



## Generating Social Currency

Andrew Williams

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Andrew Williams explains the current trend towards valuing 'social currency' and how the real estate world is trying to create it through leisure and cultural facilities.

Recruitment consultants for most industry sectors will today identify work/life balance as a key factor in the recruitment and retention of staff. The concept of investing your prime years to building a career and thereby providing for a family is becoming a thing of the past. Today, the ambition to provide for the family is probably no less but it manifests itself in a different way – by giving the family prime time.

Harvard University) who is widely recognised as a leading authority on social behaviour. One element of his research (based largely on the US and Western Europe) focused on what he described as "social currency". This was a measure of how individual lives interfaced with a broader social group. From a low during the depression in the 1920's, it grew constantly until the mid 1960's. Since then it has continually declined and, according to his data, this is now at an all time low. There are a number of theories put forward to explain this – my view however is that we went through a period of adversity which tied us together during the depression and

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The implication of this shift in emphasis is that we now need to address how and where the out-of-office experience will be enjoyed. The home will, undoubtedly, provide part of the answer but increasingly there is an expectation that we have things to do and places to go away from the home. Part of that may be the result of a period of economic stability, which has encouraged us all to indulge a little, but it is also part of a process of evolution.

In trying to understand this evolution process, it is worth making reference to some of the work of Professor David Putman (The Peter and Isabel Malkin Professor of Public Policy

through to the end of World War II. That same spirit continued on for 20 years because those most influential in creating social currency would still recall the effects of the war – however there is no doubt that in today's social climate there is much less community spirit in the UK. We have all become more independent and more comfortable and we don't appear to need that social fabric as much as we used to. Or at least that is what we thought. Today, there is a growing call to re-establish the communities – to create social and office environments which encourage a social responsibility to a wider audience.

Alongside this, national boundaries are becoming less of a barrier. Europe, in particular, has seen a significant increase in the migration of workers. A recent conference in Malmo, promoted by World Leisure (a UN Affiliate: web site [www.worldleisure.org](http://www.worldleisure.org)), examined the implications of this trend and discussed the way in which leisure could aid the cultural and social development of those areas impacted by this. Malmo, itself, is an example of a city which has attracted a significant population from Northern European countries. The interaction between different ethnic and cultural backgrounds was less than harmonious, exacerbated by their living in close proximity. Malmo's use of such leisure facilities to cut across the social barriers has been seen to have a positive effect and has reduced the incidence of conflict and its associated damage to the social and building fabric.

A review of development proposals over the past 5 years will demonstrate that the real estate world has recognised these issues and is responding to the opportunities that these new dynamics create. Provision of open or amenity space, for example, is more common and is not just there as a result of a requirement to satisfy planning gain criteria – it is now becoming recognised that it does add value.

Dr John Crompton (Texas A+M University) is one of a number of leading academics who have applied scientific research to



the 'value' of addressing the social requirements as part of a development. For example, a new office block with green space surrounding it is likely to command a higher rental and, as a result, a better asset value. Those working in the building will enjoy a better experience and therefore work more efficiently with considerably less sick leave.

Social behaviour is also likely to improve if you deliver a better physical environment – the result of which is a reduction in the need for some sort of policing (formal or informal). A personal experience of mine was in the provision of a new football stadium for Huddersfield Town Football Club. The new facility was undoubtedly and markedly better and acted as a catalyst for new behavioural patterns. Less 'trouble' meant more families, increased spend per head and less requirements for stewarding, etc.

In our role as estimators and controllers of capital investment on construction projects, we inevitably focus on expenditure which brings value. It is a key feature of our business at Franklin + Andrews. It is therefore vital that we understand that there is a real value to leisure and cultural provision which, although it may be more difficult to measure, for example, than the rental/m2 of an office block, needs to be acknowledged. All too often those facilities/features which have a less tangible value are the first to be under threat





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when the budget is “value engineered” – we therefore need to help protect the bigger investment principle by questioning these decisions.

We are currently working on a major mixed-use scheme in East Anglia which truly espouses the merits of stimulating social currency. The scheme has at its heart a response to the call from the ODPM for new housing provision in the area. The site in total is in excess of 200 hectares and will provide over 4,000 new homes. The developer (Orion Land & Leisure), however, takes the view that they want to create communities with a value beyond bricks and mortar. Embedded in the scheme, therefore, are a number of key features. Primary amongst these is a 1.5km rowing training lake which is being driven forward in conjunction with Sir Steve Redgrave. It will serve a dual purpose as an elite training facility and as a social hub which will allow the community to participate (at whatever level they choose) or simply spectate.

The rowing lake will have a formal element but will be part of an expanse of water which runs through the whole site. Boardwalks and walkways over marshland will provide everyone with the opportunity to relax in a “natural” setting. Nature will be allowed to stamp its own mark on the area and will be protected in that process.

But it's not just about the rowing lake and its associated activity. There will be a cricket field with its, no doubt, quintessentially English club house. The pavilion and ground will occupy prime residential space which would suggest philanthropy from the developer. To an extent there is some truth in

that – a desire to create real communities is evident when you speak to the driving force behind the scheme – but he is still a developer! The inclusion of this particular feature will add value to the whole development. Imagine it adds £1,000 to each of 4,000 houses and you begin to understand that the vision has some commercial merit too. It's about creating a heart to a new community that otherwise could become a bit soulless and less valuable as a result.

In addition to the ‘feel good’ water and community cricket there are other commercial activities which will provide both a focal point and an opportunity for local employment. An Arena will act as the cultural centre – small enough to retain an intimacy appropriate for the development and yet capable of drawing on a wider catchment area. The fact that





a mainstream arena operator is backing the scheme bears testament to its appropriateness. It has been set alongside a canal like tributary which will no doubt encourage the establishment of café's and restaurants to support and exploit its existence.

It will also have some out and out commercial buildings. Not vast in overall terms but highly attractive to a local community who want to get away from the big city concept and support the development of local industry. With advances in technology and a sensitivity to transportation it's likely to be a real success.

Finally there is the introduction of a special type of schooling. As you would expect, there is a requirement to provide both primary and secondary schools to the development. However the developer has a proposal to introduce a Rudolph Steiner school whose philosophy in education is very inclusive of the parents. In fact they are an integral part of the process. For those of us with young children who sometimes feel a bit remote from their education this is a welcome initiative. It almost forces a participation in a way that can only be rewarding in terms of the relationships with the children and their ability to participate in the wider world.

Interspersed with all this will be a series of town squares. Places to relax, walk, meet or whatever. It's a bit glib in today's language to talk of 'lifestyle' but this is essentially what drives it.

If this all sounds a bit fanciful then you should see the business plan. Visionary it is, but it has sound sense behind it.

The proposal has gifted the local planners an opportunity to create a new community of which they can be immensely proud. Certainly there are transport issues but there is a main line station close by and the proposals include the A14 having a junction onto the site. In fact the master planners (EDAW) and the transport planners (Arup) have worked unbelievably hard to ensure it is not just "within the regulations" but that it embraces the ethos of creating a new community which cares about its environment and each other.

This is a well thought through scheme that recognises – and dare I say exploits – the value of leisure and cultural facilities in a major development proposal. The Client sees the big picture and is committed to creating lifestyle solutions and promoting it through association with the right people.



**Andrew Williams is Managing Director at Franklin Andrews and Treasurer of World Leisure**