

TEN meeting in Croydon, 6.12.04

Present:

Peter Bishop	Paul Clark
Chris Donovan	Marc Dorfman
Paul Evans	David Hennings
Nicholas Falk	Esther Caplin

Hosted by LB Croydon:

Phillip Goodwin	Iain Sim
Keith Briars	

The second meeting in the second TEN series took place in Croydon. It began with a tour of redevelopment sites, starting with the Gateway Site by East Croydon Station, and then by tram into the centre to walk through the Whitgift and Centrale malls. Presentations were given by Iain Sim, on Tramlink, and Phillip Goodwin, on Vision 20-20 and redevelopment plans. Discussion focused on resourcing regeneration, and Tramlink as a catalyst for regeneration.

A summary of some issues that emerged in discussion is attached.

The meeting also raised progress on the Fast Track Action Learning Programme, and confirmed the next meeting of the Group.

TEN is grateful to Croydon for its hospitality.

1. TEN Fast Track Action Learning Programme

Marc Dorfman reported on the Ealing/Haringey pilot, and proposed taking this forward with other members of the Group. The Group was positive. In particular the programme offers the opportunity to work on a big scheme in authorities that may not have had one for a time. There were reservations about freeing up staff, but the programme could be rolled out with variations in different place.

ACTION:

- MD to make contact with ODPM/GoL to reserve some funds
- MD drafting 1-2 page paper with outline for pilot involving TEN authorities (NB they aren't ten at present!)

2. Next meeting of TEN

The next meeting was confirmed in Wembley on Monday 7th February 2005. Details tbc, but format should follow existing with 2.30 tour followed by 3.30-6.30 discussion session and supper.

ACTION:

- Peter Bishop to confirm topic to Richard Saunders: the trickle down benefits of major development into the town centre; and the impact of casinos
- Esther Caplin to liaise with Brent re arrangements

Summary of TEN discussion in CROYDON, Monday 6th December 2004

The discussion focused on resourcing renaissance, and transport as a catalyst. How to fund public realm was unresolved. Croydon's experience provides a model of what can work, and highlights the obstacles and barriers. Some key points emerge from which a TEN 'manifesto' of principles, guidelines or aides memoires for urban renewal could be drawn up:

- The complexity of urban development is not sufficiently recognized. Nor that there is no absolute way to measure cause and effect in urban regeneration. It is virtually impossible to make a cast iron case around benefits, and the 'risk' cannot be taken out of regeneration however much 'statistical analysis' is done beforehand.
- Get hearts and minds behind the project. Engaging the commitment of experienced and influential people is the way projects get off the ground. A bi-partisan political leadership in promoting new infrastructure and building consensus is key, and can make the difference between success and failure. (Tramlink could only happen because Croydon took risks and committed funds up front.)
- There is a clear need for longitudinal attitude research. (Tramlink has been good for Croydon's image. People visit and shop. But what about measures of safety, disability, liking it, business?)
- A sound Vision strategy, along the lines of Croydon's Vision 20-20, will help convince investors (The House of Fraser put money in on the back of Croydon's strategy).
- Consultants should be used with care: their value is in strategy not detailed planning, but many do not have a broad vision.

Funding public realm:

- New funding sources have to be found BUT public places to be funded through public purse – dangerous assumption that development will pay, which should not be formalised
- Monies could go into a ring-fenced fund, coming from developer or landowner, based on proportion of value
- Development gain model only works when you have development; then you can use it to improve context
- Cycles of development are not as frequent as public realm cycles
- Cannot assume you will always get money from a source that has supplied for a couple of years
- Existing situation is dealing with public realm on a one-off basis
- BIDs and uplift in business rates retained by local authorities from April 2005 should be exploited

Croydon in context: a model process

As the largest shopping and office centres in Outer London, which experienced an office boom in the 60s, Croydon faces a number of special challenges:

- polarisation between the prosperous south and the poorer northern suburbs
- a peripheral housing estate at New Addington, with high levels of deprivation
- empty 60s office blocks (over 70 were built)
- loss of jobs and shoppers to beyond the M25

Following a failed attempt in the 1980s, Croydon drew up Vision 2020 through a process which is a model of its kind, and is used by other councils, e.g. Ealing:

- the vision was not only holistic but addressed both the costs and expected values
- it is not a blueprint, but is robust and flexible
- the vision was commissioned by a group of 22 organisations, mainly businesses and property owners, which means there is substantial commitment to implementation
- the strategy included some early wins, such as an imaginative lighting scheme, as well as flagship projects, like Croydon Gateway, and is developed around the new Croydon Tramlink which links West Addington through to West Croydon and Wimbledon
- it includes design and public realm. On the back of Vision 20-20 Croydon negotiates money to go into a pot that will be used for public realm. Any developer makes at least a 6 figure contribution
- Croydon set the brief, and then raised money. 95% of the first phase (£215,000 in 1997) was paid by sponsors
- Croydon has orchestrated investment through a series of partnerships and the use of Section 106 agreements to fund public realm improvements
- It has maintained the momentum through a group of officers that have stayed with the projects.
- The Vision has helped schemes, e.g. House of Fraser has put money on the back of an existing Council strategy

Benefits from town centre renewal

On the whole town centres in London lag far behind their northern equivalents in the scale or quality of what has been achieved. Croydon's achievements are important to maintaining London's position as a World City as well as to ensuring a better quality of life for its residents. Benefits have been achieved to a greater or lesser extent, as evaluations by consultants show. The returns from Croydon's initiative include:

- maintaining a good range of jobs in the centre, where they are highly accessible without needing a car
- attracting private investment to renew an outworn fabric, upgrade the infrastructure, and eventually improve the public realm
- improving prospects for a deprived part of the district, and hence narrowing unemployment rates
- encouraging people to shift from cars to public transport (5,000 saved journeys a day)
- transforming Croydon's image, and thus stopping its decline, with benefits for the wider South East.

However the greatest benefits are harder to quantify. They include attracting Merrill Lynch to relocate from Central London, saving the facade of the old Grants Department store and converting it into restaurants with a multiplex above, and the development of the stylish Centrale, with its upmarket shops, which provides an extensive under-cover shopping circuit to rival any city.

As a result not only is Croydon packed on a Friday night with some 40,000 young people, and there are over 40 new restaurants in South Parade but better off shoppers – ‘the lost tribe’ - are returning. Several 60s offices have been converted into housing, including apartments selling for over £600,000, and several more are on their way. A number of high density housing schemes have been developed bringing life back into the centre.

Progress has been made despite obstacles. Major difficulties have arisen over the Gateway site, as a result of competing developers, and disagreement over the viability of the 12,000 seat Arena which Croydon believe is essential to the vision of diversifying the centre.

Croydon is also financially strapped as a result of past decisions to keep rate levels down. However while the tram has not generated as much revenue as expected, the costs have been born by the investors, and generally it is considered to be on track.

What Croydon is doing is recognized as being on the level of Manchester/Birmingham, rather than London suburban. It was thought that what has been done could not be repeated, that the structure of London government is far too complex, that the Business Growth Incentive Scheme and BIDs may offer a way forward, and that exceptional leadership is needed to overcome the opposition that arises to any scheme, particularly now from an environmental perspective opposed to any growth.

The impact of Tramlink

Croydon's experience is relevant to TEN, e.g. West London and Cross River trams, CrossRail. Like Croydon, Montpellier and Nottingham have used new transport infrastructure to go up a league.

- While movement in S London still very dependent on private car, Tramlink has addressed congested orbital links
- A dedicated route is crucial, and bus priority is not enough. Tramlink however has provided a real alternative to car use
- Usage is 52,000 per day, with a currently increasing capacity. This includes a night-time service with a night marshal scheme

As transport is part of a complex system, there can be no simple appraisal of cause and effect. How do you prove there is a modal shift, e.g. tram relieves congestion, improves places, makes access to jobs better? Is saving in parking an indicator? It is difficult to evaluate the tram in the terms that auditors require. Measurements are related to transport only. (CTRL, for example, has not been evaluated as a regeneration catalyst, only as transport.) The methodology for this does not exist. However, a number of benefits are evident:

- There are changes in perception and behaviour in travel
- There is a perception that Tramlink has added value and opportunities. Perhaps some sites would have been developed anyway, but not as fast or as well
- The development schemes currently under consideration wouldn't be on the cards without Tramlink
- Improved accessibility, leading to Croydon's bigger retail and cultural offer has encouraged relocation, e.g. Merrill Lynch moving from Park Lane
- 4% uplift in property values on tram route. 'There is a premium on housing next to tram stops'. It may take years for the impact to be felt
- Unemployment in New Addington is falling faster than places off the route (also property values have risen there)
- Employment opportunities have increased – people are now working further afield
- There is a 'psychological' difference (cf Merrill Lynch relocation)

There are 'health warnings' that Croydon raised from its experience. In particular the funding system is flawed:

- Croydon had to take great risks initially
- Weakness of capital financing – PFI doubles cost
- Bid was based on getting 21.5 million passengers sooner than they did
- Revenues inadequate to service the debt in time
- Now running at operational profit

And there are other caveats:

- Health and safety issues meant that tramlink was empty for months. Nantes most closely matched Croydon's aspirations but, largely as a result of health and safety requirements, Tramlink was 'almost a travesty'
- Design must be written into tender specification (Croydon could only have designed poles in conservation areas)
- Treasury rules mean 'nothing can ever be taken forward'; so we need to come up with other ways of funding. TfL is not forward planning. They want figures.
- Most consultants lack breadth of vision

Resourcing renewal

There are unresolved issues over how far Council's can be proactive under the current system, and whether Section 106 agreements should or should not be more formalised, for example through a Development Charge. Croydon Council has had to take the lead in a number of ways including:

- funding the planning of the tram (some £5m)
- investing in planning the Gateway scheme, including the public enquiry (some £170k)
- acquiring land through compulsory purchase and putting land it owns into schemes
- using Section 106 agreements to secure contributions to a 'pot' for implementing major public realm improvements