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## Introduction

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### Background and context

In 2007, for the first time in history the majority of the people in the world lived in cities (EC, 2007). This is the direct result of the rapid growth not only of the world's largest cities (where conurbations of more than 10 million people predominate), but also the growth of smaller and medium-sized cities (UN Habitat, 2006).

In the wider global context of accelerating urbanisation Europe's cities are amongst some of the oldest in the world, and today more than 60% of people live in urban areas with a population of more than 50 000. However, with the exception of London and Paris, Europe is also characterised by a unique polycentric structure of large, medium-sized and small cities (EC, 2006).

If cities are to succeed as engines of economic growth then it is important that policies founded on economic, social and environmental issues are fully integrated. In other words that there should be a balance between promoting economic competitiveness and social cohesion and tackling environmental issues, because it is generally agreed that these, alongside other issues relating to inadequate governance and leadership, are the most pressing challenges to the economic performance, attractiveness and competitiveness of cities (EC, 2006; European Institute for Urban Affairs, 2007).

Today cities face change brought about by a series of structural forces, including globalisation, economic restructuring, increasing competition from other cities and restructuring of the welfare state (European Institute for Urban Affairs, 2007). Furthermore, by their very nature, of course, cities

are often characterised by substantial spatial and/or group polarisation in economic and social opportunities, and, moreover, these differences can be even more extreme between neighbourhoods in the same city than between cities. The challenges faced within our cities can also vary significantly ranging from increasing population, through to rising house prices, lack of development land or a poorly resourced public sector. In some cities depopulation, dereliction, lack of jobs or poor quality of life may be problematic, while in others urban sprawl and suburbanisation may be an issue. At an urban scale, therefore, tackling transport, accessibility and mobility; improving access to services and amenities; improving the physical and natural environments and developing a city's cultural focus are key to improving its attractiveness (EC, 2006).

Set in this recent context of an integrated approach to cohesion policy, previous research on sustainability has, sadly, often been limited to environmental and economic concerns. However, in recent years, social sustainability has gained increased recognition as a fundamental component of sustainable development, and has begun to receive political and institutional endorsement within the sustainable development agenda, and the sustainable urban regeneration discourse.

In the 1980s, urban regeneration projects focused mainly on the physical and economic renewal of degraded inner-city areas. However, since the 1990s across the EU, this approach to urban regeneration, which emphasised the environmental and economic spheres of regeneration, has been replaced by a more integrated approach to urban redevelopment, which links the stimulation of economic activities and environmental improvements to wider social and cultural elements.

There has therefore been a shift in emphasis from 'urban renaissance' to 'city competitiveness'. Essentially the key drivers for urban competitiveness include (EC, 2006; European Institute for Urban Affairs, 2007):

- Innovation in processes and products;
- economic diversity;
- skilled people;
- connectivity and communications;
- place quality; and
- strategic capacity (or decision making, political processes and leadership).

Barcelona is a key example of this change in emphasis. During the 1990s, the city's strategy was founded on urban regeneration that focused on infrastructure, the physical environment, city centre, waterfront and key projects like the Olympics. However, the limits of this hitherto successful approach were recognised as its GDP growth and knowledge base lay relatively undernourished. More recently, therefore, the city has focused on the promotion

of the knowledge sector, and developing a much stronger innovation base to underpin job creation (European Institute for Urban Affairs, 2007).

The emergence of 'community' as a focal point for the delivery of sustainable urban development has also moved to the heart of European urban policy. For example, in 1998 the report 'Urban Sustainable Development in the EU: A Framework for Action' (CEC, 1998) combined the twin themes of sustainable development and urban governance, and encouraged and promoted partnerships between the public and private sectors. Moreover, in 2005 the 'Bristol Accord', which focused on the theme of sustainable communities, was approved amongst member states (ODPM, 2006). The Accord set out what is meant by a 'sustainable community' and highlighted eight characteristics of such places, which are discussed in more detail in Chapter 2 of this book.

Sustainable development was in fact enshrined in the EU's *Sustainable Development Strategy*, where it was seen as being (EU, 2006: 2):

... about safeguarding the earth's capacity to support life in all its diversity. It is based on the principles of democracy and the rule of law and respect for fundamental rights including freedom and equal opportunities for all. It brings about solidarity within and between generations. It seeks to promote a dynamic economy with a high level of employment and education, of health protection, of social and territorial cohesion and of environmental protection in a peaceful and secure world, respecting cultural diversity.

This effectively underpinned and linked with key objectives at an urban level in the EU, which sought to promote economic prosperity, social equity and cohesion and environmental protection.

There was also a strong feeling that integrated strategies and co-ordinated actions were needed at an urban level in Europe (EC, 2009). More recently, therefore, building on the Bristol Accord, in May 2007 European Ministers signed the 'Leipzig Charter on Sustainable European Cities' (EU Ministers, 2007), which itself built on the 'Urban Acquis' of 2004 (Ministry of Kingdom and Interior Relations, 2005) (see Chapter 12).<sup>1</sup> For the first time, therefore, all of the 27 member states outlined an ideal model for the 'European city of the 21<sup>st</sup> century', and agreed on common principles and strategies for policy

<sup>1</sup> Essentially the Rotterdam Urban Acquis of 2004 promoted the concept of 'integrated sustainable urban development' (ISUD), which is a system of interlinked actions seeking to bring about a lasting improvement in the economic, physical, social and environmental conditions of a city or an area within a city. The key to the process is 'integration', meaning that all policies, projects and proposals are considered in relation to one another (URBACT, 2010; EIB, 2010).

related to urban development. The Leipzig Charter lays the foundation for a new integrated urban policy in Europe, focusing on addressing urban challenges related to social exclusion, structural change, ageing, climate change and mobility.

The broad approach to urban policy promoted recently at EU level has also advocated integrated area-based regeneration initiatives which combine economic, social, cultural and environmental aspects, and are managed through partnerships with strong civic involvement. As a result, the concept of 'partnership' has been woven into recent EU urban initiatives such as URBAN I and URBAN II, with proposals for good practice based on partnerships involving the public, private and voluntary sectors. This has also encouraged the establishment of an increasing number of Public Private Partnerships (PPPs) in urban regeneration programmes, which are one facet of the drive towards sustainable financing for cities and the development of a complex array of investment vehicles, involving local authorities, institutional investors, private developers and banks, for example.

There has therefore been a changing emphasis from a 'compartmentalised' approach to urban regeneration in Europe to a more 'integrated' approach that brings together the physical, economic and social dimensions of urban development and ties it strongly into the sustainable development agenda (URBACT, 2009). Key to this is the concept of a long-term consistent vision for urban areas. As the European Commission suggest (EC, 2006: 26):

Cities should have a long term, consistent plan for all the different factors promoting sustainable growth and jobs in urban areas. Actions in one field must be consistent with those in another. Notably, economic measures must be sustainable in social and environmental terms. Monitoring and evaluation systems should be in place to verify results on the ground.

This integrated approach focuses on the following elements therefore (Franke *et al.*, 2007):

- Identifying the strengths and weaknesses of the city and of particular neighbourhoods.
- Formulating realistic goals for particular areas.
- Increasing the impact of public intervention measures through early co-ordination and pooling of public-private funds.
- Integrating planning for particular areas, sectors and technical support.
- Empowering citizens and promoting corporate social responsibility.
- Supporting inter-municipal co-ordination to harmonise and link the city's development aims with its hinterland.

Many areas that are the focus of regeneration include some of Europe's most deprived neighbourhoods, which have entered a spiral of decline often through forces of globalisation and structural change. These may, for example, be areas that have been previously characterised by manufacturing industry and are now brownfield sites (Dixon *et al.*, 2007); inner city areas with stagnating economies; residential neighbourhoods with defunct urban structures; or residential areas that have concentrated social and economic problems (LUDA, 2003; Franke *et al.*, 2007).

The emphasis given to urban policy issues, however, varies among EU member states and there is a wide variation in policies at a national level. Nonetheless, eight policy challenges also continue to hold true at a national and city level (Franke *et al.*, 2007):

- Developing the labour market for all sections of the population;
- ensuring adequate income and wealth for all;
- overcoming educational disadvantage;
- fostering family cohesion and equal rights for men and women;
- guaranteeing adequate housing for all; and
- promoting equal rights of access to services.

There is also a perception amongst many commentators that the need for urban investment is greater than ever if cities are to become more 'investable' and 'investment-ready' (Clark, 2007). Innovative forms of partnership financing (public private partnerships or PPPs) and joint ventures between the public and private sector are therefore becoming of paramount importance. Indeed, this is even more important in the current economic recession, which began towards the end of 2007, and is likely to trigger a broad process of financial restructuring that will prompt cities to explore and test additional financial tools and revenue-raising options (IPF, 2009; APUDG, 2009; ULI, 2009).

Nonetheless, despite these recent developments in the policy and practice of urban regeneration, our understanding of the social dimension of sustainable urban regeneration is still limited, especially from an assessment and measurement point of view. There is therefore a clear need for further research in this field.

## **Urban regeneration and social sustainability**

A variety of definitions of the term 'regeneration' exist depending on particular perspectives (IPF, 2006). In the UK the government has defined regeneration as a set of activities that reverse economic, social and physical decline in areas where the market will not resolve this without government

support (CLG, 2009). An alternative and perhaps broader definition of urban regeneration, is provided by Roberts (2000: 17) who provides an initial definition of urban regeneration as: ‘a comprehensive and integrated vision and action which leads to the resolution of urban problems and which seeks to bring about a lasting improvement in the economic, physical, social and environmental conditions of an area that has been subject to change’.

However, recent policy initiatives in the UK have also sought to highlight the distinction between ‘economic development’ and ‘regeneration’ (CLG, 2008). For example, whilst development is seen as focusing on profit and being commercially viable in its focus, regeneration should also incorporate elements of social and economic diversity to benefit existing communities (IPF, 2009).<sup>2</sup>

Broadly speaking, according to key commentators, the main thematic narratives (although not necessarily mutually exclusive) to area-based regeneration and renewal, have included the following:

- Property-led physical approach, where, for example, a major retail-led or mixed-use scheme is expected to have multiplier effects in the local economy (for example, Dixon & Marston, 2003; DTZ, 2009).
- Business-driven approach, which highlights the importance of ‘underserved markets’ particularly in inner-city areas as important foci for regeneration through business investment (for example, Porter, 1995).
- Urban form and design perspective, which highlights the importance of the relationship between sustainable development (SD) and urban form (for example, Burton *et al.*, 1997).
- Cultural industries approach, which stresses the importance of creative and cultural media industries as vehicles for regeneration (for example, Florida, 2004).
- Health and well-being perspective, which highlights the role that well-designed spaces can have on neighbourhood health and liveability (for example, Barton *et al.*, 2003).
- Community-based, social economy approach, which highlights the importance of involving local communities in decision making and developing social capital networks (for example, Thomas & Duncan, 2000).

Throughout these perspectives there has been a ‘social’ dimension to the regeneration, but the exact strength and positioning of this varies depending on the perspective adopted. Thus, some have pointed out the gentrification and displacement effect of regeneration on local residents and activities

<sup>2</sup> These and related issues are explored in more detail in Chapter 4 of this book.

(Scarpaci, 2000), the exacerbation of social exclusion of particular groups within local communities (Gosling, 2008), and the generation of low-skill retail jobs for local residents (Law, 2002), whilst others have critically examined the potential positive social effects of urban regeneration, including the role of social capital in regeneration (Cento Bull & Jones, 2006); the reduction of local social problems and increased engagement and participation of residents (Hemphill *et al.*, 2006); the improved image of the local community (Pratt, 2009), and the reduction of crime and illegal activities (Raco, 2003). It can be argued, however, that a comprehensive study of urban regeneration from a social-sustainability perspective is still missing from the literature.

As pointed out earlier, it is important to highlight how, since the 1990s, regeneration programmes in the EU have increasingly linked the stimulation of economic activities and environmental improvements with social and cultural vitality. In this new sustainability-oriented approach to urban regeneration, the concepts of 'community' and 'neighbourhood' have become the central focus of the analysis. This new model emphasises practices of consultation and participation, especially through so-called 'community partnerships' and the involvement of the voluntary or third sector. Further, it seeks to transform the state into an enabling partner (Bevir & Rhodes, 2003) and identifies the 'community' and the local level as the main arenas for the achievement of sustainability.

More importantly the concept of social sustainability has become vitally important to consider. In this sense we suggest in this book that social sustainability concerns how individuals, communities and societies live with each other and set out to achieve the objectives of development models that they have chosen for themselves, also taking into account the physical boundaries of their places and planet earth as a whole (see Chapter 2 for a more detailed discussion of this). This book therefore examines social sustainability as an independent and equally recognised dimension of sustainable urban development through an integrated approach to the analysis of sustainability.

## **Aims and objectives**

This book examines how sustainable urban regeneration is being approached by local governments, developers and the construction industry, funding bodies and investors from a social perspective. The book is based on a programme of research that was funded under the EIBURS (European Investment Bank University Research Sponsorship) Programme in 2006. The study was carried out between January 2007 and August 2009 by a team from the Oxford Institute for Sustainable Development

(OISD), School of the Built Environment, Oxford Brookes University (Colantonio & Dixon, 2009).

The main aim of this book is to identify and examine socially sustainable urban regeneration models and vehicles, and best practice measurement systems across European cities, including exemplar and innovative social sustainability metrics and tools.

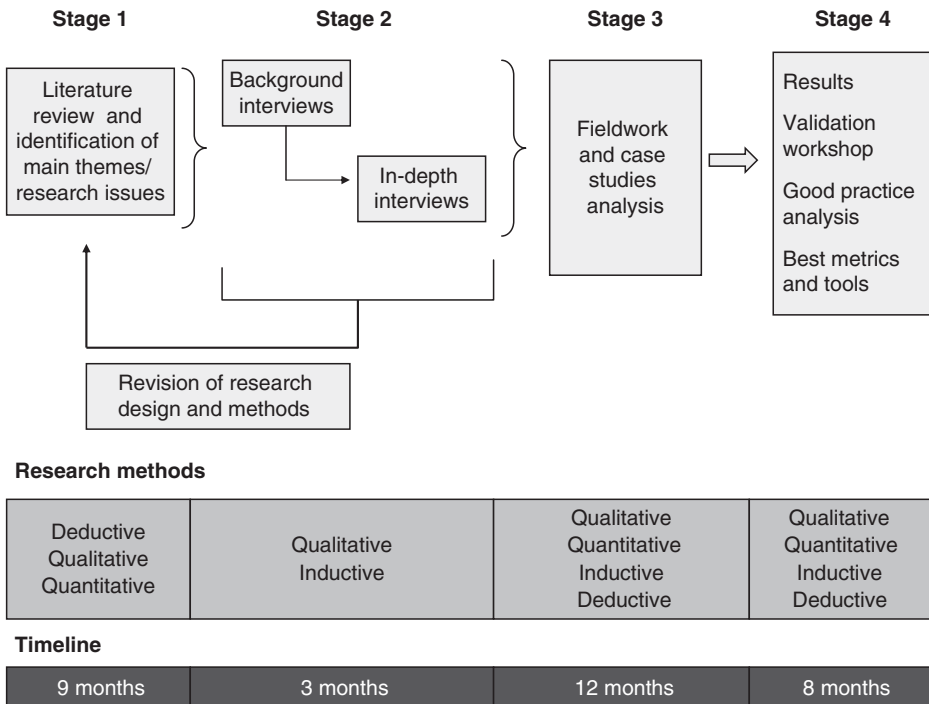
The objectives of the book are to:

- Define social sustainability and explore the main themes and dimensions at the heart of this concept, in the context of EU cities and regeneration policies;
- examine to what extent, and in what ways, social sustainability is incorporated within urban regeneration projects funded by national initiatives and the EU;
- investigate how lenders and investors approach social sustainability;
- examine approaches to social sustainability and urban regeneration in five EU cities, including Cardiff (UK), Rotterdam (NL), Turin (IT), Sant Adrià de Besós (ES) and Leipzig (DE);
- critically review governance models and vehicles, which seek to deliver socially sustainable communities in urban areas, with a particular emphasis on Public Private Partnerships (PPPs);
- analyse the current sustainability indicators and tools used by the public, private and Non-Governmental Organisation sectors to deliver social sustainability in the case study cities; and
- examine and identify best practice to measure and monitor socially sustainable urban regeneration.

Linked to these research objectives, the book also addresses the following related questions:

- What are the main ingredients required to deliver socially sustainable urban regeneration?
- Is the social aspect of sustainable development receiving adequate recognition at the EU level, together with environmental and economic priorities?
- What has been the impact of EU-funded urban regeneration programmes (e.g. URBAN, URBACT) on social sustainability and its monitoring?
- How is Corporate Social Responsibility (CSR) and Socially Responsible Investing (SRI) impacting on the delivery of sustainable communities?
- What are the best assessment methods and monitoring systems currently used to monitor the social sustainability of urban regeneration in European cities?
- What can we learn from current practice to deliver socially sustainable urban regeneration?



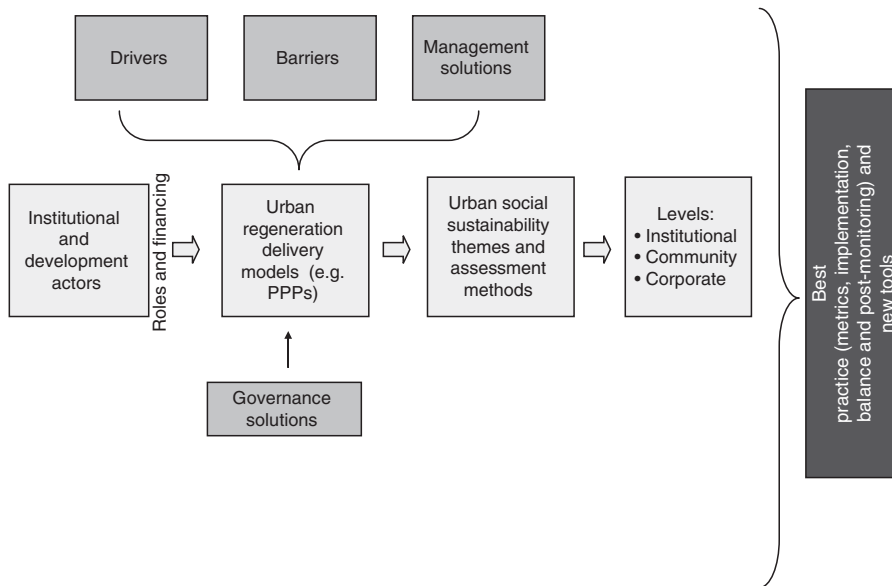


**Figure 1.1** Research, methods and stages.

## Methodology for the research

The research methodology, which is summarised in Figure 1.1, included a literature review, background and in-depth interviews, fieldwork in selected cities participating in the research, and a workshop to validate preliminary results. These elements of the research will be briefly reviewed in the remainder of this section of the book.

*Literature review* At the beginning of the research process an extensive literature review was conducted in order to explore the concept of social sustainability and critically examine the main assessment methods and metrics established to ‘measure’ its nature. The scoping of literature on social sustainability and assessment methods was conducted until ‘theoretical saturation’ was reached and no new themes, assessment methods, metrics and relationships emerged from the review. This was subsequently linked with a parallel review of literature on the relationships between urban regeneration, EU policy, Public Private Partnerships and social sustainability.



**Figure 1.2** Theoretical research framework.

During this phase of the research, the main approaches and models of social sustainability were identified and the provisional theoretical research framework was designed.

*Background and in-depth interviews* At the end of the literature review, a series of interviews was conducted (see Appendix 1) with private sector investors, developers and construction companies mainly based in the UK. The main objective of these was to ascertain how and to what extent the theoretical issues identified in the literature were taken into account, and dealt with at the practical level, by key actors involved in regeneration. The interviews were important in helping design the data gathering for the case studies and refining the theoretical framework of the research, which is illustrated in Figure 1.2.

*Fieldwork* The fieldwork was conducted during the second year of the research. A template for data gathering in each case study was designed following the literature review and interview phase in order to collect information on the following elements:

- Approach adopted for urban regeneration, including objectives, policies, plans, programmes and the themes and dimensions adopted within the selected case studies.

- Management, which focused on the key actors involved in the regeneration process; governance and partnership solutions, and funding arrangements.
- Social sustainability, including the examination of a variety of themes and dimensions, social impacts, indicators, tools and initiatives.
- Outputs and outcomes of each case study, which endeavoured to provide an overview of the post-project monitoring arrangements and the lessons learned.

## Case study selection

The case studies were selected after an in-depth review of over 50 urban regeneration projects across the EU. It was felt that they could provide examples of best practice or exemplify the lessons learned from an integrated approach to regeneration and the related measurement of social sustainability.

The case studies selected as part of the research included the following (in alphabetical order; see also Figure 1.3):

*La Mina* neighbourhood is located in Sant Adrià de Besós, Spain, a Catalan municipality bordering Barcelona's Eastern outskirts. This residential area of 20 tower blocks was built in the 1960s, as a social housing neighbourhood. It was designed to rehouse a local Roma community and inhabitants of Barcelona's shanty towns. The aim was to eradicate these particularly conflictive places and communities from the city with their serious problems of exclusion, marginality and delinquency. This, however, led to a high concentration of illegal activities and lack of community cohesion in the area. In 2000 a consortium of public administrations and departments was set up to regenerate the area, capitalising on EU funding and development opportunities provided by the eastward urban expansion of Barcelona, which was prompted by the 1992 Olympics.

*Leipziger Osten*, Leipzig, Germany, encompasses several suburbs to the east of Leipzig's city centre. This mainly residential area is characterised by dense, late nineteenth-century block structures and large-panel construction development, which is generally of comparatively low structural quality. These suburbs had been characterised by the degrading of both the social and built environment for several years and were included in the *Soziale Stadt* (Socially Integrated City) programme implemented by the German government in late 1990s and early 2000s.

*Porta Palazzo* is an inner city area of Turin, Italy. Before the urban renewal process started the area was a decaying inner city neighbourhood, characterised by an informal economy, inadequate social services, low cultural integration of international immigrants, a highly mobile and transient population, a myriad of short lived micro-enterprises, and a reputation



**Figure 1.3** Selected case studies. *Source:* Re-drawn by Colantonio (2010).

linked to crime and illegal immigrants. The regeneration of the area gained initial momentum after receiving EU funding through the Urban Pilot Projects and URBAN programme during the second half of the 1990s and has continued since.

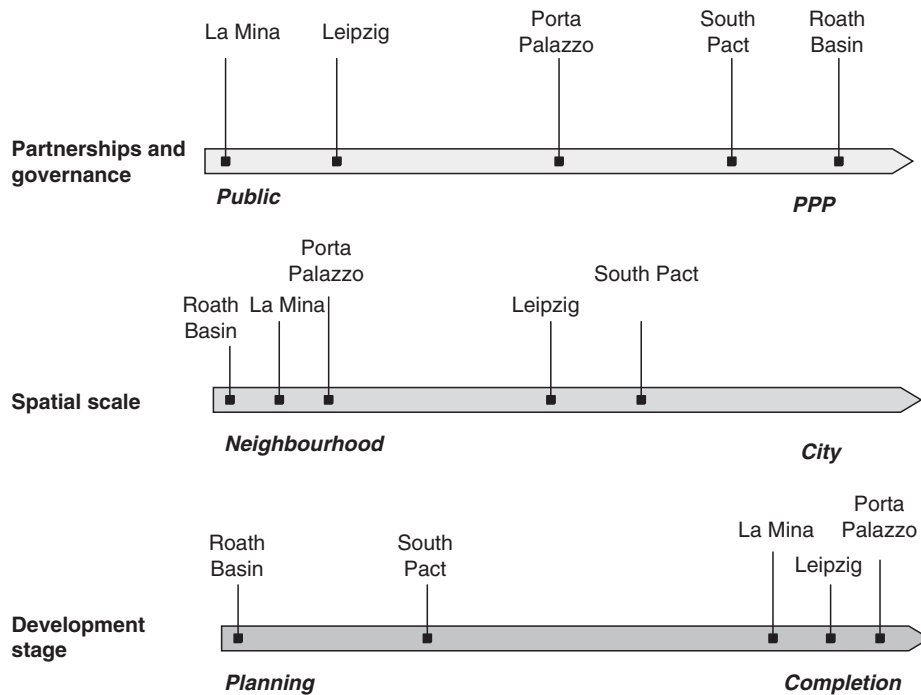
*Roath Basin*, Cardiff, Wales, United Kingdom, is part of a new approach to the sustainable regeneration of Cardiff Bay. The site is the last major derelict area in the inner harbour to be regenerated and was granted outline planning permission for the regeneration programme in 2006. The regeneration of the basin will be carried out through a scheme based on a Public Private Partnership between the Welsh Government, local authorities and a private developer with an innovative Socially Responsible Investment policy.

*Rotterdam South Pact (Pact op Zuid)* comprises five sub-municipalities located in South Rotterdam, The Netherlands. Traditionally, this city area has been characterised by high unemployment, a poor image, and low educational achievement, which made it difficult to attract private investment or middle-high income people to these neighbourhoods. The latter have also received little benefits from major waterfront redevelopment projects, such as *Kop van Zuid*, implemented in Rotterdam since the 1980s. *Pact op Zuid*, which involves several important private and public sector actors, including Housing Corporations, Rotterdam City and five sub-municipalities, will run between 2006 and 2015. It is forecast that participant stakeholders will jointly invest one billion euros in Rotterdam South throughout the duration of the Pact, in addition to normal investment programmes.

It is important to highlight that the case studies were selected in order to provide the widest possible spatial, temporal and institutional coverage of how social sustainability had been incorporated and monitored in urban regeneration schemes at varying development stages, diverging urban scales and in the context of different institutional arrangements. The ultimate selection of the case studies was therefore carried out taking into account three main criteria, which are illustrated in Figure 1.3. These included:

- Governance model and partnership;
- spatial scale; and
- development stage.

Figure 1.4 shows how, from a governance perspective, the selected projects range from fully public regeneration agencies to public-private-partnership. The spatial scale of regeneration schemes ranges from small neighbourhood to city-wide projects. Similarly, some of the projects are still in their planning stages whilst others are close to completion or have been completed. In this context, it should be stressed that the case studies were selected not in order to develop entirely new tools, but rather to:



**Figure 1.4** Criteria for the selection of the case studies.

- review the existing metrics and tools currently being used to assess, measure and monitor key aspects of social sustainability;
- highlight tools that are not necessarily known about, but are found to be used and seen by users as working well; and
- suggest 'improved tools', where there are deficiencies and room for improvement, and devise a comprehensive social sustainability assessment framework.

Finally, it is important to highlight that the fieldwork was designed and conducted before the current economic crisis took hold. The book therefore does not focus on this issue per se, but does attempt to draw conclusions set in the context of a very different current economic environment while also looking to the future. It is also worth pointing out that although the present recession may change the emphasis of current regeneration practices and delivery vehicles over the next few years across Europe, equally there can be little doubt that the validity of the basic principles and 'best practice' monitoring systems analysed in the case studies will transcend macro-economic cycles and economic fluctuations, although they are likely to be affected by decreasing financial resources available for regeneration.

## Outline of the book

This book is divided in three main parts.

Part I, comprising Chapters 1 to 4, addresses the context of the research and reviews the literature concerning urban regeneration, social sustainability and delivery vehicles. Further, it establishes the theoretical framework for the analysis of best practice in the case studies. The present chapter has set the context of the study by introducing the relationship between urban regeneration and social sustainability, and illustrating the main aims, objectives and methodology of the book. Chapters 2 and 3 endeavour to deconstruct the concept of social sustainability and to explore its evolutionary meaning, together with the development of emerging assessment methodologies, which are being applied to measure and appraise the complexity inherent in the notion of social sustainability. Chapter 4 examines the nature of urban regeneration together with the growth of corporate responsibility and responsible investment agendas and how, linked to the rise of the sustainability agenda, these have driven and been linked with an increasing trend towards institutional involvement in urban regeneration. The diversity of partnership models, which have been developed to deliver urban regeneration projects, are examined, together with the emergence of more recent urban development fund models, such as JESSICA and local asset-backed vehicles. The chapter concludes by summarising how attempts have been made to measure social sustainability in the context of urban regeneration.

Part II of the book, comprising Chapters 5 to 10, provides an overview of urban regeneration policy at the EU level and reports the main findings of the case-study analysis and the lessons learned from each case in terms of themes, assessment methods and monitoring systems of social sustainability. Most specifically, Chapter 5 provides the European policy context, setting out the EU's involvement in urban regeneration policy, in particular exploring the role of the Structural Funds in promoting sustainable urban development. The remaining chapters of Part II, focus on the case study of urban regeneration and social sustainability in Roath Basin in Cardiff (Chapter 6), La Mina – Sant Adrià de Besós (Chapter 7), Porta Palazzo in Turin (Chapter 8), South Pact in Rotterdam (Chapter 9) and Leipziger Osten (Chapter 10).

The main findings of Parts I and II, will be discussed in Part III of the book, which comprises Chapters 11 and 12. Most specifically, Chapter 11 illustrates our social sustainability assessment framework, which draws upon the case-study analysis and literature review, and was developed as part of the research process. Chapter 12 summarises the main conclusions of the study and suggests recommendations to enhance the measurement of social sustainability in the context of the regeneration in EU cities.