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

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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.

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Germany</th>
<th>United Kingdom</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government</td>
<td>Federal Republic</td>
<td>Constitutional Monarchy</td>
</tr>
<tr>
<td>Area</td>
<td>387,083 km²</td>
<td>244,820 km²</td>
</tr>
<tr>
<td>Population (2006)</td>
<td>82,310,000</td>
<td>60,209,500</td>
</tr>
<tr>
<td>Population Density</td>
<td>231/km²</td>
<td>243/km²</td>
</tr>
<tr>
<td>GDP (PPP) per capita (2005)</td>
<td>$ 30,579</td>
<td>$ 31,777</td>
</tr>
</tbody>
</table>

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

Global changes with impacts on the urban development policy

<table>
<thead>
<tr>
<th>Demographic change</th>
<th>Economic change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decrease of population</td>
<td>Globalisation/Europeanisation</td>
</tr>
<tr>
<td>Ageing</td>
<td>Deregulation of markets/Internationalisation of the financial markets</td>
</tr>
<tr>
<td>Heterogenisation/diversification (e.g. pluralised lifestyles, broadening income spread)</td>
<td>De-industrialisation; tertiarisation of jobs</td>
</tr>
<tr>
<td>Immigration</td>
<td>Rise in unemployment</td>
</tr>
</tbody>
</table>

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II. Strategies and Instruments of Urban Regeneration
III. The Role of Partnerships for Urban Regeneration
IV. Conclusions and Outlook

GDP (PPP) per Capita World Map

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

Germany: Ageing

Maps of Germany showing the percentage of specified age groups in the total population.
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.

The Urban Regeneration Process

Inputs

- Social analysis
  - e.g. analysis of social stress factors and prolongation of facilities
- Environmental analysis
  - e.g. urban physical quality and environmental resource use
- Analysis of drivers of change
  - e.g. widening strategies, accessibility of resources, preferences of residents, status of partnerships

Neighbourhood strategies

- e.g. community audit
- Inner area renewal
- Local social facilities
- Community-led planning

Learning and education

- e.g. skills enhancement
- Community training
- Interregional research and development

Outputs

- Economic development
  - e.g. support for new and improved infrastructure
  - Urban greening
  - Technology
- Environmental analysis
  - e.g. waste management
  - Energy economy
  - Urban greening

Urban Restructuring in Germany

- At present, three comprehensive and multidimensional approaches are directed at coping with problems of urban change:
  1. The programme „Socially Integrative City“ is directed at strengthening social inclusion (since 1999).
  2. 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).
  3. 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).

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).

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

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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.
- 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.

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.

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.

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.

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.

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.
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.

Projects of the Stadtumbau GmbH

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Germany and UK: PPPs by sector

<table>
<thead>
<tr>
<th>Sector</th>
<th>Germany</th>
<th>UK</th>
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<tbody>
<tr>
<td>Central</td>
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<td>🟢</td>
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<tr>
<td>Accommodation</td>
<td>🟢</td>
<td>🟢</td>
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<tr>
<td>Airports</td>
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<td>🟢</td>
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<tr>
<td>Water &amp; Wastewater</td>
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<tr>
<td>(incl. Solid waste)</td>
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<tr>
<td>Defence</td>
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<td>🟢</td>
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<tr>
<td>Housing</td>
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<td>🟢</td>
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<tr>
<td>Health &amp; Hospitals</td>
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<tr>
<td>Ports</td>
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<tr>
<td>Prison</td>
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<tr>
<td>Heavy Railway</td>
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<td>Light Railway</td>
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<td>Roads</td>
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<tr>
<td>Schools</td>
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<td>🟢</td>
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<tr>
<td>Sports &amp; Leisure</td>
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</tbody>
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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.

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.

Thank you very much for your attention!

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