

# A CITY FOR ALL LONDONERS

Economy Workshop  
23<sup>rd</sup> November 2016, 9.30 – 13.00

## Affordable Workshop Table 5 Session 1

**Facilitator in bold – facilitator comments in bold**

Respondents in regular text

These notes are a summary of the conversation

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*Session 1, Table 5*

### **Alex Marsh Facilitator**

Mark Allen, London Borough of Brent

Nigel Riley, London Borough of Bromley

Ben Johnson, London Borough of Islington

Laura Hills, London Borough of Southwark

Thomas Hoepfner, New Garden Cities Alliance – CIC

Oliver Deed – Snapdragon Consulting/Open Workspace Providers Group

Michael Parmar, Dharart Ltd (workspace provider)

Greg MacDonald, London Borough of Sutton.

George Raszka, London Assembly Green group

Lucy Rogers, More Light More Power

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**Just a bit of background. From our team perspective we have been very interested in the issue of affordable workspaces but also workspaces in general. We are funding projects across London, for things like artists' studios. We have been getting more interested in the issue of affordable workspace. In terms of affordable workspace, there is little clarity about what that means. It can be a subjective definition. To clarify, we are thinking about two types of affordable workspace: subsidized workspace, like artists' studios, or for disadvantaged groups who receive subsidized rent; or conventional, such as low threshold enterprise space, a unit at the back of the high street, or on a tertiary high street. Or industrial areas with stock that can be a bit dilapidated but is allowing businesses to rent quite cheaply. We are talking about all of these things, and the different issues that affect all these different types of spaces. It is worth bearing that in mind as otherwise we may start talking at cross-purposes. As a starter for 10, what is the role of affordable workspace in London? What benefits does it bring?**

I'm from the Borough of Sutton, and there is a role there. But we need to think about what do we need to do. The biggest issue is competition for land. Developers are geared up to convert

spaces into more housing. How do we have a coordinated approach? A process of how to bring forward businesses, thinking about incubator spaces, and onwards.

**Before that, there is a first step, about defining why the space is useful, why do we need it?**

As a workspace provider, there are four areas I see in practice in terms of why workspace is useful. 1. Innovation and collaboration between companies; 2. Working closer, meaning there is less travel and less congestion; 3. An agglomeration of logistics, for example sharing franking machines, shared diesel miles; and 4. A massive improvement in productivity, companies sharing ideas, tools, and equipment. There is an improvement in productive effect, there is not one single company using the garage. People feed off each other's energy.

**Is that a co-working type set up, just to clarify?**

No, we provide for about 50 businesses, mainly industrial-commercial. Craft and artist industries and the like. We are based in Peckham.

A key point as to why do need these spaces, is that it is about the basics of growth. There is big money in new starts. Incubation spaces are a key part of the infrastructure they need, alongside banking and finance.

A main benefit for the city would be to have businesses that pay less for rent, so they pay more on wages and people can spend more in the economy at large. An early intervention that is very important is in terms of the land market. There should be a general rule not to sell public land. You could then use this land for affordable workspace plus affordable housing. This combination is better than different working and living spaces. I am not talking about a highly industrialised space that has a lot of noise but a lot of people in these industries in the creative sector would be happy to be living near their work. An early intervention that is needed as a main driver is the land. We should look at what we have. When we have it already in our ownership, why should we give it to somebody else? We should also be proactive, learn from Europe. There are nice examples there of how councils can finance affordable housing. Why do you have to have all these 106 agreements that create a bureaucratic burden that is not productive? The most productive sector we see is the financial sector which doesn't help us at all either. We need to have underlying production that banks can live from. The banking sector is not self-productive. We need to get this more balanced.

**I think there a few interesting points in that one. Something that does come out as an issue for affordable workspace. When is it appropriate to protect existing affordable workspace across London, and what are mechanisms for creating new spaces, in a battle that becomes quite adversarial? affordable workspace becomes pitched against other requirements, like affordable housing. Is the Section 106 model that secures affordable workspace a non-starter?**

It depends whether they are existing businesses being displaced, or businesses looking for affordable workspace. We can't apply this to businesses as a whole. I was at an interesting discussion recently, where people were presenting affordable housing as human right, but the same is not done for affordable workspace. How do we decide what should we be subsidising? Definition is important. And how do we drill into finding the right sectors? We have been looking at affordability by sector, and then finding workspace providers. Some workspace providers are privately run, and others are not, but they can all help the sector. They are a good way of finding the right spaces, and encouraging businesses to enter into those.

I don't see any other way of doing it other than section 106. We have had an affordable workspace policy for a long time. That policy has a couple of strands: subsidised affordable workspace, and also spaces that are affordable by virtue of size and location. We have workspace providers lists, and we lease space to workspace providers. But it is interesting to think about how to tailor space for different sectors and typologies. That is something that needs development with Section 106.

We have had instances of trying to secure 106 for affordable workspace on a particular site, for a specific reason. In Bromley it is more of an issue of redevelopment, of having affordable workspace.

Even with our policy we have found it difficult to secure affordable workspace. There are a lot of competing priorities and viabilities for planning.

Is that because you attach Section 106 to residential, or to large-scale commercial development?

We generally try to secure it for mixed space, and try to procure offsite contributions, that we can potentially use to provide business functions, or even for developing our own workspace. We are interested in doing that as a council, in what we can do as council to create our own sort of workspace in the Borough.

That is an interesting point. I haven't been in London long. But that is absolutely what we did where I was before. The public sector got a contract as a developer-operator. It wasn't about how much that was inhibiting investment; it was about the risk of taking on a long lease. Flexibility is important for business, knowing they can get out. The local authority can bear that risk.

**Do we think that the workspace that comes forward through residential mixed use or even some commercial will be enough to deal with some affordability issues? Are we missing something about existing workspace under threat?**

I think you are going to run into problems with section 106. Certain new workspaces mightn't be suitable next to a block of flats. For example painters, things with chemicals. It is about looking at provision and protecting employment land, and really looking at what can be done. I'll give you a secret; we do it on a commercial basis. Our fundamental business model is that we acquire land or building shells. We look at a building space like this, and say we can add a floor, put in an extraction system etc, and it becomes affordable, because our capital commitment puts in the extra. Most small businesses don't need as much infrastructure. They are happy for a cheap space, and for somebody to take that space and rebuild it.

As far as I can see there are two main issues for small businesses. Parking and high-speed broadband. Interestingly there is one small business space in our Borough that is not working. It is 10,000 sq. feet and only has 8 parking spaces.

**Yeah that is an interesting one; I think there is an inner versus outer London divide on that one. In outer London parking is always going to be more of a requirement.**

From a policy perspective, if you are looking at workspace affordability, you are going to favour schemes that are going to intensify employment on existing employment land. They will look at it, and think they can knock down the existing development and put three floors up.

**Do you think there is a risk of land outperforming how it is has previously been used, to change the nature of London's industrial spaces? The trends are actually opposite to what has been described; there are large logistics firms coming in and taking over large spaces and dropping employment densities.**

That is further out. Like Thamesmead. People located in Southwark are all crying out to grow. You say to them, do you want to move out to Thamesmead and they say no. Because we need to be close enough to the city centre and provide support services to the city centre. Providers of bread to restaurants, fresh food.

**Do you think that intensified typology still allows for those types of usage?**

Yes.

A key to that is flexibility. The ability to move walls around. If you need lots of small units, then you can do that. I think you if you have that flexibility in terms of leasing and licenses, that can help. What I think the key intervention is to align the London Plan with our local plans.

Particularly with mixed use development, employment use gets edged out.

We need protection of existing uses; we are seeing a lot of pressure for general residential and employment uses. But these are perfectly functioning spaces. It is partly due to increasing value. We look to protect spaces as general rule. But are always susceptible to affordable housing, or high-level affordable workspace. I would sympathise and agree with your point, we do want to protect existing function and not lose that element of existing use.

A lot of planners will talk about affordable workspace, and what are we aiming at. The answer is: let the market decide, that's the best way. If it is gaming companies, they will move in. If the provider is flexible enough, as we are, you get shared workspace where, say, three artists are working together.

Regarding the market, it is the job of the government or authority to protect the workspace, not to give it to highest the paying people when it is not in line with our overall goals.

**Having targets for certain sectors, is there a use in that?**

That is something we have been really keen to understand. We have a list of priority sectors but in theory there are no limitations to what sectors we have. We acknowledge that the list could be limiting, but when a space becomes available it is put out to tender, and we can engage with the applicants and see what would be better fit for certain areas. It is interesting to see whether there is merit in keeping areas for sector-specific spaces.

Local Authorities have a job to do in terms of assessing what they have. So when a development comes up and threatens to take over an existing workspace, the Local Authority doesn't know what's there. There is a danger of doing what the GLA is doing, of seeing as equal the profits the developer will make against that development, against the economy of the existing use. You always say that the developer is going to make that profit and say 'tick! Growth'. We do have to be really strong and make sure affordable workspace does represent a City for All Londoners. Where can the local authority, when the land is public, not pass it over to developers. It is very important that we do what we want on public land.

Also, you need to go with good examples. A very bad example is Southwark, the Tooley Street building. Why should the government office be buying the site for £6000 a sq. meter, when the government has its own land, and you can use that building for office use? What is the logic of spending £6,000 a square meter? You have to think about affordable workspace and you as a council.

Thinking about enterprise, there is no reason why the Local Authority can't do it. We did make a return on some spaces, what we do as developers is to take a risk on it.

In the current market more and more Boroughs take that approach. We have already commissioned a report to find out what is out there, what are the needs and requirements of businesses. It will be out in December.

The basic economic thinking is important. That we spend only the money absolutely necessary to provide services. Just thinking about return doesn't make sense.

Councils are facing a lot of pressure. There is increasing pressure to be economic entities. I don't necessarily agree with it. It is nice for council to be able to focus on providing services, community etc, in an ideal world. But that is not necessarily what is happening at moment.

When you spend 150 million versus 50 million what do we tell constituents?

**There is a role for councils in this. Even if councils do have to make return, there is an opportunity for cross-subsidy models. Parts of a development that are rented out for social rent, others to make a return.**

Fair point. But it is not immediate. For 10 years, you will be earning a peppercorn rate. There will be a return sometime. We are open to that. I am not saying we are fully commercial.

Do you have a sense as councils of what the local demand is for space? You were talking about what's available. But do you have a sense of what people need in the Borough?

Hopefully the report will also show us that.

**At a London level we have an idea of the industrial supply and demand. That is more of a cosmic overview. The headline from that is that demand for small industrial spaces is through the roof.**

What I've done is basically talk to the market, get the market involved. What we are seeing is that there are people out there who could use this space, but the space is not there yet.

**Is there a tendency in public sector to over analyse things? Is there something about taking a punt now? I know that is not easy.**

You need to take a risk. That is why you need commercial thinking in Local Authorities; it is about knowing when to take that risk.

Because I'm a commercial developer I looked at the demographics. This is a big growth area of business. I can look at developers and say you can get a better return on this sort of investment than residential.

Not in the long-term.

But residential developers want to flip; they are not looking at the long term. Even workspace investors, their main goal is capital recycling.

Anyway, if you look at the basic population statistics, there are 8/1000 business births per year. As the population rises, the number of business births is growing at a faster rate. If you look at that statistic, which is published by the ONS, you can see that it is intensifying. When businesses are born, they are small. But they grow.

Let me give you an example. I started my first business in Hamburg. It had city development cooperation. The city was a 50% shareholder, and the charity a 50% shareholder. We took over disused sites, former factories, and did exactly what you are describing, changed it into a new use for businesses, into small industrial units. The main reason to keep this a joint venture was to keep it affordable in perpetuity. It is exactly flipping that causes increases in housing benefits. Land values goes up but results in increase in housing benefits.

**I'm just playing devil's advocate here; it is relatively easy to come up with various definitions of affordable housing, as percentage of income etc. With businesses, how do we do that? There are so many different types of businesses in different sectors. How we determine what is affordable for one or for another?**

Affordability is inherent. Housing developers are coming into viable sites. Affordability is represented by those sites and what people are paying.

**Accept there is an affordability inherent in that but the minute we provide space for businesses a different calculation has to be made; it can't be the same as housing.**

The market value changes as soon as you change the space.

**I can't imagine a situation whereby you would re-provide space that's been lost say from industrial redevelopment to mixed use. There is a calculation you need to make.**

You do that before you have started. This is the challenge, how do you do it. GLA is obsessed that manufacturing is 'earned' out. GLA has a big problem with this and has to recognise the reality of it for starters.

These are structural issues in the planning system that are pretty much impossible to change.

We need to change the NPPF.

As a planner, these are difficult issues. Is there a new way of doing a work-live space? We are very straight in our thinking about putting spaces into different kinds of land uses.

A percentage of businesses are home-based, so a live and work model would make sense.

I could never imagine having this conversation with local planners. In this forum, at the Mayor's level, this is where we need to be talking about that.

I personally think affordable housing and affordable workspace goes hand-in-hand. The central reason is not simply the right to live; it is de-risking people of something that no private commercial landlord would take on. You don't have a job; no way are we going to house you. And there is a housing need. It is because of the failure of the private market that we have

social housing. Because of the risk of housing people in the private market. You could almost take the same approach with employment, if you are willing to take the risk to provide space.

The question is how to test each business and how to be fit into that category.

That requires work but is easy to establish.

How would you do it?

On the same principles that you provide affordable housing. If you are a business that expects to create something in the bottom 20% of GVA, and you wanted to start your own businesses, you look at how much space could you afford to start your own business.

I personally don't think you could put them at the same level as affordable housing. You have got to look at the worst case scenario in both areas. In affordable housing, you have people on streets. In affordable workspace, you lose some GVA.

I am not saying they are equal. If you start off with the assumption of competing needs, you are already starting with the view that one will push the other out.

That is principally the fault of NPPF. I agree is a negative thing that could be changed. We want to take a two strand approach: how to promote affordable workspace in the current environment and then look at lobbying, which the Mayor is in a good place to push, in order to change the structure of system.

The danger is that we're going the other way; we are going more towards the free market.

Unless you look at a devolution deal.

London is unique at moment at having spatial plan. Not as bound by statutory requirements. We can argue that London of all regions has a need to devolve. Make a London Plan to cover all areas.

**This is the thing. The more you bury into this, the more you come up with cosmic issues that are probably being discussed at all these tables. I think we probably need to start to wrap up, unless there is anything else...**

One last thing, thinking about entrepreneurship and enterprise. Everything I have seen is about getting young people to work for other people. It is not about getting them to start their own business. We need to change the way we are thinking about that.

# Affordable Workspace

## Table 5 Session 2

**Facilitator in bold – facilitator comments in bold**

Respondents in regular text

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*Session 2, Table 5*

### **Alex Marsh Facilitator**

Richard Lee, Just Space

Dee Searle, Camden Green Party

Gerard Burgess, GLA's London Plan Team

Mark Brearley, Kaymet

Andrea Hughes, Deptford Neighbourhood Action

Michael Bach, London Forum of Amenity and Civic Societies

Susan Johnson, Haringey Council

Tolu Faleti, London Borough of Bromley

Sue Terpilowski, FSB

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**Just a bit of background. From our GLA regeneration team perspective we have been very interested in the issue of affordable workspace but also workspace more generally. We are funding projects across London, for things like artists' studios but also other spaces. We have been getting more interested in the issue of affordable workspace.**

**Let's start by introducing ourselves.**

**By way of another introduction: in terms of affordable workspace, there is little clarity about what that means. It can be a subjective definition. To clarify, we are thinking about two types of AW: subsidized workspace, for a particular sector, like artists' studios, or for disadvantaged groups who receive subsidized rent, or anything else, that happens to be affordable by virtue of its size, for example low threshold enterprise space, like a unit at the back of the high street, or on a tertiary high street. Or industrial areas with stock that can be a bit dilapidated but is allowing businesses to rent quite cheaply. We are talking about all of these things, and the different issues that affect all these different types of spaces.**

**As a starter, what are roles do these types of AW play in London?**

This is about where most of our members sit. We are not after subsidized workspace. We are talking about the existing ecosystems of London. Especially in zones one and two. Property space is becoming unaffordable. As long as market values are allowed to continue, London will lose this ecosystem. Big businesses come in, but they want their supply base beneath them. That is London's one big selling point in attracting FDI here. Our members are being forced out. I am a business owner; we started in Old street, when it was really dangerous. We built it up, because our landlord saw potential there. That ecosystem generated Old Street. From our point of view, London now is not a sustainable economic centre for smaller industries.



I agree completely. Subsidised spaces are a secondary issue. The key question is supply for the economy and providing accommodation suitable for the whole economy. Not just zone one and two, the phenomenon is accelerating so rapidly it is expanding into places like Sidcup. The issue is about quantity and the by-product is price. The main issue is that we are heading into a quantity crisis for many types of economic activity right across London.

**This is something we debated in the first session. The tension between subsidised space and the wider economy.**

Most businesses are not necessarily interested in going into new shiny spaces. It's about valuing what is there, and how people experience a place.

We need to drop subsidised. We are not talking about subsidized space. It is about keeping the ecosystem. Commercial space is where affordable housing was 10 years ago. It is about keeping accommodation truly affordable. Having affordable zones.

**I think I agree on that point. It is just worth exploring that there is distinction between models of AW. What we're talking about is a wider issue of protecting what is there. Then there is a secondary issue there may be a role for the state in taking a hit and letting at lower than market rent.**

Look at the Arches that are now a Mayor-owned entity. The spaces are now going to Costa Coffee and the like, and lots of good businesses are being kicked out. And that belongs to the Mayor.

That pressure is on all public authorities. The Mayor is going to try and get as much as he can because he needs to offset the loss of government subsidy in TFL. The real tension in any kind of development if we are going to promote large-scale redevelopment of large parts of town centres, we are going to lose lots of affordable space. I don't know if anyone is actually mapping affordable space and how to relate that to proposals for redevelopment.

I agree with what other contributors have said, but it does raise the need for a complete policy shift. You started off with what seems to be the existing approach, which is that a new development comes, not into a desert, but as you described it, into a very vibrant economic base. Just for example, the Elephant and Castle shopping centre, a development deal has been made, on a centre with over 100 thriving small business. What is the future? The new development is going to have an affordable retail space that is going to re-provide for the most viable of the 100. So just 10 of the 100 will be fitted into the new space. What about the others? The starting point should be a protectionist policy, allowing what's there to flourish.

**What I would be interested to throw out there now is, ok, smaller subsidized space is secondary issue, that we can add to an existing protectionist approach...**

-under threat, I would add.-

**..if there is a good model for re-development or re-provisioning. There is a demand for housing, mixed use. What are the models for business?**

Yes. Planning.

Exactly.

If you look at the redevelopment around Liverpool Street station, at Old Spitalfields market. When the planning permission went in, all the retail footprints were three times the size. In planning permission you should have something saying that if you are going to make a certain provision for footprints of that size; you need a certain allocation of smaller footprints too.

There is no reason you can't have both. What you are looking for is cross-subsidy on AW. It has to come from housing.

It is not about housing. It is about footprints. What that developer told me is 'I want to have six rather than 20 tenants because it is easier'. If a requirement was there he would have followed it.

**What perhaps was left out of what he said is that is easier but he is also getting more money out of it. It touches on the issue of viability. Any development coming forward, for new workspace...will clash with the viability of housing.**

We need a Mayor to fight hard for devolution

This is not taking account of the issue for London. Just as the Mayor is challenging viability on the housing side, saying that it is actually enabling development to minimise affordable housing. He is responding by questioning viability assessments. The same should be applied to the discussion on this table.

Do you think it's good for London to become dormant? What is our strategy for London? I don't think we should be aiming to be a world-class city. We need a London for Londoners.

I used to live in New York. We don't want to become like Manhattan. Almost all small businesses have been forced out. It has become a sterile place. In London, there is an assumption that redevelopment is good. We need a lead from the Mayor on this to challenge that. A lot of things that make London a vibrant city is all that mix. We should be looking at the micro not just the macro. Even with most supportive redevelopment plan, relocating a business could finish it. That disruption could end that business.

My move from Old street to the Docklands cost me £30,000.

Is there some way that when there is new a development, that alongside certain criteria, like for affordable housing, one is the relocation loss? Something has gone wrong in the way the market leads. It is not just London but community centres around London. If it does need consultation with the Government, we are looking at this Mayor to do it.

Everything a Mayor does now is about making us like New York. It shouldn't be about that if this Mayor is serious about a London for All Londoners and a fairer city.

There are a few other issues in terms of viability. In terms of planning applications, they may be asked what kinds of space they are planning for, but not necessarily how footprints will be represented. There is more incentive to get larger floor space area because of business rates. We would need to make a good case for having tiny little blocks as opposed to a large one.

I don't agree with homogenising. For Tottenham, we have a regeneration plan and it is about valuing what's there.

We have a lot of Tottenham traders who would disagree with what you are saying.

You are power of good within Haringey. But planning strips out what good there is there.

An important role in Boroughs is to have stewardship. Business re-retention locally can be an amazing thing. We need to be creative with (unclear-CIL?).

It didn't work with housing. We are talking about back doors and second-rate citizens. (unclear-CIL?) doesn't work for that. All space needs to be earmarked for x% of small businesses. Then you start to have measurements that can really be used by developers.

**Does policy not need to be much more fine-grained? We will not need the same square footage for all small industries.**

The Mayor needs to ask Boroughs to get a proper understanding of their economic and civic life. Part of the problem is that Boroughs don't have that knowledge. For example Southwark Council's perception of Peckham is on a different planet from what you get when you work around there. The space is very dynamic. The Borough's understanding is so lacking.

Can you think of a tool to get that understanding?

An assessment of redevelopments.

We have them already.

I'm talking about an impact assessment, to tell you what you are losing. Let's say the GLA is encouraging redevelopment. There has to be a list of things you are trying to achieve. It's looking at what are your objectives are.

I don't think the Mayor should give money to Tottenham and Croydon unless there is a proper assessment of affordable space. I think the Mayor should have social impact assessments.

**I think social impact assessments are an interesting one. Is there a risk that if they're done at a very local level, those assessments become a bit meaningless? You need to think about these things at a scale.**

Yes, it should be Borough by Borough. I think a Mayor who was being bold would reject all plans in London, because there is not a proper assessment. They don't meet basic the obligation of planning, that is accommodating for growth.

We are talking about planning. Understanding the real character of an area through planning.

Now they are just saying you have to replace light industrial with light industrial, and nothing more detailed than that. If you are replacing something that has 400 jobs with five jobs that should be in the risk assessment.

If someone were to do a proper assessment of Haringey's local plan, they would see that it would lead to shrinkage in the local economy. It has not been assessed, only in a very crude way and they don't care anyway.

That is the problem with Tottenham. I asked the MP, do you really want a Costa Coffee here? He said yes, it's going to get me votes.

So who is the champion? You need someone in the Local Authority to be the champion.

There is a lot to say on the evidenced-based approach. Assessments are effectively quite blunt instruments. I struggle with this in Tottenham, I want to retain employment land but it goes to housing. The evidence base is important to be able to put up a fight.

One way of getting beyond the idea that Boroughs are all bad is seeing that we have never been here before. We have a shortage of accommodation for civic AND housing needs.

That is not true. We were there in 1987. Industrial businesses were squeezed out for offices. Now it is housing that is squeezing that out.

Now housing is the biggest issue. Businesses are losing good staff because can't afford to stay in London anymore.

So what's the solution there? Does the Mayor need power to implement rent control?

I never thought I'd get here but there has to be a mechanism to control the free market. We need more social housing, proper social housing. We can't carry on this way, businesses can't afford staff, and staff can't afford to stay here. London is about to hit a crisis. We probably only have a 5-6 year window to do something about it.

One headline on policy London Plan-wise, is revisiting the world of town centre and industrial policy. Both those areas of policy are based on strip out, stripping down high streets into centres. And consolidating industrial into industrial land areas. All fine-grained stuff is seen as not important. That's so wrong. Policy thinking needs to fundamentally change to much more subtle, in different scales and locations.

You are talking about a finer-grained policy that gives greater protection to smaller businesses.

Yes, in high streets to have some kind of protection.

(Unclear -VIC?) to residential development is coming in. You could have a really good policy, but (unclear-PDR?) could erode those spaces. It is interesting to think about whether industrial stock going forward should have less protection on strategic industrial spaces and be shifting to smaller stuff.

I don't think you should move away from protecting larger sites.

**There are some sites, like utility sites, that are protected but the reality is that utilities don't shift.**

There are utility sites that are no longer in use. If we are looking at finer-grained, we need to look at land strategy. We don't have anything that fine grained. Policies are quite broad, and designed to be flexible for different developers. Now that we are seeing pressure from housing etc...and when there is land that has been vacant for many years, and there is no demand for that, the conclusion is that it should go to housing. We need to look again at spatial strategies, and not just development for housing but what is the wider strategy in terms of social and economic development.

I've just come back from Vienna where they have just done a citywide assessment of all smaller-scaled industrial locations with a view to coming up with protections for them. We need to do the same sorts of things.

If London wants to. I am hearing lots of lip service.

I think London would have liked not to have committed developments to housing. London gave relief to some areas by the Mayor putting a ring around them, all the rest have been going to the dogs.

Unless we have policies that control that, or use Article 4 directions, we are going to lose everything.

It is almost too late for article 4 for places like the High Street.

We need to lobby the Government to change the PDR bill. The government recognised that PDR is an issue. There is no strategy there to protect small and micro business. It is all there to protect big glass towers. Protecting the big strategic things.

It is problematic that the Mayor has major influences on development that is housing-dominated, but is doing so little. The Mayor should be doing something about it. We don't want to be a city of houses; we don't want to be a suburb. There are all kinds of questions around the housing stock for the future. It doesn't include any space for start-ups, not even for car workshops. Not a single one is being provided in new developments.

What we don't want is 106s coming in. You see places in Hackney that are still empty 10 years later because the businesses don't work. Every location has to be looked at.

Do you understand the needs? If Southwark understood what the economy of the Borough was, they would be able to see the pattern, and plan for the future. We need to be showing by built example. If the Mayor could get some example projects going...

A condition of redevelopment should be that you keep what was there anyway; housing should be built around it. One of things the Mayor has to address is re-provision within redevelopment. In relation to affordability and particularly for uses that otherwise would not be re-provided, like social uses.

There seems to be no listening to local communities. They will know what their neighbourhoods need. There is no official way to include them. It should be done through workshops. That comes back to viability. They will say there is no viability.

There is a subset of that about engaging with the economy at Borough scale. Having in mind that there is a huge democratic deficiency to overcome: consultation is residentially-focussed and not usually done with businesses. There hasn't been a meaningful attempt to identify who the businesses are and how to engage with them.

There is a good news story if local residents aren't sympathetic to new developments. A good news story from Old Kent Road. By having dialogue we have overcome some resistance. But there has to be a voice for small businesses.

In terms of viability, viability is related to what you pay for the site. If they have to redevelop they will say re-provision is not possible because it is too expensive. But there has to be brief saying that re-provision is part of the price.

There does need to be a way of saying to developers, this is what we want you to do.

That is the problem with giving all the power to the development management officer. But if there is a plan or planning brief that offers guidelines, then they are able to say that these are the facts.

If the developer knows before buying the land that these are the restrictions on it, you would get a fairer system. It has to be in there before that, made clear that this sort of land has this sort of usage.

Another interesting area is planning policy attitudes towards residential areas. Another opportunity is liberalising the extent to which economic activity can happen in residential areas. In Vienna, it is very regulated or straight-laced; there you can use up to 50% of your dwelling for other activities.

The question is whether there is a material change of use. Over 25% is material. Here we know that people will switch live-work to live, very quickly.

The point is that all liberalisations have been in favour of residential. You can build on half your garden as long as it's residential.

### **Key points shared from both sessions:**

- Both sessions drew distinction between conventional and subsidized affordable workspace
- A conclusion from both tables was that protecting conventional is most important, as this provides an ecosystem for other businesses
- We need economic plan-making where we are being strong about protecting, specific about re-provision, about the scale and size of stock.
- There is a need for impact assessments, evaluating the economy of turfing out bits of the economy. These should be done by Borough.
- We need committed development. It is a good idea to push for an expansion of Article 4 exemptions.
- There is a need for public sector involvement, to help get better use from workspace.