

The Role of Partnerships in Urban Regeneration – Similarities and Differences between Germany and United Kingdom



Dipl.-Ing. Frank Friesecke
 Institute of Geodesy and Geoinformation
 Department of Urban Planning and Real Estate Management
 University of Bonn, Germany



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1

Table of Contents

- I. Shrinking Cities in Europe – Urban Development under Changing Demographic and Economic Conditions
- II. Strategies and Instruments of Urban Regeneration
- III. The Role of Partnerships for Urban Regeneration
- IV. Conclusions and Outlook



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2

Introduction: Country Comparison

- In both Germany and the United Kingdom, many cities face a range of demographic and economic challenges.
- These dramatic processes lead to a strong pressure for urban change.



Characteristics	Germany	United Kingdom
Government	Federal Republic	Constitutional Monarchy
Area	357,093 km ²	244,820 km ²
Population (2006)	82,310,000	60,209,500
Population Density	231/km ²	243/km ²
GDP (PPP) per capita (2005)	\$ 30,579	\$ 31,777

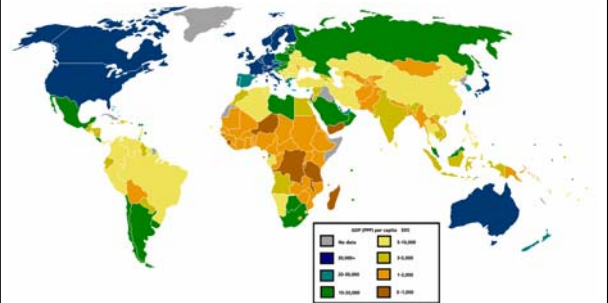


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3

GDP (PPP) per Capita World Map



Map of countries by GDP (PPP) per capita for the year 2006. Source: IMF (April 2007)



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4

I. Shrinking Cities in Europe – Urban Development under Changing Demographic and Economic Conditions

Global changes with impacts on the urban development policy

Demographic change	Economic change
Decrease of population	Globalisation/Europeanisation
Ageing	Deregulation of markets/ Internationalisation of the financial markets
Heterogenisation/diversification (e.g. pluralised lifestyles, broadening income spread)	De-industrialisation: tertiarisation of jobs Privatisation
Immigration	Rise in unemployment



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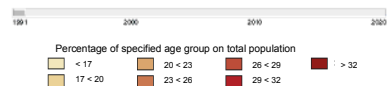
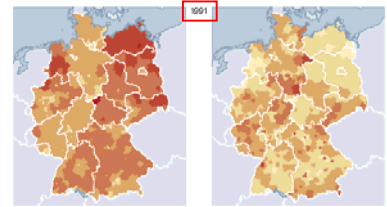


5

Germany: Ageing



Persons under 20 years of age Persons over 65 years of age



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6

Population Development in selected German Cities between 1990 and 2004

City	Population		Change
	31.12.1990	31.12.2004	
East Germany			
Chemnitz	296.000	246.000	-17 %
Halle	311.000	238.000	-23 %
Schwerin	128.000	99.456	-22 %
West Germany			
Bochum	396.000	382.000	-3,5 %
Dortmund	598.000	585.000	-2 %
Duisburg	535.000	503.000	-6 %

City shrinkage in the United Kingdom

City shrinkage is concentrated mainly in the largest urban areas:

- all of the eight largest conurbations (except London and West Yorkshire) lost population during the 90's,
- within the declining conurbations, the cities themselves fared worse than their suburbs,
- other large cities also lost population, although on a smaller scale,
- declining cities are concentrated in declining regions (industrial regions of the North East, North West and Scotland).

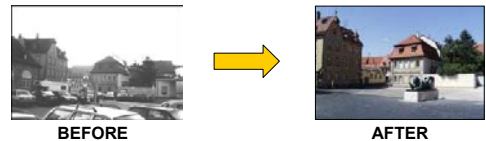
Consequences for the Cities

- Polarisation of demographic and economic development** between different regions:
 - „growth islands“ (e.g. Hamburg, Munich; London) adjacent to
 - „shrinking regions“ (e.g. Ruhr Basin, most parts of East Germany; Leeds, Sheffield).
- Demographic decline** in cities with severe impacts on:
 - municipal housing (vacancy, deterioration),
 - real estate market (decrease of property values),
 - technical and social infrastructure (under-utilisation) and
 - retail development (lack of consumer traffic, slump in sales).
- Ongoing suburbanisation** to the detriment of downtown development/population.

II. Strategies and Instruments of Urban Regeneration and Development

What is **urban regeneration**?

- UR is a comprehensive and integrated vision and action which leads to the resolution of urban problems and which seeks to bring about a lasting improvement in the economic, physical, social and environmental condition of an area that has been subject to change (Roberts/Sykes 2000).



The Urban Regeneration Process

Inputs	Economic analysis • e.g. structure of local economy • income flows • employment/unemployment	Social analysis • e.g. analysis of social stress • deprivation • skills and capabilities • community facilities	Environmental analysis • e.g. urban physical quality • environmental resource use • waste management • pollution
	External drivers of change • e.g. macro-trends in economy • European and national policy	Application to an individual urban area: • city-wide analysis / neighbourhood characteristics • existing plans and policies • specified goals and aims	Internal drivers of change • e.g. existing strategies • availability of resources • preferences of residents • status of partnerships
Outputs	Neighbourhood strategies • e.g. community action • inner area renewal • local social facilities • community-led planning	Training and education • e.g. skills enhancement • community training • enhanced research and development	Physical improvements • e.g. city-centre improvement • housing improvement • enhanced urban design and quality / heritage
	Economic development • e.g. support for new and existing firms • improved infrastructure • economic diversification	Environmental action • e.g. waste management • energy efficiency • urban greening • company-based action	

Source (modified):
Roberts/Sykes 2000,
p. 20

Urban Restructuring in Germany

- At present, three comprehensive and multidimensional approaches are directed at coping with problems of urban change:
 - The programme „**Socially Integrative City**“ is directed at strengthening social inclusion (since 1999).
 - The programme „**Urban Restructuring in the New Federal States**“ aims at strengthening inner cities, reducing oversupply of housing and revitalising cities affected by deconstruction (since 2002).
 - The programme „**Urban Restructuring in the Old Federal States**“ is tailored to cities to create sustainable urban development structures in areas affected by significant functional losses (since 2004).

Urban Regeneration in the United Kingdom

- Urban policy is a very complex system of initiatives and programmes ("bowl of spaghetti").
- Differing legal conditions of each area in the UK.
- City Challenge Initiative* (1991-1994)
- Single Regeneration Budget* (1994-2001)
- Since 2001: **New Deal for Communities** (NDC) as a key programme to tackle multiple deprivation in the most deprived neighbourhoods in the UK.
- Local Strategic Partnerships** aim to bring together at local level the different parts of the public, private, community and voluntary sector.



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13

III. The Role of Partnerships for Urban Regeneration



The urgent need for partnerships:

- A *partnership* can be defined as a formally organised coalition of interests comprising actors of different sectors (public and private) aiming at joint policy-making and implementation with a common agenda and action programme.
- Partnerships have currently become something of a buzzword within urban regeneration.
- Effective urban regeneration should be based on the participation and co-operation of a wide range of actors and stakeholders.



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14

Urban Regeneration Partnerships in the United Kingdom

- Partnerships started to be viewed as increasingly desirable by neo-liberal Conservative governments of the 1980s and early 1990s.
- Partnerships have emerged as an important trend in urban regeneration policy.
 - **Urban Regeneration Companies** (URCs) have been promoted by the government and established by a partnership of local authorities, the regional development agency and other stakeholders, in order to achieve a focused, integrated regeneration strategy for key towns and cities.



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15

English Partnerships

English Partnerships (EP) was launched in 1993 with the objective of:

- Promoting the regeneration of areas of need through the reclamation or redevelopment of land and building;
- Increasing the quality and quantity of private-sector investment in housing and regeneration;
- Setting and promoting best practice in urban design and construction standards across the regeneration and development industry and
- Improving regeneration skills.



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16

Liverpool Vision, the first URC

- Established in 1999, Liverpool Vision was the country's first Urban Regeneration Company.
- Aim: Bringing together key public and private sector agencies to deliver the regeneration of Liverpool city centre.

LIVERPOOL
VISION
REGENERATION COMPANY

THE CITY CENTRE REGENERATION COMPANY



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17

Partnerships in Germany

- In Germany, the partnership approach lacks a long history as in the UK, but the interest continues to grow.
- In 1999 the Federal Government has declared that it will create new forms of co-operation between the state and the private sector.
- Over the past years, a marked increase in co-operation between the two sectors for urban development and the operation of public services and infrastructure has been observed.
- Today, more than 150 PPP real estate projects are in the implementation phase.



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18

Example: Urban Regeneration Partnership in Chemnitz

- In 2001, a company called *Stadtumbau GmbH* was specially founded for the co-operation and realisation of the reconstruction processes in predetermined city areas.
- Long-term objective: demolition and restructuring of 27,000 untenanted flats in chosen areas until 2020.

Advantages of the partnership:

- Coordination of city constructing (official) aims and entrepreneurial economic aims of the proprietors and supplying firms,
- Balance the different burdens/costs of the property companies in the city reconstruction, as well as
- Better grouping and directing of public/official and private funding.



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19

Projects of the Stadtumbau GmbH

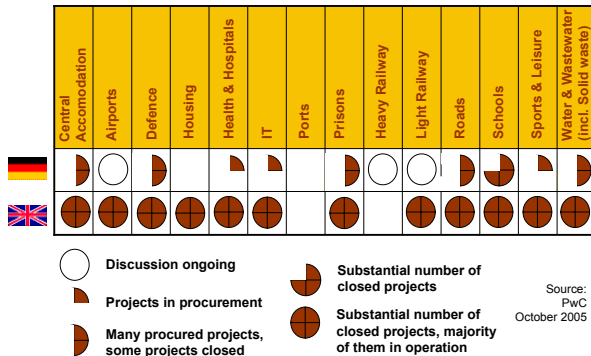


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20

Germany and UK: PPPs by sector



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21

Benefits and Disadvantages of Partnerships

- Partnerships can lead to better policy coordination and facilitate a multidimensional approach, using knowledge, skills and resources of different actors.
- They have the potential to distribute the risk to the party best able to manage it.
- Partnerships for urban regeneration imply a loss of management control by the public sector resulting from the transfer of responsibility to the private partner.
- They bear the risk of creating less accountable policy areas and losing democratic legitimacy.



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22

IV. Conclusion and Outlook

- The shrinking city syndrome is becoming a worldwide crisis.
- Partnerships can play a significant role in the urban regeneration process.
- They represent a fundamental basis for future urban policy as a contradiction to ongoing top-down policy.
- They attract new private investments in a wide spectrum of local activities and policies.
- Local Partnerships need to be integrated into a wider framework for the region.



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23

Thank you very much for your attention!

Contact:

Dipl.-Ing. Frank Friesecke
 Institute of Geodesy and Geoinformation
 Department of Urban Planning and Real Estate Management
 University of Bonn
 Nußallee 1
 D – 53115 Bonn
 friesecke@uni-bonn.de
 www.isbk.uni-bonn.de



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24