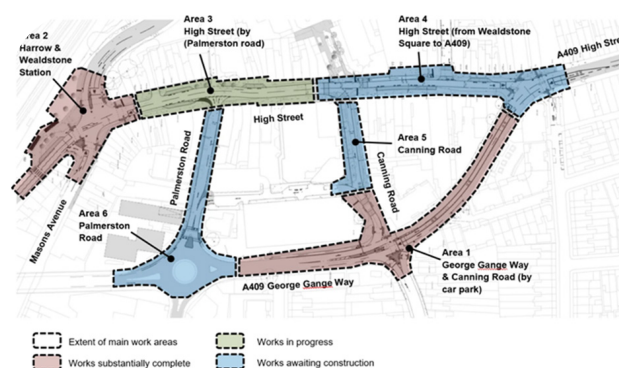


## 5.5. Wealdstone Town Centre

### Context

The Wealdstone Town Centre case study is a public realm improvement scheme currently being delivered by TfL in partnership with London Borough of Harrow (LBH). With funding secured through TfL and LBH under the London Regeneration Fund, the project aimed to provide additional vitality for the town centre, which has been designated as an Opportunity Area under the London Plan since 2016.

With Wealdstone and its town centre seeing significant future development (including at the Strategic Industrial Location of the Kodak site), the interventions sought to establish the town centre as a place to live, work and visit. This involved increasing footfall and activity for local businesses, and establishing the town centre as a community hub.



### Interventions

- Developing existing car parking space into new areas of public realm
- Improving the existing street environment and delivering greater active travel access to and around the High Street area. This included new paving and road surfacing, improved lighting and street furniture with narrower carriageways to reduce vehicle activity
- These supported the creation of a 'host space' for use as a market, film screenings, and other events in the new public space
- Measures to expand the public realm overall would result in the doubling of public realm space in the town centre

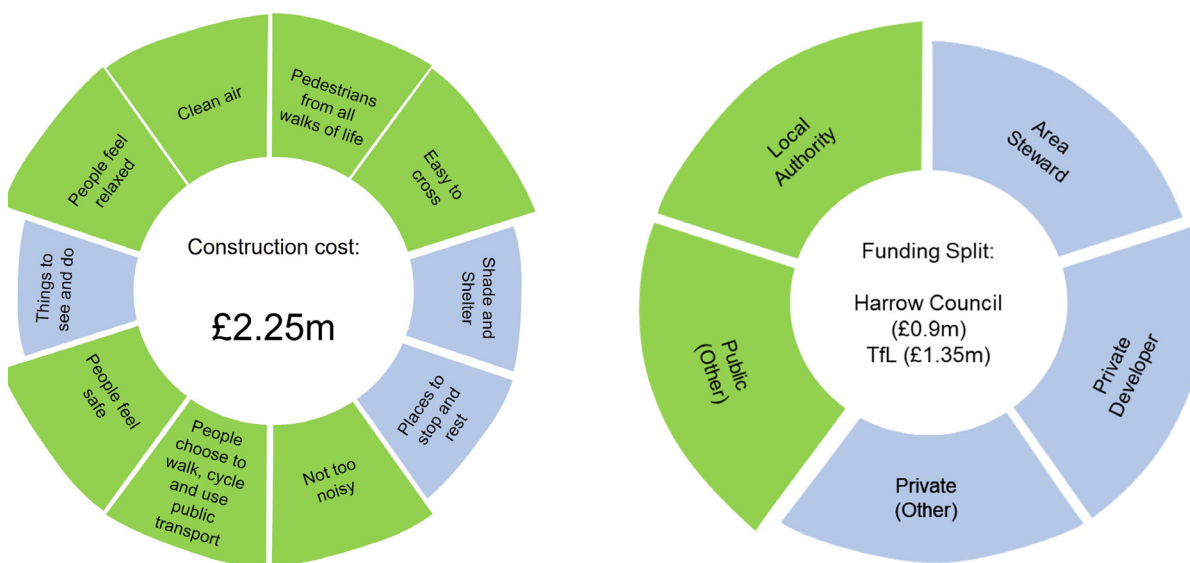


Figure 15: Wealdstone Town Centre Healthy Streets Indicators and Funding Split

## Construction and Maintenance

- Total cost: £2.25m, of which TfL would contribute £1.35m and the remainder funded by LBH
- Construction started in March 2021 and due to be complete between July and October 2022



## Potential Scale of the Impact

- Although initially due to be completed in early 2022 the scheme is still under construction, and therefore there is no information currently available regarding the post-completion impacts of the intervention. This section instead identifies an indicative scale of the impact of the scheme on land values using historic evidence of the scale of uplift delivered by similar interventions
- There is currently an estimated total £289m in land value within 100m radius of the project interventions. Table 9 outlines additional land value that could be delivered to local landowners and occupiers (in present value terms) under different uplift scenarios
- In the scenario where an assumed 5% reduction in crime is achieved in the study area, this would generate a total benefit of £195,000 in public cost savings over a ten-year period from the project implementation
- Table 10 outlines the estimated benefit-cost ratio (BCR) when compared to the total capital and maintenance costs of the scheme under low and high land value uplift scenarios. As construction is still ongoing, the active travel and health impacts are not able to be accounted for. A BCR above one represents a scheme delivering greater economic benefits than its costs and therefore it would represent positive value for money for local landowners and for active travel users in the area

		Total value
Existing land value within catchment		
Office		£34.7m
Retail		£87.0m
Other/industrial		£19.3m
Residential		£148m
<b>Total land value within catchment</b>		<b>£289m</b>
WLVU delivered	1% uplift scenario	£2.79m
	2% uplift scenario	£5.59m
	4% uplift scenario	£11.2m
	Transformational scenario (4% over five-year period)	£52.2m

Table 9: Estimated Wider Land Value Uplift

	Value expressed in £2022
WLVU delivered (under 1% - 4% uplift)	£2.79m - £11.2m
Wider external impacts – active travel and health impacts	NA
Wider external impacts – crime reduction	£195,000
<b>Total economic benefits</b>	<b>£2.98m - £11.4m</b>
Scheme capital cost	£2.25m
Maintenance costs (over 10 years)	£777,000
Total economic costs	£3.00m
<b>Estimated benefit-cost ratio (low to high)</b>	<b>1.0 - 3.9</b>

Table 10: Estimated BCR

## Key Lessons Learnt

- Where public realm interventions increase the attractiveness of nearby commercial and residential property, they can deliver positive public welfare returns through increases in land value alone
- Seek opportunities for more joined up thinking and coordination of schemes, in this case by bringing together the main town centre scheme, the borough's High Street Fund and other key planning applications coming forward. Considering these elements together can offer ways for schemes to benefit from each other and spread the costs of public realm improvements



## Conclusions from the Case Studies

The estimation of the impacts demonstrate that there is a public economic case for each of the schemes, which is primarily driven by increases in land value in the local areas neighbouring each of the case studies. Table 11 presents a summary of the results of the assessment.

	Indicative land value uplift (£m)	Health and environmental benefits (£m)	Crime reduction benefits (£m)	Total economic benefits (£m)	Scheme costs (£m)	Indicative BCR
<b>Baker Street Two Way</b>	68 - 272	20	2	<b>89 – 293</b>	<b>25</b>	<b>3.8 – 12.5</b>
<b>Jubilee Gardens</b>	12 – 48	NA	0.3	<b>12 – 48</b>	<b>9.7</b>	<b>1.3 – 4.9</b>
<b>Bromley North Village</b>	4.9 – 20	NA	0.6	<b>5.5 – 20</b>	<b>6.5</b>	<b>0.9 – 3.1</b>
<b>Pavilion Road</b>	13 – 51	4.5	0.1	<b>17 – 56</b>	<b>Unknown</b>	<b>Unknown</b>
<b>Wealdstone Town Centre</b>	2.8 – 11	NA	0.2	<b>3.0 – 11</b>	<b>3</b>	<b>1.0 – 3.9</b>

Table 11: Summary of the Estimated Economic Impacts

While the social and environmental benefits of Healthy Streets interventions are well-established, their regenerative capacity and their impact on land values are a core motivator behind their implementation. Understanding and highlighting these impacts will be critical in attracting further investment.

- Current appraisal methodology for development and public realm schemes is focused on impact on land value, which captures economic welfare benefits to land owners and users
- The case study results suggest that the methodology favours public realm interventions in areas with relatively high existing land values, and that transformational change in land values are often needed to justify public realm interventions in areas of higher deprivation
- The potential for transformational change is larger in areas where the existing public realm and development is of relatively poorer quality therefore significant changes in the public realm are needed to deliver transformational impacts
- The difficulty in providing initial appraisal for these case studies shows the need for thorough evaluation of the impacts of public realm schemes moving forward, including establishment of better evidence regarding the scale of benefits of these schemes for future policymaking

## Snapshot: Parklets in Practice

The case studies included within this report are relatively large scale and high-cost interventions, however, smaller scale interventions should be given equal consideration for delivering Healthy Streets benefits for different stakeholders. Smaller-scale interventions can be more achievable, applicable to a wider range of areas and require less funding.

For example, parklets can be a small change with a big impact. Hammersmith BID has implemented four parklets to create green spaces, promote cycling, and improve biodiversity. The parklets' plants were chosen to support the introduction of 180,000 bees in the local area. Meanwhile, these parklets supported local hospitality businesses and offices with pleasant, green, outdoor space to socialise and interact. Another parklet in the Hammersmith BID was introduced outside of a pub, The Dartmouth Castle, to support businesses during COVID-19's business support scheme Eat Out To Help Out. Further details regarding these examples and providing parklets can be found in CRP's 'Creating Parklets for Community and Business Resilience: Your Project Guide' and 'Parklets in Practice: Providing additional green space for communities and businesses'.



*Hammersmith and Fulham, London*







## 6. Lessons Learnt from Local Authorities

Local authorities have a breadth of experience implementing public realm interventions. This section summarises some key best practice principles that can continue to inform conversations between developers, landowners and local authorities for future Healthy Streets measures.

### **Location and Connectivity**

It is vital that Healthy Streets interventions are delivered in meaningful locations that do not exist in isolation. Interventions should seek to benefit the immediate environment but also need to link in with the broader site context. This is to ensure connectivity and that the wider community can enjoy and utilise interventions, maximising the project impact. This mirrors the narrative that was expressed at the round table, as detailed in Section 5, and therefore suggests that developers and local authorities are closely aligned in how they view public realm and street space.

### **Developer Liability**

Some local authorities have transferred the liability for certain Healthy Streets interventions to the developer.

For example, in a development on Pentonville Road that added street trees, liability and costs became the responsibility of the developer. The agreement outlined that the developer shall reimburse the council or Transport for London for costs incurred in the maintenance and care of these trees.

Highways officers are recommended to make a clear case for how Healthy Streets initiatives bring benefits to development sites and initiate these conversations that will encourage developers to have an interest in the spaces surrounding the development to consider providing financial support to maintain these to a high quality.

### Developer Bonds

To monitor development activity and raise funds for highway and public realm interventions, the London Borough of Southwark adopted an approach through the issuing of bonds to conditions. Through this mechanism, the council requires developers to enter a Delivery Service Plan (DSP) Bond against submitted baseline figures for daily servicing and delivery trips and if the site meets or betters the baseline targets, the bond will be returned to the Applicant within six months of the end of the monitoring period. However, if the

site fails to meet its own baseline target, the bonded sum will be made available to the council for sustainable transport projects in the ward of the development. A similar approach has been taken for Travel Plan monitoring and if adopted by other local authorities could be linked to fund Healthy Streets interventions. Such a mechanism meets the request from developers to have a funding arrangement that achieves what the Section 106 did in planning, where the direct link between a financial contribution and the outcome could be realised.



Temporary cycle parking for Regents Street Car Free Day, London, July 2014



# 7. Conclusions & Recommendations

This study has revealed the true commercial benefit that developers see from investment in, and improvement of, the public realm. The quality of the setting and surroundings of a building are as important as the buildings itself.

The study has brought to light an appetite among developers to explore alternative avenues of funding Healthy Streets assets, beyond planning contributions, with approaches initiated from both the developer and local authority side. The research noted an enthusiasm from developers and landowners to fund Healthy Streets improvements as part of both new development schemes and existing estates.

Business Improvement Districts (BIDs) were strongly supported by the private sector as an important conduit sitting between themselves and local authorities. The stakeholders highlighted the key role of BIDs given their long term-vested interest in local improvements and their ability to develop and coordinate holistic public realm strategies. Whilst the number of BIDs across London is increasing,

community groups can also play an important role in helping to shape Healthy Streets schemes - not every district will benefit from a BID.

The growing importance of Environmental, Social and Governance (ESG) in commercial development provides an opportunity to demonstrate the delivery of tangible commercial value associated with environmental and social improvements. This needs to be used to promote a positive case towards private sector investment decisions.

The remainder of this section provides recommendations from the study, supported by the context, whilst also providing suggestions for further studies. The recommendations can be read in isolation, but have been grouped here under the themes of:

- 1. Public realm for the benefit of all;**
- 2. The role of BIDs;**
- 3. Funding mechanisms; and**
- 4. The recognition of value.**



## Recommendations and Further Studies:

### Public realm for the benefit of all

#### Context

In the 1970s and 1980s, fortress-like developments encased occupants from the outside world, however, this boundary between the two is changing significantly and blurring. A clear collective signpost from developers was the value they see from high quality public realm helping to enhance buildings, with improvements to the surrounding area playing a significant role in influencing the value of the space within developments.

De-trafficking of streets, consolidation of deliveries, reduced car parking and other measures towards the creation of Healthy Streets are truly mutually beneficial. More outdoor usable space that provides 'dwell time' brings value to developers and landowners, as demonstrated in 'The Pedestrian Pound' report by Living Streets<sup>12</sup>. Through developer provision of a greater openness and connectivity of the ground floor of a building, they benefit from a more people-focused public realm.

#### Recommendations

- Local authorities should develop 'street strategies' to provide a holistic vision for local streets and the steps required to improve them against the Healthy Streets indicators. This would provide stakeholders and developers with clear aims they can provide and contribute to.
- Developers must consider how their buildings contribute to visions outlined in such proposed 'street strategies' and wider plans for the neighbourhood. For example, setting out such visions can encourage greater local community usable outdoor space and encourage developers to create greater permeability of the ground floor of buildings, which are open and available for the local community.

## Business Improvement Districts (BIDs)

### Context

Involving BIDs and their networks came through as a strong recommendation by developers as it allows businesses, developers and landowners to come together and achieve mutually beneficial Healthy Streets interventions.

BIDs are a key delivery vehicle for public realm strategies and it was explicitly noted by a developer representative at the round table that BIDs are often considered a “pre-requisite” to achieve major investment in public realm. Not only would BID involvement overcome issues around local authority funding, BIDs also provide a key strategic oversight role in the development of the local public realm.

BIDs were also identified as a valuable conduit for facilitating ongoing maintenance of public realm schemes. Such an approach was taken in the Jubilee Gardens example, where neighbouring landowners, local businesses and community representatives came together to form the Jubilee Gardens Trust. Similarly, BIDs can also take this approach to establish long-term strategies, including ongoing maintenance of public realm schemes.

### Recommendations

- Local authorities should seek greater involvement from BIDs. In areas where BID presence would be beneficial, particularly in outer London boroughs, local authorities should support their establishment
- Where there may be less viability for a BID, other community groups can be approached or initiated to bring forward a list of publicly benefiting schemes which can then be taken to local developers. This is exemplified in Shaftesbury’s involvement with the London Chinatown Chinese Organisation in delivering the Chinatown gate as part of the Seven Dials enhancement
- Local authorities, BIDs and developers should include maintenance in funding break downs, so that costs are included in investment decisions

## Funding

### Context

Feedback from the round table suggested that there is an appetite for commercial investment in the public realm and for alternative approaches for funding to be suggested.

It was noted that, for landowners that have a particularly longstanding interest in the local area (such as estate owners), agreements to funding can be made more informally based on an existing relationship (which was a driving force for the Shaftesbury-funded Seven Dials neighbourhood improvements).

### Recommendations

- Local authorities should explore alternative, innovative funding mechanisms, and push beyond the boundaries of what is traditionally used as part of the planning
- Local authorities should consider use of public realm ‘credits’, where funding for public realm improvements is balanced with planning credits associated with development. As expressed by a developer at the round table, this may be in the form of committed capital invested by the developer for public realm improvement that contributes towards the wider planning gain for the local community, which is then offset acknowledged within section 106 agreements
- The use of ‘bonds’ by local authorities could be trialled to a greater extent. This is where the developer enters an agreement to pay a bond linked to achieving minimum healthy and sustainable transport patterns, with the bond returned if achieved; however, if the targets are not achieved, it is used to fund Healthy Streets improvements as mitigation
- To work around the current lack of flexibility in the CIL expressed by developers, funding pots could be established by local authorities that are directly linked to public realm improvements, which could use a vote from contributors to decide which scheme is delivered. This aligns with the proposed reform to CIL and Section 106 as set out in the recent Levelling Up and Regeneration Bill (as detailed on page 31)
- Local authorities could further facilitate citizen-led public realm improvements, such as crowdfunded projects and parklets, by simplifying and making application processes more accessible. TfL’s guidance, ‘Small Change, Big Impact’<sup>13</sup>, notes Crowdfund London, an initiative set up by the Greater London Authority (GLA) which allows people to get involved with their changing streetscape and promotes citizen-led regeneration

- Local authorities should draw on developer ESG targets to generate a commercial business case to support investment in public realm and Healthy Streets improvements elsewhere in a borough

### Further Studies

Further research into how these emerging and non-standard funding arrangements can be developed and designed in a way that is both accessible and beneficial for developers, and to 'cast the net' wider to maximise funding potential.



Granary Square, London



## Value Recognition

### Context

ESG is a growing consideration for all organisations and is increasingly feeding into commercial development viability assessments. Quantifying public realm benefits has traditionally been challenging, but ESG provides a new way in which social and environmental benefits do have a recognised value in commercial development decision making.

ESG credentials are also forming an increasingly important aspect for tenancy decisions. A developer noted at the round table that to reach their target demographic, incorporating ESG credentials has become a key requirement for their customers.

- Local authorities can then draw on these environmental and social values when presenting their schemes to developers and demonstrate how they enhance ESG credentials. Developers should take these forward and liaise with their ESG leads within investment organisations to align with their objectives to improve positive investment in public realm schemes
- This allows developers to promote ESG enhancing schemes within and as part of their scheme marketing, maximising the value of buildings and tenancy prospects

### Recommendations

- Local authorities are encouraged to demonstrate the environmental and social benefits of schemes, quantifying the extent of these benefits where possible. In addition to the findings presented in the case studies, other existing guidance includes 'The Value of Public Space' by CABI Space<sup>14</sup> and a set of publications by the Project for Public Spaces including 'The Case for Healthy Spaces'<sup>15</sup>

### Further Studies

Research further ways of quantifying or delivering business case value to public realm interventions.

Explore how schemes can meet social benefits – how do schemes enhance mental health, wellbeing, physical movement and improved air quality, as explored in CRP's 'Greening out the Grey: The value of Green Infrastructure for People and Places' report<sup>16</sup>. All of these are aspects have a growing recognised value which can be used to promote investment.







# Endnotes

- 1 CABI Space, 2014. The Value of Public Space
- 2 Urban Big Data Centre, 2021. Impacts of improved public realm infrastructure
- 3 Institute for Transport Studies, 2016. Business Case Development Manual Review: Stage 2 Urban Realm.
- 4 Living Streets, 2011. Making the Case for Investment in the Walking Environment.
- 5 Dr Tolley, R., 2011. Good for Business: The Benefits of Making Streets More Walking and Cycling Friendly.
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- 9 Public Health England, 2020. Improving Access to Greenspace: A New Review for 2020.
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- 11 Regeneris Consulting, 2015. Bromley Town Centre Outer London Fund Evaluation
- 12 <https://www.livingstreets.org.uk/media/3895/pedestrian-pound-briefing-for-mps.pdf>
- 13 <https://content.tfl.gov.uk/small-change-big-impact.pdf>
- 14 <https://www.designcouncil.org.uk/fileadmin/uploads/dc/Documents/the-value-of-public-space1.pdf>
- 15 <https://www.pps.org/product/the-case-for-healthy-places>
- 16 <https://crossriverpartnership.org/news/greening-out-the-grey-new-crp-report/>

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# Appendix 1 - Business Improvement District (BIDs) Summary

## What Are BIDs and What Do They Do?

A Business Improvement District (BID) is a business-led organisation for a defined geographical area, in which local businesses have voted to invest together to deliver local improvements. BIDs are funded by a mandatory levy on all eligible businesses, with additional funding streams available from the public and private sector. BIDs are not only increasing in numbers around London but also having an increasing role in the city. The main BID categories in London are property, town centre and industrial BIDs, according to the business types they represent, with further diversification of community-led and local authority-led BIDs.

The purpose of BIDs is to promote the area they operate in as places of residence, business and leisure. They work closely with the local authority of the area they represent, as well as with neighboring councils, to address opportunities around the regeneration and overall liveability of the neighborhoods they cover. However, their set up will vary depending on the area they operate in and the needs of that area. BIDs around the UK can work together through organisations such as British BIDs and the BID Foundation.

### Benefits of BIDs include<sup>1</sup>:

- BID levy money is ring-fenced for use only in BID areas
- Businesses have a direct say in what improvements they would like to see in their area
- Reduction of business costs, for examples from joint procurement
- Opportunity to mediate with public bodies including local councils and TfL
- Activity to support increased footfall and staff retention
- Networking opportunities

BIDs can be set up through a BID Proposal which includes delivery guarantees, performance indicators and management structure. Following a successful ballot, BIDs can collect a levy from commercial occupiers in the defined BID area, where the levy sum for each business is based on the non-domestic business rates payable for each business<sup>2</sup>. The funds raised is the primary revenue source for BID activities and can also be used to leverage other funds to support these initiatives.

<sup>1</sup> <https://www.london.gov.uk/what-we-do/business-and-economy/supporting-business/about-business-improvement-districts>

<sup>2</sup> The Means, 2016. London BIDs Handbook.

## List of London BIDs

BID	Borough
Acton BID	Ealing
Algate BID	Tower Hamlets & City
Angel AIM	Islington
Argall BID	Waltham Forest
Baker Street Quarter	Westminster
Beckenham	Bromley
Beddington BID	Sutton
Better Bankside	Southwark
Bexleyheath BID	Bexley
Blue Bermondsey BID	Southwark
Brixton BID	Lambeth
Bromley BID	Bromley
Brompton Road BID	Kensington and Chelsea
Camden Town Unlimited BID	Camden
Central District Alliance	Camden
Central District Alliance	Islington
Cheapside	City of London
Clapham BID	Lambeth
Clapham Junction BID	Wandsworth
Croydon BID	Croydon
E11bid	Waltham Forest
Ealing BID	Ealing
Eastern City Partnership	City of London
Euston Town BID	Westminster
Fleet Street Quarter	City of London
Fulham Broadway BID	Hammersmith & Fulham
Garratt Business Park	Wandsworth
Hainault Business Park	Redbridge
HammersmithLondon	Hammersmith & Fulham
Harrow Town Centre	Harrow
Hatton Garden BID	Camden
Heart of London	Westminster
Ilford BID	Redbridge
Kimpton Industrial Park	Sutton
Kings Road BID	Kensington and Chelsea

BID	Borough
Kingston First	Kingston
London Riverside BID	Havering
Love Wimbledon	Wimbledon
Marble Arch BID	Westminster
New Addington	Croydon
New West End Company	Westminster
Northbank BID	Westminster
Orpington 1st	Bromley
Paddington Now	Westminster
Penge	Bromley
Piccadilly and St James	Westminster
Purley BID	Croydon
Putney BID	Wandsworth
Richmond BID	Richmond
Romford BID	Havering
Sidcup BID	Bexley
South Bank BID	Lambeth
South Wimbledon BID	Merton
Station to Station	Lambeth
Stratford Original	Newham
Streatham BID	Lambeth
Successful Sutton	Surrey
Team London Bridge	Southwark
The Fitzrovia Partnership	Camden
Twickenham BID	Richmond upon Thames
Uxbridge BID	Hillingdon
Vauxhall One	Lambeth
Victoria	Westminster
Victoria	Westminster
Victoria BID	Westminster
Wandsworth Town BID	Wandsworth
WeAreWaterloo	Lambeth
West Ealing BID	Ealing
Willow Lane	Merton
Wood Green BID	Haringey

# Appendix 2 - Case Study Methodology



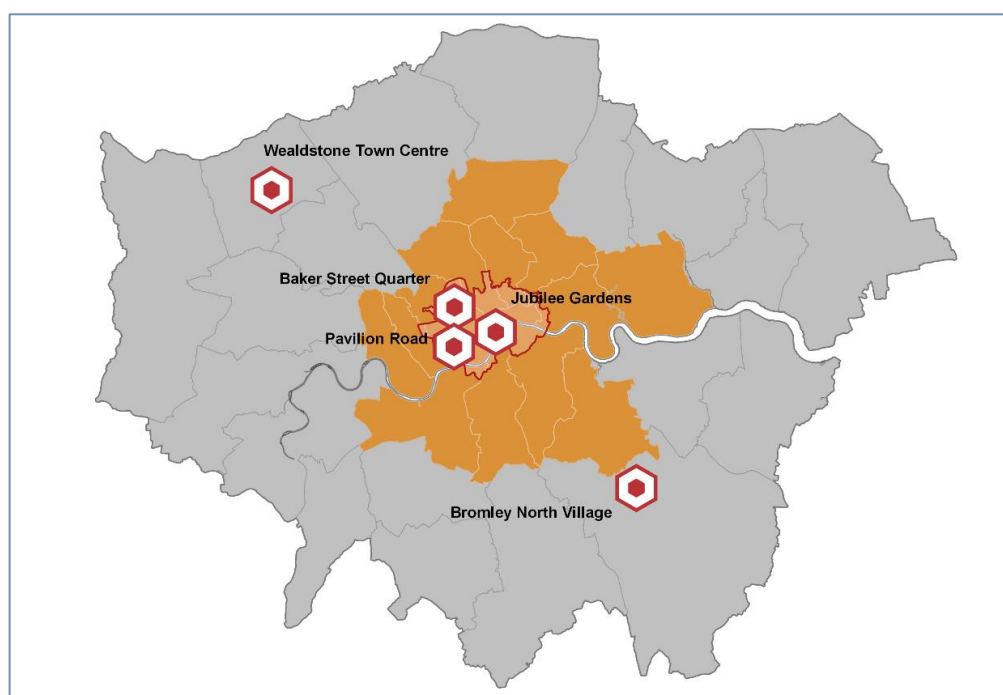
# 1 IDENTIFYING INTERVENTION IMPACTS

## Economic benefits

### Core impact – land value uplift

- 1.1 The impact of investment into the public realm stretches beyond the individuals directly using the improvements and affects a wider range of individuals (such as local residents owning properties) and businesses. Where investment into the public realm improves the attractiveness of an area to live, work or visit, this can result in a positive impact on land values for local property owners and occupiers.
- 1.2 In economic appraisal terminology, increases in land value on local properties resulting from public realm investment is referred to as Wider Land Value Uplift (WLVU).<sup>1</sup> This corresponds to the overall public welfare benefit accruing to landowners and users of commercial and residential property as a result of public realm improvements. The increase in attractiveness and activity arising from public realm improvements can lead to a more productive economic use of their assets.
- 1.3 The remainder of this report presents evidence on the potential impact of public realm improvements for five case studies identified as relevant for the aims of the healthy streets initiative (these case studies are mapped in **Figure 1**). This evidence has been drawn from existing reports and high-level evaluations of each case study. A varying level of information is available for each case study, and the methodology for assessing and monetising any impacts varies between the studies. To supplement this existing evidence, our own indicative estimate of the WLVU occurring on local assets at the time of the completion of the case study is presented.

Figure 1 Location of public realm case studies



*Contains Ordnance Survey data @ Crown copyright and database right (2022)*

<sup>1</sup> DLUHC, 2021. Towns Fund Guidance. Economic Case: Best Practice Guide – Annex B.

- 1.4 Undertaking an assessment of the potential increase in land value uplift resulting from public realm intervention relies on evidence on the existing land values in the area local to an intervention, and evidence on the potential uplift in land value resulting from the interventions.
- 1.5 To calculate the indicative WLVU we have collected data from the Valuation Office Agency (VOA) and an online residential property website, to ascertain the total quantum and value of commercial and residential floorspace within a specified catchment of the intervention sites.<sup>2</sup> For the case studies in which interventions were smaller scale interventions applied across a very large area (Baker Street), the catchment area is the large area to which interventions were brought forward. In all other cases, an appropriate radius has been chosen in line with DLUHC's recommended geographical study areas. **Table 1** presents the study area considered under each case study.

Table 1 Study area used for consideration of WLVU

Case study	Study area	Justification
Baker Street Two-Way	The intervention site	Interventions are applied over a large study area, with catchment deemed to correspond to study area identified in project aims.
Jubilee Gardens	200m radius	Larger catchment area used to reflect the concentrated nature of improvements, in line with existing evidence presented on open space improvements. <sup>3</sup>
Bromley North Village	100m radius	The radius used provides a catchment area for the effects of the interventions in the northern town centre area as identified in project aims.
Pavilion Road	100m radius	Deemed to capture the impact of the interventions on the street itself and also immediately adjoining streets and property benefitting from the uplift in economic activity.
Wealdstone Town Centre	100m radius	The radius used provides a catchment area for the effects of the interventions in the town centre area as identified in project aims.

- 1.6 To identify the potential impact of each of the case studies on local land values, studies of previous public realm schemes have been considered. **Table 2** presents a summary of the case studies identifying an economic impact on footfall or land values as a result of increases in attractiveness and accessibility. Studies considering the impact of improvements in the attractiveness of public realm measures identify that successfully **public realm interventions with a total value of more than £1m can deliver uplifts in footfall and land values of approximately 15% to 40% within town and city centre study areas**. Similarly, case studies involving the delivery of improvements in the accessibility in the public realm can result in an uplift of pedestrian activity of between 25% and 40% (with some studies involving street pedestrianisation showing this can rise to an increase in the region of 100%) on streets where interventions are delivered.
- 1.7 Previous historical examples of public realm interventions show that, where appropriately targeted, their impact on land values can be large. To estimate the potential impact of

<sup>2</sup> Assumptions have been applied to identify the scale of the existing land value at the time of the case study, such as the land value surrounding Jubilee Gardens in 2012, the year of completion of the scheme.

<sup>3</sup> For example, Office for National Statistics, 2019. Valuing Green Space in Urban Areas identifies that accessible open spaces of 2.5ha in size (for comparative purposes, the Jubilee Gardens case study below totals 2.0ha in size) have significant effects on housing within a 500m radius. The 200m radius used is deemed conservative in this context and more appropriate to the commercial-focussed nature of surrounding development.

each of the case studies on local land values, we provide four scenarios for potential levels of land value uplift. The **low to high scenarios assume a one-time uplift occurs**, of amounts that are in line with DLUHC recommendations within previous funding programmes, such as the Future High Streets Fund. These uplifts are further supported by the existing literature. In most cases they can be considered conservative compared to the evidence presented on the most successful examples of public realm interventions within the literature base. Finally, a persistent transformational scenario is also tested, in line with the literature presented below on the impacts of some of the most notoriously successful public realm schemes. These correspond to the following:

- Low – the case study delivers a 1% uplift in surrounding land values;
- Medium – the case study delivers a 2% uplift in surrounding land values;
- High – the case study delivers a 4% uplift in surrounding land values; and
- Transformational – the case study delivers the uplift in the high scenario (4% per year) each year over a five-year period (i.e. an approximate 20% total uplift in surrounding land values). This corresponds to the approximate increase in land values recorded in the previous successful historical examples presented in **Table 2**.

1.8 In practice, it is difficult to isolate the impact of public realm interventions on existing land values and prove causality. Land values are often also affected cumulatively by market and local trends that do not relate to the quality of local public realm. The evidence presented in this report should therefore be treated solely as the theoretical, or hypothetical, benefit that could be/have been achieved by each scheme on the surrounding local area. Whilst it is difficult to prove causality to potential investors and current landowners, the case studies go some way towards demonstrating the net private (land value) benefits of development to landowners from public realm improvements.

1.9 It is clearly difficult to prove causality between public realm improvements and land value uplift. It is even more difficult to demonstrate which specific properties / landowners the land value benefits would accrue to. This is part of the reason why it has historically been difficult to convince private landowners – particularly those that own only a single or a few assets within the local area - to contribute towards schemes of this nature.

**Table 2** Summary of case studies identifying economic impacts

Case study	Nature of case study	Year	Impact of intervention	Study area
<b>Improvements in attractiveness</b>				
Kelso Townscape Heritage Initiative, Scotland <sup>4</sup>	Improvements to frontages and public realm provision, costing approx. £4.4m	2014	28% increase in footfall	Across town centre (approx. 10ha)
Peace Gardens and Millennium Square, Sheffield <sup>5</sup>	Regeneration of three public realm areas in Sheffield City Centre	1998-2006	35% increase in footfall and a net spending increase of £4.2m	Local city centre area (exact area unknown)
North Worcestershire Development Agency and RENEW Northwest (2007) <sup>6</sup>	Literature review of multiple public realm interventions	2000-2006	Between a 15% and 20% increase in rental value as a result of good urban design	Review of multiple studies

4 Scottish Borders Council. 2016. Footfall report.

5 Genecon, 2010. Research & Evaluation of Public Realm Schemes.

6 Kada Research, 2018. Kidderminster Centre Public Realm Improvements: Economic Impact Assessment.

Case study	Nature of case study	Year	Impact of intervention	Study area
CABE: The Value of Public Space (2004) <sup>7</sup>	Review of evaluations of multiple public realm interventions	1994-1997	Up to a 40% increase in commercial trading	Review of multiple studies
Shoreditch Parklet <sup>8</sup>	Temporary parklet replacing car parking spaces with seating and cycle parking	2016	20% increase in turnover	Directly adjacent retail premises
CABE: Paved with Gold (2009) <sup>9</sup>	Data and modelling exercise using existing house prices in London	2008	A one point PERS score increase results in an average £13,600 increase in value for a one-bedroom flat in London	10 high streets and their immediate neighbourhood
English Heritage: Impact of Historic Environment Regeneration (2010) <sup>10</sup>	Evaluation of a range of heritage-led town and city centre regenerations	2008-2009	Every £1 spent on heritage-led regeneration delivered £1.60 of cumulative economic activity	At individual development sites
CBRE Residential: Regeneration Premium Report (2019) <sup>11</sup>	Establishment of a London regeneration zone	2013-2019	Establishing a regeneration zone delivers a 3.6% house price increase above background growth	750m radius from regeneration zones
Office for National Statistics: Valuing Green Spaces in Urban Areas (2019) <sup>12</sup>	Data and modelling exercise using growth in house prices	2012-2018	Close access to publicly accessible open space of 2.5ha in size increases house prices by 0.2%	500m radius from open space
New York High Line <sup>13</sup>	Development of the New York High Line linear park	2009	18% increase in house prices	Within 1/3 <sup>rd</sup> miles from park
<b>Improvements in accessibility</b>				
Piccadilly, Stoke-on-Trent <sup>14</sup>	Pedestrian experience improvements including pavement widening	2016	30% increase in footfall	On street of intervention
Maid Marian Way, Nottingham <sup>15</sup>	Carriageway remodelling, additional pedestrian crossings and new street furniture costing approx. £2.5m	2005	29% increase in footfall	On street of intervention
King Street, Melbourne, Australia <sup>16</sup>	Increase pavement size and renovations to street furniture	2012	40% increase in footfall	Surrounding area (exact area unknown)
Altrincham, Manchester <sup>17</sup>	Improved market area, food and drink premises and batter pavements, costing approx. £15m	2016	25% increase in footfall and 22 percentage point decrease in retail vacancy	Across town centre

7 CABE, 2004. The Value of Public Space: How high-quality parks and public spaces create economic, social and environmental value

8 Living Streets, 2018. The Pedestrian Pound.

9 CABE, 2009. Paved with Gold.

10 English Heritage, 2010. Impact of Historic Environment Regeneration

11 CBRE Residential, 2019. Regeneration Premium Report.

12 ONS, 2019. Valuing Green Spaces in Urban Areas.

13 Levere, 2014. The High Line Park and Timing of Capitalization of Public Goods.

14 Living Streets, 2018. The Pedestrian Pound.

15 Living Streets, 2011. Making the Case for Investment in the Walking Environment.

16 SGS Economics and Planning, 2014. Valuing City of Melbourne's Walking Economy.

17 Trafford Council 2017. Sale Town Centre Public Realm and Movement Strategy.



Case study	Nature of case study	Year	Impact of intervention	Study area
Whitehead et al. The Effect of Urban Quality Improvements on Economic Activity <sup>18</sup>	Modelling analysis of various public realm and urban quality pedestrian improvement initiatives	2000-2006	Increased pedestrian footfall by 32% on average, with a range between 20% and 40%	On street(s) of intervention
Wanstead High Street, London <sup>19</sup>	Installation of street furniture, new pedestrian crossings decluttering, new pavement surfacing and new street lighting, costing approx. £725,000	2009	98% uplift in pedestrian footfall at night	On street of intervention
Exeter City Centre Improvements <sup>20</sup>	Pedestrian improvements including road pedestrianisation, increased traffic management and new public space, costing approx. £4.5m over 10 years	2000-2010	30% uplift in pedestrian footfall	Surrounding area (exact area unknown)
New Road, Brighton <sup>21</sup>	Pedestrianisation of street and installation of various street furniture including outdoor seating and pavement surfacing, costing approx. £1.75m	2007	162% increase in pedestrian activity	On street of intervention

### Wider external impacts – active travel and health benefits

- 1.10 In addition to delivering economic benefits through making an area more attractive, increases in amenity for pedestrians and cyclists has the potential to result in wider benefits for users of the public realm. These can include health benefits through encouraging additional active travel use, and the improvement in environmental conditions as a result of modal shift away from car use. These benefits occur in addition to the impact on land value resulting from the generation of improvements of the public realm.
- 1.11 DfT's Active Mode Appraisal Toolkit (AMAT) has been used (where feasible to do so) to provide a monetised summary of the scale of the economic impacts associated with the case studies. AMAT quantifies a wide range of potential benefits of cycling and walking interventions that are in addition to any land value generated for surrounding property. The impacts include:
- Health improvements: from increased levels of physical activity, which contributes to reduced mortality risk and reduced levels of absenteeism from work;
  - Improvements to journey quality: arising as a result of providing the perception of a safer or more pleasant journey while using walking and cycling infrastructure; and
  - Modal shift impacts: reducing car use, which in turn has positive environmental and congestion benefits.
- 1.12 This appraisal methodology has been carried out where information is available from scheme monitoring for both pre-scheme and post-scheme cycling or pedestrian footfall levels. This is the case for pedestrian and cycling uplifts under the Baker Street Quarter intervention, and for pedestrian uplifts for the Pavilion Road intervention.

18 Whitehead, T. et al, 2006. The Effect of Urban Quality Improvements on Economic Activity, Journal of Environmental Management 80 (1).

19 Dr Tolley, R., 2011. Good for Business: The Benefits of Making Streets More Walking and Cycling Friendly.

20 Living Streets, 2011. Making the Case for Investment in the Walking Environment.

21 Living Streets, 2011. Making the Case for Investment in the Walking Environment.

- 1.13 The impacts of these interventions are monetised under the default appraisal period of 20 years, as identified in the DfT AMAT tool for public realm and active travel interventions.

### Wider external impacts – crime reduction

- 1.14 The ability for regenerative development to contribute to crime reduction is well established in existing research.<sup>22</sup> Regeneration proposals have the potential to reduce crime and improve community safety and cohesion through improving public spaces and improving the sense of place within the town centre. Through regenerative investment across the two projects, the proposals would result in additional footfall, improving natural surveillance, and contribute to the sense of place in the town centre, improving community cohesion and reducing opportunities for crime.
- 1.15 To estimate the economic impact of the proposals on crime reduction, a 5% reduction<sup>23</sup> on crimes occurring within the intervention sites has been applied.<sup>24</sup> The value of the reduction of one crime as identified in the Greater Manchester Combined Authority unit cost database (the recommended resource for valuing crime reduction within DLUHC guidance) stands at £1,317 in 2021 prices. This figure is applied to the estimated reduction in crime to assess the total monetary benefit of crime reduction delivered by each scheme.
- 1.16 The impacts of these interventions are monetised under an appraisal period of 10 years, in line with DCLG appraisal guidance for schemes of this nature.<sup>25</sup>

### Discounting of impacts

- 1.17 Under current national guidance,<sup>26</sup> the appraisal of economic impacts should be presented in terms of present values, i.e. the equivalent value in current terms of future impacts. This approach reflects the fact that generally people prefer benefits and value to accrue in the current period. For example, if Projects A and B have identical costs and benefits but Project B delivers a year earlier, time preference gives Project B a higher present value because it is discounted by a year less than project A.
- 1.18 To provide a fair comparison of economic benefits and costs, the methodology used in this assessment applies a level of discounting to economic benefits and costs, based on a discount rate of 3.5% to benefits and costs that accrue in years following the start of construction (defined as 'Year 0') for each case study.

## Economic costs

### Capital costs

- 1.19 With the exception of the Pavilion Road case study (for which no cost information is available), information on the capital cost of each of the case studies has been taken from project documents that are publicly available. To provide an appropriate comparison of the economic impacts, all estimates of impacts are given in prices accounting for inflation and rebased to the year in which the cost information was provided.

<sup>22</sup> See, for example, Home Office, 2004. Safer Places: The Planning System and Crime Prevention.

<sup>23</sup> A 5% reduction across the intervention site is deemed a reasonable and conservative reduction for public realm proposals where additional street lighting and Crime Prevention through Environmental Design principles are taken into account. Painter, K. 1994. The Impact of Street Lighting on Crime, Fear, and Pedestrian Street Use provides surveyed evidence that street lighting reduced surveyed crime instances at site locations by 78% in Tower Hamlets and by 81% in Edmonton, both in London. DLUHC appraisal methodology identifies 5% as a theoretical default assumption for the scale of crime reduction that can be delivered by development schemes including public realm elements.

<sup>24</sup> Data taken from the data.police.uk resource and corresponds to one year worth of crime data April 2021 – March 2022 (the most recent data available at the time of writing).

<sup>25</sup> DCLG, 2016. The DCLG Appraisal Guide.

<sup>26</sup> See HM Treasury, 2022. Green Book.

## Maintenance costs

- 1.20 For all of the case studies, with the exception of Jubilee Gardens, limited information is available regarding the ongoing maintenance cost of the scheme. To provide a fair comparison against the total identified economic benefits on each scheme, an assumption is made regarding the level of ongoing maintenance cost. This allows for a more accurate assessment of the estimated Benefit Cost Ratio (BCR) associated with the intervention.
- 1.21 The London Borough of Camden Planning Guidance for Public Open Space (2021) identifies that as of 2021, each square metre of additional open space delivered would cost £7 to maintain annually.<sup>27</sup> This figure is based on recent maintenance costs of public open spaces across the borough, including green spaces and planting as well as improvements to active transport priority. For simplicity, the average figure of £7 per m<sup>2</sup> is applied to each of the case studies to estimate the annual cost of maintenance for each scheme.<sup>28</sup> This cost is appraised over a 10-year period from the completion of each scheme, which is considered to be the useful life of a public realm asset in this study.
- 1.22 **Table 3** presents the estimated maintenance cost applied under each case study under this methodology. Note that information on the maintenance cost of Jubilee Gardens has been taken directly from public information presented by the Jubilee Gardens Trust.

**Table 3** Estimated maintenance cost applied for each case study

Case study	Estimated annual maintenance cost (£2021)
Baker Street	£1.26m
Jubilee Gardens*	£484,000
Pavilion Road	£31,000
Wealdstone Town Centre	£32,000
Bromley North Village	£160,000

*NB: These costs reflect the equivalent value in £2021 terms. When applying the costs to each case study, costs are converted to the relevant price year and account for social discounting.*

*\* The maintenance cost for Jubilee Gardens case study has been taken from information provided by the Jubilee Gardens Trust.*

<sup>27</sup> London borough of Camden, 2021. Camden Planning Guidance: Public Open Space.

<sup>28</sup> As is identified in the Camden Planning Guidance, inflation is applied to this figure to provide an estimate of maintenance costs that is consistent over time. A 2% annual inflation is used to convert the cost to the relevant year of assessment, with the relevant level of discounting then applied.

# Appendix 3 - Full Case Studies



# 1 BAKER STREET TWO WAY

## Context

- 1.1 Baker Street Two Way was a joint undertaking delivered by Westminster City Council, the Portman Estate and TfL to redevelop sections of Baker Street and Gloucester Place and greatly improve the public realm in the immediate area surrounding the two roads. The decision to redesign the public realm was brought on by the poor traffic caused by the one-way traffic on both streets. The existing one-way roads were prone to high traffic speeds, particularly during the quieter periods of the day and high traffic volumes at peak times.<sup>1</sup>

Figure 1 Case study location



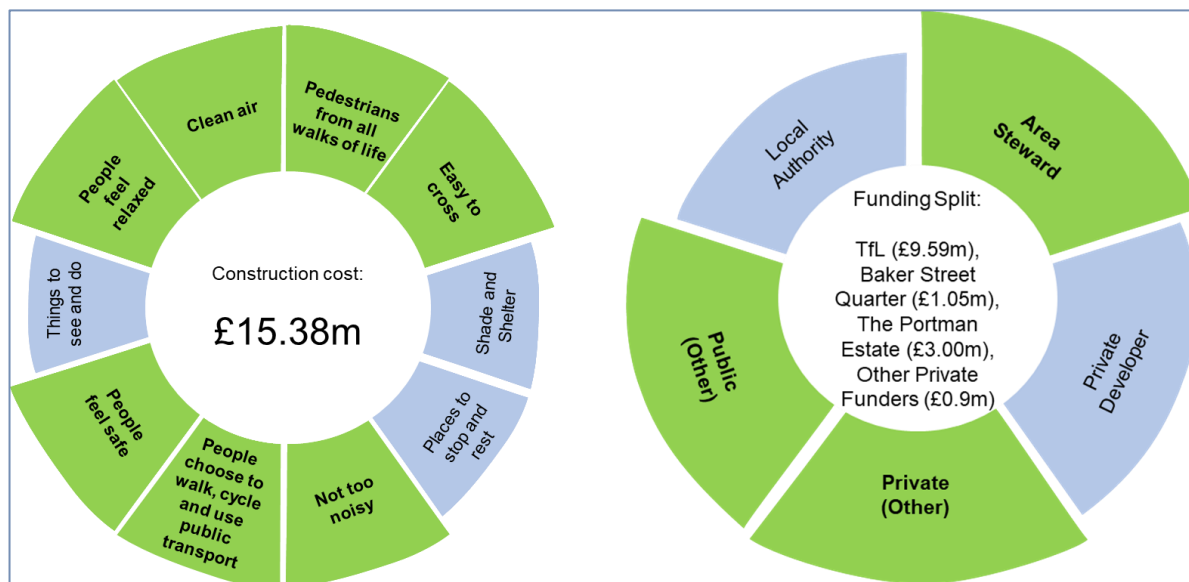
## Intervention

- 1.2 The aim of the project was to significantly reduce vehicle speeds, vehicle trip length and overall general traffic dominance, thus improving the air quality and noise pollution of the surrounding area.<sup>1</sup> The redevelopment provided pedestrians with an improved and enjoyable shared public space where they could relax and spend time, whilst also giving them a greater opportunity to walk and cycle.<sup>1</sup> Public transport accessibility would also be improved by enhancing connectivity between bus services, coaches and underground rail.
- 1.3 The project involved multiple delivery partners. Initial proposals were put forward by Westminster City Council and TfL, supported by the Baker Street Quarter Partnership and Portman Estate. Each of these parties contributed funding to the scheme. Whilst the majority of funding was provided by TfL, the other stakeholders were important delivery partners. These partners were heavily involved in consultation, scheme design and subsequent promotion of the final scheme. The summary of the project presented on the website particularly highlights the role played by the Baker Street Quarter Partnership and Portman Estate in securing buy-in for the scheme from local resident and business groups.<sup>1</sup>
- 1.4 The main proposed intervention was to introduce two-way traffic flow on both Baker Street and Gloucester Place, which would reduce the number of circuitous routes placing less stress on the road system and in turn reducing the traffic volume on residential streets. The switch to two-way traffic would also decrease the number of turning movements at junctions, which would improve street safety in the general area as there is less interaction with pedestrians. In addition, the two-way roads enabled greater accessibility for bus services.
- 1.5 New cycle lanes were introduced on both roads with more places to park bicycles. In addition to the changes on Baker Street and Gloucester Place, the scheme delivered 50 new or upgraded signalised crossing facilities along with further improvements to other existing crossings. To improve the public realm, footways were made wider, more trees planted, improved street lighting and reduced street clutter.<sup>1</sup>

<sup>1</sup> Baker Street Two Way, 2020. Archival link, <https://web.archive.org/web/20201108114225/http://www.bakerstreetwoway.co.uk/#about>

- 1.6 All these changes allowed the Baker Street Two Project to hit seven of the ten Healthy Streets Indicators as shown below in **Figure 3**.

Figure 2 Baker Street Two Way Healthy Streets indicators and funding split



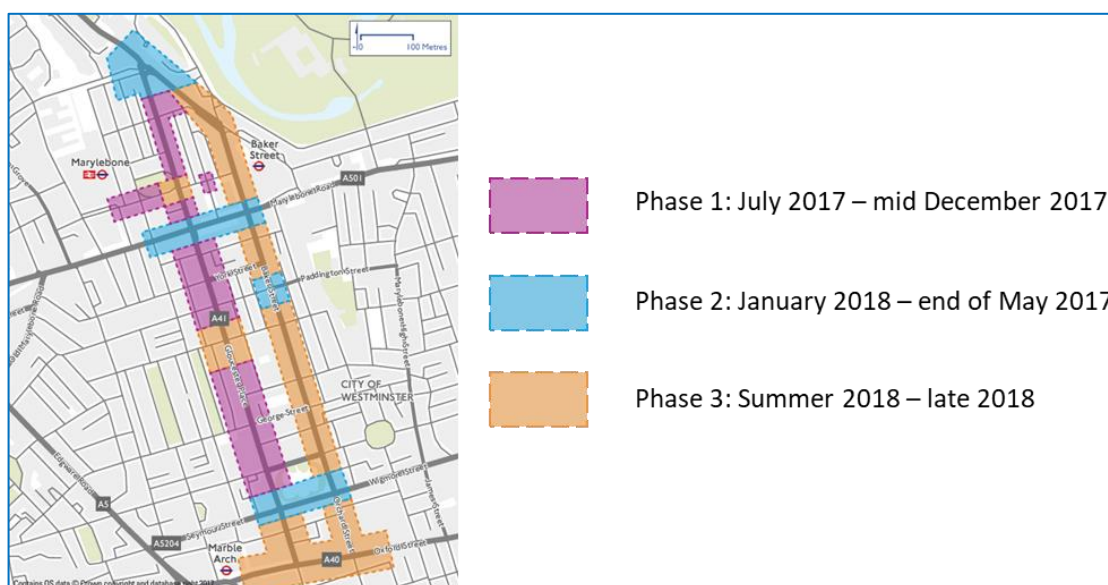
Source: TfL, 2017; Guide to the Healthy Streets Indicators. City of Westminster, 2017; Baker Street Two Way Project - Cabinet Member Report

### Construction and maintenance

- 1.7 The project had a capital cost of £15.38m, with funding coming from various partners as shown in **Figure 3**. Not included in the figure above, is a £0.84m gap in funding that was eventually covered by TfL.<sup>2</sup> Construction on the project started in 2017 and took a total of eighteen months, with the switchover from one-way traffic to two-way occurring over three days in February 2019. An initial indicative phasing of construction can be seen below in **Figure 4**.

<sup>2</sup> City of Westminster, 2017. Baker Street Two Way Project - Cabinet Member Report.

Figure 3 Baker Street Two Way Project Indicative Phasing



Source: Baker Street Two Way Project, 2017<sup>3</sup>; NB: This timetable was produced prior to commencement of construction activities. Phase 3 was completed in September 2019.

### Impact of the interventions

- 1.8 Between 2017 and 2019, average **vehicle speeds on Gloucester Place and Baker Street dropped by approximately 25% to 30%.**<sup>4</sup> Overall, the Baker Street Two Way Project coincided with a reduction in traffic flow, with the volume of traffic either falling or staying the same over the course of the study.<sup>5</sup> Reductions in the volume of traffic may also result from the Ultra Low Missions Zone (ULEZ) which was introduced in 2019 and has reduced traffic in Central London by 3%-9% in its first six months of implementation.<sup>6</sup>
- 1.9 Across monitoring locations in the surrounding areas there was a reduction in NO<sub>2</sub> air pollution when comparing the post-intervention monitoring outcomes to those in 2016. The Air Quality Monitoring Report reported between a 32% and a 52% fall in NO<sub>2</sub> pollution levels at monitoring locations across the area following the completion of the project.<sup>7</sup> Again however, this result may in part be driven by the simultaneous adoption of the ULEZ.<sup>6</sup>
- 1.10 Following the completion of the interventions, both pedestrian and cycling activity increased across both streets. This increase was the most notable in the inter-peak period across Baker Street, where pedestrian activity increased by 84%, but can be seen across the whole network.<sup>4</sup> On average, **pedestrian crossing activity on Baker Street has increased by 29% in the AM peak, 20% in the inter peak and 35% in the PM peak.**<sup>4</sup>
- 1.11 Cycling activity across the network increased by a smaller extent than pedestrian activity, however notable hotspots including Gloucester Place and northern Baker Street saw **between a 15% and 20% uplift in cycling volumes.**<sup>5</sup>

3 Available from [http://www.bakerstreetq.co.uk/wp-content/uploads/2017/11/Baker-Street-Two-Way\\_Phase-2\\_final.pdf](http://www.bakerstreetq.co.uk/wp-content/uploads/2017/11/Baker-Street-Two-Way_Phase-2_final.pdf)

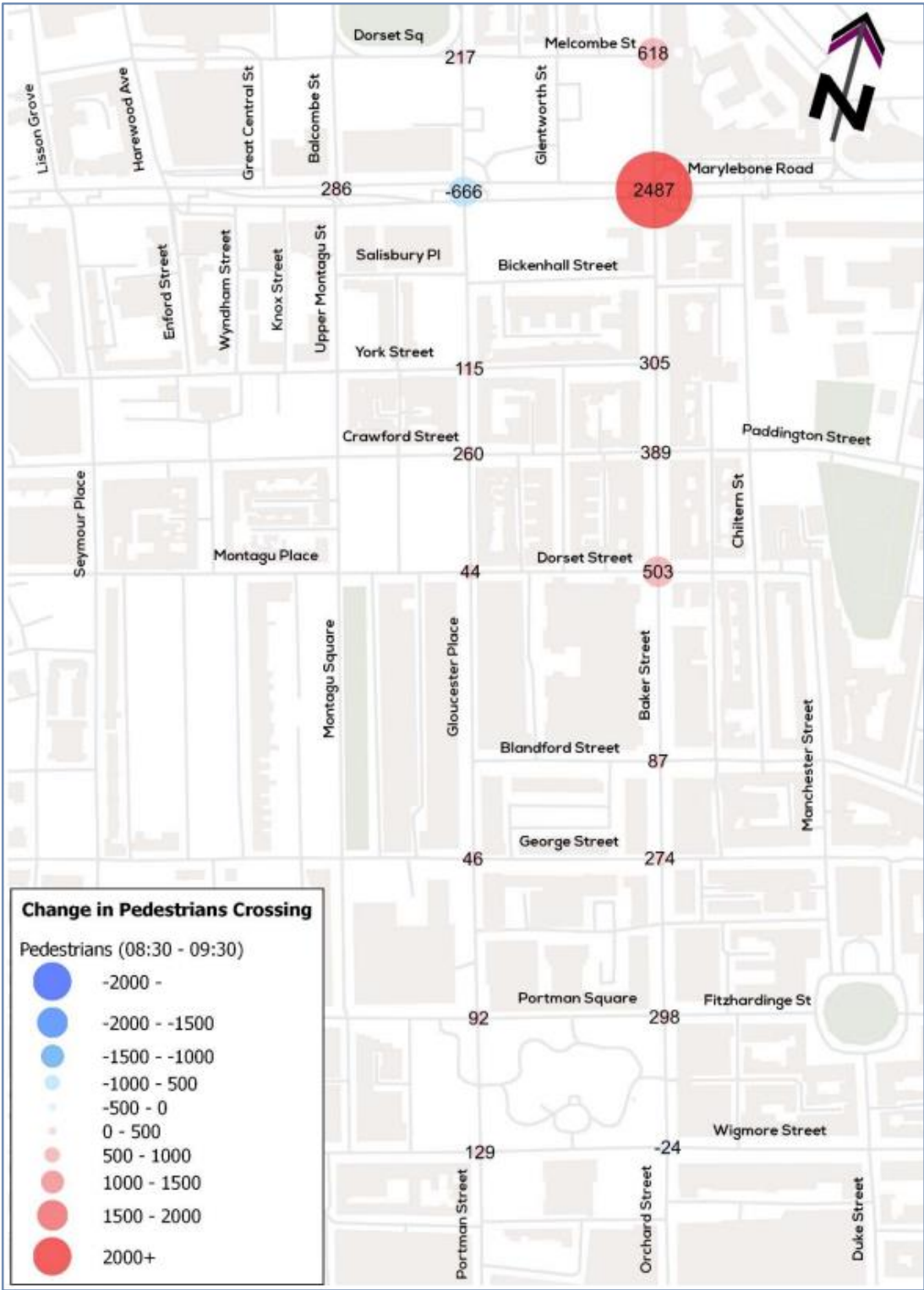
4 Baker Street Quarter, 2020. Executive Summary – BS2W Monitoring Report

5 City of Westminster, 2020. Baker Street Two Way Project – Post Scheme Implementation Analysis, Traffic Monitoring Report

6 Mayor of London, 2019. Central London Ultra Low Emission Zone – Six Month Report

7 Baker Street Quarter, 2020. Air Quality Monitoring Report

Figure 4      Changes in AM peak crossing volumes (ped/hr) between 2017 and 2019



Source: City of Westminster, 2020. Baker Street Two Way Project – Post Scheme Implementation Analysis, Traffic Monitoring Report



### Monetised land value uplift

- 1.12 The assessment of WLVU for Baker Street Quarter analyses the value of land within the intervention boundary, as presented in **Figure 4**, at the time of completion of the scheme in February 2019. At that point in time, there was an estimated total of £7.28bn in land value within the catchment.<sup>8</sup>
- 1.13 Under the 1% uplift scenario, the scheme would have delivered a total of £68.0m in additional land value to local landowners and occupiers (in present value terms once accounting for discounting). Under a transformational scenario in which the intervention delivered an uplift in land value similar to that of evidence in previous case studies (4% each year over a five-year period), the scheme would deliver a total uplift in land value of £1.27bn.

Table 1 Estimated wider land value uplift

		Total value
Existing land value within catchment		
Office		£2.31bn
Retail		£1.79bn
Other/industrial		£10.5m
Residential		£3.17bn
<b>Total land value within catchment</b>		<b>£7.28bn</b>
WLVU delivered	1% uplift scenario	£68.0m
	2% uplift scenario	£136m
	4% uplift scenario	£272m
	Transformational scenario (4% over five-year period)	£1.27bn

### Wider external impacts – active travel and health impacts

- 1.14 The Baker Street Two-Way Project delivered measured increases in both pedestrian and cycling activity across the study area. Under the identified monitoring data and conservative assumptions regarding the potential additional trip generation of the scheme, the intervention is estimated to have delivered approximately 53 additional cycling trips and 5,870 additional pedestrian trips each day in the site area following its completion.
- 1.15 Under the DfT's Active Mode Appraisal Toolkit this would result in the scheme resulting in a total of £20.2m in active travel and health impacts. These impacts are principally driven by the improvement in health outcomes resulting from the scheme, which corresponds to 90% of this impact.<sup>9</sup> **Table 2** presents the estimated impacts under this tool.

<sup>8</sup> These figures have been deflated to the year for which the cost estimates for the scheme were calculated to provide a comparable estimate.

<sup>9</sup> The impact of the scheme on congestion reduction and on journey ambience for active travel users forms the remaining 10% of this impact.

Table 2 Estimated health and environmental impacts under DfT AMAT

Health and environmental impact	Total value (£2019)
Congestion reduction benefit	£1.62m
Accident reduction benefit	£71,000
Local air quality improvements	£39,000
Reduction in vehicle carbon emissions	£49,000
Reduced risk of premature death	£15.0m
Reduced absenteeism	£3.15m
Improved active travel journey ambience	£319,000
Loss of indirect revenue for government through tax receipts	-£70,000
<b>Total sum of health and environmental impacts</b>	<b>£20.2m</b>

*Source: Volterra estimates using DfT AMAT tool. These figures exclude minor impacts and have been rounded, and therefore do not sum.*

### Wider external impacts – crime reduction

- 1.16 Under the most recently available data, a total of 1,473 crimes were committed annually in the study area for the project. The assumed 5% reduction in crime arising in this study area would therefore generate a total benefit of £2.02m in public cost savings, over a ten year period from the project implementation.

### Overall benefit-cost ratio

- 1.17 When compared to the total capital and maintenance costs of the scheme, this would result in the scheme delivering a **BCR of 3.8** under a low land value uplift scenario, which rises to **12.5 under a high land value uplift scenario**. A BCR above one represents a scheme delivering greater economic benefits than its costs and therefore it would represent positive value for money for local landowners and for active travel users in the area. In reality, given the high existing property prices in this part of central London, a WLVU scenario towards the lower end of the range (i.e., towards 1%) is more likely to occur. Even under the lowest WLVU scenario, however, the intervention would have a very positive BCR, representing substantial value for money.

Table 3 Estimated BCR

	Value expressed in £2019
WLVU delivered (under 1% - 4% uplift)	£68.0m - £272m
Wider external impacts – active travel and health impacts	£20.2m
Wider external impacts – crime reduction	£2.02m
<b>Total economic benefits</b>	<b>£88.7m - £293m</b>
Scheme capital cost	£15.4m
Maintenance costs (over 10 years)	£9.75m
<b>Total economic costs</b>	<b>£25.2m</b>
<b>Estimated benefit-cost ratio (low to high)</b>	<b>3.8 – 12.5</b>

### Lessons learnt

- 1.18 Improving pedestrian amenity can uplift footfalls. Under these interventions pedestrian footfall rose across the study area even under a relatively short time period following completion of the works. The combined scale of changes to the active travel in the network were significant, but resulted in measurable increases in pedestrian and cycling traffic throughout the area. The evaluation report assessing the impact of the scheme highlighted that the uplift in pedestrian traffic was likely driven by the improved amenity given to pedestrians in the area.

*“It is likely that pedestrian footfall has increased as a direct result of the improved pedestrian space provided by the scheme and the improved pedestrian facilities at the junctions. These changes have made Baker Street more desirable for walking. There has also been an increase in the number of pedestrians using the pedestrian facilities for most locations within the study area.”<sup>5</sup>*

- 1.19 The impacts of public realm interventions can have a cumulative impact alongside other schemes. In the case of this intervention, the opening of the scheme coincided with the delivery of the ULEZ. Both of these schemes in combination resulted in positive impacts for active travel across the area, and it is difficult to isolate the effect of each. Air quality monitoring locations reported the largest effects in areas both along Gloucester Place and Baker Street that were also inside the ULEZ – the intervention still resulted in positive impacts on Gloucester Place and Baker Street outside the ULEZ, but it was the combined impact of both of these schemes that delivered air quality improvements.

- 1.20 It is also true that in spite of a long consultation and design process for this scheme, a number of pedestrians continued to travel around the area using informal crossings, defeating one of the key design objectives of improving pedestrian safety through delivering formal pedestrian crossings.

*“It has been reported that there are a large number of pedestrians crossing at the northern approach of Gloucester Place at the informal crossing point shown by blue arrow in Figure 9.1 [see image overleaf], avoiding the use of the new pedestrian crossing facility over Gloucester Place to the north of the junction.”<sup>5</sup>*

Figure 9.1: Gloucester Place/Marylebone Road informal crossing



Source: City of Westminster, 2020. Baker Street Two Way Project – Post Scheme Implementation Analysis, Traffic Monitoring Report

#### Summary of lessons learnt:

Improving pedestrian amenity can significantly uplift footfalls;

Even small percentage land value uplifts in central London occurring from public realm improvements can lead to substantial welfare gains, given central London's high property values;

Impacts of public realm interventions are often cumulative, and can interact with wider economic and social factors; and

Delivering the scale of consultation necessary to ensure local success with public realm interventions can require sizeable public sector resource.



## 2 JUBILEE GARDENS

### Context

- 2.1 Jubilee Gardens is a landscaped park located at the foot of the London Eye. The Garden was initially created for the Queen's Silver Jubilee in 1977 and the decision was made to redevelop it in time for the celebrations around the Queen's Diamond Jubilee and the London Olympics and Paralympics in 2012. The improvements were delivered as a partnership between public and private organisations, with funding from TfL, private developers, South Bank Employers Group, and involved securing a funding mechanism to enable continual provision of maintenance funds and activity.

Figure 5 Case study location



### Intervention

- 2.2 Central to the redevelopment designs was the generation of a 10,700m<sup>2</sup> turf area, with surrounding flowerbeds continually maintained with seasonal flowers. In addition to the flowerbeds, a total of 94 trees were planted across the park. A new playground was installed along with granite edges that would double as seating, and a new path network through the area. To make the area safer at night, 27 lighting columns were installed. The old existing International Brigades Memorial which was a tribute to British volunteers who served with republican forces in the Spanish Civil War, has been restored and re-located in a more accessible position with adjacent seating areas.<sup>10</sup>

Figure 6 Jubilee Gardens Redevelopment Illustration

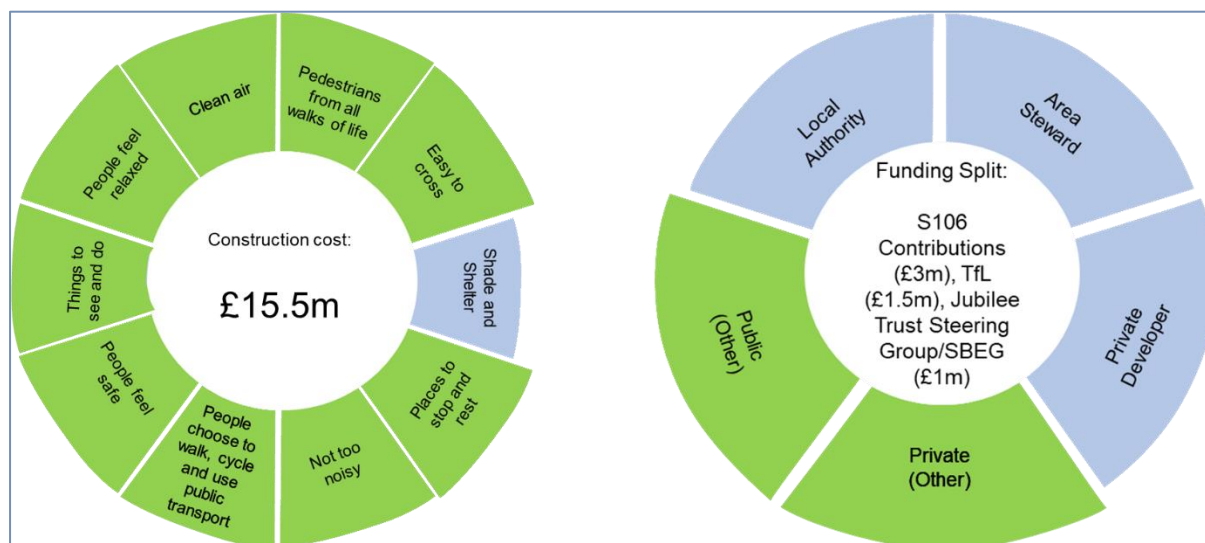


Source: West 8, 2012; Jubilee Gardens

<sup>10</sup> West 8, 2012. Jubilee Gardens, Press Release

- 2.3 The Jubilee Gardens project addressed eight of the ten Healthy Streets indicators, as shown in **Figure 8**.

Figure 7 Jubilee Gardens Healthy Streets indicators and funding split



Source: TfL, 2017; Guide to the Healthy Streets Indicators. Lambeth, 2010; Waterloo Public Realm and Jubilee Gardens Progress Report

### Construction and maintenance

- 2.4 Construction on the Jubilee Gardens project took a total of 12 months and was split in two phases with the most changes occurring in Phase One which finished in May 2012, in time for the London Olympics later in the summer. The second Phase started in September 2012 and included minor upgrades such as the planting of an additional 25 new trees, flowerbeds being extended by over 60% and 12 benches being installed.<sup>11</sup>
- 2.5 The total cost of the project was £5.5m, with funding being split between three parties in s106 contributions, TfL, and the Jubilee Trust Steering Group/SBEG. The exact funding is shown in **Figure 9**, included in the figure is the initial funding gap of £1m which was later met by the Jubilee Trust Steering Group/SBEG through local fundraising.<sup>12</sup>
- 2.6 In the year ending 31<sup>st</sup> March 2021, the maintenance costs for Jubilee Gardens totalled £254,894. The upkeep of green elements of the public realm was the most costly. This total cost was split into the following categories:
- Garden maintenance and upkeep (£165,030),
  - Water rates (-£5,638),
  - Security costs (£26,875),
  - Electricity costs (£8,737),
  - Health and Safety (£233),
  - Support costs (£59,656).
- 2.7 The continual maintenance of Jubilee Gardens is undertaken by the Jubilee Gardens Trust. The Jubilee Gardens Trust has been formed out of a unique arrangement with the

<sup>11</sup> Frost Landscapes, 2022. Available at: <https://www.frostlandscapes.co.uk/case-studies/jubilee-gardens/>

<sup>12</sup> London Borough of Lambeth, 2010. Waterloo Public Realm and Jubilee Gardens Progress Report

London Eye, involving securing funding through s106 obligations in accordance with a long-term sub-lease from Southbank Centre.

### Impact of the interventions

- 2.8 Limited information is available prior to the completion of the interventions in 2012, however 2016 estimates calculate that Jubilee Gardens saw an estimated average of 30,000 visitors daily following completion of the works.<sup>13</sup> In a 2016 survey, it was found that out of all the green spaces in and around the South Bank area, Jubilee Gardens was most commonly reported by people as having been visited with 74% of all respondents ever visiting it. 90% of the respondents under this survey agreed that Jubilee Gardens play an important role in the South Bank area and that they feel safe in the Gardens following its redevelopment.<sup>14</sup>
- 2.9 More recent estimates developed in 2018 calculate that as of 2018, there were a total of approximately 19m visitors, 61,000 workers and 9,800 residents using the space annually. When combined, **visitors, residents and workers in 2018 were estimated to spend a total of 329.9m minutes in Jubilee Gardens annually** (see **Table 5**).<sup>15</sup>

Table 4 Summary of pedestrian time spent at Jubilee gardens

Type of pedestrian	Number of minutes (per ped, per day)	Total minutes (millions, per year)
Worker	12	161
Tourist	7	133
Resident	10	35.8
Total	-	329.9

*Volterra Partners, 2020; Jubilee Gardens Southbank Summary*

- 2.10 The Jubilee Gardens Southbank Summary (2018) report providing estimates of time expenditure within the gardens also developed estimates of the economic benefit that could be attributed to ongoing maintenance in the gardens and their local area. This report estimated that as a result of the dwell time in the gardens, **litter removal maintenance delivered an annual benefit of approximately £530,000 to users and visitors** to the surrounding area.<sup>15</sup>

### Monetised land value uplift

- 2.11 The assessment of WLVU for Jubilee Gardens analyses the value of land within a 200m radius of the site, at the time of completion of the scheme in September 2012. At that point in time, there was an estimated total of £1.19bn in land value within the catchment.<sup>16</sup>
- 2.12 Under the 1% uplift scenario, the scheme would have delivered a total of £11.9m in additional land value to local landowners and occupiers. Under the transformational scenario in which the scheme delivers benefits in a similar scale to those seen in previous public realm schemes (4% each year over a five-year period), the scheme would deliver a total land value uplift of £222m.

<sup>13</sup> South Bank Employers Group, 2016. Southbank Centre Annual Review.

<sup>14</sup> Jubilee Gardens Trust, 2016. Jubilee Gardens User Survey Report

<sup>15</sup> Volterra Partners, 2018. Jubilee Gardens Southbank Summary

<sup>16</sup> These figures have been deflated to the year for which the cost estimates for the scheme were calculated to provide a comparable estimate.

Table 5 Estimated wider land value uplift

		Total value
Existing land value within catchment		
Office		£397m
Retail and leisure		£403m
Other/industrial		£3.98m
Residential		£383m
<b>Total land value within catchment</b>		<b>£1.19bn</b>
WLVU delivered	1% uplift scenario	£11.9m
	2% uplift scenario	£23.7m
	4% uplift scenario	£47.5m
	Transformational scenario (4% over five-year period)	£222m

### Wider external impacts – crime reduction

- 2.13 Under the most recently available data, a total of 545 crimes were committed annually in the study area for the project. The assumed 5% reduction in crimes arising in this study area would therefore generate a total benefit of £309,000 in public cost savings over a ten-year appraisal period.

### Overall benefit-cost ratio

- 2.14 When compared to the total capital and maintenance costs of the scheme, this would result in the scheme delivering a **benefit-cost ratio (BCR) of 1.3** under a low land value uplift scenario, which rises to **4.9 under a high land value uplift scenario**.

Table 6 Estimated BCR

	Value expressed in £2012
WLVU delivered (under 1% - 4% uplift)	£11.9m - £47.5m
Wider external impacts – active travel and health impacts	-
Wider external impacts – crime reduction	£309,000
<b>Total economic benefits</b>	<b>£12.2m - £47.8m</b>
Scheme capital cost	£5.50m
Maintenance costs (over 10 years)	£4.17m
<b>Total economic costs</b>	<b>£9.67m</b>
<b>Estimated benefit-cost ratio (low to high)</b>	<b>1.3 – 4.9</b>

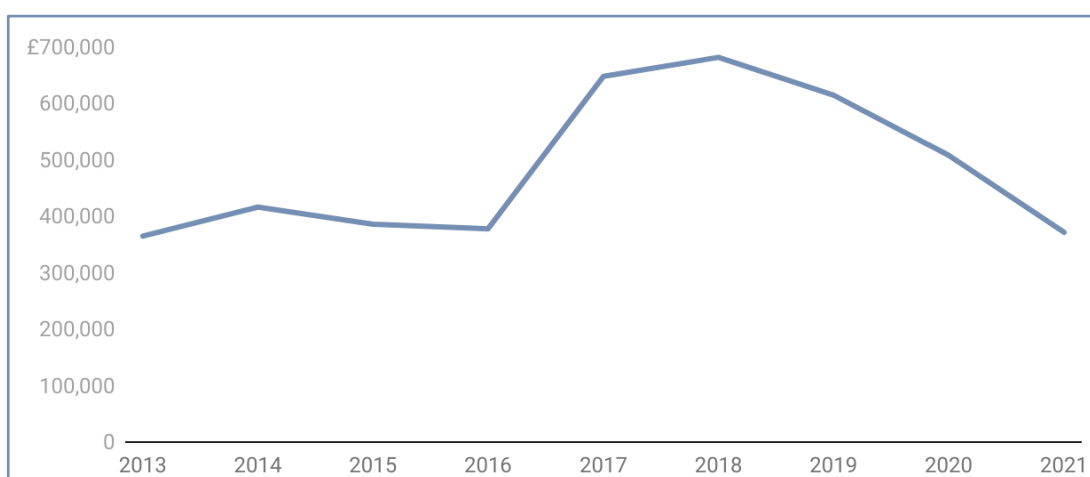
### Lessons learnt

- 2.15 As was the case for the Baker Street Two Way project, the construction of Jubilee Gardens resulted in a £1m funding gap due to cost overruns. This had the potential to stall the project prior to the key target date of the 2012 Jubilee and London Olympic Games. To address this, the South Bank Employers Group (who had not initially contributed to funding the scheme) took on the commitment to secure the additional £1m of cost through local fundraising initiatives.



- 2.16 The operation of Jubilee gardens provides a case study for a unique funding arrangement between public and private bodies to provide continual maintenance of the park. Jubilee Gardens is managed by the Jubilee Gardens Trust, which is funded through ringfenced through s106 contributions to the London Borough of Southwark. This has enabled the continual development of the gardens, including recently with additional facilities for children's play.<sup>17</sup>
- 2.17 In its most recent Annual Report (2021), Jubilee Gardens Trust acknowledges the need to secure additional long-term funding, following the conclusion of s106 payments from a number of historical developments.<sup>17</sup> Going forward, the way the gardens continue to be maintained may provide a case study in the mechanisms through which public realm improvements in areas of significant economic activity can be continually maintained. **Figure 9** identifies this trend, with maintenance income received through s106 payments decreasing in recent years (from £682,000 in 2018 to just £372,000 in 2021).

Figure 8 Jubilee Gardens Trust maintenance income over time



#### Summary of lessons learnt:

Maintenance costs tend to be higher for green elements of public realm, with greening measures typically harder to fund in the long term;

Early collaboration between public and private actors should establish the mechanisms for addressing cost overruns in construction and in operation;

Active maintenance of the public realm can infer significant benefits in addition to its initial completion; and

The proposed removal of s106 commitments by HM Government has the potential to create issues for funding ongoing maintenance of public realm interventions.

<sup>17</sup> Jubilee Gardens Trust, 2021. Jubilee Gardens Trust Annual Report 2021.

### 3 BROMLEY NORTH VILLAGE

#### Context

- 3.1 Bromley North Village makes up part of the Bromley town centre, which is classified as one of Outer London's metropolitan centres, reflecting the size of the town centre area and relative importance in London's town centre hierarchy as a retail and leisure destination. The town centre serves as a catchment across south east London and north Kent. It faces strong competition and is losing ground to competitors such as Croydon town centre and Bluewater shopping centre, which has resulted in increasing vacancy rates and declining footfall levels in the town centre.<sup>18</sup>

Figure 9 Case study location



#### Intervention

- 3.2 The objectives of the project were to provide a much more competitive and vibrant town centre with higher quality buildings, public spaces and connections which would make it an area to shop work, spend leisure time and live. Changes in the surrounding area would make improve the accessibility of the town centre by promoting travel choices whilst making it a safer environment especially in the evenings to facilitate a successful day and night time town centre. Changes to Bromley North Village were at the forefront of the plans as the strong potential of the area was acknowledged, given its historic environment and distinct character in relation to the core town centre area.<sup>19</sup>

Figure 10 Summary of project outputs delivered under the wider project

Area of Public Realm Improved	4,000 sqm
Junctions Improved	10
New Pocket Parks	1
Street Trees Planted	18
New Way Finding and Other Signs Installed	17
Shop Fronts Improved	28
Events Delivered	8
Businesses Supported	50
Business Workshops Delivered	5

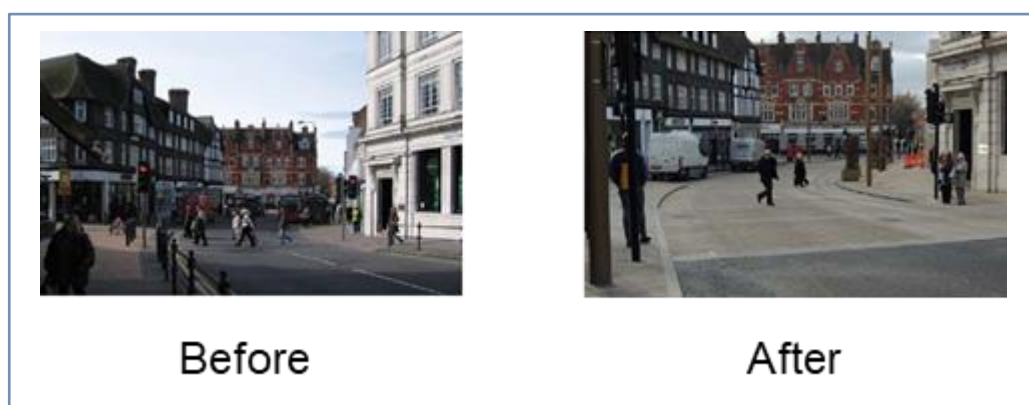
*Regeneris Consulting, 2015; Bromley Town Centre Outer London Fund Evaluation. NB: These figures are for the wider Bromley Town Centre scheme. This includes the Bromley North Village interventions.*

<sup>18</sup> Regeneris Consulting, 2015. Bromley Town Centre Outer London Fund Evaluation

<sup>19</sup> Regeneris Consulting, 2017. Bromley North Village Improvement Scheme Impact Review.

- 3.3 The interventions within Bromley North Village included a project to improve the public realm in the area and upgrading street furniture, lighting and planting whilst also introducing a new market. Shopfront improvements were also another cornerstone of the plans, with the focus being on redesigning and replacing shop frontages and creation of a new paving scheme to accommodate al fresco dining, whilst still allowing some vehicular movement and access. The total area of public realm improvement equated to 4,000m<sup>2</sup>.<sup>18,20</sup>
- 3.4 Interventions directly reducing the quantum of road space in the town centre were also implemented. Additional street furniture and widened pavements along East Street reduced road space for vehicles, which alongside speed limit reductions and traffic enforcement cameras promoted pedestrian access through the heart of the town centre instead. Restricted parking and loading areas across the town centre limited the accessibility of vehicle parking.

Figure 11 Bromley North Village before and after intervention

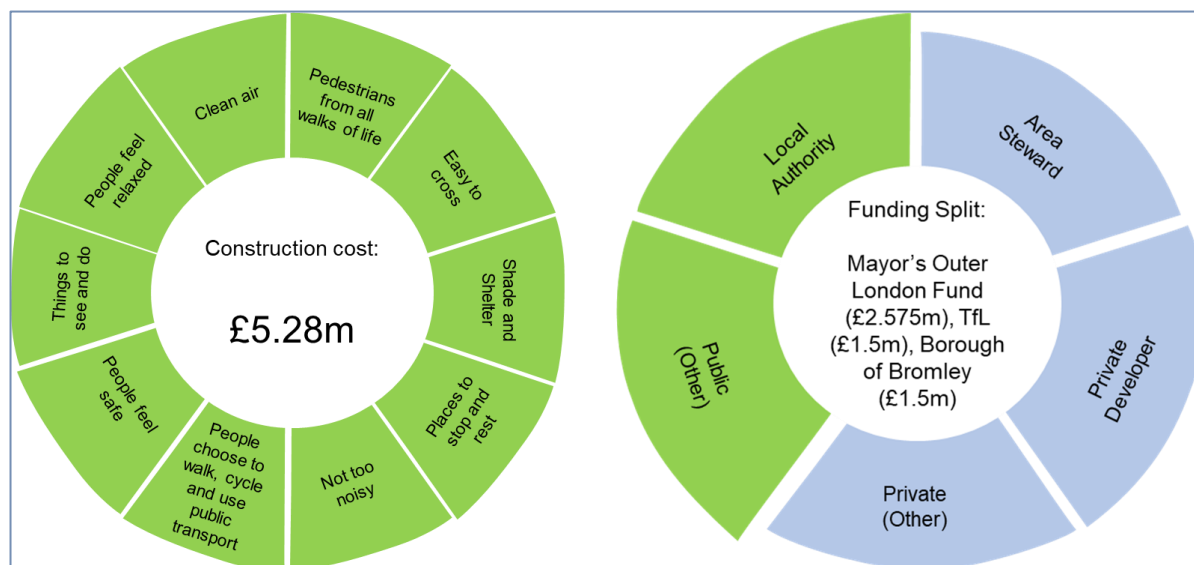


Source: TfL, 2020. *Better Streets Delivered 2*

- 3.5 The Bromley North Village project hit all ten of the Healthy Streets indicators as shown in **Figure 13**.

<sup>20</sup> TfL, 2020. *Better Streets Delivered 2*

Figure 12 Bromley North Village Healthy Streets indicators and funding split



Source: TfL, 2017; Guide to the Healthy Streets Indicators. TfL, 2020; Better Streets Delivered 2

### Construction and maintenance

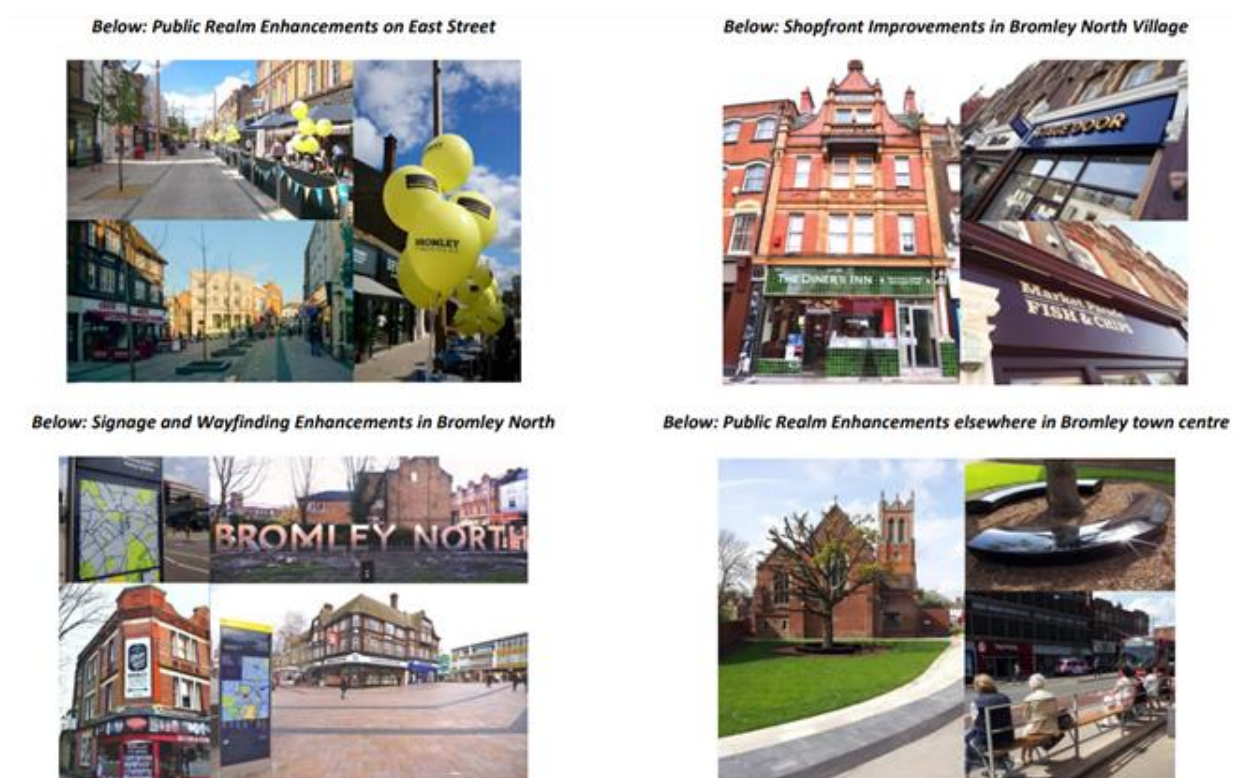
- 3.6 The wider Bromley Town Centre project had a total construction cost of £6.6m, of which Bromley North Village accounted for £5.3m.<sup>21</sup> The funding split between parties can be found in **Figure 14**, whereby the scheme was funded through a combination of GLA, TfL and local authority funding.<sup>22</sup> The project's stakeholders included Design for London, London Borough of Bromley, Mayor's Great Spaces Initiative, TfL and Thames Water.<sup>22</sup>
- 3.7 The scheme was completed in 2014 following a two-year construction period.

<sup>21</sup> Regeneris Consulting, 2015. Bromley Town Centre Outer London Fund Evaluation

<sup>22</sup> TfL, 2020. Better Streets Delivered 2



Figure 13 Improvements made by the Scheme

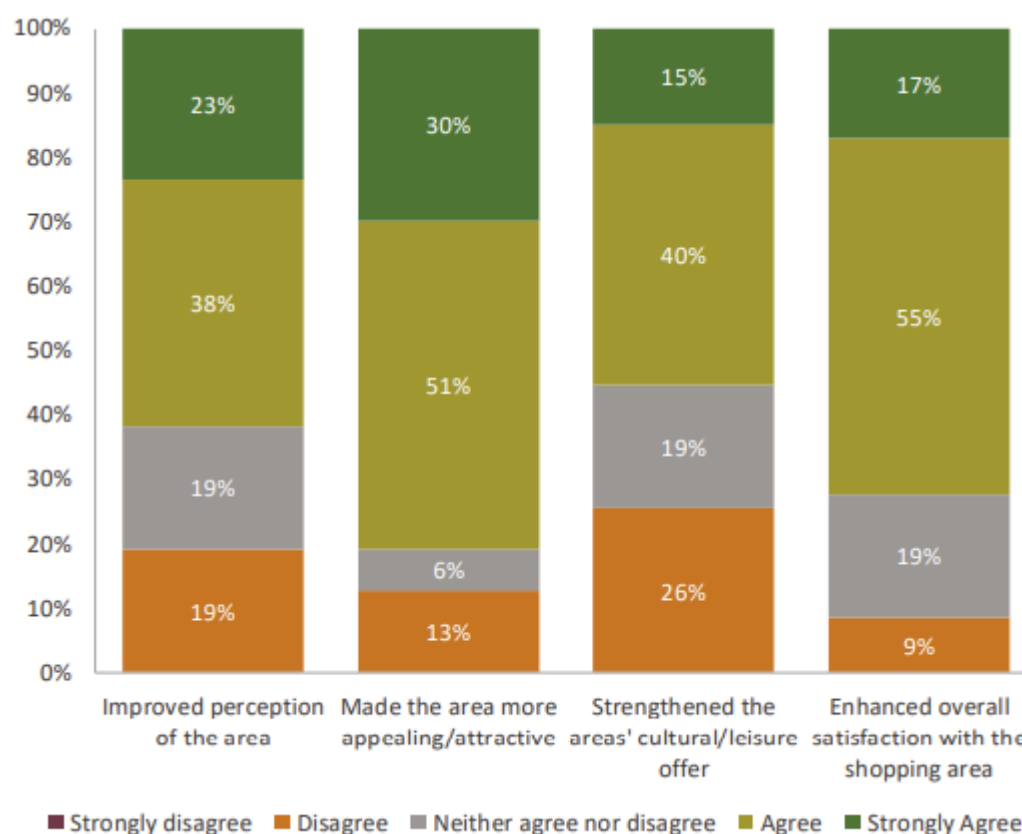


Source: Bromley North Village Improvement Scheme Impact Review, 2017

### Impact of the interventions

- 3.8 Initial survey evidence highlighted that the interventions were well received by local residents and businesses. In a post evaluation survey of businesses and town centre users, **over 60% agreed that the enhancements had improved their perception of the area**, **over 80% agreed that the enhancements had made the area more attractive**, and **70% agreed that their satisfaction with the area had improved** as a result of the interventions.<sup>19</sup>

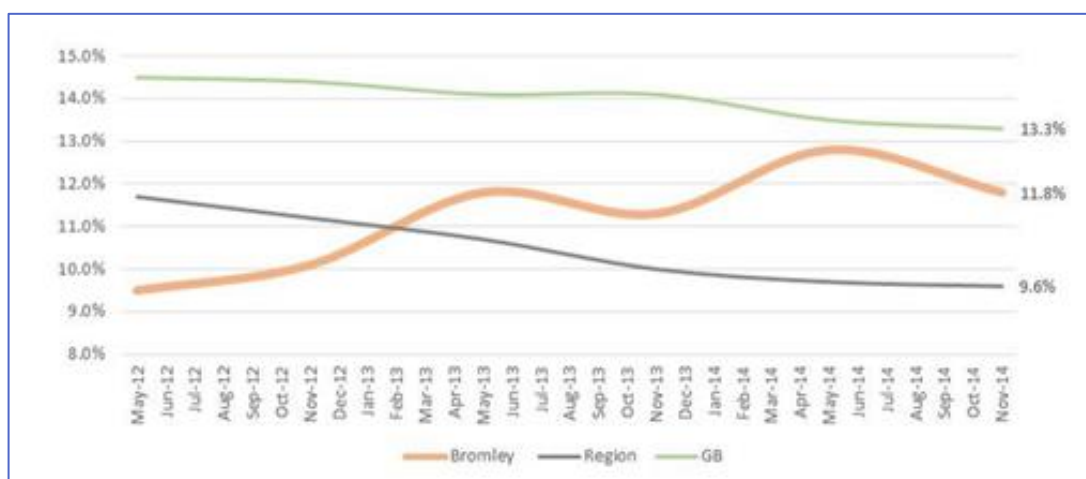
Figure 14 Town centre users' perception of interventions



Source: Regeneris Consulting, 2015; Bromley Town Centre Outer London Fund Evaluation

- 3.9 Under an initial survey in 2014, 15% of businesses reported an increase in full-time employment following the commencement of construction in 2012. However, a greater proportion (16%) reported decreases in full-time employment.<sup>18</sup> Overall, the **scheme contributed to the net delivery of 30 additional jobs** in the town centre.
- 3.10 76% of businesses reported that their turnover either stayed the same or increased in the year following the interventions (although the majority of these businesses identified that impacts on turnover were either not noticeable or that they were not sure of changes). The impact of the interventions on survey respondents in East Street is a notable exception to this trend, with restaurants on the street reporting an average of 30% increase in turnover, partly as a result of the expansion of outdoor seating delivered by the interventions.<sup>18</sup>
- 3.11 Data shows that footfall has fluctuated in the years before 2014. As of 2015 when initial evaluation work was undertaken there was minimal evidence of an increase in footfall.<sup>19</sup> Total footfall in the second, third and final quarters of 2014 were lower than their counterparts in 2013, with total footfall in 2014 being 3% lower than the year prior. These figures did not reach the schemes target of a 10% increase in in town centre footfall.
- 3.12 The scheme failed to reach its target of an 8% vacancy rate in the town centre by 2013, with retail vacancies increasing from 9.5% in May 2012 to 11.8% in November 2014, as shown below in **Figure 17**.<sup>18</sup>

Figure 15 Town Centre Retail Vacancy Rate, 2012-2014



Source: Regeneris Consulting, 2015; Bromley Town Centre Outer London Fund Evaluation

- 3.13 Currently available data on vacancy rates in Bromley Town Centre show that as of October 2021 retail units in the town centre had a vacancy rate of 11.7%.<sup>23</sup> This relatively high figure is in part due to the COVID-19 pandemic, however evidence shows a gradual increase in vacancy rates since 2015 even prior to the pandemic.
- 3.14 Post-completion evidence estimates that the interventions are supporting a combined total of **30 additional jobs, generating approximately £12.9m in gross value added (GVA) terms** over the 15 years following completion of the scheme. This results in a GVA per pound invested of £1.90 over the next 15 years, which far outperforms the Communities and Local Government's suggestion of a £0.90 return for every £1 invested in public realm improvements.<sup>19</sup> In addition, the interventions were estimated to deliver an annual total of approximately £661,000 in health benefits through additional walking and cycling amenity.

Table 7 Summary of project Value for Money (Regeneris Consulting)

Impact indicator	Value (£s 2014)
Total Bromley Town Centre Project Cost	£6.6m
GVA generated over 15 years	£12.9m
GVA per £ invested	£1.90
Annual health benefits	£661,000

Source: Regeneris Consulting, 2015. Bromley Town Centre Outer London Fund Evaluation; TfL, 2020. Better Streets Delivered 2

### Monetised land value uplift

- 3.15 The assessment of WLVU for Bromley North Village analyses the value of land within a 100m radius of the interventions, at the time of completion of the scheme in 2014. At that point in time, there was an estimated total of £492m in land value within the catchment.<sup>24</sup>
- 3.16 Under the 1% uplift scenario, the scheme would have delivered a total of £4.92m in additional land value to local landowners and occupiers. Under the transformational

<sup>23</sup> Borough of Bromley, 2022; Bromley Economic Data Report Q3 2021/22

<sup>24</sup> These figures have been deflated to the year for which the cost estimates for the scheme were calculated to provide a comparable estimate.

scenario in which the scheme delivers benefits in a similar scale to those seen in previous public realm schemes (4% each year over a five-year period), the scheme would deliver a total land value uplift of £92.0m.

- 3.17 The £9.85m that would occur under a 2% WLVU scenario is in a similar region to the £12.9m in GVA benefits estimated in the post-completion study. This provides a useful benchmark for sense checking whether WLVU estimates are an appropriate scale. The LVU approach is preferred to the GVA approach in appraisal, given that the LVU method is the clear stated preference for DLUHC under their appraisal guidance. Given that this intervention is in outer London, WLVU in the region of 2% to 4% could be considered more reasonable given that the uplift is occurring on properties of much lower starting value than interventions that are carried out in central parts of London.

Table 8 Estimated wider land value uplift

		Total value
Existing land value within catchment		
Office		£83.8m
Retail		£298m
Other/industrial		£2.40m
Residential		£108m
<b>Total land value within catchment</b>		<b>£492m</b>
WLVU delivered	1% uplift scenario	£4.92m
	2% uplift scenario	£9.85m
	4% uplift scenario	£19.7m
	Transformational scenario (17.5% uplift)	£92.0m

#### Wider external impacts – crime reduction

- 3.18 Under the most recently available data, a total of 971 crimes were committed annually in the study area for the project. The assumed 5% reduction in crimes arising in this study area would therefore generate a total benefit of £550,000 in public cost savings over a ten-year appraisal period.

#### Overall benefit-cost ratio

- 3.19 When compared to the total capital and maintenance costs of the scheme, this would result in the scheme delivering a **benefit-cost ratio (BCR) of 0.9** under a low land value uplift scenario, which rises to **3.1 under a high land value uplift scenario**. As mentioned above, the upper range of the BCR is considered more likely in this case, given that a higher WLVU uplift (between 2% and 4%) would be in line with the GVA creation estimate presented in the post-completion study. Furthermore, this figure excludes the potential benefits arising as a result of active travel and health improvements as a result of a lack of available monitoring evidence. The nature of the scheme including pavement and wayfinding enhancements have the potential to deliver increased footfall and additional pedestrian journeys around the area. As is the case where the economic impact of this is estimated for the other case studies of Baker Street Two-Way and Pavilion Road, this would have the potential to result in additional economic benefits.



Table 9 Estimated BCR

	Value expressed in £2014
WLVU delivered (under 1% - 4% uplift)	£4.92m - £19.7m
Wider external impacts – active travel and health impacts	NA
Wider external impacts – crime reduction	£550,000
<b>Total economic benefits</b>	<b>£5.47m - £20.2m</b>
Scheme capital cost	£5.27
Maintenance costs (over 10 years)	£1.20m
<b>Total economic costs</b>	<b>£6.47m</b>
<b>Estimated benefit-cost ratio (low to high)</b>	<b>0.9 – 3.1</b>

### Lessons learnt

- 3.20 One of the key lessons learned from these interventions was that survey evidence showed a marked improvement in the perception of performance of the area.
- 3.21 In an ex-post evaluation of the interventions, the project team identified that the complexity of the project was one of its key challenges.<sup>19</sup> As a result, the project required significant resource from the London Borough of Bromley, and a long period of partner engagement and public consultation to inform design. The management of multiple consultants in delivering different elements of design and consultation resulted in additional resource pressures placed on the council. However, as a result of the extra resource invested in engagement under the project, the continued communication with businesses was highlighted to be one of the key strengths of the project in surveys.
- 3.22 In addition, post-evaluation highlighted that negotiations with landowners were key challenges to delivery of the scheme. This included engagement with partners such as Network Rail to access key sites across the town centre, and proved to be a complex and time-consuming process which ultimately resulted in delays to delivery.

#### Summary of lessons learnt

The impact of public realm interventions may not initially be visible in quantitative metrics for economic performance, and may instead impact general amenity through wider interaction with other factors;

The land value uplift (in percentage terms) that can be achieved in less central, or more deprived, locations is likely to be higher than in interventions occurring in affluent parts of central London (which would still likely achieve higher absolute land value uplifts); and

The length of consultation required to implement public realm schemes can be a barrier to deliver by public bodies. The necessary engagement with landowners and businesses can cause issues for council resourcing.

## 4 PAVILION ROAD

### Context

- 4.1 Pavilion Road, part of the Cadogan Estate and home to London's longest mews, has seen a development over the past two years turning it from a set of stables and into a picturesque haven for independent artisans, equipped with restaurants that provides a "*village hub*", delivering requested local amenities for residents and establishing the area as a key retail and leisure destination within Chelsea.<sup>25</sup>

Figure 16 Case study location



### Intervention

- 4.2 The objectives of the intervention were to improve safety and amenities of the local area by providing permanent pedestrianisation of Pavilion Road and cycle zone. In order to aid the recovery of Chelsea's restaurants and cafes and to improve the general vibrancy of the area, 1,000 outdoor seating was provided for alfresco dining.<sup>26</sup> Cadogan has worked with Pavilion Road retailers to trial an e-cargo bike delivery scheme which was aimed at reducing traffic and improving local air quality.<sup>27</sup>

<sup>25</sup> <https://www.cadogan.co.uk/destination/pavilion-road/>

<sup>26</sup> Cadogan Estate, 2019. Annual Report 2019

<sup>27</sup> <https://crossriverpartnership.org/news/page/30/>

Figure 17 Pavilion Road before and after intervention

Before:

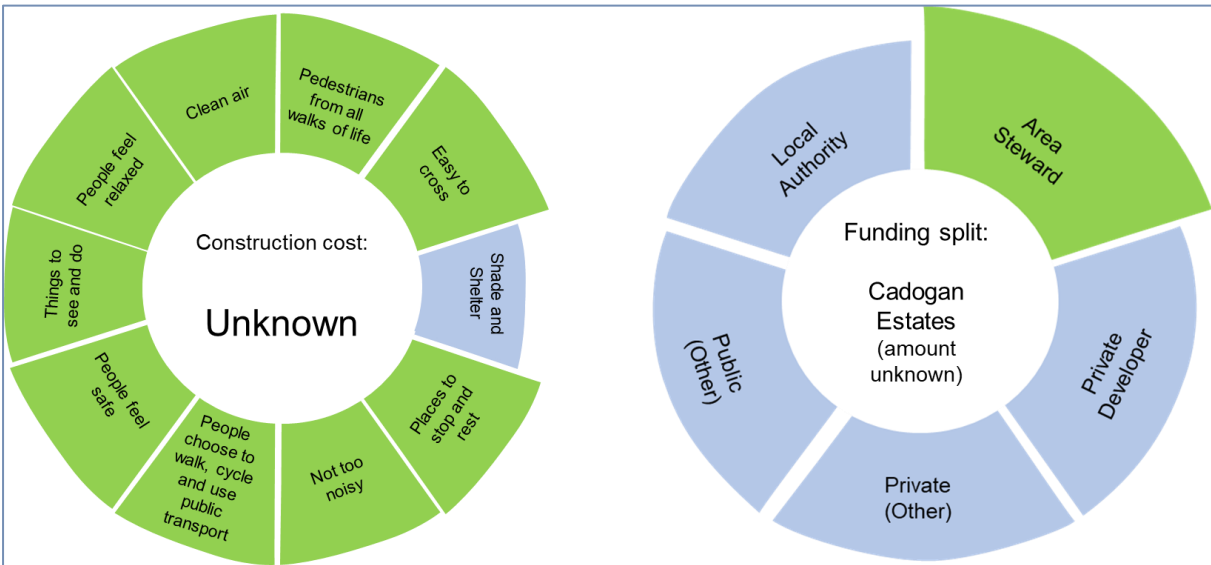


After:



4.3 The project was relevant for nine of the ten Healthy Streets indicators.

Figure 18 Pavilion Road Healthy Streets indicators and funding split



Source: TfL, 2017; Guide to Healthy Streets Indicators. Cadogan Estates

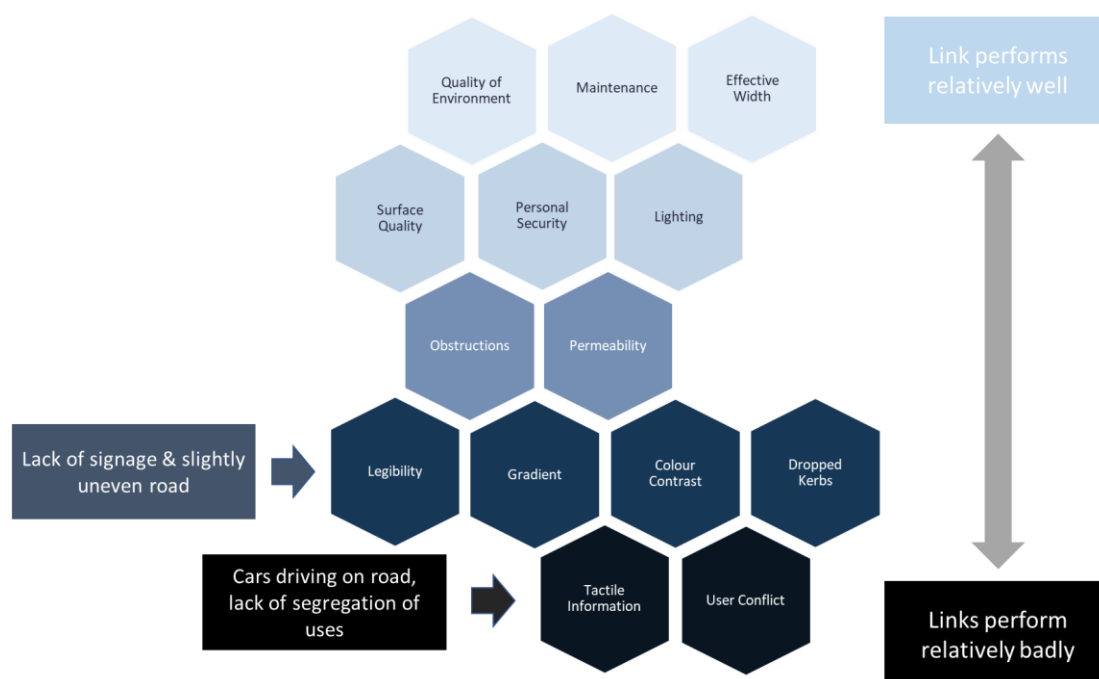
## Construction and maintenance

- 4.4 The scheme was led by and entirely funded by the Cadogan Estate. Construction cost figures are private information held by Cadogan Estates. The construction works for the scheme were completed in 2018.

## Impacts of the interventions

- 4.5 Data shows that in 2019, **footfall was up 11.8% on the previous year**.<sup>28</sup> As of 2020, the COVID-19 pandemic resulted in reductions in pedestrian footfall across London, however some evidence showed that the value of the Cadogan Estate fell by less than at other comparable shopping districts in London (14% fall in 2020 compared to 55% in Bond Street and 49% in the West End) – this has been linked in part to the vibrancy of amenities in the estate, including at the renovated Pavilion Road.<sup>29</sup>
- 4.6 Through use of a Pedestrian Environment Review System (PERS), Cadogan's intervention & investment in Pavilion Road was judged to score very positively in areas such as quality of environment and maintenance. The PERS audit considers characteristics such as quality of environment, personal security and permeability and is measured between -3 to +3. Pavilion Road scored a 2.0 PERS rating, which were weighted according to links weighting as per the PERS handbook and was judged to have an extremely strong public realm offering, particularly as it also demonstrates how a public area can be carbon neutral and friendly to users. Even the lower scored links such as tactile information and user conflict were scored positively.<sup>30</sup>

Figure 19 Hierarchy of PERS parameters for Pavilion Road



Source: Volterra Partners, 2020; Cadogan Estates - Socio-Economic Report

- 4.7 The post intervention PERS score of 2.0 stands out when compared to other nearby roads, King's Road and Sloane Street, both of which obtained an average PERS score of -0.1 following a Volterra assessment.<sup>30</sup>

28 Cadogan Report, 2020. Footfall Report for Pavilion Road - 2019

29 <https://www.ft.com/content/4a5d4c8e-5058-4352-bd1e-34719d15b853>

30 Volterra Partners, 2020. Cadogan Estates - Socio-Economic Impact Report



Figure 20 Evaluation of PERS score post-intervention in Pavilion Road



Source: PERS evaluation undertaken by Volterra, 2020.

- 4.8 The estimated **social value of investment in public realm by Cadogan at Pavilion Road** was valued between **£170,000-£240,000** in net present value (NPV) terms.

#### **Monetised land value uplift**

- 4.9 The assessment of indicative WLVU for Pavilion Road analyses the value of commercial floorspace within a 100m radius of the intervention boundary, at the time of the full completion of the scheme in 2018. At that point in time, there was an estimated total of £1.32bn in commercial and residential land value within the catchment. Under the 1% uplift scenario, the scheme would have delivered a total of £12.8m in additional land value to local landowners and occupiers (in present value terms once accounting for discounting). Under the transformational scenario in which the scheme delivers benefits in a similar scale to those seen in previous public realm schemes (4% each year over a five-year period) the scheme would deliver a total land value uplift of £239m.

Table 10 Estimated wider land value uplift

		Total value
Existing land value within catchment		
Office		£154m
Retail		£121m
Other/industrial		£760,000
Residential		£1.05bn
<b>Total land value within catchment</b>		<b>£1.32bn</b>
WLVU delivered	1% uplift scenario	£12.8m
	2% uplift scenario	£25.6m
	4% uplift scenario	£51.1m
	Transformational scenario (17.5% uplift)	£239m

### Wider external impacts – active travel and health impacts

- 4.10 The Pavilion Road case study identifies that when comparing the average pedestrian footfall in 2019 following the delivery of the scheme to the equivalent average in 2018, the scheme resulted in an uplift of 6.5% of pedestrian footfall. This compares to the backdrop of an overall fall in footfall of 1% across London under the same period.
- 4.11 Under the DfT's Active Mode Appraisal Toolkit the generation of average of 1,345 pedestrian trips per day on the road would result in the scheme resulting in a total of £4.45m in active travel and health impacts. These impacts are principally driven by the improvement in health outcomes resulting from the scheme, which corresponds to 92% of this impact.<sup>31</sup> **Table 11** presents the estimated impacts under this tool.

Table 11 Estimated health and environmental impacts under DfT AMAT

Health and environmental impact	Total value (£2019)
Congestion reduction benefit	£357,000
Accident reduction benefit	£16,000
Local air quality improvements	£9,000
Reduction in vehicle carbon emissions	£11,000
Reduced risk of premature death	£3.26m
Reduced absenteeism	£713,000
Loss of indirect revenue for government through tax receipts	-£15,000
<b>Total sum of health and environmental impacts</b>	<b>£4.45m</b>

Source: Volterra estimates using DfT AMAT tool. These figures exclude minor impacts and have been rounded, and therefore do not sum.

### Wider external impacts – crime reduction

- 4.12 Under the most recently available data, a total of 156 crimes were committed annually in the study area for the project. The assumed 5% reduction in crimes arising in this study

<sup>31</sup> The impact of the scheme on congestion reduction forms the remaining 8% of this impact.

area would therefore generate a total benefit of £88,400 in public cost savings over a ten-year appraisal period.

### Overall benefit-cost ratio

- 4.13 The capital cost of the Pavilion Road case study is not known and therefore a comparison cannot be made between the scheme's respective benefits and estimated costs. However, the scale of the benefits of the case study is significant, and the capital cost of the scheme would be required to total £17.2m to outweigh its estimated benefits under the lowest scenario of additional land value generation.

Table 12 Estimated BCR

	Value expressed in £2019
WLVU delivered (under 1% - 4% uplift)	£12.8m - £51.1m
Wider external impacts – active travel and health impacts	£4.45m
Wider external impacts – crime reduction	£88,400
<b>Total economic benefits</b>	<b>£17.2m - £55.5m</b>
Scheme capital cost	Unknown
Maintenance costs (over 10 years)	£250,000
<b>Total economic costs</b>	-
<b>Estimated benefit-cost ratio (low to high)</b>	-

### Lessons learnt

- 4.14 The pedestrianisation of Pavilion Road is relatively well connected to the wider revival of vibrancy in the area. The additional outdoor seating and new footfall generated by the scheme has likely delivered additional activity for local businesses. The scheme shows that under the right scenarios the prioritisation of pedestrian environment can deliver positive commercial benefits.
- 4.15 The Royal Borough of Kensington and Chelsea (RBKC) were kept in communications throughout the duration of the project, but the project was spearheaded by Cadogan Estate. Having Cadogan Estate as the sole funder of the project, and as its main commercial beneficiary with the entirety of Pavilion Road falling within the estate, enabled the project to delivered rapidly once objectives were agreed. The involvement of RBKC throughout the project enabled the required local planning issues to be resolved quickly. The project required the enactment of a Traffic Management Order by RBKC to deliver the pedestrianisation, and the consultation required to put this forward was led by the borough.<sup>32</sup>

<sup>32</sup> RBKC, 2021. Traffic Management Order Proposed Changes – Pavilion Road ETO. Available at <https://consult.rbkc.gov.uk/communities/experimental-pedestrian-and-cycle-zone-in-pavilion/results/707.70-objectionstopavilionroadcycleandpedestrianzoneaccessiblepdf.pdf>

### **Summary of lessons learnt**

When public realm interventions are appropriately targeted, they can deliver significant commercial returns; and

Continued relationships between public and private partners can contribute to smooth delivery and ease barriers to project implementation.



## 5 WEALDSTONE TOWN CENTRE

### Context

- 5.1 The Wealdstone Town Centre case study is a public realm improvement scheme currently being delivered by TfL in partnership with London Borough of Harrow (LBH). With funding secured through TfL and LBH under the London Regeneration Fund, the project aimed to provide additional vitality for the town centre, which has been designated as an Opportunity Area under the London Plan since 2016. With Wealdstone and its town centre seeing significant future development (including at the Strategic Industrial Location of the Kodak site), the interventions sought to establish the town centre as a place to live, work and visit.

Figure 21 Case study location



### Intervention

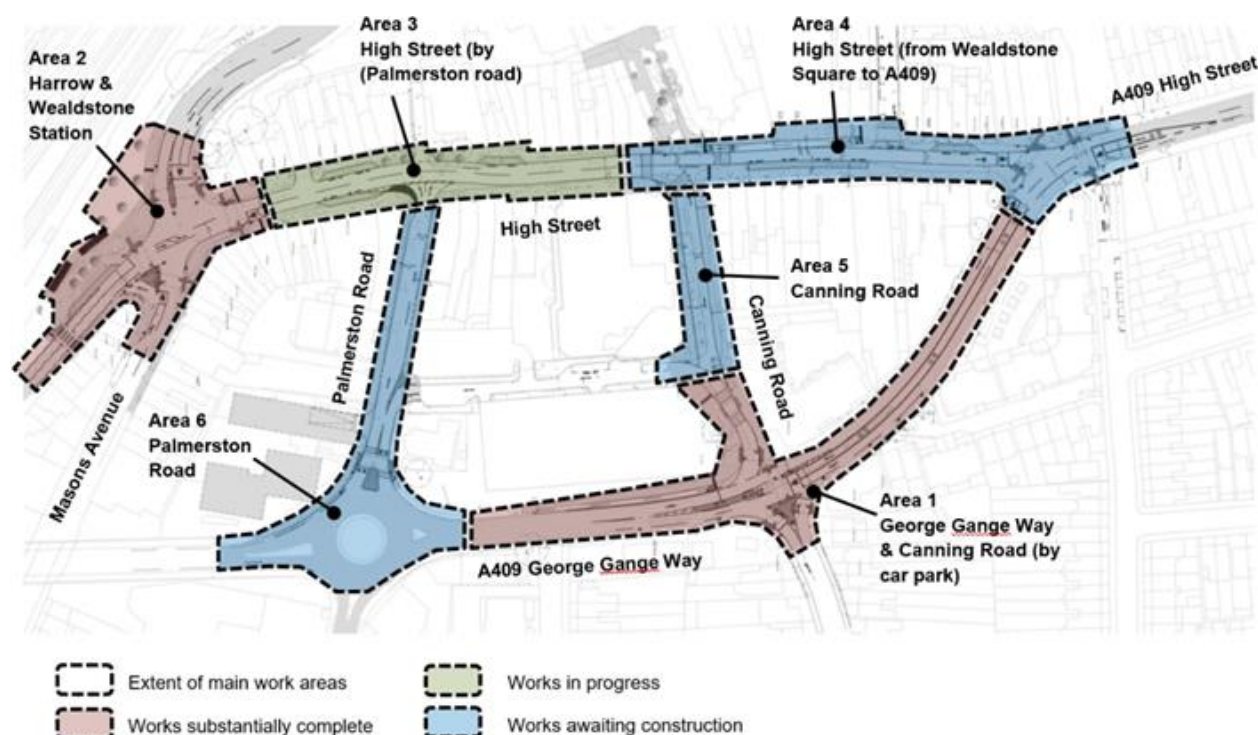
- 5.2 The aim of the proposal is to reinvigorate Wealdstone Town Centre. Through developing existing car parking space into new areas of public realm, improving the existing street environment and delivering greater active travel access to and around the High Street area, the proposal sought to deliver additional footfall and activity for local businesses, and establish the town centre as a community hub.
- 5.3 Active transport measures included in the scheme were new paving, improved street and pedestrian lighting, improved road surfacing and street furniture designed with narrower carriageways to reduce vehicle activity, and alterations with existing cycle routes. These supported the creation of a 'host space' for use as a market, film screenings, and other events in the new public space, and an activity kiosk to service the newly additional square. Measures to expand the public realm overall would result in the doubling of public realm space in the town centre.



## Construction and maintenance

- 5.4 The total cost of the scheme is estimated to be £2.25m, of which TfL would contribute £1.35m, and the remainder funded by LBH. Construction works for the scheme started in March 2021 and are due to be completed between July and October 2022.<sup>33</sup>

Figure 24 Phasing of construction



*Wealdstone Town Centre Scheme Works, 2021; Construction Works Programme*

## Potential scale of the impact

- 5.5 Although initially due to be completed in early 2022 the scheme is still under construction, and therefore there is no information currently available regarding the post-completion impacts of the intervention. This section instead identifies an indicative scale of the impact of the scheme on land values using historic evidence of the scale of uplift delivered by similar interventions.

### Monetised land value uplift

- 5.6 The assessment of WLVU for Wealdstone Town Centre analyses the value of land within a 100m radius of the project interventions. Within this radius there is currently an estimated total of £289m in commercial and residential land value.<sup>34</sup>
- 5.7 Under the 1% uplift scenario, the scheme would be estimated to deliver a total of £2.79m in additional land value to local landowners and occupiers (in present value terms once accounting for the discounting of the impact). Under a transformational scenario in which the scheme delivers benefits in a similar scale to those seen in previous public realm schemes (4% each year over a five-year period), the scheme would deliver a total land value uplift of £52.2m.

<sup>33</sup> <https://wealdstonetowncentreschemeworks.commonplace.is/overview>

<sup>34</sup> These figures have been deflated to the year for which the cost estimates for the scheme were calculated to provide a comparable estimate.

Table 13 Estimated wider land value uplift

		Total value
Existing land value within catchment		
Office		£34.7m
Retail		£87.0m
Other/industrial		£19.3m
Residential		£148m
<b>Total land value within catchment</b>		<b>£289m</b>
WLVU delivered	1% uplift scenario	£2.79m
	2% uplift scenario	£5.59m
	4% uplift scenario	£11.2m
	Transformational scenario (4% over five-year period)	£52.2m

### Wider external impacts – crime reduction

- 5.8 Under the most recently available data, a total of 344 crimes were committed annually in the study area for the project. The assumed 5% reduction in crimes arising in this study area would therefore generate a total benefit of £195,000 in public cost savings over a 10-year appraisal period.

### Overall benefit-cost ratio

- 5.9 When compared to the total capital and maintenance costs of the scheme, the estimated benefits associated with its delivery would result in the scheme having a **benefit-cost ratio (BCR) of 1.0** under a low land value uplift scenario, which rises to **3.9 under a high land value uplift scenario**. A BCR above one represents a scheme delivering greater economic benefits than its costs, and therefore the case study has the potential to justify its cost of this basis on the basis of this land value uplift alone.
- 5.10 This figure additionally excludes the potential benefits arising as a result of active travel and health improvements as a result of a lack of available monitoring evidence (construction of the scheme is still ongoing). The nature of the scheme including significant improvements for pedestrian and cycling amenity would have the potential to deliver increased footfall and additional cycle journeys around the area, providing the scope to deliver additional economic benefit in the form of health impacts.

Table 14 Estimated BCR using land value uplift

	Value expressed in £2022
WLVU delivered (under 1% - 4% uplift)	£2.79m - £11.2m
Wider external impacts – active travel and health impacts	NA
Wider external impacts – crime reduction	£195,000
<b>Total economic benefits</b>	<b>£2.98m - £11.4m</b>
Scheme capital cost	£2.25m
Maintenance costs (over 10 years)	£777,000
<b>Total economic costs</b>	<b>£3.00m</b>
<b>Estimated benefit-cost ratio (low to high)</b>	<b>1.0 – 3.9</b>



### Lessons learnt

- 5.11 This scheme is still under construction, and therefore there is no information currently available regarding the post-completion impacts of the intervention. The potential scale of the land value impact of the scheme does, however, provide a potential lesson for the development of public realm schemes in Outer London locations. Were the scheme to face an uplift in land value that is similar in nature to existing evidence of public realm schemes, the uplift in land value would outweigh construction costs associated with the project.

#### Summary of lessons learnt

Where public realm interventions increase the attractiveness of nearby commercial and residential property, they can deliver positive public welfare returns through increases in land value alone.

## 6 CONCLUSIONS FROM THE CASE STUDIES

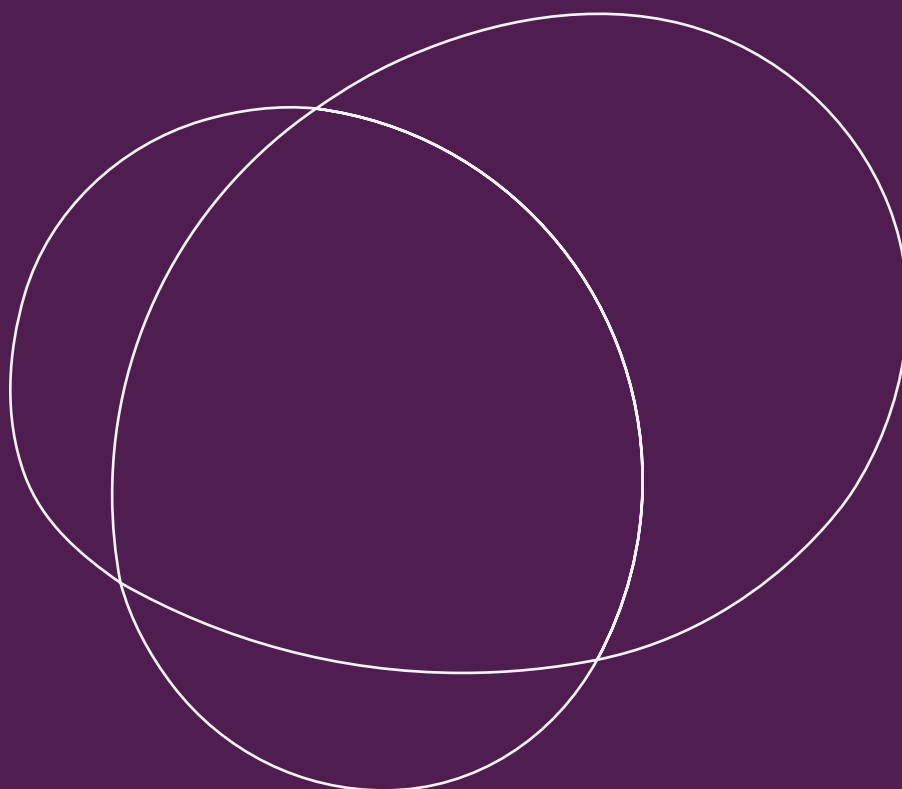
- 6.1 The evaluation of five case studies presented in this report aims to identify and estimate the scale of the potential benefits resulting from different types of public realm interventions across London. The assessment has considered the relevant scale of the economic impacts associated with five public realm schemes in line with current economic appraisal guidance. This includes the impact of public realm interventions on land values, health and environmental improvements and crime reduction.
- 6.2 The figures presented are intended solely to be indicative estimates of what could feasibly be / have been achieved by each scheme under standard assumptions on the scale of the impact under each of the identified mechanisms. For examples, the impact of each case study on land values considers what the case study could deliver under a scenario in which it results in a 1%, 2% and 4% increase in surrounding land values, broadly in line with (or below in some cases) other historical examples of public realm projects.
- 6.3 Under the indicative assumptions, the estimation of the impacts demonstrate that there is public economic case for each of the schemes, with this primarily driven by increases in land value in the local areas neighbouring each of the case studies. **Table 15** presents a summary of the results of the assessment.

Table 15 Summary of the estimated economic impacts

	Indicative land value uplift (£m)	Health and environmental benefits (£m)	Crime reduction benefits (£m)	Total economic benefits (£m)	Scheme costs (£m)	Indicative BCR
Baker Street Two Way	68 - 272	20	2.0	<b>89 – 293</b>	<b>25</b>	<b>3.8 – 12.5</b>
Jubilee Gardens	12 – 48	NA	0.3	<b>12 – 48</b>	<b>9.7</b>	<b>1.3 – 4.9</b>
Bromley North Village	4.9 – 20	NA	0.6	<b>5.5 – 20</b>	<b>6.5</b>	<b>0.9 – 3.1</b>
Pavilion Road	13 – 51	4.5	0.1	<b>17 – 56</b>	<b>Unknown</b>	<b>Unknown</b>
Wealdstone Town Centre	2.8 – 11	NA	0.2	<b>3.0 – 11</b>	<b>3.0</b>	<b>1.0 – 3.9</b>

*NB: Figures are rounded and may not sum.*

- 6.4 Current appraisal methodology for development and public realm schemes focuses on the impact on land value, with this approach capturing economic welfare benefits to land owners and users. The case study results show that the methodology favours public realm interventions in areas with relatively high existing land values, and that transformational change in land values are often needed to justify public realm interventions in areas of relatively higher deprivation. It is also likely the case that the potential for transformational change is larger in areas where the existing public realm and development is of relatively poorer quality. One of the conclusions to take forward from this analysis is that large scale changes in the public realm are needed to deliver large and transformational impacts in areas of relatively higher deprivation.
- 6.5 The difficulty in providing initial appraisal for public realm schemes of a similar nature to these case studies shows the need for thorough evaluation of the impacts of public realm schemes moving forward. There is a clear need to establish better evidence regarding the scale of benefits of these schemes that can be relied on for future policymaking. This report has aimed to provide a starting point for the current state of evidence of public realm schemes for stakeholders, explaining the ways in which they can result in impacts and the potential scale at which they do so.



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