

# 395

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AMQ International's

# STRATEGIC ASSET MANAGEMENT



## NEW IDEAS

If you have an idea for greatly improving public infrastructure and its management, to whom would you take the idea? To your boss? Her boss? The Minister? If your idea is bigger than your own organisation, or if you are not in a public infrastructure organisation, who then? to the Government (which level, which department, and to whom)? To the

Regulator? To a Think Tank? To your Professional Body? Would you explain your idea in an article in your industry, or an academic, journal?

**What about a public forum for ideas?** A forum that is given wide exposure by being subsequently produced as a podcast? A good quality podcast such as those produced by national broadcasters (ABC, BBC, DW, RFI)? I listen to many of these, few are related to infrastructure management but when they are, they are always provocative. Consider the three I have chosen here.

**Crowd-funding civic infrastructure.** A means of creating real civic engagement - and more funds! (ABC. Future Tense. May 25 2014)

**Traffic controls - what if we were to remove them?** Would traffic move less or more freely? Would we have fewer or more accidents? How much do we spend on traffic controls? (BBC. 'Forethought' 17 May 2012)

**Planning controls.** Planning controls consume an inordinate amount of council time and give rise to much dissension. What if we were to remove them (bearing in mind that they are a relatively recent introduction, they were not introduced in the UK until 1947). (BBC 'Forethought' 26 June 2014)

**Impossible! Ridiculous! Can't be done!** This is a normal first reaction. It is the old 'reptile' or 'flight or fight' brain. the amygdala, working, whose job it is to protect. It tries to prevent change since change may be dangerous. However for any real progress (i.e. change) to take place we have to move beyond the amygdala and employ the neo-cortex, our more 'advanced' brain that enables us to consider and to imagine rather than just react.

So I invite you to take one or two objections that will come immediately to mind and see how you could overcome them and yet still retain the advantages of the idea. **This ability to imagine the 'what if' is the skill we urgently need to develop as asset managers if we are to manage the very big changes now required of us not simply to renew 'as is' but to 'provide infrastructure for twice the people at half the cost'. Which we must!**

*Enjoy! Penny*

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## CROWD FUNDING CIVIC INFRASTRUCTURE

### WHAT IS IT?

Online people donate to all manner of small projects and inventions but could it work on a larger scale, say for civic infrastructure? Could it fund a community hall or free wi-fi throughout a village? Well, it has!

In the UK, in Finland, and in the USA civic crowd funding is growing. Today, when council budgets are over-stretched, the idea is attractive, but its proponents argue that it is worthwhile for more than just the funding, it provides a voice for ideas that might otherwise go unheard, and scope for greater community engagement.

The process is this: proponents of a new idea for civic infrastructure put their idea on the website and how much it will cost to actually do or to prepare a well organised proposal. People who like the idea and want and can afford to support it, can choose to donate - and they do. If you think this is strange, ask yourself whether there are not some projects, for example free wi-fi throughout your community, that you may think highly of, enough to contribute to see that it comes about.

### WHERE DOES THE MONEY COME FROM?

Individuals who would like to see the project operational and can afford to contribute. Companies wanting to create a good impression in the community may also choose to donate. And where it is clear that there is a lot of community support for a project, government agencies, or the council itself, may decide to take it up and contribute the difference.

Chris Gourlay, a former journalist specialising in architecture and planning issues, started Spacehive, a civic crowd funding platform in the UK says that local space

“matters hugely to people's quality of life, to their economic well-being, and yet we have a mechanism for nurturing it, for funding it which is very centrally controlled, it's basically councils and developers who get the say-so in what happens and how to fund it. And it seemed that the recession gave us an opportunity to rethink how we did that. And at the time I was looking across the Atlantic at the rise of Kickstarter, the first crowd-funding platform that really popularised the model, and there seemed there a really interesting model that both was able to reach out to new sources of capital but also create an ecosystem that nurtured innovation and tapped creativity. ...We've been going for a couple of years now and have successfully delivered 34 projects worth £1.6 million (\$3 million Aust) across the UK, with another 400 due to come through in the coming months. And they range from a brand-new community centre in a very deprived area of South Wales... to a kids playground in Islington.

### EXTENDING THE REACH OF DECISION MAKING

He argues that it is hard for individuals in the community to have any influence on the type of infrastructure that is built, they can sign a petition or raise a hand or a voice at council

meetings but that is about all. Moreover most of these actions are to negate a decision, here they can put forward positive ideas to improve the community and express their support in a very obvious way.

Of course, they still have to engage with the civic authorities but councils in the UK have been very supportive. They like the extra funds, but they also like to hear what people are interested in. It creates another channel of communication between the authority and the community.



## ONGOING MAINTENANCE, UPGRADING AND RENEWAL

Now the first question you may ask is - 'who pays the ongoing costs'? After all, we all know that the initial capital cost is but a fraction of the life cycle costs. And that is the second interesting aspect of this form of funding - it creates a new form of ownership and responsibility.

Rodrigo Davies is a researcher at MIT's Centre for C... Media in Cambridge, Massachusetts says that the civic crowd funding idea has really exploded in the USA in the last few years.

"You know, crowd-funding has often confounded economists who wonder, particularly when we're talking about donation crowd-funding, they've wondered why people are willing to give to things where they are not seeing such a tangible reward. And we've learned over the years that clearly the engagement factor that people get from being involved in crowd-funding is really important to them and has great value. In civic projects, what's exciting is that you can build that community and also take it forward to do other things in the future. So whereas, say, you and I give to a crowd-funding project where we are buying a watch or a videogame, afterwards the fact that I'm aware that you gave and you're aware that I gave doesn't really bind us together in any particular way, but if we are both donating to a neighbourhood playground, for example, two years from now, three years from now when we want to expand that playground, we might potentially still be in the same neighbourhood and have a kind of basis to cooperate and we have a shared interest. It may be that both of our kids use that playground and it forms a bond that way. So there is that kind of bond that I think... that kind of community that can be built through civic crowd-funding which is really exciting, and I think it makes the field quite different."

## OBJECTIONS

Not everyone thinks that civic crowd funding is a good idea. Some feel that this might encourage councils to avoid their responsibilities and to cut back on expenditures where the public is prepared to step in. Others argue that civic crowd funding is undemocratic.

Alexandra Lange, an architecture and design critic in New York:

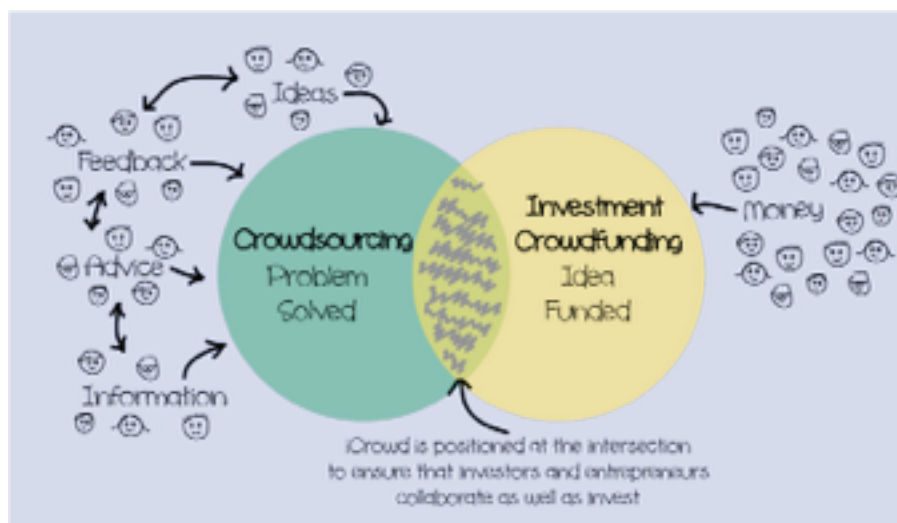
"My major concerns in that area are the lack of democratic process associated with most of the current crowd-funding platforms. As you probably know, platforms like Kickstarter have their own editorial board that reviews all projects before they get on the platform, and in addition the people using digital platforms are a very

specific demographic. So it's not clear to me that it's fair to cities and the results from getting your civic projects via crowd-funding platforms might not be the right thing for all cities. So I'd say that's my number one objection.

Then on platforms like Kickstarter I think they tend to push toward a certain style of project, either in terms of the architecture as contemporary as possible, or as gadget-like as possible, you know, involving advanced engineering or neon lights or a kind of nightlife programming that, again, is not necessarily the best things for cities or the first things that cities should be putting their money into.

The other thing is just how do you define community? There are online communities, yes, but if you're trying to do projects for a specific area in a city or a specific part of a country, if you're starting a project through city channels you have to do a lot of outreach to the neighbours, to the congressional district, all of that. And that all gets swept aside when you're looking at crowd-funding models that are purely online. And there are ways that platforms can get around these things or they can do multiple kinds of outreach but so far I don't think they've quite cracked that problem. ...in many of the cases the projects that are going on these crowd-funding platforms don't even have city building permits yet. So whether or not they can actually get built and can actually disrupt that democratic process is somewhat unknown.”

## MORE THAN MERELY MONEY RAISING, GREATER COMMUNITY ENGAGEMENT



Bryan Boyer is an architect in the USA but he was part of a major civic crowd funding project in Finland and has written a book about it (which you can download from the net - google “Brickstarter”). He is aware of the criticisms but not overwhelmed by them.

“I see it as a concern but I don't see it as a connected concern. I mean, there's always the risk that our public sector pulls back on their responsibilities, and for me the opportunities outweigh the risks in that we have plenty of ways to mitigate the issues that you bring up, but we have very few ways or I would argue no current opportunities on the table to increase engagement with civic development, to broaden the number of perspectives that are applied to those kinds of problems, to expand the spectrum of different scales at which we are thinking about development in our cities, not just at the very large scale but all the way down to the very small scale.

So I really see it as a question of how can we afford to not take advantage of the resources that our cities have on offer. Out of those resources, capital is perhaps one of the smallest. We have immense talent, we have immense wisdom, and in many places

we also have quite a bit of spare time on people's hands that really could be playing a much more active role in shaping the way that our communities move forward. Of course, in the end, the council authorities will determine what gets planning permission and what (and whether) gets ongoing operational or maintenance support.”

## QUESTIONS

So what do you think about the possibilities for civic infrastructure in your council area?

Is there a role for you, for example, in analysing and advising the groups of the ongoing costs of their proposals.

Would there be value in building these ongoing costs into the proposal costings, if not for community funding, at least for council decision making.

Do you feel that this could this lead to greater civic engagement?

## FURTHER INFORMATION

You can get further information on this topic from the ABC Radio National Website where you can download the podcast and get a full transcript of the program, plus the background information used by the ABC in putting the program together. There is also a link to the “Design” issue dealing with civic infrastructure.



### TRAFFIC LIGHTS - WOULD WE BE BETTER OFF WITHOUT THEM?

*This is a podcast that I particularly enjoyed because it included economics in its arguments!*

Martin Cassini is a video producer, traffic campaigner and writer who believes that we have our traffic system all wrong. He says it causes death and injury, costs time and money, and does an untold amount of harm.

As Martin tells the story:

“I was approaching a traffic junction in Oxford. Normally I would have had to wait for about three successive signal changes before getting through this junction but on this day the junction was deserted. I noticed that the traffic lights were out and this led me to question whether we would be better off without them.

There are 25,000 serious accidents or deaths on the roads each year. These numbers are shocking. Deaths. People on life support for years!

## THE COST OF TRAFFIC LIGHTS

### 1. MONEY

Do you know how many traffic signals there are up and down the land? About 56,000. Each set of traffic lights costs about 150,000 pounds to install and they need system upgrades every 15 years and a maintenance cost between 5 and 10% - and that is just the cost of the hardware. You also have to add a vast army of traffic managers and programmers and local traffic authorities. The potential for traffic system reform is phenomenal. You can't put a cost on a life but the Department of Transport does. The annual cost of accidents is put at between 18 and 19 billion! Pounds! [over 30 Billion Dollars)

### 2. ACCIDENTS

In my view most accidents are not accidents. They are events contrived by the design and the rules of the road. Consider the dangers of traffic lights. As a driver you see a green light. Are you watching the road, chances are you are watching the light!

As I was driving here today I was about 20 yards from the junction as the lights turned from green to amber. Shall I put my foot down and try to beat the red light rather than be stuck here for ages? Luckily I did not and I stopped and, as I stopped, between the traffic light poles a pedestrian appeared out of nowhere. If I had put my foot down it would have been a disaster. People think that traffic lights are a guarantee of safety but the latest audit from Westminster City Council has shown that 44% of personal injury accidents occur at traffic lights.

I started videoing road junctions when the lights were out of action. If I heard about it, I would grab my camera and run. Then I would go back when the engineers had fixed the lights and video the traffic again. I persuaded News Night to let me do a report, it attracted a lot of support, and I started a campaign for the removal of traffic lights.

Traffic lights get in the way of human nature. Instinctively we want to be kind to each other. When you first meet a stranger - unless you a mugger - you want to be kind to that person. Part of what I am talking about is relationships with strangers. We all have them in their thousands and millions on the roads. Road user relationships are corroded and corrupted by traffic controls which subjugate us and make us almost have more regard for a traffic light than for a human life.

Traffic lights make us stop when we could go. They take our eyes off the road. The unseen spanner in the works is the Priority System - giving main roads priority. It was introduced in 1929 when the powers that be were trying to regulate that new mode of transportation, the motor car. It decided on main road priority. (The AA wanted the give way to the right rule that we have at roundabouts but they lost the day.)

Main road priority allows you to plough on no matter who got there first, side road traffic, people on foot waiting to cross. If you are on a main road do you even notice the mother with a pram on a traffic island waiting to cross? And if you do notice her, well you can't really stop and let her cross if there is a ten ton truck on your tail, especially if there is a green light ahead.

The need for traffic lights arise pure and simply from this rule of priority. How do we let people cross the road in safety - put up traffic lights! So they make us stop to avoid the inconvenience of slowing down! If the lights weren't there we would approach slowly and carefully and see what other people are doing and filter through but the traffic light makes us speed up to beat the red and so on.

What about maniacs? some people might say. If we had no traffic control what might happen? Well you can't legislate for maniacs so why hobble the vast majority with a one size fits all rule designed to catch the hypothetical deviant? Remove the fatal flaw. Once you remove main road priority, you remove the need for traffic lights and you remove the need for speed because we are not in a rush any more, we are not rushing to beat the traffic lights, we are not stressed out waiting in a queue that is caused simply by that red light. You know, if we are leaving a pop concert in a car, the volume of traffic is enormous but we don't mind, we can see loads of other people in the same boat. What gets our goat is waiting at a red light when there is no traffic to require it.

### 3. CONGESTION AND TRAFFIC TIME

I heard about lights out of action at a West Country town and I got in touch with the councillors and they showed my video to the whole council. 26 out of 27 councillors agree to the trial - the video was called the case for a no traffic light trial. It took a few months to set up and there was serious monitoring that took place but on 14th September 2009 the lights were switched off at ten o'clock in the morning (they were bagged over actually). There had been major queues at the lights but when the lights were switched off the queues disappeared within minutes and that trial has now gone permanent.

**The monitoring showed that traffic time fell by half** with no loss of safety, extrapolated nationwide, the cost savings just on journey time was about 25 Billion Pounds. The Institute of Economic Affairs has put the loss in productivity at about 20 Billion, the cost of accidents about 20 Billion and a travel time saving of 25 Billion. It just goes on and on. The cost of installation, running costs etc.etc.

So when they say there is not alternative to painful spending cuts this is a painful reminder to me that they are missing a huge trick. Whichever way you look at it, traffic accidents, road congestion, the planet, the benefits are huge.

Congestion. In many ways, traffic is like water. If you dam a river it is going to overflow and flood and in a similar way if you interrupt traffic flow you are going to get congestion. Whenever lights have god out, traffic has moved more smoothly. There is the town of Pointon. It introduced shared space at a major junction with 26,000 vehicle movements daily. A lot of pedestrians also use this junction. It was a hodge lodge of multilane approaches with traffic signals and traffic islands and it was vile! The designer has turned the multi-lane approaches into single lane approaches, the traffic lights have gone and there is now a sense of place and calm. I was filming just before Christmas when the lights were removed and within minutes the huge log jam of traffic disappeared. It became quiet. You could actually hear the birds!

Following his presentation, a member of the audience asked Martin Cassini whether a better use of analytics could not solve the problem. His answer? "You mean can

technology do a better job than human nature? Only if there is a complete breakdown do we need to rest to expensive technology”

## QUESTIONS

How much are traffic controls costing your council?

What savings could be made in pollution creating congestion, in traffic accidents, in ease of traffic flow, in road and pedestrian safety?

Could you make improvements by removing traffic signals. If not, why not?

## FURTHER INFORMATION

This podcast is now several years old. It might still be available on the BBC Site at Forethought but if not there are many pages of references to examples of removal of traffic lights on Google - and the overwhelming proportion of them are positive. (my guess is well over 85%) Have a look!



## PLANNING CONTROLS - WOULD WE BE BETTER OFF WITHOUT THEM?

*Ed: I have left the most controversial of the three podcasts to last. See how you go being positive and supportive with this one.*

Karl Sharro is a Lebanese born British architect. He grew up in war torn Lebanon. As a child he loved to draw and he would draw Utopian societies - where there was uninterrupted power supply, reliable running water and functioning telephones! He says that his practice in envisaging different realities came in handy when he decided to be an architect.

At the end of the civil war in Lebanon came the reconstruction of downtown Beirut. This took place at the end of his architectural studies and he was lucky to take part in that. He says that although the reconstruction took place efficiently, it was done in a very centralised way without any real participation by the public, and when finished, the people did not feel that the city represented them. He said it felt like a “polished stage”, remote and disconnected.

His work within the planning system in London showed him that the world of the English planning system is a world of 'well meaning people going about their business in a way that suggests a noble purpose but the role of planning has changed over the years' He says that 'Planning used to be about creating new cities and neighbourhoods. Today it is mostly about controlling development.'" He argues that this is driven by a desire for quality yet, after all the debate and endless arguments are over, the result is a compromise, what no-one wants. "This obsession with quality paradoxically does not produce buildings of quality."

## PLANNING IS NOW ABOUT CONTROL, NOT CREATION

"The best example, to illustrate this absurd and wasteful system is looking at what is involved in the simple task of building a small extension at the back of your house. ...Your neighbour will object to the extension as a matter of default. Stopping you from building that extension will become an existential aim. Unsurprisingly, you would do the same. Depending on the location of your house any number of external bodies from English Heritage to neighbourhood organisations will join in the fight. I have sat through hours of discussions in planning meetings in which the opponents lined up to denounce the addition of one room to a Georgian Terrace as if it were an arc that would undermine Western Civilisation. Local politicians will be recruited, petitions signed and battle lines drawn. Thousands of hours are spent by planners dealing with these cases every year and the complexity only increases by the scale of the development. No rational society should allow this soul sapping folly to take place.

My solution to this predicament is radical yet simple. People should be allowed to build whatever they want. Simply put, let's get rid of all planning regulations and give people the freedom to shape the spaces they want to live in. Far from bringing about an architectural apocalypse this will allow us to build cities that reflect our time and age much like every era before us did. "

### In defence of his proposal, Karl Sharro argues:

- (1) There were no planning regulations in the UK until 1947 - yet the buildings so loved and admired today are those that were built before the war, and the ones that have been built since - with planning controls in place - are generally regarded as bland and boring, if not downright ugly.
- (2) Although people react in horror to his proposal and say that this would quickly ruin both city and country with large, ugly, developments, this is a misanthropic response. Mistrust for actions of others. But why, he asks, would people create unpleasant environments if they want to live there?
- (3) Another objection is who would ensure we build enough social infrastructure - schools, transport systems, etc. Well, for one thing no-one is ensuring we will build enough under the current system. My proposal would transform planning bodies into what they were intended to be, bodies that PLAN development rather than restricting it.
- (4) Another objection is political in nature. It argues that the present system is democratic, it allows everyone to express their opinions and planning committees take all these conflicting opinions into account when making a decision. Everyone involved in my profession and building from architects to planners internalise this idea. It is, they argue, a form of planning suited to British democracy.

Karl believes that this is deluded and absurd. “Unless your understanding of democracy means diluting everything through a system of repetitious compromise until it ends up satisfying nobody. The voices that are heard are those who have the time, resources, and energy, to put their opinions across. By contrast, the voices of those who would benefit from development are neither heard nor expressed in these debates, nor seriously taken into account in the decision making process - the young family looking for a house to live in, the retired couple looking for smaller accommodation and especially people on lower incomes.”

- (5) Once this system is put in place - large and small schemes would arise and, of course, speculative buildings by developers. By releasing the land supply that is artificially restricted now by misguided planning policy such as the green belt and other exclusion zones, we would drive down the cost of building and many more people could build their own homes. With a freer planning context, decisions about where and how open space should be located would revert back to the people who live there.
- (6) Yes, there are no guarantees that my proposal, allowing people to build whatever they want, would create better environments and neighbourhoods. We must accept that this has to be done in a spirit of experimentation. It involves things going wrong and we need to learn from our mistakes but that is the spirit of all human innovation.

## QUESTIONS

This example no doubt offers far more scope for negative reactions than the other two we have included, but what are the benefits that Karl Sharro believes would result from abandoning planning controls?

1. What might we do to get these benefits?
2. How much does your council spend in planning controls? How happy is your community with the results - either individually and as a community?
3. Of all the many objections you can raise, are there some for which you have suggestions as to how the worst effects could be mitigated. Some positive action to take to achieve at least some of the benefits Karl Sharro sees, including more innovative architecture.
4. What would be the consequences if ‘things go wrong’? How can we manage those risks?

## FURTHER INFORMATION

Go to the BBC website and look up “Forethought” for 26 June. There is no transcript but you can download the podcast.

**If you would like to send me any ideas for overcoming objections, I would be happy to share them with SAM readers.**