
**REPRESENTATIONS ON THE LONDON PLAN
THE SPATIAL DEVELOPMENT STRATEGY FOR GREATER LONDON
DRAFT FOR CONSULTATION**

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SUBMISSIONS BY

NATIONAL GRID PROPERTY

Submissions to:

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INTRODUCTION

1. These representations are a response to the Mayor of London's consultation draft New London Plan ("the draft plan") published on 4 December 2017.
2. The London Plan will shape National Grid's ability to transform over 120 acres of surplus brownfield land in the capital into thriving communities. Therefore, this representation has been led by National Grid Property who own and manage National Grid's surplus estate.

National Grid Property

3. National Grid Property manages around 300 former gasworks sites across England, Scotland and Wales. Due to technological advances in the gas industry, these sites are no longer needed to power homes and businesses freeing them up for a new use. To date we have completed 5,000 land regeneration projects across the UK.
4. In recent years our land has been brought back into public use by creating new homes, shopping centres, leisure facilities, schools, open spaces and creating new jobs in light industrial and office spaces.
5. We invest heavily in preparing sites for redevelopment by removing old gas equipment, improving the ground conditions before attracting a joint venture development partner.
6. In London, we own over 120 hectares of brownfield land and our joint venture with Berkeley Homes, St William, has the potential to build over 10,000 homes in the next 15-20 years.
7. Bringing forward these sites does not result in the loss of employment floorspace or jobs. Our land, much of which has laid redundant for many years does not currently maintain a workforce. This provides a fantastic opportunity to develop new communities without putting pressure on jobs and current employment land.
8. We're proud of our successful track-record in brownfield land regeneration. Although it is not without its challenges. There are significant costs associated with site decontamination and rationalisation of services. To deliver land suitable for redevelopment, often further investment is needed to modernise Pressure Reduction Stations (PRS) and to divert gas mains These 'abnormal' costs plus liabilities associated with the management of contaminated land are significant challenges for any landowner to meet.
9. At National Grid Property, we invest heavily in new technologies to make our site regeneration activity as efficient as possible. Safety remains our absolute priority and our stringent approach to appropriate remediation remains a significant 'abnormal cost' and can substantially impact residential viability. Policies affecting viability therefore must be applied sensitively to these complex former industrial sites otherwise risking losing land ideally suited for housing being lost to a different use.
10. We are have embarked on a 15-year programme of land regeneration in London. To unlock our land for new homes we have invested tens of millions to remove site constraints including operational gas infrastructure, former gas structures and addressing contaminated land.
11. This investment, along with our joint venture with St William, will ensure the accelerated delivery of up to 15,000 homes across London. However, the current ambiguity within the draft London Plan may put this upfront investment and accelerated delivery of homes across London at significant risk due to concerns around viability of sites.

Structure and Summary of Representations

12. Our response to the New Plan makes some general observations before focusing on many key matters including;
- Housing delivery and affordable housing provision;
 - Financial Contributions and viability;
 - Heritage matters.

General observations

13. We support the Mayor's aspirations for Good Growth by improving Londoners' quality of life. National Grid Property wants to see our brownfield land transformed into thriving communities and therefore supports the delivery of good design and optimised density.
14. We also support the Mayor's commitment to sustainable transport and creating well connected communities.
15. We particularly welcome the Mayor's support for the redevelopment of redundant National Grid Property's sites and rationalisation of operational apparatus where possible noting:
- “National Grid (should now read ‘Cadent Gas’ in the Plan) and Southern Gas Networks operate London’s gas distribution network. Together with National Grid Property, both companies are implementing significant gasholder de-commissioning programmes, (should now read including the rationalisation of operational gas infrastructure to facilitate brownfield regeneration. The Mayor will work with key stakeholders including the Health and Safety Executive to achieve the release of the resulting brownfield sites for redevelopment” (para. 9.3.10).***
16. We fully endorse the Mayor's recognition of the importance of Brownfield registers and the legal duty for Boroughs to prepare and maintain registers along with their responsibility to grant “permission in principle”.
17. National Grid Property also endorses the use of Compulsory Purchase Powers by the Mayor to speed up the delivery of residential development.
18. It is wholly expected that The Mayor's priorities are reflected in the London Plan (paragraph 0.0.20). However, to avoid future uncertainty and delays due to legal challenges it is important that the London Plan is very clear about the duty to cooperate and where responsibility for legal compliance with existing national policy resides. If responsibility for legal compliance falls to the London boroughs this point needs to be made very clearly.

Detailed Representations

19. The following chapters in the draft London Plan are likely to have the biggest influence on the delivery of new homes on our brownfield land:
- Chapter 4 Housing (including housing need and supply, quantum of affordable housing and viability and affordable housing tenure);
 - Chapter 6 Economy (protection of Strategic Industrial Locations (SILs) and Locally Significant Industrial Sites);

- Chapter 7 Heritage and Culture (the impact of heritage conservation on the redevelopment potential of National Grid Property assets);
- Chapter 8 Chapter 8 Green Infrastructure and Natural Environment (the protection of the Green Belt and Metropolitan Open Land (MOL))

20. We deal with each in turn.

- ***Chapter 4: Housing***
- ***Policy H1 Increasing housing supply***

21. As a land owner in the capital National Grid Property is ideally placed to bring forward our strategic sites to assist the GLA in maximising housing numbers across Greater London.

22. Although the assessment of London's capacity does include a large element of identified sites – approved and allocated – a significant element of the assessment relies on notional assessments of capacity and unidentified sites materialising over the next ten years. This represents a significant risk to the delivery.

23. National Grid Property also supports the Mayor's Opportunity Areas and use of Brownfield Registers, (**Part B of Policy H1**). We would like to see greater commitment in the London Plan to speed up the delivery of redevelopment on these sites. Opportunity Areas should be an important component of London's expected housing land supply, and should be prioritised for delivery with the GLA continuing to incentivise developers to speed up delivery, which National Grid Property welcomes.

24. Brownfield registers will only identify potential sources of supply noting that the "permission in principle" only applies to sites included in Part 2 brownfield registers. Again, the GLA should encourage LPA's to utilise these effectively to incentivise landowners and developers to speed up delivery.

25. We welcome the GLA actively supporting major utility businesses such as National Grid Property and other organisations with significant surplus brownfield land holdings in bringing them forward for beneficial redevelopment. Clear incentives are required from the Mayor to deliver the housing to meet London's needs. The use Compulsory Purchase powers, where appropriate has also proved effective in unlocking complex sites and should continue to be used.

- **Policy H5 Delivering affordable housing**

26. National Grid Property comments specifically on the economics of provision in delivering affordable housing in its representations on Policy H6 below. On this basis, we have concerns on the strategic targets set out in the new London Plan.

27. We support the efforts of the GLA to find new and innovative ways to tackle this crisis. But we are concerned that this draft New Plan establishes affordable housing targets which many of our sites simply will not be able to achieve. This judgement is made having considered the viability evidence that National Grid Property has prepared to support many of its applications on complex sites over the last five years. An unrealistic target could delay the approval of housing schemes, thereby only worsening the affordability crisis.

- **Policy H6 Threshold approach to applications**

28. We support the Mayor and his administration in seeking ways to develop more affordable homes in the capital.

29. We consider the long-term strategic target of 50% affordable housing to be a positive ambition. However, the draft London Plan suggests that under Part B, not only does a developer have to meet the 35% threshold to avoid having to provide a viability assessment but the application must also be "consistent with the relevant tenure split and meet all of the other relevant policy requirements and obligations". The requirement to meet all other 'requirements and obligations' implies that a scheme under Part B must meet all policy requirements, both statutory and non-statutory, including land use and density for example. This

will serve to reduce the viability of schemes and in simple terms, failure to comply with all requirements and obligations will result in schemes proceeding under Part E proposals.

30. We're concerned in the application of the threshold level with reference to policy H6 B 3) 50% for SIL, LSIS and other industrial sites deemed appropriate to release for other uses.

31. National Grid Property has several sites located within industrial sites including SIL and LSIS. We welcome the recognition that greater flexibility should be applied in the release of sites previously used for utilities infrastructure within industrial locations. We are concerned that the current policy (H6) suggests that SIL land can facilitate a significantly greater proportion of affordable homes. With respect to land in our portfolio the level of investment required to unlock this land for development is significant regardless of a sites location in or outside of a SIL or LSIS. Therefore, we would like a policy commitment to remove utilities land, including former gasworks, from the increased affordable homes provision.

32. It is likely that imposing a requirement for 50% affordable housing on utility sites will result in alternative, more economically viable land uses becoming more attractive to bring forward. This could result in a significant impact and delay to delivering the housing numbers required under the Plan. National Grid Property would like to see an approach which caps affordable housing on these sites at 35%, based on a viability assessment process.

- **Chapter 6 Economy**
- ***Policy E5 Strategic Industrial Locations (SIL)***
- ***Policy E6 Locally Significant Industrial Sites (LSIS)***

33. We acknowledge that the London Plan must balance the interests of competing land uses and particularly providing sufficient land to meet both housing and employment needs for the period 2016 to 2041.

34. On this point, it notes that the Mayor is seeking to protect employment land at Strategic Industrial Locations (SIL) and Locally Significant Industrial Sites (LSIS) by stipulating that there should be no net loss of floorspace at these locations.

35. However, we note and welcome the fact that:

“... The principle of no net loss of floorspace capacity does not apply to sites previously used for utilities infrastructure or land for transport functions which are no longer required” (para. 6.4.5).

36. However, for greater clarity it is proposed this exemption is specifically drafted into policies E5 and E6.

37. National Grid Property has significant landholdings within ‘designated’ employment areas however they contain no existing employment floorspace and the loss of them to other positive land uses such as housing would not result in the loss of existing jobs. We would like to continue working with the Mayor and relevant London authorities to accelerate bring the sites forward for development. However, we would appreciate greater clarity in the Plan on the level of affordable housing contributions required across former utility sites, but also whether vacant former employment sites, such as former utilities land, are exempt from the no net loss approach suggested.

- **Chapter 7 Heritage and Culture**
- ***Policy HC1 Heritage conservation and growth***

38. We are committed to preserving, recording and celebrating gasworks heritage for future generations. We do this in numerous ways, including reflecting heritage through great scheme design and turning artefacts into art within our public realm. Across all our portfolio we collect and gift artefacts, undertake enhanced photographic recording, invest in public art, engage with local communities and educate school children in STEM while celebrating social history linked to gasworks heritage.

39. We are demonstrating in London, at sites like Prince of Wales Drive, Battersea, our experience of finding the balance between preservation and progress. We're proud of the pro-active approach we take to heritage engagement and believe the industrial spirit of our portfolio can be captured without the need to retain structures.
40. The retention of gasholders and buildings on grounds of heritage conservation has a significant impact on viability and the delivery of affordable housing, and therefore decisions to put statutory protection on these structures should be carefully considered.

- **Chapter 8 Green Infrastructure and Natural Environment**
- **Policy G2 London's Green Belt**
- **Policy G3 Metropolitan Open Land**

41. We have concerns about the approach to the protection of the Green Belt and Metropolitan Open Land (MOL). Policy G2 is very clear, and direct. Unlike the current Plan, it removes the discretion of the London boroughs to remove land from the Green Belt, which in certain contexts might be appropriate.
42. The London Plan should not be directing local authorities not to review Green Belt and MOL designations when preparing Local Plans and wish to make decisions about how they can best accommodate development requirements. For instance, in recognition that a significant number of previously developed sites are in the Green Belt and on Metropolitan Open Land (MOL), and given the pressing need to deliver housing, National Grid Property proposes that it is a matter for the individual local planning authorities to determine the most appropriate way to meet housing targets that have been identified by the Mayor.

CONCLUSION AND SUMMARY

43. In conclusion, National Grid Property supports many aspects of the draft Plan. However, we also raise several concerns, as detailed in the body of this submission.
44. Our primary concern relates to the uncertainty over the policy expectation on our redundant brownfield land. We are readily investing in our portfolio in anticipation of future new thriving communities but we seek clarity and endorsement of our suggest policy wording amendment set out in point 15.
45. On the economy (chapter 6) we welcome the Mayor's recognition that the no net loss of employment floorspace does not apply to sites previously used for utilities infrastructure (para. 6.4.5). However, submissions are made to the effect that this should be specifically set out within the draft employment policies (specifically Policy E5 SIL and Policy E6 LSIS).
46. We do have some concern regarding **housing** (chapter 4), specifically on the plans potential to not meet London's objectively assessed need of 952,670 dwellings (95,267 dpa) and that it only has capacity to deliver 526,000 dwellings (52,650 dpa) over the next 10 years.
47. On heritage, we state that the identification of assets for understanding, conserving and enhancing the historic environment and heritage assets needs to be carefully considered and that buildings or structures are not unnecessarily statutorily protected (Policy HC1 Heritage Conservation and Culture).
48. We trust that the Mayor will take these submissions on board when preparing the next draft of the new London Plan and look forward to continuing this dialogue with the GLA as we look to make our contribution in fixing the nation's broken housing market and unlocking over 300 acres of Brownfield land in London.