

GLOSSARY OF TERMS

Acquisition: Company expansion through the purchase of other businesses. If the other business is a company its share are bought.

Adds value: Enables the product to attract a higher selling price.

Aesthetic Education: Frameworks to allow for the education of society to understanding concepts behind the formulation of urban spaces. Shusterman, however, believes that aesthetic education is bi-directional; i.e. that 'the public can learn from the popular arts but that the producers of aesthetic objects should learn from the preferences of the public'...

See 'Aesthetic justice and urban planning' in GeoJournal 58, Hanna Mattila 2002

Aesthetic Justice: Concepts developed by the philosopher Monroe Beardsley (1980's). Beardsley connects aesthetic justice, the 'fair distribution of aesthetic welfare', to the theory of social justice in the urban design and planning process. Hanna Mattila argues that aesthetic justice and welfare is a political process as much as a design process and can therefore not be delivered by space and form alone (as consensus on aesthetic criteria can never be fully agreed on).

See 'Aesthetic justice and urban planning' in GeoJournal 58, Hanna Mattila 2002

Aesthetic Value: The value of an object to provide or produce aesthetic experiences.

See 'Aesthetic justice and urban planning' by Hanna Mattila.

Aesthetic Wealth: Beardley defines aesthetic wealth as 'the totality of aesthetically valuable objects of a certain society'. Linked to aesthetic justice above.

See 'Aesthetic justice and urban planning' in GeoJournal 58, Hanna Mattila 2002

Aesthetic Welfare: The 'actualisation of aesthetic wealth in aesthetic experiences, which consists of all the aesthetic levels of the experience of members of the society at a given time'.

See 'Aesthetic justice and urban planning' in GeoJournal 58, Hanna Mattila 2002

Appeal: The process by which a planning applicant can challenge a planning decision. Appeals can also be made on the grounds of the local planning authorities failure to deliver a decision within the required time, against conditions attached to permission, against the issue of an enforcement notice and against refusals of listed building and conservation area consent. The planning inspectorate processes the appeals in England and Wales.

Arbitrage: Dealings in foreign exchange, securities or other instruments with the aim of making profits out of the differences in exchange rates, security prices or other prices existing in different centres or at different times.

Archaeological Assessment / Evaluation: An assessment outlining the possible archaeological importance of a site or building.

Area Action Plan: A type of Development Plan Document which focuses on a specific location or area which is either subject to conservation or significant change (for example major regeneration).

Area for Intensification: An area that can significantly increase its density through development with more mixed and intensive use.

Areas for Regeneration: Areas which are located in the wards of greatest socioeconomic need as defined by the lowest 20% of deprived areas in London measured through the Index of Multiple Deprivation.

Asset Allocation: The process of dividing a portfolio among major asset categories such as bonds, stocks or cash. The purpose of asset allocation is to reduce risk by diversifying the portfolio.

Asset Backed Securities (ABS): A financial security backed by a loan, lease or receivables against assets other than real estate and mortgage backed securities. As an investor, asset-backed securities are an alternative to investing in corporate debt.

Asset: Asset is anything owned by an individual or a business, which has commercial or exchange value. It may consist of specific property or claims against others, in contrast to obligations due others.

Balance sheet: This is a financial document that shows what a business owns (assets) and what it owes (liabilities) at a particular moment in time.

Bond: A debt investment with which the investor loans money to an entity (company or government) that borrows the funds for a defined period of time at a specified interest rate.

Book value: The amount at which assets and liabilities are held in the accounting records.

Brownfield land: A site that has previously been used or developed and is not currently being used to its full potential. It could be partly occupied or utilized, vacant, derelict or contaminated.

Brownfield: A site that has been reclaimed from its previous industrial or commercial use. In contrast to a greenfield site, where the land is taken out of agricultural use and allocated another use.

Business to business: Electronic/Internet links between businesses.

CABE: Is the Commission for Architecture and the Built Environment. CABE is a public body that stands for the improvement in people's quality of life through good design.

Call-in or Called-in Planning Application: The name given to the procedure whereby the Deputy Prime Minister can "call in" a planning application in the interest of the public good. For example a local planning authority may have refused to give planning permission however the Deputy Prime Minister may "call in" that decision and override it. This procedure is subject to planning inquiry, this is managed by the Planning Inspector who makes recommendations to the Deputy Prime Minister who then makes the final decision.

Capital Market: The market for trading long-term debt instruments (those that mature in more than one year).

Capital: 1. Financial assets or the financial value of assets such as cash.
2. The factories, machinery and equipment owned by a business.

Carbon dioxide is an atmospheric gas comprised of one carbon and two oxygen atoms. A very widely known chemical compound, it is frequently called by its formula

CO₂. In its solid state, it is commonly known as dry ice. Carbon dioxide derives from multiple sources including volcanic outgassing, the combustion of organic matter and respiration processes of living aerobic organisms. It is also produced by various microorganisms from fermentation and cellular respiration. Plants utilize carbon dioxide during photosynthesis, using both the carbon and the oxygen to construct carbohydrates. In addition, plants also release oxygen to the atmosphere, which is subsequently used for respiration by heterotrophic organisms, forming a cycle. It is present in the Earth's atmosphere at a low concentration and acts as a greenhouse gas. It is a major component of the carbon cycle.
Wikipedia, www.wikipedia.org.

Carbon is a chemical element in the periodic table that has the symbol C and atomic number 6. An abundant nonmetallic, tetravalent element, carbon has several allotropic forms: diamond, graphite, fullerenes, chaoite, lonsdaleite, amorphous carbon, carbon nanofoam, carbon nanotubes. Wikipedia, www.wikipedia.org

Cellular Plan: Refers to an office space made up of individual offices and cubicles.

Central Activities Zone (CAZ): Within the context of the London Plan this is central and east London. In this specific area planning policy promotes finance, specialist retail, tourist and cultural uses and activities.

Churn: Movement of employees intra or inter office, based on various factors including new team assignments, new clients/projects, promotions, etc.

Civic: Of, relating to, or belonging to a city, a citizen, or citizenship; municipal or civil.

Civil Society: Civil society refers to the arena of uncoerced collective action around shared interests, purposes and values. In theory, its institutional forms are distinct from those of the state, family and market, though in practice, the boundaries between state, civil society, family and market are often complex, blurred and negotiated. Civil society commonly embraces a diversity of spaces, actors and institutional forms, varying in their degree of formality, autonomy and power. Civil societies are often populated by organisations such as registered charities, development non-governmental organisations, community groups, women's organisations, faith-based organisations, professional associations, trades unions, self-help groups, social movements, business associations, coalitions and advocacy groups. - LSE Centre for Civil Society definition "that is meant to guide research activities and teaching, but is by no means to be interpreted as a rigid statement."¹

Civil Society can be understood as the 'missing third' from a city seen as a nexus of market and state. It is an organisation of people in society on the basis of common agendas, distinct from established hierarchical power structures of government and economy. It is made up of civil society groups, which interact with each other on public platforms to effect social, political and policy change.

The concept of Civil Society has been in vogue since the 18th and 19th centuries, but the 1980s saw a resurgence of interest in it, especially after the fall of Communism in Eastern Europe could not be explained by the 2-sector notion of market and state. Social scientists felt that voluntary associations, charities, nonprofits, foundations and non-governmental organisations may have a role important enough to make it a 'third sector' in our worldview.

Climate change is already happening. The main human influence on global climate is likely to be emissions of green house gases such as carbon dioxide (CO₂) and methane. At present, about 6.5 billion tonnes of CO₂ is emitted globally each year, mostly through burning coal, oil and gas for energy. Globally, the ten hottest years on record have all occurred since the beginning of the 1990s. Current climate models predict that global temperatures could warm from between 1.4 to 5.8°C over the next 100 years, depending on the amounts of greenhouse gases emitted and the sensitivity of the climate system.

DEFRA, www.defra.gov.uk

Climate refers to the average weather experienced over a long period. This includes temperature, wind and rainfall patterns. The climate of the Earth is not static, and has changed many times in response to a variety of natural causes.

DEFRA, www.defra.gov.uk

Combi Office: Combination of a standard-size cellular (closed) office of about nine square metres with a sliding glass door.

Commercial Mortgage Backed Securities: Similar to ABS, but secured by loans with commercial property instead of residential property.

Community Strategy: The Local Government Act 2000 requires local authorities to prepare a community strategy which aims to improve local participation, quality of life and aspirations.

Compulsory Purchase Order (CPO): An order that is issued either by the government or a local authority to purchase land or buildings that are privately owned for the benefit of the public. For example a compulsory purchase order may be issued to build a school.

Conditions (or planning condition'): Reserved matters which the local authority can attach to a planning permission to control, limit or direct the way a development is carried out. An example being the external design and materials.

Conservation Area: Areas that are regarded as holding special architectural or historical interest.

Contact points: Foci of interaction between individuals from different economic, cultural, ethnic professional, backgrounds; usually referred to in the plural – an individual [ideally] would navigate multiple contact points in her daily routine. Can be a specific spatial configuration or social nexus that allows, even encourages reciprocal exchanges between these individuals; e.g. local supermarket till, community garden, London bus. Geared towards enabling the 'visibility of difference'; gives co-habitants of complex heterogeneous urban environments the tools to deal with one another in social contracts rather than having to be regulated by policing. See 'The Uses of Disorder: personal identity and city life', Richard Sennett, 1973

Core strategy: A Development Plan Document that sets out the spatial vision and strategic objectives for the planning framework of an area. It takes into account the Community Strategy of an area.

Corporate Finance: Any financial or monetary activity that deals with a company and its money.

Cost of Debt: The effective rate that a company pays on its current debt. This can be measured in either before- or after-tax returns; however, because interest expense is deductible, the after-tax cost is seen most often. This is one part of the company's capital structure, which also includes the cost of equity.

Cost of Equity: In financial theory, the return that stockholders require for a company. The traditional formula is the dividend capitalization model:
A firm's cost of equity represents the compensation that the market demands in exchange for owning the asset and bearing the risk of ownership.

Let's look at a very simple example: let's say you require a rate of return of 10% on an investment in TSJ Sports. The stock is currently trading at \$10 and will pay a dividend of \$0.30. Through a combination of dividends and share appreciation you require a \$1.00 return on your \$10.00 investment. Therefore the stock will have to appreciate by \$0.70, which, combined with the \$0.30 from dividends, gives you your 10% cost of equity.

$$\text{Cost of Equity} = \frac{\text{Dividends per Share (for next year)}}{\text{Current Market Value of Stock}} + \text{Growth Rate of Dividends}$$

CPO: Compulsory Purchase Order.

Daylighting uses natural light to illuminate buildings. Rather than relying on banks of fluorescent lights, daylighting brings indirect sunlight deep into a building, connecting people to the rhythms of nature while providing pleasing illumination at a fraction of the cost of even the most efficient electric lights.
Daylighting Collaborative, <http://www.daylighting.org>

Debt: An amount of money borrowed and owed by one party to another. This can be measured in either before- or after-tax returns; however, because interest expense is deductible, the after-tax cost is seen most often. This is one part of the company's capital structure, which also includes the cost of equity.

Delegated Powers: Powers which are designated to planning officers by their locally elected councillors so that officers can make day to day decisions on small scale applications on behalf of the council.

Density: In regard to residential development it is the measurement of how many habitable rooms per hectare or the number of dwellings per hectare.

Derivatives: A term that embraces futures, forwards, options and warrants, i.e. financial instruments that are based on a real asset, such as a commodity, a currency or money of any kind. Derivatives can be based on standard products traded under the rules of an exchange or customized products traded "over the counter".

Design Brief: A document a tenant provides an architect/space planner outlining their wants and needs in regards to their future office environment.

Design statement: Indicates the design principles upon which a proposal will be based. It may be made at the pre-planning application stage by a developer or be submitted in support of a planning application.

Detailed Application / Full application: A planning application which seeks full permission without any reserved matters or conditions.

Development pipeline: The group's development programme and proposed schemes that are not yet included in the development programme but are more likely to proceed than not.

Development surplus: Excess of latest valuation over the total development cost.

Development: Under the 1990 Town and Country Planning Act Development is defined as "the carrying out of building, engineering, mining or other operation in, on, over or under land, or the making of any material change in the use of any building or other land."

Discount rate is the interest rate used in discounting future cash flows; also called capitalization rate.

Investorwords.com, www.investorwords.com

Distributive Justice: See Aesthetic Justice above. Distributive justice is concerned with the 'distribution of social goods' in our urban environments. Mattila questions this model and asserts that 'theories of justice should go beyond the distribution of goods, and encompass also the conception and production of goods'. The design of physical urban space is 'subordinated' to public communication and decision making. A critique of distributive justice is that it is too based on the idea of a homogenous public. See 'Aesthetic justice and urban planning' in GeoJournal 58, Hanna Mattila 2002

Diversity: Varying opinions:

Physical diversity refers to mixed building types, mixed use; cultural diversity implies class and race-ethnic heterogeneity.

Jane Jacobs – multiple built and un-built uses to promote economic and social diversity
'Diversity not only makes cities more appealing but is a source of economic productivity'.

Richard Florida – physical diversity has a causal role in producing the other types i.e., social and economic
Iris Marion Young – social justice can be achieved by urban diversity.

Leonie Sandercock – people from various ethnic and racial backgrounds, with equal rights to city space produces a city that 'provides joy'.

See 'Cities and Diversity: Should We Want It? Can We Plan For It?', Susan S. Fainstein in Urban Affairs Review, Vol. 41, No. 1, September 2005

Embodied energy is the quantity of energy required by all of the activities associated with a production process, including the relative proportions consumed in all activities upstream to the acquisition of natural resources and the share of energy used in making equipment and in other supporting functions i.e. direct energy plus indirect energy.

Treloar, G. (1994), Energy Analysis of the Construction of Office Buildings, Master of Architecture thesis, Deakin University, Geelong.

End use is a set of devices, products, and systems that use energy for the same or for similar purposes. Examples of residential end uses include cooking, lighting, and refrigeration.

Wisconsin K-12 Energy Education Program, <http://www.uwsp.edu/cnr/wcee/keep/>.

Environmental Impact Assessment (EIA): Usually for larger developments the local planning authority will request a EIA with the planning application. The EIA will analyse the environmental impacts of the development on the surrounding area as well as proposing ways in which the development will avoid any detrimental impacts.

Environmental issue consists of four parts:

- objective, which sets out the expected environmental results, and guides the formulation of strategies to achieve the objective
- design requirement, which describes the minimum requirements and/or refers to Minimum Design Requirements in Section 5 that must be addressed by facility planners. Design requirements may be placed into 'general terms of approval' during the development assessment process.
- performance requirements, which define what must be done to achieve the desired outcome
- performance measurements, which set out ways of measuring the performance requirements to determine whether the desired outcome is being achieved

NSW Department of Environment and Conservation, <http://www.epa.nsw.gov.au>

Equity Planning: Or 'planning and designing for justice', views planning as a discipline involved in the creation of welfare policy for society. This is related to a alternative view of urban design and planning which aims 'to produce aesthetically pleasing surroundings for people'.

See 'Aesthetic justice and urban planning' in GeoJournal 58, Hanna Mattila 2002

Equity REITs: Equity REITs invest in and own properties (thus responsible for the equity or value of their real estate assets). Their revenues come principally from their properties' rents.

Equity: This is another name for Ordinary shares, which provide that the ultimate ownership of companies should carry votes at all general meetings of companies and thus control overall policy. An equity stake in a company carries with it the ownership of the company, carrying with it the right to a share in profits and the risk of bearing losses.

Familiar Strangers: Is a social phenomenon first observed by the American psychologist Stanley Milgram. He was interested in how people interacted with one another.

A 'familiar stranger' is a person who we come into contact with on a regular basis through observation but never interact with formally; "Familiar Strangers is indeed a 'real' relationship in which both parties agree to mutually ignore each other, without any implication of hostility". The term is also linked to the term 'communities of collocation', where a community is defined by the proximity of its 'membership'.

See 'The Familiar Stranger: Anxiety, Comfort and Play in Public Spaces' at [www.berkeley.intel-research.net/paulos/pubs/papers/Familiar%20Stranger%20\(CHI%202004\).pdf](http://www.berkeley.intel-research.net/paulos/pubs/papers/Familiar%20Stranger%20(CHI%202004).pdf) and

'Communities of Collocation' www.eprints.ecs.soton.ac.uk/10198/01/PositionReport.p

Financial Services Authority (FSA): An independent body that regulates the financial services industry in the UK. We have been given a wide range of rule-making, investigatory and enforcement powers.

Floating Rates: Rates of interest calculated as a fixed margin above a variable rate of interest such as that in Singapore, London or other Interbank Offered Rate (in case of London, it is called LIBOR). They are normally used in Euro-currency loans or Eurobonds (known as Floating Rate Notes).

Formal Contact Points: Locations within an office where employees and guests interact with each other for work specific reasons.

Gearing (net): Total borrowings, including bank overdraft, less short-term deposits, corporate bonds and cash, as a percentage of equity shareholders' funds.

General Conformity: All local government development plans in London must be in accordance with the strategy and proposals set out in the London Plan and national planning policy.

Governance: Governance implies policy/ regulation/ intervention by connected sets of institutions or actors, usually spanning state-society divide. The term traces relationships between the state, parts of state, business/firms, voluntary sector organisations and 'communities'. It obeys a 'reflexive' form of rationality, rather than formal or procedural.

From course lecture in GY 430 Dr Murray Low, Department of Geography & Government, LSE

Green Buildings offer superior performance in a variety of areas, including: functionality, energy and water efficiency, quality of the indoor environment (air quality, thermal comfort, lighting), waste management and air emissions, site disturbance and storm water management, transportation options for occupants, longevity (durability, adaptability to changing building user needs), green development, greenhouse effect, greenhouse gas, and green roof.
Green Building BC, <http://www.greenbuildingsbc.com>

Green roof is a roof of a building which is partially or completely covered with plants. It may be a tended roof garden or a more self-maintaining ecology like a living wall or breathing wall. An earth structure often has such a roof, as plants simply grow naturally over it, making a hill that is from some angles indistinguishable from a natural one.

Wikipedia, www.wikipedia.org

Green tax is a form of pollution control where a tax equal to the marginal external cost of pollution is charged on output.

Econ100, <http://www.econ100.com/eu5e/open/glossary.html>

Hedge Funds: They usually employ the use of derivatives instruments to enhance risks rather than to offset them.

Heterarchy: A non-hierarchical organisational structure that involves lateral connections and cross linkages to facilitate different sizes and types of organisations and institutions to work together. 'Governance' is based on heterarchy. 'Horizontal self-organisation among mutually interdependent actors'. (Jessop 2000, 15)
From course lecture in GY 430 Dr Murray Low, Department of Geography & Government, LSE

Hot Desk: A desk that is set up for drop in/touch down users. Usually not bookable. Can be distributed on a team, department or office wide basis.

Hotelling Desk: A bookable desk that is open to all office users, whether permanent resident or visitors.

HVAC Refers to the heating, ventilation, air conditioning system installed in a building to regulate temperature. This includes air conditioning plants, chillers and ducting systems, which ensure the uniform transfer of the cold or hot air, as the case may be throughout the building.

Narains Corps. <http://narains.com/glossary.htm>

Hybrid REITs: Hybrid REITs combine the investment strategies of Equity REITs and Mortgage REITs by investing in both properties and mortgages.

Image: The opinion or concept of something that is held by the public. (n)

The character projected to the public, as by a person or institution, especially as interpreted by the mass media. (n)

A personification of something specified: That child is the image of good health. (n)

A mental picture of something not real or present. (n)

A mental picture of something not real or present. (n)

To symbolize or typify. (v)

Informal Contact Points: Locations within an office where employees and guests interact with each other in more organic ways.

Internal rate of return (IRR): Often used in capital budgeting, it's the interest rate that makes net present value of all cash flow equal zero.

Internal Rate of Return (IRR): The discount rate that equals the present value of a future stream of cash flows to the initial investment. The IRR can be thought of as the annualized rate of return (in percent) of an investment using compound interest rate calculations. The IRR calculation is very useful when a number of future cash flows on which an interest rate needs to be calculated.

Investment portfolio: All investment properties and development properties excluding Land Securities Trillium properties and trading properties.

Investment properties: Properties held for investment purposes, excluding development programme, Kent Thameside and Land Securities Trillium properties and trading properties

IPD: Investment property databank. An independent information business which supplies market indices and portfolio benchmarks to the property industry.

Joint Venture: An entity in which the group holds an interest on a long term basis and is jointly controlled by the group and one or more venturers under a contractual arrangement whereby decisions on financial and operating policies essential to the operation, performance and financial position of the venture require each venturer's consent.

Judicial Review: The procedure to appeal against a decision taken by a public body, such as a local authority.

Knowledge Worker: Employees who "think for a living".

Legitimate Publics: Refers to the division of a collective democratic ideal of 'the public' into unequally favoured sections; whether or not a group is welcome in a space, and therefore part of a 'legitimate public' depends on their suitability to the rhetoric of a place. The rhetoric itself is created by and represents the economic power dynamics of

the space, the aspirations of the institution or partnership of institutions that have paid for it. The issue of legitimacy arises addresses the question of whether a partnership of several stakeholder institutions actually represents all groups or individuals with an inherent interest in the space.

In Van Deusen's study of the regeneration of Clinton Square in Syracuse, New York State, 2 'illegitimate publics' were identified as not being compatible with the new square. These were hot dog street vendors and alternative newspaper boxes. At Clinton Square the 'sponsors' enacted legislation to exclude these uses. The legitimate publics were those who would 'consume and appreciate' the nostalgic history of a space. See 'Regulation theory and the crisis of capitalism', Bob Jessop, 2001; 'Public Space design as class warfare' in GeoJournal 58, R Van Deusen Jr., 2002.

Leverage: The use of various financial instruments or borrowed capital, such as margin, to increase the potential return of an investment. The amount of debt used to finance a firm's assets. A firm with significantly more debt than equity is considered to be highly leveraged.

Leverage helps both the investor and the firm to invest or operate. It, however, comes with greater risk. If an investor uses leverage to make an investment and the investment moves against the investor, his or her loss is much greater amount than it would've been if the investment were not leveraged - leverage magnifies not only gains but also losses. In the business world, a company can use leverage to generate shareholder wealth, but if it fails to do so, the interest expense and credit risk of default destroys shareholder value.

Liminal (or interstitial) Spaces: Refers to the spaces in between, on the boundary or edge of designed and designated public space. These spaces can often be more genuinely public than designated spaces.

Liquidity: The degree to which an asset or security can be bought or sold in the market without affecting the asset's price. Liquidity is characterized by a high level of trading activity.

Listed Company: A company that has obtained permission for its shares to be admitted to the London Stock Exchange.

Local Development Framework (LDF): Will gradually replace Unitary Development Plans (UDP) due to the reforms incorporated under the Planning and Compulsory Purchase Act 2004. It will act like a binder collecting all of the Local Authorities development documents. The logic behind the reform is that the new system will be easier to update because individual parts can be updated rather than the current system of rewriting UDP's.

Mauna Loa Observatory (MLO) is an atmospheric baseline station. Since the mid 1950's MLO has been continuously monitoring and collecting data relating to atmospheric change . The observatory is under the Earth System Research Laboratory (ESRL) - Global Monitoring Division (GMD) which is part of the National Oceanic and Atmospheric Administration (NOAA).
Mauna Loa Observatory, <http://www.mlo.noaa.gov>

Mortgage REITs: Mortgage REITs deal in investment and ownership of property

mortgages. These REITs loan money for mortgages to owners of real estate, or invest in (purchase) existing mortgages or mortgage backed securities. Their revenues are generated primarily by the interest that they earn on the mortgage loans.

Natural Capital: “Natural capital refers to the mineral, plant, and animal formations of the Earth’s biosphere when viewed as a means of production of oxygen, water filter, erosion preventer, or provider of other natural services. It is one approach to ecosystem valuation, an alternative to the traditional view of all non-human life as passive natural resources, and to the idea of ecological health.”
See en.wikipedia.org/wiki/Natural_capital

Natural ventilation is the use of outdoor air flow into buildings to provide ventilation and space cooling. Natural ventilation is a whole-building design concept. The design utilizes the stack effect and wind pressures to supply outdoor air to building interiors for ventilation and/or space cooling purposes. The aim is to have an airtight building envelope while controlling outdoor air supply to provide the required ventilation. Features of naturally ventilated buildings include operable windows, exhaust vents located high in the building with intakes located low in the building, and open building plans to facilitate air movement. Designs can incorporate atria, internal stairwells, ventilation chimneys and small fans to move ventilation air.
Advanced Buildings, www.advancedbuildings.org

Necessary Activities: Those activities that take place in the public domain that are more or less essential to our everyday lives (eg travel to work)
See <http://www.rudi.net/bookshelf/classics/lifebetweenbuildings/pages/chapter1/a.shtml>

Net Present Value (NPV): The difference between the present value of cash inflows and the present value of cash outflows. NPV is used in capital budgeting to analyze the profitability of an investment or project.

$$NPV = \sum_{t=1}^T \frac{C_t}{(1+r)^t} - C_0$$

Formula

NPV analysis is sensitive to the reliability of future cash inflows that an investment or project will yield. Landsecurities glossary <http://www.landsecurities.co.uk/ls03.asp?PageID=22>

Net Present Value: The difference between the present value of cash inflows and the present value of cash outflows. NPV is used in capital budgeting to analyze the profitability of an investment or project.

Networked Person: A constantly reachable employee, by email, cell phone, etc. Takes advantage of Internet, wireless networks. Environment includes airport lounges, high-speed trains, etc.

Non Recourse Loan: A loan where the lending bank is only entitled to repayment from the profits of the project the loan is funding, not from other assets of the borrower.

Open Space: Refers to an office space with few walls. Desks are in the open and often pushed up against one another.

Opportunity Areas: Within the London Plan this means areas that can accommodate

large-scale development to provide a large number of new jobs and homes with a mixed and intensive use of land near key transport nodes.

Optional Activities: Those activities which we chose to participate in but only when the physical or social conditions allow (eg sunbathing).

See <http://www.rudi.net/bookshelf/classics/lifebetweenbuildings/pages/chapter1/a.shtml>

Organisational Theory: The study of organizations linked to the human relations school of the 1930's and organizational psychology. The importance of social networks and groups and the flow of communication within the organization.

Organizational Structure: The way in which the interrelated groups of an organization are constructed. The main concerns are effective communication and coordination. (Wikipedia)

Outsourcing: When an organization pays to have part of its work done by another firm, to cut costs or to source skills that are not already found within the organization.

Physical Capital: In economic theory, 'physical capital' generally refers to productive assets, or technical means of production (plant, machinery, materials, etc). Translated into an urban design context, it might then be taken to refer to property and built forms as stores of economic value, but also in terms of their use or functional value. The concept may also be extended to indicate the symbolic value and social potential of the built environment.

From Dr Fran Tonkiss, Department of Sociology, LSE

Further References

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Jacobs, J. (1961) *The Death and Life of Great American Cities: The Failure Of Town Planning*. Harmondsworth: Penguin.

Putnam, R., with Leonardi, R. and Nanetti, R. (1993) *Making Democracy Work: Civic Traditions in Modern Italy*. Princeton, NJ: Princeton University Press.

CABE defines 'physical capital' as "the potential value – financial, social and cultural – of the built environment....These assets have value in themselves and in the way they combine within the built environment. And how they are designed, managed and maintained is a key determinant of how far their potential value is realised". Dr Geoff Mulgan, in 'Public Value; Physical Capital and the potential of value maps', suggests that by seeing the built environment in terms of a 'capital' will make their potential value better understood by policy makers and developers.

See "Physical Capital; How great places boost public value" by CABE

Physical Value: The value of the built physical environment; can refer to historical significance or aesthetic beauty.

'There is no such thing as intrinsic value – value is socially created'.

See 'Public Value; Physical Capital and the potential of value maps', by Dr Geoff Mulgan in "Physical Capital; How great places boost public value" by CABE

Placecheck: Placecheck, produced by the Urban Design Alliance, is a method of analysing open space and the built environment. It is a checklist method which allows for full participation, from both professionals to individual members of a 'community'. It allows groups to assess the inherent qualities that exist in a space, extract what improvements may be required and concentrates on creating partnerships to achieve goals. Placecheck provides a useful tool for initiating dialogue with people who struggle to visualise concepts or designs. However it should not replace the creative process that is so important in the creation of place.
See www.udal.org.uk/placecheck.htm

Plane tree, sycamore, platan (any of several trees of the genus *Platanus* having thin pale bark that scales off in small plates and lobed leaves and ball-shaped heads of fruits)
Wordnet, <http://wordnet.princeton.edu>.

Plan-led system: The principle that all accepted planning applications are in accordance with the adopted development plans. Therefore statutory policy takes precedent over informal and pragmatic decision-making.

Planning Permission: Gives formal approval for a development from the council, is often granted with certain attached conditions.

Planning Policy Guidance (PPG): Are issued by central government and set out out general and flexible government guidance. These are gradually being replaced by Planning Policy Statements.

Planning Policy Statement (PPS): Issued by central government to replace the existing Planning Policy Guidance notes. Aim to provide a more direct and clear way of setting out government planning policy.

Portfolio: A collection of shares in different companies

Pre-let: A lease signed with an occupier prior to completion of a development

Private Equity: When equity capital is made available to companies or investors, but not quoted on a stock market. The funds raised through private equity can be used to develop new products and technologies, to expand working capital, to make acquisitions, or to strengthen a company's balance sheet.

Privatisation of public space: 'Public spaces' are now more often being produced by private institutions and organisations. This is often seen as a threat as debates revolve around the privatisation of public spaces which can then be controlled and managed by the private entity. This can then lead to spaces which are exclusive and sanitised in nature. However if spaces are only going to be produced by private corporations then we need to find ways to ensure that these spaces are inclusive and produce a vibrant and stimulating public realm. This will require new forms of governance from both central and local government institutions to ensure that private wishes do not take precedent over the views of citizens. On new forms of governance and the privatisation of public space R Florida writes;

"One policy response associated with these changes is the effort to promote public space as an economic asset worthy of private and commercial investment. This investment can reinforce private control of previously public spaces, but it can also encourage recognition that the degree of welcome and accessibility found by diverse visitors contributes to the economic vitality of a particular place".

See R. Florida: "The rise of the creative classes and how it is transforming work, leisure, community and everyday life" in *People Make Places: growing the public life of cities*, Melissa Mean and Charlie Tims

Profit and loss account: This shows a firm's income and costs over a given period of time (usually a year).

Public limited company: A business whose shares can be bought from share dealers and be resold on the Stock Exchange.

Public Realm: The realm of non-private ownership; universal rights to space, ideas or goods.

Public Space: Space linked to more than one individual, group or institution. Common space and shared space have degrees of 'public-ness'.

Contesting ideologies

Arena for Civil Society

Space for political representation

Space in which to acknowledge and deal with diversity

Space for voluntary social interaction

Has the capacity to add value to built environment – higher land prices, qualitative values such as breathable air and 'greenness'

Open space between buildings

Any publicly accessible space

Designed/designated space for public activity

Public: Of, concerning, or affecting the community or the people: the public good.

Maintained for or used by the people or community: a public park.

Open to the knowledge or judgment of all: a public scandal.

Connected with or acting on behalf of the people, community, or government: public office.

The community or the people as a whole.

A group of people sharing a common interest: the reading public.

Rating Agency: A private company conducts an assessment of the credit worthiness of individuals and corporations. It is based upon the history of borrowing and repayment, as well as the availability of assets and extent of liabilities.

Real Estate Investment Trust (REIT): A security that sells like a stock on the major exchanges and invests in real estate directly, either through properties or mortgages. REITs receive special tax considerations, and typically offer investors high yields as well as a highly liquid method of investing in real estate.

Recycling is the term used to describe a series of activities that includes collecting recyclable materials that would otherwise be considered waste, sorting and processing recyclables into raw materials such as fibers, and manufacturing the raw materials into new products.

Earth911, <http://www.earth911.org>

Regeneration: Revitalising areas that have seen a downturn in economic fortune and employment opportunities.

Regeneration: The active economic, social and environmental renewal and improvement of an impoverished area.

Retail park: A scheme of 3 or more retail warehouse units aggregating over 4,650m² with shared parking.

Retail: Includes shops, shopping centres, Central London retail and retail warehouses.

Return on shareholders' equity: Increase in diluted net asset value per share together with dividends for the year expressed as a percentage of diluted net asset value per share at the beginning of the year.

Revenue profit: Profit before tax, excluding the impact of exceptional costs or profits including bid costs, FRS3 profits, interest charges on termination of financial instruments and group reorganisation costs.

Revenue: Receipts from sale. Total revenue is total receipts, that is quantity sold times price. Average revenue is revenue per unit sold.

Risky Public Spaces: Those public spaces which encourage multiple uses by refraining from too much control of the activities carried out in them. They allow 'difference' to flourish and therefore create a vibrant, heterogeneous civic realm. The growing tendency to view public space as purely a space of consumerism suppresses the possibility of 'risk' taking place in these spaces.

See 'Stimulating the senses in the public realm' by Iain Borden in 'What are we scared of? The value of risk in designing public space' by CABEspace.

Section 106 Agreement: Derived from Section 106 of the Town and Country Planning Act 1990. Sometimes also referred to as planning gain. It is a legal agreement between the developer and the planning authority which outlines how the developer will positively contribute towards the surrounding area, either through financial or built compensation for the public good.

Securitization: The process of creating a financial instrument by combining other financial assets and then marketing them to investors.

Security: An instrument representing ownership (stocks), a debt agreement (bonds), or the rights to ownership (derivatives).

Shared Desk: A desk that is bookable, generally by permanent residents of the building. Often distributed on a department or team level.

Shareowners: Individuals and organisations who invest in an organisation, providing it with capital in return for shares.

Sick Building Syndrome: Covers a range of unexplained symptoms that seem to be caused by the environment within a workplace. Has been linked with a range of causes from poor indoor air quality to a lack of staff control of heating, lighting and ventilation to the adverse effects of display screens.

Skunkworks: A skunkworks is a group of people who, in order to achieve unusual results, work on a project in a way that is outside the usual rules. A Skunkworks is often a small team that assumes or is given responsibility for developing something in a

short time with minimal management constraints. Typically, a skunkworks has a small number of members in order to reduce communications overhead.

SLEPT analysis: A method of interpreting the changing factors within an organisation's external environment by categorising them into social, legal, economic, political and technological influences.

SLOAP (Space left over after Planning): Critical view of how many public spaces within our urban environments are the indirect and 'unintentional' products of the planning system.

See 'London: A Multicultural City; Urban Age newspaper' by Urban Age, LSE, 2005

Social Activities: These are activities that rely on the presence of others in public spaces. They often occur as 'resultant' activities linked to and extensions of many peoples taking part in necessary and optional activities. Examples of social activities include children at play, meeting and greeting and 'passive contacts' – simply seeing and hearing other people.

See <http://www.rudi.net/bookshelf/classics/lifebetweenbuildings/pages/chapter1/a.shtml>

Social Capital: Social capital is defined in various ways. For Bourdieu, it refers to the (material and symbolic) benefits that accrue from the membership of social groups. For Robert Putnam, social capital is understood in a more structural sense as being comprised of those 'features of social organization, such as trust, norms, and networks, that can improve the efficiency of society by facilitating coordinated actions' (Putnam 1993: 167). An early definition, and one with particular relevance to urban theory and design, is found in Jane Jacobs' *The Death and Life of Great American Cities*: Networks are a city's irreplaceable social capital. Whenever the capital is lost, from whatever cause, the income from it disappears, never to return until and unless new capital is slowly and chancily accumulated. (Jacobs 1961: 138)

Note that Jacobs was speaking in particular about informal networks and low-level contacts in everyday public spaces (the street, in particular), rather than more formal kinds of group membership.

From Dr Fran Tonkiss, Department of Sociology, LSE

Further References

Bourdieu, P. (1997) 'The forms of capital', in A.H. Halsey, H. Lauder, P. Brown and A.S. Wells (eds) *Education: Culture, Economy and Society*. Oxford: Oxford University Press. 46-55.

Jacobs, J. (1961) *The Death and Life of Great American Cities: The Failure Of Town Planning*. Harmondsworth: Penguin.

Putnam, R., with Leonardi, R. and Nanetti, R. (1993) *Making Democracy Work: Civic Traditions in Modern Italy*. Princeton, NJ: Princeton University Press.

Social Capital is defined by Robert Putnam as '...the social connections and the attendant norms and trust'. However it is increasingly being used by policymakers as a way of describing 'community'. It is important to note that communities are in fact 'heterogeneous' and cannot be described as 'homogenous' entities as implied by this definition.

See 'Social Capital; A discussion paper' 2002 from the Performance and Innovation Unit at www.strategy.gov.uk/downloads/seminars/social_capital.pdf

Social cost is the cost to society as a whole from an event, action, or policy change. Includes negative externalities and does not count costs that are transfers to others, in contrast to private cost.

Deardorff's Glossary of International Economics, <http://www-personal.umich.edu/~alandear/glossary/s.html>.

Social Inclusion: Actively trying to make all sectors of society have equal access to all decision making forums.

Social Trust: Trust in our national institutions, such as parliament, the police and the church has reduced significantly and general levels of trust in society have declined sharply since the 1990's. However in research work undertaken by the Centre for Civil Society it has been seen that involvement and participation in voluntary organisations increases levels of social trust. The term, which is linked to social capital, is about increasing levels of trust between individuals within a 'community'.

TRUST "Coming apart – or coming together? New findings on social participation and trust in Britain" Research Quarterly from the Centre for Civil Society (CCS) and the National Council for Voluntary Organisations (NCVO), December 2000 and www.netnexus.org 'Rebuilding Trust'

Solar gain is the process of providing a net heat gain within a structure, over and above the normal heat loss, by passive collection of the sun's heat through windows and other glazed areas.

Andersen Windows, <http://www.andersenwindows.com>

Space Planning: Architecturally designing a space with all the amenities to make it more functional for the occupants. Includes better sound and light control within the space. Refers to how office floor plans are designed, i.e. where offices, desks, etc go.

Space: Many definitions

The infinite extension of the three-dimensional region in which all matter exists.

A blank or empty area: the spaces between words.

An area provided for a particular purpose: a parking space.

To separate or keep apart (v)

See <http://dictionary.reference.com/search?q=space>

Space is a result of social production and reproduction.

See 'The Production of Space', Henri Lefebvre, 1991

Space vs. place: Place comes with a baggage – meanings, values, history; whereas space is seen as an empty stage for action

Statutory Consultees: For example CABE and the GLA who hold statutory status and therefore must be allowed to review and therefore discuss the merits of certain large scale projects.

Stock: A type of security that signifies ownership in a corporation and represents a claim on part of the corporation's assets and earnings. There are two main types of stock: common and preferred. Common stock usually entitles the owner to vote at shareholders' meetings and to receive dividends. Preferred stock generally does not have voting rights, but has a higher claim on assets and earnings than the common shares. For example, owners of preferred stock receive dividends before common shareholders and have priority in the event that a company goes bankrupt and is liquidated. Also known as "shares" or "equity".

Supplementary Planning Guidance (SPG): They represent an important material consideration in planning decisions but are not statutory. They are drawn up by local planning authorities to assist them in carrying out their development vision.

Symbolic Capital Bourdieu also develops a notion of symbolic capital. It is used to refer to the recognition and representation of social status and hierarchies of distinction. It circulates in systems of meaning and signification which help to legitimise or normalise social and economic differentials, and through which people come to see their social position and that of others in terms of dominant systems of cultural meaning. I think there is room here to think about how symbolic capital is reproduced through built forms and spatial arrangements – for example, to underpin the idea of a ‘legitimate public’ in certain spaces.

From Dr Fran Tonkiss, Department of Sociology, LSE

Further References

Bourdieu, P. (1997) ‘The forms of capital’, in A.H. Halsey, H. Lauder, P. Brown and A.S. Wells (eds) *Education: Culture, Economy and Society*. Oxford: Oxford University Press. 46-55.

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Putnam, R., with Leonardi, R. and Nanetti, R. (1993) *Making Democracy Work: Civic Traditions in Modern Italy*. Princeton, NJ: Princeton University Press.

Taylorist: The application of scientific management to the workplace. First used by F.W. Taylor (1856-1915) to study working practices in the factory to minimize time and effort to improve efficiency. Linked to Henry Ford’s innovation of industrial mass-production and production targets. Still used today to describe top-down or instrumental management styles.

Teleworking: The practice of working from a remote location enabled by new computer and telecommunications technology.

The London Plan: The London Plan is the name given to the Mayor’s spatial development strategy. It is the Regional Planning Guidance for London. The Mayor of London is responsible for The London Plan, which replaces the previous strategic planning guidance for London (RPG3).

Total development cost: All capital expenditure on a project including the opening book value of the property on commencement of development, together with all finance costs.

Total investment property return: Valuation surplus, profit or loss on property sales and net rental income expressed as a percentage of opening book value of investment property portfolio.

Total return: The growth in value of a share holding over a specified period, assuming that dividends are re-invested to purchase additional units of the stock

Trading Floor: A floor in an office building with a higher ceiling than the other floors. Traditionally used for trading purposes within banks but can be outfitted for various uses.

Unitary Development Plans (UDPs): A statutory document drawn up by the local authority which sets out its plan and planning policy for the borough. These are being replaced by Local Development Frameworks.

Value Mapping: A corporate performance measurement technique, now being applied to space. 'Couched in the language of value and using visual pictorial maps to integrate and represent the most useful performance measures, value mapping can help to overcome management and performance measures and performance management. As well as identifying the most important stakeholder needs and using these to inform measures of value outcomes as well as the development of integrated strategy, the Value Mapping approach places great emphasis on the effective communication of the activities and assets that create value, the value drivers, and the measures of their performance.' A tool for structuring the reporting of value developed by Andrew Jack in 2001

See <http://www.valuebasedmanagement.net>

Related to physical capital and physical value.

See 'Public Value; Physical Capital and the potential of value maps', by Dr Geoff Mulgan in "Physical Capital; How great places boost public value" by CABI

In the context of urban public space, this refers to values accorded to public space as a concept or commodity by its various stakeholders. Value Maps are diagrams that illustrate connections between different values ascribed to public space, their production and evaluation

'There is no such thing as intrinsic value – value is socially created'. According to Mulgan, that 3 public values are key; services (for example, good management of a space), outcomes (design producing successful results) and trust (the design of spaces creating citizen unity). The relationship between private and public value is problematic; 'private value is determined in markets, public value is determined by citizens' preferences'.

See 'Public Value; Physical Capital and the potential of value maps', by Dr Geoff Mulgan in "Physical Capital; How great places boost public value" by CABI

Vanilla Space: The unimproved, often white-colored, space between the ceiling and the floor of an office space.

Weighted Average Cost Of Capital – WACC: A calculation of a firm's cost of capital in which each category of capital is proportionately weighted. All capital sources - common stock, preferred stock, bonds and any other long-term debt - are included in a WACC calculation.

WACC is calculated by multiplying the cost of each capital component by its proportional weight and then summing:

Where:

Re = cost of equity

Rd = cost of debt

E = market value of the firm's equity

D = market value of the firm's debt

V = E + D

E/V = percentage of financing that is equity

D/V = percentage of financing that is debt

Tc = corporate tax rate

$$WACC = \frac{E}{V} * Re + \frac{D}{V} * Rd * (1 - Tc)$$

Broadly speaking, a company's assets are financed by either debt or equity. WACC is the average of the costs of these sources of financing, each of which is weighted by its respective use in the given situation. By taking a weighted average, we can see how much interest the company has to pay for every dollar it finances.

A firm's WACC is the overall required return on the firm as a whole and, as such, it is often used internally by company directors to determine the economic feasibility of expansionary opportunities and mergers. It is the appropriate discount rate to use for cash flows with risk that is similar to that of the overall firm.

Working Capital Management: Working capital management is concerned with making sure we have exactly the right amount of money and lines of credit available to the business at all times. In part 1 of our look at working capital management we will look at the liquidity ratios. Cash is the life-blood of any business, no matter how large or small. If a business has no cash and no way of getting any cash, it will have to close down. It's that simple! Following on from this we can see that if a business has no idea of its liquidity and working capital position, it could be in serious trouble.

Working Capital: A company's current assets minus its current liabilities - considered a good measure of both a company's efficiency and its financial health. A positive working capital means that the company is able to payoff their short-term liabilities. A negative working capital means that a company currently is unable to meet their short-term liabilities with their current assets (cash, accounts receivable, inventory).

Yield on present income: The annual net rents generated by the portfolio expressed as a percentage of the portfolio valuation

Yield: The annual return on money invested, based on the current price of a security, on the assumption that the next dividend will be the same as the last one. Flat yield is the income on a fixed interest stock, ignoring any capital gain that may be made if the stock is due to be redeemed at par at some future date. Redemption yield is the same, but allowing for the expected capital gain.

Yield: The income from a fixed interest security as a percentage of its price. The normal yield is the interest per annum divided by the par value. The running yield is the interest divided by the market price.