# STILL VACANT AFTER ALL THESE YEARS – EVALUATING THE EFFICIENCY OF PROPERTY-LED URBAN REGENERATION

Paper published in Local Economy (2017) Vol. 32(6) 505–524

Available at: http://journals.sagepub.com/doi/abs/10.1177/0269094217729129

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**Abstract**
Property developers and investors have been at the forefront of urban regeneration in the UK since the 1980s. This has produced an emphasis on prime office space, luxury apartments, shopping centres and leisure attractions, which has been widely criticised on social equity grounds. There has, however, been only limited interrogation of the failure of property-led regeneration to deliver on the development it promises or on whether it represents good value for public money. Nottingham Eastside is one such example of policy and market failure, where for over a quarter of a century, property developers and investors have come and gone, none of four masterplans have been implemented, decontamination and infrastructure provision has never been completed, and most of the land is still vacant. By reconstructing the story of Nottingham Eastside, the paper argues that over-reliance on property-led regeneration can be highly inefficient, let alone inequitable, as a means to achieve strategic urban redevelopment.

**Keywords**
Property-led urban regeneration, hardcore land vacancy, urban redevelopment process

## Introduction

Walk ten minutes from the busy shopping streets of central Nottingham, and you will come across over 10 hectares of urban wasteland. This is Nottingham Eastside, once a thriving hub of industrial activity, but characterised now by waste ground, rough grassland, leftover concrete foundation slabs, and decaying fire-damaged buildings. Significantly, much of the site has been vacant since the late 1980s, when former occupiers began to depart. Since then, four major masterplans have been published for its redevelopment. None have been implemented, although the scattering of small office blocks, a budget hotel and a media centre on the western edge of Eastside bears testimony to the modest progress made on one of those plans.

The Nottingham experience is far from uncommon. Indeed, in cities across the world, there is growing interest in the semi-permanence of urban vacancy and in attempts to promote what might initially appear as temporary uses of such 'stalled spaces' (see, for example, Colomb, 2017; Dixon *et al.*, 2011; Foo, 2017; Henneberry, 2017; Németh and Langhorst, 2014). Within this context, the purpose of this paper is twofold. First, it is to explain why such a large area close to the centre one of England's eight 'core' cities and the principal business centre of the East Midlands has remained largely vacant for so long, despite significant policy efforts and substantial public resources devoted to securing its redevelopment. Although development on the ground has been limited, the current condition of the land cannot be attributed to policy neglect or disinterest. Instead, the story is one of frustration as a series of developers and investors have come and gone, with the public sector left largely reacting to events, rather than taking charge of them. These events set the scene for the second purpose of the paper, which is to provide a reflective critique on the failings of that particular response to deindustrialisation and decay known as property-led urban regeneration (PLUR), which came to dominate policy thinking in the UK from the 1980s onwards.

Following this introduction, the second section of the paper explores the concept of PLUR, connecting it to what is known about the critical success factors that may need to be present if hardcore urban vacancy is to be overcome. This highlights the important relationship between structure and agency in urban redevelopment, to which subsequent reference is made in evaluating the Nottingham experience.

Against this broad context, the third section of the paper summarises the Eastside story, concentrating on the years between 1990 and 2016. It documents key events and turning points, and traces those responsible for important decisions and actions. The style in this section is deliberately factual, both to contain its length and to provide a clear basis for subsequent evaluation in the section that follows. The research method employed to build up the case study involved documentary analysis and interviews with key actors. Documents of particular significance included planning records, company records, and material published in the property press, local newspapers or online. Four interviews were conducted in 2014-15, one with Nottingham City Council, a second with Nottingham Regeneration Limited, a third with a locally-based independent regeneration expert whose familiarity with Eastside goes back to the mid-1990s, and the fourth with one of the private-sector developers involved in Eastside. The interviews were used to expand and cross-check material, and wherever possible achieve triangulation. The researchers also revisited material they had originally gathered as part of a wider study of urban redevelopment processes conducted in the 1990s (Adams *et al.*, 2002), which proved particularly helpful in establishing the early history of Nottingham Eastside.

The fourth section of the paper seeks to evaluate what happened at Eastside and, from this, to open up broader debate on how best to achieve such large-scale urban redevelopment. Applying a structure-agency approach, the section acknowledges that Eastside was never an easy site to redevelop and considers how different strategies deployed by different actors in their attempts to 'break through' structural constraints, achieved varying results. The final section of the paper summarises the main findings of the research and considers its implications. While recognising the particularities of the Eastside story, it seeks to draw out lessons that may have broader applicability in helping to chart an alternative policy direction to PLUR.

## Property-led urban regeneration and hardcore vacancy

As part of the entrepreneurial turn in urban governance, PLUR became the primarily thrust of UK urban policy in 1980s (Healey, 1991). Although property development had often formed part of previous renewal strategies (Turok, 1992), PLUR represented a significant shift in the power relations, products and funding of urban regeneration. Whereas in the past, the private sector was seen as subservient to the planning strategies of the public sector, PLUR overturned that balance of power with planning strategies, at least for major redevelopment areas, coming to reflect the priorities of the private development industry. In some places, this was facilitated by the creation of urban development corporations, enterprise zones, and other measures that bypassed the jurisdiction of elected local planning authorities, but in others, planning authorities themselves enthusiastically adopted the new agenda.

The immediate result of such changing power relations was fundamentally to alter regeneration products. Prime office space, luxury apartments, shopping centres and leisure attractions, for instance, began to appear in places long considered 'off-pitch' by most private-sector developers. To achieve financial return and ensure market appeal, PLUR needed to operate, at least initially, at a large enough scale to create entirely new locations that could be branded as quite separate from their poorer surroundings. This is why PLUR often focused on grandiose or flagship projects (Loftman and Nevin, 1995), creating high value uses in what had previously been low value areas. Market-making on this scale was not simply a private-sector responsibility but became a core component of planning strategies. Indeed, despite political rhetoric, the public sector provided much of the baseline funding for PLUR through land assembly, decontamination, new infrastructure and direct development subsidies. Those who championed PLUR argued that such redirection of public funding was justified by the extent of private funding it subsequently levered into regeneration areas.

Nevertheless, PLUR was widely criticised as socially divisive (Imrie and Thomas, 1993), creating up-market environments intended for incomers, rather than the workplaces and decent homes needed by local people. Although some suggest that PLUR reached its heyday in the UK during the early 1990s, and was replaced by more community-based approaches to regeneration, others argue that its fundamental tenets became entrenched within broader regeneration policy and are still very much alive today (Dillon and Fanning, 2015). There has certainly been strong evidence that PLUR is widely practised internationally, for example in Ireland (McGuirk, 2000), across Europe (Carbonaro and D'Arcy, 1993), in Chile (López-Morales, (2013), and even in China (He and Wu, 2005).

The literature around PLUR is resplendent with case studies and critiques of schemes that were eventually built, but there is remarkably little written on projects that failed and were never implemented. Property market conditions are too often taken for granted in PLUR evaluations (D'Arcy & Keogh, 1999), which means that studies tend to focus on the implications of PLUR for social equity, important as these are, but not directly on the efficiency and effectiveness of PLUR itself. This is where the Nottingham experience, reported in this paper, provides an important new contribution to the literature. As it shows, understanding the management and distribution of development risk between the public and private sectors is crucial in assessing whether PLUR represents good value for public money.

It can be argued that PLUR seeks to address the embedded failure of urban property markets (Jones, 1996) in which "Low demand, dereliction, and risk in development costs prevented new construction" (Larkin and Wilcox, 2011: 3). Land that has been vacant or derelict for more than nine years is officially defined as having fallen into semi-permanent or 'hardcore' vacancy (English Partnerships, 2003). The significance of hardcore vacancy is twofold. First, the overall amount can be expected to be disproportionately weighted towards problematic sites requiring, for example, expensive decontamination. Second, the very fact that hardcore land has remained vacant for so long normally means that it has remained untouched by demand pressures from at least one development boom. In 2001, around 25% all vacant or derelict land in England, amounting to some 16,523 hectares, was estimated to be hardcore vacant (English Partnerships, 2003). By 2014, unofficial estimates suggested this total had increased to 17,740 hectares, a 7% rise on the 2001 figure (CPRE, 2014).

Whether PLUR can provide an effective market response to hardcore vacancy will depend on its ability to generate what Dixon *et al.*, (2011) call seven 'critical success factors' that enable long-term barriers to redevelopment to be overcome. From their comparative study of 10 hardcore sites in Manchester in England and Osaka in Japan, they consider these to be strong local property markets, developers able to exploit recession by purchasing land cheaply, long-term vision capable of spanning market cycles, strong brands often established through flagship projects, strong partnerships between the public and private sectors, achieving large-scale development, and prioritising infrastructure. The Nottingham experience reported in this paper explores whether the converse of these factors helps account for continued hardcore land vacancy.

The 'critical success factors' identified by Dixon *et al.*, (2011) sought to link economic and property market change to the strategies of key stakeholders. If we wish to know whether PLUR is likely to resolve or perpetuate hardcore urban vacancy, it is indeed important to understand how structure and agency are constituted in each specific context and by what means they interact with each other. Applying Giddens' (1984) theory of structuration, Healey and Barratt (1990) suggest that although actors define and pursue their strategies, interests and actions in the context of a structural framework, structure itself is established, re-established or replaced as the resources, rules and ideas by which it is constituted are deployed, acknowledged, challenged and potentially transformed through agency behaviour. The precise relationship between structure and agency is, of course, context-dependent. This makes detailed empirical investigation, such as that presented here, particularly important to the development of structuration theory. Moreover, the Nottingham experience of changing actor strategies pursued over 25 years within a dynamic and complex structural context, as recounted in the next section, provides a valuable opportunity to explore the urban redevelopment process within a specific context through the lens of structure and agency theory.

## Nottingham Eastside: A case study

Nottingham Eastside is a 13.9-hectare redevelopment area, located immediately to the south-east of the city centre of Nottingham. By 2017, much of Eastside had lain vacant for at least 27 years, although some 2.8 hectares on its western edge have been redeveloped in recent decades. As shown on Figure 1, Eastside comprises three main parts; namely Boots Island to the north (Site A), Boots Warehouse in the centre (Site B) and the former railways lands to the south (Site C). The Eastside story is best recounted in five acts, each of which is summarised below. To facilitate understanding of the story, we first present a more detailed timeline in Table 1.

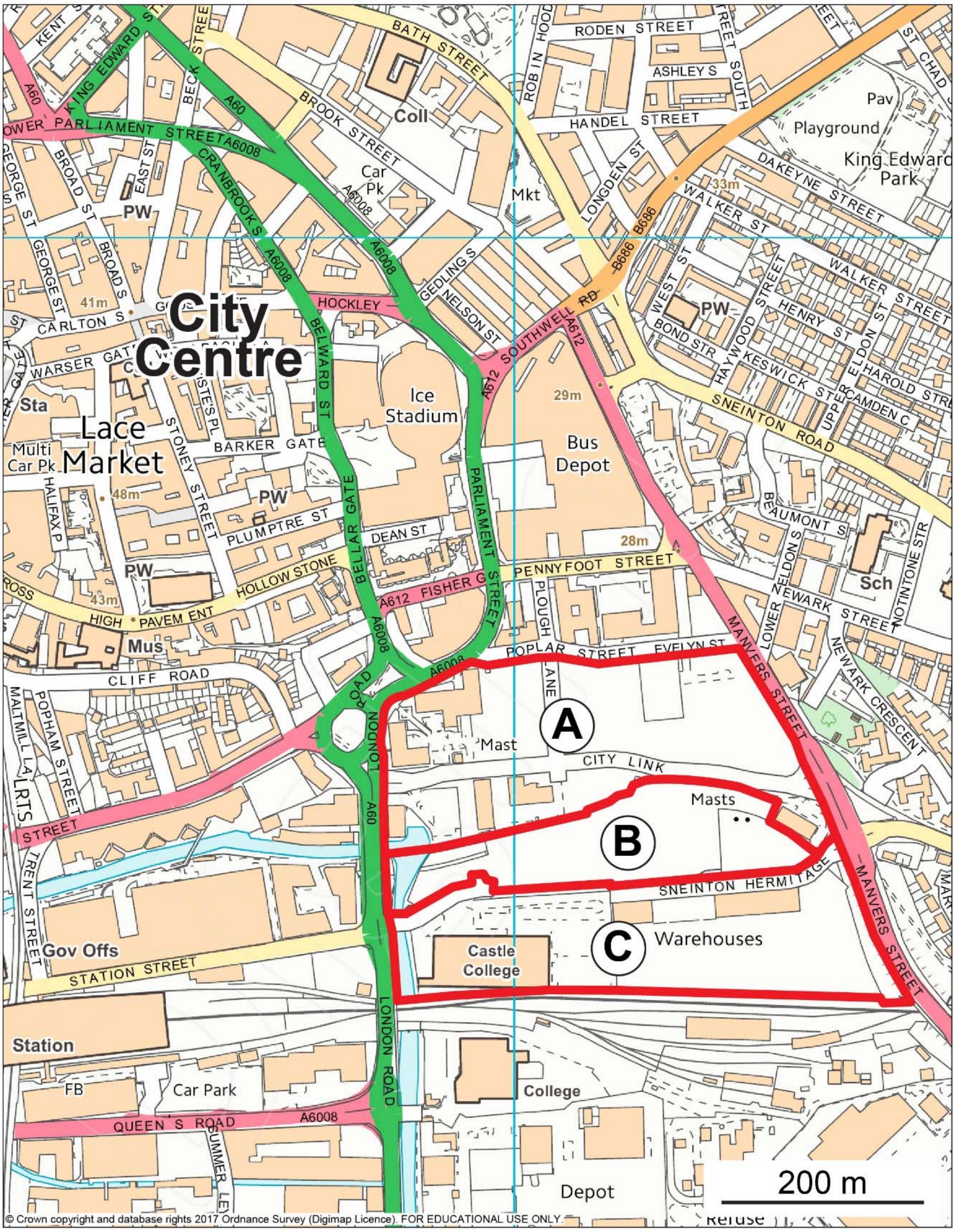


**Figure 1: The three components of Eastside**

| Table 1: Nottingham Eastside – Detailed Timeline 1980-2016 | | | |
|---|---|---|---|
| | **Site A: Boots Island** | **Site B: Boots Warehouse** | **Site C: Railways Land** |
| 1980-84 | • Owned for many decades by Boots<br>• Boots starts to move activities out to new campus at Beeston in western suburbs of city | • Owned for many decades by Boots (and remained so until 2005) | • Owned for many decades by BR and previously occupied as goods yard, with two 19th century warehouses, and Grade II listed former station<br>• BR reviews need of former station as parcel depot<br>• Great Northern Warehouse listed Grade II by English Heritage (1983) but badly damaged by fire (1984) |
| 1985-89 | • Compulsory purchase threatened by NCC (1986) but never undertaken<br>• Planning brief published by NCC (1987) | | • Enhancements to former station funded by central & local government (1985)<br>• BRPB obtains listed building consent to repair Great Northern Warehouse (1986)<br>• Planning brief published by NCC (1987)<br>• BR ceases to use former station (1988)<br>• Compulsory purchase threatened by NCC (1989) but never undertaken |
| 1990-92 | • Boots proposes major mixed-use scheme, including World Trade Centre (1990) and gains planning approval from NCC (1991)<br>• Boots acquire two small additional plots on edge of site to facilitate major redevelopment (1991)<br>• Designated as 'flagship project' in newly-formed City Challenge (1991)<br>• New 'City Link' road constructed across site from west to east (1991) | | • BRPB submits planning application for major mixed-use redevelopment (1990)<br>• Former station proposed as new location of Museum of Transport and Industry (1990) but despite potential funding from NCC & ERDF, never implemented |
| 1993-98 | • NCC buys site from Boots and then concludes 'back-to back' 999-year lease to development partnership comprising | | • NCC buys former station from BRPB (1993) and subsequently acquires remainder of railway lands, including the two 19th century warehouses (1994). |

| | | | |
|---|---|---|---|
| | Simons of Lincoln and Gulliver Development Property Unit Trust (1994-95)<br>• Simons secures approval of masterplan for Island site, involving mostly office, but some workshop development to east (1994)<br>• Simons obtains planning permission for new BBC centre & two offices blocks and on western edge of site (1994-96)<br>• Almost £6 million of public money spent on clearance, reclamation & decontamination of site (1995-97). Most of cost shared between City Challenge & ERDF, but some contributions from EP & NCC<br>• City Challenge wound up (1997) and NRL established (1998)<br>• Simons exit development partnership, leaving Gulliver DPUT as lead developer (1998)<br>• Gulliver DPUT merged with Lionbrook Property Partnership (1998), managed by Baring, Houston and Saunders | | • Goods yard cleared of all buildings except the two 19th century warehouses. NCC spends £90,000 in contamination testing but no real decontamination work undertaken (1994)<br>• NCC sells the two 19th century warehouses to local antiques dealer, Philip Murdoch (1994)<br>• NCC enters into conditional 999- year lease agreement with Simons of Lincoln on former station and land to south of the two 19th century warehouses (1995). Lease dependent on securing planning permission and attracting occupiers via pre-lets<br>• Simons seeks permission to convert former station to restaurant/leisure use and build adjoining multiplex cinema (1997) but withdraws application (1998) after it was 'called in' by Secretary of State and scheduled for public inquiry<br>• Simons gains permission to convert former station into leisure & health club (1998)<br>• Listed Great Northern Warehouse further damaged by fire (1988)<br>• Simons seeks planning permission for car showrooms & drive-thru restaurant on land to south of warehouses (1998) but later withdraws proposal (1999) |
| 1999-2002 | • Dutch bank ING acquires Baring, Houston and Saunders<br>• NRL commission Latham Architects to prepare New Eastside Masterplan (2001) covering 56 ha to east of City Centre, including sites A-C<br>• BBC centre, office blocks and new hotel constructed on western part of site | | • Conditional lease agreement with Simons cancelled (1999)<br>• Philip Murdoch refused consent for demolition of Great Northern Warehouse (1999)<br>• Holmes Place Health Club established at former station (1999) (subsequently became Virgin Active) |

<table>
<tr><td></td><td></td><td></td><td>• Health Club acquired by Amex Staff Pension Trustees, but remainder of site apart from warehouses previously sold to Philip Murdoch, still owned by NCC</td></tr>
<tr><td></td><td colspan="3">A-C Entire Eastside Side</td></tr>
<tr><td>2003-09</td><td colspan="3">• Baring, Houston and Saunders renamed ING Real Estate Investment Management, and Lionbrook becomes ING Lionbrook (2003)<br>• ECD assembles entire site, buying out ING (2003, Site A), Boots (2005, Site B), Philip Murdoch (2006, Site C - 19$^{th}$ century warehouses) & NCC (2006 Site C - land south of warehouses) plus around 10 other minor interests<br>• ECD submits planning application for ‘Eastside City’ a major mixed-use redevelopment (2004). NCC resolved to grant consent in 2005, but legal negotiations delayed final approval until 2008<br>• Warehouse on Site B vacated by Boots and demolished (2005)<br>• ECD sells entire site to HH (2008)<br>• HH submits planning application for 7 storey office block to west of site (2008)</td></tr>
<tr><td>2010-17</td><td colspan="3">• HH grants option to Tesco on part of Site A (2010)<br>• HH & Tesco submit planning application for major superstore (2010) but proposal subsequently withdrawn (2011)<br>• Compulsory purchase again threatened by NCC (2014)<br>• HH markets entire site through Savills seeking expressions of interest (2014)<br>• HH sell entire site to Conygar (2016) who then start to prepare a new masterplan for Eastside (2017)</td></tr>
<tr><td colspan="4">Abbreviations<br>BR British Rail<br>BRPB British Rail Property Board<br>ECD Eastside & City Developments - a consortium headed by Roxylight along with Laing O’Rourke and Barclays Bank<br>EP English Partnerships<br>ERDF European Regional Development Fund<br>HH Heathcote Holdings<br>LLS Low Level Station<br>NCC Nottingham City Council<br>NRL Nottingham Regeneration Ltd</td></tr>
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*Act 1: Deindustrialisation, dereliction and departure (Pre-1990)*

By the 1980s, the pharmaceutical giant Boots had occupied A & B as its main manufacturing hub for almost a century, while C had been in railway use for even longer. However, during that decade, Boots decided gradually to decant its central Nottingham operations to a modern campus in the west of the city. To the south, the once-busy rail-based activities fell into decline and then disuse. The prospect of significant redevelopment potential on A & C (Site B remained in operational use as a major warehouse for Boots until around 2005) seemed inhibited only by numerous decaying buildings and extensive contamination left behind from decades of heavy industrial use. To accelerate the redevelopment process, in the late 1980s Nottingham City Council threatened to take compulsory purchase action against both Boots and the then nationalised British Rail. It also published planning briefs for A & C, setting out redevelopment options, albeit in quite generalised terms. The council's prime objective was to secure new employment, through the development of new offices and light industry. More ambitious plans, however, were soon tabled by the landowners.

*Act 2: Piecemeal property-led redevelopment (1990-98)*

In early 1990, Boots announced proposals for a massive commercial redevelopment of Site A, including 57,000 m² of speculative offices, a 'World Trade Centre' of 13,500 m², an upmarket hotel of 10,300 m², along with luxury apartments, shops, canal marina and 1,100 parking spaces (see Figure 2). This was the first of four major masterplans produced for the site. At an estimated development cost of £150 million, it was said to offer the prospect of 2,500 new jobs for the city. Not to be outdone, in late 1990, British Rail then announced its own plans for comprehensive commercial, retail and residential development on Site C. But had such longstanding industrial landowners really turned into real estate developers? Looking back some 25 years later, one regeneration expert long associated with the area was quite dismissive of the Boots proposal, commenting that "This was all part of a strategy to create some hype and excitement about the site prior to selling it …The notion of having a World Trade Centre was a bit fanciful but it got lots of coverage in the press. Lots of people got excited about it and then the City probably overpaid for it."

While this view may well be correct, the interview conducted earlier with Boots Properties in 1997 revealed another important motive – the desire to access funding from 'City Challenge', the high-profile regeneration competition launched in 1991 by the then Environment Secretary, Michael Heseltine. Nottingham City Council had successfully bid for £37.5 million 'City Challenge' monies over five years to regenerate the deprived inner city neighbourhoods of St Ann's and Sneinton, in which Eastside is located. But once it turned out that the council was unwilling to hand over any of the cash to subsidise the Boots scheme, a land sale was agreed, with the council buying Site A from Boots for £2 million in 1994. By this time, the Island site had been designated as a City Challenge 'flagship project' and almost £6 million of public money was allocated for clearance and decontamination, which subsequently took place between 1995 and 1997. Moreover, even before the land purchase from Boots was finalised, a well-regarded local developer, Simons of Lincoln (partnered by Gulliver Development Property Unit Trust) had been selected to take forward the development on a 'back-to-back' deal. This meant that shortly after the council paid out the £2 million for the purchase from Boots, it would receive just as much, if not more, from Simons for a 999-year lease of the land.

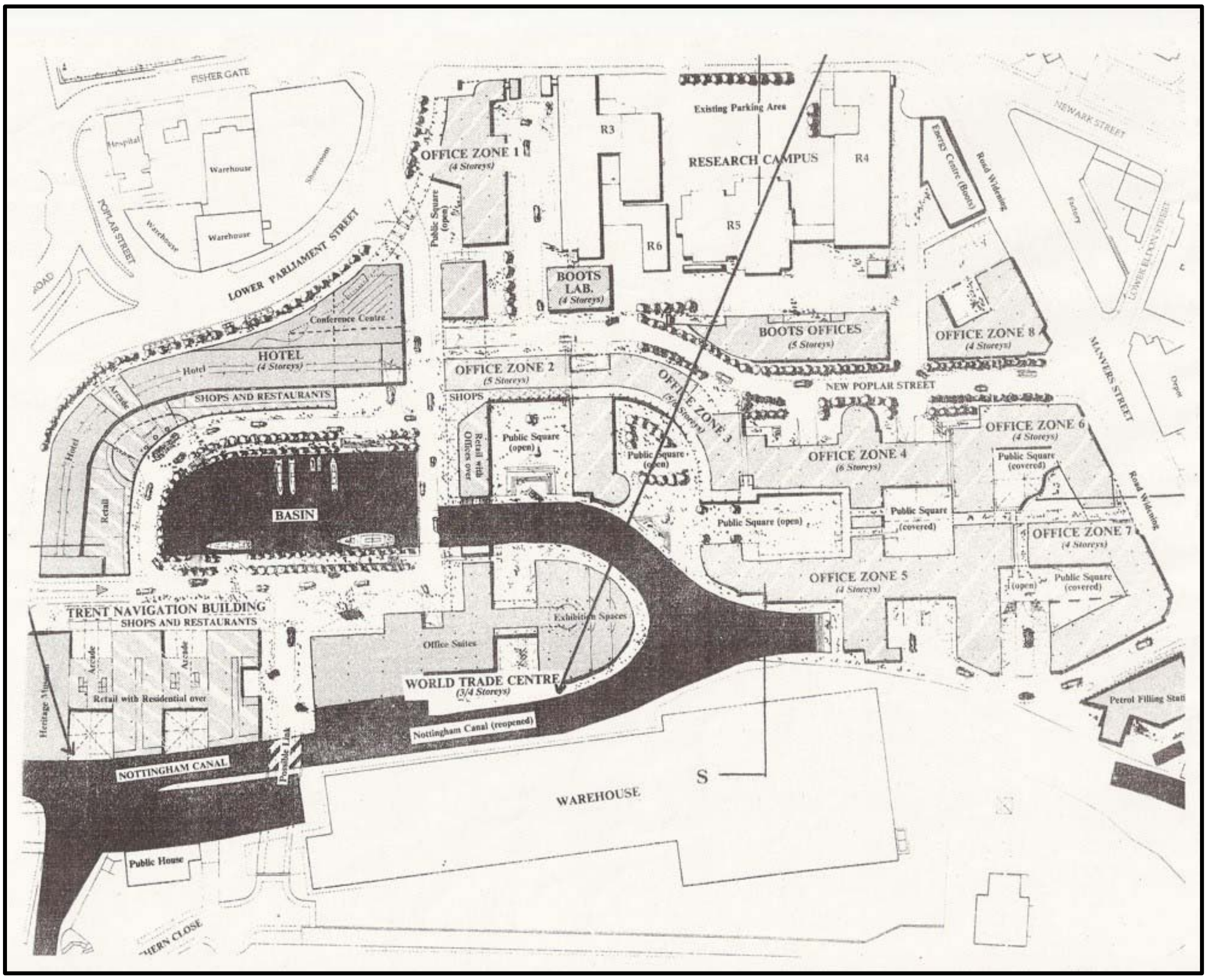


Figure 2: Boots Masterplan (1990)

Simons then launched its own masterplan for the Island site – the second to be produced, but one that was far less ambitious than the earlier Boots scheme. This proposed campus-style office development in central and western parts of the site, with light industrial development to the east. The latter was included at the insistence of the council, even though Simons thought only the office development was commercially viable. Again, jobs were promised – up to 2,000 on completion of the scheme. Yet, by the time Simons exited the development partnership in late 1998, its achievements at Site A were limited to building an east-west link road, constructing a new media centre for the BBC, and securing planning permission for two nearby office blocks. This was modest progress, at best, in comparison with earlier hopes.

To the south, the council had also bought out British Rail in 1993/94, paying around £1.6 million for the railway land and buildings. Initially, the council supported a community-based proposal for a transport museum in the former station, but then pulled out of this proposal. Instead, it again engaged Simons as preferred developer for the whole of C, except two former nineteenth century warehouses. Keen to divest itself as soon as possible of any repair responsibilities for these structures (one of which had been listed as a building of special architectural or historic interest in the 1980s), the council quickly sold them to a local antiques dealer.

On the rest of site C, the agreement with Simons remained dependent on obtaining planning permissions and securing occupiers via pre-lets. Ironically then, Simons' first proposal for a cinema and leisure complex was withdrawn after it was 'called in' for a decision by the Secretary of State, while its second proposal for car showrooms and a 'drive-thru' restaurant was again withdrawn, this time after the council threatened to refuse it. Simons did manage to turn the former station and adjacent land into a health club, but after that, its agreement to take on the rest of the site lapsed. The council was then left holding a significant chunk of the former railway land without any immediate prospect of development, while subsequently seeing the adjacent listed warehouse it had previously sold to the antiques dealer go up in flames, with the shell soon falling into decay.

By 1997, when City Challenge ended, substantial public funding had generated only limited piecemeal development at Eastside and certainly nothing to match the earlier ambition of the 'World Trade Centre' proposed by Boots. It was time to take stock and consider what alternative strategy might be pursued.

*Act 3: Emergence of greater ambition (1999-2002)*

The turn of the millennium produced limited on-site change at Eastside. Gulliver Development Property Unit Trust, which had assumed responsibility for Site A after the exit of its partner Simons, was itself taken over by a series of property investment trusts, which then presided over the development of three 'campus-style' office blocks and a 'Premier Inn' Hotel on the western edge of the site. Meanwhile, on the vacant former railway lands to the south, not even the hint of any development was evident. But with the election of the Labour Government in 1997, the institutional landscape for urban regeneration and economic development in cities such as Nottingham changed markedly. The East Midlands Regional Development Agency was established (one of nine RDAs covering the whole of England) and the role of English Partnerships (the Government's own urban regeneration agency) was much expanded. These two bodies came together with the council and private-sector interests in the city to set up Nottingham Regeneration Limited (NRL), as a non-for-profit urban regeneration company. NRL's focus was "on physical regeneration though spreading the benefits more widely. The company commissions masterplan and regeneration studies and then seeks appropriate partners. They are developer of last resort" (URBED 2002: 33).

NRL was immediately asked by the council to prioritise plans for Boots Island and its vicinity. As a result, it commissioned a new Eastside Masterplan (the third in our series) from a team led by Latham Architects. This was published in 2002. It covered both the 13.9 hectares of the Eastside site itself and another 42 hectares of fringe city centre neighbourhoods to the north. Although termed a masterplan, it was no architectural blueprint of the kind produced earlier by Boots, but rather an informal development framework intended "to help deliver a vibrant, sustainable, high density and mixed-use urban area in line with national, regional and local policy" (Latham Architects, 2002: 1).

Turning specifically to the 13.9 hectare Eastside site, the Latham report (2002, para 7.2.7) concluded that office development had "faltered in market terms" and that it represented the "wrong product … in this location." Extending the canal basin into the very heart of the site would, it was argued, create the opportunity for higher-value and higher-density commercial, and especially, residential development. The report recognised that as well as private-sector contributions, further public-sector support would be needed to deliver this vision. Since its publication fortuitously coincided with an improving national economy and a rapid upturn in real estate development, the report did not go unnoticed outside Nottingham. Very soon, London-based property developers "came into town, promising to do wonderful things and putting money behind it… They commissioned a crack team and spent proper consultancy money" (Nottingham-based regeneration expert). The fortunes of Eastside were about to experience quite radical change.

*Act 4: Grandiose property-led visioning (2003-09)*

These new entrants to Nottingham were Eastside and City Developments (ECD), a joint-venture development company formed in June 2003 with the specific intent of promoting one of the biggest single developments ever to take place in Nottingham. ECD was a partnership between Barclays Bank, Laing O'Rourke (one of the UK largest construction companies) and a relatively small firm of project managers and development consultants, called Roxylight. Its public face in Nottingham and beyond was Nigel Brunskill, Roxylight's Managing Director. Up to 2005, ECD spent what Brunskill later described as "tens of millions" "painstakingly" assembling the whole of the Eastside site from 15 different landowners. He described this as "the most complicated land assembly I have ever been involved with" (quoted in Cunningham, 2009).

The main purchases were that of Site A from ING Real Estate Management (successors to Simons and Gullivers), Site B from Boots (which finally closed its major warehouse and last operational use on the site in 2005) and Site C from Nottingham City Council and the local antiques dealer who had previously bought the two nineteenth century warehouses from the council. What is remarkable about land assembly of such a scale is that it was undertaken in a relatively short timescale entirely by the private sector and without any threat of compulsory purchase. For the first time, it brought the whole of the Eastside site into single ownership, opening up the possibility that it could be planned and developed as a single integrated project.

When ECD's masterplan for the whole Eastside was unveiled in 2004 (the fourth in our series: see Figure 3), the scale of ambition for the site was quite staggering. Masterplanned by the international architectural practice of Hopkins Associates, the proposed 270,000m$^2$ comprehensive mixed-use redevelopment included 131,000m$^2$ of prime office space, 123,000m$^2$ of luxury apartments, almost 12,000m$^2$ of shops, bars and restaurants and 4,000m$^2$ of leisure space, all centred around a major new public space and a new canal basin, first envisaged in the Latham Report. The estimated total development cost was £900 million.

It took four years of detailed negotiations with the council before planning permission was eventually granted and accompanying legal agreements signed. However, by that stage, the Global Financial Crisis (GFC) had produced rapid downturn in investment property values, bringing the long development boom of the 2000s to an end. At around the same time, ECD sold its interest in Eastside to the specially created and somewhat mysterious Guernsey-based investment vehicle called Heathcote Holdings. The reason, according to Nigel Brunskill was that "A project of this size and geographical importance requires substantial equity investment, and the Guernsey structure has the ability to achieve this … Overseas investors, family funds and sovereign wealth funds would expect and often demand ownership through a non-UK entity" (quoted in Cunningham, 2009). Heathcote retained Brunskill as project manager, but the funding required to commence the development never materialised.

**Figure 3: The Hopkins Masterplan (Source: Hopkins Architects and Richard Davies)**

It could be argued that, by taking four years to grant planning consent, Nottingham City Council ironically saved ECD and subsequently Heathcote from what might well have been financial disaster had their development commenced in the period immediately before the GFC. Looking back, those interviewed in 2014 and 2015 were firmly of the view that the Hopkins masterplan was just too large and ambitious for a provincial city such as Nottingham. In retrospect, the Chief Executive of Nottingham Regeneration Limited thought that everyone had been "seduced by glorious images of docklands-like development, with a massive amount of apartments centred around public squares and fancy fountains etc. etc. They were all very seductive." This view was shared by another Nottingham-based regeneration expert who considered that even the council had been "swept up in the hubris of the moment" trying to re-create Kings Cross, London in central Nottingham. He added the proposal "was driven by a London developer who was a bit disconnected from the provincial world … They didn't understand the dynamics of the (local) market." In the end, Nottingham Eastside was no further forward in 2009 than it had been in 1999. Indeed, as one interviewee poignantly suggested, the site had once again been left standing at the altar.

*Act 5: Hard reality dawns (2010-17)*

Despite the demise of the Hopkins masterplan, Heathcote had one last card to play. Even in the post-GFC recession, the main UK supermarkets continued to expand their store numbers, with Tesco taking prime market position. So in 2010, Heathcote linked up with Tesco to make a joint planning application for an 11,800m² superstore on part of Site A, which would have been one of the largest such developments in the UK. This time, the number of jobs promised by the developers was smaller than before, at only 300 to 500. Yet, it soon became clear that this proposal faced fierce opposition from the council, owing to its perceived negative impact on retail activity in the city centre. The application was therefore withdrawn in 2011, possibly to avoid a formal planning refusal. Ironically, within three years, Tesco itself ran into financial difficulties and made a strategic decision to slim down, rather than expand its estate portfolio, casting doubt on whether the Nottingham store would ever have been built, even if planning permission had been granted. For Heathcote, the end result of this failed venture with Tesco was to undermine any support it may still have had from NRL and the council, making relationships, according to the NRL's Chief Executive "quite confrontational" and "unpleasant" at the end. In his view, the Guernsey-based company was by then perceived as being "very absentee landlordish" and without any long-term investment interest in the city.

By 2012, the council had agreed a new 'City Deal' with central government in which the wider Eastside area was designated as a new Creative Quarter for the city and support was promised for "the redevelopment of Nottingham's prime Eastside Island regeneration site." But with still no proposals coming forward from Heathcote, the council eventually lost patience in December 2014, and resolved to take control of the site itself, either through voluntary acquisition or compulsory purchase. Justifying this decision, Councillor Jon Collins, the Leader of Nottingham City Council said "We have done all we can to encourage and support the site owners to progress with the site's redevelopment but after years of inaction from them, we have no confidence they have any intention of doing so" (quoted in Nottingham Post, 2014).

Perhaps anticipating the council's move, in October 2014, Heathcote placed the entire 13.9-hectare site on the market through the international property agents, Savills, seeking expressions of interest from potential purchasers. Two years later, it was announced that the site would be sold to Lavignac Securities, a small real estate investment company based in Windsor (Norman, 2016). Yet again, the Nottingham post talked up the likely scale of future development, which it suggested could "potentially provide hundreds of homes and thousands of jobs" (Robinson, 2016). In fact, the purchase was actually completed by Conygar PLC, a larger London-based property investment and development company, who paid £13.5 million to acquire the whole of Eastside in December 2016. Although it was reported at the time that Conygar and Lavignac would work in partnership (Robinson, 2017), within a few months, the larger company appeared very much in the lead. Indeed, in its interim annual report, published in May 2017, Conygar described Eastside as "an exciting investment and development opportunity with the potential for a mixture of office, residential, leisure and student housing accommodation" and, without mentioning Lavignac, announced that it was "currently conducting a master planning exercise and expects to submit a planning application before the end of the calendar year" (Conygar, 2017: 3). For those with long memories, such an announcement seems strangely reminiscent of those made by Eastside and City Developments almost a decade and a half earlier.

At the time of writing, however, Eastside remains much as it has been for the last 27 years – an urban wasteland (see Figure 4). That's not to suggest it is wholly unused. Instead, it seems to function well as a location for informal recreation, since "People use it as a running circuit, or commuters who cut through from the station to Sneinton - there's also a lot of dog walkers, cyclists, people who picnic there - there's lots of people using it in lots of different ways" (Griffin, 2013). But, despite some limited redevelopment on its western edge, none of the plans of the last 25 years have produced any substantial transformation in how most of Eastside appears to, and is used by, the people of Nottingham. In the next section, we seek to discover the deeper reasons why it remains vacant after all these years.

**Figure 4: Nottingham Eastside 2014**

**Evaluation**

This section seeks to understand what really happened at Eastside and to evaluate why a property-led approach failed to transform the area. The section has a twofold focus on both the differential impact of structure upon actors and the differential response of actors to structure. Three main structural elements are identified: locational and site-specific constraints, economic and property market cycles, and the broader policy context. All three made development difficult, although the impact of this varied between actors and over time. Elsewhere, PLUR has delivered major redevelopment in the face of challenging structural circumstances. Why then at Nottingham did no single actor or combination of actors succeed in breaking through the site's inherent structural difficulties?

Taking location as the first structural element, even though Eastside lies close to the centre of Nottingham, it is separated from the commercial and retail hub of the city by major arterial roads and is very much on the fringe of the city centre. It is generally bordered by relatively low-value uses, consistent with its location within a broader regeneration area. Decades of heavy industrial activity meant Eastside was highly contaminated and, within the site itself, deficient in modern roads and sewers. Ownership was fragmented at the start, and became ever more so before ECD eventually pieced it together.

At the start of the 1990s, the council saw this as classic 'employment generating' land, by which it seems to have meant industrial workshops, with some office activities on the edge. This would have provided only limited financial reward for the departing industrial owners, Boots and British

Rail. To raise land value expectations and secure significant exit payments from the council, they 'reimagined' the location as one suitable for significant PLUR. This early 1990s vision of major mixed-use redevelopment radically changed structural perceptions of what was achievable at Eastside, but it did not make actual redevelopment any easier. The up-market development concept created and exploited by Boots and British Rail allowed them to depart without even paying for the contamination they had created, while leaving other actors to grapple with the consequences. No-one was subsequently able to overcome the locational and site-specific disadvantages of Eastside, apart from at the western edge closest to the city centre. As argued below, to do so would have more required more effective institutional arrangements for the management of risk in the development process.

Broader economic and property market cycles provide the second structural element which served to open up and close down opportunities to act. Developers who can successfully 'read' this structural element and act accordingly by starting development early in a cycle will normally be expected to outperform those who start late. Although Eastside saw its existing uses wind down in the 1980s, the site missed the development boom of that decade and emerged as a real redevelopment opportunity only in the midst of the recession in the early 1990s. Even by 1994, it was still not a fortuitous economic moment for Simons to launch its masterplan. In 1998, the company withdrew because, according to its development director, it felt that local market conditions were still "going badly by this stage." Yet, within two years, the long development upturn that lasted until the onset of the GFC in 2008 had begun. Why did no-one take advantage of this upturn to commence major redevelopment at Eastside?

Again, the answer lies in the defective institutional arrangements at Eastside. PLUR normally requires lengthy preparations to be made over several years. In 1998, it fell to NRL to pick up the pieces and chart a new direction for the site but as an urban regeneration company, rather than an urban development corporation, it had no control over planning policy and never gained ownership control of the site. Its Eastside masterplan, published in 2002, transformed the structural perception of the site's potential with cleverly created visions of high-value commercial and residential development, but was not directly linked to any means of implementation. Nevertheless, it helped create an ambitious new direction that ECD's Hopkins masterplan, produced in 2004, sought to exploit. By then, the development upturn of the 2000s was well underway. ECD's late arrival was exacerbated by the four years it took the council to grant consent for the Hopkins masterplan.

Whether the Hopkins masterplan would have succeeded if it had been tabled in 2000, gained early planning permission, and started on site in 2002 will never be known and, in many ways, is irrelevant. This is because PLUR, especially when deployed at such a large-scale as Eastside, creates very significant development risks which cannot easily be managed by individual actors operating alone within a single development cycle. This lessens their ability to challenge and transform difficult structural conditions.

The broader policy context, which provides the third structural element, reinforced site-specific and broader economic constraints. After a decade of neoliberalism, by the 1990s local planning authorities were no longer expected to drive or deliver change, but merely to regulate it. The rapid increase in unemployment experienced during the 1980s also meant that councils were easily swayed by any promises made about future job creation, whether reliable or not. PLUR offered the chance to capture a greater share of central government funding for development projects at a time when mainstream budgets were under severe strain. Early experience from Canary Wharf in London, Salford Quays in Manchester and elsewhere had indicated the apparent potential of ambitious PLUR projects, making other localities keen to attract such up-market development. At the same time, disempowerment and institutional fragmentation increasingly encouraged local authorities to share city leadership with the private sector through relatively short-term programmes such as City Challenge. Although Eastside benefited from almost £6 million of City Challenge money spent on decontamination and infrastructure, this limited subsidy seems not to have been able to transform the fortunes of the site radically.

From a private-sector perspective, almost all the uncertainties of planning regulation remained at Eastside. There was much planning controversy, for example, over Simons' various designs on Site A and the company eventually withdrew two major proposals for Site C after planning refusals seemed imminent (despite having already agreed to buy the land from the council). ECD appears to have underestimated the time it would take to secure planning permission for the Hopkins masterplan, while later on Heathcote badly misunderstood the policy context, even though it recognised the market potential of the supermarket boom.

There is little sense that the council ever wished or even knew how to drive development forward at Eastside. It provided no long-term vision for the site and seemed indifferent between the cost minimisation strategy pursued by Simons and the value maximisation strategy favoured by ECD. Published planning documents offered no clear or consistent sense of what the council wanted to achieve but appear to have served merely as a baseline for negotiations. Indeed, the council mainly reacted to proposals from others, not really appreciating local market conditions or its own ability to shape them. Crucially, when it might have taken overall control of the site after those initial purchases from Boots and British Rail, the council appears to have wanted to divest itself of direct ownership responsibility as soon as possible.

Even if its role was intended to be that of mere development facilitation, it seems not to have fulfilled this with any vigour, still less to have challenged and transformed the structural context. Apart from the scattering of development on the western edge of the site, it now has little to show for the £9.6 million spent on land acquisition, decontamination and infrastructure, not to mention all the administrative costs incurred over many years. Although its authority was never usurped by an urban development corporation (as happened elsewhere with other PLUR projects), its largely reactive role created a vacuum in local place leadership which the private sector struggled to fulfil.

In summary, no single actor or combination of actors ever adopted strategies and tactics capable of breaking through the structural constraints at Eastside. It could be said that ECD came closest to this with the Hopkins masterplan, but the view emerged from those interviewed for the research that this proposal was too late, too ambitious and never likely to secure the massive amount of development funding it would have required. Indeed, by unduly raising expectations, in terms of both value and product, ECD's property-led regeneration proposal might well have impeded other less ambitious proposals coming forward.

As the Nottingham case demonstrates, PLUR can be over-dependent on a particular constellation of circumstances enabling particular actors to challenge structural constraints at specific times. PLUR is indeed a high-risk business venture, especially when conducted at such a large scale. Its success often depends on the willingness of the public sector to absorb financial costs and risks without necessarily reaping eventual financial reward. In places like Nottingham Eastside, PLUR may well represent poor value for public money and a highly inefficient way to encourage major redevelopment.

**Conclusions**

Some 27 years after much of Nottingham Eastside first fell vacant, its redevelopment potential remains unfulfilled. Of the 'Critical Success Factors' identified by Dixon et al. (2011), only three were actually present at Eastside, and then only partially. The scale of the site was certainly large, and arguably too large. While substantial monies were spent prioritising infrastructure that enabled some development to go ahead on the western edges, infrastructure provision and decontamination work has yet to start on the former railways land to the south. Although strong markets were experienced during the 2000s, by the time this was widely appreciated, it was too late to promote the Hopkins masterplan. Conversely, Eastside lacked strong partnerships, a strong brand and any real long-term vision, while land assembly, even in the recession, proved expensive not cheap. This suggests that 'Critical Failure Factors' are recognisable from the converse of those identified by Dixon et al. (2011).

At Nottingham, these circumstances derived from the financial risk posed by three elements of the structural framework identified in the previous section. While the economic and property market cycles provided relatively short windows of opportunity within which development could take place, the particular locational and site-specific characteristics of the site demanded long-term commitment extending beyond a single development cycle. Ironically, the policy context offered no such commitment from the public sector, but instead assumed that the private sector would lead the development of the site over the long-term. At times, there was even no integrated commitment to the site over the short-term, as evident when Simons was encouraged by the council's estates committee to pursue plans for car showrooms and a drive-thru restaurant on Site C, to which the planning committee then took exception.

Specific risks consequently faced by private-sector developers included first, the cost and extent of decontamination, second, the means and timescale for recovery of any infrastructure expenditure, and third, the distinct possibility that development of any scale could not be completed and occupied before the next cyclical downturn. On Site A, the first two of these risks were reduced, but not eliminated, by public subsidy. Sites B and C received no public similar subsidy, and still remain to be treated for contamination and equipped with infrastructure. The cyclical nature of development generated the third risk, which proved to be the major reason why ECD was unable to finance the Hopkins masterplan. As the Nottingham experience demonstrates, when such risks are divided up between development actors, rather than shared among them, it becomes very difficult for any single actor to create that 'breakthrough moment' when a difficult structural context is challenge and transformed, enabling development to move ahead.

In Nottingham, opportunities to transform a difficult structural context were missed, primarily as a result of uncoordinated actor behaviour. Property developers and investors came and went, four masterplans were produced but never really implemented, decontamination and infrastructure provision was partial and most of the land is still vacant after all these years. Perhaps most ironically, the City Council then sought to buy back, possibly by compulsory purchase, the very land it had sold to the private sector many years previously. None of this can be defended on grounds of economic efficiency, still less on those of social equity. As the Nottingham experience suggests, grandiose redevelopment proposals for secondary locations that require the mobilisation of very substantial private capital and/or public subsidy deserve widespread and critical scrutiny to interrogate their potential feasibility as much as their planning acceptability.

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