

Outer London Commission Minutes

Full Review of the London Plan

Enfield 15th July 2015

Attendance:

OLC Members

Will McKee	Chair	WM
Lucinda Turner	TfL	LT
Peter Eversden	London Forum	PE
Ian Gordon	London School of Economics	IG
Alistair Parker	Cushman & Wakefield	AP

Non – OLC Members

Richard Linton	GLA	RL
Rachael Rooney	GLA	RR
Gareth Fairweather	TfL	GF
Ken Bean	Epping Council	KB
Zhanine Smith	Essex County Council	ZS
Stephen King	LSCC	SK
Cllr Sitkin	LB of Enfield	Cllr S
Malcom Morley	Harlow Council	MM
Cinar Altun	East of England	CA
	Local Government Association	
David Hughes	LB of Harrow	DH
Richard Crutchley	LB of Hounslow	RC
David Cockle	London Forum	DC
Moria Wilkie	London Forum	MW
Colin Poynter	London Forum	CP

1. Welcome and Introductions

Cllr S, Lead Member Economic Development welcomed the Commission and other participants to Enfield.

Cllr S presented on the Enfield context – see attachment slides.

2. Growth Options and Barriers to Housing Delivery

RR presented the OLC Presentation on Growth Options and Barriers to Housing Delivery – see attachment slides

SK presented the LSCC Presentation – see attachment slides.

SK made it clear that the LSCC is a voluntary organisation and that they don't do spatial policy. Their remit is to deal with productivity. The LSCC covers a very productive area, particularly with high value sectors. There is an ambition in the region to grow. Growth is

happening where there is co-ordination. There is also a lot of collaboration and partnership working- for example, 4 local authorities are undertaking a greenbelt review collaboratively.

Although the area has a lot of high value sectors - one of the main barriers to further growth is accessing high quality skills – particularly in the Cambridge / Stansted areas.

In terms of big pieces of kit – the West Anglia main line is fundamental to unlocking further growth. A joined up approach to planning underpins the case for this.

The floor was then opened for discussion.

A question was asked on whether how the Chancellor's strict view on protecting the greenbelt married with the growth options expressed in the presentation.

There was a strong feeling amongst the boroughs that whether boroughs undertake a greenbelt review is not a decision for the Government but should be locally decided.

One of the boroughs from the wider South East said that they were indeed undertaking a greenbelt review and that they were using a purest policy approach – i.e

Stage 1 - assessing against the policy objectives

Stage 2 – from the result, gaining an understanding of potentially broad locations

Further, as part of the review there are 24 parish councils involved – which throw up very sensitive issues. The borough will then identify the key 'important' pieces of greenbelt that need to retain the strongest protection, which will then leave the other areas for rationalisation and potential boundary changes.

In terms of duty to co-operate – the borough had reached a similar stage with their neighbours and was undertaking a variety of joint pieces of work to demonstrate DTC.

Another borough praised the approach to the greenbelt review, highlighting the importance of an evidence based approach to work. They highlighted that the Greenbelt comprised many factors and it was important to understand the different values.

One of the other participants asked how the time laps of commuting patterns were taken into account in terms of the scenario planning, particularly in terms of the wider SE. They stressed that the housing issue would not be solved in isolation – there is a need to deal with infrastructure (including social infrastructure and transport) as well.

In terms of employment verses housing - for example in Broxbourne there is a lot of industrial land, however much of it is not suitable for housing. There needs to be a comprehensive approach taken to understand the value of different types of employment land.

Another participant raised the issues of labour mobility – explaining how it goes up and down corridors, which therefore requires a holistic approach to thinking about housing, employment and transport. Also needs to incentivise people for growth – good liveability, good schools etc.

It was acknowledged there was a housing crisis but some felt that understanding the productivity puzzle would help to unlock growth – productivity is not increasing proportionally to the number of jobs. It was explained that the rail network is designed to get everyone into Central London to high value jobs. However there is a need to understand and respond to the wider market in terms of accessing low end jobs and people being able to choose where to live to enable them to do this. There is a danger that we focus on providing access to a narrow range of jobs in Central London – the need for connectivity for a whole range of people – transport should not just focus on fast track trains.

The Chair commented on the fact that he didn't feel there was a great resistance against a greenbelt review amongst the boroughs.

One participant responded by highlighting how protective he felt of the greenbelt and that greenbelt policy allows for containment. In responding to a point in the presentation he emphasized that it is not just about the quality of the landscape but a whole range of issues.

A question was raised about the brownfield land and whether there was a database of publically owned brownfield land. The GLA responded that they would find out.

In terms of growth options, it was stressed by some that London and the wider SE needs to be understood as city region and that if London wants to continue to be a world class city, the Commission / Mayor should think about what the implications are of the different growth scenarios. Social economic issues don't take account of greenbelt boundaries therefore really need to understand what its purpose is.

One of the boroughs outside London explained that they had 10 neighbouring authorities and they had been instructed by PINS to undertake a greenbelt review.

The Chair then reiterated his point that a greenbelt review could be more than local and questioned whether it should be London wide. He highlighted that there were 2 kinds of review – one that looked at the edges – whether that field was in or out – and one that looked at the greenbelt as a whole and at its functions. He emphasised that it might be useful to survey of brownfield land to understand how much development you could get at a reasonable cost. As greenbelt land is more viable to develop in terms of upfront costs than brownfield.

One of the Commissioners said that it should be accepted that some greenbelt should be developed and is being developed – i.e roads and rail. 2% - 4% would yield around ¼ million homes – these should be in close proximity to existing communities / jobs.

One of the participants raised the issue of MOL and questioned whether it had similar protection as the greenbelt and if it should be part of the scenarios.

The issue of employment was raised again and it was stressed that outer London has an economy specifically around town centres and that these town centres needed to be

strengthened so that they are not just seen as opportunities for housing growth. Avoiding 'dormitory suburbs' was mentioned. Concern was raised that the outer London economy is currently predicated on a commuter model. Growth should be predicated by transport infrastructure for example to unlock growth in the Wandsworth area – the northern line extension was needed.

It was asked about the relationship between employment and transport and whether the model should concentrate on clarifying whether employment growth should be based on commuting patterns or concentrated in town centres for outer London. It was also felt that the GLA doesn't have a strong economic policy in regards to what kind of jobs should be attracted to different areas. It was noted that the economic development strategy for London was too old. A question was asked as to when it will be updated.

One of the Commissioners picked up on this point about growth currently being concentrated in central London and the importance of an economic strategy for outer London.

This was strongly agreed by others in that there needed to be a rebalance of growth between employment and housing in outer London.

The issue of PD rights and conversions to residential was highlighted as a key concern for outer London. It was stated that many industrial occupiers are sometimes struggling to find suitable accommodation when they are being forced to relocate – it's a hard decision for them in terms of jumping the greenbelt boundary which has implications for displacing their workforce.

It was suggested that the solutions lies in modernising the industrial estates so that they are fit for purpose and can provide the accommodation occupiers need so that they stay in outer London. However one of the issues with this is in terms of the complexity of ownership in some of these sites.

It was stated that lots of industrial sites go for housing. The response was that housing pays!

The question was posed about why boroughs didn't undertake more site assembly themselves and what the barriers were for this.

One participant responded that there are CPO powers but they are very difficult and costly and time consuming. Another barrier is where the train go – places just don't have the good connectivity.

A commissioner responded by saying that even if a borough has better public transport, there just aren't the sites available. The response was that its about making better use of sites.

A comment was made that whilst there is overcrowding on public transport in one direction – there are opportunities for relocating business in the other direction where there is no

overcrowding. Trains should stop at stations going back out of London – missed opportunities.

The Chair indicated that on his own industrial estates that most employees travel to work by car due to a variety of reasons.

TfL responded by saying that the situation is complex and that the central agglomeration model can't be ignored but that it is important to look at the right balance. There is a place for reverse commuting and the opportunity that opens up but that you can't force certain jobs to certain places - road connectivity is also important. It was also mentioned that network rail don't necessarily have an interest in place making and therefore it is not part of investment decisions. TfL's approach does now concentrate on investment to unlock growth but there is a finite budget. Buses are also particularly important in outer London. By increasing density in outer London can help to make the case for more public transport investment.

The Chair mentioned that road improvements seem to be back on the agenda but it can't be everywhere. He asked whether there were particular road improvement in this sub region that would be useful. Junction 25 on the M25 and the A406 were mentioned.

It was agreed that the increasing density helps to drive demand – however the direction of service of bus routes is fundamental to drive growth.

One borough highlighted an example where in their 2nd largest industrial estate there was no bus route which meant everyone had to use a car. This is particularly problematic as many workers started at 4.30am but the trains don't start till 6.30am. In trying to get planning permission, TfL tried to impose restrictions to reduce car travel but there is no alternative option.

It was suggested that in inner London, housing and industry is more mixed which enables buses to serve both helping to keep demand at a certain level. However in outer London housing and employment is more separate. It was also suggested that the Commission could provide recommendations as how the bus system could support / unlock growth using the argument of labour mobility.

TfL confirmed they were very aware that commuting patterns are very complex and are working with the GLA about understanding travel patterns more.

The debate then moved onto questions around the barriers to housing delivery.

It was suggested that there is a long list of barriers such as availability of finance, re-negotiations of S106, infrastructure delivery, land banking etc.

The issue of the role of the public sector was considered very important, particularly in terms of funding, housing zones, but also actually delivering development. Boroughs need to have a proactive approach.

The Chair raised the issue about S106 and said that viability needs to be agreed at a point in time with the ability to renegotiate over time to get the full value of site. However a lot of time is taken in negotiations with all parties and he asked whether a template with heads of terms agreed early on would help smooth the process.

The rate of release of large sites is a concern raised by some boroughs. This creates a monopoly of power in a particular area. An approach may be to move away from a reliance on large sites to get more competition for smaller sites.

One borough raised the issue that developers, once they have their initial permission to develop in principle, come back again and again to revise their permissions to squeeze more and more units – sitting on their sites until the optimum time in the market.

The mis-use or overuse of the word viability also came up as an issue. It was felt that there was not enough transparency over how viability is presented.

Another barrier was there were too few players in the market to make any significant changes and whether different models needed to be used. Potentially a franchise type model might work where developers' profits maybe lower as the public sector takes the risks – this might be more attractive for smaller developers.

It was suggested that an open book negotiation approach might be good. It should be recognised that there are different stages in a process and there should be opportunity for clawback as circumstances change. A question was then raised about the ability of the public sector as negotiators and in fact that might be a barrier.

The HCA in Cambridge was cited as an example of taking over the delivery side of development.

One of the Commissioners asked whether the 3 dragon's toolkit was sufficient to understand and assess viability or whether to export the 'John Walker's' (LB of Westminster) approach to negotiations.

It was acknowledged that there is an issue of skills and training for local authorities needed in negotiation and that some outer London boroughs needed to 'up their game'.

One borough mentioned that one barrier was around under occupation of households and the lack of specialist housing for older people. Many would like to move to more connected / accessible town centres but affordability is a fundamental barrier. The borough supported the GLA's policy on specialist housing.

3. Regional Co-ordination

Malcolm Morley, CEO of Harlow presented Harrow's perspective on what regional co-ordination means for them. He said that a lot of their population migration comes from people in East of London. And in fact, Harlow looks towards London for both services and employment. They see their relationship with London as a 2 way thing – investment is

required for their mutual benefit. Harlow sees itself more like an outer London borough than a shire district. It's important that in understanding growth that we do not think London centric but rather try to understand the wider regional context.

There was then 2 further presentations – one by the Outer London Commission and the other by the London Stansted Cambridge Consortium – see attached slides.

The floor was then opened for discussion.

One participant highlighted the LSCC as an extremely good model for partnership working. There is a need to understand functional economic areas – which are different from other parts of the UK as well as other cities in Europe. Patterns are based on transport corridors and it is important to understand the functionality of these corridors in order to explore growth potential in the wider SE.

It was reiterated that everything is predicated on transport links.

It was pointed out that for the LSCC to have meaning, it needs to be more than aspirational. Co-ordination requires resources and desire. Different places have different needs and aspirations – need to pick areas that are willing to grow – need to pick winners.

The Chair highlighted that in the regional summit in March some put up barriers whereas some were more willing. This demonstrates that you don't need to get everyone to buy in – work with those who want to.

One of the Commissioners raised a concern that the word co-ordination is very threatening and that collaboration was more appropriate. He said that the GLA can't pretend that the rest of the region does exist outside London and that it can consume its own smoke as that is not the case. The interrelationships are far more complex. Building up relations will take time and should be seen as a long term process.

Another Commission said that those outside London have similar concerns as outer London boroughs in that they also don't want to be dormitory suburbs for London. Districts outside London need to be able to share in London's prosperity.

SPLOG was cited as another good model. Need to look at a circular growth approach and then figures / corridor of growth from London.

The Chair then asked how success would be measured. What would be a concrete outcome? He suggested it might be about a mutual ask or mutual agreement to align local plan objectives.

Some of the boroughs emphasised that there is already a lot of joint working i.e housing assessments, greenbelt reviews. It was felt that any arrangement would need both officers and member involvement and that there would need to be regular meetings to discuss / debate and have a shared understanding.

The issues of Duty to Cooperate came up – and it was stated that Duty to Co-operate is not the same as Duty to Agree.

Need to have an understanding of how plans impact elsewhere. Need an approach to projects on the table and take politicians out of the equation.

Others suggested that there needed to be tangible outcomes – it's not always about growth – some places want growth and some want to stay 'pretty'. There also needs to be a quid pro-co.

Again the 'collation of the willing' was reiterated as an approach.

It was highlighted that there had been a wider SE meeting the week before and there was a stark difference of attitudes – one member had introduced themselves saying they wanted an agreement, their authority was willing to take X amount of growth in return for X amount of infrastructure. Whereas, another member introduced themselves defining himself as 98% greenbelt in the introductions – which demonstrate a completely different type of attitude.

One of the Commissioners suggested that growth could be orientated about the LEPs and asked how the LEPs and local authorities worked together.

It was emphasized that that was how the LSCC operated. However there are concerns over skills and number of workers. Stansted in particular is constrained by a lack of skilled labour not issues of growth. There are also problems with logistics / food /lifecycle - any available construction labour is being sucked into London. This needs to be a discussion across the wider region. Growth is not just about housing and transport but also labour mobility – that is a barrier.

The Chair asked about productivity - the latest manifestation in terms of LEPS haven't really cracked it.

An example of John Lewis moving from Watford to Enfield was cited. However trucks get stuck in traffic and that costs us in terms of productivity. Unit costs have to increase to compensate this.

Another participant responded by saying that although reliability is an issue it doesn't explain the differential between ourselves and other countries. The UK has the lowest return in terms of investment and the highest payment in terms of dividends – this is fundamental what sets us behind in terms of productivity.

The Chair then asked if there were any other contributions people wished to make and closed the discussion.

4. Date of next meeting

RR confirmed the date of the next sub regional meeting was on 21st July in Ealing.

RR then explained that the deadline for Submissions was 11th September and that the first part of the report of Regional Co-ordination would be published in November 2015 and the second part of the report on Growth Options and Barriers to Housing Delivery would be published in Feb/March 2016.