

ACE Response: A City for all Londoners

**ACE response to the:
A City for all Londoners Document
December 2016**

About ACE

As the leading business association in the sector, ACE represents the interests of professional consultancy and engineering companies large and small in the UK. Many of our member companies have gained international recognition and acclaim and employ over 250,000 staff worldwide.

ACE members are at the heart of delivering, maintaining and upgrading our buildings, structures and infrastructure. They provide specialist services to a diverse range of sectors including water, transportation, housing and energy.

The ACE membership acts as the bridge between consultants, engineers and the wider construction sector who make an estimated contribution of £15bn to the nation's economy with the wider construction market contributing a further £90bn.

ACE's powerful representation and lobbying to government, major clients, the media and other key stakeholders, enables it to promote the critical contribution that engineers and consultants make to the nation's developing infrastructure.

Through our publications, market intelligence, events and networking, business guidance and personal contact, we provide a cohesive approach and direction for our members and the wider industry. In recognising the dynamics of our industry, we support and encourage our members in all aspects of their business, helping them to optimise performance and embrace opportunity.

Our fundamental purposes are to promote the worth of our industry and to give voice to our members. We do so with passion and vision, support and commitment, integrity and professionalism.

Further information

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Introduction

1. ACE and its members welcomes the opportunity to contribute to the evolution of the Mayor of London's thinking as regards the manifesto that he was elected on in May 2016, and how it will be implemented through the likes of the London Plan, and the Mayor's strategies on transport, housing, the economy, etc.
2. Our members represent the some of the most innovative and forward-thinking minds in the business world. They work on cutting edge buildings which incorporate the newest thinking on sustainability, and on solving some of the most intractable problems we face in renewing our transport and utilities networks while many are still in operation.
3. This response has been prepared with input from the ACE London and South East Regional Board, a group chaired by Mathew Riley from Ramboll. It is further populated by representatives from companies at the heart of London's infrastructure delivery like AECOM, Buro Happold, and WYG at the large end of the spectrum, right down to SMEs such as the TZG Partnership.
4. Working closely with these, and other, individuals and organisations will be of great benefit to London in ensuring the new networks we need, new houses we must build, and new markets we will open are fit for purpose and future proof. We stand ready to assist and look forward to working with the Mayor on his future endeavours.
5. In this response we have confined ourselves to responding to those areas most relevant to our work, namely Accommodating Growth, Housing, Economy, and Environment, transport, and public space. In our responses, we have made heavy reference to ACE's London Manifesto 2016, which was prepared ahead of the mayoral elections this year and a copy of which accompanies this response. We hope there are some ideas in there that will assist in the Mayor's further thinking on how he might achieve his goals.
6. Overall, our members were pleased to see the Mayor give us further insight into his thoughts on his mayoralty since the election and how he plans to implement his manifesto. Some concern was expressed at the lack of detail within the document and, while this is perhaps to be expected, there is now significant anticipation of further clarity in the subsequent strategies we now await.

Accommodating Growth

7. London faces significant challenges in terms of population and economic growth in the years ahead, with 70,000 people coming to the capital and thousands more employment opportunities coming up each year. ACE members are pleased to see that the Mayor is addressing this issue directly, continuing some of the policies of his predecessor, and devising new approaches that could bear significant fruit.

8. We are pleased to see that housing features so prominently and this response goes into more detail about the plans the Mayor has outlined below, however, it is important to point out here that thinking on this should not be limited to just housing. New communities will require new schools and hospitals for instance, and we hope that the new Mayor will also work hard to ensure these are provided in good time.
9. In addition, there are significant plans to increase the capacity on our transport networks, again which is welcome and addressed in further detail below. The key question remains, however, that in order to achieve this, what powers the Mayor requires in order to see these programme through.
10. ACE and its members are at the forefront of the metro-cities agenda, working closely with authorities all across the UK, and we want to ensure London receives its fair share of consideration when powers and finance are devolved. We would like to see this Mayor making strong, consistent cases for further powers to be transferred from Whitehall in order that he and future holders of the office are able to make timely and effective decisions without as much recourse to Westminster. This will ultimately help ensure the capital is able to meet the challenges it faces, particularly how it accommodates the growth it will experience.

Housing

11. ACE agrees that housing is set to be the signature priority facing our generation of leaders, both in London and in the UK nationally. The capital is growing at a rate of 44,000 households per year, with the population set to expand to 10.5m by the start of the 2040s. This rise in demand will only increase pressure on already high levels of rents and deposits required, and price out more and more Londoners.
12. The target that has been set at 50,000 new homes per year to accommodate this is an ambitious one, and while the engineering sector is optimistic that this can be achieved, it can only be done with careful and extensive collaboration between client, contractor, and consumer. Local authorities and Housing Associations will also play a key role in delivery of this target. The data shows that the only time that construction of new houses has approached the Mayor's targets was when there was a mix between private and public sector delivery.
13. It is positive to see, therefore, that the Mayor is considering a raft of measures to ensure his targets are met, including utilising more surplus industrial land, intensifying development around transport nodes, and encouraging more smaller-scale housing development.
14. In its London Manifesto 2016, ACE also proposed a number of measures that will complement these aims and contribute to reaching these targets. These include: conducting a review of existing greenfield land in London; bringing more brownfield land to

market (something that will greatly assist smaller developers as these plots are often more appropriate for that end of the market); and working with local authorities to implement local housing plans.

15. Housing targets have proven to be difficult for successive mayors to deliver on during their times in office. ACE members, therefore, would rather see City Hall focus on providing an environment conducive to new development coming forward. For instance, local strategic plans will ensure a greater degree of local engagement and accountability and that local communities are consulted on plans for their neighbourhoods.
16. This will also allow local authorities the space to plan and deliver vital infrastructure ahead of completion of development, a major factor in much of the opposition this kind of development encounters. Overcoming these challenges is the key to unlocking the housing growth we need and helping the upcoming generations reach their potential.

Economy

17. If London is to thrive and continue to succeed in the increasingly challenging global environment, the Mayor must make sure that the economy of the city is fit for purpose. It must be attractive to investors, businesses, and people, with efficient infrastructure arteries that allow commerce to thrive, a skilled workforce, and a supportive regime in City Hall.
18. We are, therefore, pleased to see that the Mayor has plans to develop a common strategic investment programme for London's infrastructure. Certainty is a key requirement of those companies working in delivery of our networks, ensuring as it does decisions taken for projects with long lead in times do not have to be revisited, resource redeployed, and costs increased.
19. With the Government's commitment to HS2 and improving highway capacity and the go-ahead for the expansion at Heathrow, TfL can play a key integrating role to ensure that maximum socio-economic benefits are captured for London from these 'external' investment programmes.
20. ACE members are also pleased to see a commitment from the Mayor to continue to support transport projects such as his continued support for cycling, new river crossings, Crossrail 2, the Bakerloo line extension, and HS2 (providing it is integrated effectively into the existing transport network in London). The projects represent opportunities, not just to increase capacity, but to stimulate regeneration of areas of London that have historically been underproductive or under-utilised.
21. Our SME members will also be pleased to see the Mayor is taking the availability and efficacy of the capital's high speed broadband internet connections seriously. We will seek to work closely with the new Chief Digital Officer when they are appointed to ensure provisions that meet the requirements of London in the twenty-first century.

22. Along with these, and as per ACE's manifesto, we would further encourage the Mayor to continue his predecessor's work on increasing engagement and collaboration through the likes of Transport for London, the GLA, and infrastructure owners, operators, and deliverers. The Mayor faces challenges in other areas too, however, such as in securing the capital's energy and water supplies, and we would encourage this be given serious attention.
23. London has an opportunity to transform the provision of its transport and utilities infrastructure to ensure it meets the needs of a twenty-first century city economy. The decisions we make today will determine the sustainability, connectivity, and operability from which future generations will benefit. London will need a balance of new technologies and reliable, well-understood infrastructure to ensure it delivers cost-effective solutions for the future.
24. In addition, it should never be forgotten that there is a significant cost to taking no action. If energy, water, or communication services were to go down, businesses would fail, economic activity would slow and future growth potential would be limited.
25. For this reason it is important that this Mayor work to secure the core economic infrastructure of the capital, delivering networks that are suitable for the demand and requirements of the coming challenges.

Environment, transport, and public space

26. Our members are in agreement with the Mayor's assertion that there is little point in all of the development that is being planned, should the consequences, particularly for the environment, not be addressed. ACE and its sister organisation the Environmental Industries Commission (EIC), count among its members some of the most innovative companies in the marketplace, working on just such problems, to ensure London retains its status as one of the greenest cities in the world.
27. In our manifesto, we called on the new Mayor to enable this through a number of measures, particularly ensuring new runway capacity at London's airports aligns with long term emission obligations and reducing construction site emissions through a robust GLA enforcement regime. EIC has also been engaged in a long term project to advocate in favour of a 'smart city' approach, highlighting the benefits that this will bring in terms of transport, housing, energy production and usage, etc.
28. ACE is also pleased to see that the Mayor is keen for the government to reform Vehicle Excise Duty, something we also called for in our 2013 report Funding Roads. We also see a move towards a proper road charging model as being a key part of this reform, to ensure drivers are fully incentivised and that the consequences of driving cars, particularly in London, are properly dealt with.

29. London's massive programme of investment in infrastructure will positively impact the cleansing of the city's air, certainly a step in the right direction. These giant projects, however, do not come without their own environmental challenges, from the concept, through to procurement, construction and operation phases.
30. Furthermore, it is key to London's success to view new green priorities not as simply a burden on business but as an opportunity to develop expertise in a globally growing market. London's ability to attract highly skilled professionals in other services can and should be extended to environmental consulting. London should aim to become not just a hub of financial services, but an environmental services node as well. The two are not mutually exclusive.