

# **Achieving wider community regeneration outcomes through housing led approaches – a Private Sector Perspective**

## **Slide 1**

Thanks for inviting me to this Surf Workshop, I would like to spend the next 10 minutes talking to you about wider community regeneration outcomes from a private sector perspective.

## **Slide 2**

Founded in 2011, Urban Union Limited has helped form and create multi award winning, revitalised communities throughout Scotland by providing high quality, new-build affordable homes. We have proudly established ourselves as the partner of choice for many key, long-term and large-scale regeneration projects.

We are currently creating revitalised communities within the regeneration areas of Laurieston in Glasgow, Pennywell in Edinburgh and Muirton in Perth. We are also due to commence site works shortly in Pollokshaws and are currently working with Queens Cross Housing Association on the large scale Hamiltonhill regeneration project, both in Glasgow.

Now a fully owned Robertson company, we are part of one of the largest family-owned construction, infrastructure and support services businesses in the UK.

Robertson's purpose is to assure a sustainable future, and achieve this by working in partnership and through sustainable growth which enables us to invest in our business, the future of our people and communities, and to deliver a wide range of projects for customers nationally.

Ultimately, everything we do is about making progress safely towards a sustainable future for our people, communities and our business. It's the Robertson way.

## **Slide 3**

Why would the private sector invest in or care about wider community outcomes, are we not only about profit, turnover and returns to our shareholders?

The answer to this question is probably yes for some, but this is a very narrow and short-term view and not one held by Urban Union. Quite the contrary, as I hope to briefly explain.

The bottom line is obviously important, and in our view, can be secured and sustained by the wider community outcomes of regeneration and the investment required to achieve them.

## **Slide 4**

Profit is not a dirty word and a reasonable, sustainable profit level will ensure Private Sector delivery across the development.

Regeneration is about firstly creating and then sustaining the market for new homes and secondary sales in the area. If the developer invests in the community, then the market should respond.

The Private Sector prices risk, so if balanced pain / gain arrangement can be agreed, any gain share can be returned to the community to further enhance wider outcomes.

Our firm view is that a developer's brand or reputation can only be positively enhanced by marketing and social media associated with wider community outcomes. Whilst a by-product, it is a valuable and important one.

## **Slide 5**

A partnering approach is essential, and all parties must be willing to be flexible, compromise and actually invest and commit to both the community and development. Not to do so can produce very one dimensional, residential only areas. The purpose of the regeneration and the development is to create vibrant, sustainable communities and this needs to be the focus of the partnership at all times. The choice of the right private sector partner is imperative.

Importantly the new build housing in successful regeneration projects requires a good a mix of accommodation and a good understanding of context. Providing a range of products to ensure tenants/residents can afford to stay, is obviously important, together with attracting new people to the area.

Mixed tenure development is essential for regeneration and in our experience market data supports average house price increases for the private elements significantly above national norms, all be it from a modest base.

Regeneration takes time, this is a fact. Having a clear plan is obviously essential, but delivery of the plan needs to incorporate manageable phases and allow flexibility. Ideally momentum should be maintained, long gaps in construction can be damaging both to reputation and financially for obvious reasons.

Housing led regeneration is basically what it says but is much more successful if a wider range of uses can be attracted to the area. Clearly, site specific regeneration should where possible incorporate commercial, leisure and cultural uses as appropriate.

There are many factors to successful regeneration but the quality of public realm and how the area looks as the process progresses are often the most obvious to the casual observer and this should not be underestimated. Whilst a significant financial investment, the social value associated can be exponential.

## **Slide 6**

The most important part of regeneration is the people who will live, work and generally make use of the redeveloped area, so constant interaction with the existing community is essential. This should not just be lip-service, or the bare minimum to satisfy a CCS scorecard, but proper involvement in all aspects from the consultation, to art strategies, support of local businesses, school visits, employment opportunities, work placement, local gala days and community council meetings or similar forums.

Done well, regeneration builds on the existing area and should create development complementary to the existing infrastructure and buildings. It must also positively impact on the area and add value for the community.

Prosperity of an area may be a difficult metric to gauge, but the lack of it is all too obvious and familiar. However, whilst developers and other stakeholders have an inherent interest in the commercial success of a development, the risks and rewards are most critical for the people who live in and use the regenerated area. A happy and engaged community is likely to be a good sign and is obviously desirable for many reasons.

The aspiration is to create somewhere people want to live, it's in my view that simple. From a private perspective existing residents account for a significant proportion of buyers, people who know the area, maybe have family close by, but who up to now have not been attracted or indeed able to buy quality housing. As the development evolves buyers tend to be new people, with the obvious benefits in making the area vital and thriving.

### **Slide 7**

I have already touched on most of these points previously but for example, rising sales prices clearly demonstrate that people want to live in the regenerated community.

A proper pain/gain share arrangement should be direct route to returning revenue from increasing sales rate back to the community via overage or similar.

By investment I mean not only the purchase of the new homes and commercial space but the attraction of transport, connectivity and other spending to the area.

By way of an example the Citizen's Theatre is at the heart of the Gorbals regeneration and a fantastic example of attracting investment. The regenerated Citizens will have a significant impact for the area as a cultural landmark and on the quality of the public realm with links from Crown Street to Laurieston giving opportunities for quality streetscape, parks and open spaces. Crucially it will give people another reason to come to the regenerated area.

Another key metric, as the regeneration progresses, is the creation of a healthy resale market in completed phases. For example in Glasgow's regeneration area resale has shown significant growth in the order of £30-65 / sq ft.

### **Slide 8**

Whilst headed Factors in Success this slide really covers our core principles which allow us to deliver our objectives and govern how we operate. They are however equally applicable to the regeneration process and wider community outcomes.

### **Slide 9**

Similarly, Lessons Learnt is a summary of what informs our approach and desire to be a Private Sector Partner of choice for regeneration projects.

**Slide 10**

Thank you for listening.

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