

To Sadiq Khan
And the London Enterprise Panel

Dear Sadiq Khan

We are writing to you as Chair of the London Enterprise Panel to raise a number of concerns regarding the recently announced LEP bid to Round 3 of the Government's Local Growth Fund.

[Just Space](#) is a network of community groups, campaigns and concerned independent organisations, formed in 2006 to act as a voice for Londoners at grass-roots level during the formulation of London's major planning strategies. Just Space Economy and Planning (JSEP) was set up in 2013 with the aim to build capacity within the Just Space network to participate in and influence the development of planning policy in London on economic issues.

Some recent examples of our work include:

- [London's industrial land: Cause for concern?](#) – a seminar organised in partnership with CASS Cities in January 2015, and [a working paper](#) co-authored by two JSEP members
- members of JSEP were part of a roundtable of experts that contributed to the London Industrial Land Supply and Economy Study 2015
- [London for all! A handbook for community and small business groups fighting to retain workspace for London's diverse economies](#)
- [Making the city Ideas Workshop](#) – organised in partnership with the East End Trades Guild in March 2016
- JSEP has been engaging with GLA Economics on the preparation of the Economic Evidence Base and submitted [a critique](#) of the draft document in June 2016. The group was delighted by GLA Economics' initiative in consulting us so fully and at such an early stage in their work.
- Policy proposals included in the Economy Chapter of the Just Space [Towards a Community-led Plan for London](#), published in August 2016

While we believe that securing funding to support London's economy is extremely important, we do not agree that the priorities set in this bid reflect the real needs of enterprises as we set out below.

One of the most urgent need for London's diverse businesses is for accommodation in the form of low cost workspace suitable for a wide range of activities. We note that £173m of the proposed budget would fund housing development. While we acknowledge the extent of the housing crisis, the predominant type of residential and mixed-use developments which have been delivered in London have had the extremely negative effect of displacing and even removing completely a large number of long-established and newly emerging businesses. A 2015 study commissioned by the GLA reveals that the loss of industrial land has accelerated between 2010–2015, with a rate of release 2.7 times higher than that recommended by the GLA¹. We believe this funding should be directed primarily at protecting,

¹ AECOM (2015) London Industrial Land and Economy Study
https://www.london.gov.uk/sites/default/files/industria_land_supply_and_economy2015.pdf

improving and intensifying industrial accommodation, through a range of innovative design and ownership models as proposed in the Just Space Community-Led Plan for London². This is also supported by a recommendation from Regeneris following their evaluation of the impacts of a number of GLA regeneration funding streams between 2008-2016³.

Similarly, high streets need to be recognised for the diversity of space for activity they provide, not only shops, but also the low cost workspaces above and behind them. The £110m fund for regeneration should be directed at retaining and building more space for such activities, not only improving shop frontages and creating pop-up events.

Secondly, funding for business support should take into account the needs of micro, small, independent, migrant and ethnic traders as well as street and covered markets that are the most vulnerable businesses in the face of large-scale regeneration. Our research over the last few years brings a wealth of evidence on the difficulties facing such businesses, particularly in terms of insecure tenancies, lack of investment from local authorities, higher rents and insufficient and inadequate accommodation in new commercial units⁴. A recent report from Latin Elephant⁵ provides a wide range of recommendations on how to support such enterprises, based on the case study of the Elephant and Castle Latin American business community.

Finally, the £30m earmarked in this budget bid for air quality should reflect the needs for a green and localised economy. Some of the negative impacts of displacing businesses, particularly in the manufacturing, repair, servicing, storage and distribution sectors are the loss of local employment, an increase in emissions caused by travel to work and deliveries and the lengthening of supply chains.

We believe securing this funding is an important opportunity to address some of the structural damages to the vitality and diversity of London's economy but this requires a bold vision and strong leadership from the Mayor and LEP. Equally important is that a much wider range of business, social enterprise and community interests are represented on the LEP to contribute with their expertise and shape priorities for funding and delivery in line with the real needs of London's diverse economies. We have also written separately to the Deputy Mayor for Business on the issue of engagement with a wider range of business and enterprise voices particularly in the light of his work addressing the impacts of the EU referendum.

² Just Space, 2016, Towards a Community-Led Plan for London: Policy directions and proposals, <https://justspacelondon.files.wordpress.com/2013/09/just-space-a4-community-led-london-plan.pdf>

³ <http://regeneris.co.uk/latest/blog/entry/capital-spread-mapping-the-glas-regeneration-spend-between-2008-2016>

⁴ Just Space Economy and Planning, 2015, London for All https://justspacelondon.files.wordpress.com/2015/09/workspacehandbook_highres.pdf

⁵ Latin Elephant (2016), The Case for London's Latin Quarter: retention, growth and sustainability <http://latinelephant.org/wp-content/uploads/2015/03/The-Case-for-London-Latin-QuarterWEB-FINAL.pdf>

From our recent discussions with Matthew Waite from the GLA Economics team we understand that the LEP membership, purpose and remit are currently being reviewed and an open recruitment process will be carried out over the following months. We hope this is an opportunity for JSEP to be considered as a potential member of the LEP and we wish to request a meeting with you and the team overseeing this process to discuss this in more detail.

With best regards
Just Space Economy and Planning
September 2016