

Offices

Is Policy E1 justified and would it be effective in ensuring that identified needs for additional office floorspace are met in appropriate locations in accordance with national policy? In particular:

- a) *Are the figures in Table 6.1 for projected office employment growth and office floorspace demand 2016-2041 in different parts of London justified?*

The actual provision and development of office space in the different parts of London should be monitored. Like all types of commercial and industrial space, it faces immense pressure from residential redevelopment if not part of protected employment land.

- b) *Would the locations identified in parts C and D have sufficient capacity and be likely to deliver the amount of additional floorspace required such that needs in all parts of London can be met?*

The viability of office provision and release of office space for housing should be considered using a wider economic and social impact assessment especially where large redevelopments are being considered and not just against scheme viability criteria.

- c) *Are the “office guidelines” set out in Figure A1.4 justified, and is the way in which they are intended to be used in the implementation of part D2 clear?*

The office guidelines in Figure A1.4 provide for 3 “classifications” of types of office “demand” as they exist now mixed with wording that is intended to be interpreted as planning guidance (indicated in red highlights):

A. Speculative office potential – These centres have the capacity, demand and viability to accommodate **new speculative office development**.

B. Mixed-use office potential – These centres have the capacity, demand and viability to accommodate new office development, generally as part of **mixed-use developments including residential use**.

C. Protect small office capacity – These centres show demand for existing office functions, generally within **smaller units**.

These guidelines classify specific neighbourhoods *currently* dominated by office space of types A, B and C and as a result:

- i. Support further office specialisation within A and A/B neighbourhoods while type C could likely see a net loss of office space under the viability criterion of Policy E1 (D)
- ii. Assumes their “status”, economic value and function seen now will be similar in the future
- iii. Would lead to solidifying the classification through multiple implementations of guidance to future developments, “building in” the precise types of inequalities across neighbourhoods that the New London Plan seeks to address

Table A1.4 should only be used to indicate the **existing** demand and development patterns:

i.e.

A. ~~Speculative office potential~~— These centres have **demonstrated the** capacity, demand and viability to accommodate new speculative office development.

B. ~~Mixed-use office potential~~— These centres have **demonstrated the** capacity, demand and viability to accommodate new office development, **generally as part of including** mixed-use developments **including residential use**.

C. ~~Protect small office capacity~~— These centres **have demonstrated** demand for existing office functions, **generally** typically within smaller units.

The policy guidelines for each A/B/C type neighbourhood could then be more generally addressed by Policy E1 (D) and the rest of the policy guidelines supporting good growth, equality etc.

d) Would policies E1D4 and SD7A1 provide an effective approach for office development in town centres that are not identified as having potential for speculative and/or mixed use office development in Figure A1.4?

The policy would benefit from cross referencing local plan development or providing stronger protections in the form of asking for evidence or needs based assessment to inform local plans. These office locations often contain a high proportion of small businesses, low cost and affordable business space.

e) Is the proposed use of Article 4 Directions set out in parts E and F clear and is it justified having regard to national policy, bearing in mind the minor suggested change to paragraph 6.1.6?

The London Office Policy Review indicates that surplus office space contributes to enabling growth and adaptation of businesses. The evidence also shows that SMEs have been most affected by changes of use to residential through Permitted Development Rights.

The policy therefore needs to provide stronger protections to prevent the further loss of low-cost office space, particularly outside the CAZ and high value clusters.

g) Would policy E1(G) be effective in ensuring the availability of an adequate supply of low cost and affordable office space?

Policy E1 (G) .1 cross refers to Policies E2 (low cost business space) and E3 (affordable workspace) so helps to tie the three together. The effectiveness of E1 (G) relies on the working of those policies. Absent this cross referral it would be ineffective because:

1. The intent of E1 (G) appears to be a sequencing or at the least simultaneous “taking into account” re-use of office space for alternative employment purposes before determining that it is surplus and can be repurposed for housing.
2. “taking into account” has been gamed by developers for years and increases development costs, uses up vital planning resources, locks sites into vacancy and exposes them to damage and squatting for years while “unviability” and “unsuitability” of “use other than housing” is “demonstrated”.
3. While PDR helped the system by removing the incentive to “game” sequential considerations of repurposing it saw big losses of office space to the most profitable reuse (housing) at the expense of other types of reuse where the full benefits and social value provided to society (e.g. employment provision) could not be captured and monetised by developers.
4. Reversing PDR is a useful policy. However, that alone, while removing explicit references to E2 and E3 in E1(G) .1 will not compensate for the contribution made to E1 (G) from E2 and E3 being cross referred in it.
5. We think that the cross references in Policy E1 should be strengthened to cover:
 - a. Recognition of the importance of having a proportion of office space as affordable
 - b. Cross reference in E1(G) should also include a cross reference to E3 (C) to cover the planning requirements for adequate provision