



## KEY POINTS

- New forms of governance and finance are emerging for maintaining established NBS, such as the Victorian parks of Newcastle
- New governance arrangements are needed, operating across scales to maintain urban parks during changes to local government capacities
- Governance and economic innovations need expertise, capacity, and demonstration before adoption
- Social learning and networking through ‘innovation intermediaries’ takes place through demonstration – ‘learning by doing’

## ABOUT THE PROJECT

NATure-based URban innoVATION is a 4-year project involving 14 institutions across Europe in the fields of urban development, geography, innovation studies and economics. We are creating a step-change in how we understand and use nature-based solutions for sustainable urbanisation.





## Sustainability challenges and opportunities

Key challenges facing the city emerge from ongoing processes of regeneration, flood risk due to changing climatic conditions and aging infrastructure, and the issue of governance capacity, both because of the need to join up capacities across different agencies and because of the current climate of austerity.

Newcastle is a city located on the North bank of the River Tyne in North Eastern England. Public spending reductions and austerity are driving the development of new NBS and novel practices for maintaining pre-existing and established NBS, such as the Victorian parks of Newcastle. ***“Budget cuts have led to reductions in service quality as parks no longer have dedicated ‘park keepers’ and basic maintenance tasks (such as litter collections and grass cutting) take place less frequently.”***<sup>1</sup> To address the challenge of austerity, the Newcastle City Council (NCC) are developing a new business model to advance a vision of urban parks as public, green spaces which promote public health: ***“from the public health point of view, [our aim is to] re-establish [parks] ... as a focus for well-being and health in the city, which, in truth, was their original purpose ... the ... Victorians who founded places like Leazes Park, that’s exactly what they had in mind when they, when the parks were put there, so we’re ... trying to ... get back to that original purpose.”***<sup>2</sup>

## Solution story and key actors

Facing significant reductions in their public finances, the Newcastle City Council sought to engage with a national network of actors seeking to promote innovative approaches to funding and became the first demonstration project of an innovative governance and business model where public parks, allotments, and green space are put into a public trust to secure their future maintenance.

In 2014, under a funding call for a project on ‘Rethinking Parks,’ the National Trust gained funds for ‘Endowing parks for the 21st century.’ The project ended in 2016 with a ‘Future Parks Conference’ to share findings with local authorities and other actors facing the challenges of finding new business models for urban parks, alongside the production of a ‘Future of Parks Toolkit’. During 2015-2016, the NCC engaged with the National Trust and the ‘Endowing Parks’ project, becoming ***“almost by default”*** a national ***“pathfinder”*** for developing alternative business models for parks<sup>3</sup>.

Enabling an interim measure while a longer-term solution was found, the Public Health authority recognised health benefits of parks and provided £1million per annum (2015-2019)<sup>4</sup>. In 2016, the NCC Transformation Team completed appraisals and concluded that the most promising business model for Newcastle’s parks was a new social enterprise with charitable status. While mobilising expertise via collaboration with the National Trust in 2016-2017, a shift in thinking occurred from the social enterprise model to a charitable trust. This was adopted and in late 2017, the NCC gained agreement from the Cabinet to implement the Newcastle Parks Trust and transfer care of 33 city parks and over 50 hectares of allotments to the charity. The NCC is currently working with the National Trust to recruit the first Chair and Board of Trustees for the new charity. This Board will shape and steer the charity and will take over running the parks by April 2019.



### Governance strategies

Central to the innovative approach being taken to manage Newcastle's parks has been a new alliance of public and private actors, operating across scales.

The development of the Newcastle Parks Trust involved mobilising a partnership of key actors from different sectors e.g. non-profit and community, university, commercial, and public sector. Each partner brought a particular set of skills and expertise. For example, Social Finance from the commercial sector ***“played a central role in the development of a new business model, identifying and forecasting potential revenue streams that could be developed to fund the ongoing maintenance and future development of Newcastle's parks.”***<sup>5</sup>

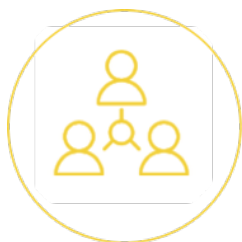
The National Trust (a national charity) promotes and supports the development of new business models for parks. OpenLab (a research group within Newcastle University) worked to promote public participation by applying innovative tools and techniques to complement and extend the scope of the NCC consultation. Actors within NCC leading development of the new business model during the various stages include the Council Cabinet, a dedicated Transformation Team and a Communications and Consultations Team. The case shows the importance of new hybrid governance arrangements in the governing of NBS.



### Business models

In seeking a new financially sustainable solution for Newcastle's Parks, several different ideas for business models were developed and tested, drawing on a range of expertise and practical experience.

The initial business model for sustaining Newcastle parks was framed by NCC as a “Social Enterprise with charitable status that subscribes to mutual values.”<sup>6</sup> Developing this idea required engagement with external experts, for while it appeared as ***“the right solution for Newcastle,”*** experts were necessary to accurately ***“test the financial model.”***<sup>7</sup> Although seen to be viable, research on parks, e.g. restrictions and opportunities for revenue generation, led to a shift away from framing the new business model as a ‘social enterprise’ (i.e. a not-for-profit vehicle for income generation) and towards ‘charitable trust status’ (i.e. a legal entity for the preservation of assets). Protecting its previous investment in Newcastle Parks and to ***“test, in practice, the business model proposed,”***<sup>8</sup> the Heritage Lottery Fund provided funds in 2017 to further develop the Charitable Trust model.



### Citizen engagement

Citizen engagement is important to implement NBS, but formal consultation can be viewed as tokenistic and unrepresentative.

In the spring of 2017, two strands of citizen engagement (combining online and offline methods) in the form of formal consultation were undertaken with an estimated 4,300 people participating. The NCC focused on consulting the public about the proposal to transfer responsibility for operation, delivery, and maintenance of the parks from the NCC to a new Park's Charitable Trust, which would be expected to be financially self-sustaining through revenue generated from the parks. The consultation led by OpenLab (a research team based at the University of Newcastle) used digitally-mediated engagement, was broader in scope, and opened up questions about the future of Newcastle's parks beyond the public acceptability of a specific business model. Reflecting on the consultation in interviews, challenges were raised regarding: a) uneven representation, ***"We did a series of engagement events across the city, they were very well attended in the more affluent areas, not so well attended in the more deprived areas, which is a real shame"*** and b) tokenism, ***"getting people to believe that it [the consultation] was not tokenistic"***.<sup>9</sup>



### Innovation pathways

The development of a new business model for parks in the UK involves social learning and networking through 'innovation intermediaries' at the national level and experiments at the local level, from which other cities can develop new models for their parks in the future.

The Newcastle case illustrates stepping stones on the innovation pathway. First, austerity had already led to innovative approaches to financing the parks, creating disruption to traditional governance structures and forms of financing that meant that the political space was 'open' for alternatives. Second, actors related to nature and heritage conservation at the national level became increasingly interested in the role of the city in addressing sustainability challenges by mobilising resources, capacities, and visions for urban space actions over the past 3-5 years. Third, intermediaries bridged the gap between a new national discourse and local context – the National Trust, but also the consultants and local organisations – creating loose public-private governance arrangements that merged requisite understanding, skills, and resources. Fourth, a period of 'learning by doing' provided collective hands and long-term future plans, without the aid of the city government. Fifth, the formal process within the NCC provided the momentum for reaching a political decision and creating the legal vehicle to set up the Trust.

<sup>1</sup> Walker, J. 2016, [Newcastle Parks...](#), [Chronicle Live](#); <sup>2</sup> Local authority, 2017; <sup>3</sup> Local authority, 2017; <sup>4</sup> ≈€1.13million; <sup>5</sup> [Newcastle City Council Cabinet Paper](#), 2017; <sup>6</sup> McGuinness, K., 2016, [Written evidence... Public Parks Inquiry](#); <sup>7</sup> Assistant Director, NCC, in Henry, E., 2016, [Newcastle scopes health-backed parks mutual](#); <sup>8</sup> Heritage Lottery Fund, 2017, [Newcastle explores...](#); <sup>9</sup> Academic, 2017; Photo credit: Chris Martin