
A Legacy Handbook for Physical Regeneration

A report prepared by *emda*

September 2011

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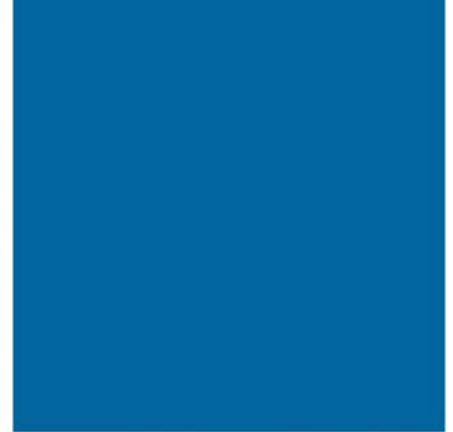
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A Legacy Handbook for Physical Regeneration



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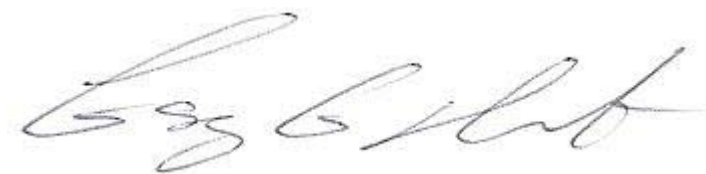
Foreword

The East Midlands has had more than its share of decline; despite the healthy mix and robust nature of large parts of its economy, there have been places where post-industrial decline has had a major and debilitating effect. The opportunity presented to the region to address this, through the use of the regeneration funding and *emda*'s role in managing the National Coalfields Programme in the region, leaves the region with a tangible legacy of which we can be proud: tackling decline; supporting place-making and enhancing sustainable growth.

From its very beginning, *emda* recognised the importance of the built environment in meeting regeneration challenges, but more than anything, we recognised that if our regeneration objectives were to be achieved in a way that was truly sustainable, we would need to "work outside the site red line". Our work has included many examples where the regeneration effort was as focused on maximising opportunities as addressing decline. For example, through the development of the region's cultural infrastructure new opportunity and optimism was engendered in all of the major urban centres. A blend of support for business, skills and enterprise development, sector innovation and inward investment – aspects of *emda*'s work which are the subject of other, separate legacy publications - alongside the regeneration effort is where we have had the greatest impact for the people of the region

Our ambition in publishing this Legacy Handbook for Physical Regeneration, is to assist those agencies and partnerships whose role it will be to address these challenges tomorrow, who will be able to learn from both the good things we have been able to facilitate, and from those interventions where the outcomes were not quite as we hoped. The emerging stewardship model championed by the Homes and Communities Agency (HCA), is something we welcome. Regeneration is undoubtedly a partnership sport which needs to balance both need and opportunity at an appropriate scale.

The knowledge, skills and dedication of our staff along with the partnerships we have formed and participated in, and the investment secured for the region, have been the essential ingredients of our catalytic role.



Gary Hunt
Board Member
East Midlands Development Agency

Introduction

The East Midlands first Regional Economic Strategy (RES), '**Prosperity through People**' was published in 1999. This was followed by two further iterations of the RES, '**Destination 2010**' (2003) and the current and final RES, '**A Flourishing Region**' in 2006. Through these revisions of the regional strategy, we have responded to changes in the national policy landscape and to regional and local circumstances.

Although regeneration was approached differently in the three versions of the RES, the underlying objectives have changed little over time – indicating that the regeneration related objectives represent a constant challenge and a core element of economic development in its broadest sense.

Each iteration of the strategy contained a focus on development sites, attaining sustainability objectives and an implicit need to focus on both communities and partnership-based approaches. It is also possible to trace an increasing focus on approaches that can best be described as holistic across the three RES documents. The RES (2003) moved beyond the first RES' physical focus to a broader sustainable communities perspective, while the final RES continues this journey and widens the approach to include the green infrastructure needs of deprived areas.

Much of *emda's* work with the regeneration agenda has been focused on the former coalfield areas, and although many of the lessons learned have been drawn from its experiences in these parts of the region, the fuller assessment of *emda's* contribution to regeneration in the region needs to be drawn from an assimilation of its legacy work on business, community and social enterprise, innovation, skills and urban development.

Purpose of the Handbook

emda's Board agreed in December 2010 that, as part of the agency's closure plan, a series of Handbooks on *emda's* 'knowledge legacy' would be produced in 2011. So that our successors will be able to learn from the knowledge and experience *emda* has accumulated over the past decade, this Legacy Handbook on Physical Regeneration is aimed primarily at local authorities, Local Enterprise Partnerships, the HCA and the region's development community.

The aim of this publication is to describe many of the programmes *emda* has put in place to address the region's regeneration challenges. It is not intended to serve as an audit or complete record of our work, but is more of a reflective review and an opportunity to extract the lessons from that experience. In such a review, there is always an inclination to focus on the more positive outcomes, and indeed there have been many, but an important aim of the Handbook is to extract the true lessons learnt. These are drawn from the combined experiences of dozens of projects involving hundreds of people and millions of pounds and may prove valuable to colleagues and partners whose work will remain focussed on meeting the region's regeneration challenges long after the key has turned for the last time in the doors of *emda's* offices.

Chapter 1

emda's approach to physical regeneration

Regeneration - core to what the RDA was all about

The importance of addressing the region's regeneration challenges as a vital component in meeting the RES objectives cannot be understated. Later on in the Handbook describes the programmes and a selection of the projects *emda* supported as part of its work on regeneration. It is vitally important however to recognise that while the physical projects that *emda* has either delivered or facilitated are the corner-stones of the regeneration strategy the RDA has adopted, they are only parts of it. **“Working beyond the site Red Line”** has meant that where appropriate a blend of activities, including for example work to support skills and enterprise in a community, or to support the planning and development community to understand better the importance of a sustainable, design-led approach, or to help construction firms participate in local authority procurement, have all formed part of *emda's* regeneration strategy.

There is a long-established recognition that *emda* could not deliver sustainable regeneration outcomes alone. Our approach has been one which has sought to blend an evolving mix of tools to develop and facilitate the partnerships and capacity to bring about enduring change. Since regeneration need only take place where the market has failed or stalled, then it is inevitable that not every scheme will deliver the outcomes intended. It is equally possible that a project or scheme will produce an unexpectedly positive outcome. Developing a regional view of need and opportunity, being prepared to take unpopular decisions and always aiming to secure the best possible outcome for the region as a whole, have been the guiding principles for our interventions and investments.

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Table one: Development of Regeneration Strategy through the RES

2000 Prosperity through People	2003 Destination 2010	2006 A Flourishing Region
<p>Sites and Land Use Planning</p> <ul style="list-style-type: none"> adequate supply of sites for inward investment identify and secure sites for new industrial and other job-generating investment a hierarchy of sites for high technology businesses, and sites in or near priority regeneration areas recognising the importance of a wide choice of housing in attracting investment. <p>Integrated Regeneration</p> <ul style="list-style-type: none"> development of rural and urban action plans. <p>Physical Regeneration</p> <ul style="list-style-type: none"> contributing to the overall supply of good quality sites for business enhance the region's environment by reclaiming land. 	<p>Enterprising Communities</p> <ul style="list-style-type: none"> support neighbourhood renewal investment <p>Economic Growth and the Environment</p> <ul style="list-style-type: none"> encourage the use of sustainable design <p>Site Provision and Development</p> <ul style="list-style-type: none"> provide quality employment sites reclaim former coalfield sites Improve the built environment Develop Regional Housing Strategy <p>Rural Development</p> <ul style="list-style-type: none"> develop revised Rural Action Plan improve rural infrastructure. <p>Urban Regeneration</p> <ul style="list-style-type: none"> create sustainable and sequential land supply create clear and cohesive city and town visions through masterplanning. 	<p>Innovation</p> <ul style="list-style-type: none"> development of land and property. <p>Transport and Logistics</p> <ul style="list-style-type: none"> improve transport connectivity and accessibility. <p>Environmental Protection</p> <ul style="list-style-type: none"> sustainable construction protect and enhance green infrastructure. <p>Land and Development</p> <ul style="list-style-type: none"> secure the supply of quality employment land infrastructure for employment related schemes previously developed land and buildings supporting infrastructure for housing growth regeneration in areas of low housing demand. <p>Economic Renewal</p> <ul style="list-style-type: none"> built and green environments.

Economic context

To achieve sustainable growth the region needs an adequate supply of quality development land and a good balance between competing land uses. Working with partners, *emda* sought to improve the re-use rate of brownfield sites and help provide appropriate transport, cultural and community infrastructure, sharing the benefits of development across the region in a rational, evidence based approach. This approach was reflected in each of the RES (table one above).

The RES 2006-2020 has at its core the economic wellbeing of the region, but not at any cost; ensuring sustainability is key to achieving lasting regeneration benefits. Physical regeneration is a keystone for economic wellbeing within the East Midlands, with the construction industry and wider built environment accounting for some 11% of the region's GDP.

emda's collaborative and integrated approach to physical regeneration provided a strategic lead to improve the rate of land re-use, improve damaged industrial environments, and help provide an adequate supply of high quality development land and buildings with an appropriate balance between competing uses.

The importance of physical regeneration has been reflected in the sustained level of investment that *emda* has made in it from the single programme. This investment has been used alongside funding from the European Regional Development Fund (ERDF), the National Coalfields Programme, and the very significant amounts levered in from the private sector and other public sector partners.

Since April 2004 *emda's* investment in physical regeneration projects in the East Midlands is as follows:

- **Core Funds - £160m**
- **National Coalfields Programme - £75m**
- **TOTAL – £235m**

Land and Property led investment alone has helped to lever almost £1 billion of investment from the public and private sectors.

This investment is purely from the Land and Property investment strands of the corporate spending allocation. In addition, other parts of the Agency's investments have made substantial contributions to regeneration initiatives either at a sub-regional or local level or through other strands, such as skills, business support and innovation. Since 2004/05, *emda's* total capital investment has amounted to £287m, of which around 80% was been invested in physical projects with a land or property component, supporting a number of priorities from business innovation through to rural development.



Rationale for intervention

The need for initial public sector intervention to achieve this aim has been and remains acutely the case in areas where either market failure or significant opportunity exists. Often the private sector cannot or will not act alone. In particular, these conditions are often found in those areas requiring the most support and in greatest need of the benefits that investment can bring.

From *emda's* experiences these conditions are usually one (or a combination) of the following:

Positive externalities: the benefits of the investment cannot be captured to generate a return on the investment, in a classic market failure. Support for R&D, innovation and technology demonstration facilities is an example of this, where the benefit from that investment cannot be captured by one body. A further example is the spill-over benefits of a visitor attraction, which may accrue to local hotels, retail businesses and more widely through improved profile. In such cases, *emda* would typically invest alongside other public partners, ensuring that the wider economic benefits were realised and the regeneration objectives achieved.

Disproportionate costs, for example in reclaiming brownfield land or provision of smaller business accommodation in rural areas that cannot be recouped from the end use of the investment, or would take too long to recoup. In such cases, *emda* would intervene at the minimum level necessary to attract private sector investment, whether by covering abnormal costs, or providing 'gap funding'.

High levels of risk and uncertainty, for example in providing business accommodation in a location or for a particular sector where there is uncertain demand. In these situations, businesses may not have all of the information available to *emda* on current and likely future performance and on the prospect of making a sufficient return to repay interest and capital. This may particularly be the case where the RDA is playing a catalytic role in planned policy and technical developments, or wider regeneration plans. In such situations, *emda* typically co-invests with private sector bodies, taking a share of the risk and a share of eventual returns. Through adopting this approach *emda* has demonstrated its ability to successfully lever in private sector funding to deliver effective and long-lasting regeneration in areas that may otherwise have missed out.

Through adopting this approach *emda* has demonstrated its ability to successfully lever in private sector funding to deliver effective and long-lasting regeneration.



emda's role

Working at a regional level and with core funds alongside resources from ERDF and the National Coalfields Programme has enabled *emda* to frequently bring a mix of funding together that no other single body was able to access or facilitate. In many instances, other sources of investment formed an important part of the funding mix. For example, the co-investments made by *emda* in a programme of developments and improvements to the region's cultural and artistic infrastructure with the Arts Council and local authorities produced significant economic and regeneration outcomes.

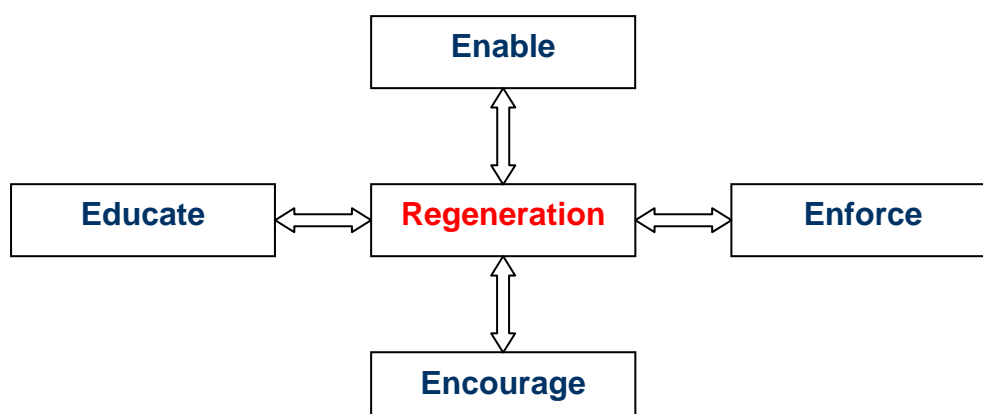
Having a regional overview means that it is possible for the RDA to establish priorities for the investment of regional funds and effort in a way that no single local authority could do easily. For example, the investment made in the East Midlands Parkway transport interchange is the sort of investment that underpins future economic development and regeneration, yet would not have come forward without the RDA's involvement, especially given the cross-boundary issues involved. This role also means that *emda* has sometimes been called upon to make difficult or unpopular decisions. It is important to recognise that it is frequently difficult for local authorities to cede a priority that gives them less resources than another locality or which puts a sub-region at a competitive disadvantage, yet on some occasions this is the right thing to do for the benefit of the region as a whole. *emda* has sought not to stand back from making those difficult decisions and has an independent Board prepared to hold its ground in the face of some challenging situations.

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Over time *emda* changed its approach from one of direct delivery to "grant giver" or "funder of the last resort". This further enhanced *emda*'s position as almost an independent arbiter of difficult and challenging regeneration projects in the region.

Underpinned by **evidence** the following schematic illustrates *emda*'s approach:

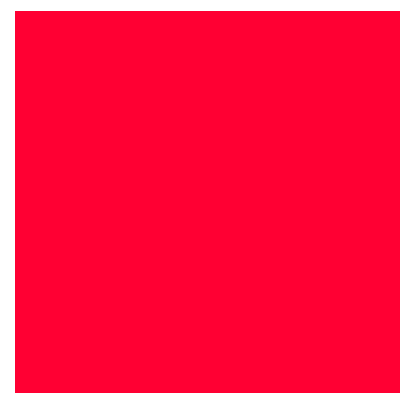
Diagram 1 : Schematic of regeneration intervention policy



- **Enable** – through the granting of funds or by facilitating investment from other parts of the public sector or the private sector
- **Educate** – through supporting projects and programmes such as Opun, the East Midlands Centre for Constructing the Built Environment (EMCBE) and Regeneration East Midlands (REM), designed to enhance the skills and knowledge available in the region, and develop the capacity to achieve sustainable regeneration
- **Enforce** – through the development of high environmental and sustainability standards, and through the use of integrated contractual approaches. Also for example, through the use of its Compulsory Purchase Order powers
- **Encourage** – through the development of appropriate strategies, from the RES itself to the creation of masterplans and other developmental planning tools.

Our funding allocations to the Sub-regional Strategic Partnerships which amounted to around one third of the total funds available to the RDA, aimed to liberate sub-regions to bring forward project and schemes which met the wider objectives of the RES at an appropriate, local scale – but at the same time sought not to duplicate regional and national schemes. This became a greater challenge as national policy attempted to establish common operating methods, most notably in the domain of business support and the consequent development of the Solutions for Business portfolio of support products. The national agenda also impacted on the regeneration agenda, with the “skills for regeneration” approach becoming increasingly fragmented especially following the establishment of the Homes and Communities Agency.

When *emda* was established it inherited from English Partnerships a £23m investment portfolio that comprised around 300 small workspace units in small town or rural locations. By 2004 *emda* had resolved that it did not have the resources to efficiently manage this investment portfolio. The creation of the public private partnership that was to become Blueprint was the response to this challenge. The **investor** role this created for *emda* was clearly intended to facilitate an innovative and flexible, yet commercially sustainable, approach to meeting the wider regeneration objectives set out in the RES.



Chapter 2

emda's delivery - partners and programmes

In this section we provide a short description of the approach that *emda* has taken to its interventions and contribution to regeneration in the region. In broad terms, the approach has been set out in each of the three Regional Economic Strategies.

It is worth noting that although the RES were created by *emda*, the principle that they were partnership plans created *by* the RDA but *with* the region is extremely important. This partnership approach is central to the manner in which regeneration has been led.

Although regeneration was approached differently in the three versions of the RES, the underlying impact objectives changed little over time mainly because the related challenges were and are, long-standing issues for the region. The ultimate aim remains the provision of employment land for indigenous growth or inward investment whether within the context of addressing the region's economic legacy: **tackling need**, or in the context of economic diversification: **addressing opportunity**.

Each strategy placed a considerable emphasis on sustainability, although over the lifetime of the three RES it is possible to track a broadly environmental approach to one in which a more holistic, **sustainable communities** perspective emerges. The final RES took this approach even further, and embraced issues such as the need to consider the development of a green infrastructure for deprived communities.

Similarly, although the focus of regeneration and related activities has broadly been on the principal **urban** areas and on larger settlements, it is also possible to track a transition across the three RES from an almost exclusively urban focus to one in which **rural** and urban regeneration issues are mainstreamed across the ten strategic priorities of the final RES.

emda developed a unique strategic position in the region to help secure a positive impact in pursuit of the region's economic goals. It achieved this by helping localities to identify their advantages and opportunities, build agreements with other public and private bodies for shared priorities, and provide capacity, expertise, advice and of course, funding.



Direct delivery

There has only been one programme area in which *emda* has undertaken a continuous direct delivery role for regeneration projects.

The National Coalfields Programme (NCP)

In the East Midlands 26 former coalfield sites transferred to *emda*. Working in partnership with other key agencies and bodies, the aim has been to revitalise communities around the sites through shared public and private sector investment of more than £500m.

The NCP was set up in 1996 to deliver economic regeneration in the former coalfield areas. Initially managed by English Partnerships until the formation of the RDAs in 1999, at which time delivery of the programme was transferred to the RDAs with funding and national programme management provided through English Partnerships, now the Homes and Communities Agency.

The programme in the East Midlands in 1999 included **26 sites** and an anticipated investment of around £205m. The East Midlands contains the second largest number of sites whilst accounting for the highest levels of expenditure, receipts, net investment and private sector investment within the programme. It also contains the project with the largest approved budget for the remediation of the former **Avenue Coking Works** at Wingerworth in Derbyshire. The programme now includes 27 sites and an anticipated investment of £370m.

As well as the reclamation of the sites and the provision of infrastructure to facilitate development, the programme also allows for the provision of long term exit strategies for each site via the payment of H.M. Treasury approved 'in perpetuity' dowries for the management of public open space. These are calculated and approved for each relevant project as it nears completion. This in effect gives *emda* a 'clean' exit strategy from each site with no land ownership or liabilities.



The delivery of the programme in the East Midlands by *emda* has been subject to continuous review. In addition to a national CLG-commissioned review in 2005 a further independent review took place in 2006 and examined progress in the East Midlands. The findings from these reviews fed into a final report, published in January 2007, which covered the whole of the UK NCP. It highlighted that the East Midlands had achieved significant progress in the delivery of the aims and objectives of the programme.

The above is borne out by the findings of the *emda*-commissioned ECOTEC evaluation, which looked in detail at our work in relation to NCP delivery. The report concluded that:

	<ul style="list-style-type: none">• good progress had been made against lifetime forecast outputs and planned outputs are expected to be achieved or exceeded;
	<ul style="list-style-type: none">• <i>emda</i> was well regarded in terms of its effectiveness in delivering the NCP and noted for its particular expertise in land remediation;
	<ul style="list-style-type: none">• <i>emda</i> was generating Strategic Added Value through its catalytic and influencing role in facilitating the development process on NCP sites, particularly in influencing the decision making of local planning authorities and the private sector;
	<ul style="list-style-type: none">• <i>emda</i> had been supportive in facilitating the aspirations of partners in the case of developments such as those at Sherwood Energy Village.



The success of current projects and the anticipated success of future projects is built around effective partnership working and stakeholder engagement. For example, the redevelopment of the former **Shirebrook** colliery was cited as a national exemplar where work with the Coalfield Regeneration Trust (CRT) led to several employment initiatives in the town, one of which, Family Access to Employment, is now being rolled out at a national level by the CRT. In addition partnership working with the Environment Agency at the Avenue Coking Works site led to the publication of an ‘effective partnership working’ paper by the Environment Agency, seeking to roll out lessons learned nationally.

emda has ensured that maximum efforts are made to involve stakeholders in all stages of the process. The challenge on the remaining projects is to build on the lessons learned to date and ensure that the high level of stakeholder engagement is not only maintained but improved upon in the future.

Indirect delivery

It was a very clear policy decision on *emda*’s part that more sustainable delivery mechanisms were likely to be found through working alongside and through partners than by attempting to deliver the RES objectives as a single agency. In fact, it is impossible to conceive of an approach to effective and sustainable regeneration that was not the result of appropriate partnership arrangements.

For each of the principle delivery mechanisms deployed in the East Midlands a more detailed case study has been provided. The following section of the Handbook provides a short overview of the broad approach and rationale.

Local Authorities

Whilst *emda* has sought to work actively and effectively with the business and development communities in all of its work – most visibly through the programmes and projects led by *emda* in the business support, innovation and enterprise strands – it is fair to say that the local authorities have been the principle partners for its work on regeneration.



There has been an evolving approach to how those partnerships have operated in practical terms, as both the national and regional policies have changed and evolved, and as *emda* has

evaluated and reviewed its own impact and approach. Almost all of the other initiatives and interventions that *emda* has brought forward as part of its regeneration effort have had a significant involvement from Local Authorities.

In terms of investment, it is important to understand that funding was made available at a sub-regional level through two principal routes; firstly, **delegated funding** through the SSPs initially allowing local partners to bring forward projects and schemes relevant to local need and opportunity; secondly, through the support of **regionally significant** schemes which, because of the physical nature of the investment, take place in a specific location. Examples of regionally significant schemes exist in almost every strand of RES activity including those with an overt regeneration impact include large parts of the arts and cultural investment programme, Broadway Media Centre in Nottingham, Curve in Leicester, but also projects such as the innovation led investments in Biocity.

Almost £20m of *emda* investment in arts and cultural venues across the region facilitated long term economic, social and cultural benefits.

Independent report from BOP and SQW Consulting set out that by September 2010 the investment had achieved:

- **484 new jobs created**
- **attendance at performances, exhibitions and film events increased** dramatically, more than trebling from just under 200,000 in 2005/06 to **over 875,000** in 2008/09
- **venues succeeding in attracting audiences from outside their towns and cities** and many people attending more frequently
- **people highly satisfied with the whole visitor experience** which bodes well for financial sustainability in the future.

“Not only has the investment had an impact on the venues but also on businesses in the surrounding areas with more than half being positive about the impact of the venue on the attractiveness of the area as a business location and nearly as many were positive about the impact of the venue on the number of visitors to the area. Businesses were even more positive about the extent to which the venue has impacted on civic pride, quality of the cultural offer and coverage of the town/city in the media.

“Other evidence suggests that the new buildings or their enhancement has been responsible for ‘kick-starting’ regeneration of the surrounding areas – some of it planned and in other cases, part of a market response to the improved cultural environment.”

BOP & SQW Consulting - 2010

Regenerating Leicester city centre

A formerly run-down area of Leicester has been transformed into a vibrant cultural quarter with almost £22m investment from *emda*. The Agency invested £6.2m in **Curve** – an arts centre which is attracting investment into the city, helping to bring visitors to the area, creating new jobs and raising the profile of the arts in Leicestershire.



Brownfield Land Action Plan (BLAP)

In 2004 the National Land Use Database identified 64,130 hectares of previously developed land across England, and 9% of this national figure - or 5,862 hectares - lay within the East Midlands.

emda's successive Regional Economic Strategies contained commitments to facilitate the productive use of brownfield land in order to maximise the use of existing resources and support the wider policy objectives for regeneration, such as those described in the Rogers' Report Towards an Urban Renaissance (DETR 1998). This use includes accessing the value of investments already made in the infrastructure established to service previously used land, for example, for manufacturing or mineral extraction. Re-use of this land also helps to minimise development on greenfield land and reduces ecological and other disturbances to the natural environment. In addition, to support English Partnership's National Brownfield Strategy and the recommendations contained within the Sustainable Communities Plan, each of the Regional Development Agencies were asked to prepare a pilot Brownfield Land Action Plan (BLAP).

The BLAP became the coordinated regional approach to address the challenge of brownfield land. The objective was to guide action in order to accelerate the pace of the re-use of brownfield land in ways that would also further the strategic development opportunities of the area under consideration. The BLAP would ensure a predictable supply line of developable land and ameliorate the worst symptoms of some previously

Re-use of this land also helps to minimise development on green field land and reduces ecological and other disturbances to the natural environment.

developed land, especially where it was derelict and/or contaminated, contained abandoned buildings or was generally run down creating blight in localities and communities.

emda allocated funds each year specifically to address the market failure exemplified by derelict land. This is land that both creates blight and represents a missed opportunity for productive development. The use of funding was informed by the BLAP and was developed with specific data from local authorities and rolled out over the East Midlands on a local authority by local authority basis.



Dereliction Aid

The BLAP was available only to local authorities. However *emda* was also able to use its expertise to support private sector companies with funding and manage the State Aid implications through an alternative mechanism. This was through the implementation of the European Commission's decision on Support for Land Remediation (N385/2002).

Under the Land Remediation Scheme, Dereliction Aid is available for the remediation of contaminated land, brownfield land and derelict land. Dereliction Aid was directed towards projects that aligned with *emda*'s strategic and corporate objectives.

***emda* was able to consider Dereliction Aid of up to 100% of the eligible cost of making a derelict site suitable for new uses.**

emda was able to consider Dereliction Aid of up to 100% of the eligible cost of making a derelict site suitable for new uses consistent with the local planning context, minus the resulting increase in value of the site. In other words, the scheme was able to support the abnormal costs of bringing a site up to a physical standard suitable for a range of end uses, where these costs could not be recovered through an increase in the value of the site.

The European Commission's approval meant that *emda* was able to provide funding through the Land Remediation Scheme, in accordance with specific requirements clearly set out in a contract between the applicant and *emda*.

The use of the scheme is not limited to any geographical areas. Other public financial support is often only able to be used in specific areas, for example, in the formally designated Assisted Areas. Under the current European Commission approval, all projects to be given support must be approved by 31 December 2013.

An example of such intervention was a grant that was made to remediate 28 hectares of contaminated land at the former Baker's Refractory site at Steetley, Nottinghamshire which Laing O'Rourke have now redeveloped creating over 300 jobs in the process.

Steetley Colliery: A major brownfield site of 94 hectares, low economic value and significant environmental risk

- Levered £100m private sector investment
- £6.3m *emda* investment
- Facility to create up to 300 new jobs.



Regeneration companies

emda's Urban Action Plan (2005-2011) identified 6 principal areas – Corby, Derby, Leicester, Nottingham, Lincoln, Northampton – as the main urban drivers of growth and competitiveness in the East Midlands. Accordingly *emda's* capital investment in physical regeneration was focussed in these towns and cities and *emda* worked closely with local authorities, supporting master-planning and related studies, to agree and focus investment to maximise its leverage and impact.

The region's regeneration companies were created to aid this process and accelerate the pace of regeneration, address key areas of opportunity and blight, focus public and private sector resources on priorities agreed by local partners and bring additional expertise from all parties to improve the delivery of regeneration.

Regeneration companies were formed in Corby, Derby, Leicester, Meden Valley on the Nottinghamshire Derbyshire border, and in Nottingham City. Their remit was geographically focussed and they brought together on their boards local partners, strong private sector representation, *emda* and English Partnerships and later HCA, to agree regeneration strategies focussed on physical interventions. The Derby, Leicester and Corby companies were created as formal Urban Regeneration Companies (URCs) between 2000 and 2003 following the recommendations and model proposed in response to Lord Rogers' Urban Task Force report. Meden Valley Making Places was created as a Special Purpose Vehicle (SPV) to address the housing blight affecting coalfield towns and villages in Mansfield and Bolsover Districts. Nottingham Regeneration Ltd was created in the 1998 following on from a decade of development by the Lace Market Development Company.

Meden Valley Making Places was created as a Special Purpose Vehicle (SPV) to address the housing blight affecting coalfield towns and villages in Mansfield and Bolsover Districts.



Transforming Corby

As part of *emda's* commitment to support underperforming parts of the region, it invested £23m in Corby. The town's past is strongly linked to industry, with the largest steelworks in Britain constructed in the town in the 1930s. The closure of the steelworks in the 1980s saw 6,000 people made redundant.

Today, Corby still bears the marks of its industrial past and is considered to be an area in need of further investment to attract inward investment and boost the skills of local people. *emda* has worked closely with Corby Borough Council and funded key partners such as Northamptonshire Enterprise Limited (NEL) and North Northants Development Company (NNDC) to help achieve this goal.

Corby Train Station is a £10.2m development in which *emda* invested almost £5m, working closely with partners to ensure the station and surrounding infrastructure brings economic benefits. After more than four decades without a direct passenger service to London, Corby is now connected to the capital. This represents a significant boost for the regeneration of the former steel town.

The station is designed to become the focus of a new integrated transport network serving residents and businesses in the revitalised Corby town centre and surrounding areas. The reintroduction of the rail service has the potential to unlock an estimated £200m of further commercial investment in the area, creating more than 1,200 retail and office jobs. A new, high-quality business zone incorporating town centre living is earmarked for land surrounding the station itself.

emda's £5m investment in **Corby Cube** has helped regenerate Corby and the surrounding growth area. The civic building includes a new theatre, library and borough council offices.



Sneinton Market Square, Nottingham

Nottingham Regeneration Limited (NRL) is project managing on behalf of the City Council, the creation of a new public square and pedestrian and public realm improvements in Sneinton. The development of the square forms the heart of the area creating a new sense of place, and acting as a catalyst for the wider regeneration of the area. The project will also improve the physical and economic connections between the City Centre and the St. Ann's and Sneinton communities, two of the City's most disadvantaged wards. The £6.8million scheme is funded through £3m of emda single programme grant through the Greater Nottingham sub-regional partnership, £1.5m of ERDF and a £2.3m City Council contribution. The new space will be used for markets and special events and create a civic space at the heart of Sneinton Market. Due for completion by end 2011 the project complements the new Victoria Leisure Centre development and other planned developments in the area.



Blueprint

Blueprint is a public private partnership established in May 2005 to facilitate the delivery of physical regeneration in the priority urban areas of the East Midlands region. The partnership was set up by *emda* and English Partnerships, with both owning 25% of the company, with the remaining 50% owned by the Igloo Regeneration Fund (Igloo). From September 2011 it will become 50/50 venture between Igloo and the Homes & Communities Agency (HCA).

Although a 'for profit' organisation, its remit is focussed upon delivering the 'difficult' and 'different', which the mainstream development market is unlikely to deliver. It has become a model for many subsequent asset-backed delivery organisations. *emda* has been commended for its role in this public-private sector collaboration, which has so far levered in over £50m investment for the region and accelerated regeneration in urban areas.

Regenerating urban spaces

Many city centre urban spaces were regenerated with support from *emda*. Adjacent to Curve is **Phoenix Square**. Developed by Blueprint with further *emda* and ERDF funding, the transformed square includes a cinema, café bar and interactive digital art space alongside 63 apartments, 22 workspaces, seven two-storey business units and start-up units for creative businesses. This is part of the wider regeneration of Leicester, which includes major new retail investment in the city.



“Blueprint has delivered in relation to Phoenix Square....it is a success story which reflects a good working relationship with the City Council”.

Leicester City Council representative

Supporting Projects and Programmes – skills, capacity and knowledge



Throughout its work on regeneration *emda* understood its role in helping to create both the capacity to support sustainable regeneration and the unique role it was able to play in the region – because it had the resources and the overview – to facilitate this through relevant partnership working.

As a result *emda* supported Regeneration East Midlands (**REM**) to help enhance the effectiveness of regeneration activity in the East Midlands. REM was an independent organisation driven by its customers and members, and incorporated the activities of East Midlands Funder's Forum, East Midlands Observatory and **Opun**, the Centre for Architecture. Opun continues despite the closure of REM in 2010 and provides support to developers and local authorities working for the creation of better quality neighbourhoods,

buildings and public spaces across the region.

Through the development and implementation of two **Urban Action Plans** *emda* sought to harness the engagement of key partners to establish a more collaborative approach to addressing a number of common urban problems and opportunities. These included the developing a shared approach to maximising the development and regeneration opportunities presented by transport hubs, such as East Midlands Airport.

In addition, *emda* supported the East Midlands Centre for Constructing the Built Environment (**EMCBE**) to act as a key point of coordination with the built environment industries to help the sector to grow and to enable it to operate in a more sustainable manner. This work included working closely with local authority procurement partners, principally through the Regional Improvement and Efficiency Programme, to enable regional SMEs to participate in supply chains delivering local authority led construction projects. This work was in partnership with Constructing Excellence.



In addition, and as a key part of *emda*'s lead role for the construction sector, a **Guide to Sustainable Physical Development** was developed. This guidance was made freely available to all potential applicants for *emda* support at a regional and sub-regional level. The guidance also applied to ERDF and RDPE projects. *emda*'s own staff, as well as many colleagues involved in project development and appraisal from the sub-region, were offered training in the application of this guidance along with training covering a wide range of other sustainability issues, for example, Duties to Consult, Equal Opportunities, and so on.



Chapter 3

Reflections on *emda's* approach – achievements, impacts and learning

The central purpose of this Handbook is to extract from the agency's experience relevant and useful learning points to help inform the public and private sectors' approach to regeneration in the future. *emda* made a significant contribution to physical regeneration in the region. Its approach and key achievements fall into the following broad categories:

Delivery – direct versus enabling

After a review in 2005, *emda's* approach to regeneration changed from one in which direct delivery by the RDA was the norm, to an approach where enabling, through the use of grants was predominant. This enabling approach was exemplified through the creation and support of the Sub-regional Strategic Partnerships (**SSPs**), and the **Blueprint** company but was prevalent throughout the regeneration strategy adopted by the RDA.

emda maintained a direct delivery approach with the National Coalfields Programme because uniquely it had the skills, capacity and under-pinning resources through English Partnerships (EP), now the Homes & Communities Agency (HCA) to do so while integrating the works with other economic development and partnership initiatives relevant to the challenges faced by the ex-coal mining communities.

Catalyst for change – an evidence based approach

In order to affect and influence sustainable physical regeneration and long term economic prosperity, *emda* adopted a holistic approach to establish and provide an evidence based strategy to help prioritise its interventions. By funding studies like the Quality of Employment Land Study (**QUELS**) and Regional Employment Land Priorities Study (**RELPS**) *emda* sought to target its interventions to maximise the wider beneficial impact. These studies, together with later *emda*-led collaboration, such as the Brownfield Land Action Plans, ensured timely and appropriate targeted interventions and delivery.

In order to affect and influence sustainable physical regeneration and long term economic prosperity, *emda* adopted a holistic approach to establish and provide a knowledge and evidence based strategy to help prioritise its interventions.

Strategic Co-ordination and Investment

Using the intelligence gathered from its research *emda* has been able to build upon the evidence and knowledge base to draw together RES stakeholders to align resources and investments to maximise impact and benefits. Close working relationships have been fostered, directly and indirectly, most notably with EP, now the HCA, and local authority partners in conjunction with *emda's* strategic sub-regional partnerships. The Arts Council, Environment Agency, English Heritage, the private sector and others have formed a broad partnership based approach to regeneration. This joined-up approach, together with strongly forged partnerships through the NCP, Blueprint and the regeneration companies, helped to secure substantial private sector leverage into regeneration projects in the region. This private sector **leverage** alone had a value of £572m since 2004.

emda's sustained focus on economic benefit for the region meant that, for example, **public realm** projects were not supported unless there was clear evidence that doing so would have a wider economic impact. This approach provided an objective rationale for the prioritisation of schemes and projects brought forward by partners.

In addition, *emda* sought to provide leadership in key parts of the region's regeneration effort and sought to corral the positions adopted by the principal urban centres through its leadership.

Improving the **public realm** – the streets and open spaces – in our towns and cities are vital in regenerating areas and developing a sense of pride in the places where we live and work. Northamptonshire Enterprise Limited (NEL) approved a £780,000 contribution to a £7 million multi-agency investment in phase one of the Northampton Town Centre Public Realm Project. The project focused on increasing economic activity and addressing commercial underperformance in parts of the town centre as part of a coherent package of town centre Improvements. Work includes new road paving, street furniture and wider pedestrian-friendly pavements. The public realm project was led by Northamptonshire County Council, in conjunction with West Northamptonshire Development Corporation. Additional funding as provided by *emda*, NEL and the Department for Communities and Local Government's Growth Area Funding.



Practical Advice and Development of Best Practice

Successful economic development and regeneration depend upon highly skilled, motivated and professional staff. *emda* was a founder member of the Office of Project & Programme Advice & Training (**OffPAT**), a cross-agency network established to aid information sharing and identify lessons to be learned from shared experiences. This collaborative approach was established in order to enhance continuous improvement and maximise the impact of public investments. OffPAT established a Learning Centre to assist member organisations to support the development of their staff and an E-Library to provide access to approved best practice notes and learning documents published since 2000.

Through OffPAT and its member organisations an agreed set of “Common Minimum Standards” has been developed to help drive up standards and quality within the built environment, which in turn have been adopted by industry, working across public bodies and were effectively communicated through the **Guide to Sustainable Physical Development** it developed.

To further enhance the built environment and develop continuing best practice throughout the region, *emda* funded **OPUN**, the architecture and built environment centre for the East Midlands. OPUN works with local decision makers, design, planning and regeneration professionals and communities to encourage investment in good design through a range of approaches including a **Design Review** service.

To support the wider development of good practice and enhanced skills in the industry *emda* also supported the East Midlands Centre for Constructing the Built Environment (**EMCBE**) as an sector-focused knowledge hub actively engaged with large parts of the construction sector, from client to specialist supplier. The Regional Innovation Strategy’s support of the Sustainable Construction **iNet** is complementary as it brings together university partners and a focused business support team to help facilitate sector innovation.



Achievements

The diverse range of activities that contribute to regeneration, especially when approached in an holistic manner as *emda* has done, means that an assessment of the economic impact of the stand of activity raises some difficult issues. For example, in 2008 an evaluation of the impact of the Urban Regeneration strand alone anticipated an impact on jobs created at around 110 jobs, however many of the projects funded through this strand of investment sought to deliver softer impacts and strategic added value as well as direct economic impact. For instance, *emda*'s support at the time for the URCs and masterplan projects was generally regarded as being successful in helping local partnerships to identify priority projects which would have the effect of mitigating the risk facing public and private sector investors and help to create a pathway for development.

Taken as a whole *emda*'s regeneration work has made a considerable contribution to the region moving closer to the objectives described in the three RES:

• Jobs (new or safeguarded)	71,338
• People assisted to get a job	36,882
• New Businesses	13,914
• Land Reclaimed	695 hectares

As well as making a substantial contribution to meeting the agency's corporate goals, these are significant tangible benefits for the East Midlands region as a whole. Over and above these outputs achievements, *emda* has made a significant contribution to the transformation of many places in the East Midlands and has, we believe, left behind a legacy of partnerships and organisations, such as OPUN and Blueprint, which may be drawn upon by those actors in the region whose role it will be to facilitate regeneration after the agency has closed.

“As well as making a major contribution in terms of reclaiming more than 4,000 ha of brownfield land, (*emda*)... made important contributions in terms of wider local environmental improvements, improving environmental standards in physical development schemes, promoting resource efficiency and encouraging a mode shift in favour of public transport.”

ECOTEC, 2009. Evaluating the impact of East Midlands Development Agency: overall assessment report

Learning from *emda's* achievements and impact

There are number of key learning points to aid the continuation of the maximum economic and social benefit from physical regeneration. These include:

The need for a long term vision of regeneration and strategic investment

In order to deliver substantial benefits for communities through economic development and regeneration, it is critical that an evidence-based long-term vision is established. This requires a cross-sector, inter-organisation and often cross-boundary consensus on priorities. It is equally important that such partnerships recognise the long-term nature of realising the maximum benefit from such schemes. Continuity of action, secured by ensuring adequate resources are available, will avoid the waste that can be caused by continually establishing, delivering and ending short-term interventions. This in turn helps in providing certainty to communities and partners alike, thereby presenting an opportunity to develop and further their involvement, knowledge and skills. In short, sustainable regeneration is a marathon, not a sprint.

It is noteworthy that *emda's* decision to adopt an enabling role meant that it was possible to manage priorities and be flexible with when and where investments were made. This flexibility, which meant that in effect much of the delivery was “outsourced”, allowed *emda* to pursue investments with the greatest chance of delivery and where the best outcomes could be achieved for the region. The approach also meant that it was relatively simple to divest assets and liabilities, especially following the decision to close the RDAs; the implications of closure would have been more complex and costly had a direct delivery model been deployed.

Regenerating Lincoln



emda played a key role in supporting the regeneration of Lincoln City over the last 10 years. Funding support for physical regeneration from the single programme alone has exceeded £20m. And *emda* has contributed to key strategic groups such as the Lincolnshire Enterprise Board (the sub-regional partnership), Lincoln Visioning Group and Historic Lincoln Partnership. These groups have led the long term vision for the City, developed the integrated plans for investment across employment, skills, and physical regeneration and prioritised public sector intervention.

Specific projects delivered with support from *emda* included the Drill Hall, the Cultural Quarter's Terrace and public realm works, East Midlands Media and Technology Enterprise Centre, Lincoln Performing Arts Centre at the University and Think Tank.

The need for strong partnerships

Physical regeneration is not a complete solution in itself. To solve deep-seated structural and social problems a joined-up, multi-disciplinary approach is required. This should bring together a range of partners to deliver:

<ul style="list-style-type: none"> ▪ improved inward investment
<ul style="list-style-type: none"> ▪ enterprise and innovation support to drive productivity and increase demand for jobs
<ul style="list-style-type: none"> ▪ Appropriate labour quality and supply to ensure people are connected to the employment opportunities brought about by the physical regeneration.

It is important that this approach continues in the emerging sub-national landscape. The value of these strong and enduring partnerships has been demonstrated, for example, during the redevelopment of the former Shirebrook Colliery where work with the Coalfield Regeneration Trust (CRT) augmenting support offered through mainstream Job Centre Plus provision led to the establishment of the Family Employment Initiative a cross agency project targeted to address the culture of worklessness within families and neighbourhoods.

East Midlands Parkway Station

East Midlands Parkway is one of the greenest stations ever built and uses grey water recycling, ground source heating and other renewable technologies. The station is served by over 100 train services per day. Parkway serves as a park-and-ride station for Leicester, Derby and Nottingham, reducing car use into the major cities and taking traffic off the M1.



The station's principle environmental benefit is to attract a greater number of passengers encouraging people to use rail rather than roads..

This will cut road borne pollution, improve road safety and provide benefits through reduced congestion around some of the most congested motorway junctions and trunk roads in the region. Journey time to London is around 1 hour and 30 minutes

The project provides better communication links with London benefiting inward investment to the East Midlands region. The project also improves the convenience of access from East Midlands Airport also attracting investment from continental Europe.

The need for collaboration across and within the public and private sector

It is essential to secure early private sector buy-in to major regeneration schemes in order to ensure that public sector intervention will maximise both the employment potential and private sector leverage. It is often necessary for public sector investment to be made in things such as site assembly, infrastructure and local capacity in order to secure investment and return value much later in time. There is a critical need to understand the realities of current and emerging opportunities, strengths weaknesses and threats to businesses, supply chains and sectors. Where this understanding is properly aligned to appropriate investments and an understanding of market conditions regeneration projects will maximise private sector investment and economic and social returns.

The Steetley Regeneration Scheme provides an example of this where private sector leverage to date is tenfold that of the public investment made. In the longer term the private sector investment on this site will rise to a much greater figure.

The need for a “ringmaster”

Many regeneration schemes impact across administrative boundaries which is why there is a need for an impartial and objective strategic lead to establish a partnership between local and central government together with the private sector and the local community to deliver a viable solution. *emda* has performed this role in the past, working with the Homes & Communities Agency, Local Authorities and other partners to:

▪	secure improved economic performance
▪	tackle worklessness
▪	create the right conditions for business growth,
▪	create sustainable places where people want to live, and can work, and where businesses want to invest.

The emerging sub-national landscape will require similar strong leadership to take tough decisions that are sometimes needed in order to ensure that investment decisions are appropriately prioritised and based upon achieving the greatest economic impact over an appropriate time-frame. If this does not happen there is a danger of failing to address the needs of those localities whose social and economic fabric is most at risk of placing the largest burden on society through the wider costs of social and economic failure.



The need for community engagement

A key component of successful regeneration is the people who make up the community. Without the support of the community, regeneration schemes will not reach the objective of sustainable economic wellbeing, or achieve better outcomes for people by promoting and creating opportunity. *emda* has found that close working relationships with partners, such as the Sub Regional Strategic Partnerships (SSPs), local authorities and the third sector, particularly in areas of severe deprivation, has been important to enable local communities and local knowledge to influence and achieve transformational change. It is essential therefore that systems of customer and stakeholder engagement are established in the early stages of each project to secure that community support, buy-in and ownership.

For example, at The Avenue project near Chesterfield, Derbyshire, early engagement through door-to-door letter drops, regular newsletters, the establishment of community panels and public open-days has brought the neighbourhood on board as they both see and share the vision for the redevelopment of the site.

Sustainability

Only when all of the above, are delivered, will a physical regeneration scheme stand a chance of being truly sustainable and contribute to better place-making and economic, social and environmental wellbeing. It is possible to provide clear guidance to partners through the mandatory application of high social, economic and environmental performance standards, such as the Building Research Establishments Environmental Assessment Method (BREEAM) and the HCA's housing standards, but these are merely tools to be used to encourage and challenge development and regeneration partners. These tools are not substitutes for an embedded long term partnership based approach.

emda's public private partnership **Blueprint** has demonstrated the above ingredients to redevelop part of the Science Park in Nottingham. This development has attracted high quality jobs from prestigious companies in a high quality building and environment, proving that good design sells even in a difficult market.



Conclusions

Regeneration is a transformative process that can deliver very significant benefits in places following decline. *emda's* key experience is that maximum benefit comes in the long-term.

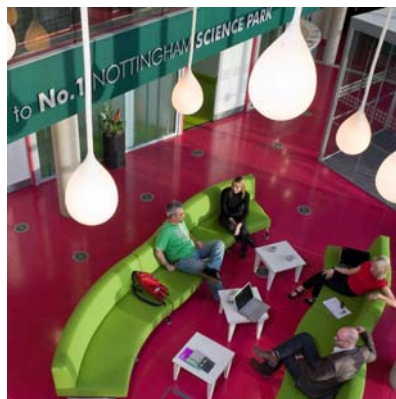
With lower levels of resource, at least in the short to medium term, it is even more critical that the public and private sector work collaboratively with communities to achieve sustainable economic growth and wellbeing.

The current challenges to the UK economy mean that the region will almost certainly not have seen the end of the causes of social, economic and physical failures that lead to the need for physical regeneration interventions. In the future it is to be hoped these failures will not be as wide-scale and dramatic as the impact of the decline of the mining and textile industries were for the region in the past, however in some localities the impact may be just as damaging to communities and opportunities for people and places.

The current challenges to the UK economy mean that the region will almost certainly not have seen the end of the causes of social, economic and physical failures that lead to the need for physical regeneration interventions.

The HCA "stewardship model", where local authorities, businesses, Local Enterprise Partnerships and others who will be able influence the development process will come together to ensure they are furthering appropriate local objectives, appears to have learned some important lessons from the *emda's* work on regeneration and specifically from the National Coalfields Programme. In particular, the stewardship model is expected to take a long term view of regeneration and create a national funding model which aims to generate returns which can then be reinvested in future regeneration works.

The absence of the RDA core funding, which facilitated regional regeneration investment strategies over appropriate timescales and in priority areas, creates a challenge for the HCA, LEPs and local authorities. To coordinate partnerships and fund investments with sustainable impact especially when resources are extremely limited seems to require a ringmaster in order for the region to progress as equitably as possible. To have impact "**beyond the site Red Line**" requires alignment, leadership and partnership.



KEY LESSONS

- **The need for a long-term vision for places and projects**
- **The need for the public and private sector to work collaboratively in achieving that vision**
- **The need for strong partnerships to exist**
- **The role of the public sector in providing a basis for private sector investment**
- **The need for leadership**
- **The need for effective community engagement.**



Annex

Case studies

Case study 1

Shirebrook



Overview

The regeneration of the former mining towns in the East Midlands carried out by *emda* was not only about creating new jobs and wealth but equally importantly, it was about supporting the regeneration of the communities themselves. Using the economic opportunities provided by the National Coalfields Programme's capital investment to bring about the wider socio-economic regeneration needed in the towns significant change was brought about. This was achieved by facilitating the provision of physical or social infrastructure,

supporting education and skills training or sometimes by simply ensuring the people in an area were aware of the job opportunities.

To understand the full impact of the colliery closures - a model that could stand for the loss of any long term major employer in an area - it has to be understood fully just how close the link is between the employer and employees in both an employment and social arena. For example, the introduction of the 1920 Mining Industry Act and the Sankey Commission created the first link between the employer and the provision of the physical and social infrastructure of the town. This was done by charging the first welfare levy on coal output. The fund created by the levies was administered by the Miners' Welfare Committee appointed by the Board of Trade. This consisted of representatives of the colliery owners, mineworkers, and some independent members. It was later renamed the Miner's Welfare Commission.

The fund supported projects such as the provision of pit-head baths, institutes, canteens, recreation grounds, health services and educational activities.

This case study aims to illustrate an approach to wider socio-economic regeneration and show how some of these wider aspirations were delivered in Shirebrook through *emda*'s role as a leader, team builder, facilitator and ringmaster. It also aims to show how difficult and unpopular decisions taken by *emda*, as the project leader, led to success on a larger scale than was originally envisaged and brought measurable added value to the project.

The regeneration of the former mining towns in the East Midlands carried out by *emda* was not only about the creating new jobs and wealth but equally importantly, it was about regenerating the communities themselves.

WHY WE DID IT

At its peak the colliery employed over 2000 people but, due to a phased reduction of staff, when it was finally closed with the loss of all jobs in April 1993, only 800 people were employed there.

The reality was that many more Shirebrook residents were unemployed or unable to work due to industrially related disabilities and the final closure of the colliery led to a rapid economic decline in what was an already highly socially deprived area. Moreover the mine closure removed much of the underpinning social structure of the town and severely impacted the employment aspirations of the community.

In order to address this in the short term Bolsover District Council took on the lease of the former colliery buildings and turned these into a low rent low value business park that employed over 200 people in a variety of small to medium sized businesses. Working with local partners the district council also provided business support and funding where it could to support these businesses. However the deep-seated dereliction and socio-economic decline of the area remained largely unaffected by these initiatives.

HOW WE DID IT

The colliery remained in this situation until 1996 when it was handed to English Partnerships (EP) as part of the first tranche of property in the National Coalfields Programme.

This provided the impetus to start consideration of the regeneration of the colliery site on a more committed basis than before. The first stage in the regeneration of the site was to create a project partnership with local stakeholders, including the county and district councils and use this partnership to ensure that local requirements and aspirations were clearly identified, defined and understood. The key driver for the regeneration was identified by the partnership as the need to provide a **sustainable** mixed use development in the town that would provide and attract further investment into the area.



This partnership was brought together and managed by initially EP and later *emda* when it took on responsibility for the NCP in the region. *emda*'s economic development remit allowed a broader view to be taken around employment and the partnership was **expanded** to include influential partners in the field of training and skills and employment.

With the help and guidance of relevant experts the partnership developed a strategic site **masterplan** for the site. The principles of the plan were to provide employment land through the creation of a 38 hectare **business** park, around 850 new houses, to fill gaps in the **housing** market in the town, along with associated new and upgraded **infrastructure**.

The aim was to attract new investment from the private sector into the area; create an estimated 2,000 new jobs in a sustainable environment and provide quality housing in the town in order to reduce the drift of skilled people away from the area. Approval for the initial phase of funding of £24m was gained in 2001.

Work commenced on site in 2001. In 2003, with the works progressing well, the project objectives were revisited and it was decided that further works would enhance the project and provide an improved outcome for the town. To facilitate this, a full review was undertaken to appraise the benefits of the revised project. This succeeded in increasing the investment by £14m to £38m for the project.

***emda*'s economic development remit allowed a broader view to be taken around employment and the partnership was expanded to include influential partners in the field of training and skills and employment.**

In proposing the further development of the business park several difficult decisions had to be taken, the most difficult of which was to close down and demolish the old colliery buildings that were the location of the low rent business park to facilitate a new larger development. In order to minimise the impact of what was a contentious decision, *emda* worked with partners to set up and manage a programme to assist and in some cases subsidise the relocation of the companies on the site to other local employment areas. This proved to be a success and within 2 years all the companies had been relocated allowing the development to be extended as planned.



Reclamation works were completed in 2006. The new business park attracted a significant amount of market interest. At present (2011) around 40% of the total anticipated employment space (165,000 sq m) has been built and around 1,200 jobs have been created.

A significant proportion of the occupation of the site is due to the fact that *emda* were able to attract Sports World International, now Sports Direct, and encourage them to purchase a large percentage of the site - 25 hectares - to establish their new central headquarters on Brook Park. This development will eventually provide around 120,000 sq m of warehousing space and 150,000 sq m of office space as well as a retail training centre. This development alone is predicted to bring forward more than 1,800 new jobs, across a range of skill levels, and involve an investment from Sports Direct of over £80m.

The underlying ethos behind the development has been to ensure that the employment opportunities it generates directly benefit the local workforce and new residents to the town. This in turn will increase the economic viability of the town and attract new investment leading to improvements in the town centre, services and the general environment.

In order to deliver this *emda* brought together a range of partners, including Bolsover District Council, the Coalfield Regeneration Trust (CRT), the Alliance Sub-Regional Strategic Partnership (SSP) and English Partnerships - now the Homes and Communities Agency - to facilitate other regeneration work including:

• developing local training opportunities;
• improving access to work opportunities for local people;
• the funding of a sustainable development strategy for Shirebrook;
• funding a community arts strategy for Shirebrook.

KEY LESSONS

Shirebrook is an early example of how *emda* influenced the redevelopment of a former mining area, by adopting a holistic approach to encourage wider social, environmental and economic benefits – both within and beyond the site red line.

- Initial projects visions and masterplans evolve over time and change with influencing factors during delivery and implementation. This flexibility is essential to ensure the optimum results and success in regeneration schemes.
- Physical mitigation is not a solution in itself, a comprehensive approach and partnership working tackle social deprivation as well as environmental blight and economic depression are a must for sustainable economic recovery.

CONTACT

For further information visit the website: www.homesandcommunities.co.uk

Case study 2

Sherwood Energy Village



Overview

Ollerton colliery closed in 1994 with the loss of six hundred jobs after 60 years of continuous production. This, together with the decline in the textile industry in Ollerton, devastated the local economy. Perversely this presented the community with the unique opportunity to regenerate its own economy. Local people decided to take their future into their own hands and create a more sustainable diverse

economy. Untried before on a scale of this nature, credibility was an issue in the early stages and progress was slow at first. However, determination, knowhow and inspired leadership led to the creation of Sherwood Energy Village a 37 hectare (91 acre) environmentally friendly business park, designed for people to live, work, learn and play.

Although now in liquidation, Sherwood Energy Village Limited, an industrial provident society, has helped to re-establish a vibrant local economy and achieved more than it originally set out to do with over 1500 people employed on the site, 500 more than when the colliery was at full capacity. The demise of the company behind the scheme was due to external circumstances; the property market downturn, particularly in the housing sector and followed by the recession which reduced income levels to such an extent that bank loans could not be repaid. Reluctantly the company called in administrators.

This should not, however, detract from the achievements of Sherwood Energy Village which has, through those businesses attracted to the park, restored the local economy in such a diverse way that the town should not again suffer from the devastation caused by the closure of the colliery some sixteen years ago.

“It is a shame that the business they formed has gone into liquidation, but that does not detract from the fact that it achieved everything it wanted to achieve. There are a fantastically diverse number of businesses on this village, from Center Parcs to ourselves, there is a core facility, local government is here and the police are coming. We think it is fantastic and as far as a legacy is concerned, this place is here to stay....”

Graham Lawrence, of credit reference company Riskdisk, the first private company to establish itself on the park said he felt the company had done a good job.

WHY WE DID IT

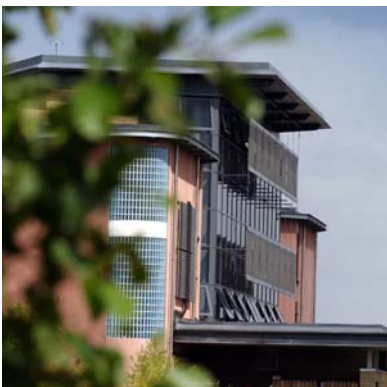
emda inherited properties within the National Coalfields Programme (NCP) from English Partnerships in 1999, shortly after Ollerton Colliery had been brought into the NCP programme as part of a second tranche of admissions following a report by the Coalfields Task Force in 1998. Although not directly owned by the RDA, *emda* held a delivery duty as administrators of the NCP funding under the terms of a service level agreement with the funders, English Partnerships. Sherwood Energy Village Ltd's (SEV Ltd) vision for the site was shared by *emda*, namely to bring the site back into beneficial industrial, commercial, residential, leisure and tourism uses in the most environmentally sustainable way possible and address the loss of economic activity following the closure of the mine. *emda* was able to offer the skill, expertise and experience of its staff to support SEV Ltd's delivery programme.

HOW WE DID IT

SEV Ltd acquired the site from British Coal Ltd for £50,000 in 1995 when negotiations commenced to access funding for the redevelopment of the site. Securing funding of the magnitude required proved difficult and slow as nothing of this scale and nature had been attempted before by a community group with effectively no background or track record in reclamation and redevelopment.

Whilst adhering to the vision created by SEV Ltd to develop an environmentally friendly enterprise park with the unique selling point of sustainability and energy efficiency at its heart, *emda* were able to introduce the County Council, who had a proven track record and status as an accountable body for funding purposes, into the scheme.

Working with SEV Ltd and the County Council, *emda* brokered a funding mix which saw the NCP input some £2.8m to enhance the Moynihan monies (a dowry to help reinstate land to its pre-mining greenfield nature), RECHAR (an EU funding programme providing grants for the reconversion or development of depressed mining areas) and ERDF monies already secured towards the £4.9m funding required to reclaim the site and provide the necessary initial infrastructure to encourage redevelopment.



emda sold its small parcel of NCP land to Tesco and required the supermarket to provide the road junction and access to the energy village as a condition of the sale. In December 1999, under the terms of a tripartite funding agreement between *emda*, the County Council and SEV Ltd, the reclamation works began.

Works were completed in the summer of 2001 with the infrastructure work completed early in 2002. Since 2002 the site has been redeveloped to house a diverse range of businesses which in their turn have helped to sustain and grow the local economy. Confidence in Ollerton has grown as a result of the SEV project and adjacent sites, such as the 11 acre former REXCO site is being redeveloped for housing by Miller Homes and the former Courtaulds' site by Peveril Homes. These investments would not have happened without the catalytic impact of SEV.

The project has received critical acclaim from across the regeneration spectrum for showcasing the benefits of sustainable construction through environmentally sensitive development. Amongst others the project has won the Silver Jubilee Cup - The Royal Town Planning Institute's highest award. It was also voted the Royal Institution of Chartered Surveyors' Regeneration Project of the year for the East Midlands in 2006, and probably most notably given the first ever Enterprising Britain Award in 2005.

The project puts into practice the ethos of sustainable construction and is widely recognised as an exemplar of community led regeneration.

KEY LESSONS

This case study clearly demonstrates the importance of the 'ringmaster' role in corraling the ingredients to deliver a successful project. Working from a vision created by the community itself with the unique aim of creating an environmentally friendly enterprise park showcasing sustainable construction, using its own programme management skills alongside the delivery expertise of the County Council, *emda* was able to draw together a partnership to match the vision, enterprise and enthusiasm of the community.

The key success factors for this project are:

- A clear vision for the regeneration plan
- Buy-in from the community from the outset
- A unique selling point (USP) to attract investment
- A fully integrated partnership approach to delivery.

Although Sherwood Energy Village Ltd, the inspirational company behind the scheme, no longer exists, the legacy it has left in Ollerton should ensure that the town makes a sustainable recovery from devastation caused by the closure of the colliery.

Case study 3

The Avenue



Overview

Demonstrating the use of cutting-edge environmental technologies to remediate the former coking works and a best practice model for involving the local community in the vision for the site's redevelopment.

The former Avenue Coking Works 98 hectare site is amongst the most highly polluted sites in Europe, with contaminants too toxic for disposal without prior treatment even in hazardous waste landfill sites. This is the largest project within the National

Coalfields Programme (NCP) and the most complex on-site remediation treatment ever undertaken in the UK. The responsibility for remediation, reclamation, and redevelopment to provide employment, housing and leisure and conservation areas was *emda's*.

The site came into *emda's* ownership in 1999 as part of the transfer of sites from English Partnerships (EP) under the NCP. From the outset, *emda* adopted an holistic, fully integrated partnership approach to its regeneration.

WHY WE DID IT

The site represented a major liability which needed to be mitigated as well as a significant opportunity for future housing, employment and leisure uses. Our aim was to achieve maximum value from the inevitable costs of mitigation with a multifunctional design, so that wherever possible elements of the scheme would achieve more than one purpose.

HOW WE DID IT

Although the project was funded by English Partnerships, it has been led and managed by *emda*. The contaminated material on the site covers some 650,000 cubic metres. Reclamation of this scale has required *emda* to lead the most complex on-site remediation treatment ever undertaken in the UK, to demolish and clear the former coking works and chemical plant. The remediation has also involved effectively controlling the run off of pollutants to limit the environmental impacts on the River Rother and surrounding area.

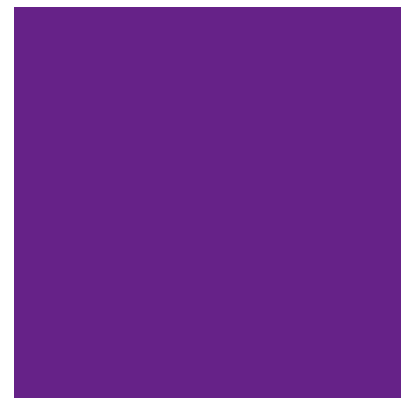
Some of the site had already been restored as The Avenue Washlands Nature Reserve, which opened in August 2007 to protect existing species and increase biodiversity. This 16.5 hectare

wetland area, an open public space with a visitor centre, is home to a range of species including the great crested newt, grass snakes, lapwings, skylarks and kingfishers. The reserve has been passed to the Land Restoration Trust, an organisation that takes custody of public open spaces once they have been restored, and is being managed for the local community by Derbyshire Wildlife Trust. An early success story has been in protecting the endangered great crested newt, which has seen the population grow to one of European significance.

The conservation work undertaken on the Avenue site was recognised with first place in the Conservation Category for Restoration Sites in the British Ornithology Business Bird Challenge, which recognises the sensitive management of industrial sites across the country to maintain and enhance biodiversity.

emda was responsible for leading and building a broad partnership (including community groups, environmental groups, economic development partners, regulators and EP, the project funder) to successfully bring forward the remediation, reclamation and redevelopment of the site. *emda* also established a mechanism to encourage innovation and achieve best value through the tendering process. As noted elsewhere in this case study, the project has promoted good practice from its inception and has won numerous awards for its innovative approach to remediation.

If *emda* had not become involved it is likely that the site would have remained in its existing state, albeit with proper management of the liabilities, until the regulators took further action to enforce the clean up of the site. The application of the latest technologies, undertaking remediation on site to avoid the need to transport highly contaminated materials, has attracted interest from outside the UK and the site has become a demonstration of sustainable technologies. The project is used as an example of good practice by UK Trade and Investment (UKTI), who bring trade delegations to visit the site to promote environmental businesses in the East Midlands. The project is also an EU EURODEMO feature site and shares information derived from the site on an international basis via the Eurodemo website. The remediation strategy for The Avenue won the Best Conceptual Design category at the Brownfield Briefing Remediation Innovation Awards in late 2006 and also picked up the Institute of Civil Engineers' East Midlands Merit Award in 2007 for engineering innovation, partnership working and sustainability.



emda has developed extensive systems of customer and stakeholder engagement. The project provided early involvement and ongoing consultation with end users – including a public consultation exercise to design the site and a public exhibition. Early involvement of the regulators was essential from both a planning and environmental viewpoint to ensure design development work was not abortive. This consultation took the regulators and planners with the delivery team through the very difficult approval stages for remediation and planning approvals. The early discussions and involvement aided the approval processes and achieved time savings in these preliminary stages. The early involvement of the regulators staved off the possibility of enforcement action, and consultation with the planners and community at large eased the passage through the planning process and kept the community engaged with the approach being adopted.

- The partnership working we undertook with the Environment Agency at the **Avenue Coking Works** site has led to the publication of an ‘effective partnership working’ paper by the Environment Agency, seeking to roll out lessons learned nationally.
- We hold **regular meetings**, community events, roadshows and open days in order to engage with residents, councillors, local MPs and representatives of community and environmental groups.

KEY LESSONS

Early engagement with all stakeholders has benefited the project to date, particularly in terms of:

- Community involvement and extensive consultation ensured the community could shape the outcomes of the project. This allowed significant concerns about the scheme to be reduced or removed
- Early involvement of regulatory bodies, such as the Environment Agency and planning authorities, to advise as well as regulate, ensuring management liabilities were met and project design/methodologies enhanced
- Early involvement and consultation with end users wherever possible, such as Derbyshire Wildlife Trust, ensuring ‘fit for purpose’, with particular regard to the nature reserve.

CONTACT

For further information, please contact: www.homesandcommunities.co.uk/

Case study 4

Steetley Regeneration

Capturing private sector investment and know-how - working a long way outside the site red line.



Overview

The Steetley Regeneration Scheme comprises the comprehensive remediation and redevelopment of the former Steetley Colliery site, Armstrong Quarry and the former Bakers Refractory site; a combined regeneration area of some 94 hectares (232 acres). Land ownership was originally split between *emda*, 44 hectares as part of the National Coalfields Programme (NCP) and 50 hectares of adjacent land in private ownership.

The site lies within four administrative boundaries, two at county level and two at District level (Nottinghamshire/ Bassetlaw and Derbyshire/ Bolsover). The respective wards Worksop South/ Worksop North West in Nottinghamshire and Whitwell in Derbyshire are amongst the poorest in the East Midlands according to the multiple indices of deprivation data in 2007.

The project is being delivered in phases over a planned ten-year period to an agreed, approved and widely accepted master-plan. This plan will remove previous blight and potential environmental harm whilst creating some 100,000m² of production floorspace to house an innovation hub for company research and development; 16,00m² high quality offices to serve the production facilities; a hotel and a training academy. It is anticipated that the project will enable over 1,000 jobs to be created and lever in over £0.5Bn of private sector investment in the long run.

To date phase one is complete; remediating, reclaiming and servicing 28 hectares of land, with the construction of a 29,406m² of state-of-the-art production facility which has led to the creation of over 300 jobs and private sector leverage in excess of £100m.

To date phase one is complete; remediating, reclaiming and servicing 28 hectares of land, with the construction of a 29,406m² of state-of-the-art production facility which has led to the creation of over 300 jobs and private sector leverage in excess of £100m. Phase two of the project, to remediate the rest of the site is underway and set for completion by December 2012

WHY WE DID IT

emda inherited the 44 hectare (108acre) former colliery site from English Partnership as part of the National Coalfields Programme transfer in 1999. Critically the site lies above a major aquifer which provides potable water to the town of Worksop and its surrounding area. As landowner, *emda* also inherited an environmental liability through the ownership of blighted and polluted land.

Before *emda*'s ownership the strategy for the site had been to bring the site back into beneficial use through a wholly "greening" scheme – essentially the plan was to tidy up the site and plant it over. This would remove the environmental liability by creating a wildlife, flora, fauna and wetland habitat.

emda reviewed this strategy in its economic development role and used the skill, knowledge and regeneration expertise of its staff to develop a scheme proposal that offered social and economic benefits as well as removing or mitigating the environmental legacy that resulted from previous uses of the site.

HOW WE DID IT

emda realised that dealing with its 44 hectare site alone would not provide the most beneficial outcome for the community as it would still leave a massive adjacent 50 hectare site derelict. This would continue to be a blight on the landscape. This "thinking outside the site red line" to develop an holistic and comprehensive redevelopment scheme appeared to provide the optimum solution.

emda engaged with the adjoining landowner and introduced development partners and the local authorities to bring forward a speculative industrial and ecological scheme for the combined sites. Whilst this had great merit, the speculative nature of the industrial development caused viability issues due to commercial uncertainties and doubt about the job creation opportunity among the local authorities.

***emda* engaged the adjoining landowner and introduced development partners and the local authorities to bring forward a speculative industrial and ecological scheme for the combined sites.**

Unperturbed by this *emda* used its inward investment expertise to market the site widely. Through this targeted approach, at the international property fair MIPIM attracted interest from Laing O'Rourke who were seeking a large strategic site to consolidate and grow a number of its operations.

Laing O'Rourke purchased the adjoining site and started to work with *emda* to create a vision for the combined sites that satisfied its business needs whilst safeguarding the ecological heritage of the site, maximizing the social, economic and environmental benefits redevelopment would bring and providing *emda* with a clean exit strategy and an optimum outcome for the local community.

Throughout the project initiation and development stages *emda* and Laing O'Rourke worked tirelessly with the respective local authorities, communities and regulatory bodies to advocate the virtues of their approach and demonstrate its deliverability.

The scale and scope of the proposal inevitably meant that not all stakeholders were in favour of all of the elements of the scheme. There were some opponents to the proposals, although against the backdrop of the economic challenges faced by the area, these were frequently not opposed to the development in principle, but there were concerns about some for operational and development impacts. There were some stakeholders who preferred an approach which simply planted grass on the site.

Extensive and widespread consultations were held to explain the vision for the site and regular liaison meetings held with the stakeholders and local residents to keep them fully informed of progress.

A scheme of this magnitude was always going to be delivered in stages and phases within those stages. Whilst the master-plan vision for the site progressed through the statutory planning process and in order to demonstrate their commitment to the delivery of the vision for the site, Laing O'Rourke also submitted a detailed planning application. This was to meet its most urgent business need, the re-location of its Malling Limited pre-cast concrete subsidiary company. *emda* supported this first phase of redevelopment by selling some of its land holding (approximately 9 hectares) to accommodate part of the building and a new access road to serve the whole site.

There were some opponents to the proposals, although against the backdrop of the economic challenges faced by the area, these were frequently not opposed to the development in principle, but there were concerns about some for operational and development impacts.

emda further supported this phase of development with a £6.3m grant for the costs of site remediation and decontamination through the European Commission approved Land Remediation Scheme and *emda*'s Brownfield Land Action Plan (BLAP) programme.

This first phase was partially occupied in August 2009 and finally completed in January 2010 once all the factory fit-out had been completed and fully tested. The business now employs over 300 personnel directly on site.



Laing O'Rourke could not presume that the site's master-plan and vision would gain outline planning consent, so the phase one works were designed to be a stand-alone development if necessary. Even so, it clearly demonstrated the commitment Laing O'Rourke had made to the site with some £100m of its own investment along with *emda's* support. Outline planning permission for the overall master-plan vision was gained in March 2010 due, in the main, to the inclusive way Laing O'Rourke and *emda* had developed a shared commitment and ability to deliver.

emda and Laing O'Rourke agreed how the costs of the environmental liabilities associated with the remaining *emda* owned land would be incorporated within the comprehensive remediation scheme – these amounted to some £7m of the total remediation costs of around £17m - which actually meant that *emda* would achieve the economic and social benefits derived from the comprehensive scheme at no greater cost or only marginal extra cost that the greening strategy originally planned, but with the added economic and social benefits.

In regeneration terms, progress has been rapid since *emda* and Laing O'Rourke joined forces to deliver a single solution for the combined sites.

Within four years and from a standing start a master-plan vision was established and accepted; outline planning permission granted and phase one of the development completed. This produced some 25% of the total outputs envisaged by the whole scheme and the project is already making a positive impact to the economy in the area.

▪	Delivered 300 jobs (new or safeguarded)
▪	Delivered 28 hectares reclaimed and serviced land
▪	Delivered 29,406m² production facility
▪	Delivered £100m private sector leverage

KEY LEARNING POINTS

This case study demonstrates the value to adopting a bold vision of the future. Without the ability to “think outside the site red line” this scheme would not have had the wider beneficial impact it has generated to date or will almost certainly generate in the future.

emda's foresight and ability to draw together a number of stakeholders in an inclusive and collaborative approach has enabled the community and business to benefit from turning a challenge into an opportunity.

The key success factors for this project are:

- The central importance of having a clear vision for the regeneration plan
- A realistic delivery time frame
- The importance of achieving an early win in a long term project
- The value of a sustained investment throughout the regeneration process.

Case study 5

Local Authorities and the Sub-regional Strategic Partnerships *emda's work in the sub-regions*



Overview

Since 2002 *emda* allocated approximately one third of its annual budget to its Sub Regional delivery partners. This was done in recognition of the critical and central role that sub regional delivery plays in achieving economic prosperity across the East Midlands.

Originally funding was allocated to appointed Sub Regional Strategic Partnerships, (SSPs) and from 2009, following the Sub National Review of Economic Development, funding was channelled directly through the East Midlands' upper tier local authorities.

From the outset it was widely accepted within *emda* that if the region were to achieve the aims and objectives set out in the successive Regional Economic Strategies (RES), coherent delivery strategies at sub regional levels were needed in order to provide an effective bridge between regional priorities and local action. It should be the responsibility of local partners to design solutions that best meet the needs for their areas.

WHY WE DID IT

“...potential for sub regional strategies to provide both a channel for pursuing the regional priorities at local level and, in time, a basis for *emda's* resource allocation at sub regional level, possibly through the accreditation of partnerships empowered to deliver within the framework of regional priorities. We recognise that sub regional partnerships may need support to develop their capacity to fulfil such a role.”

emda RES Prosperity through People – May 2000

The concept of local 'private sector buy in' was at the centre of thinking around formalising sub-regional working, and giving the private sector opportunity for involvement in the sub-regional decision making process gave further credibility to the rationale of allocating annual budgets to 7 SSPs.

A thorough audit into existing partnerships across the region provided *emda* with further justification for the decision to take the *sub regional route*, helping to uncover excellent working examples that were then used in the final design and delivery mechanisms for SSPs. The research demonstrated:

• A large number of partnerships already operating at a very local level, typically covering a district or community;
• Not all partnerships covered the full range of economic development issues. Some for instance focused on inward investment but had no remit for social inclusion or the skills agenda;
• Some partnerships did not engage the business community as effectively as they could have;
• By virtue of their limited resource, some partnerships had minimal input from the voluntary / community sector;
• Parts of the region said they did not feel that they were fully engaged in any sub regional economic development partnerships, particularly in overlapping areas such as North Nottinghamshire / North Derbyshire and South Derbyshire / North West Leicestershire.

This evidence led *emda* to move to a formal and structured Sub Regional delivery model. This model focused on the key objective of ensuring the East Midlands had a cohesive set of strong SSPs capable of fulfilling the role of an economic development delivery body at the appropriate spatial level.



HOW WE DID IT

In May 2000 *emda* published its Regional Economic Strategy, **Prosperity through People**, which noted that, with the emergence of the regional agenda, the structure of sub regional partnerships would need to evolve so that they could respond effectively to their changing role. To help achieve this *emda* engaged in a thorough consultation process to consider the evolving role of sub regional delivery partnerships in the East Midlands. Out of this process came the 'blueprint' for what SSPs would look like and how they would operate. The SSPs' role was to:

<ul style="list-style-type: none"> ▪ lead the development of sub-regional economic development strategies and commission and oversee their implementation through local delivery agents and partnerships; determine priorities and ensure complementarity in the process;
<ul style="list-style-type: none"> ▪ ensure that sub-regional strategies - <ul style="list-style-type: none"> ▪ build on the priorities identified by local partnerships within the sub-region ▪ reinforce the priorities in the Regional Economic Strategy and ▪ guide the use of resources from all partner organisations
<ul style="list-style-type: none"> ▪ monitor the performance of the sub-region, within a common performance measurement framework for the region, to include targets at regional and sub-regional level; and work with regional partners (including other sub-regional partnerships) to evaluate the impact of economic development within the region;
<ul style="list-style-type: none"> ▪ integrate the development of sub-regional economic strategies with social, environmental and spatial objectives for the sub-region;
<ul style="list-style-type: none"> ▪ endorse bids for resources, from within the sub-region, to a variety of regional, national and European funding sources;
<ul style="list-style-type: none"> ▪ take ownership of certain elements of the Regional Delivery Plan; for example, centres of regional excellence within a sub-region
<ul style="list-style-type: none"> ▪ act as a clearing house for certain issues, broker solutions and help to share best practice within the sub-region;
<ul style="list-style-type: none"> ▪ link with economic development partnerships in neighbouring sub-regions, including across regional boundaries.

To fulfil this role effectively SSPs were made up of senior figures from a variety of partners with a stake in the sub-region's economic development, including:

• Local authorities in the sub-region, whether County, Unitary or District;
• Active contributors from across the sub-region's business community;
• Representatives of the voluntary, health and environment sectors and the police;
• Providers of learning and skills, including universities, colleges and schools;
• The local Learning & Skills Council, the Small Business Service franchise holders and other public agencies investing significant resources in the sub-regional economy, for example, JobCentre+;
• Some representation from relevant local partnerships and from local communities, including from parish or town councils – the involvement of Local Strategic Partnerships was deemed essential.

As referred to earlier, the need for business leadership within SSPs was of particular importance. It was identified that the local business community had a key role to play to determine the action needed to create a climate for business and economic success. The research and consultation identified that partnership working is enhanced by the energy, focus and global perspective of business leaders, from SMEs as well as from the region's larger businesses.



The research and overall feedback on the concept of SSPs demonstrated huge ‘buy in’ from the full spectrum of partners at both regional and sub regional level, and there was a consensus that SSPs would only be able to fulfil their role effectively if:

▪ All parts of the region were covered by SSPs;
▪ SSPs had a strategic responsibility for the full range of economic development issues;
▪ Partnerships were committed to any new arrangements;
▪ Partnership arrangements were customised to the needs of the sub-region;
▪ An effective mechanism existed to translate sub-regional priorities into local action, through an action plan for partners was in place;
▪ Partners were clear about responsibilities for strategic leadership and delivery at regional, sub-regional and local levels, and recognised the need for subsidiarity – the organising principle that matters ought to be handled by the smallest, lowest or least centralised competent body;
▪ Partner organisations within SSPs were committed to directing their activities and resources in line with the agreed sub-regional strategy; and
▪ That from the outset very close working relationships existed between <i>emda</i> and its appointed SSPs.

Against this backdrop of overwhelming evidence and support for the creation of SSPs a tendering exercise was undertaken to identify the most appropriate delivery models in each of the identified sub regions. At the start of the 2002-03 financial year the first of 7 SSPs entered into formal contracting arrangements with *emda*.

2003/2004 represented the first full year of operation for most of the SSPs. The total programme expenditure for the year exceeded £24m. This was significant achievement given the limited capacity that existed in most, if not all of the SSPs to achieve this level of investment and the range and scope of projects it included.

This first full year set the trend for how *emda* would manage SSP allocations in subsequent years of delivery, demonstrating a consistently flexible approach to moving money between sub regions or back into the regional programme depending upon the greatest evidence of need.

Overall from 2003 to the end of the 2010-11 financial year *emda* invested £320m through its sub regional partners against an original allocation across all years of £349m. (*Note that this includes the 10/11 in-year reductions of £18m that were imposed shortly after agreeing the original allocations*)

The sub regional allocations accounted for approximately one third of the overall regional funding. As a result of this investment the sub regions achieved **more than half** of *emda*'s total outputs in some aspects, such as employment support; Higher Education collaboration and skills development. In total the sub regional delivery partners achieved the following outputs from 2003 through to March 2011:

Jobs created / safeguarded	27,247
People assisted into employment	23,885
Businesses Created	2,435
Businesses Assisted / HE collaboration	28,824
Public / Private leverage	£283m
Land remediated	175ha
Skills developed	53,718

Key to the overall success of *emda's* sub regional delivery partners was how they were able to demonstrate that the role they played complemented any effort made at a regional level from within the agency. From the outset this was central to how the SSP delivery teams were set up and how *emda* established its team centrally to coordinate the work of sub regional partners.

In the early years of operation it was a case of aligning sub regional delivery with the broad aims of the RES and demonstrating the required level of sub regional relevance to the activity, and *emda* staff would support the SSP in achieving this. However as time progressed and *emda* led activity began to take a more inclusive approach to region-wide delivery of Business Support, it became more and more difficult for SSPs and their delivery partners to bring forward activity that was not in competition with regional provision.

The clearest example of how the sub regional delivery landscape evolved is in respect of business support activity. In 2005 26% of the overall SSP programme funding was allocated to Enterprise and Business Support activity. However, in 2007 the phased introduction of Business Support Simplification began and the national roll-out of the **Solutions for Business Portfolio** of programmes and activities. This meant that any business support activity had to be managed and delivered centrally; this greatly restricted the activity and investment that SSPs could allocate to supporting businesses in their area.

Similar examples also became apparent with the regionally led delivery of skills activity, and in particular graduate support programmes. Similarly for tourism related projects, where *emda* and **East Midlands Tourism** core-funded **Destination Management Partnerships** (DMPs) to deliver sub regional revenue based activity such as marketing and quality improvements, again these were project and activity areas that had previously been supported directly by the SSPs.



In order to respond to this evolving central delivery model, *emda* reviewed the types of activity that were best aligned to sub regional delivery, and allocated a 70% capital / 30% revenue funding split to the sub regions. This was on the basis that most of the regional activity funded by *emda* was revenue based and that the sub regional partners were better placed to concentrate their efforts on **capital** funded physical regeneration activity.

As already evidenced through the high levels of investment and output achievement, the SSPs proved an extremely successful and effective way of delivering the priorities of the RES at a sub regional level. Whilst over time some changes were made to the appraisal and approvals process, delivery continued right through to September 2007 when the *emda* Board took the decision to progress sub regional delivery through **direct** contractual relationships with the 9 unitary and County Authorities (9C's) across the East Midlands. This was partly in response to the Sub National Review of Economic Development (*SNR – July 2007*), but this approach also allowed *emda* to restructure the delivery arrangements against the following key principles:

▪ Reduce complexity and enhance public / private collaboration at local level
▪ Improve operational efficiency and streamline services at local level
▪ Demonstrate a coherent message to the private sector, applicants and investors
▪ A single contract between <i>emda</i> and each of the 9C's for all economic development activity
▪ Reduce the number of cross local authority delivery vehicles
▪ Align Economic Assessments, Local Community Strategies and LAA's / MAA's with the RES and sub regional investment plans
▪ Administrative savings by reducing the number of delivery vehicles in City and County areas
▪ To recognise the increased role of Local Authorities in economic development and ensure continuing influencing role for <i>emda</i> at a sub regional level.

The planning process continued right through to December 2008 when contracts were signed with the relevant authorities and all ongoing SSP activity was transferred. The transfer also included the majority of SSP staff becoming local authority employees.

The principles we had set out had been achieved, and the administration savings made. To further cement the process we appointed **Partnership Managers** within in each local authority area and these became first point of contact both in and out of *emda* for the chosen authority.

Sub Regional delivery continues to deliver outputs for *emda* and even in its final year of delivery (2011-12) will still account for nearly £4m of core programme spend and a large percentage of outputs.



CASE STUDY: Eco demonstration and regional tourism promotion – Twycross Zoo

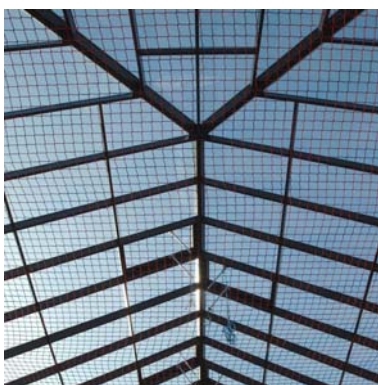
This hugely innovative project saw a collaborative delivery model between *emda*, Leicestershire Economic Partnership (LSEP) and the East Midlands Zoological Society, who between them oversaw the development of a new state of the art Visitor Welcome and Tourist Information Centre.

The project was first presented to *emda* in December 2005, and after a thorough and detailed period of research and project appraisal the *emda* Board approved £3m of single programme funding be allocated to the project through the relevant sub regional partnership (LSEP).

The main driver for the project was the radical redevelopment of an existing high profile tourism brand so as to attract visitors to Leicestershire and the East Midlands and thereafter disperse them through the county and region. And to achieve this the redevelopment specifically saw a new build facility combining a new visitor entrance leading to a tourist information centre, café, dining and exhibition space and conference facilities, set against a stunning backdrop of an external wetland area and snow leopard enclosure.

As well as the specific development of the Visitor Welcome Centre the project also had a number of wider objectives related to; developing the region's visitor economy, promoting environmental sustainability through energy efficient and eco-friendly building innovations, employment creation and complimenting the wider expansion of the National Forest area.

The new facility was officially opened to the public in March 2010 and has set itself the targets of increasing visitor numbers from the current 500,000 a year and increasing the economic value of the zoo to the region which presently stands at £14.7m per year.



CASE STUDY: Sparkhouse Business Incubation Centre – Lincoln

The project application was submitted to *emda* through Lincolnshire Enterprise SSP in September 2007, and was for the development of the next phase of the University of Lincoln Sparkhouse Business and Incubation Centre. The application built on the success of Phase 1 of the project which concentrated its efforts on catering for the Creative Industries, with this further and much larger phase targeting businesses developing innovative technologies and services.

Approval of the £2.5m contribution sought was given at the *emda* Board in November 2007 and the considerable expansion of Sparkhouse, as the first business incubator to be established by the University of Lincoln began.

Completed in November 2009 the Centre provides the focus of a dynamic environment in which young start-up businesses can be concentrated, nurtured and grown during the time they are most vulnerable. Its location on the Brayford Campus enables the tenants within the centre to draw on and benefit from the resources available within the University, these include business planning advice, mentoring, finance services, access to specialist support, training, seminars and workshops and access to a network of external business support.

Occupancy levels remain high, and since it opened the Centre has aided the creation of 21 new businesses and 88 new jobs.





CASE STUDY: Multi Access Centres – Leicester and Leicestershire

The application for this project submitted by Leicester City Council provided an extremely compelling case for approving both capital and revenue funding support. It evidenced that Leicester City and Leicestershire County have pockets of deprivation in the inner city, outer estates, county towns, villages and rural areas where long term unemployment is higher than both the regional and national average.

By delivering the programme in partnership with Jobcentre Plus it was able to provide additional support to the mandatory programmes already available, and through a network of Access Centres the programme was able to link together a number of initiatives across the City and County specifically targeted at getting people into jobs and training.

These Centres, being located in a variety of existing venues such as libraries, community and neighbourhood centres, all received capital funding to support broadband installation, internal redesign and extensions to accommodate additional activity and footfall. In addition, disabled facilities and improved access and the installation of ICT suites were carried out, with the a total capital investment of just over £3m.

The revenue contribution of £1.4m provided funding for posts, additional time, training for staff, administration, database development and licenses and awareness raising and marketing.

The project continues to grow its network of Centres and there are now over 20 across the City and County and have to date assisted 1,845 people into employment.

KEY LESSONS

Through the allocation of a third of the regional budget to decision makers in the sub-regions the East Midlands benefited from improvements in the range and effectiveness of the projects that were delivered. The experience resulted in several important lessons.

- Partnership 'buy-in' was better and more easily achieved by allocating funding directly to the sub-regions. For physical regeneration projects this facilitated stronger connections with other aspects of the regeneration process such as skills, employment and enterprise provision.
- There is a trade-off between the benefits of engaging with local partners through especially formed companies and the additional administrative costs required to ensure good governance and wider participation.
- The issue of the spatial level at which funding for investments were best agreed and delivered was understandably a source of debate between *emda* and sub regional partners. The final position was that the majority of contracting for delivery on physical regeneration was at a sub-regional level because of the specific local nature of requirements while contracting for business support was more efficient and effective at a national or regional level as it provided a consistent offer to businesses across the region and reduced confusion amongst the business community.

CASE STUDY 6**Brownfield Land Action Plan****Overview**

emda allocated funds each year specifically to address the market failure exemplified by derelict land. This is land that both creates blight and represents a missed opportunity for productive development. The use of funding was informed by the Brownfield Land Action Plan (BLAP) that was developed with specific data from local authorities and rolled out over the East Midlands on a local authority by local authority basis.

WHY WE DID IT

In 2004 the National Land Use Database identified 64,130 hectares of previously developed land across England and 9% of this national figure or 5862 Hectares, lay within the East Midlands.

emda's successive Regional Economic Strategies contained commitments to facilitate the productive use of brownfield land in order to maximise the use of existing resources and support the wider policy objectives for regeneration, such as those described in the Rogers' Report Towards an Urban Renaissance (1998). This use includes accessing the value of investments already made in the infrastructure established to service previously used land, for example, for manufacturing or mineral extraction. Re-use of this land also helps to minimise development on green field land and reduces ecological and other disturbances to the natural environment. In addition, to support English Partnership's National Brownfield Strategy and the recommendations contained within the Sustainable Communities Plan, each of the Regional Development Agencies were asked to prepare a pilot Brownfield Land Action Plan (BLAP).

The BLAP became the coordinated regional approach to address the challenge of brownfield land. The objective was to guide action in order to accelerate the pace of the re-use of brownfield land in ways that would also further the strategic development opportunities of the area under consideration. The BLAP would ensure a predictable supply line of developable land and ameliorate the worst symptoms of some previously developed land, especially where it was derelict and/or contaminated, contained abandoned buildings or was generally run down creating blight in localities and communities.

WHY WE DID IT

Each RDA developed its own approach to the creation of a BLAP and, after initially considering consultant-led plans similar to those were carried out by the North West RDA, a more collaborative approach was developed by *emda*. We engaged with representatives from local authorities, Sub-Strategic Partnerships (SSPs), Government Office for the East Midlands (GOEM), the Regional Assembly and the Environment Agency to identify, classify and analyse all data on brownfield land and the strategic policy drivers for the region.

The pilot Brownfield Land Action Plans (BLAPs) were carried out on an agreed sub-region within the RDA's operational area. A pilot project commenced in July 2005 and covered the City of Derby and the South Derbyshire District Council, which includes part of the National Forest. Specifically we were looking to see how tackling brownfield land could contribute to the improvement of the supply of competitive employment land across the study area and, in due course the region.

There were several components to the process of preparing a BLAP:

<ul style="list-style-type: none"> • Developing a consolidated understanding of brownfield sites within the study area, allowing the development of a definitive schedule and illustrative maps
<ul style="list-style-type: none"> • Summarising the strategic development priorities across the study area – both spatial and thematic – against an agreed structure;
<ul style="list-style-type: none"> • Bringing the two above perspectives together to allow individual sites to be classified against an agreed typology; and
<ul style="list-style-type: none"> • Evolving a programme of site-specific actions.

The final action necessitated *emda* setting aside a budget to fund a series of reclamation projects to be designed and submitted to *emda* by the local authorities. The BLAP programme, as it became known, primarily covered the costs of site investigations, studies, land remediation, including de-contamination, and any reasonable reclamation works to enable a site to be brought forward for economic use.

The success of this pilot BLAP, due to the high level partner engagement it achieved, encouraged *emda* to progressively extend the BLAP approach to the whole of the region – again with the same objective of informing *emda*'s investment priorities for the creation of new employment land on brownfield land. This 'roll out' started with the rest of Derbyshire (November 2005), Nottinghamshire (June 2006), Leicestershire (March 2007), Lincolnshire (July 2007) and finally to Northamptonshire (October 2009).

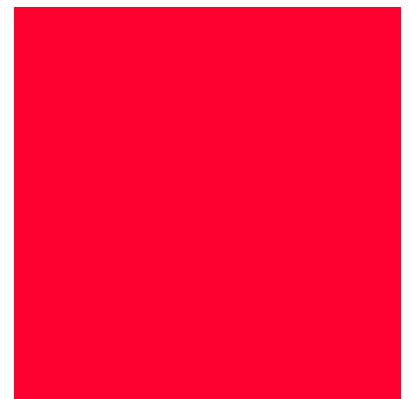
The BLAP had multiple applications, not only supporting employment land creation but also contributing significantly towards social well-being, connectivity around the region's towns and cities and supporting tourism. A number of projects helped revive the region's waterways and canals and added value to investments made by British Waterways and various canal trusts across the region to contribute towards and enhance their **tourism** offer and potential.

Investment in **amenity** projects, like that at Hemingby Lane, Horncastle where a former landfill site adjacent to a residential area was turned into a 2.6 hectare community leisure park offer residents access to public open space not available before despite the town's rural location.

Projects which supported local pedestrian and cycle routes enhanced local **connectivity** by linking routes to the National Cycle Network being delivered by Sustrans (a registered charity) and adding value to local authority partners in support of the 'Safe Routes' concept which enables many people to travel safely in ways that benefit their health and the environment.

The completed BLAP reports were never intended for publication. Copies were provided to participating partners to be used as tools for the partners to help them meet demands for local contributions to other plans and to set out local development priorities. The reports also helped provide updated information for the National Land Use Database which in its turn may influence national investment strategies post-RDAs.

<ul style="list-style-type: none"> • 112 hectares of brownfield land remediated or reused
<ul style="list-style-type: none"> • Sites like the former Baker's Refractory site at Steetley that had been derelict over many years were brought back into beneficial use
<ul style="list-style-type: none"> • Potentially hazardous sites that were uneconomic to develop such as the former Mansfield Brewery site were remediated
<ul style="list-style-type: none"> • Social and environmental improvement by the provision of open space leisure park at Horncastle removing industrial blight
<ul style="list-style-type: none"> • Enhancement of the region's tourism offer through improvements to canals and waterways
<ul style="list-style-type: none"> • Local safe connectivity through cycle routes connecting to national networks.



CASE STUDY: CATHELCO

Cathelco, based in Chesterfield, Derbyshire, is the world leader in Seawater Pipework Anti Fouling and Impressed Current Cathodic Protection Systems (ICCP).

The company occupied a mix of old and new, tenanted and owned buildings sandwiched between two areas of retail development and wished to relocate to a modern purpose-built showcase building. No suitable high profile development sites were available locally that suited the company and, despite extensive work with the local authority, Cathelco were set to move out of the East Midlands. This may have meant the loss of over 100 high quality jobs to the region.

emda on learning of the situation were able to intervene effectively and using its unique blend of skills, broker a solution between the local authority and Cathelco. The input of *emda*'s expert knowledge, skills and funding led to the identification, remediation and preparation of a suitable brownfield site that allowed Cathelco to achieve their aspirations and develop their own new bespoke flagship headquarters and operations building in Chesterfield.

As a result of *emda*'s intervention Cathelco are now located in a new building situated in a prominent position alongside the A61, the main link road into Sheffield.

The relocation of Cathelco has also allowed the former low-grade site they had formerly occupied in the heart of Chesterfield to be brought forward for re-development.

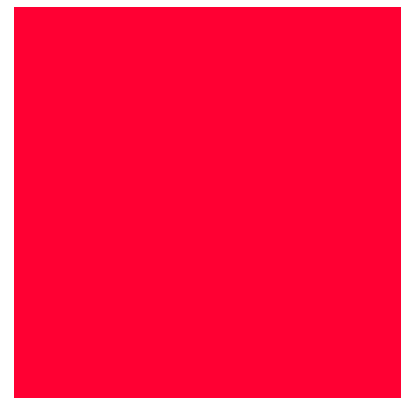


KEY LESSONS

- The existence of the BLAP gave **an incentive to local authorities to improve their reporting of Brownfield Land** and put in place plans to bring sites back into beneficial use.
- **By taking a collaborative approach with sub-regional partners** – local authorities, business and ecological interests - *emda* were able to ensure that the wider socio-economic impacts of remediating a particular site could be understood and broader outcomes achieved.
- ***emda* developed a specialised knowledge in remediation** and associated funding mechanisms that could be applied over a wide area to support both the business community and local authorities in addressing areas of blight or industrial change.
- **Support to companies enabled them to dispose of premises unsuitable for their current operations and hence finance future investment.**

FUTURE POTENTIAL DEVELOPMENT

Without public funding to address the market failures produced by dereliction there is limited potential for this type of intervention. However, the European Commission's state aid exemption for Land Remediation has been extended until December 2013, so that English local authorities as well as the Homes and Communities Agency can act as administrators of the scheme. Were funds available therefore either directly through local authorities or through national funding, such as the Regional Growth Fund, companies could still be supported to address incidences of blight and release these sites for investment.



Case study 7

Regeneration Companies



Overview

Regeneration companies were formed in Nottingham, the Meden Valley on the Nottinghamshire Derbyshire border, Derby, Leicester, and Corby. Their remit was geographically focussed and they brought together on their boards local partners, strong private sector representation, *emda* and English Partnerships - later the Homes and Communities Agency (HCA) - to agree regeneration strategies focussed on physical interventions.

The Derby, Leicester and Corby companies were created as formal Urban Regeneration Companies (URCs) between 2000 and 2003 following the recommendations and model proposed in response to Lord Rogers' Urban Task Force report. Meden Valley Making Places was created as a Special Purpose Vehicle (SPV) to address the housing blight affecting coalfield towns and villages in Mansfield and

Bolsover Districts. Nottingham Regeneration Ltd was created in the 1998 following on from over a decade of development by the Lace Market Development Company.

WHY WE DID IT

emda's Urban Action Plan (2005-2011) identified 6 principal areas – Corby, Derby, Leicester, Nottingham, Lincoln, Northampton – as the main urban drivers of growth and competitiveness in the East Midlands. Accordingly *emda's* capital investment in physical regeneration was focussed in these towns and cities and *emda* worked closely with local authorities, supporting master-planning and related studies, to agree and focus investment to maximise its leverage and impact.

The region's regeneration companies were created to aid this process and accelerate the pace of regeneration, address key areas of opportunity and blight, focus public and private sector resources on priorities agreed by local partners and bring additional expertise from all parties to improve the delivery of regeneration.

HOW WE DID IT

Unlike Urban Development Companies, which could be seen as imposed by government, Urban Regeneration Companies were formed only where local partners agreed they were not given any separate resources or powers by government. Instead, they relied on the resources available from the three public sector partners – the local authority, *emda* and HCA – and the statutory powers (like Compulsory Purchase powers and planning powers) vested in each of these partners. This meant that the effectiveness of the companies depended on their ability to bring together both private and public sector partners around agreed objectives.

emda therefore received bids from local partners to form regeneration companies. In the East Midlands acceptance of these proposals meant that *emda* and English Partnerships (now HCA), shared the burden of the administrative costs of the URCs along with the local authorities. These three funding organisations came together regularly to review progress against the agreed objectives of the regeneration companies. Similar funding and governance arrangements were applied to Nottingham Regeneration Limited although it was not formally designated as an URC.

Meden Valley Making Places had the objectives and finances to build 700 new homes and refurbish 435 homes in the towns and villages in former colliery villages in North Nottinghamshire and Derbyshire. It had a very different remit from the other regeneration companies. Like other coalfield area projects, its key ethos is the involvement and engagement with the local communities benefitting from the intervention.

With a reliance on core funding and project finance from the key partners, the other regeneration companies' primary impact was measured in terms of the strategic influence they were able to have in order to meet their objectives; in many cases the URCs needed to act as strategic brokers across large and complex organisations and partnerships. Unsurprisingly, the degree to which the URCs were able to successfully operate at a strategic level varied between different companies at different times and with changing circumstances.

The key learning points below highlight some of the ways in which regeneration companies added value and where their effectiveness could have been improved. On balance, over the course of the decade some impressive transformations of town and city centres and buildings were achieved.

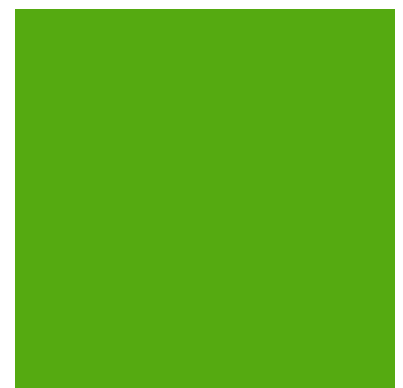
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KEY LEARNING POINTS

- Although the focus of regeneration companies was on physical regeneration *emda's* intention was that local involvement and close working with *emda* and other partners would ensure that physical development would be aligned to and contextualised by wider regeneration objectives. For example, improvements to the inward investor competitiveness of an area through better quality business space and improved urban form was aligned with activities designed to create employment opportunities for local residents and university graduates and improve the growth prospects of local businesses. *emda's* creation of Sub-regional Strategic Partnerships (SSPs) involving local authorities and other partners, with devolved funding based on wider economic development and regeneration strategic objectives was crucial to the integration of physical regeneration and wider economic objectives. In Derby, for example, the Quad building brought together ambitions for a improved city centre with a new cultural offer and space for creative industries sector businesses to innovate and grow.
- The engagement and focus of the whole local authority with the regeneration agenda was vital. Projects faltered where competing priorities vied for local authority resources or confused the messages being sent to potential private sector investors. Where there was a clear focus by local authorities this achieved a coalescing of public and private sector funding to achieve step changes in a town or city's offer. Leicester benefitted from its focus on the Highcross development and the Cultural Quarter. Corby's remodelled civic and commercial core has similarly created a step change for the former steel town.
- Regeneration companies have high fixed costs which, if they do not own assets (as was the case with the URCs), means that they need to operate in a buoyant property market to be able generate the outputs justifying their existence.

Forward look

Regeneration companies were in some ways creatures of their time. There was a buoyant property market when they were set up and the main focus of the companies was to address market failure in certain types of property and areas and to maximise the private sector leverage as a result of public sector interventions.



As property activity in the final years of the century's first decade slowed almost to a halt, regeneration companies struggled to demonstrate value for money against high fixed core costs. There were a number of responses to this situation:

	<ul style="list-style-type: none"> ▪ Adding value by widening the remit of the company to form an Economic Development Company. This occurred in Leicester with the reformation of Leicester Regeneration Company to create Prospect. The pressures on local authority finance and the transition for Local Enterprise Partnerships (LEP) meant that this too failed to survive.
	<ul style="list-style-type: none"> ▪ Seeking to reduce costs when RDA and HCA funding was withdrawn and concentrate activity within the local authority. This has occurred in Leicester and Derby both of which are keen to continue to achieve regeneration objectives.
	<ul style="list-style-type: none"> ▪ Reducing costs and operating under an Service Level Agreement (SLA) with a core host funder. This has been the outcome for Nottingham Regeneration Limited with Nottingham City Council being the host funding body but the company being able to offer its expertise to all districts authorities within the county. NRL's ability to do this is supported by it being able to draw rental income from two properties and by having independent financial reserves.
	<ul style="list-style-type: none"> ▪ Meden Valley Making Places has similarly been able to offer its services beyond its initial area of focus with support for a time from HCA.

emda was able, with the assistance of regeneration companies and sub-regional partnerships, to allocate public funding to areas and projects which would give the best outcome for businesses and residents of the East Midlands. Its ability to do so was founded on both an objective assessment of need and opportunity within the region as well as close working with local partners to ensure all the elements of economic development and regeneration were brought together. Although it is unlikely in the near future that such conditions will be replicated, some of the benefits of a strategic overview and regeneration expertise could be enjoyed by local authorities through a type of shared service agreement, potentially linked to Local Enterprise Partnerships.



Case study 8

Blueprint



Overview

Blueprint is a public private partnership established in May 2005 to facilitate the delivery of physical regeneration in the priority urban areas of the East Midlands region. The partnership was set up by *emda* and English Partnerships, with both owning 25% of the company, with the remaining 50% owned by the Igloo Regeneration Fund (Igloo). From September 2011 it will become 50/50 venture between Igloo and the Homes & Communities Agency (HCA).

Although a 'for profit' organisation, its remit is focussed upon delivering the social, economic and environmental outcomes, which the mainstream development market would struggle to deliver. It has become a model for many subsequent asset-backed delivery organisations.

WHY WE DID IT

The establishment of Blueprint was driven by *emda* partly because of its move away from direct development (apart from in the Coalfields). More importantly, Blueprint provided a mechanism to deliver schemes where there was market failure and the traditional development market was unwilling or unable to bring forward. At the same time the partnership was able to maximise the resources available for such projects. Blueprint brought a commercial edge to the management of *emda*'s workspace portfolio of properties inherited from various organisations when it was set up in 1999, which were transferred into the partnership as a match for cash investment by Igloo also.

Blueprint was set up explicitly to deliver more than physical regeneration but also has social and environmental sustainability aims. This is enshrined in the Strategic Objectives set out in its Memorandum of Association and in its actively monitored Footprint[®] policy.



HOW WE DID IT

Blueprint was established as a time limited vehicle with an agreed 10 year lifetime, although there is the potential for this to be extended subject to mutual stakeholder agreement. *emda* ran a competitive procurement process to identify a preferred developer and Igloo was selected, partly on the basis of its innovative delivery capabilities but also on the basis of its impressive track record and the financial covenant strength of Morley, now Aviva Investors.

It was considered an attractive investment proposition to both Igloo and Aviva given that the partnership gave:

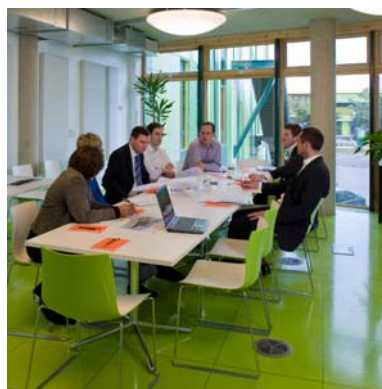
▪	access to assets and development opportunities
▪	the scope to unlock development potential
▪	the ability to manage risk through committed partnership working.

An Internal Rate of Return (IRR) target of 12% was identified upon establishment. This was not considered to be an overly challenging target at the time and was therefore considered to represent a strong opportunity for partners to realise a return on investment.

Upon establishment in 2005, EP (now HCA) and *emda* both invested £5.75m into Blueprint, with Igloo investing a cash match of £11.5m. In 2007, EP and *emda* both invested a further £2.5m and Igloo invested an additional £5m.

emda also provided a £17m loan upon the establishment of Blueprint, secured primarily against its trading portfolio (and some of the development portfolio) which it transferred to Blueprint. This was set as being repayable at £3m per annum in quarterly instalments, carrying a coupon rate of 6%. In addition to this, in August 2008, a Barclays Loan Facility was entered into for £14.5m. This was also secured primarily against the trading portfolio (and some of the development portfolio).

Blueprint's activities are controlled by the General Partner, which is a shell limited company, the shares in which are held equally by Igloo and emEP Ltd, a 50/50 company formed by EP (HCA) and *emda*. The Board of the General Partner comprises *emda*, HCA, Igloo and Aviva and this has delegated day-to-day operations to Igloo Regeneration Limited as 'Development Manager'.



No.1 Science Park



No.1 Nottingham Science Park provides a high quality and environmentally sustainable location for ICT, R&D, technology, engineering, science and knowledge-based businesses, immediately adjacent to Nottingham University. The 40,000 ft² building (net internal area, excluding meeting rooms) offers flexible accommodation from 1,000 to 20,000 ft² and demonstrates exemplary sustainability features such as biomass woodchip

heating, natural ventilation and the use of recycled building materials. Completed in Summer 2008, take-up was slow for the first year or so but by mid 2011 was over 85% let to leading edge companies in the “green tech” sector including a number of significant inward investors.

No.1 was the second building on the park completed by Blueprint – the 75,000 sq. ft Highfields Automotive Centre was the first – together these buildings represent an investment of around £25m.

Changan Automobile Co, one of China’s leading car manufacturers, is also opening its new UK Research and Development Centre at Nottingham Science Park. Changan will invest £20m over the next five years to open and run the Nottingham operation. The company’s investment in research and development in Nottingham will create up to 200 new jobs over the next three years.



Phoenix Square, Leicester



Phoenix Square comprises a digital/media arts complex, 63 apartments and 7 duplex office studios and studio space for creative industries businesses, set in the heart of Leicester's Cultural Quarter, completed in October 2009. By August 2011, 6 of the 7 studio spaces are now let and 50 of the apartments let or sold. Sustainability is at the heart of the development with both the

commercial and residential components achieving high energy performance ratings. The Grade A office studios range in size from 1,138 ft² to 1,861 ft² and each of the studios has under-floor heating from a ground source heat pump and fully glazed frontage to allow maximum solar penetration.

The individually designed apartments seek to meet a range of requirements through the provision of studio, one, two and three bedroom (duplex) units. With solar supplemented heating and hot water as part of an array of sustainability features. Despite the slow property market about three quarters of the units were sold or let by mid 2011.

The project was the product of a complex but highly successful partnership that included Leicester City Council, Phoenix Arts, De Montfort University, Leicester Regeneration Company and *emda*.

The digital and media arts complex comprises a 3 screen independent cinema with the latest specification 3D screens, digital production facilities including TV studio/editing rooms and a café-bar. The complex has developed an important partnership with Leicester's De Montfort University and as well as films, its programme includes exhibitions, performances, festivals, artist residencies, off-site projects, workshops, education activities, seminars and conferences.

Blueprint is currently assessing the possibility for further development in this location and has acquired a number of neighbouring sites as part of a wider regeneration vision to which it is committed.



Green Street, Nottingham



The Green Street development has had a transformational impact on the Meadows area of Nottingham, particularly in terms of enhancing the quality of the physical environment.

Green Street is an innovative development of 38 three and four bedroom energy efficient homes for market sale.

The homes have photovoltaic panels, mechanical ventilation systems and high levels of insulation/air tightness. Sales on all

38 homes were secured off plan and the sale prices ranged from £170,000 to £230,000.

Awards

Over the past 3 years, Blueprint has won numerous regional and national awards for its delivery achievements. These reflect the high quality and innovative nature of the developments.

REGENERATION PROJECT OF THE YEAR

Phoenix Square, Insider East Midlands Property Awards, Sept 2010

DESIGN EXCELLENCE

Phoenix Square, Highly Commended RIBA Awards, East Midlands, Sept 2010

FLOURISHING PLACES

Phoenix Square, Highly Commended HCA / Regeneration & Renewal Awards, Sept 2010

PROJECT OF THE YEAR

Nottingham Science Park Constructing Excellence, East Midlands 2008

COMMUNITY INTEGRATION

Phoenix Square First Time Buyer magazine, May 2010

SUSTAINABLE DEVELOPMENT OF THE YEAR

No.1 Nottingham Science Park, Insider East Midlands Property Awards 2008

DEVELOPER OF THE YEAR

Blueprint Property Week, Midlands Property Awards 2008

COMMERCIAL DEVELOPER OF THE YEAR

Blueprint Insider East Midlands Property Awards, Sept 2010.

KEY LESSONS

- **Public Private Partnerships can be effective in delivering social, economic and environmental outcomes that would not ordinarily be delivered by the mainstream development market acting alone.** There is consensus that Blueprint has delivered some 'difficult' regeneration and economic development projects to a high standard in places where there were significant barriers to development and where there would have been very little appetite from the private sector to either develop at all or to develop to the same standard.
- **Selection of the right partner is critical to success.** Shared values and mutual respect and understanding together with "real" resources in terms of funding and expertise are pre-requisites for a successful partnership. Igloo's extensive property development track record together with their commitment to a Corporate Social Responsibility Policy have ensured a good fit with the public sector partners and the team is run by astute individuals who understand how to deliver wider social outcomes as well commercial returns.
- **Public Private Partnerships can drive innovation and deliver exemplar activity.** Blueprint has developed a particular niche in the delivery of innovative schemes, particularly those with sustainability at the forefront of their design. Green Street and Nottingham Science Park stand testament to this. This niche is recognised by *emda*/HCA and East Midland City Councils and has been identified as a distinct area of added value over more mainstream developers. The fact that Blueprint has been able to deliver against this sustainability agenda despite recent market conditions further adds credibility to its track record.
- **Successful Regeneration requires close partnership working across a wide range of partners.** One of Blueprint's key achievements has been its ability to forge strong working relationships with a wide spectrum of partners and in particular relevant Local Authorities. It has sought to understand partner's priorities at the outset of a project and to align public and private participants around shared agendas thereby removing potential barriers and fostering an environment of support which has enabled difficult projects to "get off the ground".
- **Public Private Partnerships can help maintain momentum even in recession –** although the recession has undermined Blueprint's ability to achieve target rates of return, Blueprint has managed to continue with scaled-back development activity at a time when many other developers have either fallen into a period of dormancy or even gone into administration.
- **Public Private Partnerships present opportunities to attract and "lock in" private sector capital which might otherwise focus on less challenging locations and projects.** Private capital is often in short supply and where it is available it is typically drawn to more buoyant and less challenging markets in these circumstances PPP's have potential attract funds that might not otherwise commit.

Despite the recession, Blueprint has a number of pipeline projects it is progressing, albeit at a slower pace than originally envisaged. In July 2011 the government announced that land and property related assets owned by the RDAs would transfer to the HCA. The transfer included Blueprint. The outcome of the transfer in terms of Blueprint's forward agenda is yet to be clarified. However, HCA has already indicated that, consistent with the Stewardship approach to the acquired RDA assets, HCA will be entering into a partnership with local authorities to oversee future Blueprint work from the perspective of the public sector. Local authorities were very positive about Blueprint in the recent Genecon review (see below) and this provides the basis for some optimism about the future.

“an innovative approach to a difficult site...good design and sustainability....other developers would not have delivered this”.

Nottingham City Council spokesperson, referring to Green Street development

CONTACT

For further details on the project, you can visit the website:

www.blueprintregeneration.com

Acknowledgement: This Case Study draws heavily on the work undertaken by Genecon for the Homes and Communities Agency, “Strategic Review of Blueprint, April 2011”

Case study 9

Waterways



Overview

In 2007 *emda* launched a programme to fund capital projects which were directly related to the East Midlands's inland waterways network. This included both existing and potential navigable waterways. An Invitation to Apply for Grant Funding (IAGF) was issued which sought proposals for individual projects. The total budget allocated to the programme was £5m over the period from 2007/08 to 2009/10, with individual awards ranging from £50,000 to £500,000. The budget was later increased to £6.5m due to the large number of high

quality projects identified in the prioritisation process.

WHY WE DID IT

emda initiated research into the economic potential of inland waterways within the region. The East Midlands Inland Waterways Study was completed by consultants Ecotec in June 2007. The report highlighted the potential value of waterways to the local economy and the major improvements which had been carried out on the network over a number of years. For example, waterways had formed the setting for a number of physical regeneration schemes including Bede Island North in Leicester.

The study identified four potential categories of benefits which the regeneration of waterways could bring to the region:

• Employment - both direct and indirect job creation;
• Property – promoting development to exploit waterside locations, thus helping to increase property values and encourage further investment;
• Competitiveness – principally by improving the region's image; and,
• Other wider impacts – for example, increased tourism and improved public access to waterways with the associated economic and well-being outcomes.

HOW WE DID IT

The Waterways Regeneration IAGF was aimed at encouraging the following categories of projects:

▪ Waterways Destination Projects – to promote tourism
▪ Restoration Projects – to restore derelict buildings adjoining waterways for commercial and employment uses
▪ Land Remediation Projects – to restore land next to waterways for employment uses
▪ Large Scale Project Development – for example masterplans and feasibility studies
▪ Waterways Transport Schemes – to support waterways as alternative mode of transport, for example freight movements by barge.

Following the issue of the IAGF in the summer of 2007, *emda* approved investment in a total of 22 projects.

Details of three example projects

Mercia Marina, Willington, Derbyshire



Description: development of a 585 berth leisure marina linked to the Trent and Mersey Canal which included associated shop, café and holiday chalet accommodation.

Partner organisation: Madecorn Leisure LLP

Funding: *emda* – £500,000, private sector - £6,170,000

Outputs achieved: 29 jobs created, 6 new businesses created.

Erewash Canal Corridor



Description: area wide access improvements to 3.7km (2.3 mile) stretch of canal from Trent Lock in Long Eaton

Partner organisation: British Waterways

Funding: *emda* - £435,000, British Waterways - £140,000

Outputs achieved: refurbished employment floorspace – 181 sq.m, towpath improvements – 3.7km.

Waterside Northampton

Description: a 10 – 15 year Development Programme for the Northampton Waterside area to guide and encourage public and private investment (included masterplanning, land assembly planning, public access improvements)

Partner organisation: West Northants Development Corporation

Funding: *emda* - £500,000, other public sector - £13,250,000

Outputs achieved: jobs created – 20, businesses demonstrating growth – 2, brownfield land redeveloped – 0.5ha.

KEY LESSONS

- The programme was well received within the waterways community and was highlighted as an example of good practice in the draft report 'Waterways for Everyone' published by DEFRA in 2009
- There was significant engagement with a wide variety of partners in the public, private and third sectors
- A total of 11 projects involved feasibility and masterplanning work, however future progress will be affected by cuts in public spending and the current state of the economy, but which may be delivered in the long term.



Outputs and Outcomes

Below are the forecasted outputs the programme is expected to achieve:

Outputs	Total outputs
Jobs created or safeguarded	335
Other public sector infrastructure investment levered	£16,248,829
Private sector infrastructure investment levered	£23,494,214
Brownfield land reclaimed and/or redeveloped.	45.21 (ha)

IMPACTS

- The attraction of new visitors and increased visitor spend
- Improved image and perception of areas
- Significant contribution to economic performance of the areas concerned
- Important heritage assets safeguarded
- Regional and national waterway networks connected.

FUTURE POTENTIAL DEVELOPMENT

11 projects supported through this programme involved feasibility and masterplanning work. In the short term it is likely that delivery will be affected by reductions in public investment and the market conditions. Some of these projects may be delivered in the long term on the back of the investigations supported by *emda*.

For further details on this, and all other evaluative legacy documents by East Midlands Development Agency, please go to the following link: <http://irep.ntu.ac.uk/>