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The Emergence of Contemporary Masterplans: Property Markets and the Value of Urban Design

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ABSTRACT *Masterplanning large development and regeneration projects appears to have become more common in Britain since the late 1990s. This paper argues that one reason for this is the increased realization amongst promoters of development about the economic benefits of using such masterplans. This realization has partly occurred because of changes in the local economy and in property markets but also because of developer learning about the advantages of masterplanning. Optimistically, this suggests there has been a renewed interest in improving the built environment and a renewed faith in at least one type of plan making. More worryingly, it raises questions about the dominance of private interests in the production and planning of the built environment.*

Introduction

There appears to have been an "upsurge in masterplanning" (Sparks, 2000, p. 13) in Britain since the late 1990s. A number of high-profile masterplans were prepared, for example, the Manchester city centre plan following the 1996 bomb, but many more, lesser known ones were also commissioned during the late 1990s and on into the new millennium. As an indication of this, a survey of press reports revealed that between 1986 and 1998 an average of only five masterplans per year were being reported compared to an average of over 20 per annum between 1999 and 2001.

This upsurge has been matched by policy interest with a number of important documents advocating the use of masterplans, most notably the Urban Task Force report (Urban Task Force, 1999), the Urban White Paper (Department of the Environment, Transport and the Regions (DETR), 2000a), the Planning Green Paper (Department of Transport, Local Government and the Regions (DTLR) 2001) and, more recently, guidance published by the Commission for Architecture and the Built Environment (CABE), (2004a, c) and the Urban Design Group (2002). Professional discourse about masterplanning has also been witnessed through press articles and conferences, such as a major conference series organized by the Town and Country Planning Association in 2000 and 2001 and the Royal Institute of British Architects in 2001.

Understanding this type of plan making contributes to the wider knowledge about the forces that are shaping urban planning policies and practices. This is

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important because the nature of plans affects the quality of the local environment and the quality of life experienced in those places. It is also important because plan making reflects the values prevalent in society. To understand the different and changing ways in which places are planned is vitally important if we are to understand the driving forces that are determining the future of our towns and cities and identify ways that are likely to lead to a more just and equitable society and convivial places and spaces—broad aims that are difficult to disagree with.

Despite this, little academic attention has been given to understanding this type of plan making. There are some explanations of a specific masterplanning process, for example the Manchester city centre masterplanning process (Williams, 2000, 2002; Holden, 2002). These place the masterplanning process within the wider social, economic and political changes occurring in the city, such as competition and partnerships. These are not, however, explanations of the rise of masterplanning *per se*. Further afield, McGuirk & MacLaren (2001) offer an explanation for similar types of plan making in Ireland (integrated area planning) based on the increased need for sectoral and policy integration.

There are also a number of explanations for overall changes in urbanism which include, to some extent, the use of masterplans, for example Thompson-Fawcett's (1996) account of the urban villages movement or Ellin's (1999) account of postmodern urbanism. Furthermore, Carmona *et al.*'s (2002a, b) assessment of the value of urban design indicates the potential benefits of masterplanning to developers but, again, does not explain if or how this has led to a greater prominence of masterplanning in development and regeneration activity.

This paper draws from research undertaken to explain the use of masterplans more generally. Other strands of the work revealed that masterplanning had become more common because of (1) the increased influence of urban design policy in planning and regeneration and (2) a greater reliance on public-partnership arrangements in cities and the need to use plans and strategies, such as masterplans, to help coordinate powers, resources and action. However, the focus of this paper is the role of promoters of development in masterplanning activity and central to this is understanding why masterplans are being used. In conclusion, this paper extends the findings to raise some concerns about the increased use of masterplans, especially the role of private companies in plan making.

The Research Approach

The broad approach adopted in this research was influenced by new institutional accounts of planning practice (Healey, 1997; Vigar *et al.*, 2000; Madanipour *et al.*, 2001) inasmuch as it attempts to link both structure and agency and takes into account the way structure is affected by human agents. In short, the approach focuses upon the relations between actors and how this affects change, the integration of government actors and wider processes of change, the importance of ideas and discourse in effecting change (as well as rules and resources) and how wider forces are contested at the local level (Vigar *et al.*, 2000).

Within this context, it was assumed that the reasons for the emergence of this type of plan making lie embedded within the motives of masterplan protagonists but also within wider social, economic and political changes. This means that whilst political and economic forces have influenced individuals' decision making about using masterplans, the political and economic context is also shaped by the influence of individuals. Moreover, individuals working within any specific masterplanning case and individuals outside particular cases both affect the reasons for using masterplans. It is also accepted that there can be a return flow of information about the use of the plans, which affects the political and economic structure.

Following on from these assumptions it was considered necessary to reveal the reasons masterplans are used, as well as wider factors that brought about the increased use of the plans and, as such, there was the need for different sources of data. One such source of data was the views of individuals involved in producing masterplans themselves, another was the views of those involved in policy making or development activity and another a survey of masterplans being used.

Based on this broad rationale, three empirical sources were sought: data on a large number of masterplan cases; more detailed data on particular case studies; and information from other individuals who may have been involved in policy or masterplanning over a longer period but were not involved in the particular cases. This translated as three specific research sources of information.

- *A survey of masterplan press reports.* Details of a total of 89 separate masterplan cases were collated from copies of the Royal Town Planning Institute magazine *Planning* for the period 1997–2001.
- *An examination of case study masterplans.* Two cases were examined, through an analysis of documents and interviews with principal stakeholders in the masterplan process. The two masterplan cases were selected because they were considered typical of two broadly different types of masterplans that exist, the strategic area masterplan and the site development masterplan (see below). The two case studies were also selected because of their different regional contexts, so allowing some variation in property markets, but not as contrasting cases, in which opposite findings would be expected. From using the data of masterplan cases, masterplans reported in 2000 and 2001 were classified according to type of site or area, main purpose and region. This classification produced a number of options from which to select two cases. The first case study masterplan chosen, Sheffield city centre masterplan, was considered typical of a strategic area masterplan and the second case, Bristol Temple Quay North masterplan, typical of a site development masterplan.
- *Interviews with key national informants.* Informants were selected because of their particular experience or knowledge of masterplans and because they were capable of providing a longer-term and broader understanding of masterplanning than the case study individuals. Semi-structured and in-depth interviews were conducted with each.

Before describing the case study masterplans in some more detail and moving to the main arguments, it is first necessary to provide some historical and definitional context.

The Rise and Fall of the Post-War Masterplan

This is not the first time the term 'masterplan' has been popular. A significant feature of town planning from the 1940s until the early 1970s was the masterplan, indeed some argue that it was a dominant feature of planning at this time, leading to its description as the blueprint or masterplanning era (Hall *et al.*, 1975; Hall, 1992; Healey, 1994; Poxon, 2000). These plans were most commonly used for the construction of new towns and the reconstruction of city centres. They were physical design-oriented plans, prepared by a small number of architects, surveyors or engineers, that were intended to govern both the policy and design dimension of urbanization or urban development projects and the implementation of the projects. Part of the rationale of these plans was founded on the assumption that there was political consensus about how planning should be undertaken and, as a result, the public had a limited role in determining the content of the plans.

Significantly, from about the early 1970s, a number of overlapping factors led to the demise of this type of planning, including: the reaction of the public against the type of environments being created (and associated with these plans); the loss of historic buildings and areas and the absence of public participation (Ravetz, 1980; Cherry, 1996; Healey, 1997); a shift in emphasis, and importantly a change in the skills, of the professional planners from physical design towards geography and social science (Ravetz, 1980; Healey, 1997; Taylor, 1999; Poxon, 2000); and the inability of the plan to cope with development market changes (Ravetz, 1980; Esher, 1981; Punter, 1990).

Contemporary Masterplans: In Vogue but Vague

There is no clear consensus amongst writers, policy makers or practioners about the meaning of a contemporary version of a masterplan. Even the use of the term itself is expressed in multiple ways: masterplan, master-plan or master plan (in this paper usually masterplan when referring to the contemporary version except in quotations). The Urban Design Group (2002, p. 14), which has attempted to fix what it means (or should mean), acknowledges that "The term master plan is used, confusingly, to mean a wide variety of different things".

For the purpose of this paper a broad definition has been constructed through a review of the discourse about masterplans, through interviews with various individuals involved in masterplanning and through examining press reports of masterplan cases over the period 1997–2001. First, however, it is useful to understand the nature of the debate. A number of documents, including government policy documents, set out that a masterplan is essentially a spatial representation of a proposed development on a given site or series of sites combined with some sort of implementation document (Urban Task Force, 1999; DETR, 2000a; DTLR, 2001; Urban Design Group, 2002; CABE, 2004b, c). Moreover, there is a general acceptance that masterplans are prepared by those who own or control the land.

Others, however, extend the role of the masterplan to include a strategic dimension and some research about masterplans, for example Williams's (2000) assessment of the masterplanning process in Manchester, which reveals these wider strategic aspects including promoting economic development and building a local consensus about development objectives. Furthermore, government research about the pilot urban regeneration companies recommended "a more expansive and more flexible definition of the masterplanning process" (DETR, 2000b, p. 4).

This may merely reflect a term from the architectural lexicon being extended to include other types of plans and strategies. This, in itself, is revealing about the raised importance of design but it does also seem more deliberate than this.

For example, a director of English Partnerships, who has regularly commissioned masterplans, considered a masterplan to be:

> . . .a combination of things. Firstly, a diagrammatic presentation of a development strategy for an area. . .the basics of a spatial representation which I think in old speak is what I would have called a masterplan but I think now it is something more, backed up with a number of other strategies, a delivery strategy and also viability [assessment]. If I am instructing consultants that is what I would ask for.

Similarly, another experienced masterplanner interviewed highlighted three important aspects of masterplans (a vision, a design component and an implementation programme) and stressed:

> It is very important that it [the masterplan] is these three things and not what a lot of people I suspect say, that a masterplan is a spatial rendering of an idea or a blueprint.

Furthermore, analysis of the 89 reported masterplans revealed that 34% of these can be described broadly as frameworks managing change over a wider area rather than just the spatial rendering of a property development on a site.

Consequently, a more open and expansive interpretation of masterplan is used in this paper. A masterplan is considered to be a document, or series of documents, explaining the development proposals for an area by including a strategy for the area, designs and implementation details. Within this broad definition there are two distinct types of masterplan dependent on the direct purpose. The first is a strategic area masterplan, which specifies change over a relatively wide area, perhaps a whole city centre, by identifying the development areas, other environmental improvements or infrastructure changes needed and the broad design principles to be applied. The second is a site development masterplan, dealing with a specific property development proposition on a single site, or contiguous sites.

The two case studies were selected from the two types and it is worth briefly describing the background, role and nature of each of them before setting out the main arguments of this paper in detail. The first case is a strategic area masterplan prepared for Sheffield city centre and the second a site development masterplan prepared for an area of Bristol known as Temple Quay North.

The Sheffield One City Centre Masterplan

Sheffield is a city of about 500 000 people lying about 180 miles north of London and about 35 miles south-east and east of Leeds and Manchester, respectively. The Sheffield One city centre masterplan covers a 220 hectare area of predominantly retail, commercial, former industrial and other institutional land uses. The city centre masterplan can be viewed as a continuation of attempts to attract both public and private investment into the city in response to economic decline since the early 1980s (Lawless, 1998; DiGaetano & Lawless, 1999).

More specifically there have been attempts to renew the city centre area through economic and design strategies since the mid-1990s (Sheffield Liaison Group, 1994, 1996). The masterplan itself, though, was the direct result of the setting up of a pilot urban regeneration company (URC), Sheffield One, by central government. The idea of URCs came out of the Urban Task Force (1999) report, which, in turn, was largely based on Manchester Millennium Limited, the development company set up to manage the changes in Manchester city centre in the late 1990s. At a local level, the URC took over from a similar agency already established in the city (Sheffield City Development Agency). Sheffield One comprises three core partners (the city council, the regional development agency and English Partnerships) and a board which includes a mix of government, business and community representatives.

A baseline study was commissioned by Sheffield One, via a limited tender process, to inform the masterplan brief and masterplan itself (GVA Grimley *et al.*, 2000). The masterplan brief was then drawn up by Sheffield One, and a firm of design consultants (EDAW), and sent to interested bidders. Following this, six teams of consultants were short-listed and each team prepared draft masterplan ideas which were exhibited to the public prior to final selection in June 2000. The winning team was led by architects Koetter Kim but included an array of other consultants. The final version of the masterplan was published in December 2000 (Sheffield One, 2000) following two consultation stages on the draft versions. As well as the main masterplan report, a number of technical reports were also prepared on transport, retail and the economy.

The "fundamental objective of the masterplan is to create a new economic vision for the city" (Sheffield One, 2000, p. 2) through four key priorities:

- building a new technology base;
- creating a vibrant city of culture, retail, leisure and living;
- improving accessibility; and
- improving the public realm.

These objectives are translated into proposals based on the retail, economic and transport studies and also a series of priority areas and projects. Table 1 outlines some examples of the key projects within the priority areas, which are shown on Figure 1.

The masterplan also contains indicative sketches (as shown in Figure 2) and broad design guidance for each of the projects as well as for a broader public realm strategy. The implementation content of the document is confined to coordinating

Table 1. Sheffield one masterplan priority areas and projects

Sheaf Valley	• Development of a new e-campus (technology park).
The civic core and Heart of the City	• Development of a new retail quarter. • Completion of the Heart of the City development (creation of gardens, galleries and new residential and leisure uses). • Refurbishment of City Hall.
Castlegate and Victoria Quays	• Redevelopment of the Castlegate market area. • Mixed use development at Victoria Quays. • Improved linkage between Victoria Quays and Castlegate.
The Moor	• Redesign of the pedestrian environment.
Midland Station	• Refurbishment of the station and development of new Station Square.

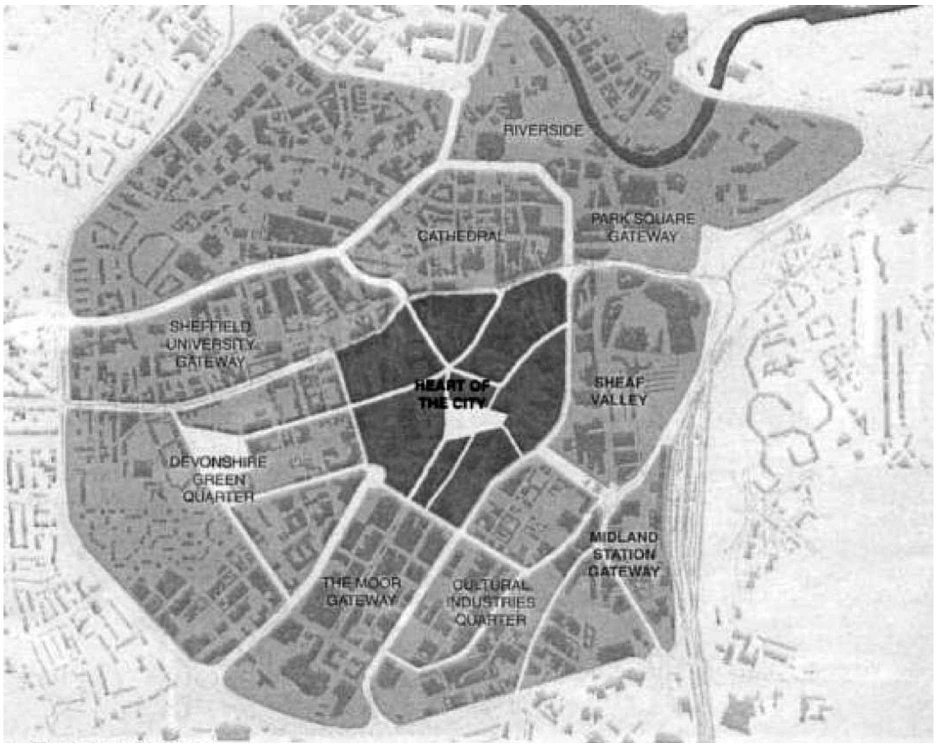

Figure 1. Sheffield city centre masterplan priority areas: the main areas intended in the masterplan to be the focus of change and development activity. Reproduced courtesy of Sheffield One.

aspects, primarily roles and responsibilities of the main partners and stakeholders, next steps (funding and approvals), priorities and key project delivery. Each key project is considered in turn in relation to its own development procurement, timing, funding and approvals. The masterplan proposals are being implemented through a number of public and private capital funding sources and formal and informal governance mechanisms (DTLR, 2001; Sheffield One *et al.*, 2001). At the time of writing work has commenced, for example, on the railway station area, the completion of Heart of the City and the refurbishment of City Hall.

Bristol Temple Quay North Masterplan

Bristol is a city of about 400 000 inhabitants situated 120 miles west of London close to the Severn estuary and the junction of the M4 and M5 motorway networks. Temple Quay North is a largely derelict 7.4-hectare site to the east of Bristol city centre and to the north-east of Temple Meads railway station, as shown on Figure 3.

The Temple Meads area of the city had been the subject of regeneration attention for a number of years and the site itself has been the subject of previous development schemes. For example, in 1988 the whole area was designated part of the Bristol Development Corporation (BDC), a development strategy for the area (BDC, 1992) showed how the Temple Quay site could be developed and there was

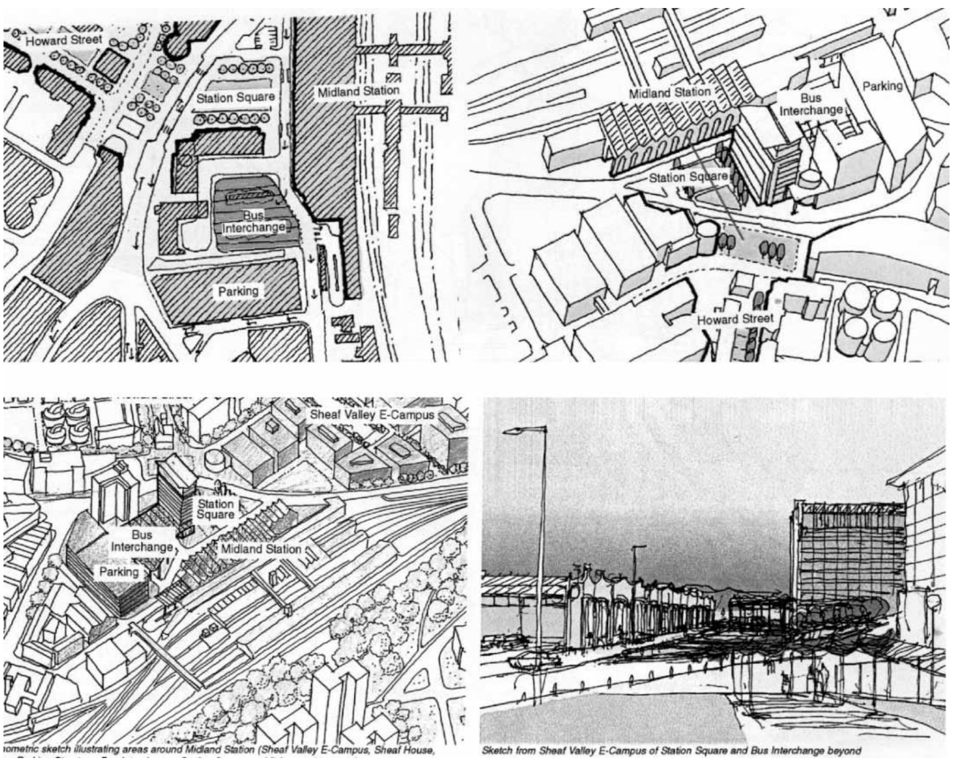

Figure 2. Sheffield masterplan design extracts: sketches showing design principles and ideas for Midland station contained in the main masterplan report. Reproduced courtesy of Sheffield One.

Figure 3. Aerial photograph of the Temple Quay North site: Temple Meads station is just visible in the bottom right-hand corner of the picture. Reproduced courtesy of Castlemore Securities.

a predominantly commercial scheme of about 20 000 square metres granted permission in 1995 (Bristol City Council, 2002).

Following the demise of the BDC, ownership of the site was passed to English Partnerships in 1996 and then on to the South West Regional Development Agency (SWRDA) in 1999. The development company, Castlemore Securities, became involved in the core site at the end of the BDC's life in 1995 and then bought down sites from first English Partnerships and then the SWRDA as and when they became available. These sites were developed, mostly, as large office buildings (completed in 2001). Castlemore also acquired an interest in the Temple Quay North site in 1999.

Following the acquisition of part of the site by the developers, a planning application was sought jointly with the SWRDA. A brief was prepared, on behalf of the developers, by Rory Coonan and this was used as the basis for a limited and closed competition to undertake the masterplan for the site. The competition entries were judged by the SWRDA, Castlemore and the City Council. The masterplanners commissioned were two urban design companies, URBED and Jon Rowland Urban Design, working with transport consultants Ove Arup Associates, and these firms worked with a wider team of consultants on the overall planning application submission.

The first stage of the masterplan involved testing out some general principles and ideas through consultation exercises, throughout the summer of 2000, with specific interested parties (such as the city planning department). A number of physical changes to the plan were made following these exercises but none fundamental to the overall scheme (Castlemore Securities & SWRDA, 2002). A revised version of the masterplan was then put forward for another round of consultation exercises, including an exhibition and public workshop, which took place in March 2001 before the final masterplan document was submitted as part of an outline planning application in May 2001.

Table 2. Temple quay north masterplan objectives

Regeneration	• Promote revitalization of the area north of the floating harbour. • Act as a catalyst for regeneration around the site. • Create a safe and secure environment.
Development	• Be a self-funding and profitable development. • Extend the prime business area on to the site. • Promote the waterfront as a leisure destination. • Create a healthy residential market. • Retain market flexibility.
Urban design	• Promote a unique sense of place. • Create an attractive public realm. • Create a series of public spaces performing different roles. • Create a mixed use area. • Create a critical mass through higher densities.
Access	• Develop a permeable network of streets. • Create good links with surrounding areas. • Reduce parking to minimum level. • Minimize vehicle movements. • Ensure good public transport links.

Source: Castlemore Securities & SWRDA (2002).

The planning application submitted was in outline form but with siting, means of access (in part) and design to be decided at this stage. The masterplan itself, for the purposes of the planning application, was summarized in a 'regulatory plan' and an 'urban design framework' and these two documents were to be used to guide both the outline details and future reserved matters. Further revisions were made to the masterplan throughout the planning application process and a final version, dated April 2002, went before the planning committee in June 2002. The committee's decision was to approve the outline scheme subject to conditions and a legal agreement (Bristol City Council, 2002).

The masterplan for the site was based on the following vision:

> To create a lively, contemporary, high density, urban mixed development that will integrate new prime commercial and residential with existing business and residential communities and lead to the comprehensive revitalisation of the area and a riverside location of unique character. (Castlemore Securities & SWRDA, 2002, p. 18)

Within this vision, specific objectives were identified under the themes of regeneration, development, urban design and access, as Table 2 shows.

The final masterplan then organizes the proposed commercial (60 816 square metres), residential (45 526 square metres), leisure (5471 square metres), retail, community and open space and access uses into three vistas converging on three waterfront towers ranging from 11 to 15 storeys. These vistas are crossed by a series of arcs and within the blocks created lie the buildings. The buildings range from a more domestic scale nearer the residential area to a larger scale towards the towers. Similarly, the predominant uses are mainly residential away from the three towers and more commercial (and on the ground floors retail and leisure) nearer the waterfront. Public space is organized into formal leisure-related space on the waterfront, more formal space linking the residential and retail services and a more informal recreational area and semi-public courtyards serving the residential community. The remainder of the main masterplan documents provide more detail of the various linkages and access.

The Development Value of Masterplanning

The principal argument in this paper is that there is a perceived economic benefit of masterplanning which has led to actors within the development process to use masterplans. Changes in the economy and, more specifically, in property markets have contributed towards this perception of the economic value of masterplanning. In addition, greater realization of the benefits of masterplans has occurred due to the commercial success of a number of high-profile masterplanned development projects. In order to understand this perceived economic logic, it is necessary to first outline the economic value of masterplanning. There are two main perceived benefits of preparing a masterplan: creating neighbourhood or *area synergy*; and creating *public realm value*.

Area Synergy

The attempt to achieve additional value from area synergy comes from seeking to integrate the development with its wider physical context so that the sum of the whole is greater than the sum of the individual parts. In the case of the Sheffield city centre masterplan, this works though presenting development opportunities within the context of broader area improvement and, according to the author of the masterplan brief, developers like this because:

> They can see it is all happening…and…they can see they can fit into that…it can be quite compelling for them if you turn round to a developer and show them the big picture, what will happen to the left and the right.

A director of an inward investment agency in Sheffield agreed:

> Developers and investors like to know what the picture is and what is happening in the long term and [whether] a place [has] got its act together…we have actually attracted some fairly big names in the development world but would we have done that without this [the masterplan]? If the developer didn't see that the project he was considering bidding for was part of some bigger picture. Let's take e-campus as an example, we have now got Teesland as the lead developer on that but the environment around them, things like the Station Square, is only going to improve their investment so they don't feel like they are doing something in isolation but do actually feel they are providing one of the pieces of the jigsaw and I think that is where the plan has had a big effect…and Hammerson have done exactly the same with the retail quarter.

This perceived value of creating an area synergy through a masterplan was similarly found in the case of the Temple Quay North development, as is illustrated through Figure 4. As the developer explained:

> … you can't do this [type of development] on a piecemeal basis. There are existing planning permissions which, technically, we could

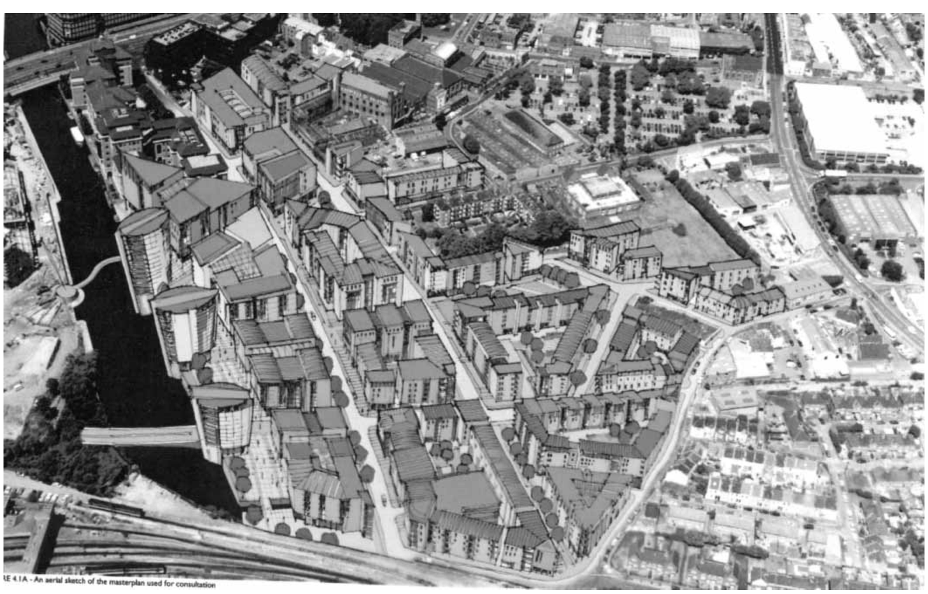

Figure 4. Impression of the Temple Quay North development scheme. An extract of the Temple Quay North masterplan showing how the scheme intends to integrate with the surrounding area. Reproduced courtesy of Castlemore Securities.

> implement but they would be ruinous, they would be selfish developments, ruinous to any concepts of how to revive this area. . .because in marketing terms it would be like a fortress in the middle of cowboy country; therefore you have got to create something that energizes the whole area.

In this context, the value of the masterplan is to help create a future market, as explained by a director of English Partnerships:

> . . .rather than picking on a site and just designing a building for the site there is much greater emphasis on thinking up strategies for the wider areas and then dropping elements in so I think on the regeneration side I think masterplanning has come to the front.

This approach also helps to reduce uncertainty and so investment risk, which is a critical factor in the success of regeneration projects, according to a director of an investment fund:

> It is true that all types of investors gain confidence from being able to visualize change in a wider area. . .if it is only a single building then they are pretty nervous but if that investment is in a context of a masterplan then, even with a degree of uncertainty, they can feel more confident.

Does this offer something new about the relationship of plans and markets? Previous studies have traced this relationship. Work by Healey *et al.* over the last decade or so has identified these roles of plans or frameworks to provide a greater certainty for markets (Healey, 1992; Healey *et al.*, 1995; Madanipour *et al.*, 2001), in particular through reducing transaction costs and helping to create markets in low-demand areas. However, this work was more prescriptive about the form these plans should take (for example, see Healey, 1992) and less concerned about the nature and process of the utility of such plans by markets (for example, the belief expressed that statutory development plans would take on this role). Marsh (2001, p. 112) offers a more specific assessment of the role of urban design frameworks, such as masterplans, in relation to wider area change:

> Urban design can be an important contributory factor in establishing yield. Indeed, it is not difficult to appreciate how better urban design, perhaps as part of a regeneration strategy can change the image of the area.

In a similar vein, Adair *et al*. (2003, p. 1076), from their study of mechanisms to assist the private financing of regeneration, posit:

> . . .the formation of an economically feasible project is what motivates the private sector to undertake development, with the production of a commercially attractive scheme producing positive externalities on the surrounding area and creating the environment for further development.

Carmona *et al.*'s substantial work on the value of urban design (CABE, 2001; Carmona *et al.*, 2002a, b) mainly concentrates on the value of good-quality public spaces, which is dealt with in the next section of this paper, but they found that:

> . . . poor urban design at larger scale [relating to connectivity and infrastructure] was seen to severely limit investment opportunities, while good design at this scale clearly influences patterns of development and confidence. (Carmona *et al.*, 2002a, p. 78)

Moreover, Carmona *et al.* (2003, p. 234) suggest:

> The advantages of master plans. . .are to ensure and enhance the composite value of all investments in the area and to reduce development risks.

In the light of the arguments of Marsh, Adair *et al.* and Carmona *et al.*, this research provides empirical support for the utility of masterplans to create wider area synergy which raises commercial value and reduces investment risk. Such perceived economic benefits also accrue from the second main role of masterplans, that of creating public realm value.

Public Realm Value

Alan Chatham, one of the developers of Brindleyplace, Birmingham, said:

> . . .if you create good spaces you will bring people, if you bring people you will bring pitch, if you bring pitch you will make money. (Quoted in Carmona *et al.*, 2002a, p. 63)

This in essence is the perceived economic value of a good public realm and masterplans can assist in creating a public realm perceived as high-quality by potential users, whether these users be potential occupiers, shoppers or tourists. This perception contributes to higher rental value, which in turn affects capital value and investor behaviour. Again, Alan Chatham commented how:

> . . .masterplanners should be appointed from day one. Masterplans are crucial to create a sense of place and also help to gain the attention of funders and potential tenants. (Quoted in Marsh, 2001, p. 107)

As is the case with area synergy, this is apparent with both types of masterplans identified in this study. The purpose of a strategic area masterplan, such as Sheffield One's, in this context is to attract development activity by raising expectation about securing future occupiers and other users. This was explained succinctly by one local commentator on the regeneration of the city, the political editor of a local paper:

> The idea behind it all is to get rent levels up and if they don't do that they won't get speculative developers to build. . .the idea is to recreate the public realm to attract private interest on the back of the belief that the rent levels will go sky high.

What this approach to masterplanning a quality public realm in Sheffield is also about is attracting workers, tourists and residents who will occupy buildings and increase expenditure in the city centre (Sheffield One, 2000; DTLR, 2001). Site development masterplans, such as Temple Quay North, are used in a similar manner but are more specifically targeted to occupiers as well as more widely to consumers. In the Temple Quay North case this concerns securing high-quality tenants for the commercial components and house builders to develop the residential elements with the knowledge that

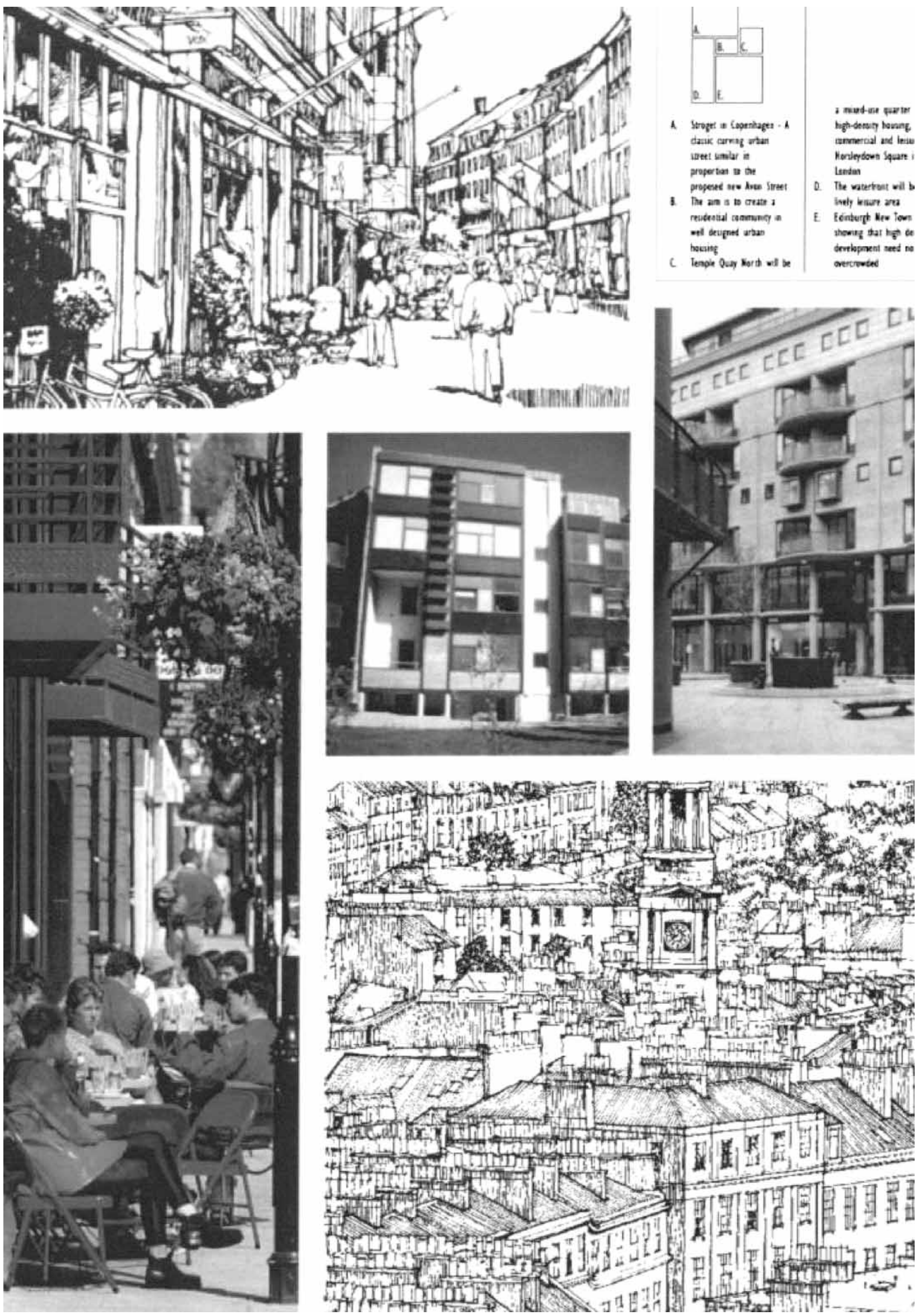

Figure 5. Images of city life at Temple Quay North. Images contained in the Temple Quay North masterplan showing some of the sought-after 'life-giving' uses. Reproduced courtesy of Castlemore Securities.

the apartments can be rented or sold at healthy prices because of the quality of the environment. This, in advance, convinces investors that the scheme is worth considering. As the developer of the Bristol Temple Quay North scheme confirmed:

> Masterplans after all are not about the buildings but about the public realm and investors invest in buildings but the buildings sit in an area and how that area outside is treated has a perceptible effect on how people appreciate the stock they buy and what they pay for it.

This approach is especially important in establishing what Carmona *et al.* (2002a) describe as 'life-giving' uses which add vitality and vibrancy to public realm areas (leisure and retail uses and their relationship with the public realm) because they can 'capture' consumers and present an image to occupiers which can contribute to higher rental value. Figure 5 typifies these types of uses as presented in the Temple Quay North masterplan.

However, this type of 'adding value' through the public realm does not apply to all property market sectors but more particularly to those anticipating premium rents. It is also to some extent relative to what else is on offer for occupiers (Carmona *et al.*, 2002a). Additionally, this process is a careful balancing game between costs and return. The Temple Quay developer explained how the proposed introduction of the public realm areas raised the infrastructure costs to about £1 million per acre. The masterplan, in this situation, is used as a tool to find the balance between cost and rents, as the director of an investment company explained:

> You still won't get greater value if you spend disproportionately too much getting in that position, so it is a very fine balance which is done through the masterplan and appraisals testing where you get optimum value. . .and the better you can do it [masterplanning] the more value you are going to get.

Table 3 briefly summarizes the potential costs and benefits of this approach to development.

On this aspect, Carmona *et al.*'s (2002a, b) work on the value of urban design underplays this perceived (by developers) cost/return balance, although they are

Table 3. The potential economic costs and benefits of masterplanning-led development

Potential benefits	Potential costs
Integrating the development within the wider context	
• Helps visualize a future market	• Higher up-front planning and design costs
• Raises developer and investor confidence. • Reduces uncertainty and risk (and so lowers yield).	
Creating high-quality public realm areas	
• Attracts consumers and occupiers leading to higher rental value • Increases investment confidence of higher future capital value	• Reduces developable area and rental floorspace • Increases infrastructure costs

to some extent referring to 'cost-free' urban design measures such as a revised layout or change to density and massing. Nonetheless, in terms of using masterplans to attempt to produce a high-quality public realm for potential users, this evidence suggests there are perceived higher costs involved and resultant need to secure higher rental levels.

The utility of masterplans for perceived economic benefit is evident but how has this led to an upsurge in masterplanning? Why has it become more apparent that this type of planning is in the interests of the promoters of development? To answer this it is first necessary to examine some changes in the nature of property markets before moving to how developers may have come to learn the benefits of masterplanning.

Property Market Changes and Masterplans

There are three main shifts that have occurred and contributed to a greater realization of the benefits of masterplans by development interests: first, an increased emphasis on consumption uses in the local economy; secondly, a greater tendency by institutions and developers to hold an equity share in development; and thirdly, a shift towards larger development projects.

User Demand and the Consumption Imperative

The increased emphasis on consumption over production in the local economy over, at least, the last two decades (Zukin, 1998; Turner, 2002) has contributed to a greater interest, amongst promoters of developers, to produce built environments attractive to consumers which has contributed to a greater concern for area synergy and the public realm.

Congruently, Harvey's (1989) overaccumulation argument, which borrows from Bourdieu's (1977) notion of 'symbolic capital', posits that as consumer markets became saturated so products became differentiated leading to highly aesthetisized commodities (such as branding). In the built environment, this became apparent with the highly competitive segmentation of markets for different uses and different products. Harvey illustrates this with the example of Rouse markets in Baltimore & Knox (1993) with 'New Urbanist' developments near Washington, DC.

In relation to how these economic changes have led to a greater appreciation of area context and public realm value, the argument is, on the face of it, that there is a greater need to attract users, who are also the consumers in the built environment produced, and masterplanning is one instrument for trying to achieve this. However, whilst as a general proposition this may hold, such structural analysis can be criticized for its lack of specific empirical applications (Gore & Nicholson, 1991; Guy & Henneberry, 2000). Certainly, in terms of consumption and user demand it is a generalization. For example, if it is the case, why has masterplanning only become especially popular from the mid-1990s onwards when these economic changes have been occurring since the 1970s? The answer lies in the fact that this long-term trend has not been immune to the movements of property cycles determined by a cocktail of global and local influences and also the affects of neo-liberal policies on design and development during the 1980s.

In short, during the 1980s there was a concerted effort by government to allow development to occur with limited area planning. However, as will be argued shortly, by the mid- to late 1980s a number of high-profile masterplanned projects, initiated by the private sector, did begin to appear. However, the last recession in Britain during the period 1989–93 was especially long and deep and particularly affected the consumption-led property markets such as in housing and offices and which resulted, for example, in an oversupply of commercial space.

So why, then, did a greater appreciation of the area synergy and public realm value appear after this time? The reason appears to be not that demand for such uses remained low, but that there was increasing demand after 1994, coupled with oversupply leading to heightened competition amongst developers to capture the occupiers. As Marsh (2001, p. 105) puts it:

> One beneficial result of the recession in the property market in the early 1990s, the worst for over 20 years, has been that occupiers have had much greater choice of buildings at far lower rents. Functional and aesthetic qualities have thus become more important determinants of tenant choice, and as a result, developers and investors have become discriminating and increasingly acknowledge good design.

Development Funding

Another specific change that has contributed to greater emphasis on achieving both area synergy and public realm value, and which was accelerated by the nature of the post-recession property markets, is the nature of development funding. The way development is funded affects the perception of those promoting development as to how to ensure a quality surrounding environment and quality public realm.

There are numerous ways of financing property development and the different stages of a property development. Adair *et al.* (1993), for example, identify over 60 different mechanisms. Broad distinctions can be made between short-term and long-term finance, between project-specific and corporate finance and between borrowing money to repay with interest following the sale of the development (debt finance) and either the developer themselves or another party investing equity in the development in which a share of the ownership is held with a view of gaining from the future value of the property (equity finance). In general terms short-term debt is often used to fund the initial stages of a development project and long-term equity used to complete the project and gain capital value. However, over the last 20 years increasingly innovative finance mechanisms have been developed in order to bridge the short-term/long-term gap (for example revolving credit). The change that is important here, in the context of masterplanning, is the increased use of long-term equity funding.

If a developer is committing equity into a development project then there is a greater concern for such urban design matters than if the project is funded purely through borrowing. The Temple Quay North developer, whilst unable to reveal the nature of the funding, did confirm that:

> ...if Castlemore was to hold any of the stock after we developed it, we would be interested by the fact that there is a regime of public space that is comprehensively dealt with, comprehensively managed which creates environment which adds value.

Another scenario in which equity would be held by an institution is when developers borrow from an institution which would typically insist on holding a share of the stock. The effect of an institution holding an equity stake is twofold. First, there is greater interest in securing against risk, which is expressed in lower yields. Secondly, there is an interest in ensuring longer-term rental value (occupier demand for the property) and capital appreciation (investor demand for the property at some later date).

This in itself, again, supports the findings of research commissioned by CABE on the value of urban design in commercial and housing developments (Carmona *et al.*, 2002a,b; CABE, 2003). In relation housing development, CABE (2003, p. 47) suggests that:

> Only where developers are part of the longer term land acquisition, ownership and land development process are they more likely to benefit from any enhanced value of their design efforts. This is likely to favour more adventurous developers who can add value at the start of the development process through design and detailed masterplanning and who are prepared to separate their building activity from this specialised, but potentially lucrative, task.

Adair *et al.*'s (2000, p. 152) study of investor behaviour in urban regeneration also found this to be the case:

> A master plan approach is considered essential so that investors can realise their commitment to a particular scheme, whereas an incremental approach is unlikely to stimulate private sector investment in urban regeneration locations to the same degree [because] investment is likely to occur where risks and returns are transparent and the developer can demonstrate the financial viability of a project.

Given there is a link between equity in development and masterplanning, in the sense of creating area synergy and public realm value, why then has this become more apparent in recent years? There are two main changes that have brought about greater equity funding in property development. The first is more investment companies becoming involved in development and the second is bigger development companies capable of putting equity into development themselves.

Investors, both investment companies and institutions such as pension funds and insurers, are generally more interested in retaining an equity share in the development and are most interested in prime property. In addition, property investment companies have a greater interest in managing the property and in this scenario the quality of the building and urban design will also be contributory factors in generating value. In the late 1990s there was, in a British context, a renewed interest in property by investment companies (Marsh, 2001). For example, figures for 2001 for life and pension funds indicate that the proportion of property as a percentage of total asset value increased to 5.3% and that since the mid-1990s the value of investment property in the commercial sector increased by 85% (Adair *et al.*, 2003).

Two points of qualification need to be made on this. First, over the longer term, property assets as a share of investment companies' portfolios is likely to have fallen because of the need for more liquid assets to fund pensions in an ageing population (Callender & Key, 1996; Marsh, 2001). Secondly, whilst investment property value has risen, owner occupier value has fallen relative to investment value. Owner occupiers also hold equity and would have a concern for the quality of design but are more concerned with specific functional requirements, affordability and less so with risk aversion or longer-term capital or rental growth.

Nonetheless, the reason for the increased interest in holding property assets and undertaking development by investors can be largely explained by diversification benefits and perceived risks and returns (Adair *et al.*, 2000, 2003). Both these are in the context of other forms of investment because, for investors, property is one type of investment, gilts, equities and commodities being typical others. For example, Prudential typically invests 7.5–15% of an investment fund in property, depending on the fund (Smith & Thomas, 2000). Investors have been interested in property for most of the last 50 years but since the 1960s, according to Millington (2000), institutional investors (principally pension funds and insurance companies) have become more interested in property. Furthermore, since the 1980s, there has been a closer association between property- and non-property-related capital through the internationalization of capital markets (Knox, 1993; Logan, 1993; Ball, 1998; Hoesli *et al.*, 2002).

In the late 1990s, however, there was an accelerated interest in certain types of property among investment companies and a principal reason for this was the effect of the property recession of 1989–93. Following this recession, in which many overseas investors and developers lost out considerably (Fainstein, 2001), investors became more cautious and considered about securing a long-term return from development. Barnett (1994, p. 16), writing at the end of the property recession and the beginning of the upward property cycle, sums it up as follows:

> In the late 1980s the boom was being led from property developers chasing rental growth on their schemes, backed with bank finance and fed by demand for accommodation by expanding industries. Today [in 1994] the heat in the market arises from pension funds and insurance companies seeing the return, or yield in commercial property as more attractive than investments in other assets like gilts.

Two other specific factors have also contributed to investors becoming more involved in property since the late 1990s. Smith & Thomas (2000) argue that 'consolidation' of investment firms through a number of mergers and acquisitions since 1996 has perpetuated a renewed interest in property. Connected with this was the general availability of money, from growth in other markets, wanting to be invested by institutions, estimated by Barnett (1994) as about £10 billion, which is likely to have increased over the latter period of the 1990s following sustained stock market growth (Madanipour, 2001). This increased involvement has been reflected through the rise in investment return for property in the latter part of the 1990s, although this tailed off by the new century. For example, according to the Investment Property Databank UK (www.ipindex.co.uk), annual total property investment returns rose from 3.6% in 1995 to 16.9% in 1999 before declining to the still favourable 9.7% in 2002.

As well as investor behaviour, the increased size of development companies has contributed to the holding of equity because they are more able to part-fund the development in the longer term. One experienced masterplanner, who has been frequently commissioned by developers, explained that:

> We have got a lot of bigger corporations involved in the development process, volume house builders, the big development companies. . .we

> have seen a lot of smaller companies eaten up and a lot of bigger ones [appearing].

This means that development companies, which would have been more likely to wish to borrow and forward-sell developments, are now more capable of retaining a stake to maximize longer-term capital and rental growth, in a similar manner to investment companies as explained above. Simultaneously, in the mid- to late 1990s there was a greater need to put their own equity into development because of post-recession lessons. Fainstein's (2001, p. 46) assessment of property development in New York and London found that during the late 1990s' property revival:

> Lenders scrutinised projects more carefully and demanded that tenant commitments be in place before a building could go up. Banks and insurance companies had become leery of committing funds to property ventures, requiring developers to put substantial amounts of their own funds into their projects and equity stakes in the property for themselves.

Development Projects: Size Matters

The third contributory factor in a greater appreciation of area synergy and public realm value, sought through masterplanning, is increased size of development projects. Larger development projects, on a basic physical level, require bigger plans, such as masterplans. Both the developer of the Temple Quay North scheme and a director of an investment company confirmed that this was a basic reason for masterplanning—to coordinate development on large sites. One reason may be the availability of large areas of derelict land as a result of economic restructuring and deindustrialization coupled with the increased policy imperative to develop on previously used land. However, there is also a financial motivation to develop on a large scale, regardless of the nature of the site. According to Carmona *et al*. (2002a), one crucial element of scale and good urban design is being able to internalize externalities. This returns to the issue of minimizing risk and maximizing return, this time through achieving economies of scale, and points again to the type of companies involving themselves in development (investment companies and larger development companies).

In his analysis of the contemporary planning by neighbourhoods (drawing on the case of the masterplanned Greenwich Millennium Village), Madanipour (2001, p. 181) also argues that the development industry now has a strong preference for things large:

> Large development companies have access to more resources and more advanced production capacities. For these reasons they prefer large-scale development schemes, where the costs of production are lower and a flow of return on their investment seems more secure.

Developer Learning

What the above explanations of property market changes fail to explain is how these perceived benefits have come to be actually realized. One explanation, put forward by interviewees, of why they should become more interested in masterplanning is that actors involved in the promotion of development (developers, agents and investors, etc.) learnt from shared experiences that this was something worthwhile doing. This learning is not in conflict with the broader economic and property market changes that occurred but provides the link between such broader structural forces and choice making.

This has been found to be the case in different contexts. For example, Guy & Henneberry (2000), based on an assessment of certain seemingly irrational economic decisions made in property developments, argue that views of property markets are not just technically determined but evolved through a process of experience and learning. Moreover, Healey *et al.* (1995) argue that developers learnt through the 1980s that some sort of plan or framework was good for the development industry, because it would establish greater clarity for decision making and so reduce risks, and this contributed to the revival of interest in statutory development plans by 1990. In the case of the value of urban design a number of writers have suggested that certain completed developments helped to bring about a realization of value. Sparks (2000, p. 13) writes that:

> In parallel with the development of policy, there have been some real examples in practice which have demonstrated the actual benefits of good urban design.

Punter & Carmona (1997) argue that certain enlightened or adventurous developers adopted an urban design approach which has been seen as successful when built, and has informed both policy makers and other developers, whereas Sparks (2000) highlights the importance of council-led plans. From such literature and informants in this research, it is possible to identify five important masterplanned developments since the mid-1980s that have significantly contributed to this realization of value. Whilst these cases were not the subject of empirical investigation it is possible and useful to make a number of points about the nature and significance of these masterplanned developments from secondary sources.

Figure 6. Broadgate, City of London. Public realm areas within the development.

Broadgate, London EC2, 1985. Broadgate was a 7.2-hectare area of derelict railway land in a prime position in the City of London, next to Liverpool Street station, which was developed by Rosehaugh Stanhope Development PLC in partnership with British Rail Property. The masterplan prepared by Arup Associates set out a series of pedestrian open spaces linked to pedestrian movement to and from Liverpool Street, and vehicle access underground to be surrounded by high-density commercial development. The completed development (1985–90) presented a striking example of the value of masterplanning to create popular public spaces, such as an ice rink in the winter, combined with successful commercial buildings, as illustrated in Figure 6.

Stockley Park, Hillingdon, 1986. Arup Associates was also responsible for masterplanning the 162-hectare former gravel pits and brickworks land near Heathrow Airport, this time on behalf of Stanhope PLC on its own. The masterplan provided a framework for a business park within which separate developable sites could be architecturally designed but contribute to the whole park structure. In addition, the emphasis on high-quality landscape design, as shown in Figure 7, and a mixed use centre contrasted with the typical more fragmented and mono-use business parks that occurred during the 1980s and contributed to attracting higher-value, high-tech industries.

Canary Wharf, London Docklands, 1987. The London Docklands Development Corporation had originally planned what one interviewee described as "cruddy sheds" on a large water-bound site on the Isle of Dogs and, due to its Enterprise Zone status, no planning permission was required. Despite this, following their purchase of the site, the Canadian developers, Olympia and York, insisted on a masterplan and instructed US architects Skidmore Owings Merrill on this task. The *beaux-arts*-inspired plan parcelled the site into 24 separate areas but integrated them using avenues, squares, circles and semi-circles with the construction of a US downtown skyline envisaged. Figure 8 illustrates the nature of spaces and buildings created.

Figure 7. Stockley Park. A high-quality landscape setting for business uses. Reproduced courtesy of Stockley Park Consortium Ltd.

Figure 8. Canary Wharf. View from No. 1 Canada Square of one of the main boulevards and public spaces.

The masterplan was an attempt to protect the developer's investment and deliver public amenity, as well as creating confidence to fund the scheme (Edwards, 1992). Ignoring the historicist and commercial style of the architecture, the completed development is generally regarded as an urban design success and certainly a commercial success. The lessons for future developers, especially in circumstances where a stake would be held, were that this level of planning helps protect and create value, by convincing financiers, objectors and tenants of the merits of the scheme and creating a quality product over the longer term.

Brindleyplace, Birmingham, 1993. Brindleyplace was a largely derelict 7-hectare canal-side site near to the International Convention Centre in Birmingham which was bought by the development company, Argent, in 1993 and subsequently masterplanned by John Chatwin, an architect formerly with Terry Farrell. The masterplan set out a flexible phasing of (horizontally) mixed use development parcels, intended to be architecturally different to one another, and a regime for public spaces and pedestrian routes. This masterplan followed the principles of the Birmingham Urban Design Strategy 1990, prepared by Francis Tibbalds on behalf of the city council. Later, Argent entered into a partnership with certain financial institutions (Citibank, United Bank of Kuwait and BT Pension Scheme) to form Argent Development Consortium. Argent has also retained a degree of control and ownership over the scheme.

Figure 9. Brindleyplace, Birmingham. The main square, created in advance of many of the buildings.

The development has been implemented, commercially successfully, over the period 1995–2002 and has provided the following principal lessons about masterplanning. First, mixed use and public realm areas, as set out in the masterplan, contribute to the success of each other and can make a development more viable particularly, as in this case, because the main public square (shown in Figure 9) was constructed before the buildings. Secondly, a masterplan contributes to providing certainty for occupiers and funding bodies. Thirdly, the masterplan helps to phase the development through parcelling the site into distinct areas and providing a basis for negotiation. Fourthly, undertaking such planning and development has a ‘ripple effect’ on the wider area enhancing values and in turn reinforcing the value of the scheme itself (Latham & Swenerton, 1999; Barber, 2002).

Manchester city centre, 1996. Following a bomb in the city centre in June 1996, Manchester Millennium Limited, a public/private partnership with financial support from central government, commissioned a masterplan for the rebuilding of the city centre. Planning and design consultants EDAW won the design competition and led the masterplan team. The masterplan, as illustrated in Figure 10, aimed to create a new central boulevard and public spaces (such as shown in Figure 11) integrated with new commercial, retail and residential development and with the transport system. By 2003, many of the broad proposals had been implemented and the masterplan provided lessons about developing viable proposals over a wide area, integrating design, transport and development, and about successful public/private cooperation (Williams, 2000, 2002; Holden, 2002).

By way of qualification, a number of common points should be made about the nature of these masterplanned developments. First of all, they were in prime locations, all with greater potential for realizing good returns, and so were somewhat exceptional, by virtue either of location or of the circumstances of the development opportunity. Despite this, they were all in some way ahead of their time in terms of the planning and development process. One common strand of this was that they were all 'chasing the new economy', that is developing on the

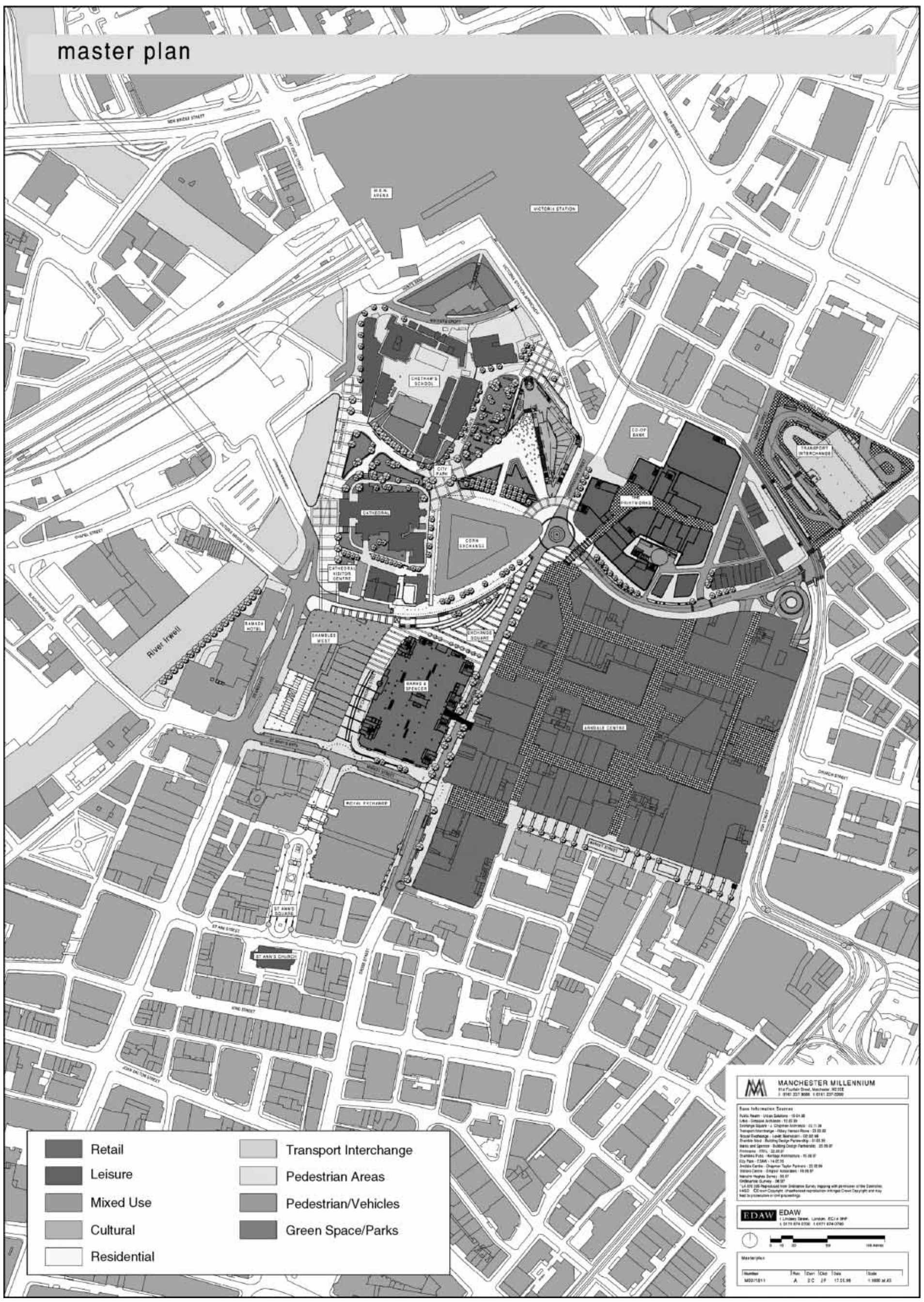

Figure 10. Manchester city centre masterplan. Reproduced courtesy of EDAW.

Figure 11. Exchange Square, Manchester city centre. One of the main new public spaces resulting from the masterplan. Reproduced courtesy of EDAW.

basis of what future tenants were likely to want, in the case of Canary Wharf and Broadgate the nature of financial markets and institutional tenants' demands (in Broadgate the developer purposefully undertook detailed research on this to inform the scheme) and a similar story exists with high-tech occupants at Stockley Park. At Brindleyplace and Manchester, it was more associated with city centre living and retail and leisure trends. Associated with this, and similar to how a relatively small number of individuals influenced policy, a number of individuals were active at the time and acting in an innovative way towards development. One good example of this was Stuart Lipton, the first chairman of CABE, who was involved in the Broadgate, Stockley Park and Canary Wharf developments.

It is difficult to measure the impact of the success of the projects on development learning but two points can be made about how this has occurred. First, the examples given here are all notable for being commercially successful and combining certain urban design principles with this success, and over time the success of the projects was appreciated and realized by the development industry and planning authorities alike. Secondly, a point that Marsh (2001) makes in relation to mixed use, the circulation of global capital in development has also made a difference by transferring approaches that have worked in other national contexts. This is not just the influence of developers such as Olympia and York in the late 1980s or international investment companies but also design expertise. The large design firms involved in the exemplar masterplans contribute to transferring urban design, development and, indeed, masterplanning ideas as they form different teams which bid for masterplan projects from different clients and different countries.

Conclusions

The main arguments presented in this paper are that there are economic benefits perceived by promoters of developers in undertaking both site development and strategic area masterplans. These benefits come from creating a value synergy between developments and surrounding areas (area synergy) and creating additional value from designing the public realm areas perceived to be a higher quality by potential users. This contributes to reduced development risks, lowers investment yields and contributes to both rental growth and capital growth. These perceived benefits have partly resulted from certain significant economic transitions and changes in property markets.

The realization of the benefits of area synergy and public realm value, and consequently the value of masterplans, has been affected by: a longer-term shift from a production-oriented to a consumption-oriented economy; the occurrence of increasing large development companies and large development projects; the greater likelihood of longer-term financial stakes being held by such companies in the development projects; and a shared learning that has occurred because of the perceived success of masterplanning approaches in a number of high-profile development projects.

What wider understanding does this offer about contemporary planning, design and development processes? Primarily, it signifies a renewed interest in physical design and masterplanning from a development perspective. Moreover, masterplanning itself signals a convergence between development interests and certain urban design principles and suggests developers and investors believe that there is commercial value in achieving certain urban design objectives. This convergence of development interests and urban design, on the face of it, offers some degree of optimism when considering the quality of the physical environment. If there is a perceived commercial benefit in applying attention to area context, permeability and the quality of the public realm, for example, then it follows that these principles will become reality more often in development and create more convivial and pleasant physical environments. To this extent, this supports the findings of Carmona *et al.* (2002a, b) about the value of urban design.

However, there are some concerns that can be raised about what this means. First, for some, the realization of commercial value through urban design means "that private corporations have invaded the cultural sphere, turning public spaces to market advantage" (Boyer, 1993, p. 116).

Moreover, this may also mean, as Zukin (1991, p. 41) puts it, that "urban places respond to market pressures, with public dreams defined by private development projects and public pleasures restricted by private entry".

This more pessimistic interpretation assumes a dominance of private capital over public interests, the restriction of access to those who conform and can afford it and a lack of authenticity in what is built. Applying this type of analysis suggests that masterplans are assisting in this reimaging, and in fact rebuilding, of urban areas in order to create consumption-oriented enclaves. For example, Turner (2002) examines the use of masterplans in US downtown areas for this very purpose.

In the context of Sheffield city centre and Temple Quay North, however, such a conclusion is something of a caricature which presents a compelling but exaggerated argument. For example, to conclude that these masterplans are simply creating commercial benefit *without any* social value or wider collective interest would be unreasonable given the obvious benefits of bringing derelict land back into use and providing some new services and, to some extent, new employment and amenities. However, what can be questioned is the emphasis and the extent of the benefits being provided.

Another concern that can be raised is about the involvement of large international investment companies in the planning process because of the potential domination of capital interests over community interests. Such companies, by virtue of their size, resources and way of operating (viewing property investment in the context of the performance of other investments on the global financial markets), are likely to be less concerned with local distinctiveness and variety and more concerned with delivering a safe and profitable product (Guy *et al.*, 2002). Are masterplans just a way in which this can be achieved and, in the process, are local communities' needs or desires overlooked?

It is difficult to know this from these findings alone but what can be concluded is that masterplans are one more expression of the pervasive involvement of international capital in the local environment (in the way they are used to realize the economic benefits set out in this paper). However, they are only a medium of communication and there is reason for optimism in the fact that such actors in the production of the built environment do want a plan. Given how development interests learnt the commercial merits of masterplanning, this may also mean they could learn to masterplan in more equitable and democratic ways. In this context, what is of utmost importance is the degree of influence and control exercised by the apparent guardians of local community interests, local authorities, and the degree to which wider stakeholders are involved in masterplan preparation. It is these issues that could be an interesting focus of more research on the use of masterplans.

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