



Added value uplift through commercial placemaking



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When it comes to the planning a successful mixed-use development, delivering new homes is of course the ultimate driver. Good transport links, community facilities and public open spaces are often mentioned as key to establishing the vitality of a scheme. What is much less talked about is the role of good commercial facilities and how these are fundamental to the long-term viability and values of the development.

In the second-hand housing market, it is accepted logic that 'location' drives the attractiveness and pricing of residential property; a central component of this is very often an attractive retail parade or public space with a mixture of uses. Within central London, the value uplift associated with the presence of an 'urban village' is well recognised, and increasingly, developers are looking to recreate this quality in new developments.

Having a range of commercial space within a development that can provide shops, gyms, nurseries, cafés and restaurants is a real draw for residents and is an important part of creating communities that are not isolated and delivering a place where people want to live. The provision of well thought out new facilities on the doorstep is an under-used marketing tool and one that can be of great benefit to housing associations when marketing homes. All too often, developers of large mixed-use schemes can overlook the commercial space until the end of the project, failing to capitalise on it as a valuable asset class.

Commercial space that sits empty and unused offers no return for the housing association and no amenity benefit for residents and the wider community. Boarded up empty units devalue the whole scheme and do nothing to help create a place— indeed they can be a target for vandals and a security risk.

A curated commercial element can be the gateway to the scheme, adding vitality and helping to establish the place. This in turn helps maximise residential values and in the longer term contributes to rising investment value across the development and beyond.

It is an essential part of preserving the integrity of the scheme, contributing to maintaining long-term value. The earlier in the project the non-residential space can be planned, the better, so that a balanced commercial tenant-mix can be achieved. The key to providing viable commercial space, particularly in new communities, is to allow affordable levels of entry and to plan for the in-going tenant's required specifications.

Boarded up units with no shop-fronts and insufficient utilities are the nail in the coffin of attracting a good mix of often entrepreneurial and start up tenants.

[The Future of London 'Delivering Estate Renewal'](#) briefing describes how in maps of the capital, older housing estates show up as gaps in the urban fabric, and the role of regeneration is to "stitch them back in to the city" to make them – and their surrounding areas – more resilient. The inclusion of commercial space such as shops and businesses is one way in which housing-led developments can achieve better integration with their surroundings. Local businesses are great communication hubs, fulfilling a social role, as well as economic, bringing jobs, increased prosperity and drawing in the wider community. Current thought on successful development favours a return to traditional streetscapes, rather than the antiquated style of large blocks that are the intended subject of estate renewal. The '[complete streets' model discussed in a report prepared by Savills](#), commissioned for the Cabinet Office, demonstrates how street-based dwellings and mixed-use urban neighbourhoods set in a high-functioning urban network are more highly valued by residents. This type of layout is better able to support retail and other commercial activities and create outward looking and better-connected neighbourhood, that offer the potential of stimulating wider regeneration and improved investment returns over time, which will help 'future-proof' these locations.

An example of this is at [Purfleet in Thurrock](#), where a joint venture between Urban Catalyst, Thurrock Council and L&Q is underway to transform the area, providing around 2,500 new homes. The development also encompasses the delivery of a film and television studios, new schools, a new healthy living centre, a new Town Centre and Waterside offer. Forty Group is working in partnership with Purfleet Centre Regeneration Limited, to deliver the commercial strategy, helping them maximise value and providing the foundations for the community to grow and thrive.