

the value of healthy places – for developers, occupants and society

Helen Pineo outlines the evidence for why it is wrong to believe that it simply ‘costs extra’ to build healthy places, and argues that we all pay the costs of unhealthy neighbourhoods

Does it cost extra to build a healthy place? Gauging by responses from debates at industry conferences, the implied answer is yes. But delve into the detail of economic analyses by various public and private sector organisations and a different picture emerges. Building healthy places – with walkable streets, safe homes, access to healthy food, and publicly accessible amenities – should not be seen as an additional line on a development’s cost sheet. Many healthy design measures are features of good design which not only benefit people’s health and wellbeing, but also create better places with higher commercial value and lower environmental impact.

In the literature, planners are simultaneously blamed for the rise of chronic diseases by facilitating sedentary lifestyles through urban sprawl and hailed as keepers of the solutions to this problem.¹ In practice, growth patterns are not the simple result of land use policy. A complex set of economic, environmental and social forces determine how and where new development occurs, within the constraints of a highly political system. It is the role of planners and design teams to integrate health into all aspects of policy and design at all scales. In doing so, they will ensure that healthy communities are not seen as a ‘nice to have’ element (and thus compromised when other competing factors such as affordable housing and climate change mitigation are calculated), but rather a normal part of good design and sustainable development.

The cost of unhealthy communities

We all pay the cost of unhealthy neighbourhoods through taxes to fund health and social care services and through lost productivity. Globally,

chronic diseases are the largest burden of ill-health.² Many of these expensive ‘lifestyle diseases’ are preventable, and are strongly influenced by the built environment. In the UK they account for £7 out of every £10 spent on health and social care,³ and lost productivity is estimated to cost \$84 billion annually in the USA alone.⁴

The impact of unhealthy environments is not spread evenly across society: less affluent people tend to die younger than more affluent people.⁵ Poor people are also more likely to live in neighbourhoods which are worse for health, with poorly maintained homes and public spaces, poor access to services, and higher exposure to air and noise pollution.⁶ Low-quality housing in the UK has been estimated to cost the National Health Service £1.4 billion in first-year treatments.⁷

The responsibility for tackling these complex health challenges cannot sit solely with health professionals. Planners, design teams and developers can all play a part in creating health-promoting environments, often without compromising returns – and in some cases even increasing property sale and rental values.

The financial value of healthy communities

A number of studies have quantified the higher value of properties in healthy communities. In 2016 the Royal Institution of Chartered Surveyors (RICS) found that new large-scale developments with high-quality urban design have a higher commercial value (by between 5% and 56%) than comparable new properties in the local area.⁸ The features that were deemed to contribute to this increased value included design, layout, density, housing mix,



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Street scene in New York – walkable neighbourhoods are one of the most important health-promoting features in the built environment and are also shown to create higher value for residential properties

transport services, community facilities, shops, green/open space, environmental sustainability, and community engagement. All of these features are important for health and wellbeing. Young families were willing to pay more for terraced properties in some of these developments than they were for cheaper semi-detached properties in the area because the new developments provide access to denser, walkable communities with multiple amenities.

The Urban Land Institute's (ULI's) Building Healthy Places Initiative has produced a number of publications and a healthy design toolkit. A 2014 ULI report looked at 13 developments with healthy design features, including indoor air quality, active design, fitness amenities and programmes, lighting, and social interaction. Developers reported that the development costs of these features were a 'minimal percentage of the overall development budget' and 'were well worth the cost and contributed to the projects' overall success'.⁹ One of the case study projects was the masterplanned community of Mueller, near Austin, Texas, with 5,700 homes (being developed in phases up to 2020). The two universities studying the new

community found that residents in the early phases have increased their physical activity levels by 40-50 minutes per week.

Efforts to quantify the walkability of the built environment have led to the development of a commercial tool, Walk Score, which rates the walkability of addresses in the US and some international countries, including the UK, based on a combination of population density, access to services and street layout.¹⁰ One study of US cities found that houses with high walkability scores, as measured by Walk Score, sold at values of \$4,000-\$34,000 higher than homes with average walkability scores.¹¹ This demonstrates the value of living in accessible communities.

The financial value of healthy buildings

The buildings that we live and work in can also significantly affect our health and wellbeing. Productivity – including measures of employee absenteeism, task completion, student performance and even retail sales – is a quantifiable link to health and wellbeing to which building owners are beginning to pay attention. In 2013, the World Green Building Council (WGBC) reported inconsistency in

research on financial metrics related to buildings and productivity, and that this inconsistency has resulted in a certain level of scepticism within industry, which ‘continues to under-invest in the occupant experience, missing out on what is potentially its greatest return on investment’.¹² The WGBC report cites studies associating healthy design features such as better lighting, daylighting, ventilation and views outside with increased productivity (11-23%), higher retail sales (15-40%) and higher test scores (5-14%), among other measures.¹²

Housing has long been a focus of public health and planning professionals, going back to 19th century challenges of overcrowding and the problems caused by burning fuels indoors. These remain significant issues in low-income countries, but most people in the UK no longer think of homes as a cause of health issues. But poor-quality housing can expose people to noise, indoor air pollution and extreme temperatures, causing a range of adverse health outcomes, including respiratory disease, heart disease and even death.¹³ A Saint-Gobain commissioned survey of 3,000 UK homeowners and renters’ perceptions of health and homes in May 2016 found that 30% were willing to pay more for a home that did not compromise their health and wellbeing (with buyers accepting a higher cost than renters).¹⁴

Designing healthy homes and buildings does not necessarily require additional materials and technologies. Building orientation and design can be used to provide adequate daylight, temperature control and views outside, yielding positive health benefits. Integrated design will ensure that potential tensions (such as daylighting and solar gain) are addressed at the early stages, avoiding costs and unintended consequences.

Multiple benefits to society

Designing healthy buildings and communities can be done in a cost-effective way which delivers benefits to occupants and society at large while maintaining competitive returns to landowners and developers. Healthy design should not be seen as an add-on that can only be achieved on high-value developments. It needs to be integrated into all schemes, but especially in affordable housing where residents are more likely to be suffering from multiple health burdens.¹⁵

Planners should not feel ill-equipped to draft healthy planning policies or review development proposals in relation to health impacts. Specialist knowledge and Health Impact Assessment may be required for large plans and projects, but all planners can make use of existing guidance from the TCPA and others to incorporate healthy design principles in their daily work. Healthy planning and design measures can also help in delivering other strategic

planning objectives related to local economic development, community cohesion, and climate change. These co-benefits should not be underestimated.

Public health colleagues can act as a valuable resource for strategic policy development and for reviewing the health impact of large schemes. They can provide crucial evidence about local health challenges and the potential costs/benefits of improvements to the built environment. The World Health Organization’s Health Economic Assessment Tool (HEAT) can also help planners to estimate the potential value of new cycling and walking infrastructure.¹⁶

According to The King’s Fund, ‘high standard’ spatial planning can result in ‘£50, £168 and £50 for planning interventions that promote walking, cycling and insulating homes respectively for every £1 spend on the planning process’.¹⁷ Designing communities for health makes sense financially and is not a special endeavour – it’s just good design. Planners can build up a case to justify policies based on local health needs, but many design measures can be achieved at no additional cost, and may in fact bring a greater return on investment.

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Notes

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