The value handbook is a practical guide, showing how public sector organisations can get the most from the buildings and spaces in their area. It brings together essential evidence about the benefits of good design, and demonstrates how understanding the different types of value created by the built environment is the key to realising its full potential.
CABE is the government’s advisor on architecture, urban design and public space. As a public body, we encourage policymakers to create places that work for people. We help local planners apply national design policy and offer expert advice to developers and architects. We show public sector clients how to commission buildings that meet the needs of their users. And we seek to inspire the public to demand more from their buildings and spaces. Advising, influencing and inspiring, we work to create well-designed, welcoming places.
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What is the value handbook about and who is it for?

Everyone benefits from well-designed buildings, spaces and places. The built environment contributes a great deal to our quality of life and economic success, and delivers enormous value to society. Yet we often take it for granted, without appreciating its effect on our daily lives.

CABE has produced this handbook for senior staff in local authorities. It explains how improving the built environment can contribute to enhancing performance and meeting performance targets. The aim of the handbook is to encourage you to assess whether the places, streets and buildings for which you are responsible are contributing to, or hindering, service delivery.

It asks some challenging questions which you can use to assess whether you’re getting the most from your places. It summarises some of the benefits and value created by a well-designed built environment. And it provides case studies and refers you to other sources of information. Its main purpose is to show how built environment investment decisions can be based on value rather than cost.
The handbook is divided into the following four parts:

**What can you do?**
This part suggests the next steps to take to help your future building projects deliver the best possible value. It shows how to identify, capture and then deliver value through the procurement process.
Page 6

**Types of value**
This part sets out to illustrate the wide range of positive effects that a well-designed built environment has on people’s well-being and quality of life and on the economy. It challenges authorities to assess their own buildings, streets, parks and public spaces against best value. An evaluation summary (page 60) is intended to help you identify strengths and weaknesses.
Pages 9-35

**Are you achieving value?**
This part explains the different types of value delivered by the built environment – exchange value, use value, image value, social value, environmental value, and cultural value – and shows how these provide a framework for understanding the different types of value that are important to stakeholders.
Pages 36-49

**The policy context**
This part shows how the quality of the built environment can contribute to improving performance within the policy framework established by Comprehensive performance assessment, Public service agreements, Local strategic partnerships, and the Beacon scheme.
Pages 50-59
How to use the handbook

You can do the following:

– distribute copies to the relevant service departments and ask them to prepare responses to the questions under the headings ‘Some questions to ask yourself’ (pages 36-49)

– hold an away day for relevant staff based around the overall questions in the ‘Evaluation summary’ (page 60). This page can form an agenda for the away day. Responses already prepared can be brought to the away day, and your authority’s strengths and weaknesses can be identified and discussed

– at the end of the away day you should agree a policy statement with objectives, targets and priority actions for improving the quality of your authority’s built environment. ‘What can you do?’ (page 6) suggests some possibilities and is intended to help you develop your policy and put it in place.
What can you do?

Producing and introducing a policy to deliver best value

If you want to make sure you deliver the value set out in this handbook in future building projects, there are many sources of advice you can use. Some useful key resources are listed opposite. We recommend the following steps. The timing and detail will depend on the nature of your projects.

- establish a **value-based policy for design** and refer to the actions taken by beacon councils (see page 50-59)
- use **value rather than cost** when making the business case
- run **value management workshops** to find out and clarify people’s priorities
- make sure contractors are **fully briefed** about your concerns for high quality design and delivering value
- ask your contractors to use an **evidence-based design process**
- **review completed projects** to get feedback and assess what works
- **use the results** of your reviews in future projects.

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1. *Achieving excellence in construction*, Office of Government Commerce, [http://tinyurl.com/nu5x3](http://tinyurl.com/nu5x3)
4. Valid: value in design, [www.valuein design.com](http://www.valuein design.com)
5. Design quality indicator: [www.dqi.org.uk](http://www.dqi.org.uk)
The tools you can use:

The Office of Government Commerce’s *Achieving excellence in construction* procurement guidance pack provides a highly structured approach to construction projects which value-based thinking readily fits¹.

CABE’s *Urban futures game* focuses on discovering the hopes of people in local neighbourhoods and their preferences for regeneration². A new edition is being developed by the Royal Institute of British Architects, and will be available in late 2006.

Constructing Excellence’s *Be valuable*³ stresses the importance of a value-based approach and provides practical guidance about putting the approach into practice.

*Value in design*⁴ provides tools to help draw out people’s values and share them.

The *Design quality indicator* tool⁵ is a procedure for assessing building proposals at the planning stage (as well as at later stages), against a range of criteria. There are also versions for schools and health-care buildings.

*Soft landings*⁶ is a process whereby members of the building team stay attached to your project after it is completed to make sure it is working as intended. Though most concerned with engineering systems, this can easily be extended to other issues.
The value of successful places

The design of the built environment has a significant effect on many aspects of our day-to-day lives. Buildings, streets and parks influence us in all kinds of ways, some obvious, some less so.

Mixed use urban developments with good accessibility bring people on to the street and reduce opportunities for crime and vandalism. Semi-private spaces in housing estates encourage friendships and neighbourly behaviour. Attractive and safe open spaces encourage leisure activities and contribute to healthy lifestyles. Popular neighbourhoods draw in investment and regeneration. Historic buildings connect us to the achievements and lives of past generations, while modern buildings express the owners’ confidence in welcoming the future. Functional, comfortable buildings contribute to people’s well-being and productivity. And ecologically responsible developments reduce damage to the environment.

Some of the benefits of a well-designed built environment can be measured, and it is relatively simple to set an appropriate level of investment to achieve specific goals. However, it is typically more difficult to measure social and environmental benefits and to set a level of investment to achieve them. The difficulty of measuring value results in a desire to reduce spending on design. As a consequence, many buildings in the past were built to a strict cost limit that was often set quite arbitrarily and took little or no account of future running costs or the effect on outcomes. Today, as more is known about the benefits of a well-designed built environment, we are better placed to assess the value delivered by a building project and so can set a more sensible level of investment.

Good design does not cost more when measured across the lifetime of a building or place

The booklet provides a self-assessment approach that you can use to identify whether your built environment is delivering the best possible value. It draws attention to a wide variety of benefits arising from a well-designed built environment, and refers you to supporting evidence. It describes the various types of value that are created by the built environment, and shows why you should consider the value of a project rather than the cost.

7 See for example Morris Hargreaves McIntyre, A literature review of the social, economic and environmental impact of architecture and design, Scottish Executive Social Research, 2006, available at http://tinyurl.com/hjl02
# Types of value

<table>
<thead>
<tr>
<th>Type of value</th>
<th>What does it mean?</th>
<th>How is it measured?</th>
</tr>
</thead>
</table>
| Exchange value| The building as a commodity to be traded, whose commercial value is measured by the price that the market is willing to pay. For the owner, this is the book value, for the developer the return on capital and profitability. Also covers issues such as ease of letting and disposability. | Book value  
Return on capital  
Rental  
Yield |
| Use value     | Contribution of a building to organisational outcomes: productivity, profitability, competitiveness and repeat business, and arises from a working environment that is safe in use, that promotes staff health, well-being and job satisfaction, that encourages flexible working, teamwork and communication, and enhances recruitment and retention while reducing absenteeism. | Measures associated with occupancy, such as satisfaction, motivation, teamwork. Measures of productivity and profitability, such as healthcare recovery rates, retail footfall, educational exam results, occupant satisfaction. |
| Image value   | Contribution of the development to corporate identity, prestige, vision and reputation, demonstrating commitment to design excellence or to innovation, to openness, or as part of a brand image. | Public relations opportunities  
Brand awareness and prestige  
The recognition and ‘wow’ factors. |
| Social value  | Developments that make connections between people, creating or enhancing opportunities for positive social interaction, reinforcing social identity and civic pride, encouraging social inclusion and contributing towards to improved social health, prosperity, morale, goodwill, neighbourly behaviour, safety and security, while reducing vandalism and crime. | Place making  
Sense of community, civic pride and neighbourly behaviour  
Reduced crime and vandalism. |
| Environmental value | The added value arising from a concern for intergenerational equity, the protection of biodiversity and the precautionary principle in relation to consumption of finite resources and climate change. The principles include adaptability and/or flexibility, robustness and low maintenance, and the application of a whole life cost approach. The immediate benefits are to local health and pollution. | Environmental impact  
Whole-life value  
Ecological footprint. |
| Cultural value | Culture makes us what we are. This is a measure of a development’s contribution to the rich tapestry of a town or city, how it relates to its location and context, and also to broader patterns of historical development and a sense of place. Cultural value may include consideration of highly intangible issues like symbolism, inspiration and aesthetics. | Critical opinions and reviews  
Professional press coverage  
Lay press coverage. |
‘Good design greatly increases a project’s chances of being a financial success’
Exchange value

Exchange value is the type of value with which we are most familiar. Buildings can be traded like other assets, and the commercial value of a building is measured by the price that the market is willing to pay. Price depends on a wide range of factors including location, the availability of that type of building or space, and the state of the market at the time. For those who own, lease or sell buildings, the exchange value could be represented as the value given in their books, the return on investment, the profitability, the level of rent that could achieved, and ease of renting out or selling. To get the highest exchange value you need to keep costs low and maximise financial returns. Unfortunately, costs are more easily measured than future value, and the built environment has often suffered when costs have been driven down to a level at which it is impossible to deliver good design. As design fees are related directly to the building costs, these too have been reduced with a negative effect on creativity, ingenuity and attention to detail. Limits on costs, set without fully considering the effect on expected outcomes, probably won’t provide good value for money.

So does good design contribute to improving exchange value? A study by the Property Council of Australia examined whether there is a relationship between good design and good financial returns. Eight buildings were chosen by a design selection panel as examples of high quality design. An independent development finance expert examined them for their financial returns. All showed above average returns. The authors of the report conclude that while good design does not guarantee a financially successful project, it greatly increases a project’s chance of becoming a financial winner9.

An earlier study in the US assessed the contribution architectural quality made to the value of buildings. It showed that the quality of a building’s design had a strong impact on rental levels – offices rated in the top 20 per cent for the quality of their design could charge rents 22 per cent higher than those rated in the bottom 20 per cent. Good design was shown to cost more on average but not in every case10.

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Exchange value
Sheffield ‘Heart of the City’ project

Since 1995, Sheffield’s £130 million ‘Heart of the City’ project has set out to attract new investment and kick-start the economic and physical regeneration of the city centre. The vision is to deliver a series of new public spaces, a cultural heart and a vibrant mix of offices, apartments and leisure facilities.

Sheffield One, launched in 2000, is an urban regeneration company whose purpose is to develop and help introduce the regeneration strategy for the city centre. The partners are Sheffield City Council, English Partnerships and Yorkshire Forward.

The Grade I listed town hall was refurbished and an extension demolished. The public space around it has been upgraded to form new gardens. Two further public squares, Millennium Square and St Paul’s Place, have been created. The Heart of the City public space project comprises the Peace Garden, the Millennium Gallery, and the new Winter Gardens, the largest glasshouse in a European city centre.

The first commercial office building at St Paul’s Place was pre-let at a record rental level for the city. Vacant and underused sites near the City Hall are being developed and private commercial investment is bringing new jobs and prosperity to the city. A new hotel has opened and luxury city-centre apartments are being built. In the new retail shopping quarter, 85,000 square metres of retail space is being built around a John Lewis store.
‘Lack of comfort, poor air quality, noise and lack of privacy all diminish the use value of premises’
Use value

The use value of a building is concerned with whether it is fit for its intended purpose and the contribution it makes to the outcomes valued by the organisation. These include recruiting and keeping staff, productivity, profitability, competitiveness and repeat business. They are typically achieved from having a working environment that is safe; promotes staff health, well-being and job satisfaction; encourages flexible working, teamwork and communication; that reduces absenteeism.

Most of the available research into measuring use value has been in the business sector, much of it concerned with the negative effects associated with lack of comfort, poor air quality, noise and lack of privacy all diminish the use value of premises.

There is a lot of interest in the relationship between the initial capital cost of a building, the facilities management costs associated with running and maintaining the building, and the added value arising from the business processes that the building houses11. Recent investigation12 suggests that these are in a ratio of about 1:1.5:15 for London offices. When making the business case for investing in new or refurbishment projects, this relationship is a reminder of the need to consider the costs over the life of the buildings, rather than looking to keep spending as low as possible. Producing these figures for your own buildings will help to put the initial build or refurbishment costs in perspective compared with lifetime costs, and provide evidence to support taking a long-term view.

In making the business case, use value is one of the easiest types of value to assess. For example, you can compare productivity, absenteeism, or occupant satisfaction across comparable buildings in your stock in order to identify the best and worst performers. This will help you to identify priorities for action.

Use value
Royal Docks Community School, London

Royal Docks Community School is a secondary school for 1,200 pupils in an east London community that had been in decline since the docks closed. It replaces a 1970s school. It is designed in line with Newham’s policy of including education for children with physical disabilities and special educational needs, and to provide educational and training facilities for the community.

The school building is unusual, with a central two-storey rotunda from which four wings go out at right angles. Each wing is for particular curriculum-based uses, making the building easy to understand. It also allows wings to be closed off when appropriate. For example, the north wing is used for community and vocational studies and is easy to control out of school hours. The design makes good use of the site, and cleverly makes the most natural light and ventilation while cutting down noise from the traffic outside.

The head teacher designate and other staff from the replaced school were consulted from the start of the project and had a significant input into the design process. Since transferring to its new building, the school reports improvements in exam results and increasing numbers taking up out-of-hours activities. Attitudes and behaviour have also been greatly improved, according to the head teacher, who puts these improvements down to the better environment provided by the building. An evaluation found the building to be well-maintained with no evidence of vandalism or graffiti.
‘Buildings that have the ‘wow’ factor encourage tourism and visitors, which contribute positively to the local economy’
The built environment has a powerful ability to convey strong visual messages. Many cities in the world are associated with a particular image. The London Eye, Central Park, the Sydney Opera House, and the Eiffel Tower, for example, have come to symbolise particular cities. Businesses have also used their buildings to promote strong identities. Examples include Selfridges with their flagship store in Oxford Street and their new 21st century store in Birmingham. In the case of the Dyson headquarters at Malmesbury, the form and materials of the building are used to demonstrate a commitment to innovation and to showcase the firm’s products13. And there are many similar, if smaller-scale, examples of buildings where form, style, colour and materials are deliberately used to convey corporate identity and a brand image.

14 Design with distinction: the value of good building design in higher education, CABE, London, 2005

While corporate branding is most strongly associated with raising an organisation’s profile and visibility, the same principles can be applied in the public sector. Here you can promote a positive image to demonstrate civic pride, confidence in the future, openness, and a commitment to design quality. Many universities have successfully built new buildings with strong images as a way of raising their profile among potential students, for whom a strong and immediate impression can be important in making a choice14.

Buildings that have the ‘wow’ factor not only raise awareness of a place but they may also get press coverage and offer PR opportunities. This may give them political value. At best, they may also encourage tourism and visitors, who contribute positively to the local economy.
Bournemouth library replaces a library that used to be known as the second worst in England. Built on a derelict site, the library is formed as a horseshoe on two open and informally arranged levels. The layout inside makes it easy to move between activities. Reader areas overlook the central exhibition space and enjoy views over Bournemouth Gardens. The glazed north side provides a window to the town, connecting the building to its surroundings.

The project was one of the Treasury’s private finance initiative projects. It won the CABE-organised Prime Minister’s Better Public Building Award in 2003. The judges’ comments noted that its success was due to the commitment of the borough council, the developer, the contractor and the design team to provide the best possible building. Another judge noted: ‘This library is a triumph of excellent design, enthusiasm, and urban renewal. I believe the library will prove to be a beacon of design excellence…all those involved can take pride in what they have achieved’.

A new public square is to be created in front of the library, funded by the South West Regional Development Agency. The freeholder of the library has also contributed because the improvements will help to revive the local economy.
‘The quality of a housing scheme contributes to social value and the development of communities’
Social value

Social value is concerned with how places and buildings encourage people to interact in ways which lead to trust, mutual understanding, shared values and supportive behaviour. Social value arises when people can connect to others with common interests. Benefits flow from trust and co-operation, as members share information and do things for one another.

A community is a network of social relationships based on people caring for and being committed to each other. For there to be trust within a community, everyone needs to act honestly and fairly, and to co-operate with others. An example is where neighbours informally keep an eye on one another’s homes. Standards of behaviour and shared aims within social networks may create expectations that others will be trustworthy and will take part in activities that benefit the group.

Social networks being formed and maintained do not depend purely by the built environment, but there is a wealth of evidence to show that housing schemes may contribute positively to or detract from, social value and the development of communities15.

Social value is usually measured by indicators which allow comparisons to be made between neighbourhoods to identify areas where improvements are needed. Surveys before and after a project will allow the benefits gained to be assessed. Examples of indicators related to the built environment used in social surveys include the following:

- the percentage of people who feel there is a good community spirit where they live
- the percentage of people who are proud of their neighbourhood
- the percentage of the population who feel safe to go out at night
- the decrease in the number of people suffering from mental health problems
- the number of people taking regular exercise16.

Social value
Lister Park, Bradford

In the 1870s, Lister Park was opened as a public park to serve the community working at the nearby Manningham Mills factory and living in the terraced streets between the mill and the park. But lack of maintenance and investment over the past 30 years led to neglect and vandalism, with many people avoiding the park altogether.

In 1997, Bradford City Council put together a bid to the Heritage Lottery Fund which granted £3.2 million while Bradford MBC contributed £1 million. This allowed for a series of improvements to the park. The council conducted a huge local public consultation exercise to make sure local people were fully involved and that the park would provide real benefits to the local community.

The improvements include a new lakeside boating pavilion, a new playground, building the formal Mughal Garden, a bowling pavilion, general replanting, improvements to the botanical gardens and to paths, seating, bins and lighting. Converting the original tennis courts to multi-purpose games courts that are free to use have kept a lot of young people off the streets.

The improvements have had a big effect and the park is a resource that is now well used by all sections of the community. Wider regeneration has also been boosted. In particular the 19th century Grade II* listed Lister Mills are being converted to a mixed use complex. The site will provide 370 homes plus community facilities and new office and studio space for 1,300 jobs. The developer, Urban Splash, says that the restoration of the park was a major element in their thinking, making their proposals viable.
‘Good environmental design can offer benefits with no added cost’
Environmental value

Buildings use natural resources in their construction, produce waste which goes to landfill, occupy land which might otherwise support plants and wildlife and, after they are completed, use electricity, gas and oil for heating, lighting and so on. Environmental value tries to express how well a building’s impact on the environment is minimised.

Other environmental aspects of a building’s performance are easier to value. For example, through good design it is possible to create design options that offer benefits with no added costs. The way a building faces and the size and position of windows (to make the best use of sunshine and wind) can help to reduce the use of artificial lighting and mechanical ventilation. There are other measures like:

- increasing insulation of the building fabric
- specifying intrinsically efficient lighting
- heating and ventilation technologies
- having controls which encourage good energy management

All of these have capital cost implications but the benefit they provide can be easily compared to the costs.

Low-maintenance long-life materials that are robust in use against wear and tear may cost no more than less long-lasting materials. As with utility costs, you can use a cost-benefit analysis to assess alternatives. A ‘cradle to grave’ approach will also consider future demolition and recycling issues. A building which is flexible or adaptable, and so able to meet future needs and upgraded services without major alterations, will have a higher option value.

The BRE Environmental Assessment Method (BREEAM) and similar tools provide a way of assessing a building’s effect on the environment. Strict targets should be set for energy and water use, and checked regularly during the design process.
Environmental value
Ecology and art pavilions, Mile End Park, London

The 90-acre Mile End Park was originally part of the 1943 County of London Plan. Although the land was cleared after the war, it remained a bleak underused open space. Only when Millennium funding became available was a masterplan prepared. As part of the park, two buildings were proposed, one to hold exhibitions about ecological principles, the other art exhibitions. The two buildings have been inspired by the principles of environmental sustainability: each faces south west to make the most of the heat from the sun and each is ‘earth-sheltered’ (partially buried with the roof covered with earth). This means that they don’t stand out too much against the surrounding landscape, and reduces the amount of land used.

The pavilion in the ecology park sits beside a lake with reed beds, beaches, timber walkways and islands, one of which has a wind turbine that powers a pump which puts air into the water. The earth dug up to form the lakes has been used for the earth-sheltering on the pavilions, so no material had to be brought into or taken away from the site.

A dramatic ‘green bridge’ links two parts of the park that were separated by a major road; 75,000 drivers pass under the bridge every day. The pathway runs the length of the park, providing safe and attractive paths for people walking and, separately, for cyclists; it is considered to have contributed significantly to reducing pollution by reducing car use on already heavily used and congested nearby roads. Water for the plants and the lakes is supplied from two specially drilled 40m-deep boreholes, while ‘grey water’ is recycled.
‘Building is one of our contributions to culture and shows the sort of society we want to create’
Cultural value

Culture makes us what and who we are, and the buildings, whether historical or modern, are part of our common culture. It gives an identity to our time and place in history, connects us to past and future generations, contributes to our sense of national identity, and represents human achievement. We may marvel at the courage of those who built the great cathedrals, admire the industrialists who built model communities for their workforce, celebrate the lavish buildings of Victorian Britain, or deplore the cruelty of the workhouse.

But making buildings that will be treasured by future generations is not simply something that happened in the past. As we build, we create a legacy for future generations. It is one of our contributions to culture and shows the sort of society we want to create. As the culture secretary, Tessa Jowell has argued:

‘Architecture is a powerful vehicle for encouraging engagement with culture more widely, and greater civic awareness. The mundane and ugly in music and art are soon swept away and forgotten; their built environment equivalent is there for all to see, and sometimes for decades. There is therefore an even greater obligation to produce new buildings of the highest quality. I believe that when we see beautiful or intriguing buildings and places, whether ancient or modern, we are adding to [our] reservoir of personal resource as much as music, literature or the visual arts.”

Cultural value then is a matter of a development’s contribution to the culture of a town or city, how it relates to its location and contribute to local distinctiveness, or become part of modern design canon. At best, developments that contribute to a place’s culture benefit from wide publicity and critical acclaim, and become a focus for visits from people who are merely curious as well as those committed to experiencing great buildings. The power of such developments to stimulate inward investment and regeneration can be in the UK and abroad.

Walsall Art Gallery owes its origins to Kathleen Garman, second wife of Jacob Epstein, who donated the Garman Ryan collection in 1973. The collection includes many works by Epstein, as well as others by Monet, Van Gogh, Renoir and Turner. The gallery’s director, Peter Jenkinson, supported by a few councillors, decided that the town should have a new art gallery to give the people of Walsall a cultural and educational service of the very highest quality. It would promote pride in the area and draw national and international attention to Walsall and its achievements. Its approach is intended to be a model of how art galleries can contribute meaningfully to life and culture in the 21st century.

In 1995, an international two-stage architectural competition was held. This resulted in the architects Caruso St John being appointed. They were chosen for their sensitive approach to the brief. Three quarters of the funding for the £25 million project was from the Arts Lottery Fund.

The gallery, which opened in February 2000, has gained huge praise from the public. It has received wide publicity in the UK and abroad, has won many prestigious awards, and is the subject of at least one book. It has been described as ‘one of the most significant British buildings to be created in the 1990s’. In its first year of opening it had 250,000 visitors, way above its first year target. The success of the gallery has given the government confidence in the council and other local agencies’ ability to deliver regeneration projects. The area around the gallery is now the subject of a strategic framework plan as well as serious interest from development partners.
Are you achieving best value?
Value in urban design

The ‘Guggenheim effect’ in Bilbao, Spain, is a widely discussed phenomenon. There, a modern, striking building and new appropriate transport and infrastructure in a run-down and unfashionable area, has acted as a symbol of the city’s confidence. This in turn stimulated private investment, bringing about the regeneration of a lot of the city. In the UK, Brindley Place in Birmingham is often held up as a similar example. Here the emphasis is on features like pedestrian routes through the site, mixed uses and attractive open spaces, rather than iconic architecture.

As a result of studies commissioned by CABE and others, a lot is known about the benefits of good urban design. They include good access for vehicles and people on foot, good links with neighbouring developments, a variety of public spaces and facilities, and a mixture of uses. At best, everyone stands to benefit:

– investors and developers see higher returns
– designers see repeat business
– businesses benefit from being able to recruit loyal staff
– everyday users benefit from an improved environment and an increased range of facilities.

By exploiting this new understanding, central and local government can make the best use of public money and provide the greatest benefit to the local population.

A recent international review categorised the benefits of good urban design as shown overleaf.

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The economic, social and environmental benefits of good urban design

<table>
<thead>
<tr>
<th>Economic</th>
<th>Social</th>
<th>Environmental</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local character</td>
<td>Helps promote and give identity to cities and regions</td>
<td>Reinforces a sense of identity</td>
</tr>
<tr>
<td>Connections</td>
<td>Increases the success of local service shops and facilities</td>
<td>Improves security</td>
</tr>
<tr>
<td>Mixed use</td>
<td>Increases value for those preferring a mixed-use neighbourhood</td>
<td>Improves access to essential facilities and activities</td>
</tr>
<tr>
<td>High-quality public areas</td>
<td>Attracts people and activity leading to an improved economy</td>
<td>Increases involvement in community and cultural activities</td>
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</tbody>
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Extraordinary spaces: high quality design increase use and sense of well-being

Value of well-designed housing

A study for the Royal Institution of Chartered Surveyors in 1997 estimated that more money – as much as £2 billion a year – is spent on treating illnesses arising from poor housing conditions than is spent by local authorities on their own housing stock.

Mental health as well as physical health is affected by buildings, and the quality of housing developments, as much as the condition of individual homes, is a contributing factor. Well-designed housing can increase opportunities for positive social interaction, reinforce social identity and pride in an area, and encourage social inclusion. These in turn contribute towards improved health, wealth, morale, goodwill and self-esteem. Other benefits include giving a sense of belonging, promoting neighbourly behaviour, involving communities, and feeling safer and more secure. Good neighbourhoods help to reduce vandalism and crime, both through casual policing by passers-by and more formal arrangements for residents to watch over one another’s homes.

A study of six areas that make up Bournville in Birmingham, where up to 40 per cent of the homes are owned by the council or housing associations, showed that neighbourhoods with mixed tenure can be successful. The study reports that employment and wealth are also important: not everything can be explained by the quality of the neighbourhood.
Nevertheless, the following were identified as important principles:

- a high-quality natural environment
- an imaginative and logical planning framework
- high architectural quality of the built environment
- a mixed community
- a good and consistent estate management capacity
- and positive involvement of the community in managing the neighbourhood.

However, a lack of facilities for young people was noted as a problem and a possible source of antisocial behaviour\textsuperscript{23}.

A study of the Westwood estate in Peterborough involved road narrowing, traffic calming, new garages and hardstandings, landscaping and lighting. A number of alleyways were blocked off to keep out strangers. Housing improvements included new porches, secure windows, and new bathrooms and kitchens. Surveys showed that before the work residents’ mental health, and their satisfaction with the estate, were both extremely poor. Three years after the work, there were substantial improvements to mental health and satisfaction which were put down to the physical changes and the residents’ perception of them\textsuperscript{24}.

\textsuperscript{24} Halpern, D. Mental health and the built environment: more than bricks and mortar? Taylor & Francis, London, 1995
Value of well-designed public open space

Public open space that is well designed, well maintained, clean, safe and accessible can provide quiet areas for appreciating nature, as well as for recreation and sport. The known benefits include improvements in people’s physical and even mental health, and the environmental value of biodiversity and improved air quality25.

A well-connected network of public green spaces can provide walking and cycle routes and be part of an environmentally friendly transport system. In Copenhagen, Jan Gehl’s planning work shows how providing of well-planned and well-managed open spaces, combined with measures to reduce traffic, have led to a variety of benefits, including a 65 per cent increase in bicycle use over a 25-year period26.

Studies in the US clearly show how home-owners are willing to pay more to live near parks or to have views over open space27. A Dutch study showed that being near water raised the price of a house by 11 per cent, a view of a park by 8 per cent, and closeness to a park by 7 per cent28.

Some questions to ask yourself

- Do our open spaces promote a positive image, showing our vision of the relationship between built-up areas and open space?
- In their layout and features, do our spaces contribute to local character and distinctiveness, and form part of our local heritage?
- Do our public spaces encourage healthy outdoor lifestyles by providing a safe environment for leisure and recreation activities including walking and cycling?
- Do our public open spaces provide a variety of useful and practical spaces that are well suited to formal sport and informal recreation?
- Do our public open spaces support biodiversity and wildlife, and provide a green area in our urban centres?
In the UK, the effect a nearby park has on the value of homes was assessed in a CABE study based on eight UK parks. When all other factors (such as shops, schools, busy roads) were controlled, a clear positive relationship was found between the value of homes and whether they overlook or are close to a park. The increase in value ranged from between 0 per cent and 34 per cent, with a typical increase of about 5 per cent. The study also identified other non-financial benefits arising from being close to a park and found that good quality parks and green spaces are essential in setting up strong, long-lasting communities.

Our research, *Urban parks: do you know what you’re getting for your money?*, shows that many local authorities only make ad hoc links between the money they spend on their green spaces, and the improvements they hope to achieve. This results in parks and spaces falling to the bottom of the priority list for spending. The report suggests that when you set clear targets for your green spaces, you begin to enjoy the full range of benefits they can provide across your services.

Parks and green spaces are an essential element of successful places – 91 per cent of people think that they contribute to their quality of life. Green spaces can contribute to the quality of people’s lives by improving the environment, helping to develop communities, increasing the value of land, and attracting investment.
Value of well-designed workplaces

A survey in 2003 showed that 94 per cent of office employees think their places of work show whether they are valued by their employer, but only 39 per cent believed their offices had been designed with people in mind. Organisations often think that their workplaces are liabilities rather than assets, and they may not be considered in terms of the organisation’s goals.

Yet there is a lot of research to show the contribution well-designed buildings make to recruiting and keeping staff, reducing absenteeism, increasing turnover and profitability, and promoting a corporate image. Well-designed, functional offices encourage teamwork, while flexible accommodation that offers a variety of workspaces encourages informal and formal communication and flexible working patterns.

A study of the headquarters of 10 leading private sector organisations showed that most commissioned a new building as part of a wider corporate development process, with the aim of transforming how they do business. Employee satisfaction was the most highly rated motivation, and the organisations aimed to make their staff more able to contribute to turnover and profitability by reducing hierarchy, and encouraging creativity and communication.

The availability of a good view, natural daylight and good ventilation contribute to comfort, while their absence causes discomfort and has a negative effect on productivity. Opportunities to open windows, close blinds, change seating position and adjust temperature controls are all associated with comfort, health, employee satisfaction, and productivity.

Building-in flexibility and adaptability can contribute to the long-term value of workplaces which are subject to change in the way they are used.
### Some questions to ask yourself

<table>
<thead>
<tr>
<th>Question</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>Do our offices and workplaces show our authority’s values, our pride in our area and our vision of the future?</td>
<td>Do our buildings and facilities show excellence in design and contribute to local character and the distinctiveness of their surroundings? Are they buildings we can take pride in, and that are valued as part of our heritage?</td>
</tr>
<tr>
<td>Are our workplaces open and welcoming, encouraging visitors to feel they are part of the local community?</td>
<td>Are our workplaces durable, and need only low levels of work to keep them working and looking good?</td>
</tr>
<tr>
<td>Do our workplaces provide attractive working environments that promote the health and wellbeing of employees?</td>
<td>Do workplaces provide environments that offer a variety of workspaces and encourage productivity through improved teamwork and communication?</td>
</tr>
<tr>
<td>Do workplaces provide environments that offer a variety of workspaces and encourage productivity through improved teamwork and communication?</td>
<td>Do the amounts of energy and water used in our workplaces represent best practice?</td>
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</tbody>
</table>

**Investing in people: quality design in the workplaces**

*Loxley House, Nottingham: Peter Cook © VIEW*
Value of well-designed education buildings

At best, a well-designed education building is a source of local pride and a focus for the local community. Its design contributes to recruiting and keeping staff, and its teaching spaces provide a stimulating learning environment that inspires pupils and staff alike. Its layout may help staff to supervise pupils and help reduce truancy and vandalism. As education buildings increasingly become community resources and support lifelong learning, flexible designs that allow some areas to be used in the evening and at weekends are increasingly needed.

Guidelines for daylight, ventilation, and acoustics in educational buildings have a long history but, until recently, there was limited evidence of the effect design has on educational outcomes. Two major investigations for the Department for Education and Skills have found that investing in school buildings has a positive influence on staff morale, pupil motivation, and effective learning, and a positive effect on learning outcomes

At the same time, the quality of architecture has been reported as falling below best practice, leading to concern about whether poor environments inside schools have a negative effect on educational achievement. A study of three new secondary schools found the control of ventilation, temperature and lighting inadequate, and that there was a lack of daylight, poor circulation and poor signposting. School pupils consulted about school design would like not only attractive learning spaces, but also spaces for social contact, a canteen where they can have a civilised lunch, and toilets that are clean and vandal-proof.
A wide-ranging examination of how learning environments affect student behaviour, motivation, learning and achievements confirms that poor air quality, temperature, and noise inside schools have negative effects on pupil attendance and learning outcomes. A 1999 US study claimed that students with the most daylight in their classrooms progressed 20 per cent faster on maths tests and 26 per cent on reading tests than those with the least; however, the results were not repeated in a follow-up study.

There is a lot of evidence about the importance of involving users in the design of new facilities, and good practice guidance is widely available.

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Some questions to ask yourself

- Do our educational buildings demonstrate our commitment to delivering high-quality education and symbolise our vision?
- Do our educational buildings contribute to the character of their surroundings, and are they buildings in which we can pride architecturally and value as part of our heritage?
- Do our educational buildings contribute to the local communities they serve by encouraging community involvement and social inclusion?
- Do our educational buildings provide learning environments which motivate teachers to teach and inspire pupils to learn, which facilitate supervision and help to reduce truancy and vandalism, and which contribute to educational attainment?
- Are our educational buildings intrinsically energy-efficient, as well as robust and durable, so their energy and water use is low and need only low levels of work to keep them working and looking good?

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45 *School works: www.school-works.org*

Value of well-designed community facilities

Local authorities are responsible for providing a wide variety of high-quality, cost-effective services. All of these involve buildings, whether they are libraries, sport and leisure centres, swimming pools, galleries, museums, community centres or village halls.

Some questions to ask yourself

Do our community facilities provide high-quality services that encourage involvement and lead to local skills being developed?

Are our community facilities open and welcoming? Do they show our vision for a well-informed and healthy local population?

Do our community facilities contribute to local character and distinctiveness?

Do we provide facilities that help build and maintain strong communities?

Do we provide safe, clean and attractive facilities that offer a variety of opportunities for life-long learning, sport and leisure?

Are our community facilities energy-efficient, using minimum levels of energy and water?

The government’s Framework for the future: libraries, learning and information in the next decade is a 10-year vision for the public library service. Libraries make a major contribution to learning, social inclusion and e-government, and are used by 30 per cent of the population. They are becoming centres for accessing all kinds of knowledge, and are increasingly being developed in partnership with other services, particularly education. CABE’s publication Better public libraries shows many examples of new or refurbished libraries where local authorities have used good design to attract those who normally do not use them, and to provide facilities for lifelong learning. Several have won awards and, in all the case studies, the number of people using them has exceeded expectations.
Through its series *Sport playing its part*, Sport England has brought together evidence to show the role sport can play in healthy lifestyles, making the elderly more independent, reducing crime and increasing social inclusion. Sport can have a positive influence on how a community views its local area. The cost of physical inactivity in England has been estimated at £8.2 billion a year, with a further estimate of £2.5 billion attributed to how inactivity contributes to obesity. In 10-15 years, obesity is expected to overtake smoking as Britain’s biggest killer. Although some sport can be delivered in public spaces, many sports need high-quality facilities. The National Ice Centre at Nottingham has created jobs, led to significant levels of urban regeneration and attracted an estimated 30,000 extra overnight stays by visitors each year.

Village halls and other community buildings are widely recognised as contributing to healthy community life. By providing facilities and services to support social activities, community buildings encourage active involvement by all members of a local community, helping to reduce isolation, and contributing to strong social relationships. However, many older halls are in urgent need of repairs and renovations to make sure they meet minimum health and safety standards, and their condition often reduces the use made of them.
The policy context
Making better places

Improving the quality of the built environment is widely recognised as vital for local authorities to deliver services, and is part of the policy framework that councils work within.

Local strategic partnerships
For our towns and cities to reach their full potential, joint action needs to be taken on planning and design, the urban environment, land use, economic regeneration, employment and local services. Under the Local Government Act 2000, local authorities must prepare a community strategy to improve the economic, social and environmental well-being of their area and its residents. Community strategies are intended to provide:

- a coherent approach to the long-term economic, social and physical development of our cities, towns and rural areas; and
- a clear strategy and vision for the future.

Local strategic partnerships that involve public, private, community and voluntary sectors are at the heart of the community strategic planning process, with responsibilities to improve services and respond to people’s needs and aspirations.

Local area agreements
Local area agreements set out priorities for a local area around four themes:

- children and young people
- safer and stronger communities
- healthier communities and older people
- economic development and enterprise.
They are negotiated by local authorities on behalf of their local strategic partnerships and their government office, and are intended to make the best use of available funds. Well-designed buildings and public spaces can play an essential role in supporting and delivering all four themes. Many authorities that piloted Local area agreements used them to deliver their community strategy and their Local neighbourhood renewal strategy, both at the heart of a successful built environment.

**Public service agreements**

Public service agreements (PSAs) are targets set by the government to reflect priorities, such as health, education, crime, transport, social housing and employment. Public service agreement target 8 on ‘liveability’ contributes to the Department for Communities and Local Government’s ‘Cleaner, safer, greener communities’ programme, which is intended to create a noticeable difference in quality of life in every community. Its priorities are:

- to create attractive and welcoming parks, play areas and public spaces
- to improve the physical fabric and infrastructure of places
- to make places cleaner and maintain them better
- to make places safer and tackle antisocial behaviour
- to involve local people and communities and give them more power to change things
- to provide appropriate facilities and care for children and young people, and tackle inequalities.

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54 [Cleaner, greener, safer, communities](http://www.cleanersafergreener.gov.uk)
56 [Improving public services through better construction](http://tinyurl.com/5yu6l), National Audit Office, London, 2005.
57 [Better public buildings](http://www.betterpublicbuildings.gov.uk)
These priorities are also directly linked to other PSAs such as:

- reducing the fear of crime and anti-social behaviour (Home Office PSA2)
- increasing the number of adults and young people taking up cultural and sporting opportunities (Department for Culture, Media and Sport PSA 3)
- halting the rise in obesity among children and the population as a whole (Department of Health PSA 4)
- promoting sustainable development across government and in the UK and abroad (Department of the Environment, Food and Rural Affairs PSA 1).

Local strategic partnerships provide a forum for key partners and local people. Local voluntary PSAs may be set up in line with levels of performance, and local priorities and targets may be agreed, together with the actions necessary to deliver them.

**Public services and better buildings**
The contribution a well-designed built environment makes to social and economic outcomes is widely recognised in the public sector. For example, the Treasury’s *Green book* emphasises that non-financial benefits need to be included among value-for-money assessment criteria for public building proposals. It also endorses the CABE/Construction Industry Council design quality indicator tool as a way of assessing these sorts of benefits. The Office of Government Commerce’s *Achieving excellence in construction*, includes a guidance section devoted to the topic of delivering high-quality design. The National Audit Office has also endorsed the positive effect that buildings have on services: ‘Buildings that are designed well will have improved functionality and lower whole-life costs and will deliver beneficial environmental and social impacts and, more aspirationally, may inspire users, strengthen local identity and contribute to civic pride.’

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Comprehensive performance assessment

Comprehensive performance assessment provides a simple and straightforward report about how well each council is performing. Ultimately its purpose is to improve the quality of services provided to local people, by helping councils focus on planning improvements. It also helps government to identify councils where further targeted support and recovery planning may be needed.

The assessment is conducted by the Audit Commission and councils receive an overall performance category between 0 and 4 stars (4 stars being the highest). The scoring system also assesses whether performance is improving or declining.

Built environment issues arise in the three key service areas of environment service (which includes planning quality and the use of brownfield land), housing service (which covers both public and private sector housing issues), and cultural service (which refers to public library provision, sports facilities and recreation, and resident satisfaction with museums and galleries, theatres and concert halls, and parks and open spaces.)

The assessment is based on a combination of Best Value Performance Indicators (BVPIs – see below) together with a variety of other indicators known as non-BVPIs. Full details are given on the Audit Commission website59.
Best value performance indicators

Best value performance indicators (BVPIs)\(^60\) are measures of performance set by the government. They exist because of local authorities’ duty to provide the best possible value (which requires them to seek continuous improvement in the efficiency, effectiveness and economy of their services). The Audit Commission includes local authorities’ performance achievements with respect to BVPIs in their comprehensive performance assessments. There are around 100 BVPIs covering most of the aspects of services provided by local councils. Although there is currently no BVPI which relates directly to the quality of the built environment which local authorities are responsible, the BVPI challenges local authorities to assess the performance of their public spaces and buildings. Some authorities have put forward indicators concerned with the built environment such as:

- the area of parks and green spaces for every 1000 people in the local population (LIB039)
- percentage of new dwellings which meet the new SAP (standard assessment procedure) levels for new housing (LIB056)
- The percentage of residents surveyed satisfied with their neighbourhood as a place to live (LIB133).

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58 Government beacon scheme:  
http://tinyurl.com/lkuj3
59 CPA – The Harder Test 2006: Guide to service assessments for single tier and county councils, Audit Commission, 2006 available at:  
http://tinyurl.com/qqtpl
60 Best value performance indicators: www.bvpi.gov.uk
**Property asset management**

Property (together with other resources like finance, human resources, and information technology) is an important resource for helping local authorities to provide effective local services. Property is also expensive, long-lasting and relatively inflexible. Good property asset management plans are therefore vital to the effective delivery of services, and property planning should reflect business planning. This approach will make sure you take into account the property implications of your vision and objectives. This handbook will help to inform your property asset management plans. Extensive practical guidance is also available from the RICS.

**Beacon councils**

The beacon council scheme was introduced in 1999 to identify centres of excellence in local government which others can learn from. Authorities are appointed as beacons on the strength of excellence in a particular service, supported by good overall performance and effective plans for sharing good practice. In each round of the scheme, ministers choose around ten services areas as the themes in which authorities can apply for beacon status. The themes chosen represent issues which local people and local authorities consider important, as well as reflecting the government’s priorities.

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61. Asset management standards, RICS, 2005
Chelmsford Borough Council is trying to improve the quality of new places, particular areas of growth and urban renewal. A design-led culture in all built environment services is being developed, supported by a design champion promoting the value of design. The council’s vision includes architectural excellence in public buildings and making good places, and policies on design quality are included with both the local plan and the community plan. Achievements include an improvement in the quality of greenfield developments, while the canal banks in the town have been transformed.

West Dorset District Council has successfully protected and added to local distinctiveness and identity through design statements and development briefs. Working with local and national conservation bodies, consulting and working with the community, and cross-divisional working teams, have all contributed to a culture which encourages high-quality design across the whole council. Officers’ skills in urban design have benefitted from in-house training and academic connections. Schemes have received design awards and been featured as good examples in government publications.
Once you’ve completed your assessment, many resources are available to help you decide how to take action in the areas you’ve identified. These websites are the best places to start:

**CABE website** – www.cabe.org.uk – has a full suite of publications, case studies, services and advice.

**www.dqi.org.uk** – is essential for evaluating the design quality of individual buildings.

Two important publications show how you can maximise the value of your building projects through the procurement and construction process:

- **Improving public services through better construction**
  http://tinyurl.com/rufqr

- **Achieving excellence in construction**
  http://tinyurl.com/gpv6f

This evaluation sheet will help you assess the design quality of your buildings. It should help you to identify the strengths and weaknesses of your buildings, streets and open spaces, and assess whether they are delivering best value for everyone with an interest in them. You could also use it to structure a workshop discussion, or to photocopy and distribute across departments.

### Your summary assessment

#### Exchange value
Our buildings and places represent good value for money and prove that public funds have been wisely invested. They help maintain the value of surrounding properties, and encourage investment, regeneration and new jobs.

#### Use value
Our buildings and places provide attractive and healthy working conditions that help to recruit and keep staff. They support their activities, achieve and contribute to the economic value of the district.

#### Image value
Our buildings and places show our vision of local identity and are committed to improving the quality of our environment, welfare and services.

#### Social value
Our buildings and places create positive opportunities for social interaction, and encourage neighbourly behaviour. They provide opportunities for social inclusion and social cohesion.

#### Environmental value
Our buildings are energy efficient, as well as being flexible. They use as little energy and water as possible, and comply with environmental standards for new buildings.

#### Cultural value
Our buildings and places are places we can take pride in. They lift the spirit, contribute to the character of the area, and are valued as part of our local heritage.
CABE and the Prime Minister’s Better Public Building Award

The Prime Minister’s Better Public Building award was launched in 2000 to raise awareness that an attractive and safe environment in towns and cities, with well-designed individual buildings, could be important both to the quality of life and economic success. Its aim is to encourage people to adopt high-quality design principles in all new public buildings, regardless of size and cost, by promoting the need for, and benefits of well-designed public buildings. Winning schemes have included the Jubilee Library in Brighton (2005), Bournemouth Library (2003) and the City Learning Centre in Bristol (2002).
Quality of the built environment within the beacon scheme

The quality of the built environment was chosen as a theme in round four of the beacon scheme (2003 to 2004). The quality of the built environment includes planning; street scene; and other elements of the liveability agenda. Three local authorities took part – Cambridge, Chelmsford and West Dorset.

As guardian of one of the most beautiful historic cities in Europe, Cambridge City Council’s aims include protecting the city’s heritage and making sure new developments in this fast-growing region are of the highest-quality design. The council has a clear commitment to design quality in the built environment, has committed resources to achieving this, and works with a wide range of relevant people and organisation to ensure their aims are met. Achievements include design awards, streetscape schemes, and successful masterplans.

63 IDeA: http://tinyurl.com/m945l