

# LONDON PLAN RESPONSE

# INTRODUCTION

London is the world's city. And it is our city. But unless we all work together to preserve and enhance the things that make it great, the capital is in danger of failing Londoners.

A housing market that has been failing to provide for the people who help our city thrive.

A rush to introduce the development we need – but with little sympathy for London's unique heritage.

A range of barriers that prevent the city's public authorities responding to the needs of Londoners.

These are all challenges that must be addressed in the London Plan. And U+I wants to help the Mayor of London to address them.

We look at things differently and we do things differently. We exist to create long-term benefit for the communities in which we work, delivering sustainable returns to our shareholders.

We passionately believe that we have a role to play in helping to meet London's many challenges, and ensure that it continues to thrive as the world's leading global city – while still delivering for the ordinary people who help make it great.

In our response to the Draft London Plan, we have set out a number of areas where we believe we have a direct role to play in helping the Mayor as he puts in place the framework that allows the capital to flourish.





# FOCUSING ON COMMUNITY-LED REGENERATION TO DELIVER MIXED-USE DEVELOPMENTS

U+i has a £6 billion portfolio of complex, mixed-use community-focused regeneration projects including a £200 million investment portfolio.

We are unlocking urban sites bristling with potential. As a mixed-use regeneration specialist, we want to see mixed-used residential-led developments as a key part of the Mayor's efforts to encourage greater co-location and integration of different land uses.





# DEVELOPING INNOVATIVE HOUSING SOLUTIONS

We recognise that there is no one size fits all or silver bullet solution to relieving the pressures on the city's housing market and we believe that the challenges we face in our city require bold actions well as bold thinking.

One aspect of the housing crisis that we believe requires urgent attention is the acceleration of the phenomenon we call 'Hollow London'. Central London is being hollowed out as land values rise and rents become ever more unaffordable to key workers, the younger generation and those on middle incomes, forcing many of them out of Zones 1 and 2.

We believe that one partial solution to this problem can be found in our 'town flats' concept - rental-only housing exclusively for intermediate income earning singles and couples looking for thoughtfully-designed and centrally-located housing at London Living Rent levels. There are a number of barriers to bringing these forward and we are keen to explore what might be possible with the Mayor, in terms of using public sector land and making a sensible, controlled and limited exception to space standards. We know there is a real demand for this amongst a group of people happy to trade space for place at a certain time in their life.



U+i





## **DISTILLING THE BEST OF PUBLIC PRIVATE PARTNERSHIPS**

We passionately believe that private and public sector partnership is the only way for 21st century cities to survive and thrive, delivering shared outcomes for local communities. Increasingly, these two sectors are pitted against one another, with their collaboration seen as a dirty concept. We wholeheartedly reject that sentiment.

We know that our ambitions are closely aligned with those of the capital's boroughs and, over the years, we have successfully developed what we think of as a gold standard of public-private partnerships. We are keen to explore this further with the Mayor and think about how we can set a baseline for how private sector developers can partner meaningfully with London's public sector.

## **DELIVERING TRULY MEANINGFUL WORTHWHILE USE**

Aligned to our partnership approach, we believe that meanwhile-use can be truly worthwhile when it has been conceived from an understanding of the community and a commitment to delivering social and economic value that is authentic to the area.

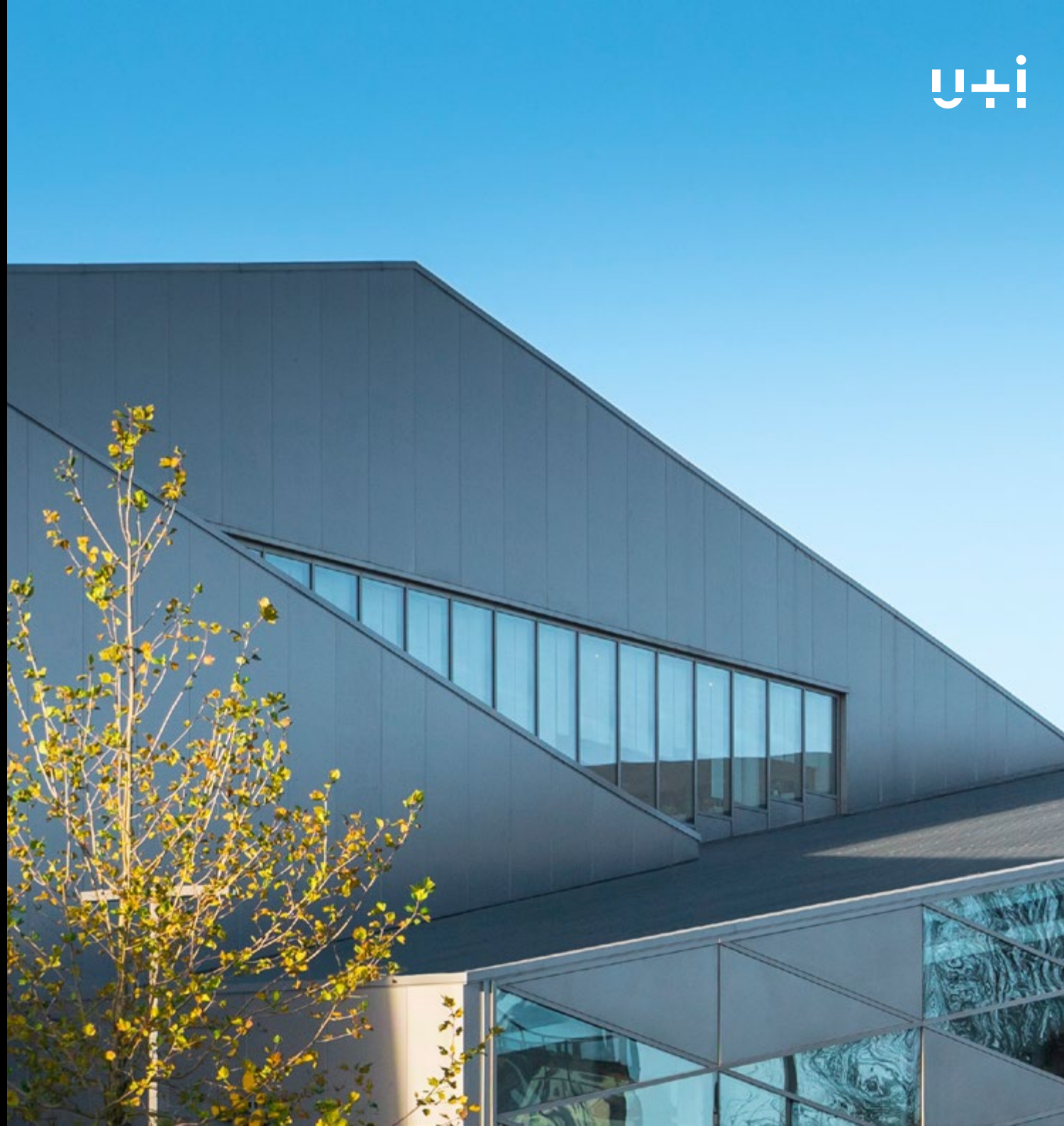




# THE OPPORTUNITIES FOR STRATEGIC INDUSTRIAL LOCATIONS (SILS) TO MEET LONDON'S HOUSING NEEDS

The current draft London Plan seeks to preserve SILs across the capital for industrial activities alone. We believe there are opportunities to use these creatively to increase housing numbers in the capital through stronger encouragement of co-location of housing above or alongside industrial space. This will lead to more and newer industrial space being financed and created, as well as using the airspace above what would otherwise be low-rise and low-density areas.

Just as importantly, such areas can become the new contributors to London's place-making. Mixed use and active places that people want to go to and are safe at night.



## BETTER DEFINING AND MAINTAINING THE GREEN BELT

Aligned to this view, we believe that the London Plan should seriously examine the housing opportunities in the Green Belt and Metropolitan Open Land – defining those areas which truly deliver the spirit and ambitions of the Green Belt and those which might be ripe for development – particularly in sustainable locations near transport nodes. We are keen to explore further whether this can be done without a net loss of land in the Green Belt if more suitable pieces of land are swapped in.

## THE ROLE OF CULTURE IN SHAPING A TRULY WONDERFUL CITY

We welcome that the Mayor's London Plan embraces the capital's rich heritage and recognises the role of culture as part of the fabric of London. While it goes without saying that culture is important to any city, London, as a City of Villages, is awash with it.

U+i's approach to place-making puts culture at the heart of development. We would like to work with the Mayor to develop a best practice approach to ensuring London's culture is not eroded by insensitive development.





Further thoughts on the draft London Plan follow, exploring the above concepts alongside some of our detailed thinking in response to the policies you have set out.

In the Appendix that follows those comments, we have directly responded to a number of policy proposals included in the Plan. We believe that through small but essential changes to the Mayor's approach to certain issues, there is the potential to deliver much better outcomes for Londoners.

U+I stands ready to work with the Mayor and his great team. We look forward to engaging with you on the substance of our response – and to doing what we can to ensure that the capital continues to go from strength to strength.



Richard Upton  
Deputy Chief Executive, U+I



Matthew Weiner  
Chief Executive, U+I





# COMMUNITY LED REGENERATION



# MIXED USE DEVELOPMENT

Mixed-use developments can provide more modern and efficient employment spaces below new residential accommodation, just as major food retailers are now doing. As a mixed-use regeneration specialist, we welcome the inclusion of mixed-used residential-led developments as part of the Mayor's efforts to encourage greater co-location and integration of different land uses.

Regeneration is at the heart of everything we do and we are active across London in bringing new life to forgotten areas or unlocking the potential of under-developed sites.

One example is our work with United House, Lambeth Council and Notting Hill Housing Group to transform leisure services across two sites in Clapham town centre, providing the area with a new highly sustainable leisure centre, state-of-the-art library, family health centre and some of the highest quality residential accommodation in the borough.

COMMUNITY LED REGENERATION





# THINKING DIFFERENTLY



# BUILD TO RENT

Build to Rent offers an opportunity for middle-income earners to secure high quality homes on a low rent basis, improving the mobility of the workforce, while increasing the range of tenures. Evidence from the UK's biggest cities shows that there is the institutional capital available to make the necessary investments, representing a major boost for housing and a useful new residential option for the market.

U+I welcomes the fact that the London Plan recognises the benefits of Build to Rent as a distinguishable component of the overall housing market and believes that this is a critical element of addressing our housing crisis. We believe that our concept of Town Flats has the potential to become a key part of a broad spectrum of Build to Rent delivery in London.





# COMPACT LIVING

Compact Living is increasingly viewed as having the potential to make a significant contribution as part of any wider strategy designed to tackle London's housing shortage. It is also increasingly seen as a means of delivering more affordable homes than are available at present in currently under developed areas of London.

# TOWN FLATS

U+i is promoting the development of rental only town flats in dense urban areas to provide high quality independent accommodation at smaller, more affordable sizes. This approach contributes significantly to housing stock without compromising on standards.

Our compact living concept, Town Flats, offers rental accommodation exclusively for intermediate income earning singles and couples looking for thoughtfully-designed and centrally-located housing at London Living Rent levels. Delivering a new kind of accommodation at a sensible price in Zones 1.





# SPACE STANDARDS

In areas of high-cost housing, the recently-introduced National Space Standards have had the effect of increasing the price of housing. A range of recent innovations such as pocket homes, studios and town flats support the idea that housing, when specially-designed for certain stages of life, can be better delivered in smaller, higher quality, lower rent units.

U+i recognises the value of minimum space standards. People need protection from poor design and inappropriate space. As such, we are not seeking a reduction in normal standards as part of our plans for compact living, only a sensible and clearly regulated exception. We welcome the Mayor's pledge to ensure that any further national reviews of standards take into account London's circumstances and, specifically, the changing trends in modes of living in the capital, principally the rise of the single occupancy household.



# WORTHWHILE USE

We believe that meanwhile-use can be truly worthwhile when it has been conceived from an understanding of the community and places a commitment to delivering social and economic value that is authentic to the area.

This is exemplified by our work on The Old Vinyl Factory in Hayes. Given the architectural, cultural and industrial heritage of the site, we have sought to use the space as a basis for engaging with the community and hope to continue building on this place-making work in the long term. Back in 2012, we opened a new café and temporary museum documenting the site's industrial history as the home of EMI. We also brought in upcoming musicians to film The Old Vinyl Factory Sessions, literally 'bringing music back' to the site.

In April 2013 planning permission was granted for 642 homes, 550,000 sq ft of office space, 70,000 sq ft of retail and leisure including a 3-screen cinema, landscaped streets and squares, cafes and restaurants, as well as our pioneering research and design hub, The Central Research Laboratory (CRL).

Created in partnership with Brunel University London and Higher Education Funding Council for England, the CRL will be the UK's first full service incubator for manufacturing entrepreneurs. In 2015 we launched the pilot phase of the CRL, welcoming our first 11 start-ups onto the Incubator Programme. Following this, in September 2017, we launched the Record Store, a landmark art deco building, remastered into 84,705 sq ft of high-end office space.

THINKING DIFFERENTLY





# LASTING PARTNERSHIPS

Together with our partners, we create vibrant new places that provide the amenities, homes, jobs and public assets that communities need and which public landowners would otherwise be too stretched to deliver on their own. For example, the heritage-led transformation of Deptford Market Yard at Deptford train station was the product of an ambitious partnership with Lewisham Council.

The area has been transformed from a derelict 2-acre site into a new space for Deptford's community, with 132 homes and premises for 14 independent retailers.





# UNDERUSED PUBLICLY OWNED LAND

At U+I, we recognise that a big part of solving the challenges London faces is for the city to build more. The responsibility for this exists at all levels – small builders, public sector organisations and large-scale developers – and must be done so in a way that meets London’s diverse needs: office space, creative venues, affordable housing, intermediate accommodation and retail offers.

We also know that this is easier said than done. However, we believe there are real opportunities to tackle these challenges. One example of this is ensuring all publicly owned land is put to good use. In addition to the positive steps the Mayor has already taken, we would encourage a system that rewards innovative proposals for schemes that deliver better-than-current use of publicly owned land that meet the needs of local communities – the ultimate owners of this land.

In the light of the suggested 50% target for public land, institutional arrangements which allow for varied percentages of affordable housing across different parts of London will clearly help in achieving viability for more difficult sites without undermining the overall 50% target imperative.

For GLA family sites, this means recognition that financial income from site disposals might well become more limited.





# OTHER ISSUES

# GREEN BELT

While priority should continue to be given to using urban and brownfield land, as suggested in the proposed changes to the NPPF, the range of available options required to meet existing housing need must go beyond this.

Initiatives such as new settlements close to public transport infrastructure will need to be part of the solution, even if they fall within Green Belt land or MOL. Schemes can then consider either appropriate mitigation measures or replacement Green Belt.

# SQUEEZED MIDDLE

We welcome the emphasis on genuine affordability, not just for those who qualify for social rent but also for the 'squeezed middle', who do not qualify for social housing. U+I shares the Mayor's aim to deliver for this part of the market and would be delighted to work with him to explore ways in which we can deliver for this demographic.





# IMMIGRATION

U+I shares the Mayor's belief that London's greatest asset is its people and its ability to attract talented, creative and hardworking individuals from all over the world. As a business, we see first-hand the results that can be delivered when diverse groups of people come together, pooling their different and complementary, skills and experiences.

As such, we strongly believe in the importance of continued access to skilled labour from both Europe and the rest of the world following the UK's departure from the EU. We fully support the Mayor's 'London is Open' campaign and would be eager to work with the Mayor to help deliver an immigration policy that ensures London, its communities and businesses can continue to thrive.



# **APPENDIX: RESPONSE TO SPECIFIC POLICY**



# APPENDIX: RESPONSE TO SPECIFIC POLICY PROPOSALS

## **POLICY D4**

### **HOUSING QUALITY AND STANDARDS**

#### **U+I COMMENT:**

We believe that the reference to space standards is superfluous and will only have the effect of reducing the valuable flexibility that is needed to allow for innovation in the market.

The sentiment around protecting space is sufficiently covered by Paragraph B of the policy that “ *new homes should have adequately-sized rooms and convenient and efficient room layouts which are functional, fit for purpose and meet the changing needs of Londoners over their lifetimes*” .

## **POLICY H6**

### **THRESHOLD APPROACH TO APPLICATIONS**

#### **U+I COMMENT:**

The threshold policy should:

- a) Avoid unnecessary delay and costs by allowing for no establishment of GVA, build costs, etc. until the time of the second stage review and
- b) Clarify the requirement as being only ‘reasonably’ to *3) meet other relevant policy requirements and obligations to the satisfaction of the borough and the mayor where relevant.*

## **POLICY D6**

### **OPTIMISING HOUSING DENSITY**

#### **U+I COMMENT:**

The general approach to optimising density should apply across London and not just in relation to applications referable to the mayor as set out in Paragraph C of the policy. We share the Mayor’s belief that development proposals must make the most efficient use of land and be developed at the optimum, designed density.

## **POLICY H9**

### **VACANT BUILDING CREDIT**

#### **U+I COMMENT:**

The indiscriminate exclusion of national policy across London is inappropriate and likely to reduce development viability – in our view it should be deleted. If retained, a variety of sites within areas otherwise allocated under the exclusion in paragraphs b 2) and b 3) would become unviable, such that criterion b 2) and b 3) should be deleted. To avoid unnecessary sterilisation, the period for ‘required’ vacancy should be reduced to two years prior to implementation of alternatives.

## **POLICY H1**

### **INCREASING HOUSING SUPPLY**

#### **U+I COMMENT:**

It is our view that housing targets should:  
a) Be expressed as minima rather than just a general target (for which failure to deliver could be acceptable) and  
b) Reflect the government’s proposed standard housing need assessment methodology rather than local arbitrary assessment.

Part B 2) should be clarified to note that the justification of land release for housing could be *any* of the following six sources, rather than all of them, by adding the word ‘or’ after source e).

## **POLICY H18**

### **LARGE-SCALE PURPOSE-BUILT SHARED LIVING**

#### **U+I COMMENT:**

To maximise the range of living opportunities in London, the additional scope for an additional format of substantial complexes incorporating smaller sized individual living units, e.g., ‘town flats’, should be recognised within this policy; this would offer a further dwelling type with a meaningful provision of common services and infrastructure supporting individual units which are larger than hotel rooms but still smaller than national (and London Plan) minimum unit sizes.

In recognition of the reduced viability of such housing, any affordable housing component should be calculated at a lower rate, such as 20% discount on market rents for 20% of the residential units.

## APPENDIX: RESPONSE TO SPECIFIC POLICY PROPOSALS

### **POLICY E5**

#### **STRATEGIC INDUSTRIAL LOCATIONS (SIL)**

##### **U+I COMMENT:**

This policy is unnecessary, causes delay in delivery and is potentially unlawful in the context of section 38(6) for decision-making to be hampered by the inclusion of paragraph D, requiring plan-based framework alterations to be in place rather than allow judgement by members on planning applications the same issues as in plan-making.

### **POLICY G3**

#### **METROPOLITAN OPEN LAND**

##### **U+I COMMENT:**

This policy should distinguish between green belt and metropolitan open land, recognising the lesser status of MOL. The policy should reflect the intention of proposed NPPF which indicates that priority should be given to development of brownfield sites within green belt/MOL and which deliver much-needed housing. The extent of MOL should be reconsidered through the plan-making process, requiring paragraph b to allow for any alterations rather than merely extensions.

### **POLICY E6**

#### **LOCALLY SIGNIFICANT INDUSTRIAL SITES**

##### **U+I COMMENT:**

This policy should clarify intent of non-inclusion of other alternative uses in such areas (such as offices) if this approach is to be pursued.

### **POLICY SI15**

#### **WATER TRANSPORT**

##### **U+I COMMENT:**

Paragraph B acts to sterilise any boatyard even if not required and able to offer attractive housing opportunity – and should therefore be deleted. The suggested scope for ‘regular’ review of strategic safeguarded wharves would cause uncertainty for investment decisions and should be limited to once every 10 years. For criterion e, redevelopment should also be supported where equivalent or improve wharfage facilities are provided elsewhere.

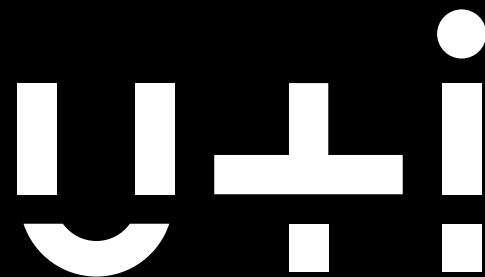
### **POLICY E7**

#### **INTENSIFICATION, CO-LOCATION AND SUBSTITUTION OF LAND FOR INDUSTRY, LOGISTICS AND SERVICES TO SUPPORT LONDON’S ECONOMIC FUNCTION**

##### **U+I COMMENT:**

This policy is unnecessary, causes delay in delivery and potentially unlawful in the context of section 38(6) for decision-making to be hampered by the inclusion of paragraphs b and c, requiring plan-based framework alterations to be in place rather than allow judgement by members on planning applications the same issues as in plan-making.





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