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10<sup>th</sup> November, 2016

City Hall  
The Queen's Walk,  
London  
SE1 2AA

"A City for All Londoners" consultation submission

Dear Sirs,

**Submission to the "A City for All Londoners" consultation by the Business Centre Association (BCA)**

I am pleased to set out the Business Centre Association's response to the Mayor of London's "A City for All Londoners" document, published on 24<sup>th</sup> October 2016.

**The BCA**

The Business Centre Association (BCA) is the only UK trade association representing the flexible space sector including business centres, studios, coworking, virtual office and accommodation address providers, light industrial and workspace environments. Established in 1989, it specialises in providing support and guidance to the owners and operators of centres, while setting industry standards and encouraging a network of excellence. The BCA also provides an invaluable advice and location finder service for potential users of flexible space locations. It represents more than 1000 BCA member locations.

Throughout the UK, there is more than 60,000,000 sq ft of flexible space, ranging from small independent to large international operators, both in city centre and out of town business park locations. The UK's serviced flexible office sector is a £1.2 billion industry, accounting for roughly 32 per cent of the £3.8 billion serviced office market worldwide.

***Submission***

The BCA welcomes the publication of the "A City for All Londoners" document, which sets out the Mayor's vision for the future direction of London. We share the Mayor's commitment to maintaining London's status as one of the world's greatest cities, and the recognition of the role that commercial property and the flexible space sector will play in delivering that aspiration.

In the document, the Mayor states his desire to see London's economy continue to thrive, particularly in light of the United Kingdom's recent vote to leave the European Union. London's status as one of the most desirable places in the world to base a business has been subject to speculation in light of the referendum result. It is the BCA's view that the Mayor should use every tool at his disposal to demonstrate to businesses seeking a physical base that London will continue to be a place where entrepreneurs, SMEs and large corporate



organisations can thrive. Ensuring the availability of flexible business space for businesses lies at the heart of maintaining London's status.

In order to accommodate growth in London's economy, the existing stock of high quality, digitally connected, flexible business space will need to be protected, and increased, in order to ensure SMEs and entrepreneurs, in particular, have the opportunity to physically base themselves in the capital. The BCA is pleased the Mayor of London has recognised this in his document and we would like to raise a number of items in relation to commercial property that would help to support the Mayor's vision:

- The Mayor of London should outline his approach to ensuring businesses in London have access to flexible business space and consult work space providers on measures that will protect the existing stock of flexible business space in the capital. The Mayor should outline the policy tools that he will utilise in order to help bring additional flexible business space forward to cater for London's forecast growth.
- As part of delivering on his vision for London, the BCA would encourage the Mayor to explore the role new models of co-existence between living and work space might play in ensuring the Capital gets the right balance of residential and commercial space. The Mayor of London, in his pre-election manifesto, committed his administration to providing live-work units as part of the Mayor's affordable housing programme. The BCA would encourage the Mayor to deliver on that commitment whilst also ensuring that the London Plan provides a planning framework that is capable of dealing appropriately with these types of development, as well as emerging co-living developments and other models that might be developed in the coming years.
- We welcome the Mayor's commitment to seeing mixed-use development in London, and request that provisions are included within the next London Plan to increase the amount of flexible space provided within large mixed-use developments. The Mayor should also plan to integrate a mix of uses, including B1 office space into high-density development on public land, including TfL-owned land that is brought forward for development. We would encourage the Mayor of London's office to open a dialogue with work space providers in order to ensure any B1 office space delivered as part of a development on public land is commercially viable, designed for flexible purposes and suitable for tender to work space operators seeking new space in the capital.
- The BCA supports the Mayor's aspiration to limit the level of office to residential Class J prior approvals granted under the permitted development rights system. Data published by London Councils in August 2015 shows that 834,000 sqm of B1a floorspace was converted to residential use in the period since the introduction of PDR in 2013 until April 2015<sup>1</sup>. That figure is almost certainly higher a year on since the publication of these figures, further exacerbating the loss of business space in London. The existing system allows for the delivery of residential units that fall short of London Plan standards, and pushes up the cost of accessing B1 office space for London's SMEs and entrepreneurs. London Council's research in July 2015

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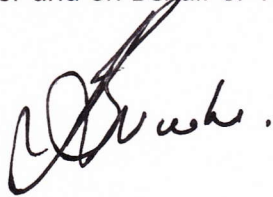
<sup>1</sup> <http://www.londoncouncils.gov.uk/our-key-themes/housing-and-planning/permitted-development-rights/impact-permitted-development-rights>

demonstrated that residential units delivered through office to residential conversion had in some instances delivered around 13.4 sqm of floorspace<sup>2</sup>, against a policy requirement of a minimum 39 sqm<sup>3</sup>. The Mayor should continue to push Government for a London-wide exemption from the permitted development rights system, in spite of the Government's existing position on the subject. At a minimum, the Mayor of London should provide additional support to local authorities seeking to put in place Article 4 directions within their Borough, and ensure sufficient resources are in place for local authorities prior to the process through which local authorities will apply for the renewal of existing Article 4 directions in 2019.

- The BCA supports the Mayor's decision to appoint London's first Chief Digital Officer. The improvement of London's digital infrastructure, which lags behind competitor cities in Europe and the United States, is fundamental to maintaining London's status as a world-class centre for global business. The CDO should be immediately tasked with setting out tangible actions for improving digital connectivity in London, bringing together business, local authorities and wider stakeholders, including work space providers, in order to set out a comprehensive digital connectivity programme for the term of this Mayoral administration. We would also urge the Mayor to continue his predecessor's Connectivity Ratings Scheme, currently delivered through WiredScore, which rates commercial buildings on the basis of their digital connectivity. The Mayor's office should increase the publicity associated with the scheme and commit to achieving the highest possible digital connectivity rating for commercial buildings that come forward on GLA owned, or TfL owned land.

We trust that this response is helpful to the team preparing the new London Plan document, in light of the recently published "A City for All Londoners" document. The BCA would welcome the opportunity of expanding our views at future meetings with the Mayor's office, and officers currently preparing the London Plan.

Yours faithfully,  
For and on Behalf of The Business Centre Association Ltd



Jennifer Brooke  
BCA Executive Director

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<sup>2</sup> <http://www.londoncouncils.gov.uk/our-key-themes/housing-and-planning/permitted-development-rights/impact-permitted-development-rights>

<sup>3</sup> <https://www.london.gov.uk/what-we-do/planning/london-plan/current-london-plan/london-plan-chapter-3/policy-35-quality-and>