30 October 2012 – City Hall, Queen's walk

OPENING REMARKS

SIMON FOXELL - the Edge and Principal, The Architects Practice

SF welcomed the audience and introduced the Edge. He thanked London Labour group for hosting the event and Nicky Gavron, member of the London Assembly and long-standing friend of the Edge for agreeing to chair it. He noted that the Edge had not discussed London as a topic before but looked forward to future Edge debates on such focused issues.

NICKY GAVRON – Member of the London Assembly and former Deputy Mayor

NG welcomed speakers and guests to the event. She noted that the debate was very timely as the Mayor had just announced that the London Plan would be revised and a Vision 2020 would be developed with consultation starting in a couple of weeks.

PRESENTATIONS

Ziona Strelitz – ZZA Responsive User Environments

Distributed working: 'third place' research

Following many visits to award winning flagship workplaces as a judge for the BCO it was clear that there were benefits to consolidation and concentration of services onto single sites and buildings but this also reduced workplace distribution and increased worker travel.

But further research by ZZA showed marked disconnects; time consuming and stressful commutes, the pull of family and community life at and around the home. This was a constant topic in the media.

The concentration of workplaces in the City of London was an extreme example of this with 95% of the City's 326K daytime population commuters with an average travel to work distance of 25km compared to 16.2 km in the rest of London. Only 1% of the City's workforce doesn't commute in.

The idea of the virtual workplace has turned out to be a failure but the alternative and orthodox view of the office workplace simply as a place of exchange is also shown by research to be flawed. <u>Research</u> was carried out for Regus on where people who can, choose to work and where they are most productive. This found that that third place working had become a new norm with people choosing to work at a company's office, business centres, in informal spaces and at home on an almost equal basis.

Physical place is still central to working lives in order to achieve the right mindset for productive work, safeguarding the work-life balance and to ease the work-family interface. Place is being invoked as providing work-life boundaries. Third place working appears to satisfy these needs with the added benefit of being close to home and avoiding the stress of commuting.

There are also advantages to urban morphology from a more distributed workforce, as serviced by third place work centres, with the outcome of more resilient cities.

MICHAEL EDWARDS: Bartlett School of Architecture and Planning, UCL

Re-balancing work in Greater London

At a regional scale the wider London area is very polycentric, but within Greater London it has become very centralised creating significant traffic flows, inefficient use of transport infrastructure and inequalities of employment opportunities for the less well off and otherwise disadvantaged.

Job growth is tending to happen in areas where employment already exists. Centralisation is getting worse. The ratio of jobs per resident in outer London is 0.68, in Inner London it is 5.44, but large amounts of office space is under construction in central London while 60% of jobs in Outer London are in local town centres predominantly in the retail sector. 30 October 2012 – City Hall, Queen's walk

Part of the cause of this is the radial nature of London's transport lines, supporting work in the centre – with the one exception being the orbital overground system. This derived from a 1990 paper <u>'London's Spatial</u> <u>Economy: the dynamics of change'</u> (Hall, Edwards, Robson – LDP & RTPI) picked up by Nicky Gavron, which suggested stitching together parts of the existing rail network. The last link in the ring will be put in place on December 9th, making it easier to move about London's suburbs.

Employment growth in London is expected to happen in the central areas, but with an additional shift to the eastern 'dockland' boroughs. Why not try to develop suburban jobs despite the serious risk that they might generate more car travel. Closeness to 'home' becomes very important so that travel can be by foot, bike or even very short car trips.

The current London Plan is very pessimistic and based on the view that the market doesn't want to develop workplaces in the suburbs. Residential values are distorting the market so much that all available sites are being converted to residential use.

Third place working - the current pricing system of travel cards benefits five-days-a-week commuters into the centre (TFL is currently looking at this issue) and some third places, such as public libraries are currently disappearing through cuts.

Lifetime neighbourhoods are one of the best things in Boris's original plan, but what has happened to them? Managing services so that they are within walking distance, including places to play, is very counter-trend but has support from a range of small interest groups.

Does the current economic crisis offer an opportunity to move to a new economy that re-values what people do? Chasing growth has so far only benefited those at the top. There is a connection between spatial and economic strategies. We need to diversify away from financial services to widen both economically and geographically.

BEN ROGERS: Centre for London / DEMOS

Ben asked why we should value polycentric cities over centric ones. Perhaps we should not worry so much.

London was famously polycentric and made up of a series of neighbourhoods with town centres providing important social centres and means of 'socialising' young people. We want people to be able to work near where they live. But he shares the general misgivings about the hollowing out of town centres, the associated unemployment patterns and the rise of large retail and decline of small shops. The 'Clone Town' narrative was very powerful. There has been a sharp decline in people's belief that they can influence decisions in their neighbourhoods.

It was important to do more to protect neighbourhood communities and he supported Tony Travers' idea of pop-up parishes – instituted by popular vote but time limited to five years and able to raise a precept to fund local activities.

He disagreed that there is a 'social recession' or that 'Britain is broken'. Trust in local neighbourhoods has remained steady and crime rates have gone down.

Local life has away of reinventing itself and the Internet offers potentially new ways of achieving this, as does the rise of third workplaces within communities.

But there are also good reasons for centricity. Clusters are good for innovation and productivity and centres are equidistant from all residential areas. Possibly current trends offer a potential win-win situation with technology aiding more local working combined with access to the centre. But then every generation has thought new communications technologies would decrease the need for travel, from the invention of the Post Office on, – but it has yet to happen.

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DEBATE

(Following the Chatham House Rule, remarks from the floor are not attributed).

Summary by NG:

London Planning Committee about to carry out investigation into the future of London's town centres:

- London population previously underestimated. Likely to be 9 million by 2020 and 10 million by 2050. How should London grow?
- There is a rapidly changing policy context to life in London with government welfare, planning and housing reforms likely to have a serious impact on mixed communities and London's demographics.
- The problem with high residential value combined with loosening of planning restrictions may mean that all small plots could become housing and employment opportunities driven-out – a possible gamer changer.

The discussion could be a very useful input into this enquiry.

The Audience's input

- 1. It is important that there are local powers for dealing with planning matters.
 - Housing value in London has skewed things dramatically
 - If there was a policy for more housing might see
 employment prospects relax
 - Financial sector had, until recently filled the gap in employment resulting from the decline of manufacturing. Now what? Prospects are very worrying.
 - Everyone thinks they are self-employed now even when they are not third spaces are very important

- 2. Town centres are suffering a perfect storm as a result of:
 - The recession
 - Out-of-town retail
 - Growth of shopping in online retail

Town centres need to be places to work and live but it would be crazy to throw away the banking and finance sector, although there will be fewer jobs with increased mechanisation. The sector needs to work better.

3. Home ownership no longer means a commitment to place. The desperation for housing means people will move to wherever they can afford and not where they would choose to be.

14 Local Authorities in London have recently received high street grants of $\pounds100,000$. 10 of them had had overall cuts of $\pounds5$ million. It is not going to work.

- ZS Who is buying what kinds of properties? There are many more single person households creating a need for spaces to interact and centres to co-work.
- NG Smart work centres, with crèches, a Dutch idea in suburban areas.
- ZS Smart work centres have been over-egged. There are a range of spaces including popular places like the British Library and Royal Festival Hall, but the market isn't supplying these in struggling locations. A modest amount of help from the public sector can go a long way
- 4. There are revenge effects from third place working including long distance commuting a couple of times a month balanced against daily, much shorter commutes.
- 5. There is a high quality of urban environment in London. There is a need to concentrate on improving work facilities but it is still a

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remarkably popular place to work. London a distinctive world city and a unique place.

Lifetime neighbourhoods can make people feel stuck in them. Some attractive (and wealthy) areas have a high degree of churn – it is not all about 'community'. There tends to be a constant focus on the utility of places rather than their enjoyability.

- 6. Are we seeing an increase in London of mixed-use high intensity areas? Areas like Shoreditch have a natural energy and new ways of life that could spread out to other areas.
- 7. There is a need to work together in real places to be able to work together as a team. Third places cannot necessarily deliver this.
- ZS We are not advocating third place working, instead describing an existing pattern of places being used for work that are both productive and amenable. Choice of where to work is not an either/or. Third places can be very good for collaborations between different parties but they are not for every sort of job.
- ME Third place working is very interesting but is only part of a larger picture, many jobs have to happen on site. There is a rise in single person households, although not all of them are in single person accommodation. Elsewhere there is great overcrowding and pressure to get out of the home. The relationship between where we live and where we work needs a lot of explaining. Many areas are both stable and volatile simultaneously.
- NG There is now more in private rental housing than public, with letting agencies encouraging very short lets, often down to six months. Very large numbers of people are looking to downsize because of the bedroom tax.
- 8. Town centres with good transport capacity should be where housing is developed. Densification of London could provide for

the rise in population and for better facilities. At present both living and working arrangements are broken.

- ME Shoreditch is currently going through a similar process to Chelsea 100 years ago. But is there any sense of social justice? Places like Dalston Junction have been appropriated by the rich, with an enormous number of flats but with very few affordable units as a result of the infrastructure costs incurred in their delivery.
- ZS On decentralisation there is the successful example of Pentland moving from Soho to North Finchley. Initially the workers have to commute but gradually this shifted. With Chiswick Park an early survey showed workers commuting from East London, leaving them unhappy, but on a second visit several years later travel patterns showed a more local workforce.
- London is 33 little centres of decision-making and power. How can LA's be empowered to favour local working and third place resources.
- NG It's called 'Localism' isn't it?
- 10. The rise of third spaces is encouraging a change in our streets. Tottenham Court Road is changing from being a street of electronics retailers to one dominated by massive coffee shops. How they work is well worth studying as some stay all day for the price of a coffee. Coffee shop culture is playing a significant role in contemporary London life.
- ZS The cost of entrepreneurialism is London has been lowered but we can't take it for granted that the Starbucks model is sustainable. What happens when they start to charge for space and the British Library gets full.
- 11. The challenge is how to retain mixed-use neighbourhoods in London and spaces for small businesses to thrive. Plots are being consolidated for both business, light industrial and retail, breaking

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up the city. The scale of the city is being changed, perhaps irreparably. A new equilibrium is necessary.

- 12. Small workplaces are essential in the city but the pressures of gentrification often make retaining them counter to short-term commercial interests and a moral choice.
- ME There is no fiscal ability at Borough level to make the changes necessary. Governments always talk about localism and make local government weaker and weaker. Cuts will weigh out any commitment to localism.

Manufacturing is talked about as if it is a smokestack industry - but the value added is immense in areas such as foodstuffs, electronic equipment and filmmaking, and about the same as business services. But land use if very difficult for these businesses and will be a major national crisis if there is a competition between residential and commercial use.

13. In long-term property cycles all value indices are down. There is good work on this by Richard Barras. The last, high value, period was fuelled by deregulation and was unsustainable for the period that followed it. The only substantial investors in London at the moment are sovereign wealth funds, which are very footloose and can withdraw on a whim. We could see very significant changes and there may not be investment in large offices in the future. The rest of London needs units of less than 3,000 ft2. We should be thinking about employment units at a more domestic scale accommodated in residential neighbourhoods. Patterns of investment are likely to determine the future shape of neighbourhood's.

Global outsourcing of services will also to continue to have an important impact.

- 14. A great deal of property ownership in London is held in the far East. But London Councils are also finding ways to recyle the value of their land ownership to create new developments. An architect working on a development of 80 new flats on Grays Inn Road to relieve desperate overcrowding. There is LA power in recycling their vast housing stocks.
- NG High density the way forward but how to fund?

Final Remarks

ME Equality issues are essential – the economy of London needs to change.

Small units are important offering diverse employment opportunities near peoples' homes. Third place working is an important part of this.

ZS In an unprecedented time, when technology is powerfully shaping culture – a revolution changing what we do. The opportunities to use virtuality creatively need to be researched.

Place has essential attributes of enjoyment

BR Most typologies currently being created lack resilience and adaptability. How do you get a short-termist building model to change?

Mixed-use and mixed income neighbourhoods need to be encouraged.

NG Hoped that discussions would continue and that a follow-up debate could be held on some of the specific issues raised.