CHAPTER FOUR

LONDON'S ECONOMY

4.1 This chapter sets out policies to support delivery of the Mayor's vision and objectives – particularly those to ensure that London is:

- **A city that meets the challenges of economic and population growth** in ways that ensure a sustainable, good and improving quality of life and sufficient high quality homes and neighbourhoods for all Londoners, and help tackle the huge issue of deprivation and inequality among Londoners, including inequality in health outcomes; and
- **An internationally competitive and successful city** with a strong and diverse economy and an entrepreneurial spirit that benefits all Londoners and all parts of London; a city that is at the leading edge of innovation and research, and which is comfortable with – and makes the most of – its rich heritage and cultural resources.

These policies will support the sustainable development and growth of London's diverse economy over the years to 2036, enable it to contribute to the prosperity of the UK by meeting the twin challenges of global competition and of a low carbon future, and to provide Londoners with the goods, services and job opportunities they will need.

4.2 This chapter, which complements the Mayor's Economic Development Strategy (EDS), deals with the needs of different sectors of the economy and their workspace requirements. It also provides a policy base for innovation, development, growth and investment[120], with support for new and emerging economic sectors and a 'connected' economy. Making sure all Londoners are able to share in their city's success is a key priority, and this chapter deals with the contribution planning policy can make to improving opportunities for all Londoners.

Economic context

POLICY 4.1 DEVELOPING LONDON'S ECONOMY

Strategic

A The Mayor will work with partners to:

a1 promote and enable the continued development of a strong, sustainable and increasingly diverse economy across all parts of London, ensuring the availability of sufficient and suitable workspaces in terms of type, size and cost, supporting infrastructure and suitable environments for larger employers and small and medium sized enterprises, including the voluntary and community sectors

a2 maximise the benefits from new infrastructure to secure

120 Mayor of London. 2020 Vision. The greatest city on earth. Ambitions for London by Boris Johnson, GLA 2013

sustainable growth and development

b drive London's transition to a low carbon economy and to secure the range of benefits this will bring

c support and promote outer London as an attractive location for national government as well as businesses, giving access to the highly-skilled London workforce, relatively affordable work space and the competitive advantages of the wider London economy

d support and promote the distinctive and crucial contribution to London's economic success made by central London and its specialist clusters of economic activity

e sustain the continuing regeneration of inner London and redress its persistent concentrations of deprivation

f emphasise the need for greater recognition of the importance of enterprise and innovation

g promote London as a suitable location for European and other international agencies and businesses.

4.3 Providing the basis for the continued growth and economic development of all parts of London is a key theme of this Plan. The capital has had a history of change and innovation[121], and this is likely to remain the case for the future. The role of planning is to facilitate that change in ways which ensure that all parts of London and all kinds of enterprises can flourish and contribute to the prosperity of the whole city, and all of its people. This is a key contributor to the strategy set out in Chapter 1.

4.4 This Plan aims to ensure that London continues to excel as a world capital for business, while also supporting the success of local economies and neighbourhoods in all parts of the capital (see Chapter Two). Particular emphasis is placed on supporting the greater contribution outer London can make to the capital's economic success (policies 2.6-2.8). The Mayor established a Commission to identify the scope for sustainable growth there. It concluded that outer London could make a stronger contribution to growth of the capital and the wider city region, providing an attractive location for sectors which are currently located in surrounding parts of south east England. Inner and central London's continued success, and that of the sectors of the economy that cluster there, will always be crucial to the capital and to the United Kingdom as a whole (policies 2.9 and 2.10-2.12). In addition, this Plan identifies opportunity areas across London providing significant capacity for new employment (Policy 2.13 and Annex 1). Much of this capacity is in east London, where there is both the scope and need for additional economic development.

4.4A Investment in new infrastructure is critical to securing sustainable growth

121 GLA Economics. Joint Strategic Evidence Base GLA, 2009

nd development[122]. This Plan seeks to maximise the economic, social and environmental benefits from such investment in London. For the London economy, these benefits include economic output, employment, productivity, business opportunities, regeneration and the capital's contribution to the wider UK economy.

4.5 The policies in this Plan are also intended to provide the basis for success of all kinds and sizes of enterprise. London has around 800,000 enterprises ranging from large, office based employers to small and medium-sized ones (which represent about 48 per cent of London employment) and the more than 600,000 self-employed Londoners; and from major corporations to the voluntary and community (there are around 8,000 voluntary enterprises[123] in London, providing an estimated 377,800 jobs) and public sectors (the public sector employs 739,000 in London – proportionately one of the lowest of all regions). All of these play an important role in London's economy and development, and will continue to do so.

4.6 The Mayor wishes to encourage broad-based growth, and continues to support the success of economic sectors like financial and business services, including those clustered in the City and the north of the Isle of Dogs, as well as leisure services and retail which together have been at the centre of London's economic success over the past four decades. At the same time, he will help to build the conditions for new sectors to emerge, such as the technology, media and telecommunications (TMT) sector and play their part in a thriving, resilient and diverse city economy. This does not mean trying to 'pick winners', in the way governments tried in the 1960s and 1970s. Rather the Plan seeks to ensure there are the workspaces, environments, skilled workforces and infrastructures that enterprises of all kinds and sizes need to develop and innovate.

4.7 The Mayor is strongly committed to driving a fundamental shift in London's economy towards a low carbon future. This is vital both to ensuring the city meets the challenges of climate change (see Chapter 5), and to positioning it to realise the business benefits and opportunities being a world leader in this area will bring. A low carbon economy is one in which economic growth and business success coexist with reducing carbon intensity. Realising this objective will mean addressing the issues raised in Chapter 5 – minimising resource use where we can, maximising efficiency with what we do have to use, ensuring availability of infrastructure and networks. This will in turn help develop a market for low carbon goods and services, and support innovation. The planning system can also ensure enterprises working in the low carbon economy have the kind of workspaces they need. The Mayor's Economic Development Strategy sets out policies to complement those here – promoting low carbon business practices and ensuring availability of the necessary skills for example.

4.8 Whilst availability of workspaces that are both suitable and affordable is a key concern for small and medium-sized enterprises (SMEs), in overall terms there

122 Mayor of London. 2020 Vision. The greatest city on earth. Ambitions for London by Boris Johnson, GLA 2013

123 ONS. VAT/PAYE registered. ONS, 2013

is currently sufficient market provision, though there will be particular locations with significant constraints that need addressing, and it will be important to ensure that there continues to be sufficient capacity into the future. In some circumstances, such as around central London, to meet the requirements of CAZ, workspace may need to be secured through planning agreements as part of mixed use development. The Mayor also recognises that London's economy is disproportionately dependent on larger employers. This Plan reflects their importance to London's continued prosperity and ensures that they have the room to grow. These trends will be monitored rigorously.

4.9 The Mayor's Economic Development Strategy provides further detail on realising London's potential for economic growth. It makes clear the Mayor's overall economic development policy objectives to:

- promote London as the world capital of business, the world's top international visitor destination and the world's leading international centre of learning and creativity
- ensure London has the most competitive business environment in the world
- support London to become one of the world's leading low carbon capitals by 2025
- give all Londoners the opportunity to take part in London's economic success, access sustainable employment and progress in their careers; and
- ensure prosperity is spread across the capital, addressing areas of deprivation across the city and in particular fostering economic and employment growth in outer London, maintaining the global role of central London and maximising the benefits of investment.

4.9A The London Plan provides the strategic planning policy framework for the London Enterprise Panel (LEP) which is the local enterprise partnership for London[124]. Its purpose is to:

- advise the Mayor on action to provide strategic investment to support private sector growth and employment;
- promote enterprise and innovation and the acquisition of skills for sustained employment in London; and
- protect and enhance London's competitiveness.

124 For further details: https://lep.london/

Economic sectors and workspaces

POLICY 4.2 OFFICES

Strategic

A The Mayor will and boroughs and other stakeholders should:

- a support the management and mixed use development and redevelopment of office provision to improve London's competitiveness and to address the wider objectives of this Plan, including enhancing its varied attractions for businesses of different types and sizes including small and medium sized enterprises
- b recognise and address strategic as well as local differences in implementing this policy to:
  - meet the distinct needs of the central London office market, including the north of the Isle of Dogs, by sustaining and developing its unique and dynamic clusters of 'world city' and other specialist functions and business environments, and
  - consolidate and extend the strengths of the diverse office markets elsewhere in the capital by promoting their competitive advantages, focusing new development on viable locations with good public transport, enhancing the business environment including through mixed use redevelopment, and supporting managed conversion of surplus capacity to more viable, complementary uses
- c encourage renewal and modernisation of the existing office stock in viable locations to improve its quality and flexibility
- d seek increases in the current stock where there is authoritative, strategic and local evidence of sustained demand for office-based activities in the context of policies 2.7, 2.9, 2.13 and 2.15–2.17
- e monitor the impact of government liberalisation of Permitted Development rights for changes of use from offices to residential.

LDF preparation

B LDFs should:

- a enhance the environment and offer of London's office locations in terms of physical attractiveness, amenities, ancillary and supporting activities as well as services, accessibility, safety and security
- b provide the basis for work with the GLA Group, investors, developers, land owners and potential occupiers to bring forward and renew development capacity as efficiently as possible, co-ordinating their activities and interests to avoid planning delays and facilitating site assembly, if necessary, through the compulsory

purchase process and especially beyond the central London office market

c work with sub-regional partners to develop co-ordinated, phased strategies to manage long term, structural changes in the office market, focusing new capacity where there is strategic as well as local evidence of demand, encouraging renewal and modernisation in viable locations and supporting changes of surplus office space to other uses

d examine the scope for re-use of otherwise surplus large office spaces for smaller units.

4.10 In recent decades London's economy has been increasingly service-based, and this is likely to continue. As a result, ensuring there is enough office space of the right kind in the right places is a key task for the London planning system.

4.11 Results from the 2009 London Office Policy Review[125] indicate that office based employment may grow by some 303,000 between 2011 and 2031. On the basis of this, a central assumption for office employment density of 12 sq.m per worker; net:gross development ratios of 75% - 85%; and a frictional vacancy rate of eight per cent, London might need an additional 3.9 million sq m (net) or 4.6 - 5.2 million sq.m (gross) office floorspace by 2031 (see Table 4.1). However, particularly beyond central London, historic performance has shown that employment growth has not translated into office floorspace demand[126]. The Mayor is concerned that the planning process should not compromise potential growth, so 3.9 million sq.m (net) provides a broad, employment based, monitoring benchmark and will be set among others addressing development trends, density, rents, take-up and vacancy.

Table 4.1 Demand for office based employment and floorspace, 2011–2031

	Office based employment growth		Demand for office floorspace (million sqm)		
Location	Total	% of total growth	Net floorspace	Gross floorspace (75% ratio)	Gross floorspace (85% ratio)
Outer London	59,000	20	0.77	1.03	0.91
Inner London*	67,000	22	0.86	1.15	1.01
CAZ and the north of the Isle of Dogs	177,000	58	2.30	3.07	2.71
London total	303,000	100	3.93	5.24	4.62

* Excluding CAZ and north of Isle of Dogs

Source: GLA; derived from London Office Policy Review 2009

125 Ramidus Consulting Limited, Roger Tym & Partners. London Office Policy Review 2009. GLA, 2009
126 Ramidus Consulting Limited 2009, op cit

4.12 Informed by the recommendations of the Outer London Commission (OLC)[127], the Mayor encourages the renewal and modernisation of the office stock in viable locations in outer and inner London and urges boroughs to manage changes of surplus office space to other uses, providing overall capacity is sustained to meet London's long term office needs. The findings of the OLC and the London Office Review Panel (LORP) indicate that the most viable locations for the renewal and modernisation of the office stock in outer London include:

- Strategic Outer London Development Centres (Policy 2.16), particularly the strategic office centres at Croydon and Stratford and elsewhere if justified by demand, for example at Brent Cross
- mid-urban business parks such as that which has been developed at Chiswick
- town centre based office quarters (see office guidelines in Annex 2)
- conventional business parks beyond the urban area, such as those at Stockley Park and Bedfont Lakes, which should work towards greater transport sustainability
- science and innovation parks, ranging from urban incubator units to more spacious provision
- existing linear office developments such as the 'Golden Mile' in Hounslow, which should be made more sustainable in transport terms
- locally oriented, town centre based office provision, which can be consolidated effectively to meet local needs, or where necessary, changed to other uses.

4.13 Local plans and strategies should support the conversion of surplus offices to other uses and promote mixed use development in the light of integrated strategic and local studies of office demand. Informed by the independent London Office Review Panel a 'plan, monitor and manage' approach will be used to reconcile office demand and supply across the development cycles likely to be encountered over the years to 2036. This may well provide scope for changes from surplus office to other uses, especially housing, providing overall capacity is sustained to meet London's long term office needs. The scope for re-use of otherwise surplus large office space for smaller units suitable for SMEs should also be considered.

4.13A In 2013 the government liberalised permitted development rights for changes of use from offices to residential but granted exemptions for parts of London including the Central Activities Zone, the north of the Isle of Dogs, Tech City (City Fringe), Kensington and Chelsea and the Royal Docks Enterprise Zone. The impact of the liberalisation of permitted development rights beyond these areas will be monitored by the GLA in collaboration with the boroughs.

4.14 In the CAZ and the Isle of Dogs there remains strong long term office demand, and a substantial development pipeline which is partly subject to the implementation

127 Mayor of London. The Mayor's Outer London Commission Report, GLA 2010

of Crossrail and other significant investments in transport capacity. Environmental improvements in these locations continue to be needed to enhance its attraction as a global business location.

POLICY 4.3 MIXED USE DEVELOPMENT AND OFFICES

Strategic

A

- a Within the Central Activities Zone and the north of the Isle of Dogs Opportunity Area (see Chapter 2 and Annex 1), increases in office floorspace, or those above a justified local threshold, should provide for a mix of uses including housing, unless such a mix would demonstrably conflict with other policies in this plan
- b elsewhere in London, mixed use development and redevelopment should support consolidation and enhancements to the quality of the remaining office stock in the types of strategically specified locations identified in paragraph 4.12.

LDF preparation

B LDFs should:

- a develop policies and strategies taking into account the above spatial principles
- b develop local approaches to mixed use development and office provision taking into account the contribution that 'land use swaps', 'housing credits' and off-site contributions can make, especially to sustain strategically important clusters of commercial activities such as those in the City of London and the north of the Isle of Dogs Opportunity Area. In outer London, the consolidation of surplus office provision can provide opportunities to 'swap' new office provision to the most viable types of location outlined in paragraph 4.12.
- c where justified by local and strategic office demand and supply assessments and in areas identified in the LDF as having a particular need for local office provision, provide protection for small scale offices (under 500sqm or a justified local threshold) within the CAZ.
- d where justified by local and strategic office demand assessments and in areas identified in LDFs as having a particular need for local office provision, require residential proposals within the CAZ which would otherwise result in the loss of office space to make a proportionate contribution to provision of new office space within, or nearby, the development.

4.15 The Mayor encourages mixed use development, with different approaches for places where high office values will generally support other uses, and those where values for other uses (such as residential) may be higher and support some office space renewal. London's economic growth depends heavily on an efficient labour market and this in turn requires adequate housing provision to sustain it. This can be partly addressed through mixed use development, to deliver a mix of uses across an area, including, but not necessarily exclusively, in mixed use buildings (see also Chapter 3). The concepts of land use 'swaps' and 'credits' (see Glossary) can support this process as part of local approaches to implementation of this policy in differing circumstances and may be co-ordinated for application across borough boundaries to support the broader objectives of this Plan.

4.16 Beyond CAZ and the north of the Isle of Dogs, mixed use redevelopment can play a role in promoting selective renewal and modernisation of the stock in appropriate locations (see paragraph 4.12) and delivery of other uses including housing as part of a managed process to consolidate the strengths of the office market. Supplementary guidance is provided on this process[128].

4.17 Within the Central Activities Zone and the north of the Isle of Dogs Opportunity Area, strategically important office development should include other uses, including housing. As a general principle, housing and other uses should be required on-site or nearby to create mixed use neighbourhoods. Exceptions to this should only be permitted where mixed uses might compromise broader objectives, such as sustaining important clusters of business activity, for example in much of the City and the north of the Isle of Dogs, or where greater housing provision, especially of affordable family housing, can be secured beyond this area. In such circumstances, contributions to off-site housing provision should be required as part of a planning agreement.

4.17A In the Central Activities Zone, the differential in office and residential land values has led to concern over the loss of office space to housing even though the area is exempt from government's liberalisation of Permitted Development rights. Though the development pipeline is sufficient to support demand for new provision, sustained loss of generally more affordable existing stock could erode the Zone's strategic offer as a competitive, nationally important office location. The Mayor and boroughs will monitor these changes carefully across CAZ. In light of this monitoring and where justified by local and strategic office need assessments, Boroughs should consider raising local thresholds for application of mixed use Policy 4.3 to a level which will actively encourage office renewal but still contribute to housing provision. There is particular concern over the loss of smaller scale offices which are usually part of vibrant, mixed use localities. The Mayor supports boroughs in sustaining office capacity in these areas providing such action can be justified by strategic and local assessments of office need. Further guidance on implementation of this policy will be provided in the Central Activities Zone SPG.

128 Mayor of London. Housing SPG. GLA, 2012. Mayor of London. Town Centres SPG. GLA 2014

POLICY 4.4 MANAGING INDUSTRIAL LAND AND PREMISES

Strategic

A The Mayor will work with boroughs and other partners to:

a adopt a rigorous approach to industrial land management to ensure a sufficient stock of land and premises to meet the future needs of different types of industrial and related uses in different parts of London, including for good quality and affordable space

b plan, monitor and manage release of surplus industrial land where this is compatible with a) above, so that it can contribute to strategic and local planning objectives, especially those to provide more housing, and, in appropriate locations, to provide social infrastructure and to contribute to town centre renewal.

LDF preparation

B LDFs should demonstrate how the borough stock of industrial land and premises in strategic industrial locations (Policy 2.17), locally significant industrial sites and other industrial sites will be planned and managed in local circumstances in line with this strategic policy and the location strategy in Chapter 2, taking account of:

a the need to identify and protect locally significant industrial sites where justified by evidence of demand

b strategic and local criteria to manage these and other industrial sites

c the borough level groupings for transfer of industrial land to other uses (see Map 4.1) and strategic monitoring benchmarks for industrial land release in supplementary planning guidance

d the need for strategic and local provision for waste management, transport facilities (including inter-modal freight interchanges), logistics and wholesale markets within London and the wider city region; and to accommodate demand for workspace for small and medium sized enterprises and for new and emerging industrial sectors including the need to identify sufficient capacity for renewable energy generation

e quality and fitness for purpose of sites

f accessibility to the strategic road network and potential for transport of goods by rail and/or water transport

g accessibility to the local workforce by public transport, walking and cycling

h integrated strategic and local assessments of industrial demand to justify retention and inform release of industrial capacity in order to achieve efficient use of land

i the potential for surplus industrial land to help meet strategic and local requirements for a mix of other uses such as housing and, in appropriate locations, to provide social infrastructure and to contribute to town centre renewal.

4.18 Even an increasingly service-based economy needs space for less high-value activities crucial to sustaining the city's metabolism, including 'services for the service sector', manufacturing and maintenance, waste management and recycling, wholesale and logistics. Sufficient space to accommodate demand for workspace suitable for SMEs and for new and emerging industries is also required including for the needs of micro-firms.

4.19T The Mayor will promote a rigorous, evidence based approach to reconcile demand and supply of industrial land and to take account of the needs of industrial and related uses including waste management in terms of clustering, capacity, environment, accessibility and cost requirements through three types of location:

- strategic industrial locations (see Policy 2.17)
- locally significant industrial sites, and
- other industrial sites.

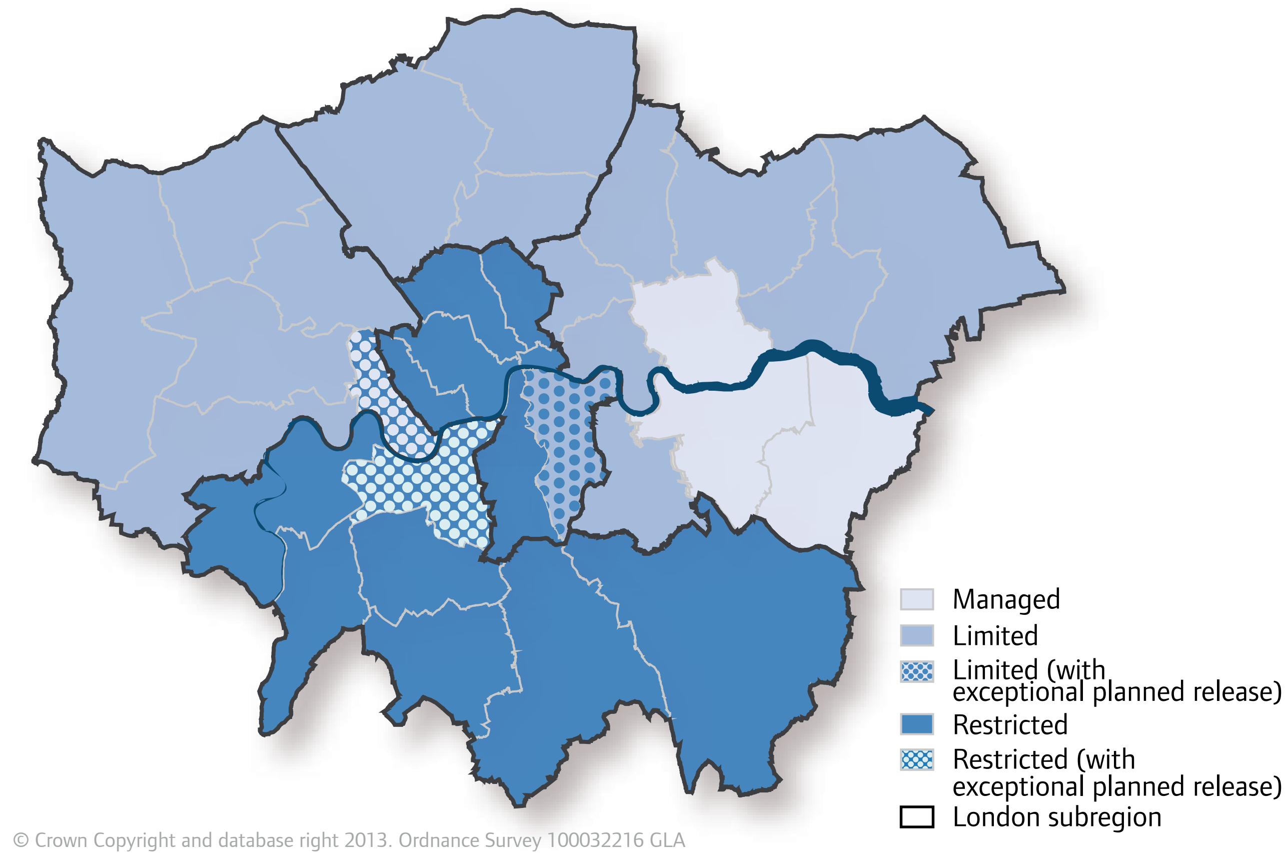
4.20 To justify strategic recognition and protection, locally significant industrial sites must be designated on the basis of robust evidence demonstrating their particular importance for local industrial type functions. Inner London sites providing sustainable distribution services for the Central Activities Zone and Canary Wharf may be particularly appropriate for this designation. Boroughs should make explicit in DPDs the types of uses considered appropriate in locally significant industrial sites and distinguish these from more local industrial areas. In developing criteria to guide the management of these and more local capacity, boroughs should take into account guidance in the Mayor's Land for Industry and Transport SPG.

4.21 Taking account of trends in the wide range of industrial type activities and scope for more efficient use of industrial capacity, as well as more specific requirements for waste management and recycling (Chapter 5), research suggests industrial land use change should be monitored against benchmarks based on an average, pan-London annual net release of 37 ha 2011-2031[129]. Informed by the research and consultation on the Mayor's Land for Industry and Transport SPG, the broad borough level groupings for transfer of industrial land to other uses in Map 4.1 indicate that the scope for transfer is greatest in east and parts of inner west London, with more limited scope in north and outer west London and restricted scope for release elsewhere. This will require careful management by boroughs in collaboration with the Mayor.

4.22 The monitoring benchmarks, the borough level groupings and implementation of industrial land release will be kept under review and updated to roll the benchmarks forward to cover the period up to 2036 through supplementary guidance. Where appropriate the Mayor will work with partners to develop more

129 Mayor of London. Supplementary Planning Guidance, Land for Industry and Transport. GLA, 2012. Roger Tym & Partners, King Sturge. Industrial Land Demand and Release Benchmarks in London. GLA 2011

Map 4.1 Borough level groupings for transfer of industrial land to other uses



detailed frameworks to manage the release of land, where this will not prejudice his wider planning objectives.

4.23 Redevelopment of surplus industrial land should address strategic and local objectives particularly for housing, and for social infrastructure such as education, emergency services and community activities. Release of surplus industrial land should, as far as possible, be focused around public transport nodes to enable higher density redevelopment, especially for housing. In locations within or on the edges of town centres, surplus industrial land could be released to support wider town centre objectives (see Policy 2.15).

4.24 The Mayor seeks to retain an efficient wholesale market function to meet London's requirements. Redevelopment of any of the markets should not compromise opportunities to consolidate composite wholesale market functions to meet London's long term wholesaling needs at Western International, New Covent Garden and New Spitalfields[130].

130 URS. London Wholesale Markets Review. GLA, 2007

POLICY 4.5 LONDON'S VISITOR INFRASTRUCTURE

Strategic

A The Mayor will, and boroughs and relevant stakeholders should:

a support London's visitor economy and stimulate its growth, taking into account the needs of business as well as leisure visitors and seeking to improve the range and quality of provision especially in outer London

b seek to achieve 40,000 net additional hotel bedrooms by 2036, of which at least 10 per cent[1] should be wheelchair accessible

c ensure that new visitor accommodation is in appropriate locations:

– beyond the Central Activities Zone (CAZ) it should be focussed in town centres and opportunity and intensification areas, where there is good public transport access to central London and international and national transport termini

- within the CAZ strategically important hotel provision should be focussed on its opportunity areas, with smaller scale provision in CAZ fringe locations with good public transport. Further intensification of provision in areas of existing concentration should be resisted, except where this will not compromise local amenity or the balance of local land uses

It may be appropriate to locate visitor accommodation related to major visitor attractions of sub-regional or greater significance in locations other than those set out in this paragraph, but only where it can be shown that no suitable site in one of these locations exists and that there is a clear link in scale, nature and location (particularly demonstrating sufficient proximity to minimise the overall need to travel and maximise walking and cycling) between the accommodation and the attraction being served.

d support provision for business visitors, including high quality, large scale convention facilities in or around the CAZ

e recognise the need for apart-hotels in the context of the broader policies of this Plan.

f promote, enhance and protect the special characteristics of major clusters of visitor attractions including those identified in Strategic Cultural Areas in Map 4.2.

Planning decisions

B Developments should:

a contribute towards the hotel provision target and ensure that at least 10 per cent of bedrooms are wheelchair accessible

1 Grant Thornton. Accessible Hotels in London. GLA, 2010

b be consistent with the strategic location principles set out above

c not result in the loss of strategically important hotel capacity[2].

LDF preparation

C LDFs should:

a seek to ensure that all new visitor accommodation meets the highest standards of accessibility and inclusion and encourage applicants to submit an accessibility management plan with their proposals

b promote high quality design of new visitor accommodation so that it may be accredited by the National Quality Assurance Scheme

c identify opportunities for renovation of the existing visitor accommodation stock

d promote and facilitate development of a range of visitor accommodation, such as hotels, bed and breakfast accommodation, self-catering facilities, youth hostels and camping and caravan sites

e support and encourage development of good quality budget category hotels, especially in outer London.

2 Strategically important hotel capacity will depend on local circumstances, but typically comprises development exceeding 100,000 m2 in the City, 20,000 m2 in Central London and 15,000 m2 outside Central London.

4.25 Visitors play an important part in the city's economy. In 2012, London attracted nearly 28 million overnight visitors, comprising 16 million from overseas and 12 million from the UK[131]. A significant number of these are for business purposes. The capital also received 297 million day visitors a year[132]. Together they helped to support 253,000 jobs, nearly 5.5 per cent of the total employment for London.

4.26 The Mayor's Tourism Vision[133] sets out key objectives to develop the quality of accommodation; enhance visitor perceptions of value for money and improve the inclusivity and accessibility of the visitor experience. To ensure adequate hotel provision this Plan sets a target of 40,000 net additional hotel rooms by 2036[134], recognising that over this period London may 'mature' as a visitor destination leading to a reduction in historic growth rates. This trend will be monitored closely.

131 International Passenger Survey (IPS) and Great Britain Tourism Survey (GBTS). Both figures include business visitors.

132 Great Britain Day Visitor Survey 2011 (note definition is wider than previous LDA survey). For further details see GLA Economics, Current Issues Note 38. The Great Britain Day Visitor Survey 2011 – a London analysis. GLA, 2012

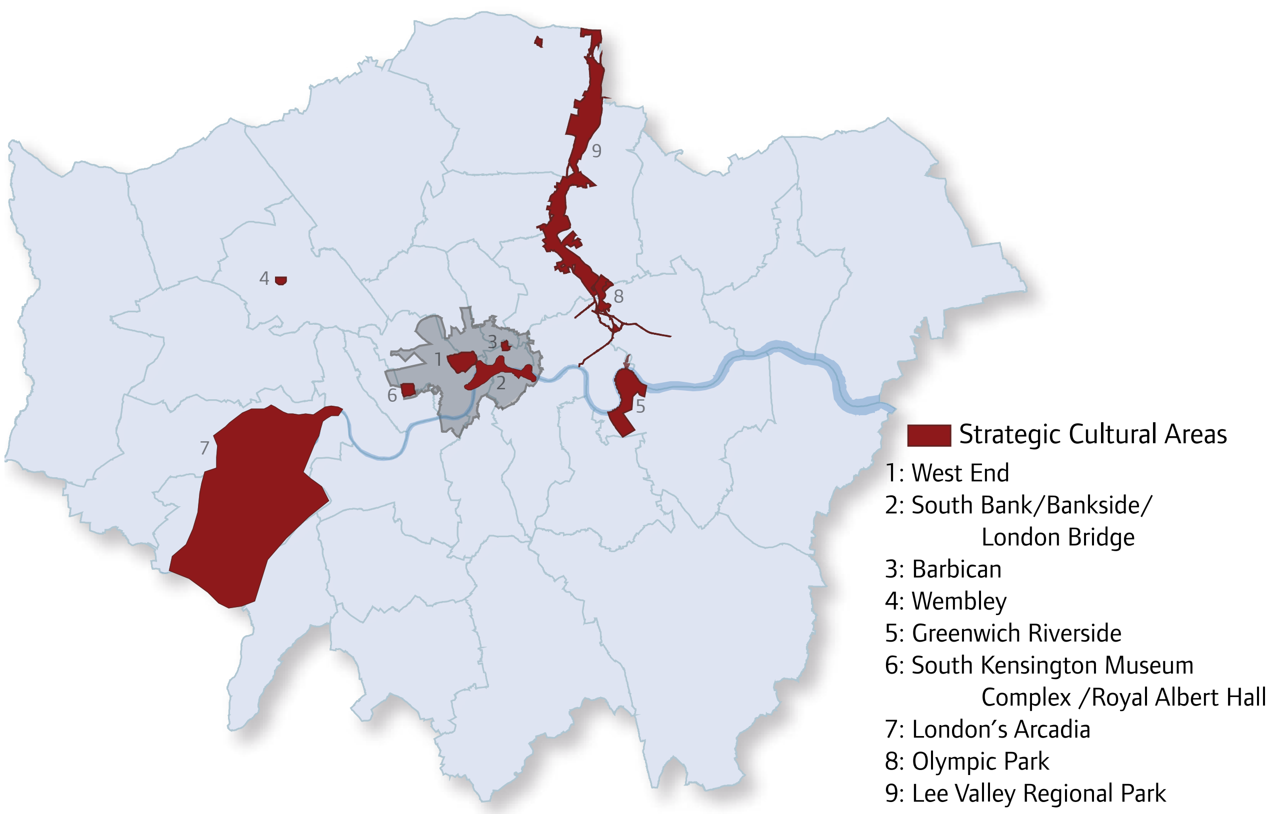
133 Mayor of London. London Tourism Vision 2006 – 2016. LDA, 2006 and Mayor of London. London Tourism Action Plan 2009-2013. LDA, 2009

134 GLA Economics, Understanding the demand for and supply of visitor accommodation in London to 2036, GLA, 2013

4.27 Improving the availability of hotel accommodation that is genuinely accessible to all is a particular priority and at least 10 per cent of new provision should be wheelchair accessible. The Mayor has prepared guidance on accessible hotel accommodation and on the implementation of accessibility management plans[135].

4.28 With their rich heritage and unique offers, the strategic cultural areas (see Map 4.2 and paragraph 4.33) are identified as London's major clusters of visitor attractions. Other locations such as outer London town centres and especially those identified in Policy 2.16 with specialist strengths in leisure/tourism, should play an increasing role in provision for visitors[136] in order to extend the benefits of tourism across the capital and reduce pressures on central London. For example, options for a cruise liner terminal in an appropriate location such as Greenwich Peninsula, and capturing the regeneration benefits of strategic sporting attractions, should be explored. There is scope to develop London's historic environment and natural landscape as visitor attractions, working with the new London and Partners agency established to promote the capital, and with other partners to take a more

Map 4.2 London's Strategic Cultural Areas



Site boundaries shown on the map are indicative and and include areas with other land uses, particularly in Outer London.

135 Mayor of London. Town Centres Supplementary Planning Guidance, GLA 2014

136 London Assembly Report. Tourism in Outer London. London Assembly, 2006

coordinated approach to developing and marketing groups of outer London attractions.

4.29 Generally, development of visitor accommodation and other ancillary provision related to major visitor attractions should support the principles of Policy 4.5Ac. However, there may be exceptional circumstances where accommodation and other ancillary provision related to a major visitor attraction may be justifiable. Such exceptions should only be permitted where it can be shown that no site complying with Policy 4.5Ac exists, and where clear links between the attraction and the proposed accommodation can be demonstrated in terms of scale, nature and location. Any proposal of this kind would have to be justified in terms of the other policies in this Plan, particularly the strong support for the Green Belt and Metropolitan Open Land in Policies 7.16 and 7.17 where these are applicable.

4.30 Providing a world-class experience is vital to encouraging repeat visitors and the quality of London's visitor accommodation is central to this. Accommodation providers are encouraged to join national quality assurance schemes[137] and to extend the range of products to meet customer expectations at all levels including budget provision such as bed and breakfast, youth hostels, and camping and caravan sites. In considering proposals for apart-hotels, boroughs should take particular account of their potential impacts on housing capacity. The Mayor also supports a more sustainable approach to the way the tourism industry operates in London, seeking to reduce carbon dioxide emissions, water use and waste generation through his Green Tourism for London programme[138], through his public London cycle hire scheme, and through the Legible London project, making it easier for visitors to find their way on foot.

4.31 Enhancing provision for business visitors is a Mayoral priority and requires improvements not just to the quality of accommodation but also to the wider range of services required by this section of the market, including capacity for high quality, large-scale convention centre functions in or around the CAZ.

137 Information about the Quality Assessment Scheme can be found at http://www.qualityintourism.com/asp/letsgetassessed.asp

138 Green Tourism for London, launched by the LDA and with the support of Visit London, is the new scheme for hotels, guesthouses, attractions and venues in the capital.

POLICY 4.6 SUPPORT FOR AND ENHANCEMENT OF ARTS, CULTURE, SPORT AND ENTERTAINMENT

Strategic

A The Mayor will and boroughs and other stakeholders should support the continued success of London's diverse range of arts, cultural, professional sporting and entertainment enterprises and the cultural, social and economic benefits that they offer to its residents, workers and visitors.

Planning decisions

B Developments should:

- a fulfil the sequential approach and where necessary, complete an impact assessment (see Policy 4.7)
- b be located on sites where there is good existing or planned access by public transport
- c be accessible to all sections of the community, including disabled and older people
- d address deficiencies in facilities and provide a cultural focus to foster more sustainable local communities.

LDF preparation

C In preparing LDFs, boroughs should:

- a enhance and protect creative work and performance spaces and related facilities in particular in areas of defined need
- b support the temporary use of vacant buildings for performance and creative work
- c designate and develop cultural quarters to accommodate new arts, cultural and leisure activities, enabling them to contribute more effectively to regeneration
- d promote and develop existing and new cultural and visitor attractions especially in outer London and where they can contribute to regeneration and town centre renewal
- e develop innovative approaches to managing pressures on high volume visitor areas and their environments
- f identify, manage and co-ordinate strategic and more local clusters of evening and night time entertainment activities to
  - – address need,
  - – provide public transport, policing and environmental services; and
  - – minimise impact on other land uses taking account of the cumulative effects of night time uses and saturation levels beyond which they have unacceptable impacts on the environmental

standards befitting a world city and quality of life for local residents
g provide arts and cultural facilities in major mixed use developments
h seek to enhance the economic contribution and community role of arts, cultural, professional sporting and entertainment facilities.

4.32 London's cultural and creative sectors are central to the city's economic and social success[139]. The Mayor's *Cultural Metropolis*[140] seeks to maintain the capital's status as one of greatest world cities for culture and creativity, and addresses the need to increase the provision of arts and culture facilities in outer London, providing targeted support for the creative industries. Supplementary guidance[141] provides further guidance on identification of areas where there are deficiencies in arts and cultural facilities.

4.33 London's internationally renowned historic environment, natural landscape and cultural institutions, including museums, galleries and theatres, are a defining part of the capital's heritage as well as major visitor attractions. Strategic cultural areas (Map 4.2 and Policy 4.5Af) identify, protect and seek to enhance significant clusters of these institutions and their settings including Theatreland in the West End, the South Bank/ Bankside/London Bridge, the Barbican, Wembley, Greenwich Riverside, the South Kensington museums complex/Royal Albert Hall, 'London's Arcadia'[142] covering strategic heritage sites in West London, and the Olympic Park/Lee Valley Regional Park. Other arts, cultural and heritage facilities of more than local importance, for example associated with the Angel Islington and Fairfield Halls, should be identified in LDFs. The Mayor will work with Visit London and others in developing the concept to cover other strategic clusters of visitor attractions taking account of the recommendations of the Outer London Commission (see paragraph 2.35).

4.34 Culture also plays a valuable role in place shaping, especially by engaging younger people in wider community activity. It is therefore important to expand London's cultural offer beyond central London and especially to town centres and the opportunities of the Olympic Park and Thames Gateway, as well as maintaining and enhancing the quality of facilities in and around CAZ.

4.35 Boroughs should work with a range of partners to designate and develop cultural quarters in LDFs and through development briefs, drawing on priorities outlined in the Mayor's Cultural Strategy. These quarters can help meet the need for affordable workspace for creative industries, including flexible live/work space; encourage clusters of activity and provide a catalyst for local regeneration. Taking account of strategic priorities for planning obligations (Policy 8.2), boroughs are encouraged to ensure cultural objectives are addressed in major development proposals.

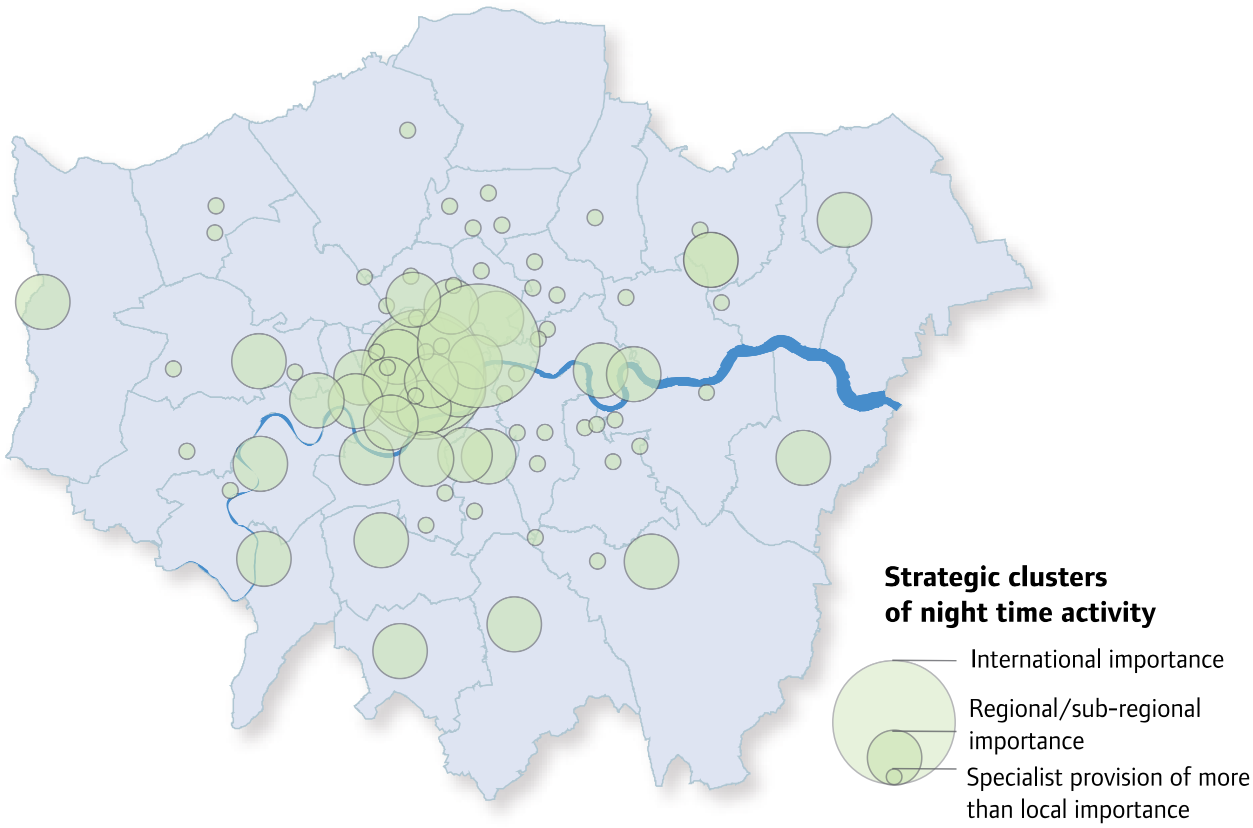
139 GLA Economics. London's Creative Sector: 2007 Update. GLA, 2007

140 Mayor of London. Cultural Metropolis: the Mayor's Priorities for Culture 2009-2012. GLA, 2010

141 Mayor of London. Town Centres SPG, 2014 op cit

142 London's Arcadia refers to the parks, gardens, historic buildings and landscape scenes covering the stretch of the Thames running from Teddington beneath Richmond Bridge to Kew.

Map 4.3 Night time economy clusters of strategic importance



4.36 London is a great city for night time entertainment and socialising, with a unique selection of bars, restaurants, performing arts venues, cinemas and night clubs. The night time economy also forms an important part of London's economy[143]. The Mayor encourages a supportive approach to planning these diverse night time activities in appropriate locations. LDFs should recognise and address the opportunities and challenges posed by the strategically important clusters of night time activities concentrated in some of the main town centres and parts of CAZ and its fringe (see Map 4.3 and Annex 2). The strategic cluster in Covent Garden/Soho makes a particular contribution to London's world city offer as well as meeting Londoners' needs.

4.37 Boroughs should take an evidence based approach to managing the night time economy through an integrated range of measures including planning, licensing, policing, transport and street cleaning[144]. This will require the co-ordination and co-operation of local authorities and their partners, as well as residents, businesses and their customers. Integration of planning and licensing policies, while avoiding duplication, is essential to manage unacceptable cumulative

143 GLA Economics. Spending Time: London's Leisure Economy. GLA, 2003

144 Boroughs should manage the evening and night-time economy in centres, taking account of and complementing the local authority's Statement of Licensing Policy and the promotion of the licensing objectives under the licensing Act 2003.

impacts and saturation of night time economy activities in an area. When addressing saturation, licensing-based policies can be used to form part of an integrated package of measures, and should be reviewed regularly[145]. When managing cumulative impact, boroughs are encouraged to include policies in LDFs to influence the scale and nature of night time economy development, regarding the use class, time of operation, size of premises and proportions of retail frontages in different night time economy areas.

POLICY 4.7 RETAIL AND TOWN CENTRE DEVELOPMENT

Strategic

A The Mayor supports a strong, partnership approach to assessing need and bringing forward capacity for retail, commercial, culture and leisure development in town centres (see Policy 2.15).

Planning decisions

B In taking planning decisions on proposed retail and town centre development, the following principles should be applied:

- a the scale of retail, commercial, culture and leisure development should be related to the size, role and function of a town centre and its catchment
- b retail, commercial, culture and leisure development should be focused on sites within town centres, or if no in-centre sites are available, on sites on the edges of centres that are, or can be, well integrated with the existing centre and public transport
- c proposals for new, or extensions to existing, edge or out of centre development will be subject to an assessment of impact.

LDF preparation

C In preparing LDFs, boroughs should:

- a identify future levels of retail and other commercial floorspace need (or where appropriate consolidation of surplus floorspace – see Policy 2.15) in light of integrated strategic and local assessments
- b undertake regular town centre health checks to inform strategic and local policy and implementation
- c take a proactive partnership approach to identify capacity and bring forward development within or, where appropriate, on the edge of town centres
- d firmly resist inappropriate out of centre development
- e manage existing out of centre retail and leisure development in line with the sequential approach, seeking to reduce car dependency,

145 Department for Culture, Media and Sport. Revised Guidance Issued under section 182 of the Licensing Act 2003. DCMS, 2007 (paragraph 13.31)

improve public transport, cycling and walking access and promote more sustainable forms of development.

4.38 Local circumstances will determine whether night time economy activities should be encouraged to develop in a specific zone, or be spread more widely. In large centres the development of a night time economy 'quarter' or zone may be more appropriate for management purposes and enable an appropriate mix of uses to be encouraged[146].

4.39 Boroughs should encourage a diverse range of night time activities, expanding culture and leisure venues other than eating and drinking. This diversification can enable a mix of activities in the public realm and help keep public spaces safe. It can also attract a wider range of visitors to town centres at night, including those who feel excluded from alcohol-driven entertainment activities. This is particularly important to outer London, where there is a deficiency in access to other leisure facilities such as cinemas.

4.40 At a time of significant change in London's economy, demography, consumer behaviour and retailing there are inevitably uncertainties in projecting future consumer expenditure and shopping floorspace requirements. However, underlying these must be recognition of the pressures for structural change in retailing, the way these may be expressed through demand for, and use of floorspace and the probability of a long term contraction in floorspace growth relative to that which was anticipated in the past (see Policy 2.15). Thus, Experian[147] suggests that London's long term household expenditure could rise from £124 billion in 2011 to over £234 billion by 2036. London household expenditure on comparison goods retail is projected to rise from £23 billion in 2011 to over £48 billion by 2036, an annual average growth rate of 3.0 per cent. However, taking account of growth in commuter and tourist spending, retailers making more efficient use of existing space and special forms of retailing like e-tailing, it is estimated that London could have a baseline need for an additional 0.9 - 2.2 million sq.m of comparison goods retail floorspace by 2036[148]. When schemes in the planning pipeline are factored into the analysis, London could need an additional 0.4 - 1.6 million sq.m of comparison goods retail floorspace by 2036.

4.41 About one third of the gross baseline-need for additional comparison goods retail floorspace is in outer London and 45 per cent is in the CAZ. Guidance on the more local distribution of these requirements will be set out in supplementary guidance on town centres.

4.42 London's household expenditure on convenience goods retail is expected to

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146 Mayor of London. Town Centres SPG, 2014 op cit

147 Experian Business Strategies. Consumer Expenditure and Comparison Goods Retail Floorspace Need in London, GLA 2013

148 Experian Business Strategies 2013 op cit. The estimates are based on a central assumption of floorspace productivity growth of 1.9% per annum. The upper figure in each range is the gross total requirement, the lower figure in each range is the net requirement after factoring in vacant floorspace

increase from £12 billion in 2011 to £22 billion by 2036, an annual average growth rate of 2.2 per cent.[149] Integrated strategic and local assessments of need and capacity for comparison and convenience goods retail will be an important part of the process for LDF preparation.

4.42A Reflecting wider trends in retailing highlighted in the Mary Portas report and in the work of the Outer London Commission, the London-wide retail need assessment suggests that in some parts of the capital there may be an overall surplus provision of retail floorspace relative to demand, especially if the pipeline of permitted schemes is implemented. Policy 2.15 shows how this might be addressed through opportunities for mixed use, high density, housing led redevelopment. Underlying demand for modern forms of retailing will also provide such opportunities, even in centres which do not appear to have surplus provision.

4.42B Taking into account both strategic and local retail capacity assessments, provision for future demand should be managed carefully in local plans for individual centres and include policies for primary shopping areas and primary and secondary frontages in the context of wider town centre management and initiatives (see Policy 2.15). When considering proposals for prior approval of changes from retail to residential and other associated works, account should be taken of their impact on design, the economic health of the centre, provision of essential local services and the character of the local area as well as broader strategic concerns outlined in Policy 2.15 and 4.7.

4.43 To meet identified needs and to support the vitality and viability of town centres (see Policy 2.15), the Mayor supports a proactive approach to improving the quality of retail floorspace and managing growth (or consolidation where there is surplus floorspace) within and on the edges of town centres, and encourages joint work between public and private sectors to identify and bring forward new retail, leisure and commercial development opportunities. Boroughs are encouraged to consider the use of compulsory purchase powers to facilitate land assembly for town centre development where appropriate. In carrying out town centre health checks, boroughs should include an assessment of the capacity of each town centre to accommodate additional retail and other commercial development appropriate to its role within the network. This supply side assessment should be set against an assessment of the need for new development on a borough and London-wide basis. Where need is established, boroughs should adopt a sequential approach to identifying suitable sites to accommodate it.

4.44 Areas in and around town centres will be most appropriate for higher density development in line with the locational strategy in Chapter 2. Development of edge of centre locations should be well integrated with the town centre, particularly in terms of providing safe, convenient and attractive access by walking and cycling.

4.45 New, or extensions to existing, out of centre retailing and leisure development

149 Experian Business Strategies 2013 op cit.

can compromise the strong 'town centres first' policy (see also Policy 2.15) which is essential to London's development as a sustainable, liveable city as well as exacerbating road traffic congestion and, for the large numbers of Londoners who do not have a car, undermining this Plan's social inclusion policies. Inappropriate out of centre development includes that which causes harm to the objectives of this Plan, which fails to fulfil the requirements of the sequential test, or which gives rise to significant adverse impacts (for example, on the vitality and viability of existing town centres, accessibility by a choice of means of transport or impacts on overall travel patterns).

4.46 London has a legacy of out- and edge of centre retail and other town centre type activities which are heavily car dependent. They should be managed in ways that reduce this dependency and improve public transport, cycling and pedestrian access. In some circumstances, generally relating to edge of centre developments, there may be potential for a wider mix of uses and greater integration with existing centres.

POLICY 4.8 SUPPORTING A SUCCESSFUL AND DIVERSE RETAIL SECTOR AND RELATED FACILITIES AND SERVICES

Strategic

A The Mayor will, and boroughs and other stakeholders should, support a successful, competitive and diverse retail sector which promotes sustainable access to the goods and services that Londoners need and the broader objectives of the spatial structure of this Plan, especially town centres (Policy 2.15).

Planning decisions and LDF preparation

B LDFs should take a proactive approach to planning for retailing and related facilities and services and:

- a bring forward capacity for additional comparison goods retailing particularly in International, Metropolitan and Major centres
- b support convenience retail particularly in District, Neighbourhood and more local centres, to secure a sustainable pattern of provision and strong, lifetime neighbourhoods (see Policy 7.1)
- c provide a policy framework for maintaining, managing and enhancing local and neighbourhood shopping and facilities which provide local goods and services, and develop policies to prevent the loss of retail and related facilities that provide essential convenience and specialist shopping or valued local community assets, including public houses, justified by robust evidence
- d identify areas under-served in local convenience shopping and services provision and support additional facilities at an appropriate scale in locations accessible by walking, cycling and public transport to serve existing or new residential communities

e support the range of London's markets, including street, farmers' and, where relevant, strategic markets, complementing other measures to improve their management, enhance their offer and contribute to the vitality of town centres

f support the development of e-tailing and more efficient delivery systems

g manage clusters of uses having regard to their positive and negative impacts on the objectives, policies and priorities of the London Plan including a centre's:

i. broader vitality and viability (Policy 2.15Ca)

ii. broader competitiveness, quality or diversity of offer (Policy 2.15Cc)

iii. sense of place or local identity (Policy 2.15Ac)

iv. community safety or security (Policy 2.15Cf)

v. success and diversity of its broader retail sector (Policy 4.8A)

vi. potential for applying a strategic approach to transport and land use planning by increasing the scope for "linked trips" (Policy 6.1)

vii. role in promoting health and well-being (Policy 3.2D)

viii. potential to realise the economic benefits of London's diversity (paragraph 3.3).

4.47 A vibrant, diverse retail sector is essential to London's success. Not only is it vital to ensuring that Londoners have access to the goods and services they need, but it plays a key role in London's economy, employing over 400,000 people[150] and supporting the economic vitality and health of the whole range of town centres across London, from its international centres in the West End and Knightsbridge to the large number of smaller local centres and parades of shops in outer London.

4.48 Larger centres are appropriate locations for accommodating much of the growth in comparison goods retail expenditure and floorspace because they are the most accessible by public transport and have greater capacity to provide choice and competition. While provision to meet need for convenience goods can be made in larger centres, smaller centres, especially district, neighbourhood and more local centres, are particularly suitable for accommodating growth in convenience floorspace, providing the new shops are of appropriate scale. This is because they form a denser network and are particularly accessible by walking and cycling as well as public transport. The availability of accessible local shops and related uses meeting local needs for goods and services (including post offices and public houses) is also important in securing 'lifetime neighbourhoods' (see Policy 7.1) – places that are welcoming, accessible and inviting to everyone regardless of age, health or disability and which provide local facilities available to all.

150 GLA Economics

4.48A The Mayor recognises the important role that London's public houses can play in the social fabric of communities (see also Policy 3.1B) and recent research[151] highlights the rapid rate of closures over the past decade and the factors behind these. To address these concerns, where there is sufficient evidence of need, community asset value[152] and viability in pub use, boroughs are encouraged to bring forward policies to retain, manage and enhance public houses[153].

4.49 The Mayor recognises that street and farmers' markets can make valuable and distinctive contributions to meeting Londoners' varied dietary requirements and extending competitive choice and access to a range of goods, as well as contributing to the vitality and wider offer of town centres. Strategic markets such as Portobello Road, Borough, and Columbia Road have a wider than sub-regional offer and are significant attractions for Londoners and visitors alike. Research shows that while some markets are thriving others face a range of challenges[154]. The planning system can help address some of these, but broader actions are often required, especially in terms of management and investment. These are usually local matters but given the importance of markets to Londoners, they are cumulatively of strategic importance. The Mayor encourages and supports boroughs and other stakeholders in tackling these issues in light of local circumstances and in the context of his broader policies to enhance town centres and foster a vibrant retail sector in the capital. Further guidance on market provision is provided in the Town Centres SPG.

4.50 Local retail strategies developed in partnership between communities, the retail industry and local authorities can identify areas under-served by essential retail facilities and establish the means to stimulate investment and regeneration. In LDFs, boroughs should consider opportunities for new or expanded local centres where there is capacity to meet the needs of existing under-served areas or new residential communities. Co-ordinated planning and other interventions may be required to retain facilities such as corner shops or small parades (such as those in housing estates) that provide an essential social function but are on the margins of economic viability. Improvements in e-infrastructure should be encouraged to enhance access to a competitive choice of goods and services for all communities.

4.50A It is important that the planning system is used to help manage clusters of uses to provide diverse and more vital and viable town centres. The London Plan supports and promotes the contribution to London's economy made by specialist clusters of economic activity. For example, clustering of particular leisure uses in town

151 Steve O'Connell A.M. Keeping Local. How to save London's Pubs as community resources. London Assembly Conservative Group, GLA 2013. CAMRA. Greater London Region / Capital Pubcheck, 2012

152 including an asset listed as an Asset of Community Value under the Localism Act 2011 or where an application has been made

153 see also Mayor of London, Town Centres Supplementary Planning Guidance, GLA 2014

154 London Assembly. London's Street Markets. GLA, 2007; CLG Select Committee. Market Failure, can the Traditional Market Survive? House of Commons, 2009; Regeneris consulting, London's Retail Street Markets, LDA 2010

centres can provide a visitor attraction, promote regeneration and boost economic growth and employment, provided it is managed effectively and does not reach saturation levels beyond which it has unacceptable negative impacts on a centre's vitality, viability, amenity and associated community safety. In such circumstances, the planning process can help manage such negative impacts. Over-concentrations of betting shops and hot food takeaways can give rise to particular concerns. Further guidance on implementing this aspect of Policy 4.8 is provided in the Town Centres SPG.

POLICY 4.9 SMALL SHOPS

Planning decisions

A In considering proposals for large retail developments, the Mayor will, and Boroughs should, consider imposing conditions or seeking contributions through planning obligations where appropriate, feasible and viable, to provide or support affordable shop units suitable for small or independent retailers and service outlets and/or to strengthen and promote the retail offer, attractiveness and competitiveness of centres.

LDF preparation

B In LDFs, Boroughs should develop local policies where appropriate to support the provision of small shop units.

4.51 The Mayor is committed to supporting town centres, a dynamic, competitive and diverse retail sector and small and medium sized enterprises. In parts of London, small shops are in short supply and affordability is a key concern, particularly for independent retailers and small enterprises. In considering proposals for large retail developments (typically over 2,500 sq m), the Mayor and boroughs may impose planning conditions or seek to negotiate planning obligations where appropriate, feasible and viable, to mitigate the loss of, and/or provide or support affordable shop units suitable for small or independent traders. This policy can also be used to support improvements and measures to help strengthen the retail offer, attractiveness and competitiveness of centres through steps to improve environmental quality, as appropriate and having regard to provisions on State Aid. In relation to district and local centres, boroughs may wish to use a lower threshold recognising the scale of developments that may be likely at such centres.

4.52 The appropriateness of application of this policy will depend upon local circumstances and should be weighed against other strategic priorities for planning obligations set out in Policy 8.2, and take account of other policies on place shaping (Policy 7.1) and town centres (2.15, 4.7 and 4.8). Account should also be taken of site characteristics and practical considerations including design and layout. Viability is also a consideration, including its bearing on development costs and other priority planning obligations. Where relevant, the number and size of units should be determined on the merits of each case. To secure affordability in the longer term, the obligation should include measures to secure their affordability over time. Town Centres Supplementary Planning Guidance provides further advice on implementing this policy.

New and emerging economic Sectors

POLICY 4.10 NEW AND EMERGING ECONOMIC SECTORS

Strategic, planning decisions and LDF preparation

A The Mayor will, and boroughs and other relevant agencies and stakeholders should:

- a support innovation and research, including strong promotion of London as a research location and encourage the application of the products of research in the capital's economic development
- b give strong support for London's higher and further education institutions and their development, recognising their needs for accommodation and the special status of the parts of London where they are located, particularly the Bloomsbury/Euston and Strand university precincts
- c work with developers, businesses and, where appropriate, higher education institutions and other relevant research and innovation agencies to ensure availability of a range of workspaces, including start-up space, co-working space and 'grow-on' space
- d support the development of green enterprise districts such as that proposed in the Thames Gateway
- e promote clusters of research and innovation as focal points for research and collaboration between businesses, HEIs, other relevant research and innovation agencies and industry
- f support the evolution of London's science, technology, media and telecommunications (TMT) sector, promote clusters such as Tech City and Med City[1] ensuring the availability of suitable workspaces including television and film studio capacity.

1 See Glossary

4.53 New economic sectors will emerge and grow in importance between now and 2036. The Mayor's 'Smart London' initiative[155] complements this trend by promoting new technologies. London has become the European capital of digital technology with an estimated 48,000 jobs[156] now dependent on the sector and the largest concentration of ICT and software firms in Europe[157]. The government's commitment to invest in the Tech City Open Institute hub in the City Fringe should

155 For details see https://www.london.gov.uk/what-we-do/business-and-economy/science-and-technology/smart-london

156 Centre for London. A Tale of Tech City – The Future of Inner East London's Digital Economy. Centre forLondon, 2012

157 Dun & Bradstreet (SiC 737) fDi Intelligence in: GLA Intelligence. London's Digital Economy, GLA, 2012.

be complemented by strategic planning frameworks and local plans that enable entrepreneurs to locate and expand there and provide the flexibility and range of space that this new sector needs, including affordable space. Life sciences have also been identified as an important growth sector for London, reflecting the capital's research and teaching strengths. Within this sector there is particular demand for affordable 'grow-on' space (including laboratory space) to ensure London retains the innovations emerging from London based universities. This Plan provides the planning framework to complement the EDS and support development through the planning system including use of planning obligations and land acquisition powers, for example, to support biomedical research and development. This Plan's managed approach to provision for offices and industrial type activities will help underpin innovative firms seeking affordable and more flexible hybrid, incubator and accelerator premises[158], as well as ensuring there is adequate capacity to accommodate innovation among more established businesses and those which have bespoke requirements for science and technology park type environments (see Policies 2.7, 2.17, 4.2, 4.4).

4.54 The Mayor strongly supports measures to secure and develop London's leading role as a centre of higher and further education of national and international importance. These are important economic sectors in their own right with a key part to play in developing London's world city offer, as well as having considerable potential for greater synergies in fostering innovation in the private, and other parts of the public sector such as the National Health Service. Policy 2.11 underpins the Mayor's commitment to addressing their accommodation needs in the distinct circumstances of central London, and more generally through Policies 3.2, 3.17 and 3.18. He will support a broadly based forum of academic and other stakeholders to address these and other requirements.

4.55 The Mayor's commitment to tackling the effects of climate change through new development and his support for retrofitting the substantial stock of existing buildings mean that London is well positioned to accommodate expansion of the 'green' business sector, with opportunities in renewable energy, low carbon technology, waste reduction and recycling. For example, the Mayor is promoting a 'Green Enterprise District' in the Thames Gateway stretching from the Lower Lee to London Riverside, a concept that could be extended to other parts of London.

4.55A Tax breaks for film making have contributed to a 75 per cent increase in the number of films made in the UK[159]. The Mayor supports the production of media content in London and the economic boost this business can bring and aims to ensure that London has the television and film studio capacity to support this role.[160]

158 Ramidus Consulting Limited, Roger Tym & Partners. London Office Policy Review 2012. GLA, 2012. URS et al, Supporting Places of Work: Incubators, Accelerators and Co-working Spaces. GLA 2014

159 Oxford Economics. Economic Impact of the UK film Industry, Oxford Economics, 2010

160 Mayor of London. 2020 Vision. The greatest city on earth. Ambitions for London by Boris Johnson. GLA 2013

POLICY 4.11 ENCOURAGING A CONNECTED ECONOMY

Strategic

A The Mayor and the GLA Group will, and all other strategic agencies should:

a facilitate the provision and delivery of the information and communications technology (ICT) infrastructure a modern and developing economy needs, particularly to ensure: adequate and suitable network connectivity across London (including well designed and located street-based apparatus); data centre capability; suitable electrical power supplies and security and resilience; and affordable, competitive connectivity meeting the needs of small and larger enterprises and individuals

b support the use of information and communications technology to enable easy and rapid access to information and services and support ways of working that deliver wider planning, sustainability and quality of life benefits.

4.56 Successful service-based economies like London increasingly depend upon infrastructure facilitating rapid transfer of information, speedy and easy access to advice and services and a flexible approach to where work takes place and when. This can also help deliver wider planning objectives, such as reducing congestion on traffic networks at peak hours by supporting forms of home working and facilitating greater economic development in outer London. Increasingly, this will mean looking to the infrastructure needed to support 'ubiquitous networks' – those supporting use of a range of devices to access ICT services beyond desk-based personal computers, and the Mayor will examine the planning issues these might raise.

4.57 The Mayor wishes to ensure sufficient ICT connectivity to enable communication and data transfer within London, and between London, the rest of the UK and globally. He will work with infrastructure providers, developers and other stakeholders to support competitive choice and access to communications technology, not just in strategic business locations but more broadly for firms and residents elsewhere in inner and outer London, and to address e-exclusion, especially among disadvantaged groups and small and medium sized enterprises. In particular, he will support the development and extension of high speed connectivity. Development proposals should ensure competitive connectivity. In ensuring robust e-infrastructure capacity additional data centres (facilities housing computer and associated systems) may be required, together with reliable, sustainable and resilient electricity supplies. Data centres handling critical security and financial traffic benefit from proximity to the offices they serve, while other centres can be located close to local and sustainable sources of energy. These will be appropriate uses in preferred industrial locations and industrial business parks. Appropriately located and designed street-based apparatus will also be needed.

Improving opportunities for all

POLICY 4.12 IMPROVING OPPORTUNITIES FOR ALL

Strategic

A Working with strategic partners, principally the London Enterprise Partnership, the Mayor will provide the spatial context to co-ordinate the range of national and local initiatives necessary to improve employment opportunities for Londoners, to remove barriers to employment and progression and to tackle low participation in the labour market.

Planning decisions

B Strategic development proposals should support local employment, skills development and training opportunities.

4.58 With a growing working age population, it will be essential to ensure that Londoners are able to access jobs and other opportunities within their city. This will also bring transport and environmental benefits by reducing the need for longer distance commuting. While London has experienced growth in terms of economy and employment, there are still large inequalities in access to jobs and levels of worklessness in the capital. Londoners from Black, Asian and minority ethnic (BAME) groups for instance are more than twice as likely to be unemployed as those from White groups.

4.59 The first step in addressing these issues is to build on London's strengths – its world-renowned higher education institutions, the highest skilled workforce in Europe, the knowledge base and creativity of its businesses. Secondly, there is a clear need to tackle significant labour market barriers such as the cost and availability of childcare, labour market discrimination and the mismatch between labour supply and demand in terms of education, skills or other barriers to success in a changing economy, focusing particularly on key target groups and communities living within London's most disadvantaged areas.

4.60 Working with and through the London Enterprise Panel (LEP), the Mayor will influence delivery of skills and employment support for people who work in London, to enhance Londoners' chances of employment and provide a more highly skilled workforce for organisations across the city. Helping people who are disadvantaged or excluded from the workplace, including those who are unemployed or who lack basic skills, will be a particular priority. Excellent and rigorous education, vocational training and a widespread apprenticeship system will help young Londoners to compete in a globalised economy[161]. The Mayor will work with central Government to ensure that the national Work Programme meets the particular needs of Londoners.

4.61 Delivery of the Mayor's Economic Development Strategy (EDS) will be essential to achievement of the objectives of this Plan, which sets out the spatial development policies that will be needed. The EDS highlights the importance of extending opportunity to all Londoners and outlines actions to:

- tackle worklessness and get more Londoners into work
- address the root causes of low skills
- promote equality and tackle deprivation
- ensure more effective education, training and employment support for all
- help people get into work, stay in employment and progress in their career
- provide more personalised support and improve delivery.

4.62 Whilst recognising that the London labour market is relatively integrated, and people will find employment at varying distances from where they live, there is an important role for the planning system in ensuring that an adequate mix of businesses and public services (and therefore employment opportunities) are provided close to those communities who particularly benefit from local jobs. In the same way, planning can help to remove many barriers to employment and training opportunities by:

- supporting provision for affordable childcare facilities (see Policy 8.2)
- providing for business start up units
- providing for training facilities in new developments creating high levels of jobs, to help the skills of local people match the needs of London's growing economy
- ensuring facilities for employment are well-designed and accessible to all sections of the community (including disabled people and older people)
- locating employment and training facilities within walking/cycling and or public transport access of local communities.
- Alongside this, London's transport infrastructure provision should ensure that London's workforce can access jobs across the capital.

4.63 These physically focussed initiatives should be complemented by business advice and skills development that help businesses and individuals take advantage of the opportunities available to them.

161 Mayor of London. 2020 Vision. The greatest city on earth. Ambitions for London by Boris Johnson, GLA 2013

4.64 Boroughs are encouraged to investigate with developers the possibility of providing local businesses and residents the opportunity to apply for employment during the construction of developments and in the resultant end use.