prd × REDO

A Better Approach to Sustainable Places

The Opportunity to Act

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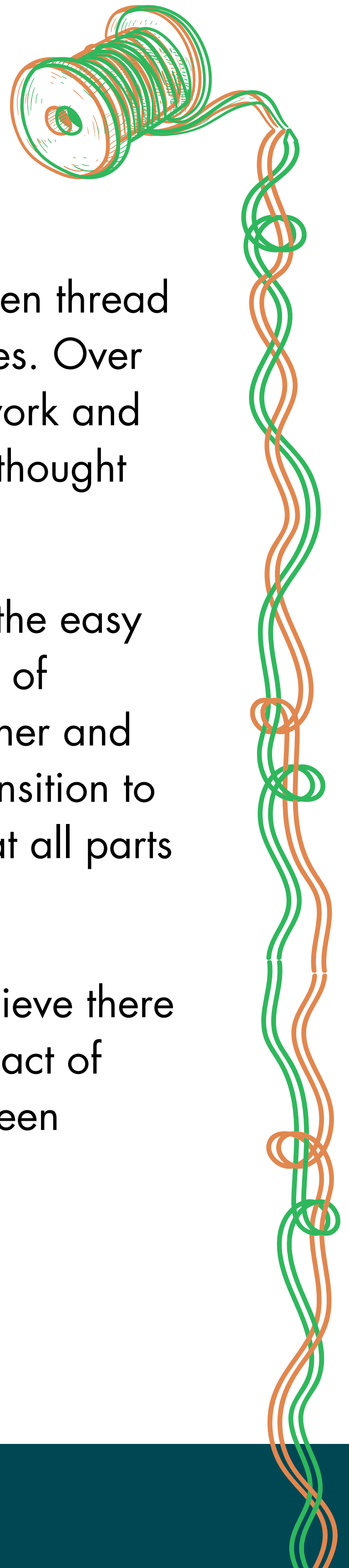
The Green Thread



As we work through projects with our clients we often think of the golden thread that links their vision, goals and values with their strategy and processes. Over recent years a parallel and intertwined green thread has guided our work and the advice we give, ensuring that sustainability is not a bolt-on or afterthought but integral to everything we do.

Against the current backdrop of a crisis in local government finances, the easy thing to do is water down climate commitments. Instead, we must think of sustainability as an opportunity, not only to deliver better quality, greener and fairer places but also a commercial opportunity to be seized as we transition to a green economy; and an inclusive opportunity for positive change that all parts of our community should benefit from.

Over the last year, we have set out in a series of articles where we believe there are opportunities for new approaches to the funding, delivery and impact of sustainability in the built environment. These are all informed by the green thread that runs through our work.

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PRD empower local authorities, regeneration teams, community groups, developers and investors to understand and deliver the potential of their places.

We design transformative yet practical strategies for long-lasting positive and equitable change, by building innovative partnerships and structures to deliver these effectively.

We combine rigorous analysis and evidence with, delivery experience, imaginative thinking and a clear social mission.

Working at different scales – from individual buildings to whole regions – our multi-disciplinary team is a valuable advisor, critical friend and partner of choice for our clients and collaborators.

REDO

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REDO was set up by the founders of 3Space to advise on how real estate can be used as a tool for delivering more inclusive and sustainable places.

At 3Space the team have operated 45 buildings across the UK over the last 10 years with a focus in recent years on affordable workspace, the most notable example of which is International House in Brixton.

REDO is an outlet through which we can apply our experience and help others shape their strategy and approach to real estate either through the use of existing assets or through the planning process.

We advise Local Authorities, Developers, Housing Associations and Corporations on how to redo their approach to real estate to meet these needs - of local people, successful cities and modern businesses.

Opportunities to act...

1.

Making Regeneration Regenerative

Creating regenerative places that work for the wellbeing of local communities and are responsible for their global impact.

2.

Local Carbon Offset Funds

An opportunity to localise the regulation and impact of offsetting with Local Government acting as the fulcrum between offsetters and local net zero projects.

3.

Infrastructure and Legacy

Exploring how Brisbane Olympics 2032 can deliver a green and inclusive economic legacy.

4.

A New Language for a New Economy

The a need for new terminology to frame how we see the world, what we prioritise, and the change we want to see in the new economy.

Opportunity to Act 1.

Making Regeneration Regenerative

Making the case for retrofit is both a quality of life and environmental imperative.

Masterplans must integrate social, economic, and environmental considerations from the outset of the design process to achieve genuine success. This is fundamental to ensure spatial proposals align with the social needs of local communities while respecting the planet's boundaries—and should absolutely be the way we should think about urban regeneration from now on.

Without this underlying mindset, designs risk a blank slate approach, where a new urban form is seen as the only possible solution for a thriving place. Unnecessary demolitions can become inevitable, ultimately reinforcing the narrative that a building's value is restricted exclusively to its current state and performance. If, on the other hand, we start with what we already have, we can deliver genuinely regenerative places that can adapt and evolve rather than aim for abrupt and definitive change.

Retrofitting and making better use of the built forms we already have is increasingly popular because of the embodied carbon savings, cost pressures on development and an imperative to deliver near-term improvements to local amenities and vibrancy. We are supporting local authorities to breathe new life into a diverse range of assets (including car parks, department stores, civic and commercial buildings) which are repurposed into local engines for enterprise and community activity.

Improve quality of life through improving buildings

The current energy and cost of living crises have brought retrofitting to the forefront of discussions in place-based strategies. With over 3.3m UK households, or 11%, in fuel poverty, almost one million homes in the UK are suffering from severe dampness. Considering that 80% of the homes that will exist in 2050 already have been built, the need for retrofits is both a quality of life issue and a moral imperative.

The quality of existing commercial buildings is also far from optimal. ‘Across London, approximately 92m sq ft of office space has an EPC rating below grade C, over half of total office floorspace’. These buildings not only require intervention to reduce their carbon footprint but could also become unlettable under the upcoming changes in energy performance regulations. under the upcoming changes in energy performance regulations.

If we hope to achieve net zero by 2050, retrofitting must become the default way of delivering new spaces. And it needs to happen now.

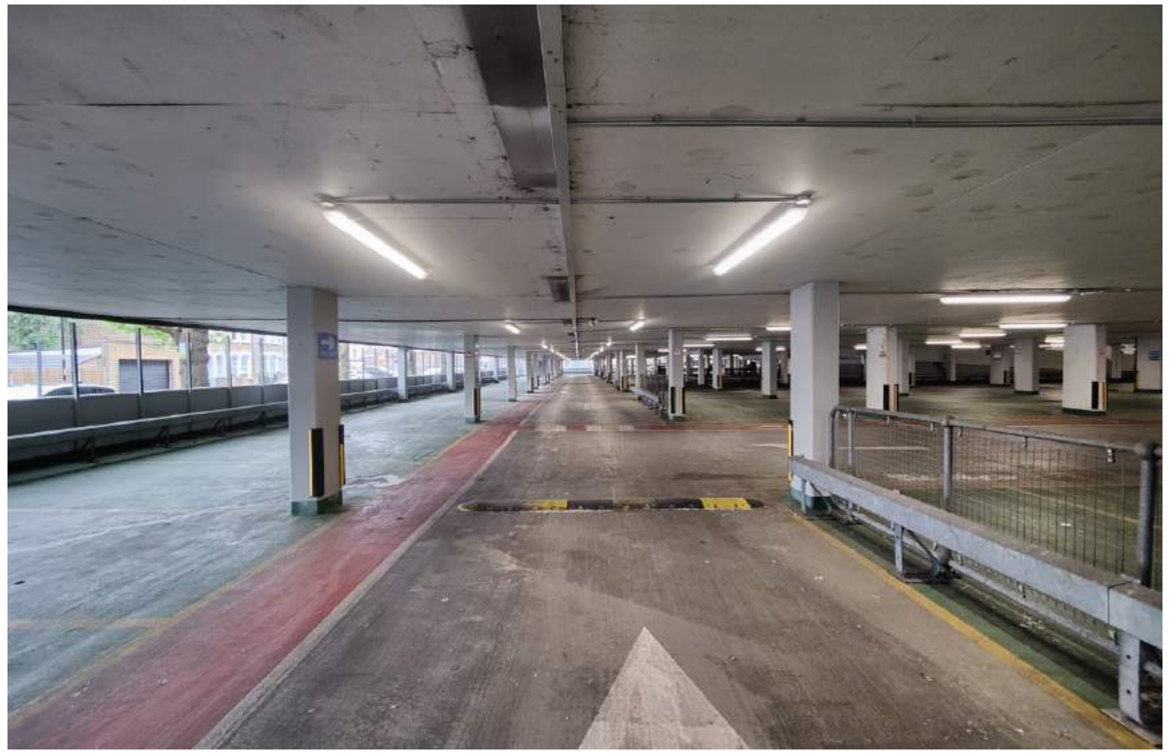
Much recent focus has been on transitioning to renewable energy and energy efficiency—in other words, reducing operational carbon. This has created a mentality that retrofits can’t achieve high levels of efficiency and, as long as a new building is energy efficient, its remaining carbon impact is acceptable. However, that’s only part of the equation. Embodied carbon (emissions associated with materials and construction processes) needs to be given more consideration if we are to maximise our reduction in carbon impact. Embodied carbon is responsible for roughly 20% of built environment emissions and will account for more than half of all emissions by 2035.

The Marks and Spencers on Oxford Street has become the poster child for the debate around retrofit in the UK with the high street retailer’s proposals to demolish and replace the 1920s building proving highly controversial. The Department for Levelling Up, Housing and Communities disagreed with the recommendations from inspectors to approve the plans and refused permission. If it had progressed the scheme would have released close to 40,000 tonnes of carbon into the atmosphere.

Balancing embodied and operational carbon

To reduce the predilection of building new, we need to better and more specifically define optimal retrofit levels for assets. LETI suggests a 70% reduction in energy consumption is where the balance between social and environmental benefits and delivery costs lies. Implementing this on a large scale could result in a significant reduction in the overall operational carbon emissions of the building stock without the need to rebuild from scratch.

In addition, we should explore creative design solutions that retain at least the super and sub-structures of a building, which account for roughly 65% of its embodied carbon. Saving existing structures can prevent tonnes of carbon emissions and raw material extraction, avoiding resource depletion and degradation.



Material efficiency, low-carbon materials, and intensifying the use of existing buildings should also be considered. In the span of 5 years, the retrofit of 750,000 London homes could be funded by the savings of using materials better and avoiding new construction.

PRD, REDO and regular collaborators We Made That are currently working with RB Kensington and Chelsea and LB Lewisham on the feasibility and road-map for the adaptive reuse of multi-storey car parks in Council ownership.

There is an opportunity to consider not only the embodied carbon savings realised through the re-use of the structure but also the activity within a new facility that can support zero-carbon infrastructure such as EV charging points, a last-mile logistics hub, affordable workspace for sustainability-focused organisations or a circular economy hub.

Retrofit Case Study

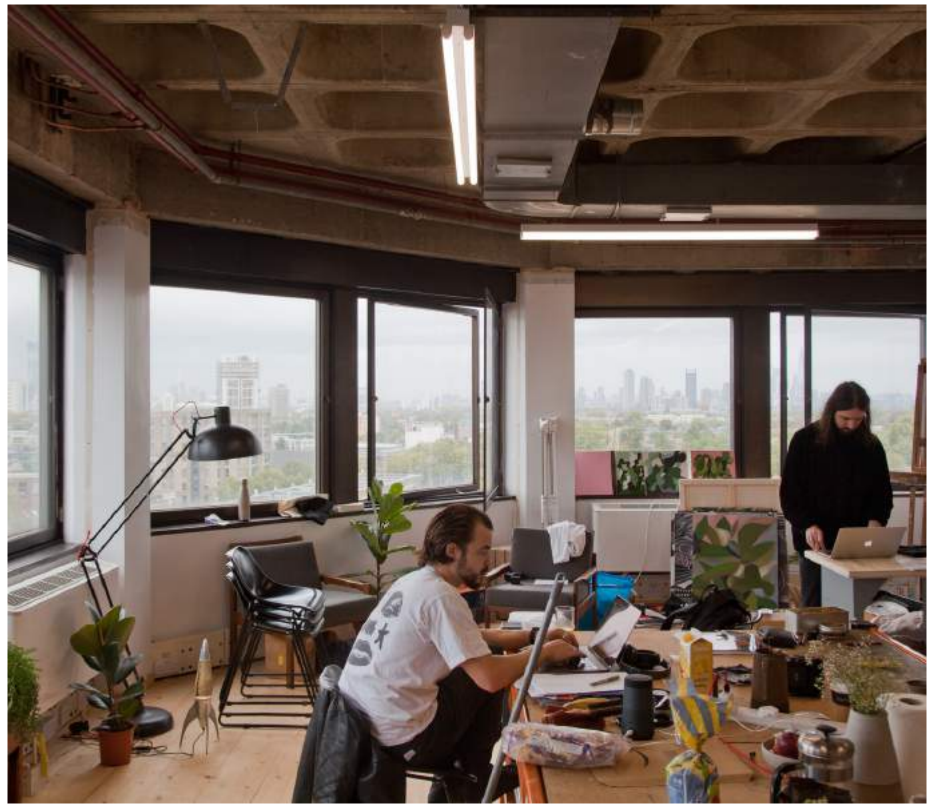
International House

A fantastic example of building repurposing is International House, a council-owned office in Brixton, which at 6000m2 spread over 12 storeys is one of London's largest affordable workspaces.

Until 2018, the International House was an office for the Youth and Community Services team at Lambeth Council. 3Space renovated and repurposed the building for a mixture of creative, making, community use and workspace using a starting budget of just £100,000. This was used to secure a further £800,000 from partner tenants including high-growth start-up businesses to bring the building into productive use.

This type of unique activity—an interface between private business, civil society, start-ups, charities, culture, and creation—is unlike a typical market-led product and its uses wouldn't be compatible with a newly built corporate HQ. Nor, indeed, would it be able to cover the operating costs of a newly built office.

The project generated significant social value: a recent analysis of International House showed that it delivered the same job numbers as a traditional new build office, with £413 per m2 of social value—15 times that of a new build (at £27 per m2). Repurposing and reuse can be low-cost, and if buildings like the International House are retained in council ownership, they can significantly reduce the embodied carbon contribution, provide the council with a steady income and deliver higher public value than more traditional approaches.



Improvements were made to the plant and services including the replacement of fluro lighting with LED batons

Filing cabinets that were already in the building were repurposed and converted into a reception desk topped with recycled plastic sheet material. A similar approach was taken wherever possible throughout the building

Measuring value

Regardless of the level of retrofit, these projects can't be seen in isolation, particularly when numbers might demonstrate a less optimistic outlook. Existing buildings are embedded into urban fabrics with historical and community significance that need to be preserved and enhanced. Retrofits can help to ensure a just net zero transition, targeting those in disadvantaged contexts and with less access to more efficient, but less affordable, new buildings.

To be able to address some of those challenges, the way value is measured in the built environment needs to change. The economic and commercial value of retrofitting has to sit alongside its social and environmental impact.

A nationwide retrofit programme, for example, could create space to upskill, future proof and create better quality jobs. Grosvenor states that upskilling the workforce to 'retrofit UK's historic buildings would lead to an additional £35 billion of output annually, supporting around 290,000 jobs'. In turn, building capacity in less advantaged communities can start to unlock one of the major barriers to retrofit on scale: the existing skills gap.

Other benefits of retrofit include enabling buildings to adapt to changing market demands. Shiny, Grade A buildings without a pre-let or user-led approach will most likely become a rarity outside of a handful of major UK cities, if at all. Occupier demand and rental growth have not kept up with build cost inflation, placing a viability squeeze on new development. New approaches should be piloted and better practice celebrated.

Lastly, the value of retrofits in strengthening the circular economy should not be forgotten, since they promote the reuse of materials and the sharing economy. They contribute to new ways of thinking that open space for systemic change and help to reduce resource depletion and associated environmental degradation. Moreover, they can start to recognise the global impact on communities and environments beyond the local influence of an asset.

Retrofit, yes

The building stock is variable and will require different approaches to transition successfully to net zero. Although a deep understanding of the whole-life carbon of an asset is paramount to comparing emissions and making informed decisions, it needs to go hand in hand with social impact and more comprehensive environmental degradation considerations.

Starting fresh can feel more comfortable, less complex, and easier to do, whereas adapting, solving compatibility issues, and changing the status quo can feel daunting and counterintuitive. Nonetheless, growth should not cost the planet and should be focused on creating regenerative places that work for the wellbeing of their local communities while being responsible towards their global impact.

The recent demolition refusal of Marks & Spencer's Oxford Street store and the government's efforts to decarbonise social housing are certainly positive steps in that direction. But we need to go bigger and faster.

Retrofit has huge potential to deliver system change and decouple economic growth from resource depletion. These projects foster creativity and innovation and ultimately lead to more diverse and attractive spaces commercially that also meet the socio-economic needs of the local community. Even so, we can only secure the potential environmental, social and commercial benefits of retrofit if we can deliver at scale. Masterplans have to start from the position that new development is not the first resort and urban regeneration needs to get closer to its meaning in nature: delivering places that adapt through regenerative and ecologically sound practices.

PropUp Project are a circular economy organisation that have redirected thousands of items from landfill, putting them to good use and 'propping up' over fifty charities and community groups across London and beyond.

Opportunity to Act 2.

Local Carbon Offset Funds (LCOFs)

Global voluntary carbon offsetting schemes are broken. Councils should step in and make the case for a localised approach.

The voluntary carbon offset markets have been rocked by recent bad press exposing questionable claims and outcomes supported. This represents an opportunity for local government to go on the front foot and make a claim for this funding, working with local communities and businesses to collect and spend offset funding locally. Councils can leverage existing infrastructure and use LCOFs as a point of convergence for enterprises, governments and communities to make the necessary progress towards meeting climate action plans.

This approach can not only support carbon reduction measures but also better quality of life, public health and improved places and help prepare the UK for a transition towards a green economy.

REDO, PRD and DC Sustainability have developed the idea around a localised approach to Carbon Offset Funds in 2023 culminating in a workshop which was attended by LB Hackney, OPDC, City of Westminster, UKGBC, FORE Partnership, PropUp Project, LB Waltham Forest, LB Lambeth, The Crown Estate, British Land, Action Funder, RB Kingston upon Thames and Fabrix.

To learn more and read an unabridged version of this article please visit the Local Carbon Offset Funds website here.

A new source of funding to deliver better quality, more sustainable places

In 2023 it was shown that more than 90% of rainforest carbon offsets certified by Verra the biggest global certifier for carbon credits were worthless and could result in further damage to the environment. When there is a system failure, why do governments, corporations and institutions spend millions on carbon offsets in overseas schemes, when the money could be collected and spent locally on environmental improvements where they are based?

Councils are already setting up the apparatus to do some of this with development-led Carbon Offset Funds, they should seize the opportunity to go further. Local Governments should be making a play for this funding to meet their own Climate Action Plans, delivering retrofit, renewables, sustainable transport and better, healthier places that can capitalise on a new green economy.

When the use of carbon offsets was introduced into the London Plan it required Local Authorities to set up Carbon Offset Funds to collect and distribute carbon offset payments made by developers as part of their S106s. It would surely make more sense for Government institutions like universities and corporations to follow a similar logic to the development contribution when honouring Net Zero commitments and paying locally.

At the moment organisations based in London would typically be buying carbon credits verified by Verra and seeing a questionable environmental return. The global voluntary carbon offset market is massive and could grow to $40 billion by 2030. Given how inefficient the current system is, this represents an amazing opportunity for local government to step forward as a trusted alternative.

Offsetting organisations would just need the confidence to transfer from a broken system mired in bad press to an alternative that could see them support the communities in which they do their business, enabling a new, collaborative and localised response to the climate crisis.

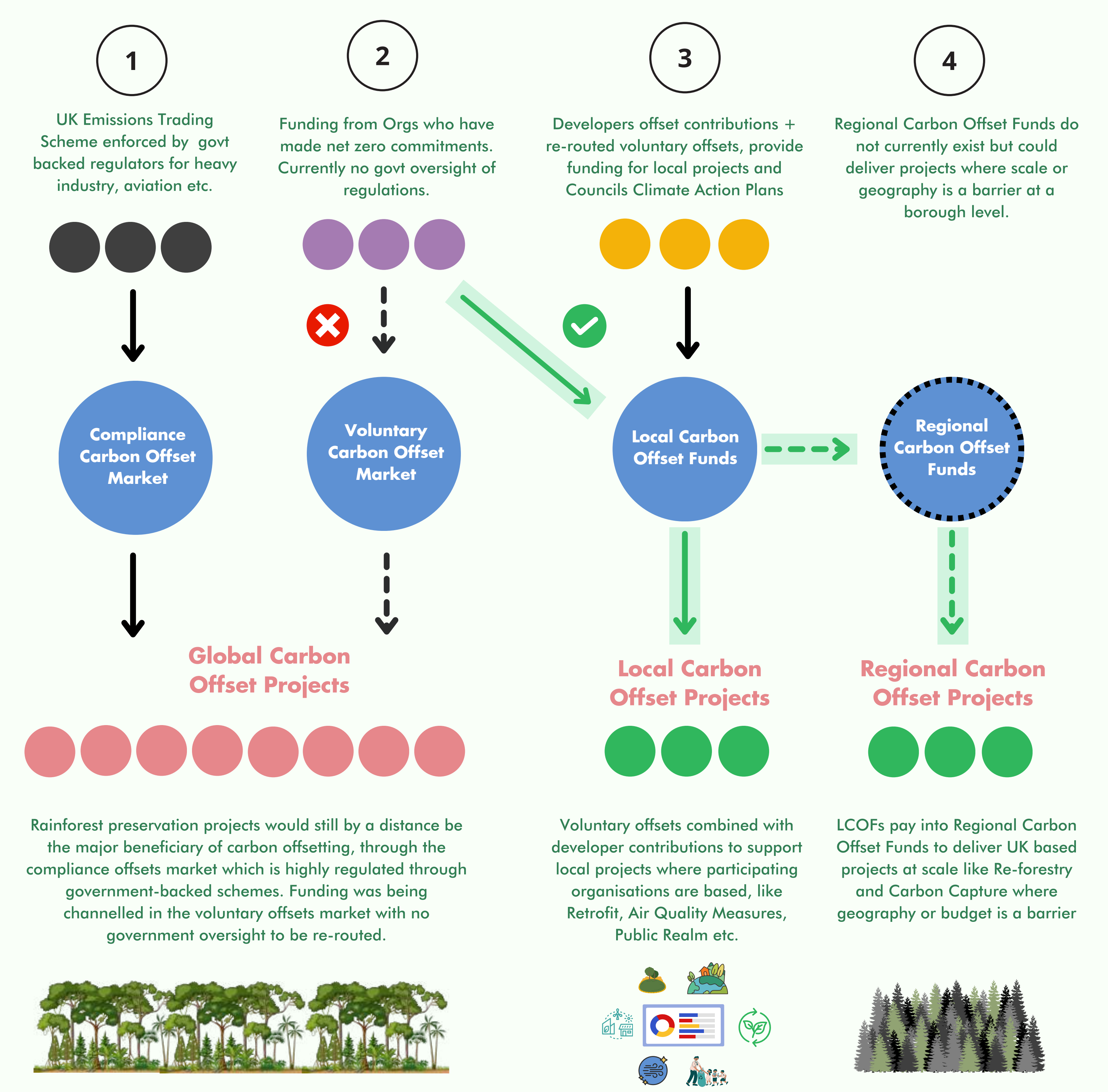
If local government can make the case for investment for funds currently flowing through the voluntary carbon offset market it would put a rocket under Councils' ability to deliver their own Net Zero commitments with the government, businesses and residents all pulling in the same direction. The 2030 target date many Councils have set themselves to achieve Net Zero is fast approaching.

1. Compliance Carbon Offset Market

- In the Compliance Carbon Offset Market corporates buy credits under international schemes like UK ETS.
- They are mandatory obligations that companies must adhere to depending on the size of their business and sector.
- The market is highly regulated and was worth $850 billion in 2021, with a focus on preserving the rainforests and renewables.

2. Voluntary Carbon Offset Market

- In contrast to the highly regulated mandatory carbon market, voluntary carbon markets are overseen by multiple non-government bodies with no govt oversight, known as Carbon Standards.
- The voluntary carbon offset market, which was worth about $2 billion in 2021, could grow to $10-40 billion in value by 2030.
- Voluntary Carbon Markets are not currently working - more than 90% of rainforest carbon offsets by biggest certifier are worthless (Source: Guardian/ Die Welt / Source Material)



3. Local Carbon Offset Funds (LCOFS)

- 'Local' Carbon Offset Funds (LCOFs) already exist to re-distribute developer contributions collected through S106 where net zero carbon cannot be delivered on-site. They typically deliver local projects like retrofit programmes.
- There is an opportunity to expand LCOF impact by capitalising on the current failure of Voluntary Carbon Offsets. This could mean govt, corporations and institutions based in the borough who have made Net Zero commitments making discretionary payments into LCOFs.
- Potential expanded reach could deliver a much wider programme of environmental measures aligned with Councils' Climate Action Plans: Better air quality, greener public realm, public transport infrastructure improvements, wider retrofit programme of publicly owned buildings, housing and affordable workspace.

4. Regional Carbon Offset Funds

- Regional carbon funds would pool contributions from multiple boroughs where councils are unable to deliver projects at the scale required to meet net-zero commitments.
- This would still be supporting projects within the UK and could go towards forestry and environmental preservation projects as well as investing in wider programmes like new technologies, research, training and apprenticeships.
- These funds do not currently exist and would need to be established at a City, Regional or even National Level.

How would this supercharged approach differ from what a Local Carbon Offset Fund currently does?

In July 2022 the GLA issued guidance for London's Local Planning Authorities on establishing carbon offset funds. It sets out that the main priority should be to reduce energy demand in existing buildings, including through energy efficiency measures, and improving monitoring and operation. The examples put forward in the guidance include insulating social housing stock in Islington and a school's energy retrofit programme in Tower Hamlets. It is quite right that retrofit is the main priority, especially against the backdrop of incoming MEES regs that will require commercial stock to hold an EPC rating of E this year, C by 2027 and B by 2030.

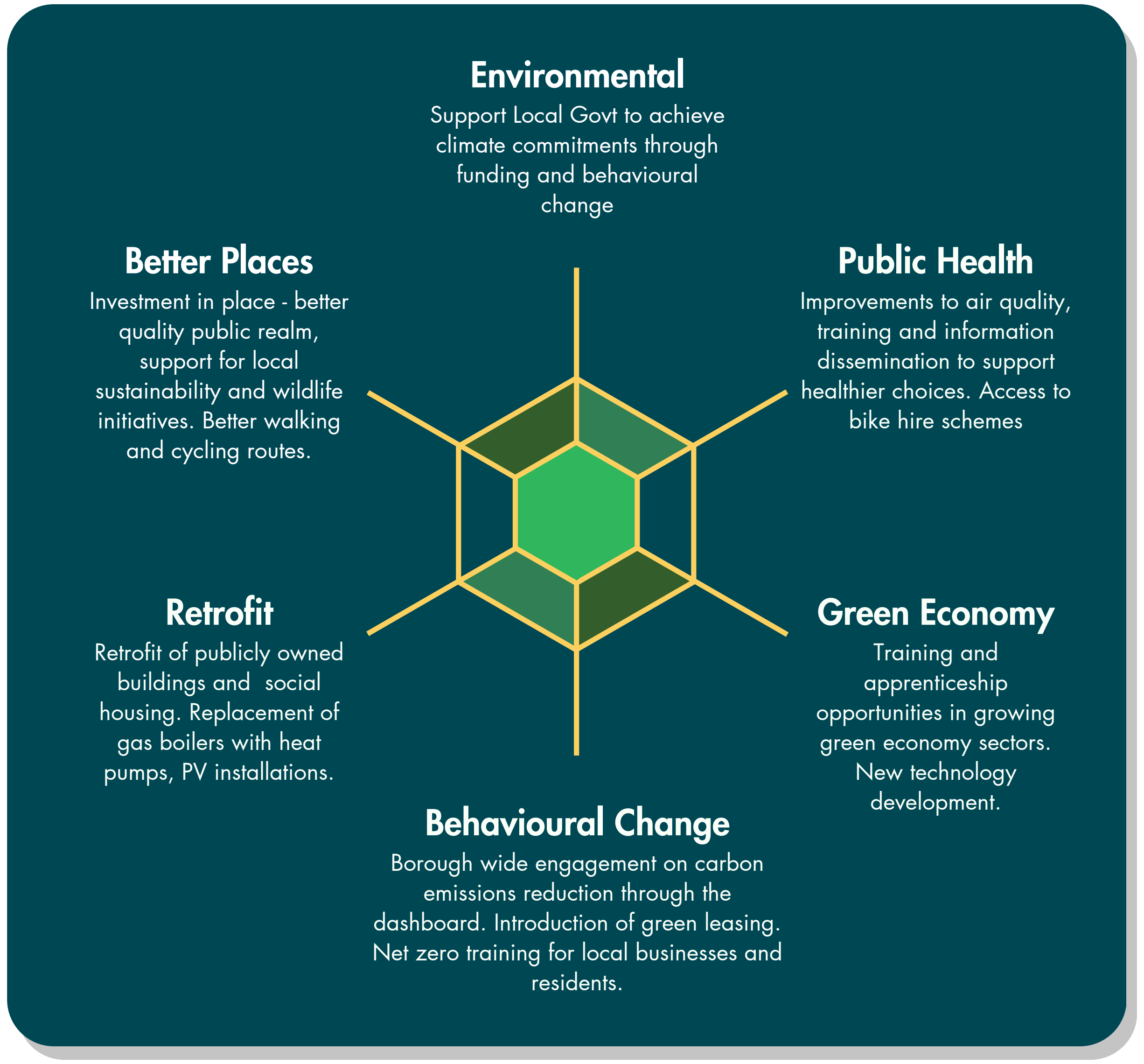
Without intervention, MEES regs are set to see much of the commercial stock in the UK become obsolete. This would include 'Affordable Workspace' traditionally housed in buildings with poor thermal quality. Investment from LCOFs could help safeguard the types of activity that drive innovation, and creativity, and support a healthy civic sector. Whilst Councils could choose to make retrofit the sole focus of LCOFs, there is however an opportunity and precedent to make this a wider and more interactive programme that could fund a more stratified range of projects and impacts - the type of things that Councils have already included in their Climate Action Plans.

The solar panels installed at Morpeth School in Bethnal Green provide 20% of its electricity, reducing its carbon output by 19% and saving the school around £20,000 per year. The grants are part of the council's Schools Energy Retrofit Programme and funded by the council's Carbon Offset Fund, which has supported 19 schools to reduce their carbon emissions by proactively carrying out energy reduction and energy efficiency projects.

Opportunity to support a broader range of public value outcomes for local places

Localising the impact of offsetting will support positive environmental outcomes and deliver a wider range of social and economic value and public health benefits. An LCOF should not only be seen as a way of achieving GHG emissions reductions but also as an opportunity to improve residents' lives, providing opportunities and better places to live. For example, LCOF funding could support the retrofit of social housing leading to better quality homes that are cheaper to run, air quality improvement schemes or green economy jobs and training, ensuring that the UK has an economy that can capitalise on the transition towards net zero.

Having a government supported offsetting programme also presents the opportunity to take a longer-term strategic view of the projects it will support. The current focus of the Voluntary Carbon Offset Markets is demonstrating immediate carbon reduction, but many of the measures required for the UK to meet its net zero targets are difficult to measure and quantify and will play out over a number of years. This could be developing carbon capture processes to a point where they are affordable and can be implemented at scale, switching the gas grid to hydrogen or training a generation of heat pump engineers as well as providing the training and support for businesses to make greener choices.



The Key Principles for Local Carbon Offset Funds

1. Pay where you stay
The biggest carbon emitters at a borough level should take responsibility for their actions at a local level.

2. Investing in Place
Contributors should be encouraged to see their contributions as an investment in where they are based.

3. Prove the Concept
The case will need to be made to secure initial voluntary contributions and Councils should work with Anchor Institutions on pilots.

4. Transparency of Spend and Impact
LCOFs would need to have a public profile such as an online dashboard to demonstrate what is being spent, the carbon savings engineered as a result and how this aligns with a borough's Climate Action Plan.

5. Councils should be Accountable
LCOFs differentiator from the existing global schemes should be good governance. Those paying into an LCOF should be able to hold the Local Authority to account if there is underperformance.

6. Give Agency to Contributors
Contributors should have a say in a proportion of the spend and individual projects that should be funded.

7. Celebrate Local Participation
This is a voluntary contribution, not a tax. Civic pride and responsibility should be engineered through paying into an LCOF with corporate and institutional participants celebrated in a public forum, such as the dashboard.

8. Encourage Innovation
The climate crisis will require radical solutions. A percentage of LCOFs could be used to fund research and experimentation projects.

9. Align with Climate Action Plans
LCOF-funded projects should align with the strategic goals set out in borough Climate Action Plans giving them a readymade set of funding goals.

10. Clear Additional Impact
Projects should be able to demonstrate additionality of impact. LCOF Funding should not be used to justify scaling back or replace existing funding commitments.

In 2023 REDO, PRD and DC Sustainability hosted a workshop that refined the model for Local Carbon Offset Funds attended by a number of Local Authorities, Developers and Project Developers

Opportunity to Act 3.

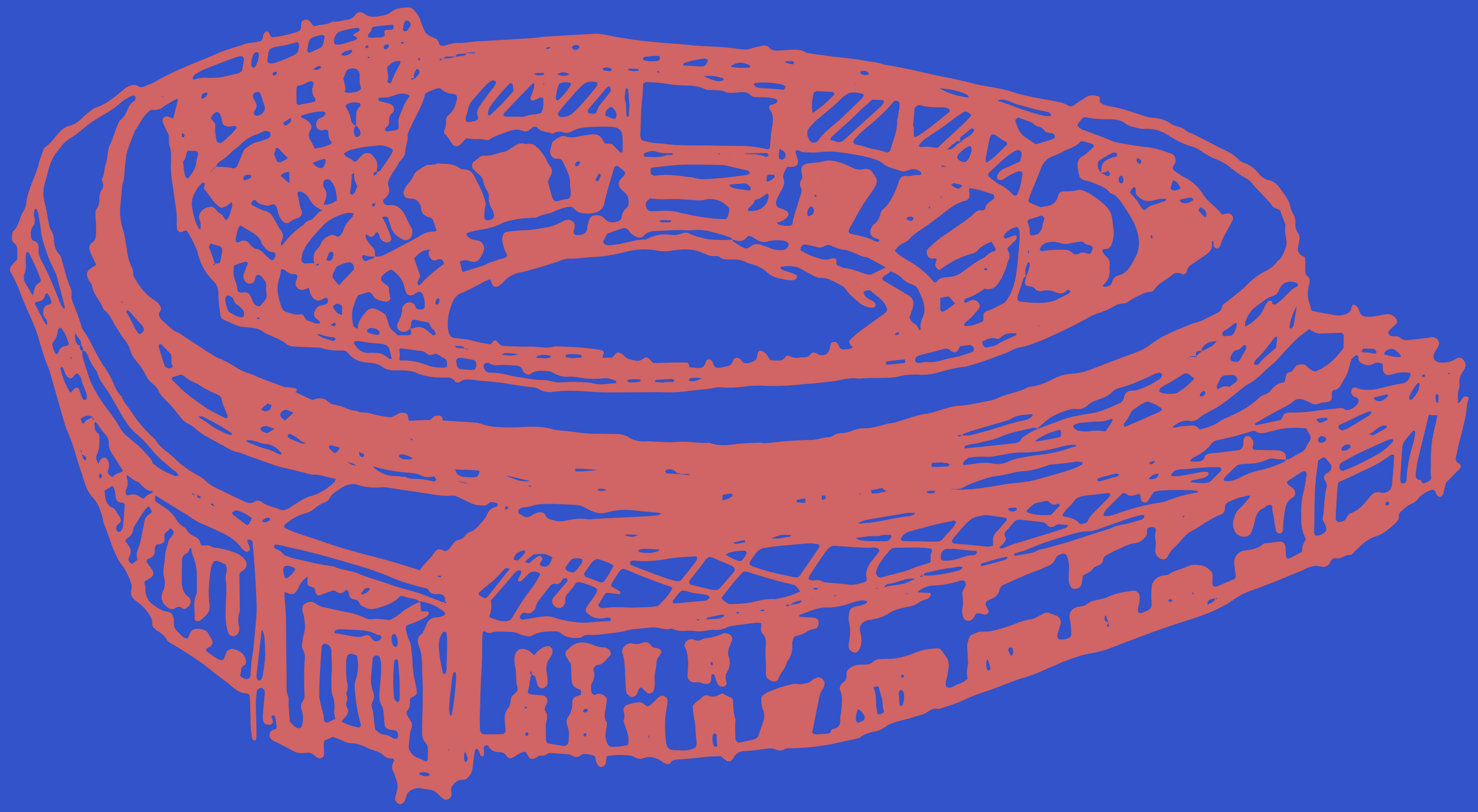
Brisbane 2032 - Infrastructure and Legacy

What would a lower risk, high impact, less growth focused approach to the Olympics look like?

Victoria's decision last year to return the hosting of the 2026 Commonwealth Games raises questions about the value and legacy of hosting major sports events. With Brisbane set to host the 2032 Olympics, there is an opportunity to adopt a more locally-focused, regenerative approach that creates a balance between grassroots and large-scale projects.

Brisbane can learn from London's inclusive economy approach to improve prosperity for residents, environmental outcomes, and productivity for local businesses.

This article identifies five practical priorities for Brisbane to convene the greenest, fairest, most inclusive, and regenerative games in history.



If Brisbane wants to deliver an economic and social legacy it can't rely on its facilities to reach those who need it most. However, ideas from London such as local climate change targets, a 'good growth hub' for local people, creative enterprise zones, community ownership of spaces, re-use of buildings and affordable spaces for innovation could all be spread across the Greater Brisbane and South East Queensland areas that need it the most. Brisbane 2032 would be the catalyst for their implementation.

Inclusive economy as a legacy of London 2012

Brisbane can use the games to reevaluate its approach to growth and shift towards an inclusive economy, which provides opportunities for broadly shared prosperity. The focus should be on health, environment, participation, belonging, and fairness. Now that London is 10+ years on from the 2012 games, we can reflect on their impact and ask: what is the legacy of the games?

The Strategic Regeneration Framework (SRF) was established in 2009 to address the concentration of deprivation in the five host boroughs of London. Its mission was to achieve convergence between the host boroughs and the London average across several indicators of deprivation by 2030. While convergence has been achieved ahead of schedule against some economic measures, many fundamental challenges remain, and some communities are still relatively poorer. A new approach is being called for, with a deeper focus on prosperity, including education, housing, health, relationships, and culture, alongside employment and economic utility. A new inclusive economy strategy which is more directly focussed on the needs of those excluded communities near the park has been developed. It focuses on the idea of Secure Livelihood, a foundation for a life well lived, enabled by facilities and institutions which have grown up in the area following the games.

PRD are working with the London Legacy Development Corporation (LLDC) to develope a new inclusive economy strategy more directly focussed on the needs of those excluded communities near the park.

REDO and architects Carver Haggard are working with the LLDC to identify new uses for the Olympic Park that generate income and deliver social value.

Embedding sustainability as part of Brisbane's legacy

Brisbane's bid for the Olympics adheres to the International Olympic Committee's (IOC) New Norm principles, prioritizing flexibility and sustainability. Over 80% of the venues will be existing or temporary structures, reducing the need for new construction. Unlike London's plan for the 2012 Olympics, Brisbane aims to upgrade existing facilities, demonstrating a commitment to reuse and environmental impact. The New Norm principles aim to reduce costs and questionable impacts of past games.

By combining Brisbane's sustainability commitment with London's approach to secure livelihoods, urban development can thrive within the planet's limits.

Five practical priorities for a fairer, greener legacy

The climate imperative and the lessons from London provide a unique opportunity for Brisbane to convene the greenest, fairest, most inclusive and regenerative games in history. To achieve the new benchmark, however, the city needs to start thinking about its evolution now. Like an Olympic athlete, London has shown that to capitalise on hosting, you need to get event-ready, prepare, evolve and adapt, to ensure that you peak to deliver the maximum impact.

Priority One

Make firm climate commitments

London has set a goal to achieve net zero by 2030, and most London boroughs have made similar commitments. This requires significant changes in behaviour, beyond using renewable energy. Climate change has become an integral part of policy changes and decisions.

Brisbane is committed to being a climate positive games, but compared to Paris, it seems to be lagging behind. The surrounding Olympic host councils have not made firm commitments to respond to climate change, with only two councils in Queensland declaring a climate emergency. While Brisbane City Council and Noosa Council have set targets for their organizations, the target of Queensland is to be net zero is 2050. To achieve a gold standard, Brisbane needs to set world-beating targets for southeast Queensland, going beyond the state and federal governments and creating an environmental legacy beyond 2032.

Priority Two

Commit to reuse and repurpose

The City of London Corporation is the first planning authority in the UK to issue planning guidance that requires developers to review the carbon impact of development options, including the potential to reuse existing buildings on-site. This reflects a broader push toward reducing embodied carbon produced during construction and demolition in addition to operational carbon in new buildings. Marks and Spencer's recent proposal to demolish a non-heritage building in London was rejected by the central government for failing to support the transition to a low-carbon future and encourage the reuse of existing resources. Developers who cannot achieve net zero in London are required to contribute to council-run Carbon Offset Funds. Local Carbon Offset Funds could allow businesses to pay in and for the council to fund more local projects and impacts.

Brisbane needs to start making changes to respond to the climate ahead of 2032. The building industry is responsible for a third of carbon emissions in Australia, and the Olympics could be an opportunity to encourage the reuse of existing buildings. A showcase project at the former Visy site in South Brisbane could be a catalyst for this. Brisbane could also set up an Olympic Carbon Offset Fund for each of the three Olympic zones, requiring contributions from developments and businesses to be spent on local climate impact projects within a 20-year legacy timeframe.

Priority Three

Map needs and set a social foundation

A social and economic strategy was developed to support the convergence between East London and the rest of the city when London won the 2012 games. While there has been progress in some measures such as employment and business growth, there has been limited progress in others such as crime, youth employment, and health. Partners are now taking a more nuanced approach that aims to provide a social foundation for East Londoners, including access to good housing, work, networks, relationships, health, and culture. The approach is intended to reflect local needs and produce a more nuanced legacy.

Brisbane's multiple venue locations for the Olympics are concentrated in three zones: Brisbane, Gold Coast, and Sunshine Coast. The Brisbane zone has a significant gap between wealthy inner areas and deprived outer areas in terms of employment, business growth, and average incomes. Brisbane has an opportunity to address this gap and tackle inequality by mapping variables like median earnings and wellbeing across the entire zone to set a minimum standard of prosperity. This approach could create a market-shaping legacy and be proactive in addressing inequality.

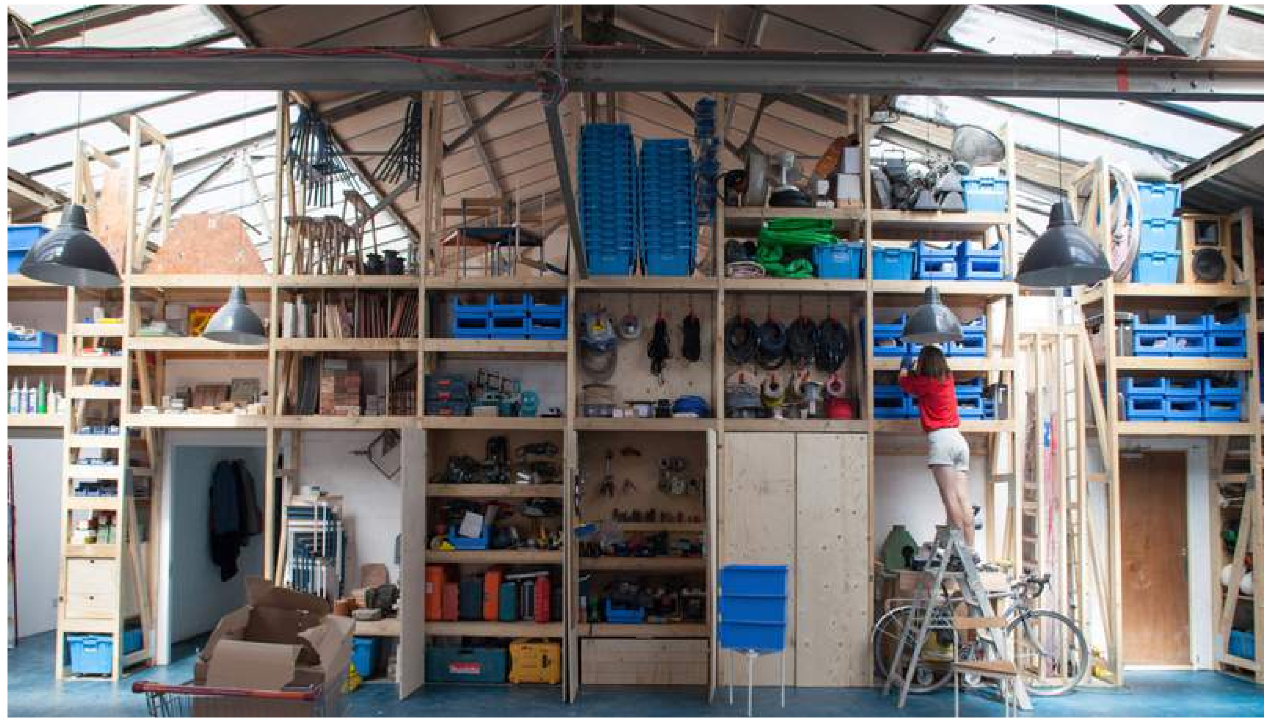
Priority One: Realising that 2050 would be too late London Mayor Sadiq Khan has committed London to net zero by 2030.

Priority Two: A planning application for the demolition of this non heritage listed building by Marks and Spencer (M&S) on London's Oxford Street was refused by the central government. M&S had failed to show why the building couldn't be reused.

Priority Three: Certain neighbourhoods surrounding London's Olympic Park are even poorer in relative terms than they were in 2012. In response, partners have opted to take a more nuanced approach which looks at a social foundation for the East Londoner.

Priority Three> By providing space directly to those who need it most 3Space's Space for Public Good project in Brixton focuses on improved wellbeing over inward investment.

Priority Four: Embracing creativity, grassroots and social innovation is London's first agri-tech incubator, Green Lab, set up in a former school.



Priority Five: Sugarhouse Studios was a studio and events space near the Olympic Park conceived and built by architects, Assemble in collaboration with the London Legacy Development Corporation which opened just before the games in 2011.

Priority Four

Embrace creativity, grassroots and social innovation

The Olympic Park in London is being transformed into an innovation district with a focus on social equity and the climate emergency. Four new universities have moved to the park, and an Innovation Hub called Here East has been established. The adjacent area of Hackney Wick has formed a new organisation called SHiFT to support grassroots activity. Creative Enterprise Zones have also been established across London to provide affordable workspaces for artists and creative businesses, support startups, and help local people learn creative sector skills and access pathways to employment. Nine zones have been established, including three around the Olympic Park.

Brisbane's active student and research talent pool could be utilised to address community and market challenges by collaborating with businesses and innovators. This could be achieved through multiple or ad-hoc projects, supported by funding to improve city outcomes, job opportunities, and well-being. It could take the form of something like Green Lab, London's first Agri-tech incubator. Or Brisbane could implement its first Creative Enterprise Zone at Woolloongabba to enhance the pockets of creativity that already exist.

Priority Five

Create affordable spaces for change

London Legacy Development Corporation (LLDC) was one of the first public bodies to require the delivery of affordable space, including in new development, and this is now an established part of planning policy across London. Sugarhouse Studios Stratford was a studio and events space based on Stratford High Street that was built by architects, Assemble in collaboration with the LLDC before the games started. The building aimed to provide public access to private practice space for research, design, and construction. Sugarhouse Studios later relocated to Bermondsey in 2016.

The government could reconsider its property strategy, audit surplus spaces, and use property assets to bring affordable spaces for the community. They could use their property assets to bring forward affordable spaces, including to host temporary projects on and around the games venues. Brisbane is planning now for the new development that will come forward around the Olympic venues. This will likely allow for increased densities and rezoning, and this uplift in commercial space could be offered in return for a percentage of the space to be provided as affordable.

Opportunity to Act 4.

A New Language for a New Economy

How we talk about the economy needs to be updated to reflect our current values and practises.

The challenges and changes of the 2020s are accelerating the need for a 'new economy'. A new economy must be grounded in better local insights, be focused on addressing inequality, and be committed to tackling the climate crisis. Effectively articulating our ambitions for change - and why this is different from what has come before - is an important first step to delivering this new economy. This requires new language, not only to explain what we want to achieve but also why we're changing the way we work.

In strategic development work PRD has undertaken with Newham, Southwark, Camden and Hackney, the use of a new language is helping to shepherd a new mindset and approach to economic development that prioritises inclusive outcomes and broader measures of success. 'Towards a Better Newham' places the health and well-being of residents and race equality central to the Council's aspirations of inclusive growth and Southwark's Land Commission aimed to make more land available for public good.

Over the last decade, we've faced systemic and deepening challenges like unfair labour markets, inflation, declining investment, cuts to public services, and limited progress against climate objectives. This has led to pessimism and cynicism in economic policy and practice. Yet, by redefining our values and focusing on public goods, we can foster a more positive outlook that can provide the foundations for better, positive change.

This shift demands new ways of communicating.

If we start to redefine what we value and the public goods to which we aspire, we can challenge ourselves to think and act more positively about the inputs and resources at our disposal to support and grow our economy.

Language shapes how we view the world and our role within it. Our current professional jargon often holds us back, hindering innovation. Much of our professional language about the economy and how we seek to shape it is defined by increasengly out of date values and practices. By resetting our focus, we can bring new perspectives to our biggest challenges, which in turn can lead to better, more impactful actions.

In our recent work, we've explored and engaged with new language and practices that challenge old norms. Here are some of the most important shifts we are seeing:

1. Instead of just pursuing growth, we're moving towards an inclusive economy that values well-being as the core measure of prosperity.

2. We're shifting from arbitrary measures of 'social value' to a focus on well-being, rooted in local needs and research.

3. Rather than sticking with ESG (Environment, Social, Governance), we're considering alternative ways to prioritise climate justice and biodiversity conservation.

4. We're embracing the circular rather than linear economy, which aims to minimise waste and maximise value, benefiting both the environment and society.

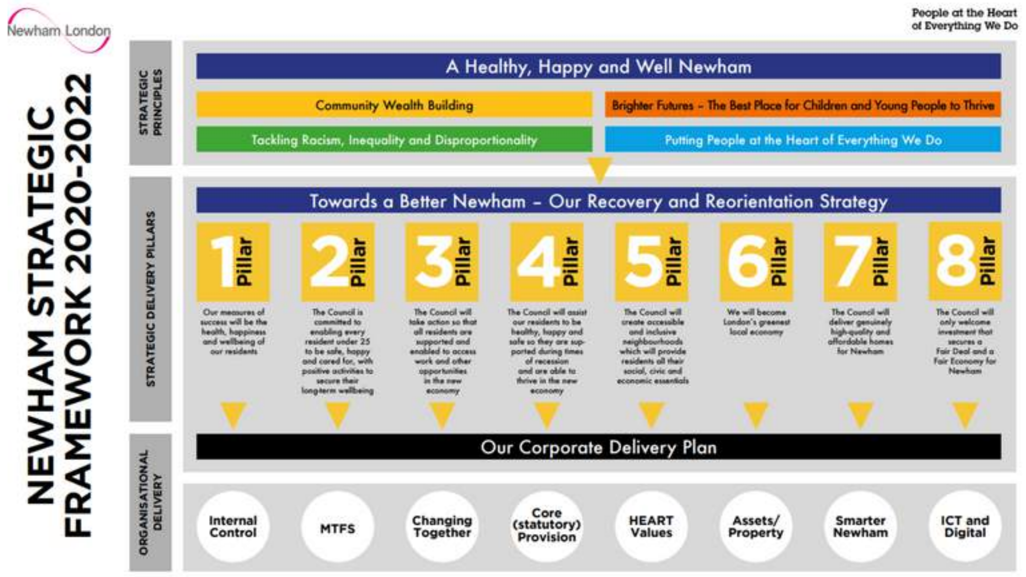
1. From inclusive growth to an inclusive economy

Over the last ten years, most cities and authorities have pursued policies of ‘inclusive or good growth’. This is normally underpinned by the premise that economies need to grow for wealth to be shared more equitably and improve people’s lives.

With stagnating growth and the environmental impact of traditional economic policies starting to be understood, many are shifting to the language and practice of an ‘inclusive economy’. Whilst this is a change of just one word, it is a fundamental shift in approach. An inclusive economy is based on the principle that we should still aspire to have thriving and prosperous economies even if they don’t grow. It also recognises the need to think more carefully about the resources we use, what we value in our economy, and how the public sector can support fairer and more resilient communities.

	Inclusive Growth	Inclusive Economy
Guiding Principle	• Addressing the inequalities created by growth **>** “grow now, redistribute later”	• Become less focused on growth and more focused on people **>** “an economy focused on social goals”
Role of the local authority	• Facilitators of growth; inward investment; address market failures; maximising private sector contributions through levers like S106	• Proactive market-shaper; improve wellbeing of residents; ensuring a minimum standard of prosperity
Economic ambition	• Deliver *x* new businesses, sector jobs in the borough	• Using unprecedented demand to create the **right jobs** and tackle issues of fairness and inequality.
Example measures of success	• Business and employment growth • £ of inward investment • GVA growth	• Earnings after housing costs • Number of children living in poverty • Resident wellbeing

The Southwark Land Commission was the first of its kind in London, proposing actions to deliver more ‘public good’ from land use.



Towards a Better Newham made Newham the first borough in London to use livelihood, well-being and happiness as its prime measure of economic success within its post-COVID recovery.

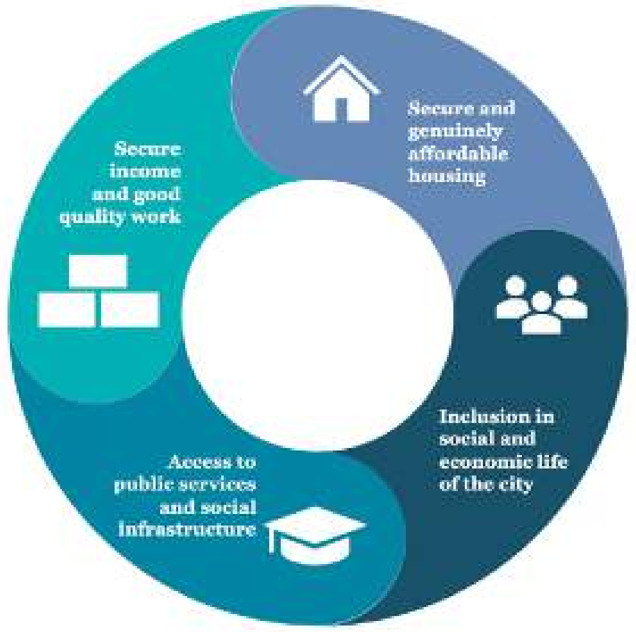
2. From social value to wellbeing

Now part of the built environment's mainstream language, Social Value has become a difficult term. For many, social value has evolved into a concept of monetising measures of hypothetical local impact rather than being a genuine response to local needs.

Social Value measurement tends to rely on top-down assumptions that a growing economy will create economic and social benefits for target communities. Often these assumptions are place-agnostic and not specific to the needs or context of a local area. Current approaches to social value also rarely generate high enough standards of evidence to show the real impact an intervention has on people's lives.

We need a better frame of reference. Wellbeing is now an economic discipline in its own right, underpinned by decades of research. Whilst it is legitimate to include issues of health and life satisfaction within an assessment of social value, a clearer focus on wellbeing supports a more empirical approach to local needs; and promotes new collaborations and practice to actively intervene rather than just measure.

For example, we have been working in and around the Queen Elizabeth Olympic Park with the UCL Institute for Global Prosperity to understand and measure a foundation of wellbeing. 'Livelihood Security' uses local experience to define the characteristics of a life well lived in East London. By establishing a definition of wellbeing, drawn from good, local, primary research, we can develop local strategies to drive genuine social impact.



Institute of Global Prosperity (2021) has identified the key components of the infrastructure that underpins a secure livelihood.

LLDC and its four growth boroughs develop a new narrative focused on secure livelihoods, to underpin new priorities within LLDC's transition and reorientation.

3. From environment, social and governance (ESG) to climate justice and biodiversity conservation

ESG is here to stay. While the term has helped to make significant strides in integrating sustainability principles into business operations, like social value, it faces challenges such as over-standardisation, greenwashing, and short-term focus. It's fair to say that ESG has baggage, even for those who are genuinely committed to delivering against its original principles and objectives.

While agreeing on a new acronym would require significant engagement in the industry and face similar risks and challenges ESG currently has, introducing alternative language here could be a powerful way to ignite the discussion and help us to re-focus and move forward.

As a provocation, one alternative to consider would be Climate, Equity and Nature (CEN). This might support us in placing a stronger emphasis on climate justice and biodiversity conservation, which are often less prominent themes.

A move to CEN or an improved version of ESG could help focus on action that is both local and global and provide a fundamental reorientation of priorities towards a more holistic approach to addressing environmental challenges. This is essential to ensuring that the transition to a sustainable future is inclusive, fair, and truly regenerative.

Städte wagen Wildnis" (Cities Dare Wilderness or Cities Venturing into Wilderness) aims to improve species and habitat diversity as well as the quality of life for the inhabitants of the three German cities of Hannover, Frankfurt am Main, and Dessau-Roßlau.

4. From linear to circular

We don't often talk in terms of linear economies, but we overwhelmingly act in this way. Traditional linear economies mine and harvest resources and transform them, 'adding value' before consumers use and discard them.

In the circular economy, the value of products is captured and prolonged for as long as possible - resources can cascade back into the system, and waste can be transformed into resources. To tackle the climate crisis and reach net zero targets, we need to adopt a circular economy approach and make it mainstream.

A circular economy can contribute to reducing carbon emissions, conserving natural resources, and improving climate resilience and biodiversity. It also provides wider socio-economic benefits such as:

- *Fostering economic growth by generating demand for new types of businesses and innovations, reducing virgin material use and supporting stronger supply chains.*
- *Reducing the cost of products and services by mainstreaming innovations around circular practices, therefore helping to increase disposable income.*
- *Improving physical health and wellbeing by reducing pollution and the use of toxic substances.*
- *Providing a pivotal step towards building a future where prosperity is intricately intertwined with fairness.*

Towards a new language for a new economy

In conclusion, embracing linguistic evolution isn't just about words—it's about shaping our ambitions and actions. New terminology frames how we see the world, what we prioritise, and the change we want to see in the new economy.

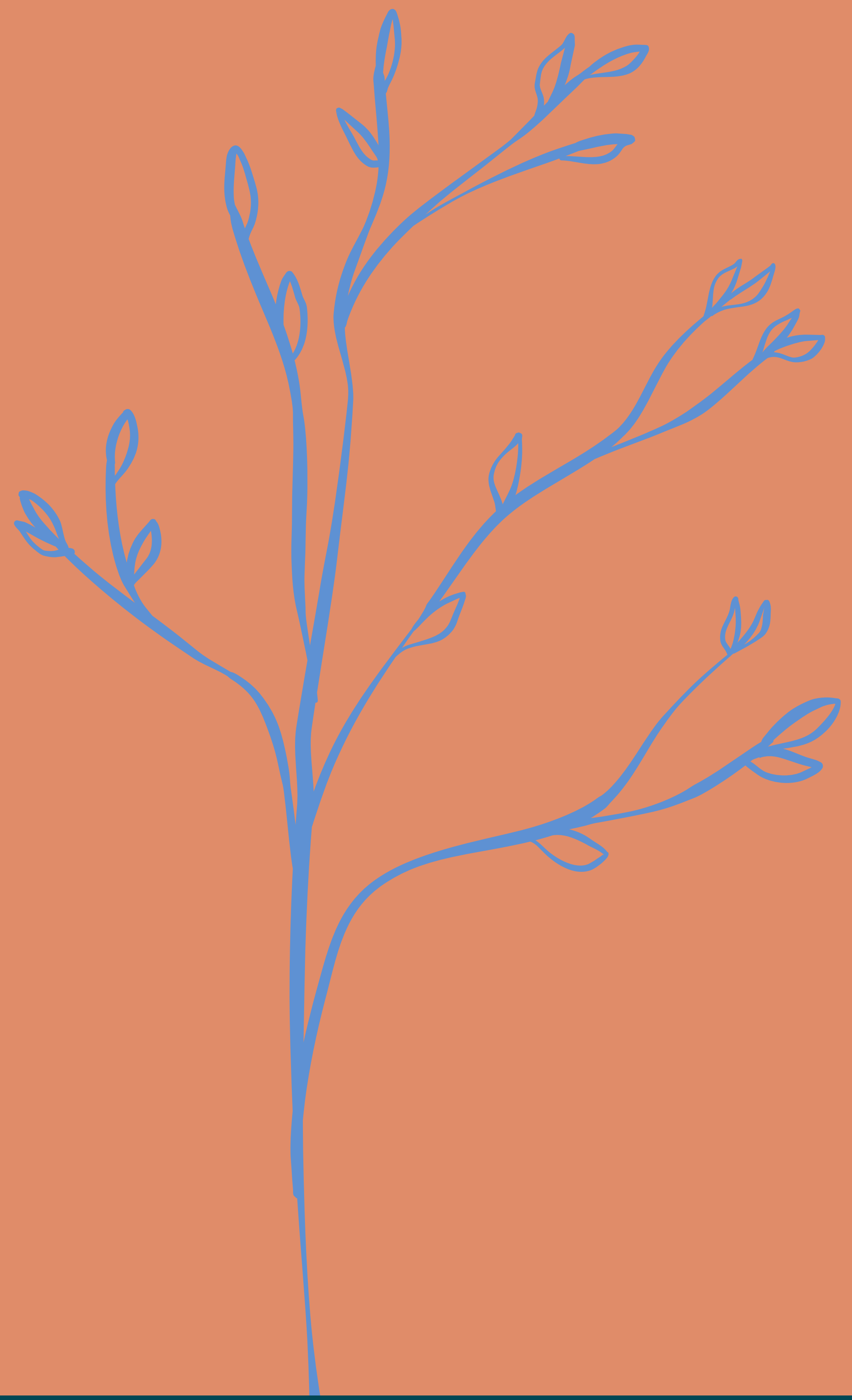
The right language is a critical first step to creating a new economy that better addresses the climate emergency, promotes equity, and builds thriving communities by design.

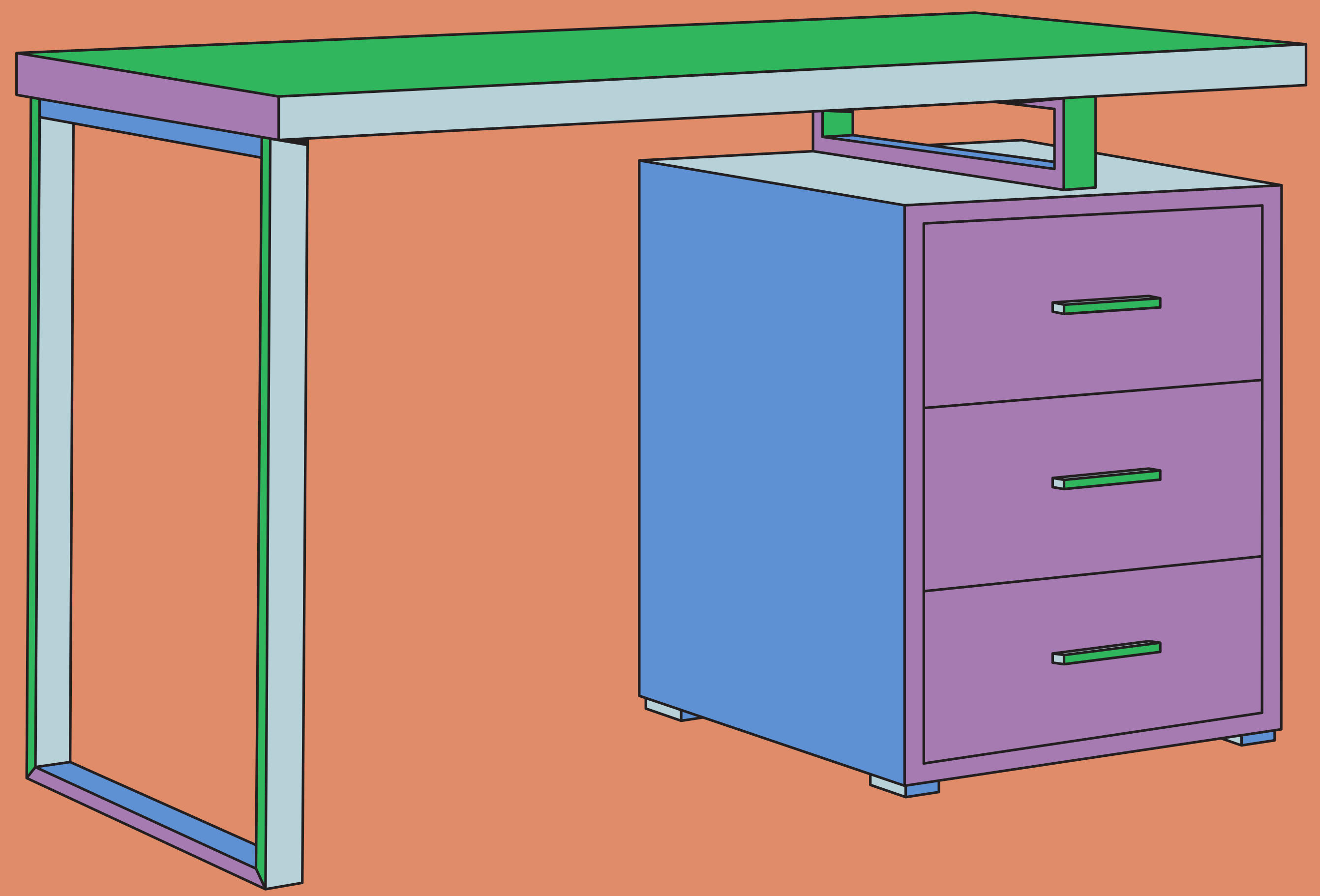
What Next

Our previous ideas on **'A Better Approach to Affordable Workspace'** helped support a range of clients embarking on new area-based and asset-specific strategies and approaches (considered further on the next page) that are pushing the envelope and which we are deeply proud to have supported.

We hope that our new wave of ideas and identified opportunities for **'A Better Approach to Sustainable Places'** will similarly spark debate, new ideas and new approaches, ultimately leading to more sustainable, healthy and equitable outcomes. We are actively working with local authorities, partners and communities to shape and deliver new approaches based on these ideas, but we are always keen to collaborate further.

We are actively seeking ambitious partners with whom new pilots and approaches can be developed and mobilised. Please get in touch if you are interested in any of the ideas and opportunities we've set out here and please check our dedicated website for Local Carbon Offset Funding, which contains greater details on the concept and the pilot projects that need to be established to break new ground in this exciting opportunity area.





‘A Better Approach to...’ Affordable Worksace (Revisited)

In 2021 REDO and PRD published the last in our ‘Better Approach to...’ series which set out the opportunities to act around Affordable Workspace.

The ideas that we set out in this document went on to inform Affordable Workspace Studies and Strategies for LB Camden, Old Oak and Park Royal Development Corporation & LB Ealing, LB Lewisham and LB Waltham Forest.

We also incorporated our thinking into affordable workspace asset feasibility and mobilisation work for Peterborough City Council, Oxford City Council, Catalyst Housing, Peabody, Worcester County Council, Mansfield District Council, Milton Keynes City Council, South Kilburn Trust, LB Hammersmith & Fulham, RB Kensington & Chelsea, LB Lewisham, Old Oak and Park Royal Development Corporation and City Of Melbourne.

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