

A City for all Londoners - Consultation response

Grosvenor Britain & Ireland (GBI) welcomes the opportunity to offer its views on the Mayor's vision for London.

GBI creates and manages high-quality neighbourhoods across the UK and Ireland. Its diverse property development, management and investment portfolio includes Grosvenor's London estate, comprising 300 acres of Mayfair and Belgravia, in which it has a £1bn planned investment programme. Other developments include Oxford, Cambridge, Edinburgh, Southampton and Bermondsey in London. GBI is part of Grosvenor Group, a privately owned property group active in some of the world's most dynamic cities.

Vision

We strongly support the broad focus of this vision on a city that can grow. We welcome the Mayor's underlying ambition that the capital meets the needs and aspirations of the many, not just the few. We also support the strategic view taken. As a company with 300 years of history, we take a long-term view. We recognise many of the challenges and opportunities that come with the imperative to create and sustain great places: urban neighbourhoods with rich histories that offer a unique lifestyle and home to people of mixed incomes, backgrounds, life stages and jobs; as well as commercial districts that host new jobs and greater opportunities.

We have collected our views under the vision's headings below.

Accommodating growth

In promoting London's success, the Mayor and his team should seek to:

- Articulate a compelling vision for growth that extends opportunities to all Londoners, alongside an honest depiction of the trade-offs inherent in delivering it;
- Bring together the public-private partnership needed to deliver that vision, spurring and underwriting the collaboration required; and
- Coordinate public agencies in a joined-up approach to delivering growth, so that commercial space and services such as health and education are considered alongside transport and housing.

It is vital that London's growth is enabled and supported, both with a step-change increase in housing supply, and with the expansion of high-quality commercial districts hosting jobs and opportunities, with in both cases the infrastructure and amenities required to meet demand.

In that context, we support the principle that development be intensified in well-connected locations. The opening of the Elizabeth line has driven substantial physical growth at new and expanded transport hubs. The delivery of Crossrail 2 would do the same. The opportunities created by that growth should be maximised by the public sector.

Our analysis suggests many parts of the West End have substantial untapped potential on this count. The district around West Oxford Street for example has the second lowest proportion of employment space in the West End and half the employment density of its neighbouring Regent Street district. We analyse that with a combination of diversification, intensification and new development, this district could host economic activity supporting 15,000 additional jobs in

the next 20 years - a quarter of the entire borough's job target - while improving the area's amenity and preserving its unique characteristics.

In many parts of the Central Activities Zone (CAZ), market changes and a blunt mixed use policy have resulted in a substantial reduction in employment space. Westminster City Council (WCC) forecasts around 77,000 new jobs in the borough by 2036. The additional economic activity implied by this target will require around 2m square metres of new employment space in the next 20 years - which is three times the amount delivered in the previous 20. Meanwhile, vacancy rates are at a 15 year low.

We support the continued exclusion of office to residential permitted development rights in the CAZ. The need to protect and grow commercial space in central London demands a flexible planning policy that supports a mix of uses in an area rather than in a single building, with where necessary land use and affordable housing swaps and credits.

We back the renewed focus on accelerating development in the Mayor's Opportunity Areas. Victoria is one of those areas, and we continue to believe the relocation of the Victoria Coach Station would unlock the area's potential. We would welcome the Mayor's support to find credible and workable alternative sites for the station, as we continue to work with Transport for London (TfL), WCC, Victoria BID, coach operators and others to assess the opportunity.

Housing

We are encouraged by the Mayor's drive to unlock a step-change increase in housing and his recognition that London needs all forms of housing from all sources of supply.

The Mayor should focus on increasing housing supply with a response judged not only by the number of units, but also by the quality of mixed urban neighbourhoods created. High quality places, not just buildings, will define London's ability to knit together and sustain long-lived communities as well as to attract talent, nationally and internationally. We would like to see policy supporting the development of well-designed, animated and dense new urban neighbourhoods, alongside estate regeneration that delivers more and better homes. Rather than relying on the current London Plan density range, we would welcome strategic sites retaining the ability to create their own identity and character at high density.

London's housing shortage continues to produce polarising outcomes, with housing for sale that is available to the few who can afford to buy it and social rented accommodation to the few who need it. We welcome the Mayor's recognition that London needs a new supply of homes to meet the needs of those in the middle.

In that context, we believe the Mayor should seek to unlock substantial private investment in the build-to-rent sector. We are pleased that developing Mayoral policy accepts the economics of build-to-rent are different to those of housing for sale; that discounted market rental homes should be seen by policy at local level as affordable housing; and that PRS schemes cannot deliver the same percentage of traditional affordable or social rented homes as housing for sale. We would call on the Mayor and local authorities to engage Londoners on the choices available on these counts, with a new narrative on what constitutes affordable housing.

We welcome the Mayor's aspirations to take a more interventionist approach in the release of public land. We believe the Mayor should take strategic responsibility, identifying land for development with designation and new investment, using CPO powers where necessary. He should set density, quality or design thresholds when selling to those who will build.

We would support a new and stronger set of incentives and penalties for boroughs to accelerate delivery. Equally, boroughs should be given the freedom to borrow against their housing stock, if they can demonstrate housing need and a credible delivery plan.

Overturning the housing shortage will critically require more developable land on which to build. Bold public sector leadership will be needed to bring that land to the market in places of greatest need. In that context, the merits of Green Belt development should be understood and reflected in policy. So whilst the vast majority of Greenbelt land should continue to be protected - and especially high quality green spaces for public recreational use - the considered, fractional and timely release of Green Belt land should be considered. The Mayor with other civic leaders should instigate a detailed review of the Green Belt to identify areas with low amenity and natural capital value and strong transport links that could host new homes.

We recognise that parts of central London have homes that are owned by people who are rarely present. Although the majority of foreign owners are either resident or let their property out to others, we believe that higher occupancy should be incentivised. At the same time, the Mayor should avoid the risk of unintended consequences, and should not deter investment in London. GBI would be happy to support the Mayor in further research on the benefits and consequences of foreign investment and ownership.

Transport

We look forward to commenting on the detail of the Mayor's Transport Strategy when it is published and in the meantime make the following comments.

We share the Mayor's belief that improving air quality and cutting congestion in inner and central London will require bold leadership and policy that deliver amongst other things a significant modal shift to walking and cycling.

We would encourage the Mayor and TfL to bring greater focus on the technologies that can optimise the use of scarce road space; on the need to encourage the take-up and application of out-of-hours servicing and delivery (including 'silent' night-time deliveries); and on the funding and financing mechanisms that can deliver world-class public realm improvements.

Equally we believe the development of new and potentially disruptive innovation should be closely tracked by TfL and inform any transport strategy. The trends suggested by the success of Uber and Deliveroo; the growth of online shopping and home delivery; the investment in semi-automated vehicles; and the concept of Mobility-as-a-Service all suggest TfL will have to scenario-plan now for behavioural and technological change in future.

We believe more journeys on foot should be encouraged and enabled. In tandem, and given the growing demands on our public spaces, the Mayor should encourage and incentivise world-class public realm design and delivery. He should offer local planning authorities the flexibility to apply Meanwhile use and other planning policy in a way that delivers the best outcomes for public space.

We back the Mayor's commitment to transform Oxford Street with, amongst other things, a substantial cut in bus routes and numbers. Bold, transformative change will be needed to maintain the West End's success in the face of growing demand.

We also welcome the Mayor's support for the West End Partnership, and believe he should make the case that some of the proceeds of growth should be reinvested locally in the West

End. The public realm and transport improvements identified by the West End Partnership will require significant private capital and coordination, which in turn will only come with the confidence that there is a public sector vision backed by steady-stream funding. We believe devolved business rates could finance that funding and provide that confidence.

Economy

We welcome the signals sent by the Mayor's London is Open campaign, and the broad vision the Mayor has established for an economy that brings opportunity to the many, not just to the few.

If London is to strengthen its greatest success factor - its ability to attract talent nationally and internationally - policy should recognise and support the characteristics that drive London's appeal.

We support the Mayor's case for greater fiscal devolution to reinvest the proceeds of growth. In that context, we believe targeted and early business rate retention or Tax Increment Finance models would create a better alignment between public and private sector, with a clearer link between costs and long-term benefits. If long term value is retained locally, all parties can focus on investing today to create better places for the long term. Critically, private capital and coordination will be needed to deliver major infrastructure improvements such as Crossrail 2 or new digital connectivity. That capital and coordination will come with confidence there is bold placemaking leadership from our civic leaders, backed by steady-stream public funding.

Environment and sustainability

We agree with the Mayor that a denser city can be a more environmentally sustainable city. We welcome the Mayor's ambitions for a catalytic programme to tackle our city-wide environmental challenges and his championing of green infrastructure. We recognise that bold leadership and change will be needed to secure London's resilience in the face of climate change.

We welcome the Mayor's recognition that the wide-scale retrofitting of existing buildings will be key to success and would be happy to share our experience. We have an extensive retrofit programme on our London estate and have gained recognition and profile for the BREEAM 'Outstanding' retrofit of listed and heritage assets. A sensitive and flexible planning regime will be required to spur this success across the capital.

We would like to see a renewed strategy on freight and waste consolidation for businesses across the capital that builds on the success of recent achievements. Waste and retail consolidation in the West End has made a positive impact in Bond Street and Regent Street. On waste, four in five of Bond Street businesses now use a single preferred waste supplier scheme, so that waste collection vehicles have fallen by 75% (from 47 providers to 5). Businesses have made waste collection costs savings of on average 25%.

Air quality

We support the Mayor's efforts to improve air quality, including with the pedestrianisation of Oxford Street.

We support in principle the Emissions Surcharge in central London and the proposed Ultra Low Emissions Zone (ULEZ) across all of London, and will await further information on

transitional arrangements for both.

Culture

We welcome the Mayor's renewed focus on improving London's cultural offer. We would like our London estate to contribute to London's success on this count and are developing a cultural strategy we hope we can work with the Mayor and others to deliver.

In that context, we believe supportive planning policy across London - for example an unambiguous definition of temporary use and the ability to change uses on a temporary basis without the need for formal consent - will help secure and grow the capital's cultural offer, in part by spurring new public realm and public art.

Our London estate hosts 18 acres of green space - public and private garden squares - whose use for cultural events is curtailed by the London Squares Preservation Act of 1931. We would welcome the Mayor's support for a review of that act to open these spaces' potential to be more actively used by all Londoners.

Inclusive city

We strongly support the Mayor's aspiration for a city that works for everyone. In that context, and in our role as property developer and masterplanner, we believe excellent design for both public and private spaces can improve accessibility, social interaction and the efficient use of limited space. The Mayor should continue to promote the best examples of architectural and public realm design in the capital.

Grosvenor supports the London Living Wage and pays no employee in the capital less than it.