



Euromed Heritage

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Case study : Evaluation of the economic impacts of the regeneration of Liverpool RopeWalks (England)

(Text accompanying the PPT slideshow presentation)

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I was requested to present today the evaluation of the economic impacts of the regeneration of a heritage site. We selected the case of the regeneration of a quarter of Liverpool in England, called Liverpool RopeWalks. After a small background presentation, I will focus on the methodology and the indicators used for the evaluation of the impacts. I was requested to concentrate on the economic indicators used so I will try to leave aside other indicators which are nonetheless extremely important, in particular the social impacts and indicators. In a third part, I am going to present some of the shortfalls of this method developed for the evaluation of the Liverpool Rope Walks. Of course, this case cannot be exactly reproduceable; however it might provide ideas to be adapted nationally to build upon some of the results from the EuromedHeritage programme.

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The project that I am going to focus on in this presentation aims to regenerate the quarter of Liverpool Rope Walks. The regeneration area covers about two hectares, within what is, since 2004, the boundaries of the World Heritage site known as Liverpool Maritime Mercantile City. Its name refers to the rope manufacture for ships that thrived in the 18th century. The straight layout of the streets reflects the open areas where the ropes were made. The area has thus industrial value strengthened by several warehouses, used in connection with the port. This quarter also became a fashionable residential area for wealthy merchants as well as one of the most exclusive shopping areas outside London in the 19th century. It thus acquired aesthetic and architectural values. The area's long decline started in the early 20th century as the docks and the city's manufacturing declined. Bombing during the Second World War accelerated the area's deterioration. Since then, lack of investment from the owners of the buildings, particularly the city council and, more

recently, speculators, meant that the area remained run-down. By 2000 many of the area's buildings were empty and in ruins.

This quarter of the Liverpool Rope Walks obtained a contribution of 15.5 million pounds from the Heritage Lottery Fund in 1999 through its Townscape heritage initiative programme. This programme aims to give grants for the regeneration of areas that have both heritage merit and demonstrably high levels of social and economic deprivation. The funded project had to involve a partnership, local communities and had to bring long term benefits. The project was thus a partnership of Liverpool City Council, local community representatives and a number of financial partners, such as English Partnerships and the European Regional Development Fund. Unfortunately, it is not clear what was the additional amount of funding from these different organisations for this regeneration project.

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A university – Oxford Brookes – undertook the official evaluation of the regeneration of Liverpool Rope Walks based on baseline data gathered at the beginning of the project in 1999/2000 and assessment of the evolution of these data at the end of the regeneration project in 2005. This evaluation, taking place in parallel to the regeneration scheme, had the following objectives:

First, has the regeneration scheme contributed to the community's sustainability through encouraging community involvement and access – that is, has it enhanced **quality of life**?

Second, has the Townscape heritage initiative scheme improved the area's **appearance**?

Third, has this scheme facilitated **investment** in the area?

And finally, has this regeneration scheme created greater **social and business confidence**?

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To reply to these questions, primary and secondary data were collected by the team. Primary data collected included questionnaires. Around 500 questionnaires with 36 questions were mailed to randomly selected people of the area benefiting from the regeneration scheme at the beginning and end of this programme. The questionnaire asked respondents how they perceived the site and whether they regarded it as a place to live in, to visit, to work, to shop or to socialise. It also asks about respondents' perceptions of crime and security in the area and whether safety had improved or might improve. Questions were also asked concerning people's knowledge of local history and heritage. To complement the information from the questionnaires, several face-to-face and written interviews were undertaken. The team approached individuals with firsthand experience in implementing the scheme, such as townscape heritage site managers, local authority planners, police authority

representatives, estate agents and chamber of commerce or trade association representatives, as well as community group leaders.

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The townscape survey had three components: condition survey, land use survey and streetscape evaluation. For the condition survey photos were taken at the beginning and end of the Townscape heritage initiative scheme and monitored buildings with aesthetic or architectural significance. It also consisted in recording and monitoring long views terminated by landmarks. The land use survey recorded how the ground and upper floors of buildings were used and monitored any changes in land use at the beginning and end of the scheme. Since data was collected through observations, it was easier to gather data for the ground rather than for the upper floors. Finally, the streetscape evaluation consisted in assessing different views of the areas using 25 pre-defined variables to analyse:

- streetscape quality
- private space management
- heritage conservation

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Most of the data hoped to be collected through secondary sources related to the economic dimension of the site, including:

- data about occupations such as employment and unemployment levels
- socio-economic hardships of the population through existing deprivation measures and child poverty index rank
- property values through average house price as well as commercial and property value
- visitor numbers to local heritage sites
- value of tourism as well as tourist information centre headcount.

However, the team undertaking the evaluation underlined the difficulty in obtaining the data, all the more difficult to obtain from local statistical offices. I will refer to this difficulty later on as this prevented the construction of some of the indicators and the possibility of having a complete understanding of the impacts of the regeneration scheme.

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The data collected contributed to building four indicators, which corresponded to the impact evaluation's four main questions, about:

- quality of life enhancement
- townscape improvements
- economic regeneration

- image and confidence-building

For each indicator, sub-indicators were developed. I am now going to detail some of the sub-indicators related to the economic impact of the regeneration programme. I will focus primarily on the sub-indicators related to economic regeneration and image and confidence-building. The other indicators are also very important but these are not within the remit of what I was requested to present today. Presentation and analyses of these other indicators are available in the report I wrote two years ago, available online.

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A key sub-indicator is 'Employment and Income' related to 'Quality of Life enhancement'. Indeed, the level of employment activity and household income was considered by the evaluation team as having a strong bearing upon the quality of life. Tracking local employment and occupational profiles and measuring this against broader and regional statistics may provide indications of the impacts of the regeneration scheme on the site. Existing indices in the UK, such as the Social Deprivation Index, have also been used since they are recognized as a robust basis for comparison. People's perceptions of their employment situations, as gauged by questionnaire responses, were also considered. The results of this indicator indicate the low level of income and employment both at the beginning and end of the scheme. This lack of improvement of the employment situation for local people is a major failure of the regeneration scheme and has led to problems, in particular the departure of the original population from the site, as further discussed later.

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I am now going to focus on the indicators related to economic regeneration. Its first sub-indicator recorded changes in land uses, taking a reduction in the number of empty properties or new constructions as, 'a positive sign that investors and developers have an optimistic view of future demand' and a rise in empty properties as 'a reflection of a declining market with weak replacement demand'. Data was obtained from secondary sources as well as observation from site surveys.

Result for this sub-indicator revealed great changes: in 2000, many buildings were empty, crumbling and with falling roofs; by 2005 they had been restored, and housed commercial, retail and residential properties. These restoration followed strict design guidelines. These new retail and commercial spaces have changed local opinions, according to the questionnaire results. Respondents who considered the area to be a good place to shop increased from 22 per cent in 2000 to 47 per cent in 2005. Since information on retail demand through planning application was not available, it was impossible to see whether the area will continue to attract new retail ventures.

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The sub-indicator – ‘Retail Usage and Demand’ was considered important to chart as it was an effective way of gauging consumers spending pattern. Evidence for this indicator was hoped to be gathered from local and national data sources, townscape observations, interviews and questionnaire responses. Unfortunately, no information was available on the numbers of retail planning applications or traffic flow, so this sub-indicator could not be calculated. However, observation and questionnaires confirmed a much heightened level of demand.

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Capital values and yields, another sub-indicator of the main indicator ‘economic regeneration’ measured commercial, retail or residential property market value and charted investor or business demand for space; a rise in capital and rental value obviously signifying a shift in the balance of supply/demand. Transaction data generating capital values and their equivalent rental values were used to chart investor and business demand for space. This sub-indicator ‘capital values and yields’ indicates a great change in the price of flats which has risen. In 1999 or 2000 not a single sale had been recorded, making it impossible to establish a baseline for property values. By 2005 prices in the Townscape heritage initiative area, however, were 15 per cent above the average price for the City of Liverpool.

These increases in capital value imply a change of owners of some of the flats, if the data on low local levels of employment and income is taken into account. This change of owners and inhabitants of the quarter does not seem to be reflected in the evaluation because many of the new flats were not yet occupied by the time the evaluation team finished collecting data. This demonstrates some changes in the local population and the gentrification of the area, a point I will further discuss later on.

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Media coverage and perception’, a sub-indicator related to ‘image and confidence building’ looks at press coverage of the scheme over its five years implementation, using media coverage data collected by the Heritage Lottery Fund and local libraries as well as from data from the questionnaires to assess local perceptions of the regeneration project. Results for this indicator demonstrate, for media coverage, a more positive presentation of the place in 2005 than in 2000. Media coverage and perception are important as they can influence investors' confidence.

As concerns perception of the project, in 2000, a quarter of respondents (about 12 out of 51) were aware of the THI scheme project; in 2005 more than two-thirds of the respondents were unaware of a scheme that had been in their neighbourhood for five years. This is rather a high figure, I would suggest. This apparent lack of local enthusiasm is rather surprising in

my view, considering the marked visible changes in the look of the area. These results are interesting since they may highlight differing perspectives about what 'improvement' of an area entails and what forms it takes.

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Finally, the sub Indicator 'Business Vitality and Investment' aimed to assess new businesses creation, planning application, redevelopment and conversions. Data for this sub-indicator was obtained through secondary data, as well as interviews with local businesses and residents, and observations of the townscape. Until 1999, the area had a history of disinvestment. Many of these problems have been overcome; the area is now entering the economic mainstream. Still, all is not well and the high level of ongoing construction impedes street life and commerce.

So, the evaluation provides a rather balanced evaluation of the regeneration scheme with aspects that have worked, first the great change in the land use of the area, the fact that the area is more attractive to investors nowadays and the fact that it benefits from wider and more positive media coverage.

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However, this example also presents a number of issues. First of all, some data were difficult to obtain, either in 2000, as baseline data or in 2005. As Oxford Brookes recognised, and I quote,

It is a continuing challenge to collect the data needed in interpreting the impact of conservation led developments in an area such as the Liverpool Rope Walks. Changes in staff and the varied demands on their time and energy make it difficult to collect information. Similarly the national and regional statistics available change in frustrating ways that seems, at times, to negate the very rationale for gathering them in the first place. As I just stressed, no data could be collected over time on the number of retail planning application or of traffic flow. In addition, visitors figures were also difficult to collect on a long term basis, making it difficult to understand the attractiveness of the locality and its heritage at the local, national and international levels.

The collection of primary data also presented some issues. This was particularly the case for the data based on the questionnaires. Out of the four hundred and sixty five questionnaires that were mailed to randomly selected addresses in the Liverpool area and surrounding streets at the beginning of the scheme in 2000, only fifty-one were returned. In 2005, only 36 questionnaires were sent back, which represented a return rate of less than 10%. This low rate of return can have many explanations, including the disinterest from or even the hostility of the local population towards the regeneration scheme, their misunderstanding or lack of awareness of the evaluation process. This might also reflect the change in the

population of the quarter who arrived after the first round of evaluation and who did not feel concerned by the questionnaires. This might also be due to the method of data collection. Face to face interviews might have yielded a greater rate of return but might have been too costly to conduct for Oxford Brookes University.

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Finally, the impact evaluation of Liverpool Rope Walks also hinted at the fact that the regeneration of this quarter has led to its gentrification. One of the problems relate to the fact that local communities were not systematically involved right from the beginning of the regeneration scheme and all through its different phases. Such involvement would have required some consensus-building, since the local residents are seldom a coherent group; people have different agendas and priorities. Ensuring such effective democratic governance and the empowerment of communities in the regeneration process would have helped to reduce the risk of gentrification through allowing local inhabitants to have a say concerning the changes to their areas. Another initiative should be to ensure that affordable and decent housings remain for the long-term inhabitants of the regenerated urban areas so that they are not forced to move out. This would ensure that a socially mixed population can live in regenerated areas.

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I will stop here but if you want more information about this renegeration programme, and the different indicators used, I encourage you to download the report I wrote, which this presentation is based on.

Thank you!!