

JUST SPACE ECONOMY AND PLANNING

RESPONSE TO CONSULTATION ON FURTHER ALTERATIONS TO THE LONDON PLAN

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1. INTRODUCTION

Just Space Economy and Planning (JSEP) aims to build capacity within the Just Space network to participate in and influence the development of planning policy in London on economic issues. This has been particularly challenging for Just Space members in the past, despite the efforts of the network to support this work through various discussions over the past three years. A particular problem faced by groups and individuals wanting to participate in statutory planning consultations in relation to economic issues in London has been the dominance of groups such as London First and the City of London. Many other sources of knowledge about London's economies exist, both within communities and universities. Just Space Economy and Planning is seeking to connect up these forms of knowledge, supporting participation in planning on economic issues in London by a greater diversity of groups and interests. Further information about JSEP, including summaries of discussions held and a 'Statement of Intent', can be found at <http://justspace.org.uk/category/economy-and-planning/>.

This response to the Further Alterations to the London Plan (FALP) is the result of JSEP's discussions over the past 12 months, which have engaged community groups, business groups, researchers and other interested individuals. It gathers together relevant research, experience and case studies relating to JSEP's core concerns, namely the targeting of growth; the loss of employment land; the nature and role of affordable workspace; job quality; and involvement of businesses and communities in planning on economic issues. The overall analysis and recommendations set out in this response reflect the balance of views of JSEP participants expressed through discussions and exchanges. Individual views may differ and vary on particular issues, and a number of JSEP participants have set these out in their own submissions to the FALP in addition to contributing to and supporting this common response. A list of members of community groups, researchers and interested individuals that have participated in JSEP's regular seminars, working meetings and email discussions is provided overleaf.

As this response draws together contributions, expertise and experience from a range of groups and individuals, we would be happy to assist the EiP Panel in identifying the relevant participants to attend the EiP hearings in relation to the chosen matters. Contributors to the JSEP response will also be able to submit written statements on the chosen matters. Please contact Myfanwy Taylor (myfanwy.taylor.09@ucl.ac.uk) in the first instance.

2. LIST OF INDIVIDUALS AND GROUPS PARTICIPATING IN JSEP MEETINGS AND DISCUSSIONS

Jamie Abbott, Big Local Walthamstow
Hero Austin, People's Empowerment Alliance for Custom House (PEACH)
Michael Ball, Waterloo Community Development Group
Jenny Bates, Friends of the Earth London
Yasminah Beebeejaun, UCL
Elena Besussi, UCL and Camley Street Neighbourhood Forum
Thomas Bolton, UCL
Richard Brown, Affordable Wick
Robin Brown, Independent Planner, Hayes
Anthony Biebuyck, Independent Researcher
Eileen Conn, Peckham Vision
Richard Darley, Earls Court Opportunity Area
Ilinca Diaconescu, London Gypsy and Traveller Unit
Michael Edwards, UCL
Bill Ellson, Creekside Forum
David Fell, Brook Lyndhurst
Jessica Ferm, UCL
Suzanne Hall, LSE
Sharon Hayward, London Tenants Federation
Kathryn Johnson, Sustainable Hackney
Edward Jones, UCL
Rahila Khan, PEACH
Tariq Khan, PEACH
Richard Lee, Just Space
Ana McMillin, UCL
Michael Mohamed, Peckham Vision
Joel Minot, Selby Trust
Sven Mundner
Krissie Nicholson, East End Trades Guild
Lucy Rogers, Spitalfields Neighbourhood Forum and East End Trades Guild
Patria Roman-Velazquez, Independent Researcher
Pauline Rowe, Friends of Queen's Market
Anjuli Sethi, UCL
Abigail Stevenson, Architectural Designer and Wards Corner Community Coalition
Myfanwy Taylor, UCL and Wards Corner Community Coalition
Sue Terpilowski, Federation of Small Businesses
Roy Tindle, London Thames Gateway Forum
Sara Turnbull, Bootstrap Company
Corinne Turner, Peckham Vision
George Turner, Communities and Homes in London
Laura Vaughan, UCL
Nick Woolven, Central Ealing Neighbourhood Forum

3. OVERALL COMMENTS

We are concerned that the Further Alterations to the London Plan (FALP) present a severe risk to the prospects of achieving sustainable development in London, specifically in relation to reducing the need to travel, creating lifetime neighbourhoods and ensuring affordable workspace for diverse economic activities (including those which could contribute to a greener London economy). The alterations as presently drafted would be likely to further hasten a return to the over-inflated, speculative real estate markets that we saw in the run-up to the financial crisis, preventing a more balanced, diverse and resilient economy from emerging in London's high streets, affordable office spaces and industrial land. Little or no consideration has been given to the impact of the alterations on inequality and poverty in London, impacts which could be severe.

While some alterations have been made to recognise the importance of affordable workspace to the competitiveness of the London economy, the overall thrust of the FALP is to introduce significantly more flexibility to convert employment space to high-density housing. This, in a context where housing significantly outbids employment uses throughout London, is likely to significantly erode affordable workspace throughout London which is currently providing services and goods which high-GVA sectors rely upon, space for new enterprises and activities to develop and (often local) jobs for Londoners. Should this occur, this shift will present a significant risk to London's economic competitiveness, sustainability and equality. In a context where little to no genuinely affordable housing is being delivered through new developments, viability assessments are being used by developers to circumvent planning policy (see separate submission on this topic from George Turner on behalf of Communities and Homes in London) and the London Plan's existing protections and targets are largely not being met, we expect the FALP to do far more harm to London's economy and housing crisis than good. We refer to the arguments set out in the Just Space submission which contest the premise for the alterations in revised population and household projections

The alterations have not been prepared in a sufficiently joined-up manner; in particular, the implications of changes to housing policies on employment space have not been thought through. There has been no update to the Economic Evidence Base to the London Plan, nor to the Economic Development Strategy for London. The FALP are based instead on a series of specific evidence reviews that look at London's employment space (office, retail and industrial land) from the (partial) perspective of property markets and property developers and a few reports on the new and emerging - but still small - sectors of the digital and medical economies in London (NB - it is also of concern that a key report, on the Town Centre Health Checks, was only published towards the end of the consultation period). As a result, the FALP pay little attention to the existing diverse economic sectors and activities that make up the London economy. There is much less consideration given to how to retain, support and nurture London's existing economic spaces and activities than how to attract and deliver new ones.

A full revision of the economic evidence base and economic development strategy for London would allow a more joined-up evidence-based approach to be taken. Such a review should be undertaken through a transparent and participatory process, open to a diversity of economic organisations and actors, including the Federation of Small Businesses and its sub-regional London

branches, local Chambers of Commerce, local business and trade organisations, trades unions and representatives of the voluntary, community and social enterprise sectors. We are concerned that the membership of the London Enterprise Panel is currently drawn much more narrowly than this, and that the GLA seems to be devolving its responsibility for the economic evidence base and economic development strategy for London to London First - an organisation which mainly represents property developers and real estate interests. Therefore, a full, transparent and participatory review should be conducted in relation to the FALP. We would be happy to provide suggestions on the key issues which we consider should be included in a review of the economic evidence and economic development strategy for London.

Our analysis of the FALP suggests that they are not fit for purpose, have not been prepared in accordance with the relevant legal requirements and are not sound. The FALP seek to accommodate significant transformational growth and development by the selective alteration of certain policies. Furthermore, the invitation to comment restrict their making solely to the altered wording despite it being critical to consider policy interrelationships and far ranging implications and consequences for these policies and proposals that have not been altered. The scale and degree of the planned growth and the focusing in on only certain policy changes are such as to bring into question the coherence and effectiveness of the FALP. The Mayor's various duties and legal requirements, some of which are noted in our commentary on The Changing Planning System, para 1.45 et al, set out obligations to be adhered to in the preparation of alterations to the London Plan. These include consistency with national policy, but we find that in several instances the Mayor proposes partial interpretations or selective aspects of the roles of planning and not the full, mutually dependent, triple dimensions of sustainable development which should be jointly and simultaneously sought. This is to the consequent harm of the proper planning of London.

In the remainder of this submission, notwithstanding our overarching comments above, we provide detailed comments on the proposed alterations as follows:

Chapter 1 (Context and Strategy): We disagree with the suggestion that the global financial crisis is in the past for London, and suggest that the FALP risk entrenching a debt-based real-estate boom that could return the London economy to pre-crisis conditions (para 1.17-1.21). We note that employment in financial services is predicted to fall in real terms for the first time, and suggest this warrants a full review of the Economic Evidence Base, Economic Development Strategy and London Plan, in light of the centrality of this sector to previous plans and policies for the London economy (para 1.24 etc). It is hard to interrogate the revised sector and borough forecasts for the employment in London without a revised Economic Evidence Base. It is unclear where these figures have come from and what assumptions they are based on. The models suggest further concentration of employment in central London, but it is unclear whether these models are based on the FALP or not. It is crucial to clarify this, as the FALP are likely to have the overall effect of reinforcing this centralisation of employment in London. Without a clear evidence base for the London economy, it is not possible to ascertain whether the FALP are evidence-based or rather if the evidence base has been prepared on the basis of the FALP (para 1.25 etc). The release of the office and retail reviews at the same time as the FALP, and the town centre health checks after the FALP, further calls into question whether the plan is actually based upon the evidence. Finally, we

are concerned to see the purpose of planning in London being re-defined loosely and ambiguously as 'planning for growth' (para 1.45), especially in light of London's poor performance compared to other UK regions on broad measures of regional development and in light of national planning policy and the broad range of legal duties and requirements that the Mayor / the GLA must fulfil.

Chapter 2 (London's Places): Whereas the 2011 London Plan forecast equal rates of job and population growth, the FALP forecasts significantly less job growth than population (para 2.12). We recommend that the text is amended to clarify the meaning and to confirm that the FALP is not based on increasing unemployment in London and the Rest of the South East. We suggest various changes to the alterations on the LLDC (Policy 2.4), in order not to undermine the industrial activities on the site, to ensure a legacy for existing residents and businesses. We welcome the amendments to recognise the importance of affordable workspace of various kinds in the Central Activities Zone (para 2.46), Outer London (Policy 2.7) and Inner London (Policy 2.9). Existing affordable workspace is vulnerable to conversion to housing, both due to high housing prices and new flexibilities to enable change of use from office to housing in all but a few central exempted areas. The cost of workspace is a key factor in London's poor performance for small businesses¹ and affordable workspace is presently being lost far faster than it is being delivered through planning gain. We therefore suggest that these amendments need to be significantly extended and strengthened if they are to have any impact, as the overall thrust of the FALP serves to weaken the protection of employment land of various kinds, as we discuss more generally in relation to Chapter 4. We are concerned also to see the undermining of Outer London town centres and high streets through the proposed alteration to Policy 2.7Ah, following the review of retail, which we discuss in relation to Policy 4.7 and supporting text. In relation to Opportunity and Intensification Areas (para 2.651, 2.62 and Annex 1), we are concerned that the shift towards focusing on housing over employment risks employment land which currently provides many jobs for Londoners being lost in order to provide new high density housing, thus creating increasing unemployment, and missing the opportunity to support the growth of existing local economies. Further, we recommend that details are provided as to where figures for new homes and jobs targets, have come from and how they have been arrived at, so as to enable them to be scrutinised both within IAs and OAs and at a strategic London-wide level. We suggest that the Mayor's regeneration ambitions (para 2.63) are presently likely to be thwarted by the FALP. We disagree with the analysis of the health of London's town centres (Policy 2.15), in light of the analysis and evidence we set out in relation to Policy 4.7. We propose that the alterations are withdrawn, as they would likely undermine the health of London's town centres and their associated economic, social and environmental functions. We recommend more detail is required on strategic outer London development centres (table 2.1). We are concerned to see alterations which would likely speed up the release of strategic industrial land (para 2.85), which performs a crucial role in supporting many aspects of London's economy, in direct opposition to the intended purpose of the plan's policies.

Chapter 4 (London's Economy): We are concerned at the narrow framing of this chapter, focusing on growth (undefined) at the expense of the three pillars of sustainable development and the broad

¹ Volterra 2013 The Small Business Cities Burden Index, prepared for London First and the Federation of Small Businesses.

range of duties and requirements on the Mayor / the GLA (Policy 4.1 and para 4.4A). We also consider there to be an overemphasis on small sectors of future growth, such as technology, media and telecommunications (TMT) and life sciences, neglecting the diversity and interconnectedness of London's economy (para 4.2 and 4.6). We recommend a full, transparent and participatory review of the economic evidence base and economic development strategy for London is conducted in order that the London Plan is based on an understanding of the diversity and interconnectedness of London's economies. We recommend that the membership of the LEP should be noted, in light of the narrow range of interests represented on it, and commitments made to broaden its membership and make it more transparent and participatory (para 4.9A). We are concerned at the flexibilities proposed in this chapter which would risk worsening existing problems of workspace affordability in London, highlighted in the GLA's own reviews of office and industrial land. This is particularly concerning in light of the ease with which present planning policy is circumvented by developers through viability assessments (see separate submission on this topic from George Turner on behalf of Communities and Homes in London). We recommend that the commitment to monitor the impact of the government's liberalisation of permitted development rights should be considerably strengthened if it is to have any effect, and that a much more extensive exemption zone is introduced (Policy 4.2Ae and para 4.13A). We welcome recognition of the importance of small scale and local offices, but recommend that this should also be applied to Inner and Outer London, not just to the CAZ (Policy 4.3Bc). We caution against offsetting loss of office space with provision of new office space, in light of the evidence that this tends to be considerable less in quantity and more expensive (Policy 4.3Dd). We disagree with proposals for the highest release of industrial land in areas which are already undergoing rapid release and where the highest concentrations of industry presently exists. We present evidence and experience about the diversity of economic activities taking place on London's industrial land presently, and caution against destroying these vital functions. We recommend that much more strenuous protections are needed; alterations to para 4.23 should be removed as they go in the opposite direction. We challenge the pessimistic view presented of the future of London's high streets and town centres (Policy 4.7 and paras 4.40-4.43). We present research which shows how retail, office, social and cultural functions are interconnected in high streets and town centres, and suggest that the alterations risk severely damaging these interconnected functions. We make initial recommendations for a new approach to London's office, industrial and retail space, as part of a full, transparent and participatory review of the economic evidence base and economic development strategy for London.

4. SUMMARY OF RECOMMENDATIONS IN RELATION TO THE PROPOSED ALTERATIONS

CHAPTER 1: CONTEXT AND STRATEGY

A growing and ever changing economy

Para 1.17 and 1.18; also 1.20 and 1.21:

- These alterations suggest that the London economy has recovered from the recession. We dispute this and recommend that the London Plan is based in a more thorough analysis of the nature of London's economic recovery.

Para 1.24, 1.24A, Figure 1.5:

- It is hard to analyse the sectoral forecasts for London's economy, without access to the relevant analysis, which should have been included as part of the economic evidence base for the FALP. We note that employment in financial services is projected to fall, whereas it has been projected to increase in previous London Plans, where it attracted disproportionate attention. The indicated decline in manufacturing fails to note or make reference to the growing need for recycling or the move towards a more 'closed loop' or circular economy. We recommend that a full revision to the Economic Evidence Base and Economic Development Strategy is undertaken.

Para 1.25, Map 1.2 and Table 1.1:

- No details are provided as to how the estimates for job growth in different London boroughs have been obtained. We recommended that the alterations include full details of the models and their assumptions need to be provided.

A changing planning system

Para 1.45 et al:

- This paragraph includes an alteration which positions 'growth' at the heart of the purpose of planning in London. It is not clear what sort of growth is being planned for, now how London's poor performance in broad measures of regional development will be addressed. No assurance is provided of consistency with national policy or fulfilment of the broad range of duties and legal requirements of the Mayor and GLA. We recommend that detail is added on these two points.

CHAPTER 2: LONDON'S PLACES

Looking beyond London

Para 2.12:

- Whereas the 2011 London Plan forecast equal rates of job and population growth, the FALP forecasts significantly less job growth than population. We recommend that the text is amended

to clarify the meaning and to confirm that the FALP is not based on increasing unemployment in London and the Rest of the South East.

Realising the benefits of 2012

Policy 2.4:

- We recommend that if detail is to be provided here on the economic vision for the area, it should be more balanced e.g. the former wording which confirmed that the LLDC local plan should 'promote further managed release of appropriate industrial sites for mixed use development while still retaining key industrial land, particularly within established strategic industrial locations' should, if anything, be strengthened, not weakened.
- We recommend additional text is inserted in order to clarify how existing residents and businesses will benefit from improvement processes, rather than be displaced by them, especially in light of the evidence of displacement that has occurred already through the Olympic process.
- We are concerned to see no reference here to the existence and views of existing residents and businesses within the LLDC planning area. We recommend that amendments should be expanded to acknowledge this work and include commitments to collaborative working with the relevant groups in order to ensure a legacy for existing residents and businesses.

Outer London

Policy 2.7Ah:

- For the reasons discussed in relation to Policy 2.15, we recommend that these amendments are removed.

Policy 2.7Ai:

- We welcome the recognition of the importance of 'flexible, hybrid office/industrial premises' within the bullet point on 'managing and improving the stock of industrial capacity' in Outer London. As we discuss in relation to the alterations to the text on industrial land in Chapter 4, industrial land is already performing this function, but it is already being lost at three times the target rate of the London Plan. We recommend the alterations are strengthened to ensure it is protected from conversion to housing or mixed-use development.

Para 2.34:

- We welcome the alterations to encourage use of existing buildings and new developments for affordable workspace. We recommend this wording should be also added to Policy 2.7 if it is intended to have an effect.

Inner London

Policy 2.9A and Para 2.38:

- We welcome the addition of wording which introduces some recognition of the need

for workspaces of different kinds within Inner London ‘for the area’s changing economy’. However, this should be strengthened significantly to explicitly reference ‘affordable workspace’, as low-cost office, industrial and studio workspace is presently being lost in all parts of London, but particularly in inner Londo, and expanded, as affordable and appropriate workspace is needed for all sectors of the London economy, not just those presently highlighted in Policy 4.10 as new and emerging sectors. We recommend that the alteration to Policy 2.9A is amended to ‘ensuring the availability of appropriate and affordable workspaces for the area’s economy’ and that reference is made to the problem of loss of existing affordable office, industrial and studio workspace in paragraph 2.38.

Para 2.46:

- We welcome recognition of the need to ‘ensure continued availability of workspaces appropriate for the technology, media and telecommunications and other emerging sectors (see Policy 4.10) in and on the fringe of the CAZ’, but recommend this wording should be included in Policy 2.11 if it is to be effective. We also recommend that the alteration is expanded to explicitly mention ‘affordable workspaces’ and that the reference to specific emerging sectors is replaced with a more general reference to the diverse economic sectors and activities that make up London’s economy.

Opportunity areas and intensification areas

Para 2.61, 2.62 and Annex 1:

- We recommend that the amendment at the end of para 2.61 is extended to confirm that Opportunity Areas and Intensification Areas are expected to make significant contributions towards providing housing *and employment* to meet London’s needs. We are concerned that focusing solely on housing risks employment land which currently provides many jobs for Londoners being lost in order to provide new high density housing, thus creating increasing unemployment, and missing the opportunity to support the growth of existing local economies in Opportunity Areas and Intensification Areas.
- We recommend that the alteration, ‘aspirational employment allocations should not fossilise housing potential’, is deleted. This approach risks the loss of employment land currently providing jobs for many Londoners to provide new housing in areas where employment is thus likely to be not available locally, generating more demand for travel. This has negative implications for sustainable development and lifetime neighbourhoods. We recommend that the alteration that suggests ‘employment capacities should, if necessary, be reviewed in light of the strategic and local employment projections’ should be deleted.
- We recommend that details are provided as to where figures for new homes and jobs targets, have come from and how they have been arrived at, so as to enable them to be scrutinised both within IAs and OAs and at a strategic London-wide level.

Regeneration areas

Para 2.63A & Map 2.5:

- We welcome confirmation in this alteration of the importance of strong town centre and high street economies to regeneration so long as the regeneration is appropriate and more sensitive to the needs and aspirations of local people and businesses. We suggest, however, that the overall thrust of the FALP serves to severely reduce the possibility of strong town centres and high streets, with implications for regeneration ambitions, due to the likelihood of a rapid acceleration in the rates of loss of affordable office, retail and industrial space in and around high streets and town centres. If appropriate regeneration ambitions are not to be thwarted by the FALP, we recommend alterations which have this effect should be removed. Furthermore, we recommend that the intentions of para 2.63 should be explicitly written into Policy 2.14, 2.15 and throughout Chapter 4.

Town centres

Policy 2.15:

- The alterations to Policy 2.5 are likely to undermine the health of London's town centres and their associated economic, social and environmental functions.
- We disagree with the focus and analysis of the review of retail conducted by Experian which have informed these alterations.
- We highlight also the very late release of the 2013 London Town Centre Health Check, which was only published towards the end of the consultation period on the FALP, on 25 March 2014, and yet is considered by the GLA to be part of the evidence base for the FALP.
- We note that the Town Centre Health Check suggests there is no data on town centre employment. We recommend this suggestion is withdrawn and revised in light of the detailed analysis provided in relation to Policy 4.7.
- We provide address these points in response to the alterations to Policy 4.7 and supporting text below.
- We recommend that the alterations to Policy 2.15 are removed, as well as the relevant elements of supporting text (e.g. paragraphs 2.72B - 2.72H).

Para 2.72A:

- We welcome the recognition of the role of planning in managing positive and negative impacts of clusters on town centres, which is also referred to in alterations to Policy 4.8. We recommend this wording is also included in Policy 2.15 in order that it has impact.

Para 2.72B:

- While this alteration notes that the Mary Portas review of the UK's high streets does not apply directly to London's high streets, this is downplayed in this alteration and in the new approach to Policy 2.15. See our comments in full on Policy 4.7.
- We are concerned that the FALP present a severe risk to the health of London's town centres and high streets. In the short term, we recommend that the alterations are removed pending a full, transparent and participatory review of the economic evidence base and economic development strategy for London.

Strategic outer London development centres

Table 2.1:

- We recommend that more detail is provided on the concept and proposed locations of strategic outer London development centres, in light of their potentially significant implications and consequences for the present and future functioning of those locales so designated and in light of concerns expressed locally, for example in relation to Crystal Palace and the 'Golden Mile'.

Strategic industrial locations

Para 2.85:

- The addition of text to suggest that surplus industrial land should be released around public transport nodes and town centres goes against the purpose of this section which is to protect strategic industrial locations. We recommend it is removed, in light of the important role played by strategic industrial land and the excessive release of industrial land at more than twice the rate of the existing London Plan targets. We recommend much firmer protections are put in place, in light of the ease with which existing protections for industrial land are all too easily circumvented by planners and developers, cutting across the present London Plan policies, let alone the proposed reduction in target for release of industrial land.

CHAPTER 4: LONDON'S ECONOMY

Para 4.2:

- We recommend that this paragraph should acknowledge the need for policy to also promote economic diversity and equality, as well the Mayor's broader duties on the various aspects of sustainable development and as required by the NPPF.

Economic context

Policy 4.1Aa2 and Para 4.4A:

- Whilst we welcome maximising benefits from infrastructure, we recommend that this alteration is qualified to secure national planning policy and (the three pillars of) sustainable development defined in the NPPF, rather than the securing of sustainable growth and development. The phrase sustainable growth is not defined in the Glossary and does not appear in National Planning Guidance.
- We consider that the Plan does not seek to maximise economic, social and environmental benefits from transport investment, as the alteration suggests. We recommend that reference should be made to the need to fully consider the environmental, social and economic sustainability implications of redevelopment proposals for transport nodes. The economic impact should also consider issues such as business diversity, local jobs and inequality, amongst other measures of economic performance.

Para 4.5:

- We welcome the additional reference to voluntary enterprises, but recommend that the reference to social enterprises should not be removed.

Para 4.6:

- We consider the Mayor's ambition to encourage broad-based growth is not well-served by the addition of a reference to very specific sectors of the economy, namely the technology, media and telecommunications (TMT) sector. We recommend this is removed, and replaced by a list of the broad range of sectors that the Mayor wishes to encourage. We also recommend that the sectors on which the TMT sector relies, such as machinery supply and repair, are also mentioned.
- We note the inclusion of the word 'resilient' to describe London's economy, but do not see how this has been addressed in the Plan's policies. We recommend more detail is provided if it is to have any meaning or purchase.
- We recommend a full, transparent and participatory review of the economic evidence base and economic development strategy for London is conducted in order that the London Plan is based on an understanding of the diversity and interconnectedness of London's economies.

Para 4.9A:

- We recommend that it is clarified how the LEP's work on an economic development strategy for London relates to the London Plan, including in relation to consultation and participation processes. We recommend that the membership of the LEP should be noted, in light of the narrow range of interests represented on it, and commitments made to broaden its membership and make it more transparent and participatory.

Economic sectors and workspaces

Policy 4.2Ae and para 4.13A:

- We recommend that the commitment to monitor the impact of the government's liberalisation of permitted development rights should be considerably strengthened if it is to have any effect: for instance, how will this be monitored and what would be the trigger points for reviewing the existing exemptions? The London Office Policy Review 2012 already shows negative impacts on SMEs and the diversity of office stock.
- We recommend that a much more extensive exemption zone is introduced if this liberalisation is not to do serious damage to London's economy through the loss of existing affordable office space, and would like to see a commitment to bring this forward in the near future.
- We recommend it would be prudent for the Plan to acknowledge the government's intention to extend permitted development rights for changes of use from retail and industrial uses to residential, and that any future impact of such proposed changes also be monitored. This monitoring needs to include data on rent levels and on the SIC categories in which firms operate - which we understand would add variables to the LDD through which the monitoring would be done. Exemption zones should be considered.

Policy 4.3Bc and d: and para 4.17a:

- We welcome recognition of the importance of small scale and local offices, but recommend that this should also be applied to Inner and Outer London, not just to the CAZ, if problems of lack of affordable workspace are to be eased. Given differential land values, once office floorspace is lost, it is very difficult to get it back.
- We recommend commitments should be made to a long-term approach and vision for the capital, acknowledging the dynamic nature of clusters, their survival and formation in different locations, as part of a full, transparent and participatory review of the economic evidence base and economic development strategy for London.
- Within the CAZ and elsewhere, we also caution against offsetting loss of office space with provision of new office space, in light of the evidence that this tends to be considerable less in quantity and more expensive. We recommend the alteration to Policy 4.3Dd is removed.

Map 4.1, para 4.21 and 4.23

- We disagree with the proposals for the highest release of industrial land in areas which are already undergoing rapid release and where the highest concentrations of industry presently exists. We recommend that high rates of release should not be proposed for critical riverside locations, such as in the Charlton/Greenwich Peninsular, given the key strategic functions

supporting the London economy that are based there, including freight transport, aggregates and waste.

- The reduction in the target for release of industrial land from 41 ha to 37 ha per annum is a move in the right direction. We recommend that much more strenuous protections are needed if the release of industrial land is going to be slowed, even to present London Plan targets, let alone the further reduction proposed in the alterations. Alterations to para 4.23 shift policy in the opposite direction, suggesting that release of industrial land should be focused around public transport nodes and should enable high density housing development. We recommend they are removed.
- We recommend a new approach is needed to industrial land in London. The current approach is based on past rates of decline in industrial employment, but this negates the role of real estate speculation for residential conversion in driving deindustrialization; ignores the diverse economic activities undertaken on industrial sites; ignores the importance of these activities to other aspects of London's economies; and risks damaging the new and emerging economic activities which are beginning to make use of such sites for new recycling, repair, manufacturing and industry, that could make a contribution to a more environmentally economy for London. The case of Charlton Riverside is illustrative in this regard. We recommend that targets for release are reduced further, stronger protections introduced, and commitments made to developing a new approach to the management of industrial land in London, as part of a full, transparent and participatory review of the economic evidence base and economic development strategy for London.

Policy 4.7 and paras 4.40-4.43:

- We strongly disagree with Experian's assessment of the future prospects of London's retail sector.
- We have not been able to analyse the 2013 London Town Centre Health Check during the consultation period, as it was only released on 25 March 2014, despite the GLA website suggesting it forms part of the evidence base for the FALP - although to our knowledge it is not cited or referred to anywhere in the FALP. This further calls into question the soundness of the evidence base of the FALP and indeed the FALP consultation process itself.
- We note that the Town Centre Health Check suggests there is no data on town centre employment. We recommend this suggestion is withdrawn and revised in light of the detailed analysis provided below.
- The alterations fail to deal with the important contribution of ethnically diverse retailers to the London economy, as well as the lack of attention given to them by planning policy.
- Drawing on the example of the People's Empowerment Alliance for Custom House (PEACH),

which is making progress in negotiating a Shopkeepers Charter with Newham Council, we highlight the need for leadership in the London Plan to require councils to take similar steps to ensure existing shopkeepers are not displaced but instead have an affordable and sustainable future in any new developments on London's high streets and town centres. We recommend that alterations to Policy 4.7 and associated paragraphs include wording which would require councils to work with existing businesses to ensure they are able to return to any new developments. We recommend similar alterations are considered in relation to the proposed alterations to office and industrial space policies and in the relevant Chapter 2 alterations.

- In the past, the GLA has introduced revisions to the London Plan to recognise the importance of markets and small shops to London's economy, providing local authorities and communities with supportive policy to protect and nurture them. We are concerned that the FALP reverse such positive changes, and present a severe risk to the health of London's town centres and high streets. In the short term, we recommend that the alterations are removed pending a full, transparent and participatory review of the economic evidence base and economic development strategy for London.

Policy 4.8Bc and para 4.48A:

- We welcome the inclusion of words to support local authorities in guarding community assets against loss. But it is unclear why para 4.48A mentions public houses only - this should be extended to encompass other kinds of community assets, for example, markets, small shops, community centres, etc etc, which also fulfil social and economic roles. We recommend that the alterations to the Policy and supporting text should explicitly mention assets which are listed on the local authorities' register of community assets.

Policy 4.8Bg and 4.50A:

- We welcome the acknowledgement of the role of planning to manage positive and negative impacts of clusters. Points i-vi are well made, but are not given sufficient expression in Chapter 2 or Chapter 4 policies, which in fact go in the opposite direction. We recommend that the importance of these issues means they should be set more fully in the key policies relating to town centres, namely 2.17 and 4.7, as well as set out more fully and strongly in 4.8.
- We recommend that Para 4.50A should not focus solely on betting shops and hot food takeaways but cite them as examples of over-concentration alongside others.

New and emerging sectors

Policy 4.10Ac:

- We welcome mention of different kinds of workspace, but recommend that the alteration should include a specific reference to affordability.

- We recommend that the role of existing employment space in providing these functions should be recognised, and its importance written in more clearly elsewhere in Chapter 4 if London's economy is not to be damaged.

Policy 4.10Af and para 4.53:

- We understand that references to TMT, Tech City and Med City have been added following specific reports on them, but it is difficult to judge how these fit into longer term economic development strategy, as this has not been updated. Additionally, the narrow framing of this alteration on a single sector and a very small area underestimates the scale of the challenge and the interconnectedness between different aspects of the London economy.
- We recommend that other sectors are added which could deliver more good quality jobs for Londoners, for example, the green economy, and the interconnections between different sectors acknowledged and addressed.
- On the Smart London and Tech City reports referred to in the alterations, for example, we draw attention to the flight of start-ups from the Old Street area, following significant increases in the price of workspace (detailed analysis provided below). We therefore recommend that the alterations regarding affordable workspace are significantly strengthened.
- We recommend these issues are considered in full as part of a full, transparent and participatory review of the economic evidence base and economic development strategy for London.

Para 4.60:

- We welcome references to a 'widespread apprenticeship system', but recommend this is explicitly written into planning policy if it is to have an effect.

5. DETAILED COMMENTS AND ANALYSIS ON THE PROPOSED ALTERATIONS

CHAPTER 1: CONTEXT AND STRATEGY

A growing and ever changing economy

Para 1.17 and 1.18; also 1.20 and 1.21: These alterations suggest that the London economy has recovered from the recession. Many economic commentators are concerned that the UK recovery is based on consumer spending, with growth in earnings, productivity, investment and manufacturing remaining weak². House price inflation in London has been described as ‘rampant’ by Civitas in their recent report, with Ernst and Young warning of a return to ‘bubble-like’ conditions³. The London Plan should be based in a more thorough analysis of the nature of London’s economic recovery.

Para 1.24, 1.24A, Figure 1.5: It is hard to analyse the sectoral forecasts for London’s economy, without access to the relevant analysis, which should have been included as part of the economic evidence base for the FALP. More detail should be provided within the London Plan and/or in an accompanying document. We note that employment in financial services is projected to fall, whereas it has been projected to increase in previous London Plans. Supporting the financial services sector has been a key focus of the London Plans produced by the GLA thus far. Therefore, the forecasts for a reduction in employment in financial services suggest other sectors will need to be supported - something which we welcome, as this small sector has attracted disproportionate attention in the past, obscuring other important aspects of the London economy. We suggest a full revision to the Economic Evidence Base and Economic Development Strategy is needed.

The indicated decline in manufacturing fails to note or make reference to the growing need for recycling or the move towards a more ‘closed loop’ or circular economy. Recycling is tending towards remanufacture or locating close to remanufacturing in order to reduce transport distances, costs and associated air pollution. In particular, the reference to “scientific and technical activities” suggests the production of waste of strategic value. Shipping abroad is unsustainable, specifically in terms of materials such as the lanthanides, the rare earth metals, over which China, currently, has a stranglehold. These issues should be addressed in a revised Economic Evidence Base and Economic Development Strategy for London.

Para 1.25, Map 1.2 and Table 1.1: No details are provided as to how the estimates for job growth in different London boroughs have been obtained. Have the FALP changes been included within the models or not? How does the increased emphasis on housing delivery, including through re-use and

² As reported by the Guardian on 19 March 2014, ‘The real gist of Osborne’s speech was that Britain remains in deep trouble’, <http://www.theguardian.com/uk-news/2014/mar/19/george-osborne-gist-britain-deep-trouble>; and ‘Budget 2014: economy predicted to return to pre-crisis levels this year’ <http://www.theguardian.com/uk-news/2014/mar/19/budget-2014-economy-predicted-pre-crisis-level>.

³ As reported by the BBC on 3 February 2014, ‘Housing bubble forming in London, warns Ernst and Young’, <http://www.bbc.co.uk/news/business-26006214>.

re-development of employment space for housing, affect the spatial pattern of employment growth in London? Full details of the models and their assumptions need to be provided.

A changing planning system

Para 1.45 et al: This paragraph includes an amendment which positions 'growth' at the heart of the purpose of planning in London. It is not clear what sort of growth is being planned for: population growth, GVA growth, equitable growth, sustainable growth, the spatial/geographical aspects of growth etc etc. National policy identifies the five guiding principles / three dimensions of sustainable development and the roles that planning should perform, explaining that these roles - economic, social and environmental - are mutually dependent and should be sought jointly and simultaneously. Adding 'growth' to the text in an indeterminate, ambiguous and unqualified way is unnecessary, inappropriate and inconsistent with sustainable development and, therefore, with national policy.

Economic growth, as the National Planning Policy Framework (NPPF, para 8) observes, can secure higher social and environmental standards etc., but it reiterates that economic, social and environmental gains should be sought jointly and simultaneously through the planning system. However, for example, research from the London School of Economics shows that while London is the top performing UK region when it comes to GVA per capita, it is the second from bottom performing UK region in relation to a gender-sensitive measure of regional development⁴. In this respect, it should be noted that the Mayor / the GLA has a broad range of various duties and legal requirements to meet: to have regard to the economic development and wealth creation, social development, protection and improvement of the environment in Greater London, as well as the effect of the alterations on the achievement of sustainable development, and the mitigation or adaptation to climate change in the UK, the health of persons, and equality of opportunity for all people.

To attempt to redefine the planning system/approach to planning for London in the imprecise and open ended manner of the alterations in paras 1.45 and 1.47, offers neither an assurance of, let alone evidence of, consistency with national policy or fulfilment of these duties and legal requirements, especially in light of London's poor performance compared to other UK regions under broad measures of regional development. These duties and legal requirements are pertinent to the concerns expressed throughout this response, including those on policies and paragraph changes in Chapters 2 and 4.

CHAPTER 2: LONDON'S PLACES

Looking beyond London

Para 2.12: We are concerned at the discrepancies between the population and jobs growth forecasts for London and the Rest of the South East: population is forecast to increase by 20 per cent (up seven percentage points from 13 per cent) and jobs by 17 per cent (up four percentage points from

⁴ Diane Perrons 2012 'Regional performance and inequality: linking economic and social development through a capabilities approach' *Cambridge Journal of Regions, Economy and Society* 5 pp.15-29.

13 per cent). Whereas the 2011 London Plan forecast equal rates of job and population growth, the FALP forecasts significantly less job growth than population. Does this mean that the FALP forecast increase levels of unemployment and worklessness for Londoners? In this case, is London Plan planning for growth in unemployment as well as population? It is difficult to assess without a detailed economic evidence base. We would like to see the text amended to clarify the meaning and to confirm that the Plan is not based on increasing unemployment in London and the Rest of the South East.

Realising the benefits of 2012

Policy 2.4: These alterations provide further detail on the legacy of the 2012 Olympic Games, as plans have now developed further. However, the picture they provide is rather partial. For instance, under 2.4B, it is unclear why wording on industrial land has been deleted and wording on Stratford added. If detail is to be provided here on the economic vision for the area, it should be more balanced. The former wording which confirmed that the LLDC local plan should 'promote further managed release of appropriate industrial sites for mixed use development while still retaining key industrial land, particularly within established strategic industrial locations' should, if anything, be strengthened, not weakened.

Existing industrial uses are thriving on both Hackney Wick and Fish Island and around Carpenters Road, and should be supported not undermined through policy alterations. More generally, the proposed amendments to Policy 2.4 provide insufficient - if any - mechanisms by which existing local businesses will benefit from change, rather than be displaced by it. Research has shown that businesses displaced by the Olympic Park developments, for example, were badly affected by the relocation process, despite compensation offered⁵. Local businesses on and around the Carpenters Estate have also reported severe negative impacts of that development, in particular in relation to the closure of Carpenters Road which has reduced foot-fall and increased journey times to major transport routes, and during heavy periods of construction (Carpenters Community Plan, 2013). Many local businesses report little benefit from the Olympic Games themselves. The potential for the existing local businesses and education and community facilities on the Carpenters Estate to provide a basis for healthy growth accessible to local residents should be explored, given the LLDC's strategic objectives around legacy and convergence.

Likewise, live-work occupiers of light industrial warehouses in Hackney Wick, many of them artists and creative practitioners, report how the Olympic Games developments have spurred rent increases that risk making displacing them from the area.⁶ A report from muf architecture also highlights the risk to the fragile ecology of the arts community from 'the negative repercussions of the presence of the Olympic site, namely landlords unwilling to give artists and businesses (creative and otherwise) sufficiently long leases and businesses who had either left or who were planning to leave'.⁷ In a separate report they also describe how housing-led mixed-use development risks

⁵ Mike Raco and Emma Tunney 2010 'Visibilities and invisibilities in urban development: small business communities and the London Olympics 2012' *Urban Studies* 47(10) pp.2069-2091.

⁶ Richard Brown n/d *Made in HWFI: The Live-Work Collectives*. See Studio. Supported by the LLDC.

⁷ muf architecture 2009 *Creative Potential: Hackney Wick and Fish Island* page 2.

driving out existing businesses, and set out alternative pathways based on sustaining affordable workspace.⁸

We recommend additional text is inserted in order to clarify how existing residents and businesses will benefit from improvement processes, rather than be displaced by them, especially in light of the evidence of displacement that has occurred already through the Olympic process.

We are concerned to see no reference here to the existence and views of existing residents and businesses within the LLDC planning area. These have been clearly expressed in response to the recent consultation on the draft LLDC local plan, as well as in the Carpenters Community Plan and in the various works of Affordable Wick and the Hackney Wick and Fish Island Cultural Interest Group. The amendments should be expanded to acknowledge this work and include commitments to collaborative working with the relevant groups in order to ensure a legacy for existing residents and businesses.

Outer London

Policy 2.7Ah: This amendment introduces the possibility of mixed used redevelopment in town centres in outer London, in light of the Experian retail review. For the reasons discussed below in relation to Policy 2.15, we propose that these amendments are removed. For instance, this is likely to reinforce the decline in the local economy of West Ealing, as the pressure of transport investment and housing delivery shift it towards a dormitory town servicing the central London economy, without addressing the fundamental issues in relation to housing and the economy. We understand Central Ealing Neighbourhood Forum will be making a detailed submission on this point.

Policy 2.7Ai: We welcome the recognition of the importance of ‘flexible, hybrid office/industrial premises’ within the bullet point on ‘managing and improving the stock of industrial capacity’ in Outer London. As we discuss in detail in relation to the alterations to the text on industrial land in Chapter 4, industrial land is already performing this function, and therefore should be protected from conversion to housing or mixed-use development. However, it is already being lost at three times the target rate of the London Plan. The lack of affordable industrial space in Outer London is making it difficult for people to find suitable space to start up new businesses. For example, social entrepreneurs at the Selby Trust in Tottenham are struggling to find affordable industrial workspace for a wood recycling centre, including training and jobs for local people. While the amendment to Policy 2.7Ai is welcomed, we are concerned that the changes to Chapter 4 will mean it has little effect.

Para 2.34: we welcome the amendments which encourage use of existing buildings and new developments for affordable workspace. This wording should be also added to Policy 2.7 if it is intended to have an effect. See comments on Policy 2.7Ah and 2.7Ai.

Inner London

Policy 2.9A and Para 2.38: We welcome the addition of wording which introduces some recognition

⁸ muf architecture/art 2012 *Sustaining Creative Practice and Other Production in HWFI*

of the need for workspaces of different kinds within Inner London ‘for the area’s changing economy’. However, this should be strengthened significantly to explicitly reference ‘affordable workspace’, as low-cost office, industrial and studio workspace is presently being lost in all parts of London, but particularly in inner London due to conversion or redevelopment for housing, risking damaging London’s economy. Additionally, as we discuss in more detail in relation to the alterations to Policy 4.10 and supporting text in Chapter 4, affordable and appropriate workspace is needed for all sectors of the London economy, not just those presently highlighted in 4.10 as new and emerging sectors. We suggest therefore that the alteration to Policy 2.9A is amended to ‘ensuring the availability of appropriate and affordable workspaces for the area’s economy’ and that reference is made to the problem of loss of existing affordable office, industrial and studio workspace in paragraph 2.38.

In the remainder of this section, we present a range of evidence on the problem of affordable workspaces in Inner London. Our comments on this section should be read alongside our comments on the relevant alterations in Chapter 4 regarding office, retail and industrial space, and vice versa - workspace affordability is not a problem in Inner London alone, or limited to particular sectors, activities or areas.

Research by Dr Jessica Ferm (UCL) shows that employment floorspace in designated employment areas, which is naturally more affordable, is being lost in Hackney in greater quantities and far more quickly than it is being provided through ‘affordable workspace’ being delivered through S106 agreements in new developments. In Hackney, mixed use development on employment sites delivers on average only 40% reprovision of employment floorspace, and in schemes with ‘affordable workspace’, this figure is much lower (with the provision of new affordable workspace often used by the developer and/or local authority as justification)⁹. Furthermore, there are problems with the affordable workspace delivered: a significant proportion of schemes with negotiated affordable workspace are not successfully appointing workspace providers to manage the workspace, with space often being let on the open market; where workspace providers are appointed, they have different interpretations of affordability and there are large variations in the cost to the end tenant, ranging from approx. £9psf to £34psf in different schemes; affordability is mostly secured for short lease terms of 5-15 years; and policy is benefiting only a very narrow segment of businesses¹⁰. This accumulated evidence suggests that we should be cautious about the loss of industrial and warehouse type premises to mixed use redevelopment, which does not always provide the quantum or type of employment floorspace that is attractive to established workspace providers, whose business models rely on establishing economies of scale, networking opportunities and a brand that is strongly linked to local place.¹¹

In ‘Silicon Roundabout’, affordable office space used by tech start-ups is being lost, rents are rising

⁹ Jessica Ferm (2011) ‘Delivering affordable workspace in economic recessions’. Presentation to the UK/Ireland Planning Research Conference, 12 September 2011.

¹⁰ Jessica Ferm (2014, forthcoming) ‘Delivering affordable workspace: Perspectives of developers and workspace providers in London’, *Progress in Planning*.

¹¹ Jessica Ferm, Op Cit.

in the remaining office space in the area, resulting in the displacement and dispersal of tech start-ups¹². Bootstrap Company, the long-standing Hackney-based provider of affordable workspace for social enterprises and start-ups, reports that the lack of suitable and affordable 'move-on' workspace in Dalston and surrounds is limiting their business through-put, as businesses who start with them are unable to move on. Similarly, Bootstrap's ability to expand its own operations to new buildings is being limited due to a lack of suitable premises of more than 10,000 sq ft.

In response to similar challenges, the East End Trades Guild (EETG) formed when Spitalfields' oldest family businesses was threatened by very large rent increases, prompting small independent businesses in the East End to come together, 'demanding recognition and asserting their central importance to the economy'.¹³ A survey of their 200 members has generated data on their importance to the London economy, including employing 1200 people, of which 1114 live in London; having a turnover of £77 million; paying £1.3 million in business rates, £5 million in VAT and £2.3 million in National Insurance contributions every year; and serving 520,000 people per month¹⁴. Affordable and sustainable rental arrangements are currently a key issue for the EETG, as existing commercial leases are currently crippling many members, prompting EETG to develop a proposal for fair rent for small businesses. We understand they are making a separate submission to the FALP consultation.

Another example comes from Peckham, where local business groups and community groups under the banner of Peckham Vision (who also make a separate response) are concerned about the threat to an existing cluster of 60 small businesses, including creative and manufacturing firms, occupying Network Rail land around Peckham Rye Lane, posed by a development plan for high-density housing and new mixed workspace. Existing businesses - many of which trade with one another - are very very unlikely to be able to operate from the new workspaces in this new development, which will be unaffordable and unsuitable. Despite the existence of local policies which recognise the importance and seek to promote creative industries and affordable workspace, it seems that existing employment land in Peckham performing these functions is not offered recognition or protection in plans, due to the pressure to deliver new high-density housing in well-located areas. We are concerned that the alterations will severely exacerbate these problems.

Para 2.46: we welcome recognition of the need to 'ensure continued availability of workspaces appropriate for the technology, media and telecommunications and other emerging sectors (see Policy 4.10) in and on the fringe of the CAZ', but consider this wording should be included in Policy 2.11 if it is to be effective. We also propose that the alteration is expanded to explicitly mention 'affordable workspaces' and that the reference to specific emerging sectors is replaced with a more general reference to the diverse economic sectors and activities that make up London's economy. Affordable office and industrial space within and on the fringe of the CAZ is under great pressure,

¹² As reported in the Guardian, 10 March 2014, 'The slow death of Silicon Roundabout', <http://www.theguardian.com/cities/2014/mar/10/slow-death-of-silicon-roundabout>.

¹³ East End Trades Guild 2012 Press Release http://eastendtradesguild.org.uk/wp-content/uploads/2012/03/PRESS_RELEASE.pdf

¹⁴ EETG The Value that Small Businesses Add to the Economy, available online at <http://eastendtradesguild.org.uk/eetg-the-value-that-small-businesses-add-to-the-economy/>

and yet performs an important role in the London economy.

For instance, the Cedar Way Industrial Estate and surrounding industrial sites, near Kings Cross, are occupied by a diverse range of businesses servicing core aspects of London's economy, including food production, distribution and storage, car repair, delivery and logistics warehousing and fashion and creative firms, providing an estimated 1500 jobs and a turnover of £30 million p.a. These businesses play an essential role in the area as providers of skilled jobs for local and London residents and training for young people. Too often these activities are dismissed or ignored, despite their importance to the London economy, and the importance of their occupying a central location; the importance of clustering and of the proximity to each other is also ignored with the result that planning permissions for change of use of individual premises are allowed without accounting the risks to the viability of this type of economic clusters. Without planning policies that acknowledge the importance of the area as a whole, development pressures from the nearby Kings Cross regeneration area have already started to threaten the survival of the businesses in the area. The Camley Street Neighbourhood Forum has formed, in part in response to this problem.

Similarly, the Waterloo Community Development Forum suggest that the lack of planning policy which recognises the importance of affordable office space within the CAZ has had a disastrous impact on Waterloo, as planners can no longer use planning policy in order to protect existing affordable office space, which has long been productively used by third sector organisations, benefiting from the close location to Westminster.

Opportunity areas and intensification areas

Para 2.61: We suggest the amendment at the end of para 2.61 is extended to confirm that Opportunity Areas and Intensification Areas are expected to make significant contributions towards providing housing *and employment* to meet London's needs - it is not clear why only housing is currently mentioned, as these areas are intended to provide new homes and new jobs. We are concerned that focusing solely on housing risks employment land which currently provides many jobs for Londoners being lost in order to provide new high density housing, thus creating increasing unemployment, and missing the opportunity to support the growth of existing local economies in Opportunity Areas and Intensification Areas.

In general, it is very hard to assess the appropriateness of the revised housing and jobs targets for the IAs and OAs without an evidence base being made available. Details should be provided as to where figures have come from, how they have been arrived at, and opportunities should be available to scrutinise these figures both within IAs and OAs and at a strategic London-wide level.

Para 2.62: We strongly disagree with the suggestion that 'aspirational employment allocations should not fossilise housing potential'. This approach risks the loss of employment land currently providing jobs for many Londoners to provide new housing in areas where employment is thus likely to be not available locally, generating more demand for travel. This has negative implications for sustainable development and lifetime neighbourhoods. We therefore disagree with the amendment that suggests 'employment capacities should, if necessary, be reviewed in light of the

strategic and local employment projections'. We propose that these aspects of the alteration are deleted.

We discuss issues regarding the loss of employment land more generally in our responses to the proposed alterations to Chapter 4, but would like to mention the example of the High Road West development in Tottenham (within the Upper Lee Valley Opportunity Area) in order to highlight our particular concerns regarding the proposed amendment to paragraph 2.62 in relation to OAs and IAs. The Tottenham Business Group, made up of local businesses that would be affected by this development, have highlighted the risk that it will displace the very residents and businesses that it is intended to benefit. In their recent response to Haringey Council's consultation on draft Area Action Plans (AAPs) for Tottenham, they write that 'the current plan [for High Road West] forces out small shops and businesses and drives out large numbers of the ethnic minority communities to make way for a new higher income population. What is created is an enclave of higher rents and higher prices inaccessible to the existing community. There needs to be compromise with the needs and wishes of the existing community so they may be visibly be seen to also benefit from the plans'. They also highlight that the plan would demolish an existing industrial estate, described as 'one of London's workshops', resulting in the loss of 200 jobs, as well as 'the loss of manufacturing and industrial units that could provide valuable skilled training and apprenticeships for our local youth'. It is not the case, then, that 'aspirational employment allocations' are 'fossil[ising] housing potential' - as the FALP would suggest - but rather that the planning framework seems to offer insufficient protections for existing employment land, risking its destruction through developments that do not recognise or value existing economic activities. Tottenham Business Group pointed out the perversity of this in their response to the AAPs consultation, writing 'Haringey has emphasized fostering start up businesses but is determined to eradicate low cost premises. The start up units shown on the HRW option plans would not only be too expensive but very limited as to usage ... The jobs, the training and the varied established units of Peacock Estate and its surroundings could not be replaced elsewhere. Over 2000 jobs have already been lost with the demolition of other large estates in Northumberland Park. Peacock Estate should be protected'.

The High Road West scheme is a clear example of how high-density housing-led schemes across London, but particularly in areas designated for high growth such as the Opportunity and Intensification Areas, are already risking destroying successful businesses that contribute to the London economy and provide jobs for Londoners. The proposed amendments would likely exacerbate this problem severely. We therefore strongly recommend they are withdrawn, and that commitments to work with existing residents and businesses are strengthened to prevent such damaging outcomes.

Regeneration areas

Para 2.63A & Map 2.5: We welcome confirmation in this alteration of the importance of strong town centre and high street economies to regeneration so long as the regeneration is appropriate and more sensitive to the needs and aspirations of local people and businesses. The finer scale spatial detail to the altered Map should be taken as a signal and a requirement for more locally attuned, nuanced regeneration approaches. This should have been articulated through the related policy and

supporting text. We suggest, however, that the overall thrust of the FALP serves to severely reduce the possibility of strong town centres and high streets, with implications for regeneration ambitions, due to the likelihood of a rapid acceleration in the rates of loss of affordable office, retail and industrial space in and around high streets and town centres (see our comments on the proposed alterations to Chapter 4 as well as Chapter 2). If appropriate regeneration ambitions are not to be thwarted by the FALP, alterations which have this effect should be removed. Furthermore, the intentions of para 2.63 should be explicitly written into Policy 2.14, 2.15 and throughout Chapter 4.

Town centres

Policy 2.15: We are concerned that the review of retail conducted by Experian is mistaken in suggesting that all but the smallest and the largest retail centres in London will decline, unless they reinvent themselves. Relatedly, we are concerned that the Experian report and the FALP place far too much importance on the largest retail centres, neglecting the role of medium and smaller centres and the contribution they make to reducing the need to travel. We further note that the 2013 London Town Centre Health Check was only published towards the end of the consultation period on the FALP, on 25 March 2014, and yet is considered by the GLA to be part of the evidence base for the FALP. The alterations to Policy 2.5 are likely to undermine the health of London's town centres and their associated economic, social and environmental functions. We address these issues in detail in our comments on Policy 4.7 and 4.8 and supporting text below. In light of this analysis, we suggest the alterations to Policy 2.15 are removed, as well as the relevant elements of supporting text (e.g. paragraphs 2.72B - 2.72H).

Para 2.72A: We welcome the recognition of the role of planning in managing positive and negative impacts of clusters on town centres, which is also referred to in alterations to Policy 4.8. We request this wording is also included in Policy 2.15 in order that it has impact.

Para 2.72B: While this alteration notes that the Mary Portas review of the UK's high streets does not apply directly to London's high streets, we consider that this is downplayed in this alteration. We further note that the Portas analysis has been subject to significant critique, piloting and Government support. Overall, we consider that this alteration overplays the extent of the threat to London's high streets, and ignores their present strengths, especially in non-retail services. We address this issue in more detail in our comments on Policy 4.7 and 4.8, and propose similar alterations here.

Strategic outer London development centres

Table 2.1: Within the preceding text, para 2.78's last sentence promised that, if necessary, alterations will be brought forward to support further development of this concept of strategic outer London development centres. However, rather than fulfill this, the alterations are proposing adding yet more locations to table 2.1 without justifying or elaborating these new designations still less the original ones. These are very broad brush, seemingly illusionary or imaginary designations advanced without substantiation, but having potentially significant implications and consequences for the present and future functioning of those locales so designated. For example, concerns have

been expressed locally in Crystal Palace that such a designation would add planning credence to the commercial development of Crystal Palace and Metropolitan Open Land. Again, concerns have been expressed about the vulnerability of established non-media businesses in the Great West Road area (Golden Mile) to being overwhelmed by large media enterprises.

Strategic industrial locations

Para 2.85: We consider that the addition of text to suggest that surplus industrial land should be released around public transport nodes and town centres goes against the purpose of this section which is to protect strategic industrial locations. We note that no changes have been made to the map of strategic industrial locations (map 2.7). If the strategic decision is that well-located strategic industrial locations should be released to provide land for housing, then, for clarity and certainty, these locations should have been removed from the list of strategic industrial locations. However, we strongly oppose a further erosion of such, especially in light of the loss of industrial land far in excess of the London Plan targets. If this is not the case, the alteration to paragraph 2.85 directly works against the stated policy of the London Plan (policy 2.17). This alteration should therefore be removed. We provide further analysis on the importance of industrial land in the relation to the alterations to Policy 4.4 below and propose significant tightening up of policy is needed.

Strategic industrial location loss cannot be replaced and its absence will limit local employment opportunities and the provision of essential goods and services. These services underpin local communities and local business; for example, local commercial vehicle servicing is essential to many businesses. Similarly, the loss of this land negates the potential for increasing recycling and remanufacturing. Strategic industrial locations are critical, also, in that they provide for many ethnic minority business starts, most of which serve needs within those communities, the importing and distribution of food, for example. These permit the growth of the restaurant economy; providing for lunch and evening trade requires local supplies to minimize wasted travel time. SILs are key aspects of local wealth creation. They diversify local employment opportunities and encourage the retention of important skills. The manufacturing and recycling components either contribute to exports or limit imports, in that respect they contribute to Britain's balance of payments in a manner that purely internal trading does not. They offer sustainable, local opportunities for business starts including new manufacturing processes. SILs in Greater London are close to our main scientific universities and are important in the generation of new university science based business creation. Loss of large areas of industrial land generally lead to large losses in local employment: this adds to the national welfare bill and helps to develop areas of considerable local unemployment.

Moreover, in a with a strong cultural economy like London many of the peripheral, 'low-value' industrial uses actually support directly some of the higher-value creative industries, i.e. model making for design or architecture firms, production of materials for cultural industries, museums, exhibitions, food products for key restaurants, etc. In sum, threatening the location of some of these can have a wider impact on other London economic sectors. In London, where the high presence of financial and investment industries with high profits contributes to bringing up the prices of commercial space, industrial services with moderate profit-making capabilities find it challenging

to find suitable space and maintain their businesses. And they are essential to the operation of the whole economy and the daily needs of residents. Their economic viability is threatened in a situation where finance and specialized services can earn super-profits¹⁵. In this context, release of SIL should be reduced to the minimum possible, so it does not compromise further expansion of established firms.

The Mayor will be aware that very few if any of the large schemes which are brought before him meet affordable housing targets. The city is also losing industrial land at more than twice the rate set out in the existing London plan. For example, in Lambeth, the application at 8 Albert Embankment, the former Headquarters of the London Fire and Emergency Planning Authority, departed from the development plan in the amount of affordable housing proposed as well as the change of use from employment to housing. The development sought to introduce housing onto a Key Industrial Business Area (KIBA). This should have been particularly resisted due to the fact that Lambeth is a restricted borough in terms of the transfer of industrial land. In this application the change of use from employment to residential, the damage to the grade II listed building on the site and the 7% affordable housing offered was all justified in terms of economic viability. The applicants (in this case LFEPA) argued that that the profit levels were too low to sustain keeping the part of the site in a KIBA as employment only, or removing the glass penthouse apartments which were proposed to be attached to the top of the grade II listed building. The benefit of this scheme providing a new fire station was traded against all of these departures from the plan. The example of 8 Albert Embankment demonstrates how existing protections for industrial land are all too easily circumvented by planners and developers, cutting across the present London Plan policies, let alone the proposed reduction in target for release of industrial land. In a separate submission, George Turner sets out how the significant issues concerning policy on viability in relation to the FALP more generally.

CHAPTER 4: LONDON'S ECONOMY

Para 4.2: We are concerned that the emphasis of this chapter on “providing a policy base for innovation, **development, growth and investment**”, risks undermining the Mayor’s objectives as stated in para 4.1 to “help tackle the huge issue of deprivation and inequality among Londoners”. We request that this paragraph should acknowledge the need for policy to also promote economic diversity and equality. Overall, we consider that there is a lack of understanding of (a) how the different sectors (office, industrial, retail, culture and leisure) are interconnected and co-dependent, and (b) the dynamic nature of economies and clusters, which will generate increasing demand for employment outside the CAZ over time. Our concerns and comments on the alteration to paragraph 1.45 etc are also relevant here.

Economic context

Policy 4.1Aa2 and Para 4.4A: Whilst we welcome maximising benefits from infrastructure, this

¹⁵ Sassen, Saskia (2000) ‘The Global City - Strategic site / New frontier’ in FAINSTEIN, Susan and CAMPBELL, Scott, (eds) *Readings in Urban Theory*, United Kingdom: Blackwell Publishing Ltd

needs to be qualified to secure national planning policy and sustainable development, rather than the securing of sustainable growth and development. The phrase sustainable growth is not defined in the Glossary and does not appear in the National Planning Guidance. It does appear once in the National Planning Policy Framework, Chapter 3, para 28 on Supporting a Prosperous Rural Economy, where it specifically refers to supporting the sustainable growth and expansion of all types of business and enterprises in rural areas. This phrase within planning, therefore, has a highly specific approach for the promotion of business culture (in rural areas) and not as a spatial outcome. Accordingly, it should not be used within Policy 4.1 and sustainable development should be substituted. It is instructive that the Integrated Impact Assessment (IIA)(p63) recommended the 3 pillar approach of sustainable development - that the policy be altered to specifically mention economic, environmental and social benefits to ensure that the aims of the policy are clear. This recommendation was not accepted in the Mayoral decision (MD1295) to proceed with FALP. Despite the rigor of scrutiny through the sustainability assessment process and found to be wanting, the policy alteration has been brought forward advocating an inappropriate term when national policy clearly provides a well defined one of sustainable development.

We consider that the Plan does not seek to maximise economic, social and environmental benefits from transport investment. For example, if, as mentioned in paragraph 4.23, 'release of industrial land should...be focused around public transport nodes to enable higher density redevelopment, especially for housing', we risk a loss of employment land around transport nodes, in particular affordable employment premises, which would make many people worse off. In Peckham town centre, for example, many small businesses occupying space in and around the station viaduct and contributing to the vibrancy of the local area and economy, are threatened by proposals to redevelop the area around the station for mixed use, including housing. We suggest that reference should be made to the need to fully consider the environmental, social and economic sustainability implications of redevelopment proposals for transport nodes. The economic impact should also consider issues such as business diversity, local jobs and inequality, amongst other measures of economic performance.

See also our comments on alterations to paragraph 1.45 and paragraph 4.23, which are also relevant here.

Para 4.5: We welcome the additional reference to voluntary enterprises, but the reference to social enterprises should not be removed.

Para 4.6: We consider the Mayor's ambition to encourage broad-based growth is not well-served by the addition of a reference to very specific sectors of the economy, namely the technology, media and telecommunications (TMT) sector. This should be removed, and replaced by a list of the broad range of sectors that the Mayor wishes to encourage. We note the inclusion of the word 'resilient' to describe London's economy, but do not see how this has been addressed in the Plan's policies. More detail is needed if it is to have any meaning or purchase. There is no apparent comprehension that the "technology, media, and telecommunication" sectors require strong local underpinning in terms of machinery supply and repair and in consumables supply. These sectors, perhaps more than

others, rely on up-to-date equipment, on supply, when it is needed. Delay is critical to continuing business. Our comments on strategic industrial locations (2.85) provide further detail here on the importance of recognising the interconnectedness between different aspects of the London economy, rather than focussing only on a few high GVA sectors. We refer again to the need for a full, transparent and participatory review of the economic evidence base and economic development strategy for London (see Overall Comments).

Para 4.9A: We note the reference to the London Enterprise Panel (LEP). We suggest it is clarified how the LEP's work on an economic development strategy for London relates to the London Plan, including in relation to consultation and participation processes. We consider that the membership of the LEP should be noted, in light of the narrow range of interests represented on it, and commitments made to broaden its membership and make it more transparent and participatory (see also Overall Comments and Summary). For instance, a request from JSEP to meet with the LEP, sent at the beginning of January 2014, has yet to receive a reply, despite several reminders and enquiries.

Economic sectors and workspaces

Policy 4.2Ae and para 4.13A: The commitment to monitor the impact of the government's liberalisation of permitted development rights should be considerably strengthened if it is to have any effect: for instance, how will this be monitored and what would be the trigger points for reviewing the existing exemptions? The London Office Policy Review 2012 already shows negative impacts on SMEs and the diversity of office stock. It states that London boroughs are already concerned about the cumulative loss of small units, which serve different markets compared to the new office space developed, and that these small units form part of a diverse stock of premises that support local SMEs in comparatively low cost accommodation, which cannot be replaced through new office stock. The loss of this stock will disadvantage small, local businesses¹⁶.

We consider that a much more extensive exemption zone is likely to be needed if this liberalisation is not to do serious damage to London's economy through the loss of existing affordable office space, and would like to see a commitment to bring this forward in the near future. See also response to Policy 2.7 (and supporting text) and 2.9 (and supporting text).

We also suggest it would be prudent for the Plan to acknowledge the government's intention to extend permitted development rights for changes of use from retail and industrial uses to residential, and that any future impact of such proposed changes also be monitored. This monitoring needs to include data on rent levels and on the SIC categories in which firms operate - which we understand would add variables to the LDD through which the monitoring would be done. Exemption zones should be considered.

Policy 4.3Bc and d: and para 4.17a: We welcome recognition of the importance of small scale and local offices, but suggest this should also be applied to Inner and Outer London, not just to the CAZ, if problems of lack of affordable workspace are to be eased. The London Office Policy Review 2012

¹⁶ See paragraphs 8.11 and 8.11.8 of the London Office Policy Review 2012.

suggests there is a structural decline of office centres in outer London, but we caution against assuming it would therefore be suitable to allow permitted development to residential in all these locations. Given differential land values, once office floorspace is lost, it is very difficult to get it back. We have already seen how many inner London centres, such as Dalston town centre, which were previously not in demand for office use, are now becoming more popular and they are being brought into the City Fringe in policy terms. We argue for a long-term approach and vision for the capital, acknowledging the dynamic nature of clusters, their survival and formation in different locations. Given the difficulty of successfully securing affordable workspace within new developments (see response to Policy 2.9A), and the likelihood that land values in the CAZ are only going to rise, we need to acknowledge the future economic role that centres in inner and outer London might play in the future and be more careful about protecting the diversity of the stock we already have across London. Within the CAZ and elsewhere, we also caution against offsetting loss of office space with provision of new office space, in light of the evidence that this tends to be considerable less in quantity and more expensive¹⁷. See also response to Policy 2.7 (and supporting text) and 2.9 (and supporting text).

Map 4.1: The Plan proposes the highest release of Industrial land for other uses is in the Eastern boroughs: Newham, Havering, Bexley, Greenwich, followed by Haringey and Enfield in the North. The high proposed rates of release in these areas contrasts strongly with the release in other boroughs which is much lower: zero in Southwark, as well as Camden, City of London, Lambeth, Westminster, Barking and Dagenham, Redbridge, Richmond Upon Thames, Wandsworth, Brent and Harrow.

The Plan justified this by the highest concentration of industries being in the East. However, this approach risks damaging the current and future prospects for the remaining clusters of industry, including where knowledge and history of manufacturing remains strong. Already in our response we have discussed the importance of retaining industrial clusters (see comments on para 2.85), for instance in the LLDC area (see comments in Policy 2.4) and in Tottenham (see comments on para 2.62), as well as providing the cautionary example of Tech City, whose attractiveness risks being eroded through loss of affordable workspace (see comments on Policy 2.9A). We are also concerned to see critical Thames side locations included as high-transfer areas. Riverside locations are attractive, within the housing market, but many of these areas have a significant role in reducing road vehicle movements and consequent air pollution. Industrial land grew alongside developing transport systems; one of the most significant, in London, is the River Thames. Raw sugar, aggregates and waste are the principle users of Thames based transport and these are frequently threatened by nearby new housing development. Freight is moved, on the River, on the tide as this minimises fuel use and allows sufficient water depth for large vessels to come inshore. Loading and unloading can take place, therefore, at night and this gives rise to some noise nuisance. A single aggregate dredger travels upstream with a cargo of up to 5,000 tonnes, over 300 lorry equivalents. Four of the major yards are located in Charlton/Greenwich Peninsular West and bring in up to 3M tones. Two of them freight out half of what is landed by rail as the yards possess a rail head. Our comments about the importance of these economic activities to the London economy as a whole,

¹⁷ Jessica Ferm, Op.Cit.

including many high GVA sectors, are very relevant here (see for example comments on amendments to paragraph 2.85).

As we argue in response to the relevant alterations to the industrial land policies in Chapters 2 and 4, much stronger policies need to be introduced in order to slow the loss of industrial land in London.

Para 4.21 and 4.23: The reduction in the target for release of industrial land from 41 ha to 37 ha per annum is a move in the right direction, in light of the fact that more than twice the present target has been released in recent years (2006-10)¹⁸. However, we consider that in this regard the plan is not fit for purpose, as it does not address the question of why loss has so substantially exceeded the targets, which is discussed in the GLA's most up to date Industrial land release benchmarks study¹⁹. Much more strenuous protections are needed if the release of industrial land is going to be slowed, even to present London Plan targets, let alone the further reduction proposed in the alterations.

In fact, the alterations to para 4.23 shift policy in the opposite direction, suggesting that release of industrial land should be focused around public transport nodes and should enable high density housing development. This is likely to push up the value of such industrial land, making its conversion to housing more profitable for owners and developers, thereby making redevelopment for other uses less viable, and placing further pressure on borough planners to grant planning permission. See also comments to alterations to Policy 4.1A. We propose the alterations to para 4.23 are removed.

Additionally, alterations to para 4.23 could also have the effect of disconnecting industrial land from housing, neglecting the continuing interconnections between housing and industry. Industrial activities have naturally located close to waterways, railways and roads. Employment has then established a workforce which has, in turn, led to local housing. These contribute strongly to the generation of transport nodes; thus concentrating new housing in these areas will rapidly erode employment land, industry and employment. It also impacts on the provision of goods and services on which local communities depend, including new communities. Builders suppliers, car repairers and breakers, specialist trade supplies, such as plumbing and electricians, ethnic minority food wholesaling/ cash and carry operations are among the essential but largely undervalued services that are contained within industrial estates. Businesses occupying industrial land in London often employ local people. Losing this land therefore means losing these jobs, which are not usually taken into account in calculating the jobs delivered through new developments.

The ongoing managed release of industrial land proposed in the London Plan is predicated on forecasts of manufacturing decline, which in turn are based on past rates of decline in industrial employment. However, we believe a different approach is needed. We set out below some of our reasoning and evidence, but also wish to refer again to our view that the proposed alterations warrant a full, transparent and participatory review of the economic evidence base and economic

¹⁸ Greater London Authority (2012) Land for Industry and Transport: Supplementary Planning Guidance.

¹⁹ See p.19, Tym and Partners (2011) Industrial land demand and release benchmarks for London.

development strategy for London.

First, there is evidence that the loss of manufacturing in expensive world cities is not primarily due to deindustrialisation, but to real estate speculation for residential conversion²⁰. There is evidence this has happened and is happening in London²¹, including we understand at Camley Street, Charlton Riverside -and Hackney Wick and Fish Island²², where leases on employment premises are becoming increasingly shorter and more insecure, which leads to direct or indirect displacement of businesses facilitating the planning case for landowners or developers for change of use and redevelopment. As mentioned above, the alterations to para 4.23 would seem to escalate these problems, triggering further deindustrialisation and loss of industrial land. These alterations should therefore be removed.

Second, the 2011 Industrial Land Release study suggested that only one third of jobs on land designated for industrial uses in London fell within industrial sectors²³. Similarly, the GLA's Land for Industry and Transport SPG states that although London's employment in manufacturing is only 3%, London's industrial areas accommodate 11% of London's total employment²⁴. This suggests that there is lots of other economic activity taking place in industrial areas, apart from manufacturing. These include companies that require hybrid office/industrial space, as previously suggested, but also industrial premises and land provides flexible space for a range of activities including a range of start-ups, cultural, faith, artist studios and creative uses. Third, this quantitative approach does not support a more nuanced and qualitative understanding of the role of different industrial areas, their importance to London's wider economy, linkages between firms, and the potential impact of cumulative changes of use on existing activities. For example, the recent experience of businesses that were displaced due to the Olympic Games, has highlighted the importance of local linkages (suppliers, customers and employees) for businesses displaced by the Games²⁵. Other potential benefits include supplying goods to local shops and restaurants in nearby town centres, servicing the City, and contributions of workers to the economies of local town centres²⁶.

We discuss the example of Charlton Riverside in some detail, in order to illuminate these issues more fully, drawing on work done by London Thames Gateway Forum in collaboration with UCL planning students. At Charlton Riverside, there is a complex of activities with local, sub regional and regional importance. A number of national builders merchants operate close to specialists who

²⁰ Winifred Curran (2007) 'From the frying pan to the oven': Gentrification and the experience of industrial displacement in Williamsburg, Brooklyn. *Urban Studies*, 44(8), pp.1427-1440.

²¹ Jessica Ferm (April 2014) Working Paper: 'Preventing the loss of affordable workspace through gentrification and industrial gentrification'.

²² muf architecture 2009 *Creative Potential: Hackney Wick and Fish Island*.

²³ Tym & Partners (2011), Op Cit.

²⁴ Greater London Authority (2012), Op Cit.

²⁵ Raco, Mike, and Emma Tunney.(2010) "Visibilities and invisibilities in urban development: small business communities and the London Olympics 2012." *Urban Studies* 47.10: 2069-2091.

²⁶ see UCL's research project on Adaptable Suburbs led by Professor Laura Vaughan

<http://www.ucl.ac.uk/adaptablesuburbs/>

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supply, for example, architectural, domestic and cosmetic marble. This is one example of a form of symbiosis which is also evidenced in lift manufacture and repair: lift manufacturers/repairers operate next to specialist steel stockholders and electrical fitting suppliers. These provide a fast lift repair service, as well as lift construction, to the financial centres in the City of London and Canary Wharf – as well as to local high rise residential blocks. Another example is provided by interdependency between ethnic minority food wholesaling/cash and carry operations. Of particular note are the Chinese and Viet Nameese food suppliers which have developed since the resettlement of Viet Nameese refugees in the early 1980s. In the Charlton area there are three general, medium size operations together with a larger number of smaller specialists. Since their arrival they have broadened out to supply, also, foodstuffs from other South East Asian cuisines. The larger operations offer retail services whilst most of the smaller ones are wholesale only. This has permitted the development of a range of new Viet Nameese retailers, in local town centres, together with a larger number of restaurants offering varieties of South East Asian food. An African food cash and carry is also operating in the area, and there are several operations serving the longer standing Indian community.

Charlton Riverside also includes many car repairers including specialists dealing with, for example, power steering, gear boxes, engines and Land Rovers. Some of these provide repair services to taxis and there is one specialist commercial vehicle repairer which caters for heavy goods vehicles, buses and coaches – significant because there are several companies with vehicle fleets, located within the area, and a coach company. There are several vehicle breakers, many of which specialise in re-use rather than recycling. Vehicle part re-use is significant, not just in terms of price, but in limiting imports and in delaying energy intensive recycling. These activities are usually regarded as “dirty” but they are not necessarily so: good local authority monitoring can enable clean operation. Whilst metals recycling is profitable, the primary operators who collect and usually pay for scrap vehicles provide the additional service of helping to prevent vehicle dumping. Concealed within the Charlton industrial estates is Stone Foundries, a producer of high integrity magnesium castings and aluminium castings for helicopters, commercial and military aircraft, jet engines and motor racing. This is an industry of strategic national importance.

These services are unlikely to be relocated, some depend on geographic location and proximity to their market: The Royal Borough of Greenwich has stated that there are no other locations, within the Borough, sufficient for relocation. Currently vacant land can achieve a far higher price for housing than for industrial purposes.

In addition to posing a risk to the existing economic activities on London’s industrial land, the proposed amendments also risk doing damage to the new and emerging economic activities which are beginning to make use (or wish to make use) of such sites for new recycling, repair, manufacturing and industry, that could make a contribution to a more environmentally economy for London. Tottenham based bike repair and cycling group, the Rockstone Foundation, for example, have expressed an interest in taking up a space in the Love Lane arches to expand bike repair and youth training activities, but are unable to do so as the site is currently marked for re-development. See also response to Policy 2.7 (and supporting text) and 2.9 (and supporting text), specifically the examples of Camley Street and the Selby Trust.

In conclusion, we suggest that targets for release are substantially reduced and the alterations to 4.23 removed. In addition, we propose further alterations to Policy 4.4Aa and supporting text is amended to reflect the fact that industrial land provides a stock of land and premises for a wide variety of different existing and future economic activities, including hybrid uses, and some cultural and social activities. Importantly, it provides a diverse and affordable stock of land and premises. The text should also be amended to reflect the fact that boroughs need to be supported to make decisions based on both quantitative and qualitative evidence, and that the full economic, social and environmental sustainability implications are considered when making policies and assessing applications. As indicated at the beginning of this submission, we propose a full, transparent and participatory review of the economic evidence base and economic development strategy for London.

Policy 4.7 and paras 4.40-4.43: We strongly disagree with Experian's assessment of the future prospects of London's retail sector. While small independent shops have substantially declined across the UK, the national trend does not hold for London²⁷: there has been a 78.5% increase in independent retail in London from 2000 to 2006. Experian's suggestion that only the very large retail centres and the very small are likely to survive does not tally with the vitality, vibrancy and diversity of many town centres and high streets in London that fall between these two extremes, such as Brixton, Peckham and Waterloo, which have strengthened considerably in the last decades.

We have not been able to analyse the 2013 London Town Centre Health Check during the consultation period, as it was only released on 25 March 2014, despite the GLA website suggesting it forms part of the evidence base for the FALP - although to our knowledge it is not cited or referred to anywhere in the FALP²⁸. As mentioned in our Overall Comments, this calls into question the soundness of the evidence base of the FALP and indeed the FALP consultation process itself. Nonetheless, we have drawn together a response based on the analysis that we have been able to gather in relation to the documents that were available at the beginning of the consultation period.

However, we have identified that the Town Centre Health Check document suggests that there is no data available on town centre employment. We strongly dispute this, including in light of the data and analysis presented here. We recommend this suggestion is withdrawn and revised in light of the detailed analysis provided below.

The proposed focus on a primarily residential role for smaller London centres contradicts the findings of a growing body of research into the factors required for sustainable, successful town centres. Recent research shows that smaller London centres are home to an unacknowledged range of cultural, social, environmental functions, and that they also host a far greater range of commercial activities than is acknowledged in the London Plan. Places that are increasingly

²⁷ Neil Wrigley, Julia Branson, Andrew Murdoch and Graham Clarke (2009) 'Extending the Competition Commission's Findings on Entry and Exit of Small Stores in Britain's High Streets: Implications for Competition and Planning Policy', *Environment and Planning A*, 41: 2063-85.

²⁸ <http://www.london.gov.uk/priorities/planning/publications/2013-london-town-centre-check>

characterised by their retail offer in fact operate as sophisticated, “multi-functional centres”.²⁹ Research from the Department for Business, Innovation and Skills (BIS) fully supports this understanding, calling for town centres to be recognised as “21st century agoras” and for the high street to be understood as a “multifunctional destination, with retail playing a part alongside community, public service, leisure, cultural and civic uses.”³⁰

Two long-term research projects, led by UCL and funded by the Engineering and Physical Sciences Research Council (EPSRC), have gathered evidence to explain why Outer London town centres have proved successful over long periods of time. *Towards Successful Suburban Town Centres* sampled twenty-six smaller London centres and found that they all have distinctive “spatial signatures” which have equipped them to adapt to change.³¹ Places such as Chadwell Heath, Coulsdon, Wealdstone and Worcester Park have survived and developed over long periods through their ability to respond to social and cultural change. Their particular street layouts create street activity by drawing in people from surrounding areas, and their buildings are able to support a wide range of shifting socio-economic and cultural functions, meaning that they are not reliant on limited types of activity.³²

A follow-up UCL research project, *Adaptable Suburbs*, has investigated three of these outer London centres – Chipping Barnet, South Norwood, and Surbiton - in more detail. It has demonstrated that the ‘death’ of the high street has been greatly exaggerated, and that change has always been the reality for London’s suburban centres.³³ These often overlooked suburban London high streets are in fact complex, sophisticated structures, which support overlapping scales of activity and simultaneously serve a range of different markets. A mixture of activities draws people into smaller centres, supporting their sustained success, but a failure to understand that town centres require diverse activities to succeed threatens their viability. BIS supported UCL’s findings that current high street assessments fail to take account of the importance of non-commercial activity, stating that “the presence of a Citizen’s Advice Bureau or library can be as important in drawing footfall as a

²⁹ Urban Pollinators (2011), *The 21st Century Agora: a new and better vision for town centres*, <http://urbanpollinators.co.uk/wp-content/plugins/downloads-manager/upload/C21%20agora.pdf>

³⁰ Department for Business, Innovation and Skills (2011), *Understanding High Street Performance*, London: BIS <http://www.bis.gov.uk/assets/biscore/business-sectors/docs/u/11-1433-understanding-high-street-performance-summary.pdf>

³¹ Vaughan L., Jones C. E., Griffiths S., and Haklay M. (2009) The Spatial Signature of Suburban ‘Active’ Centres. In: Daniel Koch, Lars Marcus and Jesper Steen eds *Seventh International Space Syntax Symposium* Royal Institute of Technology, Stockholm, Stockholm 127:121-127:11. <http://discovery.ucl.ac.uk/15021/>.

³² Griffiths, S., Jones, C. E., Vaughan, L. and Haklay, M. (2010) 'The persistence of suburban centres in Greater London: combining Conzenian and space syntax approaches', *Urban Morphology*.

³³ Vaughan, L., Dhanani, A. and Griffiths, S. (2013) “Beyond the suburban high street cliché - A study of adaptation to change in London's street network: 1880-2013”. *Journal of Space Syntax*, 4(2), 221-241.

café or fashion store.”³⁴ *Adaptable Suburbs* has also shown that the conversion of high street spaces to housing, breaking the continuity of non-domestic uses, has a detrimental effect on the remaining high street uses. The extent of the role played by suburban centres has also been underestimated. Commercial and social activities are, in fact, found well beyond the traditional, narrow definitions of town centres which exclude activities that fall between defined centres, as well as those that are hosted off high streets in connected areas and hidden spaces.³⁵

The importance of London’s high streets to the city’s future economic development has also been highlighted by UCL’s *High Street London* research³⁶ which found that, despite comprising only 3.6 per cent of the Greater London street network, high streets across the city together support double the number of businesses situated in the Central Activities Zone, and also employ more people (1.45 million). However, the research also highlighted the vulnerability of streets that are often only a single plot deep, emphasising the vital role that the high street’s hinterland can play in providing affordable businesses and workshops within reach of the city’s high streets and thus, a measurable economic sustainability in London’s smaller centres.

Our engagement with community and business groups across London has highlighted the important contribution of ethnically diverse retailers to the London economy, as well as the lack of attention given to them by planning policy. Ethnically diverse streets exhibit economic and cultural vibrancy despite being located within areas with high indices of deprivation. Yet in planning terms these streets are not officially recognised for their economic and cultural vibrancy; their economic value is neither measured nor understood. We provide an overview of some of these issues, as well as discussing the specific examples of Peckham Rye Lane, Walworth Road, Elephant and Castle, Queen’s Market and Seven Sisters, which have developed specialist retail and services serving some of London’s ethnic populations, many of whom travel across London to access these retailers and markets traders.

While small independent shops have substantially declined across the UK, the national trend does not hold for London³⁷: there has been a 78.5% increase in independent retail in London from 2000 to 2006. Research on high streets identifies certain areas of growth in the independent retail sector, but does not clarify who is shaping that growth from the retailer side. In cities with increasingly high ethnic minority populations such as London (55.1%, indicated in Census 2011), the role of ethnic minority retail is likely to be an increasingly significant factor. The requirement for small-scale retail, coupled with flexible terms of rental and sub-letting arrangements is evident in LSE

³⁴ Department for Business, Innovation and Skills (2011), *Understanding High Street Performance*, London: BIS <http://www.bis.gov.uk/assets/biscore/business-sectors/docs/u/11-1433-understanding-high-street-performance-summary.pdf>

³⁵ Vaughan, L. and Griffiths, S. (2013) “A suburb is not a tree”. *Urban Design* (issue edited by Matthew Carmona on mixed use) 125: 17-19. <http://discovery.ucl.ac.uk/1366640/>

³⁶ Gort Scott and UCL (2010) *High Street London*, Great London Authority, London.

³⁷ Neil Wrigley, Julia Branson, Andrew Murdoch and Graham Clarke (2009) ‘Extending the Competition Commission’s Findings on Entry and Exit of Small Stores in Britain’s High Streets: Implications for Competition and Planning Policy’, *Environment and Planning A*, 41: 2063-85.

research of 199 units on Rye Lane in 2012³⁸. 25% of shops on Rye Lane had subdivided into smaller shops, and rentals ranged from prices per chair per week in the case of hair and nail salons, to a wide variety of flat rates per square meter. Subletting does not only attend to individual needs, but also allows for economic reciprocities between different retail activities. For example, a Western Union Consumer trading study of 2008 makes the following claim: '[...] offering a Western Union Service increases the cross-sell opportunity as well as the shopping frequency. 75% of customers making a Western Union Money Transfer transaction also purchased other products and 47% shop more frequently once they know that Western Union is available at the store'³⁹.

Recent studies on small and medium enterprises (SMEs)⁴⁰ highlight the pressures that the economic downturn of the early 2000s had on retail spaces in local high streets and town centres and the need for government intervention. In the case of London despite numerous government initiatives⁴¹, the drive for economic development and competition, increasing property costs, rents and business rates are putting independent small medium enterprises at risk⁴². However, until very recently, little attention has been given to the role of ethnic minority businesses in London and their contribution to the UK economy and to community cohesion. This is significantly important given the current context of urban regeneration in deprived areas of London, where most Black, Asian and Minority Ethnic (BAME) businesses tend to concentrate⁴³. In London most business start-ups are from ethnic minorities. Ethnic minority businesses (EMBs) represent 'between 6.7% and 9.3% of the total number of SMEs in the UK' the greater proportion of which are in London⁴⁴.

Whilst the government's department for Business, Innovation and Skills Survey of Small Business estimated that 6.2% of SMEs were from ethnic minority group - that is 295,000 shops out of an estimated total of 4,788,000⁴⁵. The survey by Centre for Entrepreneurship⁴⁶ reported that migrant entrepreneur-founded companies employ 1.16 million people in the UK. Over the last 10 years the number of EMBs in Britain has grown steadily. By 2004 the UK 'had created a quarter of a million firms contributing at least £15 billion (€19 billion) to the UK economy and accounting for 11 percent of new businesses start-ups, a growth rate double that for total business start-ups'⁴⁷. By

³⁸ Suzanne M. Hall (2013) 'Super-diverse Street: A 'Trans-ethnography' across Migrant Localities', *Ethnic and Racial Studies*, Online. pp. 1-14. ISSN 0141-9870.

³⁹ <http://www.westernunion.co.uk>

⁴⁰ Portas Review, Op.Cit and Communities and Local Government, Department for. 2013a. Future of High Street. Progress Since the Portas Review. London: Crown Service

⁴¹ SQW and Middlesex University. 2013. SME finance in London. Final Report to the Greater London Authority. London: SQW and Middlesex University

⁴² FSB (Federation of Small Businesses). 2013. The Federation of Small Business London small business index Q2 2013. London: FSB.

⁴³ Regeneris Consulting Ltd. 2010. EMBAN Legacy Report. Nottingham and Cheshire: Ethnic minority business advocacy network (EMBAN).

⁴⁴ Regeneris 2010. Op. Cit. p.3.

⁴⁵ BIS (Business Innovation and Skills). 2012. Small Business Survey 2012: Estimates for Women led, Minority Ethnic Group (MEG) led and Social Enterprises in the UK. London: Crown Service.

⁴⁶ Centre for Entrepreneurs and DueDil 2014. MigrantEntrepreneurs: Building our businesses creating our jobs. Centre for Entrepreneurs and DueDil.

⁴⁷ Ram, Monder, and Trevor Jones. 2008. "Ethnic minority businesses in the UK: An overview." *Migrações. Journal of the Portuguese Immigration Observatory* (3):61-72.

2010 it was estimated that ethnic minority businesses contributed to an estimated £25-32 billion to the UK economy annually⁴⁸. Despite this economic contribution, a study commissioned by Department for Communities and Local Government⁴⁹ found out that a high proportion of Black-African and Black-Caribbean people in the UK still remained underrepresented in these figures. By implication service provision and access to government advice for EMBs is not reaching all and the UK government has acknowledged that more needs to be done to make sure people from all backgrounds can achieve their aspirations of starting up a business. Driving this government agenda is the conviction that failure to encourage business start-ups by ethnic minorities in the UK is costing the UK economy approximately £8 billion annually. This is particularly relevant if considering that migration to the UK is on the increase, and that London accounts for a high proportion of this migratory flow and settlement.

Planning Policy Statement 4 included both the need to audit decline or growth of existing town centres and to develop a strategic framework for the management and growth of centres. Current national policy/guidance requires planning authorities to plan positively to support town centres: explaining the importance of having a strategic vision/strategy based on evidence of current state and listing indicators to be used to determine town centre health. But measures of 'vitality' and 'viability' are frequently based on a narrow set of economic norms, and the emerging economies that grow out of diverse ethnic enterprise, remain poorly understood. How audits are conducted, and what measures of value are adopted, is key to understanding and supporting London's diverse high streets⁵⁰. We note with concern the strange suggestion from the Town Centre Health Check report published on 25 March 2014 that there is no data available on employment in town centres. We have severe doubts about the adequacy of the assessments and audits being undertaken.

The LSE Research explores how the economic value of diverse London streets such as Walworth Road and Peckham Rye Lane might be better understood, measured and valued:

- A broadly adopted maxim is that the social and cultural dimensions of high streets are key to their economic vitality (NEF⁵¹, Portas⁵²) and will be increasingly so as online shopping grows. Vibrant high streets attract a number of complementary cultural and business activities. The Gort Scott and UCL report discussed above, *High Street London*⁵³, for example, recorded 2100 businesses in Peckham Town Centre, and 13,400 employees. By way of comparison, Westfield Stratford has 300 retail units and 8500 permanent jobs⁵⁴.
- The *High Street London* report reveals that two-thirds of Londoners live within 500 meters of

⁴⁸ Regeneris 2010. Op. Cit.

⁴⁹ Communities and Local Government 2013. Op. Cit.

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⁵¹ New Economics Foundation (2002) *Ghost Town Britain: The threat from economic globalisation to livelihoods, liberty and local economic freedom*, London: NEF.

⁵² Mary Portas (2011) *The Portas Review: An independent review into the future of our high streets*, <https://www.gov.uk/.../11-1434-portas-review-future-of-high-streets>

⁵³ Gort Scott and UCL (2010) *High Street London*, Great London Authority, London.

⁵⁴ <http://www.guardian.co.uk/money/2011/may/21/westfield-stratford-city>

a high street, and that two-thirds of the trips to local high streets are made to access forms of exchange other than shopping. This highlights how residential, cultural and public transport densities are integral to the vitality of high streets. The Walworth Road, for example, is located within a high-density residential area and has approximately 15,000 people within walking distance or square kilometre of the street. This together with the 18 buses per hour on the high street, helps to sustain its retail life (CABE)⁵⁵: in comparative London terms, the Walworth Road is surrounded by a less affluent population, but because of the population density in proximity to it, the total weekly expenditure estimated for the street was £4.3 million compared with £4.8 million on High Street Hampstead.

- *The Portas Review* highlights the potential of ‘pop-up’ shops and interim uses for retail experimentation and incubation. This requires new attitudes to the use of vacant shops, and subletting, where spatial and retail innovation correlates with rental and rates innovations. The LSE research of Walworth Road and Peckham Rye Lane documented the innovations developed by retailers, such as the development of sustained retailing through stepping stone retail from market stalls to larger retail premises; subletting; parallel online retail; and use of networks from transnational connections to family supports.

Research and work with Latin American retailers at Elephant and Castle (E&C) has also demonstrated that there is little understanding of how ethnic minority businesses participate in processes of urban regeneration and what mechanisms are in place to guarantee their participation and involvement in processes that directly affect them. E&C is home to the largest Latin American business cluster in London. Research and mapping undertaken by Patria Roman Velazquez and Ilinca Diaconescu in 2012 showed the existence of four clusters in the area and a total of around 60 businesses. Patria Roman’s research has explored how Latin American entrepreneurship can be read in positive ways. In particular, the work they do can be considered important in enabling immigrants to integrate into London, contributing to a sense of belonging and identity, as well as generating economic assets for London. Small retail provides a route to economic progression for Latin Americans in London.

Supporting specialist ethnic and migrant retail is relevant for regeneration schemes across London and should be a pertinent policy aspect for the FALP. Councils across London should be required to devise strategies and policy initiatives for the inclusion of ethnic minority businesses in regeneration schemes. Urban regeneration areas in London identified through the London Plan (Map 2.5) include deprived inner city areas where migrant populations are high, and this is particularly so for Southwark and E&C in particular, so it is of utmost significance to understand and value the role of ethnic minority businesses (EMBs) in these areas and what support are these receiving from central and local governments. Such understanding and appreciation for EMBs can come from asking: Will regeneration imply a threat to settled migrant communities and their support systems, including long established ethnic enterprises? And, what mechanisms are in place to listen and incorporate long established ethnic and migrant business communities in consultations for urban regeneration in London? What is the impact of current urban regeneration

⁵⁵CABE (2007) *Paved with Gold: The real value of good street design.*

initiatives in London for EMBs? Research that accounts for alternative ways of valuing the contribution of EMBs is needed. More is also needed to understand how ethnic minority businesses participate in consultation processes and the constraints or barriers to their sustainability under current urban development initiatives for London. Latin Elephant is working with Latin American retailers in E&C to address these questions.

Another example comes from Wards Corner Coalition (WCC), a broad based coalition of groups and individuals who came together to challenge plans to demolish a city block in Seven Sisters, Tottenham, known locally as Wards Corner. WCC has campaigned since 2007 to save the market, local businesses and homes, meeting spaces and cherished buildings. The existing Wards Corner indoor market is a major destination for London's large Latin American population (estimated one million) and other visitors from all over London who want to speak their languages, meet friends, let their children play with other families and enjoy live music. It is indeed a place where people linger and spend money. If properly restored and managed, it has even more potential and could attract many more visitors to Tottenham. The Wards Corner Community Plan (currently awaiting a decision from Haringey Council) sets out how Wards Corner could become a genuine destination and attraction for the people of Tottenham and London as a whole.

We consider that the overall effect of the FALP on London's high streets and town centres will likely reinforce the damaging impacts that places such as Wards Corner have been experiencing due to expectations of redevelopment, that cause uncertainty and prevent investment. We consider that the changes in the FALP risk undermining how economic, social, cultural and physical assets are already connected and mutually dependent and reinforcing in high streets and town centres such as at Seven Sisters. The community plan for Wards Corner sets out a real alternative and exiting future for the area, that we would wish to see supported rather than undermined by the London Plan. We would request to see strengthened commitments to supporting community and business-led plans and to require councils to work with existing residents and businesses to ensure they benefit from and shape growth, rather than being displaced by it. The community plan for Wards Corner sets out a real alternative and exiting future for the area, that we would wish to see supported rather than undermined by the London Plan. We would request to see strengthened commitments to supporting community and business-led plans and to require councils to work with existing residents and businesses to ensure they benefit from and shape growth, rather than being displaced. Further detail is provided by WCC in their submission to the FALP.

A report from the new economics foundation⁵⁶ showed that Queen's Market generates over £13 million for the local economy per annum, with £9 million spent on food. Customers spend an average of £34 when they visit the market, £25 of which is spent on food. This spending was worth more than £11.5 million to the local economy each year. Customers also spend an estimated £1.8 million at shops close to the market. The market delivered twice as many jobs per square metre as a food superstore. Queens Market provided significant employment providing 581 jobs with 308 people employed at the market live in the immediate local area. The researchers commented that

⁵⁶ nef 2012. *The World on a Plate: Queens Market - The economic and social value of London's most ethnically diverse street market.* <http://www.neweconomics.org/publications/entry/the-world-on-a-plate>.

'Market jobs are more varied than those at a food superstore, involving a richer skill set and greater opportunities to start a business and to acquire business knowledge'.

In the past, the GLA has introduced revisions to the London Plan to recognise the importance of markets and small shops to London's economy, providing local authorities and communities with supportive policy to protect and nurture them. We are concerned that the FALP reverse such positive changes, and present a severe risk to the health of London's town centres and high streets. We are concerned also that they risk compounding the already existing neglect of the important role of London's diverse ethnic retailers, including in Elephant and Castle and Seven Sisters. As we have set out, we consider the evidence base that the proposed alterations are based on to be flawed and subject to challenge. The late release of a key document forming part of the evidence base of the FALP has limited our ability to analyse the proposed alterations, and causes us to question the soundness of the FALP evidence-base and consultation process. As such, in the short term, we propose that the alterations are removed pending a full, transparent and participatory review of the evidence base.

Finally, we would like to draw attention to the work of the People's Empowerment Alliance for Custom House (PEACH), which is making progress in negotiating a Shopkeepers Charter with Newham Council. PEACH have been concerned to ensure that existing independent shopkeepers who have long made a contribution to the local community and economy of Custom House, are able to return to new retail units being provided through a major new mixed-use redevelopment. They have been working to ensure that the existing and already successful local economy is not wiped away or replaced by the regeneration of Custom House, but is instead supported. The emerging Shopkeepers Charter includes commitments for shopkeepers to return to the new development; cover the costs of their relocation and surveyors fees; a 'local economy' section of the developers brief, to be written by shopkeepers, PEACH and Newham Council, including a 'local economy rent' proposal, and the inclusion of the provisions agreed in the shopkeepers charter in the developers agreement. Work is still ongoing, but PEACH's work highlights the need for leadership in the London Plan to require councils to take similar steps to ensure existing shopkeepers are not displaced but instead have an affordable and sustainable future in any new developments on London's high streets and town centres. We propose that alterations to Policy 4.7 and associated paragraphs include wording which would require councils to work with existing businesses to ensure they are able to return to any new developments. While the case of PEACH is still ongoing and concerns shopkeepers, we suggest that consideration is also given to similar alterations being included in relation to the proposed alterations to office and industrial space policies and in the relevant Chapter 2 alterations.

Policy 4.8Bc and para 4.48A: We welcome the inclusion of words to support local authorities in guarding community assets against loss. But it is unclear why para 4.48A mentions public houses only - this should be extended to encompass other kinds of community assets, for example, markets, small shops, community centres, etc etc, which also fulfil social and economic roles. There is a lack of precision and clarity in the change to Policy 4.8Bc, namely 'robust evidence'. The scope and degree of evidence is not explained in the supporting text or elsewhere. We recommend that

the alterations to the Policy and supporting text should explicitly mention assets which are listed on the local authorities' register of community assets.

Policy 4.8Bg and 4.50A: We welcome the acknowledgement of the role of planning to manage positive and negative impacts of clusters. Points i-vi are well made, but are not given sufficient expression in Chapter 2 or Chapter 4 policies, which in fact go in the opposite direction. Because these issues are important, they should not only be mentioned in relation to clusters as a long series of terse, almost perfunctory, bullet points with no teeth, but should be elaborated, at least in supporting text or SPG. Para 4.50A should not focus solely on betting shops and hot food takeaways but cite them as examples of over-concentration. See also comments on para 2.72A.

New and emerging sectors

Policy 4.10Ac : We welcome mention of different kinds of workspace, but the alteration should include a specific reference to affordability. The role of existing employment space in providing these functions should be recognised, and its importance written in more clearly elsewhere in Chapter 4 if London's economy is not to be damaged. See also comments on relevant Chapter 2 policies.

Policy 4.10Af and para 4.53: We understand that references to TMT, Tech City and Med City have been added following specific reports on them, but it is difficult to judge how these fit into longer term economic development strategy, as this has not been updated. We would like to see other sectors added which could deliver more good quality jobs for Londoners, for example, the green economy. See also comments on relevant Chapter 2 policies, regarding the neglect of existing economic activities in the alterations, as well as our overall comments regarding the need to review the economic evidence base and economic development strategy for London more generally.

On the Smart London and Tech City reports referred to in the alterations, for example, we draw attention to the evidence presented earlier regarding the flight of start-ups from the Old Street area, following significant increases in the price of workspace⁵⁷. We suggest then that the key principles of the Smart London initiative (to encourage development of tech and digital industries and attract foreign investment; to collect and use Open Data about the city in making decisions; to encourage public participation through digital media; to incorporate high technology in infrastructure network) are insufficient to support the tech and digital sector. As outlined in our responses to Chapters 2 and 4 generally, but particularly in relation to Policy 2.9 and supporting text, the alterations regarding affordable workspace need to be significantly strengthened. We welcome the reference in para 4.53 to the need to provide 'the flexibility and range of space that this new sector needs, including affordable space', but suggest in light of the evidence presented thus far it should be clear that this will need to be significantly strengthened and embedded throughout the Plan's policies - not just mentioned in passing in supporting text. The narrow framing of this alteration on a single sector and a very small area underestimates the scale of the challenge and the interconnectedness between different aspects of the London economy. It may be useful to look

⁵⁷ As reported in the Guardian, 10 March 2014, 'The slow death of Silicon Roundabout', <http://www.theguardian.com/cities/2014/mar/10/slow-death-of-silicon-roundabout>.

again at how tech and digital firms actually emerged in Tech City from traditional industries, arts and design, and in already-existing affordable workspace⁵⁸. Most businesses in the area agree with researchers who suggest that Tech City is more likely to be sustainable if it ‘grows its own’⁵⁹.

Para 4.60: We welcome references to a ‘widespread apprenticeship system’. but this has not been explicitly written into planning policy and, therefore, may remain an unrealised aspiration, rather than as an expectation and requirement.

⁵⁸ Jo Foord – The new boomtown? Creative City to Tech City in East London; Jonny Rose founder of Tech City Croydon – What tech cities like Silicon Roundabout want from councils (The Guardian, 2 April 2014).

⁵⁹ Nathan, Vandore, and Whitehead (2012) A Tale of Tech City.

