

Who Owns Britain? Neighbourhood Regeneration Through Privately Managed Open Space

Introduction

At the end of the 1990s, after a period of relative obscurity, urban regeneration resurfaced on the political agenda in Britain. In 1999, the Government-appointed Urban Task Force, chaired by Richard Rogers, published a 300 page document on how to improve the state of Britain's cities and called for an urban renaissance. The Task Force report became the first of a range of high profile policy documents which drew the link between the state of (urban) environments and people's economic prosperity and their quality of life (DETR, 2000; ODPM, 2002; CABE, 2002; ODPM, 2003). Urban regeneration, they argued, required a significant improvement of public infrastructure. However, with a tight grip on public expenditure, local authorities lacked the funding to deliver high quality public infrastructure. This was particularly the case in declining neighbourhoods or on derelict industrial sites, those areas mainly targeted by urban renewal efforts. Reports have highlighted the chronic under-investment in the public realm (ODPM, 2002; CABE, 2002), and a recent study by PricewaterhouseCoopers (2007) estimated that £1.3 billion was needed to make parks and green spaces fit for purpose. Note that this figure excluded streets, squares and other public space. Suffice to say that there has remained a substantial shortfall in funding for the public realm, and it is highly unlikely that it will be met through the taxpayer's purse alone.

Instead, Central Government has responded in a twofold way. Funding for public infrastructure has increased over the last decade, but parliament also drew up legislation to facilitate private sector involvement in the delivery of open space. Privately managed open space has become an important element of recent regeneration schemes, and it is likely that it will be increasingly so in the future.

Some commentators have linked the recent growth in privately managed neighbourhoods to gated developments (Minton, 2002; Atkinson et al, 2003; Atkinson, 2006) and have argued that the privatisation of public space furthered segregation and thus ran counter to the objective of creating socially mixed developments. However, the garden cities and post war developments of the last century, targeted at mixed income residents, employed private management regimes in an un-gated environment. These historic examples therefore appear to indicate that private management is potentially feasible for different social groups and can be reconciled with wider planning objectives.

Given the increased importance of privately managed open space, this paper investigates four case studies, two established privately managed neighbourhoods, and two more recent examples. The research in particular addresses governance arrangements, accessibility and the question of socially mixed communities. The paper concludes by discussing whether and under what circumstances privately managed neighbourhoods can successfully contribute to urban regeneration.

The case for high quality public space

The late 1990s marked a turn in the Government's approach to planning. For the first time in decades, inner urban areas became the focus of planning policy and the preferred locations for new housing, leisure and office provision. The push for urban regeneration has been intrinsically linked to the need to improve public infrastructure. Government reports have pointed to the need for better quality public infrastructure if a wide range of social groups were to be attracted back into urban areas and if the wellbeing of existing neighbourhoods were to be improved (Urban Task Force, 1999; DETR, 2000). The ODPM (2002) pointed out the "relationship between local environmental quality, people's health, their fear of crime and the social and economic vibrancy of the community." The ODPM further pointed to "a strong relationship between levels of deprivation in an area and the condition of the environment." Consequently, the improvement of urban infrastructure became a key driver of neighbourhood regeneration.

Can the public sector deliver?

Whilst there was general agreement about the importance of public space and the need to improve current conditions, it was less clear who should shoulder the burden of delivering and managing an improved public realm. It has been argued that the ability of local government to deliver better quality public infrastructure was limited, not only because of tight funding arrangements, but also because of inflexible design standards, fragmented management regimes (CABE, 2002) and a lack of skills (CABE, 2003).

Whilst an increase in funding from Central Government was earmarked to tackle the deficiencies in the public sector, there was also an increased recognition of the role that private organizations played and Government paved the way for private bodies to take a more proactive role in the delivery of open space. Initiatives included Business Improvement Districts and the 2002 Commonhold and Leasehold Reform Act, for predominantly residential neighbourhoods. Both initiatives were intended to provide a legal framework for the local ownership and management of urban infrastructure.

This paper focuses on predominantly residential neighbourhoods. Privately managed open space, in the context of this paper, refers to infrastructure such as roads, footpaths, green space and play areas, which is owned and managed by local property owners, rather than the local authority. Home owners, upon the purchase of their property, become members of a home owner association. The association is governed by a set of rules which guide decision making processes and internal funding arrangements. Further to public planning and nuisance laws, privately managed neighbourhoods are generally subject to additional bylaws and restrictive covenants which govern resident behaviour and set standards for the external appearance of properties and open space.

The (re-) emergence of privately managed neighbourhoods

Several recent large scale developments made use of this new policy framework and are now either entirely or partly managed by local property owners. Schemes that adopted this mechanism include English Partnerships Millennium Communities in Manchester, London and Telford, Newhall in Harlow and the Prince's Foundation's Poundbury. Recent development frameworks and reports for large scale developments have increasingly sought to provide for private management arrangements, for example in Upton, a 1,200 homes development south of Northampton (English Partnerships et al, 2003) or Northstowe, a proposed new town in south Cambridgeshire (URBED & Mary Taylor Associates, 2006).

Not only national regeneration bodies but also private developers and investors started to see community controlled infrastructure as an advantage over local authority management. The main economic rationale for private management lay in the property owner's vested interest in the upkeep of the neighbourhood, since the value of their property was affected by the condition of its immediate surroundings. Developers were generally keen to retain control over infrastructure and landscaped areas until the development was sold off. They also saw community management was potentially cheaper than paying local authorities commuted sums for adopting public space, and ensured that money was ring-fenced for the local benefit. Long term local management on the other hand was a mechanism for property owners to retain control over the appearance, not only on their property, but also the wider area and its amenity quality.

However, there was more to private management than just the economic side of it. Developers thought that the governance arrangements of the managing bodies were a way to empower residents to have an input in how their neighbourhood was run. Property owners, who were involved in the management of their neighbourhood, felt that they were better equipped than the local authority to deal with issues that affected the neighbourhood, because residents were able to have a direct input and therefore services could be tailored towards their needs. On-site presence and the ability to provide face-to-face contact were all seen as advantage over local authority management.

Developers and planning officers agreed that public highway standards were not easy to reconcile with better quality or more innovative design. Particularly in the context of creating more pedestrian friendly environments, developers' and architects' aspirations conflicted with highway standards. Homezones and

Sustainable Drainage Systems were prominent examples of liabilities that local authorities generally did not take on. Private management therefore allowed for a more innovative and flexible design approach.

Some commentators remained sceptical about the advantages of private management. Most arguments have been raised in the context of gated developments, rather than privately managed neighbourhoods in general (see for example Atkinson et al, 2003; Atkinson, 2006; Minton, 2002). Much has been made of social segregation and Atkinson (2006) and Minton (2005), in her discussion about Business Improvement Districts, argued that higher quality developments and their infrastructure were particularly geared towards the needs of higher or middle income groups, and therefore left out lower income residents. On the other hand Webster and le Goix (2005) argued that whilst restrictive covenants and property values limited the potential candidates for home ownership, segregation was essentially a matter of scale. Higher homogenisation at a very local level potentially led to a greater social mix at district level (Webster and le Goix, 2005). Schoon (2001) maintained, in areas that have lost much of their middle class, provision for higher income residents and better infrastructure not only helped to achieve greater diversity but could be made to act for the wider benefit.

Atkinson et al's research on gated communities for the ODPM (2003) discussed the impact of private management bodies on municipal government and argued that they potentially weakened local democratic government, both as an organisation which provided services for all its citizens, and in terms of fiscal solvency. Citing examples from the US, they showed how US law enabled large scale privately managed developments to secede and form their own incorporated cities. Webster and le Goix (2005), again in the context of gated communities in the US, argued that private management companies could be expected to offset the burden of private governance by transferring the costs to the municipal entity wherever possible whilst using public funds for their own private benefit. They pointed to the need for an explicitly articulated social contract to govern the relationship between private management companies and local government (Webster and le Goix, 2005). Atkinson et al (2003) and Webster and le Goix's (2005) both draw heavily on data from overseas and continental Europe. To date, the wider implications of large scale privately managed developments in Britain remain under-researched.

This section has shown how privately managed neighbourhoods form an important part of current regeneration policy, but it has also highlighted some potential policy implications if this approach were to be rolled out on a larger scale. The discussion above provides the background for the case study research in the following chapter.

The case study research

In order to examine the potential of privately neighbourhoods in more detail and in a real-life context, this section looks at four case studies. Two of the case studies are established neighbourhoods. Hampstead Garden Suburb, a 3,500 homes neighbourhood, was begun in 1907 as part of the garden city movement. New Ash Green comprises 2,200 properties and was completed in the early 1970s. Both of these examples differ from the current planning agenda in that they were originally built on rural sites, spatially detached from existing urban infrastructure. Hampstead has now become part of London's urban fabric, whilst New Ash Green is situated in the city's greenbelt. Both of them have been included in the research, because they offered an insight into the long term implications of private management. They were also interesting because both were built with an ethos that anticipates the Government's current Sustainable Communities agenda.

The two other examples are recent and take account of current planning policy. Greenwich Millennium Village is a 2,700 homes high density brownfield development. The Village forms part of the Government's Millennium Communities Programme which aims to create seven exemplar developments showcasing well designed, socially mixed and environmentally friendly urban developments. St James in Northampton, with 422 homes is the smallest of the four developments. It has been included, because it has sprung to media attention in the context of the Commonhold and Leasehold Reform Act 2002 (Alcock, 2004).

Each case study has been subject to earlier studies and publications (except St James, which has been a less high profile case). All case studies were generally seen as successful developments, for a range of reasons. With the increasing importance of private funding to deliver better quality urban infrastructure, the research aims to show how private arrangements can best be used to facilitate wider regeneration objectives. It also points to some policy gaps and discusses some implications for local government.

The findings that are presented in the following section have been gathered from a range of sources. These include community websites and newsletters, community trust declarations, legal agreements and information brochures for prospective buyers. The findings also draw on site visits and face-to-face interviews with staff from residents' associations and community trusts.

Hampstead Garden Suburb

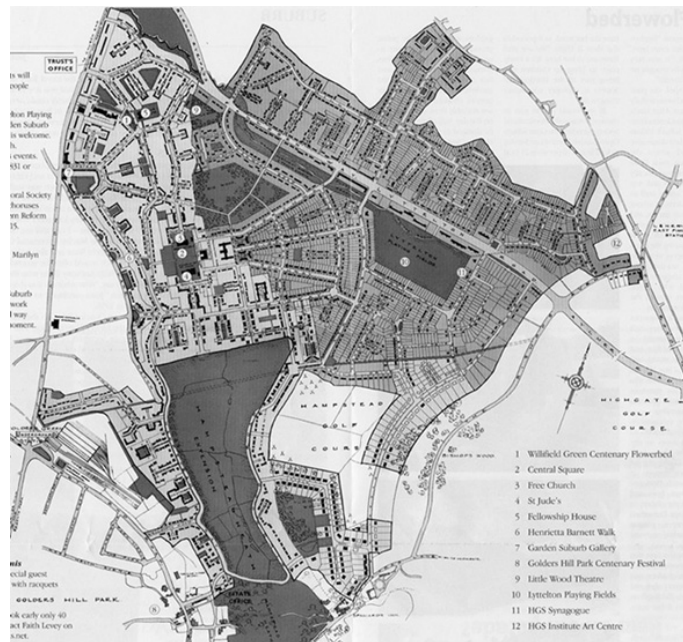


Image 1: Hampstead Garden Suburb

Plan showing the layout of the Suburb. The large open spaces are managed by Barnet Borough Council and the Corporation of London.

Source: The Hampstead Garden Suburb Residents Association Newspaper

Hampstead Garden Suburb is located in north-west London and was begun in 1907 by Henrietta Barnett, a cosmetic heiress turned social worker. Her aims for the Suburb were that persons of all classes of society and standards of income should be accommodated, that cottages and houses be limited to 8 dwellings per hectare (20dph) and that the woods and public gardens should be free to all tenants without regard to the amount of their ground rent. The company formed to implement her vision was not to be an ordinary land-owning company but to make a social experiment by providing for people of all classes a beautiful and healthy place in which to live.

Approximately 3,500 properties make up today's Suburb which was described by Sir Nikolaus Pevsner as 'the most nearly perfect example of the unique English invention and speciality, the Garden Suburb' (Pevsner, 1957)

Hampstead Garden Suburb Today

Properties in the Suburb were sold on a leasehold basis but the 1967 Leasehold Reform Act gave leaseholders the right to acquire the freehold interest in their properties. The Act, however, did allow 'Schemes of Management' to be established where the High Court considered that property control was necessary in a unified 'well run' estate. Such a scheme was approved for the Suburb in 1974 its purpose being to ensure the maintenance and preservation of the character and amenities of the Suburb. These management responsibilities lie with a body called the Hampstead Garden Suburb Trust which is incorporated as a limited company and registered as a charity; it is in effect owned by Suburb residents.

Since 1974 almost 85% of the houses and over 33% of the flats in the Suburb have enfranchised (i.e. tenants have acquired the freehold interests) and fall within the Scheme of Management. In 1988 the Trust acquired the freeholds of all the long leaseholds on the suburb, including the freehold ownership of 11 allotment sites, 27 unadopted roads, and a patchwork of some 50 other communal open spaces.

The Hampstead Garden City Trust

The Trust employs the equivalent of 6 full-time staff and its total expenditure is in the region of £450,000 per annum (2006). A Trust Council, comprising four members elected by residents who are members of the Trust and four members appointed by the Law Society, the RIBA, the RTPI and the Victorian Society, oversees the work of the Trust. These positions are unpaid and carry responsibilities and duties requiring considerable time, understanding and effort. In addition the Trust has benefited from significant input to its work by other volunteers operating at many levels; a bedrock of community-spirited residents who care about what makes the Suburb special.

Membership of the Trust is open to people who have been continuously resident in the Suburb for over three years and currently stands at 775 (2006). There is no charge or subscription and each member's liability is limited to a guarantee of £1. The Trust is funded from two main sources: (1) charges to freeholders under the Scheme of Management (2) the ground rents and other charges relating to leasehold properties. The latter are limited and falling in real terms. The trust charges separately for applications for property alterations but this aspect of the work is self financing and does not produce a profit for wider Trust use.

The Trust has undertaken studies which show that the value of properties protected by the HGS Scheme of Management are between 2% and 20% higher than similar properties outside.

The Management Charge for 2006/2007 was a flat rate of £110 per property in 2006/2007. The possibility of this being varied according to property size and value was investigated but not adopted, although this decision is being challenged by an appeal to the Leasehold Valuation Tribunal. Supporters of this appeal maintain that that should be a differentiation in the charge to reflect local property market values which vary by a factor of more than 100 (from £175,000 to £20m).

The future

The Suburb is now a century old (2007) and much of the infrastructure in the Trust's ownership, including the unadopted roads and communal gardens and open spaces, will need substantial renewal in the next decade or so. This will be a significant area of the Trust's work in the future. A particular weakness of the Scheme of Management is that it does not allow the Management Charge to be set at a level that builds up reserves of capital. Indeed, if it transpires that the Charge in any year produces a surplus, the Scheme of Management requires the appropriate amount to be deducted from the charge on owners in the following financial year.

Unadopted roads pose a particular problem where there is a potentially high outlay necessary to carry out the ideal level of remediation. The situation exists where there is a public right of way along a Trust-maintained road and where an uneven surface needs rectifying. Theoretically the Scheme of Management would allow the Trust to carry out the necessary comprehensive rebuilding of the road and

directly charge the properties which are served by that road, but the reality is that a pragmatic approach is necessary and a short-term 'patching-up' solution to problem is adopted. This is particularly seen to be necessary where, because of the relatively small number of properties involved, there might be an undue burden falling on some individual owners. Damage to properties caused by trees managed by the Trust is a further area of financial uncertainty.

A shortfall in the Trust's finances is being addressed in two ways. Firstly, the level of Management Charge has been markedly increased (but still remains a flat rate per property) and secondly, the Trust is assessing the advisability of continuing to use general Trust funds for the upkeep of those open spaces that are maintained for the benefit of a limited number of individuals. Where original leasehold agreements made it clear that a particular open space was for the benefit of adjoining owners, the Trust is establishing a series of working relationships with owners who are beginning to take on management responsibility through separate arrangements.

The central park in the Suburb is maintained by Barnet Borough Council but this is done on a very limited budget which residents feel is inappropriate to the needs of this important space. The Trust may consider taking on this responsibility at some stage.

New Ash Green



Image 2: New Ash Green

The plan shows the land owned and maintained by the New Ash Green Village Association Limited. White areas indicate individual neighbourhoods which are managed by local residents' societies

Source: New Ash Green Village Association Limited, adapted by Herr and Frankland

New Ash Green, completed in the early 1970s, is situated in Kent, a 40 minute drive from London. New Ash Green comprises approximately 430 acres (174 ha) with 2,200 houses, over 65 ha of public open space and has a population of close to 7000 people. The village was built with a range of facilities

including primary school, health centre, library, shopping centre, office units, several sports facilities and a community centre.

When New Ash Green received planning consent, Richard Crossman, then Minister of Housing and Local Government described the village “as a model of how to get civilized modern community living in an area of beautiful landscape” (1964 cited by Ellard, 2006). Although the village’s architect and master planner Eric Lyons and developer Span were reluctant to link New Ash Green to the aspirations of the garden city movement, Ellard (2006) points to the similarities of Spans’ aspirations in giving residents of different background and income levels a living environment which combined the advantages of an urban setting with the amenity qualities of the countryside. New Ash Green was planned for middle income families, but in the Village’s original conception, Span had allocated 450 out of the 2,200 homes for council tenants.

From the outset, the village was to be managed by its residents, an approach Lyons and Span had piloted in previous developments. Span saw the residents’ ability to control their environment as an important aspect which made New Ash Green attractive to potential buyers, and this was highlighted in sales brochures. Community management was reflected in the layout of the village which was subdivided into 24 neighbourhoods, each deemed to be of an appropriate size to be managed by its local residents. The Village’s communal ownership and the reflection of this arrangement in the plan layout has been described as Span’s “most important contribution to suburbia’s design” (Edwards, 1981).

The New Ash Green Village Association Limited

The communal infrastructure of New Ash Green is run through a two-tier management structure. The New Ash Green Village Association Limited (VA), the overall management body, is the freeholder of the communally owned amenity space in the village and maintains amenity land, paths, street lighting and the Village’s sewer system. Residents’ Societies (RS) are responsible for the upkeep of individual neighbourhoods, their hard and soft landscaping and the properties’ front gardens (see Image 2). The RS also charge for a repaint of the houses every 4 years. Only rear gardens and garages are privately owned.

Both the VA and RS charge householders a service charge based on the plot sizes of their properties. The charges are set annually at general meetings. In return, residents elect the RS committee, who elect a chair. The chair is automatically admitted to the VA. Both the VA and the RS are mainly run by volunteers although the VA is supported by some paid staff. The annual charges for the VA in 2006/7 ranged from £75.50 to £302.00, depending on plot size. Charges for the RS varied, depending on neighbourhood, the property size and the management regime. They ranged from £200 to £600 per annum. Some RS provided discounts for self help or for properties where maintenance costs were cheaper.

Social Mix

New Ash Green was targeted at middle income households. The original sales prices for Span’s properties ranged from £6,500 for a three bed roomed to £8,000 for a four bed roomed house, figures which Ellard (2006) described as marginally higher than house prices in other parts of Kent. In the case of council housing, Span’s intention was to ‘pepper-pot’ the properties throughout the village. The Greater London Council, who was to be the developer of the council housing, pulled out in 1969 due to financial difficulties. In a time of rising interest rates and a national slowdown in house building, this created funding problems for Span and, in the same year, they lost their financial backing. Bovis, who bought Span in 1970, completed New Ash Green, including one neighbourhood with 150 properties for a housing association.

New Ash Green Today

40 years later, some of the enthusiasm that was brought to the development by the first generation of residents faded to a degree. The management system, which relied greatly on people’s voluntary involvement, today depended disproportionately on a few residents. Residents in different parts of the village also seemed to have different attitudes. Those who lived in the original Span neighbourhoods,

which benefited from higher architectural quality and extensively landscaped areas, were generally keener to invest in the upkeep of their neighbourhoods.

It was felt that the original service charge might have been set artificially low – probably with the aim of selling properties quickly, and it needed to be adjusted subsequently. The VA's largest liability is the privately managed sewer system. 10 years ago, the VA attempted to get the sewer system adopted by the water company. This failed, as the sewer system, built in the late 1960s, did not comply with current standards. Residents declined to pay £5m to get the sewer system up to an adoptable standard, and it has since remained in community ownership.

The VA has lobbied local government to get some compensation for its maintenance costs. Some of the services the VA provided, such as street lighting and maintenance for the footpaths, were elsewhere provided by the highway authority. Citing the ODP's (2003) Quality Parish and Town Council Scheme, the VA seeks a refund in council tax for local residents. The Scheme provides guidance on double taxation in cases where a parish provided a service but the principal authority still charged taxpayers in the parish for equivalent services it provided elsewhere. Whether this could be applied to a privately managed village is not clear. Local residents have started to embark on a political campaign, and one of them has won a seat on the District Council. How the double-charging will be solved should be closely monitored, as it will have implications for the relationship of local government and privately managed neighbourhoods on a wider level.

Greenwich Millennium Village

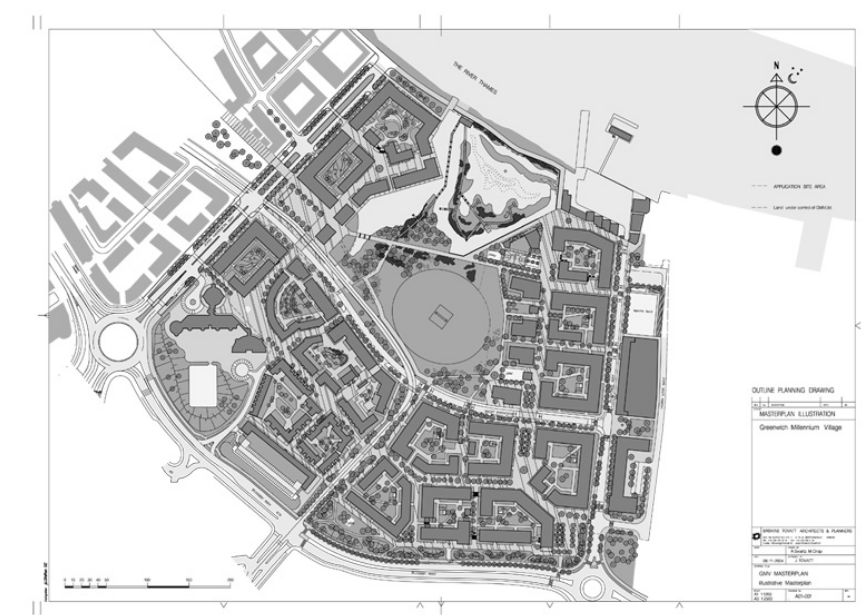


Image 3: Greenwich Millennium Village

Source: Erskine Tovatt Architects and Planners

Greenwich Millennium Village is situated on the Greenwich peninsula adjacent to the River Thames in London. Like the majority of land bordering the Thames in that area, the site had been subject to intense industrial use in the 19th century. In the 1980s, a large gas plant on the site became redundant and the area, contaminated by its industrial use, was left largely derelict. The area's prospect changed dramatically when, in 1997, the government's regeneration agency English Partnerships bought the 121ha site of the peninsula from British Gas and put together a masterplan to regenerate the site. It is

planned to have approximately 12,500 dwellings of which some 2,700 will be within the Millennium Communities site at the Greenwich Millennium Village development.

The development

Greenwich Millennium Village was the first Millennium Community to be identified and is located on the eastern side of the English Partnerships' Greenwich Peninsula site. Following its acquisition of the Peninsula, English Partnerships carried out remediation works, provided transport links, landscape works, utility provision, flood defences and drainage. Properties at the Village are sold on a 999-year lease. The long leasehold interest in the site is currently owned by Greenwich Millennium Village Limited with the freehold retained by English Partnerships.

The Village is being developed by Greenwich Millennium Village Ltd, a joint venture between Countryside Properties and Taylor Woodrow in association with two social housing partners. It is a privately built mixed tenure development, comprising private, shared ownership, and rented properties, initial occupancy of which began in 2000. Over 860 homes have now been built and are occupied. The development is due to expand to 2,950 properties in the future. 20 percent of the originally planned homes have been designated as affordable.

The homes are being developed around a number of squares or landscaped courtyard gardens, linked by green corridors. Building heights range from 2-storeys to approximately 13-storeys. Within Phase 1 a residents' parking area is covered by a courtyard garden, providing a landscaped open space for residents' use. The development is innovative in its layout and construction and is targeting ambitious levels of sustainability including major reductions in energy and water consumption, together with a reduced use of private cars.

Private management and public services

The nature of the development and the aspirations of the development company led to the consideration of methods of maintenance that would not rely on local authority involvement. There was concern that the area and the kind of environment being created might not be managed to the required standard within existing local authority procedures and budgetary constraints. There was a perceived difficulty in reconciling highway adoption with good quality public space. In addition, it was felt that a management company could be more flexible and responsive to residents' wishes, compared to a local authority. Although the management company's responsibilities cover a wide area the scope for any widespread 'gating' of the community would not be practical as Section 106 agreements protect public access through parts of the area.

Greenwich Millennium Village Management Limited (GMVML) was set up to be responsible for the long-term management the Village. The board of this company is currently made up of representatives of developers (6), residents (2), English Partnerships (1) and a councillor of the London Borough of Greenwich. It is intended that upon completion of the development residents/owners will hold the majority interest on the board of the management company and they will be able to determine the standards they require. Each long leaseholder is required to become a member of the company and contribute a service charge. An active Residents' Association has been formed which is taking a keen interest in local management issues.

GMVML is limited by guarantee, rather than by shares. This means that there are no shareholders but each long leaseholder is entitled, and required, to become a member of the Company. When leaseholders sell their properties the purchaser is required to take up a membership in their place. The nature of the guarantee is that if the Company is wound up every member at that time would be required to contribute £1 to the Company. Each member may vote at any general meeting of the GMVML. In the case of social housing, the Social Landlord is the member of the Company but social tenants have the same voting rights as other residents.

The Management Company employs 11 staff (2006) which includes 2 concierge staff and 6 porters, the latter having a wide range of responsibilities including security patrols, cleaning, gardening, maintenance and control of car parking. The service that is provided is comprehensive and covers some aspects that would normally be the responsibility of a local authority (internal roads, walkways, courtyards, lighting) as well as some policing functions (clamping cars). The company additionally provides a 24-hour concierge service including a key and parcel holding service for residents and comprehensive security. The Management on-site staff costs in 2005/2006 were approximately £330,000.

Management charges comprise two elements: an 'Estate Charge' for overall Village-related costs (on-site staff costs, security, maintenance etc) and a 'Block Charge' which varies according to the type of property (e.g. house, low-rise apartment, high-rise apartment), high-rise blocks attracting a higher 'Block Charge' to reflect the higher costs (lifts maintenance etc). The total management costs in 2005/2006, covering, at that time, 819 properties, were some £1.35m, which equates to an average cost of approximately £1,640 per unit of accommodation. Individual estate Management charge averages range from £1,390 for some houses to £2,220 for an apartment in a high rise block, with an additional management charge varying from £88 to £111 for any car parking space. Individual property charges are based on property size, the GMV average of approximately £2 per square foot is considered to be competitive in this market.

St James Urban Village

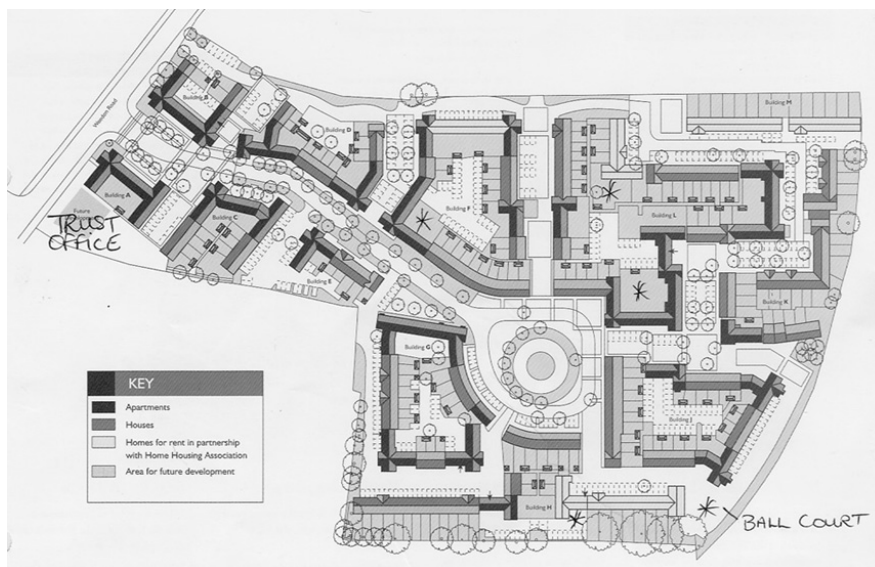


Image 4: St James Urban Village

Plan showing the land owned by the Lifebuilding Company St James Limited. The loped spine road and a 1m strip of the adjacent footpath are due to be adopted by the local authority.

Source: The Lifebuilding Company St James Limited

St James Urban Village is a recent development which received planning consent in 1999 and was completed in 2006. Situated on a former industrial site, the urban village is just outside the town centre of Northampton. Totalling 422 properties, St James is a mixed development comprising 239 apartments and 183 houses. 55 out of those dwellings are social housing. St James is situated between a large sports facility, an industrial site and some residential properties. Apart from its main access road, it is not linked to the wider road network. Like New Ash Green and the Millennium Village, Wilson Conolly, the developer, was keen to link the development to a community run management scheme. The developer saw St James as a test case, with the possibility to roll this mechanism out in further developments in the

country. The planning of St James coincided with parliament passing the new commonhold legislation, and Alcock (2004) discusses the 2002 Act in the context of St James. It is not exactly clear to what extent the new legislation had been considered when planning the management body. Members of the trust commented that the 2002 Act did not provide a framework of how to roll up a commonhold association in the case of bankruptcy. Commonhold associations therefore would not receive financial backing from mortgage lenders. The managing body today is run under a different legal framework.

The Lifebuilding Company St James Limited

Since its completion in 2006 the public realm in St James is managed by a community trust, The Lifebuilding Company St James Limited. The carriageways of roads, including 1m of footpath beside the kerbline, are due to be handed over to the local authority this year. In the long term, therefore, St James will be managed by the Trust in conjunction with the local authority.

The Trust is run by homeowners who become members of the trust through the purchase of property. Trust members can put themselves forward for election to the Board. The Trust is responsible for the upkeep of all open space within the development other than the area adopted by the local authority and private gardens. This includes footways, open green spaces, trees, play areas, landscaped courtyards and residents' parking areas. Further, the Trust is responsible for the maintenance and insurance for the exterior of all properties, and has the power to determine architectural standards through a Design Review Board.

The Trust has an income through a monthly service charge which currently stands at £68. The charge is levied against all homeowners, and is the same for all properties. The charge covers the Trust's operating costs, maintenance and insurance, and includes a contribution to reserves. The Trust's legal framework however makes provision for additional service charges, including a "choice assessment", which covers optional services for residents. There is further provision to reclaim unbudgeted costs and legal expenses to enforce the Trust's declaration documents.

The Social Mix

With 55 properties, St James has a comparatively low proportion of social housing. 18 of these properties have been sold on as part of the shared ownership scheme. More important for the social makeup of St James, a significant number – it was estimated that this included approximately half of all properties – were purchased as buy to let homes, and half of homeowners are not residents of the estate. This contributed to a degree of transience of the estate's population.

The Trust office is situated on site and oversees the daily business of the estate, and additionally has a website on which members can post comments. Although only a small group of residents were keen on getting intimately involved with running the estate – others thought that the Trust was "big brotherish" - it was felt, that the office was contacted frequently by residents, mainly to report minor incidents, such as a broken door or lightbulb in the common areas, fly tipping, etc. A main advantage of the Trust's presence was its ability to react quickly, before they became a bigger nuisance. Particularly in the case of fly tipping, which occurred when tenants moved out and left furniture and other items, the Trust was either able to remove them quickly, or could get in touch with homeowners and get them to solve the problem. Being the smallest of the four case studies, St James has attracted less public attention than the others, although its management arrangements have been cited as good practice by The Civic Trust (2007).

Conclusions

This section summarizes the overall findings. The case studies show that there was a consensus that the amenity quality of an area had an impact on property values. This provided the rationale for home owners to form their own associations which governed the appearance of their neighbourhood and some services provided in addition to services by the local authority. This paper has shown that privately managed neighbourhoods are an increasingly important vehicle to facilitate urban regeneration in an environment where, due to policy and funding constraints, the public sector's influence remains limited. The findings indicate that private arrangements can make an important contribution and reduce the burden on local

authorities. However, the public sector continues to have an important role in safeguarding accessibility, social housing provision and strategic open space and infrastructure. The principle of privately managed neighbourhoods remains a new phenomenon and this paper highlights gaps in the policy framework and the need for a better understanding of how to reconcile privately provided services with local government provision.

Commentators claimed that private management of neighbourhoods favoured higher income groups and furthered segregation. This is likely to be the case without government regulation and in the absence of socially minded developers. However, the case studies showed that the principle of private management was workable for neighbourhoods that were socially and/or tenure mixed. The provision of affordable housing or a mix of tenure in larger developments, for example, was a matter of the section 106 agreement but not the management regime. Whether different social groups were capable of forming good neighbours was a detail of management arrangements and cost allocation and distribution within the development. The question of a just distribution of costs was also relevant in relation to the allocation of the management charge. How this was done varied. Whilst Hampstead Garden Suburb and St James had adopted a flat charge, in New Ash Green and in Greenwich the charge was calculated on the basis of property sizes. The case of Hampstead, where property sizes and values varied considerably, showed that the cost allocation might be subject legal challenge, and it will be interesting to see the ruling of the Leasehold Valuation Tribunal, where residents had appealed against the flat charge.

The question of a fair allocation of costs was also relevant in relation to some of the liabilities borne by local property owners. In several cases, residents had argued that they were liable for assets that were either for the wider benefit or normally funded through other charges. In these cases, services should not be funded through local management regimes. In Greenwich, residents wanted to offload the responsibility of the public open space. A similar case was the sewer system in New Ash Green or the privately maintained road in Hampstead Garden Suburb, which was subject to a public right of way. A related aspect is the issue of double taxation in New Ash Green, where the Village Association made the point that residents paid a double charge for the upkeep of neighbourhood infrastructure. It is not clear whether the ODPM (2003a) guidance on council tax refunds can be applied in such a context. Webster and le Goix (2005), in an international outlook, had argued that private management companies could be expected to cherry-pick liabilities whilst using public funds for their own benefit. The British context still seems to indicate a reverse situation, but the evidence certainly points to the need for a clearer framework of how to reconcile privately provided services with services from other providers.

Privately managed neighbourhoods were also discussed in the context of gated developments. It was generally felt, that gating on a large scale was unfeasible. Section 106 agreements or the adoption of parts of the road network by the local authority were important mechanisms to secure accessibility. The overall accessibility of a development not only depended on restricting the erection of physical barriers, but on layout and location and the scope to link it with surrounding facilities. On a smaller scale, where open space was related to a limited number of properties, access restriction and a greater degree of privacy and security were generally seen as desirable. Lower density neighbourhoods appeared sufficiently self policing. In the higher density developments, access restriction was achieved through building layout and physical barriers, for example in parking areas and communal courtyards. Atkinson et al (2003) commented on the potential conflict between the planning objectives of accessibility and security. The research indicates that they need to be assessed in relation to the scale, density and location of a development.

Some trust members thought, that when developers or agents were keen to sell quickly, the service charge was either set artificially low, or buyers were not made sufficiently aware of the management arrangements. Adjusting and raising charges was a sensitive issue, however, and the research showed that a realistic assessment of costs was vital for the survival of management trusts. Particularly in the established neighbourhoods, the potential for infrastructure to reach the end of its lifetime became an issue, along with the need to cover for capital improvements and any potential liability claims. In Hampstead this included the resurfacing of un-adopted roads and liability claims for damage of mature trees, some of which had caused properties to subside. In the case of New Ash Green, the largest liability

was the sewer system. With the ageing of the development, a sound economic base and a long term strategy to cover unforeseen financial liabilities became increasingly important.

In the current environment, private management companies have potentially better funding and facilities to deliver and maintain high quality open spaces than local authorities. Current planning policy encourages private management, yet the legal framework remained patchy. The paper also highlighted the need for a clearer framework of how to integrate private services with those of local government. Despite that, developers have increasingly made use of existing arrangements, and the paper has shown that a number of large scale developments underway will be incorporating private management mechanisms. Local government should consider private management companies as an important addition to their services whilst making use of their strategic role in securing accessibility, an element of affordable housing, and strategic open space, particularly in larger developments.

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