

Social Impact Assessment (SIA) for Urban Renewal: Summary of Practices in the Netherlands, UK and Taiwan

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1. Purpose

The purpose of this paper is to summarize and review the current practices of Social Impact Assessment (SIA) for urban renewal in the Netherlands, UK and Taiwan and discuss its implication to Hong Kong urban renewal.

2 Urban Renewal in the Netherlands

The urban renewal strategy and programmes in post war period in the Netherlands can be summarized as follows:

1. Until 1975: Mainly demolition of old houses and rebuild with new modern houses, in this phase expansion were more important than renewal. The major strategy was on the expansion of the function of the larger cities as economic centers. The expansion of the inner city for that purpose proceeded at the expense of the residential function of the built-up area (Vermeijden, 2004)
2. 1975-1990: classical urban renewal approach--the focus of renewal turned to 19th century housing, which derelict by fixed rent policies. Strategy focused on new building and social housing; the accent was placed on improving the housing conditions of the 'sitting' residents.
3. 1990- present: "Urban Revitalization" - The new approach placed the accent on strengthening the competitive position of cities as locations for promising economic sectors and households with higher incomes (Vermeijden, 2004).

3. Social Cost Benefit Analysis (SCBA) Model in the Netherlands

3.1 The leading practices of SIA in the Netherlands is the "**Social Cost Benefit Analysis**" (SCBA) Model, which mainly performed in Amsterdam and Rotterdam. The Model is developed by RIGO Research which conducts the model in Rotterdam where urban renewal was combined with issues of water management (de Wilt, 2008).

3.2 The rationale of SCBA is that urban renewal is a long-term, continuous and necessary process but in general not profitable. If a traditional cost-benefit analysis foresees a negative outcome, the private sector will not get engaged. In these cases **government intervention can provide the necessary stimulus to make a project happen**. As governments do not have limitless means at their

disposal, any decision to invest public money should be based on **legitimacy, necessity, effectiveness and efficiency**.

3.3 One method of assessing whether spending public money on urban renewal projects is justified is conducting a **SCBA**. The SCBA defines welfare effects of project in comparison with zero-alternative and the actors are municipalities and housing corporations.

3.4 The methodology of SCBA is unique for it supports decision for public investments (OEI) and it can incorporate effects of urban renewal and other infrastructure projects. The cost and benefit analysis and summary result in money term is an effective method to enhance accountability of subsidies for urban renewal and against pressure to phase out subsidies for the projects.

3.5 SCBA defines the welfare effects of a project. These welfare effects can be categorized in following dimensions and items:

- **Direct Effects:**

- Quality of houses,
- Housing supply meeting demand
- Quality of neighbourhood
- Accessibility, transport,
- Public space,
- Green and blue
- Shops, amenities
- Education and jobs

- **Indirect effects:**

- Health (care, sports culture)
- Safety (harassment, drugs, burglary, traffic)
- Social disintegration
- Density
- Purchasing power
- Image and Perception of social environment
- Multi-use of space

- **External Effects:**

- Air quality
- Neighbourhood effects
- Noise

- **Distributional:**
 - Income
 - Employment
 - Ripple-effect

3.6 Pilot studies undertaken by RIGO show positive effects for urban renewal projects, although exact measurement remains difficult. The discussion that followed made it clear that including social aspects in a cost-benefit analysis is not an easy task. What can be included, where does it stop and how is it measured?

3.7 One of the key words in the SCBA model that followed was ‘quality’, especially:

- **Quality of services.** Good quality housing is one thing, but if the services don’t follow, the perception of quality will remain low;
- **Quality of life indicators** should be factored in. Ultimately, urban renewal is about people.
- **Quality of design.** There needs to be a certain amount of “pride of place”

3.8 **Sustainability is about the triple bottom line of people, planet and profit.** Urban regeneration can not be sustainable if the people and the environment are not taken into account, but in the end it needs to make economic sense for the private and public actors involved.

3.9 Social Cost-Benefit Analysis is an attempt to value a project in a broader sense. RIGO suggests that a next step should be a sustainable cost-benefit analysis. Not every benefit can be expressed in monetary terms, but it might convince those involved that sustainable urban regeneration can be beneficial for all.

3.10 In short, the SCBA model is one of the most comprehensive, in-depth and systematic SIA model for urban renewal projects. The SCBA model is comprehensive as it has very pragmatic consideration for all economic and social costs and benefits. It is also highly practical for all stakeholders to perform. Among the indicators, the model balances both Social against Economic needs. All stakeholders have participation and power in the process as developers, residents, local governments and housing corporations can make their solid

decision. Both long-term and short-term welfare effects can be monitored by the model and also include the subjective indicator of “**Social Perception**” of the project. The model also has strong and practical consideration on sustainability.

4. Social Impact Assessment in the UK: the drive for sustainable communities and public involvement

- 4.1 In UK, the drive for sustainable communities as a major objective for urban renewal and regeneration facilitates the growth of array of social sustainability assessment tools (SIA, HIA, Equality Impact Assessment, SA, SEA etc). Social sustainability becomes the desired outcome of urban renewal and also serves as the key concept in developing the SIA instruments.
- 4.2 Sustainable development has three pillars: economic, social and environmental. Sustainable urban regeneration is urban (re)development taking into account all three aspects simultaneously. However, little consensus has been achieved on definition of ‘social sustainability’. The main dimensions of ‘Social Sustainability’, according to EU Lisbon (European Council, 2000), include the following areas:
 - Education
 - Employment policy to create more and better jobs
 - Modernising social protection
 - Promote equality to counter poverty and social exclusion by promoting social inclusion
- 4.3 Bramley et al. (2006) focuses social equity and sustainability of community as the core of social sustainability and the importance of social networks, community participation, sense of place and community stability and security
- 4.4 The major family of social impact assessment tools utilized in the UK, include:
 - Social Impact Assessment/ Socio-Economic Impact (SIA)
 - Health Impact Assessment (HIA)
 - Equalities Impact Assessment (EqIA)
 - Regulatory Impact Assessment (RIA)
 - Sustainability Appraisal (SA)
 - and others
- 4.5 There are more concern for concepts and practice about social dimension in Environmental Impact Assessment (EIA)

- The people impacts—on day to day quality of life--jobs, housing, health, education, safety, community and many more
- Partial recognition in EU and UK EIA legislation (impact on humans etc), but uncertain status in the EIA process in UK/EU
- Has tended to be the ‘poor relation’ in EIA practice , despite calls for much higher profile –from UK and internationally
- Recent signs of increasing recognition in practice, with more SIA inputs in EIAs, plus widening scope of SIA content, and methodological advances

4.6 Urban regeneration major projects in UK have performed more SIA treatment in EIA process. It is because many projects have mixed use developments (housing, retail, employment, associated health and education facilities etc.). The Master Plan approach opens up possibilities for alternative land use configurations. This inherits design flexibility has potential for development process to be shaped through community involvement. Moreover, the new Planning Act and the Sustainable Communities Agenda also facilitates more “Social” elements in the EIA.

4.7 Another major characteristics of SIA in the UK is the “community/ public involvement” (e.g. Statements of Community Involvement). Deep and long consultation with community has been carried out before launching the renewal projects, which becomes a norm in the urban regeneration process.

4.7 Glasson and Wood (2008) conducted a research on the 20 environmental studies (ESs) on regeneration projects in the UK. Though regeneration/redevelopment projects are varied, most areas include a mix of housing in particular, plus retail, other employment provision and associated facilities and services (esp. education/ recreation/health). SIA is covered in 80% of the cases, with most ESs having a specific Socio–Economic/Social Impacts chapter (usually early in ES), and a few having rigorous and detailed supporting reports/appendices.

4.8 The scope of SIA content has widened from 1990s experience to cover:

- population profile including occupational groups;
- economic and business context;
- learning and employment;

- general well being including health, crime and deprivation;
- community facilities/services; recreation and public open space;and
- social inclusion and community integration
- evidence of increasing coverage of health issues , normally within ES rather than separate HIA

4.8 Glasson and Wood (2008) summarise the methodology of these socio economic assessment that varying impacts by project stage is covered in 50% of the ESs, although often more focus on the operational than the construction stage (yet the latter can be both disruptive for a community, and also very significant for employment). A few projects also recognise the importance of different geographical scales of impacts, especially between the construction and operational stages.

4.9 About 50% of the documents provide a reasonable coverage of methodology, but for the others methodology normally constitutes at best a bland descriptive picture of the current (or dated) population and employment baseline. The better studies work well though current baseline, future baseline, impacts categories, mitigation and residual issues—and make use of a range of standards.

4.10 Overall, most studies are weak on the links between socio-economic components (e.g. between demographic profile and jobs created). A few specify impact significance criteria, cumulative impacts and impact management. There is very little coverage of monitoring. There is some evidence of quantification—partly on demographics, employment and services/facilities provision. Interestingly 35% of the ESs use a multiplier to estimate wider economic impact. All derive the multipliers from previous studies; they range from 1.1 to 1.5. Whilst there are some positive signs from this assessment, they relate more to the ‘product’ than to the ‘process’; evidence on the involvement of a wide range of stakeholders, and especially the local community is limited.

4.11 Incremental is the major characteristic of the SIA practice in the UK. Long process due to detailed consultation with local authorities and communities. Relatively strong legitimacy due to long consultation and participation. Under the Urban Regeneration Programmes initiated by Urban Task Force from 2000s, its emphasis are on environmental and physical aspects. Social impacts are not as thoroughly studied as the Dutch SIA model.

4.12 Aims of the SIA :-

- Develop public involvement

- Describe proposed action and alternatives
- Identify problem social impacts
- Investigate probable social impacts
- Determine probable response
- Estimate secondary and cumulative impacts
- Recommend changes or alternatives

4.13 There are more practice of SIA for urban regeneration, about 80% of all urban regeneration developments in the UK now have SIA. Most of them carried out by the local councils/boroughs, with participation of universities and consultants. There are also increasing emphasis and investigation of *quality* and encourage sharing and learning from ‘Good Practices’ and active engagement and responses from the assessed communities and peoples

5. Social Impact Assessment in Taiwan

5.1 The practice of SIA for urban renewal in Taiwan started as a subsidiary of EIA and mainly followed the model from the West. SIA concepts introduced with EIA in 1982-89. Certain developments under the umbrella of EIA during the 1990s. However, there are still no formal SIA practice from 2000 to now, it is because the political turmoil caused by hostile party politics during this period. The SIA has been closely influenced by Taiwan’s political changes and disputes since 2000.

5.2 There are no solid institution and experience of SIA in Taiwan up to present. Social effects and impacts of the urban renewal issues are tied with local political affairs. Social compromises have been settled by local politics, not by formal SIA practice, which is a major characteristic of the Taiwan SIAs. SIAs are not conducted by professionals and experts, as most SIAs are conducted by EIA consultants as a sub-section. The major organisations responsible for the SIAs are the Executive Yuan (行政院), municipalities and county governments, with increasing participation of academics as consultants

6. Lessons learn from the three countries / regions

- 6.1 Hong Kong has similar legal framework and policy initiative on urban planning and renewal as the UK, whose experience of SIA have special relevance to Hong Kong. The merits of the UK Model are that it induces strong legitimacy as a result of long and inclusive consultation. Moreover, the SIA are conducted by independent academic bodies, which enhances credibility. The SIA also have strong economic and commercial considerations and it emphasises the impacts on the whole area, not just limited within the site.
- 6.2 However, there are also demerits and lessons from the UK model. Owing to the inclusive consultation, the SIA and public consultations take long time to proceed and process. Many SIA studies emphasises on architecture, urban design and fashionable designs only, without through and detailed consideration to social and other non-physical impacts. Such 'design-led' approach was fashionable in early 2000s and information available from the studies is physical and design related only. It could not deliver the social benefits for the public and communities as hoped.
- 6.3 The merits of the Dutch Model are that it is the most comprehensive and coherent model, which considers social impacts applicable to a wide range of social groups. The Dutch Model is distinctive in its rational and systematic design. A very wide range of physical and non-physical social impacts are included and evaluated. With the practice of pilot tests, the Dutch model allows generation of further ideas and options for final tests. The methodology of SCBA have comparison between the baseline and after renewal period. The systematic multi-dimension of the model also provides solid consideration and execution of sustainable development incorporating economic, environmental and social aspects. Nevertheless, such sophisticated SIA studies requires in-depth knowledge in design and knowledgeable researchers in execution.
- 6.4 The strength of the Taiwan Model is that it builds up formal SIA practice on other socially significant public projects like public tender of the SIA of opening casino in Kinmen (金門). The incorporation of community politics is also a successful factor in involving public participation. However, there are no formal SIA practice and institution for urban renewal in Taiwan and SIA are still being subsidiary of the EIA. Also the social impacts and opinions are dominated by local politics, other interest groups may not actively participate. SIA are also planned and performed after major construction decisions but not before.

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