Re/Shaping London
Unlocking Sustainable Growth in West London and Beyond

Jonathan Manns and Dr Nicholas Falk
The London Society is for all those who love London.

The Society was founded in 1912 by a group of eminent Londoners concerned about the lack of vision for the future of the capital. Early members included architects, planners and engineers in addition to politicians and artists.

For over a century the Society has played an active part in debating key issues about the future of the city; including housing, roads, railways, the channel tunnel, bridges and airports. All of these remain high on the agenda today.

In the twentieth century the Society developed the first Development Plan of Greater London (1919) which was far ahead of its time and hugely influential; both framing the way we think about shaping places and the post-war planning put forward in Patrick Abercrombie's Greater London Plan (1944). This thought leadership continues today.

A century after its founding, the London Society is growing from strength-to-strength. It provides the Secretariat for the All Party Parliamentary Group for London's Planning and Built Environment, which it worked to establish in 2015, has a programme of regular tours and debates in addition to a well-regarded Journal and White Paper series. It's also at the forefront of debate around the future shape of London.

London needs a forum in which its people can discover and discuss the hugely important matters which face it over the coming years.

The Society has been and remains that place.
"Go West", the old saying goes, implying that the occident is where fame and fortune can be found. "West", goes popular mythology, “is best”. This report is a timely exploration of how we unlock sustainable growth in the west of our nation's great capital and elsewhere.

We are in the early days of a new Government and their in-tray will be dominated by Brexit. At the same time the imperative of growing our cities to house a rising population, which is living longer, presents a challenge to all of us involved in planning for sustainable development, both locally and at a national level. New choices present themselves at every turn and must be squared, yet on many fronts we are going backwards. Our automatic assumption that things will always improve for future generations is being challenged – spiralling house prices in West London and beyond makes home ownership, for many, an impossible dream.

London is the world's greatest city, but it's also expanding exponentially with a population due to hit 10 million by 2030. Growing in a sustainable manner is essential to our wellbeing. Challenges are inevitable, but it is imperative that they are confronted if we are to develop effective responses to both the large- and small-scale impacts of change. We must act now to protect what's important about our natural and built environment, whilst enabling places to evolve in a manner that fosters thriving communities.

The old saying goes that when you're tired of London, you're tired of life. Part of the reason that this is the case is because the city has changed throughout its history. Cultural change is something of an oxymoron. It is inevitable. Rather than resisting the tide like King Canute, we should be influencing what that change looks like. It is this that the All Party Parliamentary Group (APPG) for London's Planning and Built Environment is committed to exploring.

This is the third White Paper to have been published by the London Society and the first report to have been prepared for the APPG. Authored by two of Britain's preeminent urbanists, it sets out a range of new ideas about how we approach the planning of new and existing places, both in a practical and spatial sense.

The report makes bold recommendations, such as the pioneering new concept of a ‘green web’ to reconcile competing pressures on land use. Whilst not everyone will agree with every aspect, the APPG welcomes this contribution to the debate about the future of London. It is only through innovative fresh-thinking such as this that we can begin to chart a course towards the type of cities in which we wish to live, work and play.

London today is a truly global city and every person who engages with it is a stakeholder in its future. I believe that, if we are creative and engaged, we can set new standards for urban planning both here and around the world.

I commend this important document to all those engaged in the debate about the capital’s future and look forward to the discussion it brings.

Rupa Huq MP
Chair, APPG for London's Planning and Built Environment
CONTENTS

OVERVIEW

PLAN
• A New Platform for Growth 7
• Building for Scale 8
• Liveable, Resilient and Green 11

ENABLE
• The Approach to Development 20
• The Viability Question 23
• Releasing Public Sector Land 24
• A Charter for Sustainable Growth 26

BUILD
• Charter for Sustainable Growth in West London 30
• Growth Areas and Areas of Intensification 32
• The Grand Union Canal as a ‘Blue Corridor’ 36
• A ‘Green Web’ within the Colne Valley 40
• A New ‘Northolt Garden City’ 41
• A New Orbital Rail Service 42

APPENDICES
• The Viability Question: Some Explanation & Context 44
• West London: Today in Diagrams 48
• Acton: A Case Study in the Achievable 52
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London needs to ‘shape up’ if it is to retain a dominant position as both a World City and one that is truly sustainable. Ensuring that London delivers the quality of development required to remain at the world’s top-table is the joint responsibility of the Mayor and the Boroughs. There is a clear aspiration to deliver both new homes and jobs, but fresh decisions need to be made in the face of unpredictable pressures such as a seemingly inevitable departure from the European Union and global climate change. More than ever, London needs to position itself as a city of aspiration and tolerance, ambition and fairness.

This report considers a handful of ways in which London can be shaped and re-shaped in response to these challenges. In doing so, it proposes some basic principles to inform future development considerations; not only in the planning of new places, but the densification and regeneration of those which already exist. It seeks to explore ways in which this ‘re/shaping’ might be achieved and then demonstrate how some of the ideas might be applied in West London; significantly increasing the area’s anticipated development potential. It all starts from the simple premise that we must plan, we must enable and we must build.

**OVERVIEW**

**WE MUST PLAN**

We need clear and agreed principles from which to consider future development. These should start from the well-established notion that the most logical locations to consider for new development are well-connected and accessible, where existing environmental quality is poor. Our principles for sustainable growth are that planning should be proactive, act strategically, focus on communities, respond to feasibility and seek a circular metabolism.

**WE MUST ENABLE**

Irrespective of the scale of specific interventions, whether urban intensification or extensions, planning for a large quantum of new development requires the rediscovery of strategic planning. This is dependent upon there being clear direction and governance which aligns interests and establishes a shared vision amongst local authorities, local people, landowners and financial interests. It also requires a framework which facilitates development not only being permitted but constructed. We propose new delivery mechanisms, particularly for the public-sector, alongside a Charter for Growth, as ways to identify routes forward which can be supported by all involved.

**WE MUST BUILD**

In order for change to occur, we must actually deliver the places which are envisioned. Current construction shortfalls should not be tolerated and the Greater London Authority could oversee research into new mechanisms for land assembly, disposal and development. Taking west London as an example, we demonstrate how a Charter for Growth could be applied to build support for the ‘City in the West’. We propose the densification of existing suburbs with transport capacity, alongside significant intensification around Old Oak, a new Garden City at Northolt, a Colne Valley ‘Green Web’ and along the ‘Blue Corridor’ of the Grand Union canal, facilitated by a new orbital railway linking Uxbridge and Staines via West Drayton and Heathrow. We provisionally estimate this could unlock capacity for approximately 200,000 new homes and 200,000 new jobs in the city’s ‘Western Wedge’.

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A NEW PLATFORM FOR GROWTH

Planning is an outcome-focused discipline, the purpose of which is to optimise the use and development of land and property with a view to improving upon the built and natural environment as it currently exists. As such, it has a direct impact on the lives of each of London’s residents and workers, shaping our experiences of the city from place to place.

When looking at how we might shape London differently, the first point to recognise is that it is national guidance and statute which frames the direction of travel at the local level. In England, for example, the National Planning Policy Framework (NPPF, published 2012) and National Planning Practice Guidance (NPPG, launched 2014) set out the Government’s planning guidance and how it expects this to be applied. Yet neither explicitly acknowledges the principles which underpin it.

There are certainly principles within it, but they are often hidden within the text, making it particularly difficult for non-professionals to understand.

Our view is that there are clear and well-established principles which should underpin plan-making in United Kingdom, and which should be recognised within planning and design guidance, feeding down from mega-cities such as London to the rural villages beyond our metropolitan areas. Suburbs that were developed along arterial roads to support local industry are no longer most people’s preferred choice and face particular problems including congestion, failing shopping precincts and rising social tensions. Enhancing, extending and building suburbs which work demands new thinking about densities, connectivity and quality.

This is important because, if government policies are to be applied evenly and appropriately, the drivers which underpin them should be understood and agreed from the start. In short, if there are to be assumptions which shape our neighbourhoods, centres and capital, we should know what they are. Research in 2002 for the first London Plan showed how west London’s established suburbs such as Hayes and Harlington were vulnerable to long-term degradation if concerted action was not taken.2 Although Crossrail has supported investment in locations such as Hayes, little has improved in many areas since then, but with consultation to begin shortly on a new London Plan, there is an opportunity.

The five ‘Principles for Sustainable Growth’ which we consider should provide a starting point for the consideration of future development, in London and beyond, are that planning should:

1. **Be proactive:** Planning authorities and their plans should operate in a proactive manner. It is incumbent upon national government to ensure that they are empowered, both through resource and ability, to make things happen. By default, this also means that communities should be helped to acquire the skills to engage constructively (a mandatory GCSE in the ‘Built Environment’ and emphasis within the syllabi for GCSE Geography and History is one way to achieve this in the longer-term).

2. **Act strategically:** We should seek to plan at scale, with ambition and a clear vision as to the type of place to be created in areas where there are opportunities for major change. There is no reason why an area with high demand and land values, located within the city, should be overlooked.

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as a location for growth when compared with areas further afield such as the Thames Gateway. In these locations, decisions about new infrastructure need to be joined-up with those about development.

3. Focus on communities: The plan-making and development process should involve and engage existing communities in a genuine and meaningful way. This must recognise that communities comprise ever-changing groups of people, including those such as young people and employees whose experiences are often more transient and temporary; those who cannot readily be part of a ‘place-based’ community, but who have a real social and economic stake in how our cities grow.

4. Respond to feasibility: Consideration of what is achievable should recognise the importance of political and financial feasibility. This is not least because any unified vision requires a strong and clear ‘messaging’ to attract and retain investment. In London, this is often in competition with sites from around the world. Most simply, a change in direction can only occur if we make it happen.

5. Seek a circular metabolism: Urban areas should, wherever possible, focus on being self-sustaining in terms of ‘hard’ and ‘soft’ infrastructure requirements; not least such as energy, transportation, waste, and water. This should be with a greater emphasis on resilience to issues such as climate change and improving the health and wellbeing of communities. The integration and enhancement of the natural environment is vital to this.

BUILDING FOR SCALE

Assuming that an agreed position can be reached on the best way to plan for new development, the question then arises as to where and how we should build. In London, much of this is left to the Boroughs to determine, albeit in keeping with strategies set by the Greater London Authority. The established strategy is to follow the ‘compact city’ approach, which since the 1990s has been successful in reinvigorating the centres of British towns and cities including London.

Central to this is the notion of ‘brownfield first’. This sees the re-use of previously developed land and property before breaking virgin soil. Not only does this recognise the importance of land as a finite resource, but it also minimises the costs associated with providing new transport and social infrastructure. Moreover, it ensures there is an enhancement of the existing environment. The rationale for intensification and densification of urban areas, both in suburban and town centre contexts, is therefore clear.

However, where large numbers of new homes and workplaces are required, a scalable development solution is necessary in order to confront the challenges faced. This is the position in which London now finds itself, with an anticipated requirement of some 62,000 homes per year, more than double the achieved level of construction, and worsening social problems arising from historic lack of supply. Much like other cities at the national scale, London must confront challenges relating to the type, quality and location of its homes.

The priority for London, in the absence of a National Spatial Strategy to direct growth elsewhere, must be to identify enough land to meet its needs. In following a ‘brownfield first’ approach, it is probable that greenfield and in some instances
green belt land may also be required where a suitable amount of previously developed land cannot be found. This raises important and often emotive questions about how we might conserve and enhance the natural environment whilst facilitating new development; not least we need to improve our resilience to this century’s daunting challenges associated with climate change, energy security and the implications of globalisation (whether the result of global competition or economic shocks).

Whether brownfield or greenfield sites, either of which might be within the green belt, larger development plots offer the greatest opportunity to plan comprehensively and at scale. This is already recognised within the London Plan, which flags both Opportunity Areas and Areas of Intensification across the capital, as locations set to benefit from large-scale place-making. Whilst the delivery of new homes and workplaces will inevitably be phased, potentially over several decades, such opportunities represent the most tangible scope to deliver a large number of homes and jobs alongside the schools, hospitals, parks and open spaces to support them.

The real challenge is therefore to ensure that they can in fact secure the increase in both quantity and quality required. To try and harness the potential of larger development sites, we propose the following six measures:

1. Identify the best sites for densified, extended and new communities: This is an objective exercise and should take the form of a robust evidence-based assessment. Most important will be the need to integrate existing communities into those of the future and to ensure they are fully engaged with the change which is planned. The process could and should be undertaken in partnership with communities and other stakeholders at the appropriate scale. London has lagged behind competing global cities in mobilising development outside the central area, such as in the Outer London Boroughs, because planning for these areas has too often been permissive rather than proactive. This is exemplified through comparison of the time taken to develop places such as Hammarby Sjostad in Stockholm and London’s Greenwich Peninsula.


4 The distinction between ‘greenfield’ land and ‘green belt’ land is a particularly important one. The former is defined by the fact that it has never been built upon, whilst the latter is distinguished by the fact that it is subject to a restrictive planning policy designation. Neither is a reflection of any intrinsic landscape value, although the implication of current guidance is that, after brownfield land, greenfield land outside the green belt is the sequentially preferable location for development to occur.

5 Opportunity Areas are London’s major source of brownfield land which have significant capacity for development, such as housing or commercial use, with existing or potentially improved public transport access. They typically have potential to accommodate at least 5,000 jobs, 2,500 new homes or a combination of the two, along with other supporting facilities and infrastructure. Intensification Areas are built up areas with good existing or potential public transport links which can support redevelopment at higher than existing densities. They have significant capacity for new jobs and homes but at a level below that which can be achieved in the Opportunity Areas.

2. **Capture land value**: The history of urban planning is inextricably linked to the question of land value and, in the standard development model, the cost of land acquisition sets the tone for what future scheme is commercially possible. Capturing the uplift in land value through the planning process is key to securing the most socially beneficial outcome. This is perhaps most easily achieved on public-sector land. Land value taxation as a means to pay for infrastructure and influence market decisions is one method. More radically, acquiring land at the existing use value plus a bonus would provide suitable compensation to current landowners for the loss of their sites but also means that local areas can capture the uplift arising from development. It is possible and already occurs in places such as Copenhagen, where a new metro line has been funded from construction of the satellite town at Orebro.\(^7\)

3. **Fund local infrastructure through low cost, long term loans**: This improves the viability of schemes and, not least as construction costs rise, a reduction in finance charges can significantly improve the viability of sites. This has tangible benefits, not least improving the amount of ‘affordable housing’ and other contributions that can be provided as part of residential schemes. It also enables local energy solutions to be implemented such as Combined Heat and Power. Research into the success of innovative continental housing schemes has shown the important role played by state investment banks and local financial institutions.\(^8\)

4. **Provide small builders, individuals and communities with serviced sites**: Other countries across the globe avoid over-reliance on a few large developers, and support small and medium-sized businesses or builders and housing associations in delivering development. By ensuring that infrastructure is provided in advance, the opportunities for small building firms, self-builders and communities to benefit is significantly enhanced, not least through reducing risks and improving access to finance. Increasing the number of actors in the market also reduces the potential for ‘land banking’, boosting supply and competition.

5. **Retain the freehold of public-sector land and go for quality**: The benefits of an historic preference to retain the freehold of local authority land is finally being rediscovered, with Borough’s such as Harrow strongly committing to this in their regeneration strategy alongside others in larger regeneration areas such as at the former Olympic Park. Whilst there are some challenges, such as the potential need for land sales to fund development, this approach ensures that control of the site can be retained. Possible benefits are schemes with a better balance of residents in terms of age, income and tenure. Ground rents, rights of first refusal on commercial elements and control, both over design quality and management, could also contribute to both financial and social benefits in the longer-term.\(^9\)

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\(^7\) A ‘satellite town’ is one which is self-contained but limited in size and built in the vicinity of a large town or city. It functions as a ‘satellite’ to the extent that it houses and often also employs those who would otherwise have created a demand for expansion of the larger settlement. Given this relationship, it is often dependent upon its larger counterpart for major services.

\(^8\) Beyond Ecotowns: Applying the Lessons from Europe, PRP, URBED and Design for Homes, 2008.

6. Set up community trusts as stewards of the common wealth: Sustained management is important to ensure that new places become lasting communities and match or exceed the standards achieved in the past. The quality of places depends upon being cared for in the long-term. Adequate funding is needed to avoid conflicts over matters such as parking, rubbish disposal and children’s play space, and to create a sense of community wherever major new housing schemes are built.

Exactly what type of organisational structures would be required to harness the potential of these measures is an area for future discussion. Yet the role of the public sector should unquestionably be to facilitate and enable new large-scale development with honesty, speed and consistency.

A strong, strategic, potentially cross-borough framework, with responsibility for land assembly and site designation would almost certainly be required. It may comprise a partnership of local authorities and other key actors and should not stop at London’s boundary. In a situation where long-term commitment is required to cross sectoral and administrative borders, some kind of Development Corporation may be necessary, as is currently in place at Old Oak Common and the former Olympic Park. That said, the emphasis on partnership, rather than direction, is a vital component of any structure if the Mayor of London and local authorities are to facilitate Opportunity Areas and proactive regeneration programmes being bought forward for development from the ‘borough-level up’.

**LIVEABLE, RESILIENT AND GREEN**

Some of the most important considerations facing plan-makers and decision-takers over the coming century relate to natural capital. Recognition is growing quickly, with organisations such as the Natural Capital Coalition promoting best-practice globally. Taking nature for granted has unquestionably been proven to have serious consequences, with unseen dependencies resulting in risks such as flooding which potentially impact all citizens of the United Kingdom, in both urban and rural areas. The nation’s capital is not exempt and huge amounts will have to be invested to future-proof the city in terms of water, food, technology, transportation, energy and other green infrastructure.

Arguably, as the country’s only global city and economic heart, London has the most to risk. It might also be best placed to innovate; for example, by avoiding the need for new sewers through natural defences, such as increased tree-planting.

The annual State of Nature Report has shown the United Kingdom to be one of the most nature-depleted countries in the world and that present conservation efforts are entirely sub-standard. Similarly, whilst the scientific evidence...
for climate change is overwhelming, the most recent UK Climate Change Risk Assessment Evidence Report identified that the country is poorly prepared for the inevitable impacts of global warming. The built environment will face tangible risks to health, wellbeing, productivity, natural capital and trade. The natural environment will need to confront the deterioration of high-grade agricultural land, habitat loss and pollution. This demands innovative new ways of conserving and enhancing natural capital, but also of planning our cities.

‘Delaying or failing to take appropriate steps will increase the costs and risks for all UK nations arising from the changing climate.’

Lord Krebs, Chairman of Adaptation Sub-Committee of the Committee on Climate Change

Land is a finite resource. It is therefore vitally important that we conserve, enhance and develop it in the most sensitive, informed and efficient manner. We are fortunate that only a small fraction of the United Kingdom is actually built upon, as this means that the net impact of even significant future growth will be relatively limited. Making this point clearly, Paul Cheshire has shown that more land is given over to golf courses than housing in Surrey and this may well be true elsewhere. This is not to suggest that they should entirely be developed for new homes and workplaces.

However, the key to responsible and sustainable development is to ensure that growth occurs where the environmental and social costs will be least and benefits greatest. The solutions are well-rehearsed but often poorly executed. We require a ‘smarter’ approach to growth which secures developments with the benefit of resilient transport infrastructure and sustainable, inclusive design. We propose several options which might be considered; including Swift Rail, Energy Masterplanning and Green Webs (the latter giving London a chance to pioneer a new and innovative best practice).

14 Demonstrating this consensus, see for example the Open Letter Regarding Climate Change From Concerned Members of the U.S. National Academy of Sciences, published by 375 members of the National Academy of Sciences, including 30 Nobel laureates, on 20th September 2016. It stresses that “Absolute certainty is unattainable. We are certain beyond a reasonable doubt, however, that the problem of human-caused climate change is real, serious, and immediate, and that this problem poses significant risks: to our ability to thrive and build a better future, to national security, to human health and food production, and to the interconnected web of living systems”.
15 Humphrey, K., and Murphy, J., UK Climate Change Risk Assessment 2017: Evidence Report, Adaptation Sub-Committee of the Committee on Climate Change (2016).
SWIFT RAIL AND RAPID TRANSIT

Britain lags far behind the rest of Europe in the provision of local rapid transit. Though London’s transport arrangements are generally exceptional, comparisons with Paris, where many new tram and metro lines are being built, suggest that there are real opportunities to affordably enhance connectivity. A key challenge is radial connectivity. One solution is the use of Swift Rail services, as in German and Swiss cities, where Stadt Schnellbahnen complement Intercity services and local Metros.17 Closer to home, lessons can also be learned from the success of London’s Docklands Light Rail system and the Overground.

The intention of Swift Rail is to make use of spare rail capacity and abandoned routes, encouraging people onto localised rail services with new stations on the urban fringe to serve expanding suburbs. There is particular merit in such rail solutions in suburban locations where there is potential for existing areas to contribute far more than they have been doing. Harnessing this requires an emphasis not only on routes to/from central London, but on those who wish to move from one suburb to another. This requires a new and better form of local/suburban service designed for comfort, rapid acceleration and deceleration, with high frequencies and services for stations at the heart of both new developments and existing suburban centres. Swift Rail services should be frequent and fast enough to compete with the private car and therefore enable residents to reach jobs and services without adding to congestion, using smartcard or smartphone payment.

A 'Swift Rail' Vivarail D-Train proposed in a notional livery (Kel Portman, Nicholas Falk).
ENERGY MASTERPLANNING

Energy masterplanning is a concept which has already been trialled in some parts of London. It is about unlocking the synergies which exist between buildings and creating symbiotic relationships between building functions and requirements. This is most commonly achieved by encouraging shared power generation in addition to the recycling and provision of waste heat. However, the important point about energy masterplanning is the notion of linking the generation, transmission and distribution to create a circular metabolism.

London’s examples already demonstrate how the capture and re-use of energy from heat and power networks, reducing our dependency upon them, can be applied successfully. Most notable are the Olympic Park and Stratford City developments, where demand was aggregated to attract third party investment in the required distribution and energy-centre infrastructure. Similar opportunities will undoubtedly exist at Old Oak Common and Park Royal. By procuring this infrastructure at scale, larger than standard Combined Heat and Power engines could be deployed with higher electrical efficiency, offering a substantial opportunity for carbon and cost saving.

The key focus should be on breadth of opportunity and implementation. Many of the benefits of energy masterplanning come from bringing together technical, financial and legal structures to commercialise design solutions that might otherwise be unfeasible. Whilst the detail of these deals require careful negotiation, there remains strong private-sector interest in delivering these arrangements. Moreover, although commonly applied to heat and energy, the energy masterplanning concept could equally apply to waste, water and other infrastructure services. It could therefore become a key feature of any major new settlements, such as new Garden Cities.

GREEN WEBS

London is one of fifteen English cities enclosed within a green belt. A concept which attracts both criticism and defence, green belts are widely believed to prevent urban sprawl. Yet it is not by any means proven that permanent green belts are the only way to do this. Nor is it accepted that rigid controls affecting the use of such land prevents damage to the environment. Indeed, both the Government’s Natural Capital Committee and the Campaign to Protect Rural England have recognised some of their limitations.

‘As for the green belt, we must do more to realise its value. The green belt exists primarily to prevent sprawl, but it can do more than that. Certainly it would be easier to defend if people also value it for nature, recreation and food-production. It is easy to talk about the green belt as the ‘lungs of London’, but much of it is remarkably empty of people and wildlife, while London’s parks are full of both. We therefore need to ‘green’ the green belt and get more people enjoying it. Otherwise, the itch to develop ‘this wasteland’ or ‘that monocultural bit of farmland’ will be irresistible.’

Shaun Spiers, Chief Executive, Campaign to Protect Rural England
‘There is a viable third alternative that at least deserves proper analysis... imagine a green belt with lots of natural capital, a much more environmentally benign agriculture, much greater public access, woodlands located next to people so it could fulfil not only the original purpose of limiting the sprawl but also provide the lungs of the cities, the fresh air for children to play in, and the recreational benefits which are crucial to health and well-being. That is worth exploring before the irreversible destruction of this major asset located exactly where it is needed - next to people.’

Professor Dieter Helm, Chair of the UK Government’s Natural Capital Committee

The question therefore arises as to whether there are better ways to conserve and enhance the environment, support sensitive long-term stewardship of natural capital, and balance these with the need for housing and economic growth. Whilst Londoners currently have a relatively fixed view of their green belt, which now extends to some three times the size of the city itself, the Scottish preserve an equally attractive landscape with far greater flexibility. Scottish Planning Policy (2014) states:

‘For most settlements, a green belt is not necessary as other policies can provide an appropriate basis for directing development to the right locations. . . The spatial form of the green belt should be appropriate to the location. It may encircle a settlement or take the shape of a buffer, corridor, strip or wedge.’

Scottish Planning Policy (2014)

At present London’s outward expansion is curtailed only by the Metropolitan Green Belt. Indeed, there will undoubtedly be areas where the blanket protection afforded by green belts, buffers, corridors, strips or wedges will not only be appropriate but beneficial. We believe, however, that there is merit considering the concept of a green web in addition to each of these approaches. A new concept, we are of the opinion that green webs could help to establish an enabling policy environment where natural capital is integrated into all planning decisions such that it ultimately it becomes an integral part of ‘business as usual’.

Designation of a green web in London would involve transformation and modernisation of land currently defined as green belt to secure a multi-functional Green Infrastructure landscape. The purpose would be to improve accessibility and use of the land for health and wellbeing, establishing places which flourish; teem with wildlife, offer opportunities for children to interact with nature and enjoy wild play, are resilient to climate change, reconnect people with food growing and encourage social development, amongst other objectives. They would, by their very nature, be about bringing built and natural environments together, but in a way which enhances the quality of each.

A 'Green Web' multi-functional Green Infrastructure landscape (Astudio).
The key distinction between areas of green web and green belt would be that, rather than setting a clear delineation between urban and rural areas, the web would seek to fuse the two together. In doing so, it would seek to establish a more sustainable and higher-quality approach to land use, recognising that they need not be incompatible and that by integrating them together there is scope for a better built and natural environment.

Areas within the green web would comprise dense and sustainable suburban developments, but where the net developable area would be limited. In such settings, we propose that 50% of the land could be developed and the other half preserved and enhanced in perpetuity in a manner that ensures active and lasting stewardship. If land within the green web was endowed to within Green Web Trusts, value captured from development could be used to actively manage the land for nature, recreation and food-production. The quality of green space and green infrastructure within new urban areas would be improved, accessible and represent a genuinely positive contribution to quality of life.

It would be loved, cared for and nurtured by both residents and visitors alike, minimising the risks which face today's green belt from neglect and opportunistic development.

It is also an approach that would help balance the competing land use objectives faced by London today. Whilst the Metropolitan Green Belt extends to some 516,000 hectares, 93% of this sits outside the administrative boundary of the Greater London Authority. Setting aside an area equivalent to only 5% of the Metropolitan Green Belt within London's administrative boundaries, which is a staggeringly small fraction of the total (only 0.35%), would constitute around 1,800 hectares of land. Even if less than half of this was built upon, at a low density with the remainder protected, this could facilitate the building of more than 35,000 homes. This is larger than one of the first generation of 20th-century new towns and more than the total amount constructed in London in an average year. If a higher and more sustainable density of 100 dwellings per hectare was employed on the same area this would result in 90,000 homes; the equivalent of at least...
19 Even if 50% of the land were to be ‘developed’, this does not mean that 50% of the land would be ‘built upon’. Land which was ‘developed’ but not ‘built upon’ could also be actively managed in an environmentally sensitive manner.

20 In keeping with the views of the TCPA and others on the possible size of new settlements, the government’s approach is set out in Locally-Led Garden Villages, Towns and Cities (2016). Pre-empting the release of this document during the Coalition Government, then Deputy Prime Minister Nick Clegg made clear the view that “Not every New Town was perfectly designed - but the fact is, people like living in these places. More people now commute into Milton Keynes than out of it: it’s economically independent and still growing strong... [we’re seeking] a wave of larger-scale projects where there’s clear local support and private sector appetite... not just 5,000 new homes, but 15,000, 25,000.” (Speech to the National House-building Council, 22 November 2012).

21 Boys Smith, N., Heart in the Right Street: Beauty, Happiness and Health in Designing the Modern City, CREATE Street, 2016.
In its most simple terms, planning for large-scale development requires the rediscovery of strategic planning. Unlike other cities in the United Kingdom, London benefits significantly from the London Plan, which is an established and useful step towards this. There are nonetheless a range prominent issues which face the Mayor of London in addition to the city’s Boroughs, if we are to plan in a more creative and sustainable manner. They relate not only in general terms to the way in which we approach development, but also more specifically to questions of viability and the role of the public sector.

THE APPROACH TO DEVELOPMENT

There are various components to a successful development industry, but it is ultimately about balancing the objectives of those who plan, design and build, live and work in our cities. Whether we seek reform from the ‘top-down’ or ‘bottom-up, neither professional nor community stakeholders in any one sector can do it alone. We therefore need to approach the matter from a fundamentally cross-disciplinary and cross-societal perspective, focussing not only on the type of development which we permit, but how and when it is built. We need to clarify what we are seeking to achieve in order to understand the compromises that need to be made and respond flexibly to new situations when things don’t go as planned.

SPEED AND RESPONSIVENESS

Long delays and uncertainties create ‘planning blight’ and can lead to speculation. The English planning system has a notorious history of delays, most famously with Terminal 5 of Heathrow airport taking 17 years to secure planning permission and more recently with the delayed decision on airport capacity in South East England. High Speed 2 is still at the planning stage and there is no formal public agreement on building Crossrail 2 which would link South-West with North-East London. Highlighting the historic experience of large-scale delivery the outgoing Mayor, Boris Johnson, pointed out when introducing plans for the ‘City in the East’ that there was a pressing need to ‘avoid adding further monuments in the Thames Gateway master plan graveyard.’

In many respects, this stems from the fact that planning tends to be restrictive and reactive rather than positive and proactive.

A responsive and proactive approach requires a new form of plan. We need a plan or development framework, at the appropriate level for the issues and areas being considered, that is efficient in its preparation and remains dynamic once adopted. This would be a plan with the potential to adapt and change responsively as and when required, thus joining up development with infrastructure capacity. Planning Authority resources could be an issue here but there are various funding avenues worth exploring. Government funding would be justified and worthwhile but, if central funding were not available, it might be that joint-ventures with the private sector or pooling resources across boroughs is a solution. Likewise, value capture or debt finance associated with the delivery of public-sector led development could support upfront investment in services.

22 City in the East, Greater London Authority, 2015.
COMMITTED BUILDERS

Doubts exist as to whether the stated priority of building 50,000 new London homes a year can ever be reached, particularly as half the sites with planning permission are not being developed. Many of the problems here are not with the planning system per se but with the means by which new products are developed. As stated elsewhere, a first-step would be for the public-sector to play a more prominent role in bringing development land forward more quickly. There are various ways in which this could be achieved, but the public sector holds a particularly strong hand when it comes to land ownership and debt financing that, if harnessed, could deliver tangible outcomes with clear public benefit.

Likewise, it is also important that government at each level encourages a more diverse group of actors to get involved in housing delivery. This includes local authorities as well as small builders, self-builders and community builders (Cooperatives, Community Land Trusts, etc). Some pressure in London and the wider South-East could also be relieved by reducing demand which drives the housing target higher. A National Spatial Strategy, for example, would support the government's stated objective of spatial rebalancing and help positively direct investment to the Midlands and Northern England. It would also help rebuild the confidence needed to deliver new housing to scale. 23 24

MAKING NEW HOUSING POPULAR

There is strong evidence that we are not building what most people in London either want or need. Part of the solution to this will be demonstrating to people how higher density housing is linked to creating better neighbourhoods, for example through easier access to amenities, facilities and green space. 25 Educating people about the implications of not delivering enough new homes is one thing, but it is far better to demonstrate how housing and workplaces can be successfully delivered to a standard that people are prepared to accept and eager to encourage.

There is evidence that tall buildings are not always popular with communities. Where residential, they also pose potential long-term management problems; such as how to maintain the building fabric through the service charge once leases for all units have been sold off on an individual basis. New approaches will be an important part of developing new typologies of more intensely developed environments that do not rely on tall buildings and could therefore be both more appropriate and more palatable for residents of many suburban locations.

It is architectural fact that higher densities do not have to mean high-rise construction and this is illustrated across London in popular places such as Pimlico and Notting Hill. The popular tourist destination of Barcelona, with some of the highest residential densities in Europe, proves likewise.

ENHANCING LOCAL CONNECTIVITY

London is powered by its radial connections, such as the M25 motorway. This is despite these being congested and having relatively poor linkages into the central area of the city. The success of improved orbital connections have nonetheless been shown in abundance, not least through the recent introduction of 'Orbirail', conceived by Sir Peter Hall with Michael Edwards and Drummond Robson. This has resulted in an effective orbital rail route through relatively minor alterations to the existing Overground network.26 Moreover, Overground has since increased in usage by some 600% for relatively little cost. In the process it has enhanced a number of inner city areas by putting them on the public transport map and attracting investment.

A new orbital tram/transit line, similar to those created in Manchester and Croydon, could prove to be a major contributor to improved connectivity and a catalyst for growth. European cities such as Paris have brought out the potential for comprehensive planned mixed use developments with transport at their heart.27 Comparative data reveals that mid-sized European cities enjoy much shorter (and cheaper) commuting times to work, thanks to their metro rail systems.28

Transit-oriented development and its relationship to density

THE VIABILITY QUESTION

It is hard to think about development in London without touching on the thorny issue of development viability. Amidst discussions about the green belt and affordable housing, viability has become one of the most well-known and widely-debated planning topics. Property professionals largely consider it fundamental to ensuring a deliverable proposal whilst members of the public commonly perceive it as ‘a form of bureaucratic alchemy, figures fiddled with spreadsheet spells that can be made to conjure any outcome desired’. It is so prominent that the Mayor of London has himself expressed the view that some developers ‘run rings round local authorities’; committing to address this by founding a new Homes for Londoners team within the Greater London Authority and employing staff with the expertise needed to fully interrogate viability assessments. So where exactly does this leave the Mayor of London?

Appendix One sets out some context to the wider discussion. As development appraisals are intrinsically forward looking, the need to make assumptions is unavoidable. Likewise, the need for negotiation is not only necessary, but presumably also in the public interest as the purpose is to facilitate national government’s objective of delivering more housing. That said, whilst the present system generally achieves its objective of facilitating the delivery of more development, the result is that the amount of ‘planning gain’, such as affordable housing alongside other financial and in-kind contributions, is often penalised. There is therefore a wider discussion to be had as to whether government policy remains appropriate and, in particular, whether a ‘trickle down’ approach to housing supply which seeks ‘affordable’ housing as the corollary of overall delivery is preferable to fewer houses being delivered but with a greater proportion of these being ‘affordable’.

In addition to this, there is also a discussion to be had as to the way that viability is assessed. In particular, further consideration should be given to the way in which benchmark site value is calculated. Although there are genuine viability issues that must be allowed flexibility if land is to be brought forward for development, this is not to say that where the development community collectively overpays for land with potential it should constitute a legitimate basis from which to reduce ‘planning gain’ such as affordable housing provision (as currently happens).

Claiming that a site could be sold for more, on the basis that another developer may make more bullish assumptions as to what could be achieved through a new planning application, is an entirely circular argument. If the site has potential, it should be incumbent upon any viability assessors to recognise what that realistically is and that a scheme has to be delivered for the value to be realised. The Mayor could contribute support to making ‘fairer’ assessment of benchmark site value a reality, and the input of planning consultants into the viability process may help with this, even if making it potentially more time consuming and costly.

Whilst it is probable that the way in which viability assessments are undertaken will continue to cause tensions between developers and communities in the short-term, they remain the most appropriate way to reach an agreed position in the context of national government’s ambitions. A useful step forward would be for the Greater London Authority...

to provide a simple guide to non-professionals to help those who engage with the planning process acquire a better understanding of the issues surrounding viability. Likewise, there is surely a case to be made that large, strategic and under-developed sites should be treated differently from the smaller proposals that come forward across London. Where there is political support, the collective voice of the Mayor and London's Boroughs could provide an effective voice to lobby for improvements to the current system. Although bound by national planning and viability guidance, there is therefore a platform from which to effect positive change.

**RELEASING PUBLIC SECTOR LAND**

It is clear that the Mayor of London is eager to explore the role that public sector land can play in meeting the city’s needs. This is recently illustrated by his intention to direct Transport for London to dispose of an unused site at Kidbrooke in Greenwich at a ‘financially disadvantageous’ price, despite the Greater London Authority Act requiring TfL to act commercially and maximise the financial value which can be secured from its assets. This is, perhaps, unsurprising in the context of the on-going debate about development viability: there is much more scope for the public sector to control outcomes when it already controls the land.

The release of public sector land can play a pivotal part in meeting the need for homes. However, this release must be structured appropriately. There is little benefit in selling more public sector land on the open market without any conditions attached to the disposal. In such instances, land is simply bought on the basis of standard market assumptions about the type of development that can be achieved. There is strong evidence to suggest that, whilst the result is speculation which increases value, this process also leaves a site where policy compliant approaches are typically less viable, so there is no obligation to build a certain product or restrictions on trading the land on.

Achieving the best social outcomes will require a more proactive approach to planning. This means the public sector taking a larger and more active role in land assembly and disposal, to ensure that there is the proper incentive for large schemes to be delivered. There are various ways to deliver new development on public sector land and more work needs to be undertaken to explore the issues associated with this. There would be merit in the Greater London Authority investigating how cities elsewhere assemble and sell land for development: Vienna achieves this successfully and has avoided house price inflation but tends to be overlooked. Alternatively, the London Land Commission could also provide a suitable framework through which to explore the wider issues of funding, including revision of the Value Added Tax (VAT) and rating systems, alongside the releasing of land for development. Large-scale schemes such as at Old Oak Common represent fantastic opportunities to trial new methods and we anticipate that ideas such as Land Value charges could be introduced in these instances with political support. Four approaches worth serious consideration are:

1. **New Great Estates:** A new ‘Greater London Estate’ could be created whereby developers would secure a 150-year lease, or longer subject to market requirements. Leases would allow a ‘First Right of Refusal’ to the Estate on commercial elements of mixed-use sites that would enable them to buy back retail and office components as an investment to create an income stream. Such purchases could be funded by, or offset against, the ground rent achieved. Covenants could be
used to control the type of property built and speed of delivery, ensuring that all properties were constructed quickly. The Estate could then actively manage the future of properties on reversion, much as the existing Great Estates do, in a manner that responds to the Leasehold Reform Acts.33 34

2. Public-Private Rented Sector: With home ownership increasingly out of reach for many residents the Government is encouraging more investment in the Private Rented Sector. There are, however, challenges to delivering this at an appropriate quality and cost; with the price of land being key. Avoiding the need to acquire sites, public sector landholdings could be used for the building of social and key worker housing, community facilities and private rented housing. Public sector bodies, such as Transport for London, would retain the freehold of the site and keep a portion of the housing income. Institutional investors would then fund the projects and receive the rest of the income from the housing units created. Income-strips could be sold as investments for a period of 25 years and then returned to the freeholder, after which the full benefit of income could either be captured by the public sector or sold again.

3. Local Infrastructure Funding Trusts (LIFT): An alternative mechanism is now needed to secure the investment in local infrastructure that communities will demand as the price of building new homes near them. The private bond market is an important potential source, as many local housing associations have discovered. A Municipal Investment Corporation on the lines of the Dutch BNG or German KfW, could attract institutional funds and underwrite the costs of issuing bonds.35 Subject to an agreed vision, land could be designated and values frozen (as in Germany) to avoid speculation. This would ensure the uplift in land values following construction is ploughed back. Bonds would then be issued to draw up development frameworks and fund advance infrastructure from the expected increase in land value. Sites could then be sold to a variety of builders, with a proportion held back in a ‘community land trust’ for social purposes, thus enabling the wider area to benefit.

4. Development Investment Funds (DIF): Fundamental to local authorities having a more central role is the issue of funding. In some instances, for example, a Borough’s intention to hold onto the freehold of sites might be limited by the fact that it has to fund or part-fund a particular development (thus requiring some land sales to keep borrowing within manageable limits). In an ideal world, central government funding might be available, for example with attractive HM Treasury loans. However, given current reforms to local authority funding, with less grant money coming from Whitehall and Boroughs needing to become more self-sufficient in revenue generation to pay for local services, this should not

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be assumed. Creation of a Development Investment Fund, at a Borough level, might be one way to secure profits which could be employed to support local authority-led development. Here, money might be invested on behalf of the local council's balance sheet into well secured investments yielding 5-6% thus maintaining services. This might be most effective in Boroughs that were debt free and that have cash surpluses where their money is invested at treasury rates but yielding very little returns. For those which chose to borrow, Public Works Loan Board lending is at very preferential rates, currently (pre-Brexit) 2.24% for a 15-year interest only loan with no margin on top and very low loan arrangement fees. There are, therefore, various merits to active investment.

In any event, the most important component to securing any of the above strategies is the need for strong political will to establish the framework within which they could occur. The result would nevertheless ensure that land within public ownership, as a limited public resource, was utilised for the public benefit in the most effective manner possible.

**A CHARTER FOR SUSTAINABLE GROWTH**

The idea underpinning a Charter for Sustainable Growth is to develop a vision for an area which is shared by all relevant partners. The exact elements of the charter could be entirely flexible and therefore responsive to the requirements of particular areas, rooted in the spatial geography and local identity of an area.

Charters are already being used and a good example is the Cambridgeshire Charter for Quality Growth (www.cambridge.gov.uk). Where the use of a charter is intended to set out core principles regarding the level of quality to be expected in new developments in Cambridgeshire. Based around findings from study tours to exemplary developments, each new scheme is assessed against the Charter’s four core principles (the four ‘C’s’) of community, connectivity, climate and character.

The process is credited with having helped secure much higher standards of design in the Southern Fringe of Cambridge, but also with helping
to bring private, public and community interests together around a shared vision of what new developments could be like.

Requirements for a Charter for Large-Scale Developments could be built into the London Plan. Elsewhere, for example where developments bridge London’s boundaries, a Joint Committee could be established under the Local Government Act enabling it to undertake the strategic planning function. These could include representatives of private, voluntary and public bodies with powers and resources delegated to them to facilitate the building of a shared vision for the area.
In June 2016 the Greater London Authority published plans to enhance the ‘City in the West’\textsuperscript{36}. The purpose was to promote the development of the western part of Greater London as an integrated part of the Capital, with the potential to provide far more housing and employment than has been envisaged until now. This includes, in particular, some 45,000 new homes and 100,000 new jobs within the city’s ‘Western Wedge’ alone. It is a significant increase when compared to the 60,000 new homes identified across all west London boroughs in the current London Plan. It’s also a lofty aspiration and one which will require the shared vision of local authorities, local people, landowners and financial interests. With plans for the ‘City in the West’ at an early stage, it seems reasonable to explore the scope which might exist if some of the ideas set out in this report were applied. Whilst illustrative, we trust that it provides a useful basis for discussions as to the future of the sub-region.

\textsuperscript{36} City in the West, Greater London Authority, 2016.
West London is distinguished by its inter-war suburban property: Victorian London extended relatively little beyond Hammersmith whilst ‘Metroland’ had reached Hillingdon before the outbreak of World War Two. Average home and office rents are comparable to other Outer London locations, but remain relatively affordable by comparison to central areas. This makes it an attractive location to live and work.

Understandably, therefore, it has become the second largest sub-regional economy in the United Kingdom: bigger, at £50 billion Gross Value Add, than the UK’s second city Birmingham. It has also attracted a culturally and ethnically diverse population, with 46% of residents being born outside the UK. The area is dissected by arterial roads (M4 and A40) in addition to railway lines (Great Western). This infrastructure largely supports travel from central London outwards as opposed to within west London itself, but means that central London can be accessed within 30 minutes. Such connectivity is important, not least given that west London also contains the busiest international airport in the world at Heathrow.

Some spatial characteristics of west London are illustrated by the images at Appendix Two. They suggest an area that has a fragmented environment but with strongly defined local communities interwoven with ‘left behind’ places. The scope for enhancement to the built environment, alongside an entrepreneurial and skilled workforce, provides the perfect foundation from which new and densified places could flourish. Indeed, this is increasingly being proven, with places such as Acton exemplifying an on-going revival (see Appendix Three).

As we have suggested elsewhere, a Joint Committee could be established under the Local Government Act enabling it to undertake the Strategic Planning function for an area. West London provides an interesting example of precisely this approach emerging from the borough-level up. Recognising the need for Local Authorities to work increasingly closely in sub-regional partnerships, members of the West London Alliance established a formal legal partnership between six boroughs in November 2015 to deliver economic prosperity and growth in west London, called the West London Economic Prosperity Board (EPB). Encouragingly, it is envisaged that the West London EPB will play a leading role in discussions and negotiations with the Mayor and the government about devolving powers and functions related to economic growth to west London. Whilst it remains to be seen what legislative changes may be required to appropriately empower the EPB, it places the west London sub-region in a far stronger position to deliver the type and scale of change that is needed, across boundaries, to the benefit of those who live and work in the area.
So what might a Charter for Sustainable Growth in west London look like? The West London Alliance’s West London Vision for Growth and Action Plan provide a useful starting point. They are premised on the basis that west London should be a thriving and prosperous part of a premier world city, with highly profitable businesses, successful residents and resilient communities. Delivering this will require the support of each of those groups and a Charter for Sustainable Growth could provide a useful basis from which to build civil society support for the Vision amongst members of the local and business community. In doing so, there are various issues which would need to be addressed, not least environmental impacts from a potentially expanded Heathrow, but a Charter could prove an effective tool around which to engage proactively. We suggest the following as a starting point from which different interest groups might begin to think more spatially about the implications:

1. The first over-riding priority is to maintain and improve the affordability of housing and reduce poverty. London’s future economic role(s) and the housing needed to support it must shape spatial plans, making the affordability of property to buy and rent fundamental to the city’s long-term success. Major housing schemes could be used to rebalance local demographics, for example building housing to enable older people to move out of under-occupied large houses, which can then be occupied by young families.

2. Local employment opportunities for young people are vitally important if their skills and expertise are to be retained within the city. Addressing this means cutting the time and expense of travelling to work in addition to providing more homes close to transport nodes which cater specifically for young people to live and work in as well as designed for sharing. A ‘City in the West’ should provide more scope for renting in addition to home working, through enhanced broadband and mobile connections with wayleaves to accelerate investment.

3. The branding of West London needs improvement. The image of living and working in the area should be enhanced, with new developments offering wider benefits than just housing first-time buyers; their design has to enhance local character and identity. Design competitions would be one way to achieve this, following-up the pace setting New London Architecture events already underway. So to could further publications such as West London Business’ “West Londoner” magazine, or Hounslow’s ‘GW’ which seek to re-cast public perception of the sub-region.

4. The wider public should be engaged in any review of the London Plan, not just through a standard public consultation, but meaningful and active engagement with communities. This should have a spatial focus and seek an inclusive vision for the future of communities in the sub-region, celebrating diversity. This demands new forms of communication to be employed. Social media tools could, for example, allow those looking for new homes or jobs to register their interest and experiences, inputting into a range of options.

5. Development should require higher environmental and social standards. These should emphasise the creation of a ‘circular metabolism’ for the city that uses much less energy and other resources. This should include the promotion of ‘eco-quarters’, and ‘active houses’ that generate more energy than they consume, where possible using new developments as testbeds for innovations coming out of London’s universities and research institutes.
6. New developments should be at higher densities with a mix of uses. The highest densities should be nearest transport nodes and with a flexibility in terms of who will use the space. This might mean that space on the ground floor could be designed with a view to it being used as either a shop or offices. Guidance and training on what is possible should be used to reach agreement early on and cut the time spent in wasteful conflicts (as recommended by the Centre for London).

7. The intensity of development should be matched to infrastructure capacity. New infrastructure should be incorporated which makes access at the local and regional level more efficient, not least including measures to promote safe cycling. This will require a rethink of the Public Transport Accessibility Level (PTAL) system. This is because the current approach links the density of new development to accessibility of the site to Central London. A more sustainable and decentralised model should also have regard to local connectivity, including by foot and bike, when determining development potential. Likewise, the potential for using Multi Criteria Analysis in assessing options for growth, alongside the rather more simplistic Cost Benefit Analysis, should be explored more seriously.

8. To avoid property speculation, development should capture the uplift in land values so that the whole community can benefit, not just landowners. This is most relevant to the question of housing provision. The primary way that housing can be made more affordable is by reducing the proportion of housing costs accounted for by the value of land. This has been achieved in other European cities such as Vienna, Berlin and Amsterdam where house price inflation has been largely avoided. The Treasury could well support such an initiative if it were to be pioneered in

Whist our intention is that the Charter for Sustainable Growth should provide the basis from which spatial plan-making and engagement should occur, we have sought to indicate some possible opportunities through a sub-regional development framework for west London. In doing so, we have made some preliminary estimates as to the possible housing and employment capacity which could be harnessed. These suggest that, in conjunction with the Mayor of London's own estimates, there is scope for approximately 200,000 new homes and 200,000 new jobs.

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LONDON 2016

KEY:
- CROSSRAIL
- ORBITAL RAILWAY
- M25
- GREEN WEB
- RIVER THAMES
- BLUE CORRIDOR (ALONG GRAND UNION CANAL)
Concept Diagram: Growth Points for a 'City in the West' (URBED).
The ‘City in the West’ report identifies various locations for further growth and intensification in west London. This includes the Feltham/Golden Mile Opportunity Areas, as well as rail links from the Golden Mile to Southall and from Brentford to Old Oak. We have also identified possible locations as Growth Areas and Areas of Intensification, which we believe could be translated into Opportunity Areas and Areas of Intensification within the London Plan.

Most of the development potential that the Growth Areas and Areas of Intensification we have identified could harness would therefore be additional to plans which are already afoot (plans which include 25,500 new homes and 65,000 new jobs at Old Oak Common and Park Royal alongside 6,000 new homes and 3,000 new jobs in Southall). Much like the existing Opportunity Areas, our suggestions are locations which collectively have significant potential for large-scale place-making through either densification of existing suburban areas or new development. Each is well-located in terms of existing and proposed infrastructure, with scope for this to be harnessed in a meaningful way that could secure over thousands of new homes and jobs.
THE GRAND UNION CANAL AS A ‘BLUE CORRIDOR’

Access to water and green space is a key component of healthy lifestyles. The Paddington Arm of the Grand Union Canal provides a lock free ‘blue corridor’ through west London and has been neglected for some time. If access was made easier, for example to nearby underground stations, it could be used as an attractive focus for new development and to provide access to facilities for recreation and environmental enhancement. A good example is the large site at Kensal Green Gasworks, which could readily be connected with Warwick Avenue through a bridge across the canal and route through the cemetery. These improvements could be financed by development of new homes along the route, for which there appears to be ample capacity given the protracted stretches of low-quality industrial premises which currently exist.
Activating the canal and integrating it into the wider area will be key to anchoring a thriving community around it. This means that the canal needs to be enshrined at the heart of any new developments which are designed along its reach.

It also needs to be activated, which would most easily be achieved through sustainable mobility and recreational uses. The section from Heathrow to Southall and Park Royal/Old Oak, where there are no locks, would be attractive for those wishing to explore by kayak and also means that narrowboat services could be employed without constraint to enhance local connectivity for residents and tourists alike. Linking this into the sub-region, the railway line running from Paddington to West Ruislip, used by Chiltern Railways to provide a single train a day, could be enhanced to connect a new chain of centres along the canal.

While all of these sites tend to be fraught with problems such as contaminated land and fragmented ownership, much could be achieved if development were coordinated. This might start with the sites that are closest to railway stations, they would offer great opportunities for denser housing and mixed uses. We estimate there is some 400 hectares where the current land use could be intensified; this could become the focus for new communities accommodating some 15,000 new homes and 40,000 jobs.
A 'Blue Corridor' streetscape (Astudio).
A ‘GREEN WEB’ WITHIN THE COLNE VALLEY

At the London-wide level we have suggested the benefits of initially putting 5% of the Metropolitan Green Belt into a Green Web Trust. The most appropriate place to do so would be where there is scope to facilitate sensible development of a high standard in locations where London’s green belt is already compromised but highly accessible. West London is a prime example of such locations. The current strategic gap between Hounslow and Slough contains reservoirs, rail and motorway links, and could also accommodate a new runway and western-rail access for Heathrow airport.

Being dissected by Crossrail makes places such as Langley and Iver well-connected and located for jobs but unable to expand due to their current green belt designations. We suggest that an area of some 50 square kilometres could be designated as comprising part of a West London Green Web.

If only a quarter of this was to be placed into active management, for a complementary blend of development and landscape enhancement at 80 dwellings per hectare, there is scope for an additional 100,000 new homes.
A NEW ‘NORTHOLT GARDEN CITY’

Northolt Airfield, which is owned by the Ministry of Defence, is the base for the Royal Air Force’s 32 (The Royal) Squadron, which operates a fleet of BAE 146 executive jets for military commanders, ministers and the Royal Family. It is severely constrained in aviation terms, with problems which would hamper commercial operation.

Planes fly just 9 metres (29ft) above traffic on West End Road for which reason a certificate from the European Air Safety Agency to licence commercial activities could not be secured. If amended, physical obstructions along the approach would limit the length of a commercial runway to 1,354m; meaning that commercial aircraft types would be limited to turboprops and small jets carrying an average of 65 passengers. It is reasonable to assume that these constraints could worsen if Heathrow is expanded.

Northolt is nonetheless well-connected, being served by three Underground Stations with the A40 running alongside. At present the site acts as a barrier to movement through west London and yet it could accommodate an important new road link through the Borough of Hillingdon that

A new Garden City at Northolt (ACG).

reduced congestion at key pressure points. Whilst there is discussion about its use being intensified in the future by the military, the scale of opportunity that Northolt represents to help meet London’s development needs on brownfield land within the city, a Commission should be launched to explore military aviation capacity within the South East of England and whether there is a better-suited alternative. If other locations were acceptable, Northolt airport could be released to deliver an entirely new Garden City within London, with a potential capacity in excess of 40,000 new homes and 65,000 jobs.

A NEW ORBITAL RAIL SERVICE

West London would be an excellent location to explore opportunities for Swift Rail and Rapid Transit. It is noticeably underserved with orbital lines and, whilst there is support for Crossrail 2, the proposed radial line is so expensive that it will probably never be commissioned and alternative routes will need to be investigated. West London Business has previously explored the idea of a West London Orbital Railway. In 2001, Symonds (now part of Capita) were asked to conduct research and identify a way to greatly improve the orbital public transport system. This work has not progressed but most recently assumed short driverless trains, similar to those on the Docklands Light Railway, running between Brent Cross and Surbiton via Wembley, Ealing Broadway and Richmond. We wholeheartedly encourage West London Business to re-test the viability of this idea, for delivery in either the short-term or with a view to complementing Crossrail 2.

Now is precisely the moment to open discussions about infrastructure in west London. In June 2016 the West London Economic Prosperity Board agreed the Vision for Growth Action Plan, which included a focus on identifying a small number of shared priorities relating to transport infrastructure. Possible shared sub-regional high-priority schemes, derived from Local Plans and Local Authority discussions, included an Orbital passenger rail service connecting regeneration schemes; linking Old Oak Common, Brent Cross and Brentford via Wembley along the current “Dudding Hill” freight line which would be activated as a passenger line.41

As has been demonstrated by the success of London’s orbital Overground system, suburban areas require connections at the supra-local level which enhance sub-regional connectivity as opposed to those which focus on central London. New radial connections don’t only create opportunities to get people to leave their cars behind and walk, bike or take public transport, but would relieve overcrowding on the M25 and North Circular road. To live and work locally, within West London, would undoubtedly bring both environmental and social benefits. A Swift Rail service would bridge the gap which currently exists between the London Underground services and future Crossrail in scale and speed, providing a service at the sub-regional level. It is undoubtedly an approach which could be pioneered in locations such as west London.

The Borough of Hillingdon has historically pressed for extending the Central Line to Uxbridge. There are, however, even better possibilities which could be achieved through a new Swift Rail link, ideally creating a new orbital service which is

40 Officer discussions were notably West Trans and West London Housing Officers.
able to run from the centre of London towards Heathrow before providing a north-south orbital connection. The first of these routes could lie along the currently disused railway lines that previously ran from Uxbridge to the Great Western Railway near Hayes. There is also a section which runs from West Drayton and Yiewsley through to Staines in the south via Colnbrook and Yeovney, with the possibility of being connected to Heathrow Airport.

In addition to this it might also be possible with some ‘street-running’ to create a West London Orbital line to the north where it could be connected to the Chiltern Services line from Aylesbury to Marylebone by running via Brunel University. Together these connections would have the potential to transform the accessibility of West London, both at the local and regional level.
THE VIABILITY QUESTION: SOME EXPLANATION & CONTEXT

The viability debate leaves the Mayor of London in a difficult position. It arises largely because national government has adopted a ‘trickle-down’ approach that prioritises the delivery of housing over the delivery of affordable housing or other ‘planning gain’. Government’s objective is to increase overall supply and help meet demand, addressing the housing crisis (which is particularly acute in London) and stimulating the economy through construction. The National Planning Policy Framework accordingly encourages Planning Authorities to be flexible as to the planning obligations that they accept, including affordable housing. This is reflected in the current Further Alterations to the London Plan (2015).

The government’s approach assumes that, at a basic level, the sales or asset value of a completed development (Gross Development Value, GDV) must be greater than the cost of developing the scheme in order to generate a profit and therefore be potentially viable and deliverable. For a scheme to be considered ‘viable’, the residual value of the proposal (which is calculated from an appropriate level of profit once adjusted for market driven, project-specific risk) must be greater than the value of the site in a ‘no scheme’ world. In other words, the logic goes, there is little incentive for a developer to spend time and money (entirely at risk) to prepare a planning application for a development project.

The result is that viability assessments are purely financial assessments and do not account for other less common motivations to develop (which might include public good, political gain or commercial decisions such as to reduce debt or keep building teams employed).

Planning contributions, including s106 Agreements and Community Infrastructure Levy payments, affect profitability and therefore viability.

Affordable housing, for example, reduces the potential value of the scheme (GDV) as completed residential units are sold at a discount to the Market Value. Consequently, the amount of affordable housing that can be provided depends on the amount of profit that is generated by the scheme over and above the chosen viability benchmarks.

This is not necessarily unreasonable, as to require a developer to provide more affordable housing (reducing the GDV and therefore profit), makes the project unattractive and less likely to be delivered. Nonetheless, questions inevitably arise about the transparency and accuracy of the figures submitted to the Planning Authority in addition to the way that the various values are calculated.

TRANSPARENCY AND ACCURACY

Theoretically, viability assessments should be honest, transparent and accurate. This is because they are normally undertaken by qualified chartered surveyors. Chartered surveyors are members of the Royal Institution of Chartered Surveyors (RICS), which heavily regulates the conduct of its members and the quality of valuation work produced, requiring work for the public good and which engenders confidence in the wider profession. The RICS also produce guidance for their members (Financial Viability in Planning, Guidance Note, 2012) in addition to the Greater London Authority and Department for Communities and Local

APPENDIX ONE
Government. In each instance, the purpose is to explain best practice and ensure consistency of approach.

However, valuation as a discipline is well known to be more of an ‘art’ than a ‘science’. It requires the interpretation of evidence and market movements using assumptions, which can understandably vary from valuer to valuer. The valuation of land assets is notoriously difficult to calculate because this requires the most assumptions and therefore has an increased margin for error.

Whether valuing using comparable sales approach or a residual analysis, the valuer must make assumptions about macro factors such as planning risk and density in addition to specific details like building efficiency, building specification, build methodology and parking requirements. Either through the assumptions for a residual value calculation or through the analysis of comparable land transactions, all these factors will affect the value of the land.

It is for this reason that it is now common practice for property firms to use the special assumption that planning permission exists for a certain scheme when undertaking ‘Red Book’ valuations of land, to reduce the risk of being sued for inaccuracy and incompetence. In fact, some firms (such as Colliers International Australia) even refuse to provide ‘Red Book’ land valuations because of the risk of inaccuracy and potential for legal action.

Viability assessments require calculation of both a residual land value of the proposed scheme and a separate assessment of the land value (to be used as a site value benchmark). There is therefore twice the risk of inaccuracy occurring, which is why it is important for developers and Planning Authorities to ‘negotiate’ viability assessments with each other. The purpose is to reach a compromise which could reasonably be expected to result in a more realistic and accurate outcome. However, the inescapable implication of this process is that the provision of ‘planning gain’ such as affordable housing or financial contributions is calculated on the fine margins between these two potentially inaccurate valuations.

**BENCHMARK SITE VALUE**

The key assumptions that affect the ‘viability’ of a scheme are sales values, development costs, profit benchmark and site value benchmark (all of which require an interpretation of the market and the need for variable assumptions). One element, where there is much contention is the site value benchmark and this is therefore an area which may benefit from wider discussion.

The two accepted approaches for assessing benchmark site value are the Current Use Value (CUV) plus margin approach and the Alternative Use Value (AUV) approach. The former takes the value of the site/property in its current situation and format, disregarding any alternative uses (often its Existing Use Value (EUV)) and applies a premium to account for ‘Hope Value’ as an inducement to ensure the landlord is a ‘willing seller’ (expected to be 10%-40%). Whilst occasionally used by some consultants it is regarded by the RICS as an ‘unsatisfactory’ approach and ‘not recommended’ due to the arbitrary application of margins and somewhat academic (or ‘non-market’) nature of the calculation. The inducement assumption alone, for example, could throw the result out by up to 40%!

By contrast the AUV is an assessment of the best value that can be achieved for the site in the open market without any planning risk (i.e. for its current planning use or for a development scheme which is
fully planning policy-compliant). This is the RICS’ preferred approach but still open to interpretation because, as with calculating the CUV, it requires an estimation of the development potential of the site. This again, therefore, requires opinions that are inevitably subjective.

The concept of the benchmark site value assumes that the developer must be incentivised to act to release the site for development as opposed to sitting on the asset. This is not unreasonable as, after all, the government is looking to developers to risk their time and money to deliver much needed housing in the interests of the public. Assume, for example, that a suitable development site is currently occupied as a commercial asset. In this case, the benchmark site value would be underpinned by its investment value. As we cannot force a developer to take the risk of delivering the type of development which the Planning Authority wish to see, it’s reasonable for them to require an alternative development of the site to be more profitable than either retaining or disposing of the asset as existing.

Likewise, it seems fair that the amount of affordable housing which is provided reflects the fact that they are being tasked with making things happen. This is a driver for flexibility in the planning system, particularly around requirements like affordable housing provision, as the goal is to encourage an individual or organisation to assume risk for delivering something which, in broad policy terms at least, the Planning Authority wish to encourage.

However, in practice, the viability assessment becomes problematic. This is because in order to assess any ‘planning gain’ required of a proposal, it’s necessary to calculate the benchmark site value and this itself requires assumptions as to the ‘planning gain’ that would be required for an alternative scheme (which is not necessarily the same as that for which permission is sought).

It’s a somewhat circular assessment but certainly relevant in competitive land markets such as the South East of England.

Whilst it is commonplace to use an assumed scheme for ‘Red Book’ land valuations (as a special assumption), RICS guidance (FVP, 2012) explains that the benchmark site value for viability assessments should have regard to planning policy, potential obligations and material considerations.

The implication is that the benchmark site value should always include policy-compliant ‘planning gain’ such as affordable housing and other payments assuming a scheme hits the required profit. However, there is a conflict to the extent that RICS guidance also requires this value to be effectively the market value of the site; i.e. the expected price achieved on the market.

Flexibility in the planning system allows developers to make a case for a proposed scheme on a site-by-site basis. Developers will typically take a ‘higher risk’ view of what is achievable, for example, assuming that they can achieve either a greater quantum of development or lower ‘planning gain’ through negotiation with the Planning Authority. Importantly, this enables them to bid more competitively for the land, something which is of paramount importance as acquiring land is fundamental to undertaking their primary business function of development. The result, however, is that these assumptions are reflected in comparable land sale evidence and through the RICS requirement that market prices should be analysed to factor in an ‘expectation of planning obligations’. Current guidance states:

“Sale prices of comparable development sites may provide an indication of the land value that a landowner might expect, but it is important to note..."
that, depending on the planning status of the land, the market price will include risk-adjusted expectations of the nature of the permission and associated planning obligations. If these market prices are used in the negotiation of planning obligations then account should be taken of any expectation of planning obligations that are embedded in the market price, or valuation in the absence of a price.”

The result is that in order to be competitive in the land market developers will commonly purchase land assuming they can secure permission for schemes that are not compliant with planning policy. The common outcome, in competitive markets, is therefore that the value of land with residential potential (but no planning permission) often offers a high benchmark site value for viability. This in turn is widely perceived within the industry as a legitimate basis on which to provide lower levels of planning obligations or affordable housing (even though the value of the land used to calculate this is underpinned purely by assumed potential).
APPENDIX TWO

Showing London Underground lines within the ‘Western Wedge’ (URBED).

Showing Density in London and Paris (URBED / Google).
Showing London at Night (NASA).
Showing Density of Working-Age Population in Employment (Mayor of London).
Showing Public Transport Accessibility Levels (TfL, WebCAT).

Showing Building Age in London (Mayor of London).
APPENDIX THREE

ACTON: A CASE STUDY IN THE ACHIEVABLE

This report has indicated some means by which London could be shaped and re/shaped, applying these to West London. Yet West London is by no means a blank canvas. Albeit not at the scale this report envisages, the area has begun to attract an increasing amount of attention, evidenced by the Mayor’s new proposals for a ‘City in the West’. In this context, recent developments in Acton provide some examples of what can be achieved and how. These are summarised below:

**Chiswick Park:** Developments at Chiswick Park demonstrate that high quality office space can be created and flourish outside of Central London. Previously a bus park, Chiswick Park has been developed to comprise an office campus of 185,000 m² twelve buildings at a landscaped location on the boundary between Acton and Chiswick. A key to its success is that it aimed high.

It was designed by Lord Rogers and has received a number of design awards. It is now a significant media and leisure office cluster in its own right and it has attracted prestigious companies to location that few would have previously considered. Companies currently based there include Pernod, Walt Disney, and Paramount, Starbucks, Singapore airlines, Tullow Oil, CBS news and Ericson. Whilst the scheme could be criticised in design terms for being too inward-looking and self-contained, the success of Chiswick Park is in further showing (alongside places such as Heathrow and Stockley Park) that West London does not just have to be a dormitory suburb but can function as a work destination in its own right. This will be further enhanced when Crossrail dramatically reduces journey times into Central London.

Chiswick Park commercial development.
North Acton: North Acton demonstrates how quickly an area can intensify and the potential West London could create. The former industrial area revolves around a small station on the central line, close to Park Royal. The quality of the industrial space was poor and there was insufficient demand in scale or price to bring forward more substantial employment uses. In 2008 Ealing Council adopted the Southern Gateway planning framework which allowed the area to move from purely industrial to a mixed use area including residential in small area between the A40 and the Central Line. Although the existing area was largely low-rise the planning brief identified areas near the station which could go as high as 19 storeys.

That change resulted in major schemes coming forward. Already, Fairview Homes have developed 120 homes whilst Hub Residential are developing a Private Rented scheme of 150 homes in a development up to 19 stories high and are now seeking an additional 3 stories on parts of the site. Berkeley First have developed two student accommodation schemes of 730 bedrooms and 566 bedrooms, linked the University of the Arts and Imperial College respectively. Increasing visitor numbers have also led to new Holiday Inn and Ramada hotels in addition to diplomatic interest from the Algerian Government for a new Embassy. Other sites are even more ambitious with a 42 storey tower in the pipeline. The result is commitment to 2,000 new homes without any changes, land assembly or new infrastructure, other than a new vision.
South Acton Estate: Situated between Chiswick and Acton high street this major estate of 2,100 homes suffered all the problems of construction and design of such major post war schemes. There was no discernible street pattern and it acted as a barrier to movement between these locations. Much of the stock was in poor condition and its mono tenure also resulted in a concentration of social problems. Such was its condition it was used for filming as a typical problem housing estate in a number of film and TV shows.

Ealing Council selected Countryside and L&Q as development partners to remodel the whole estate to a new design and to bring back a human scale to its layout and to create high quality affordable homes. In the new design 50% of the homes remain affordable but the new scheme will total 2,350 homes and is bringing in private residential owners to cross subsidies the redevelopment and to create a more mixed and balanced community. The high quality design includes work by ABA, PRP and HTA Design LLP.

The new masterplan and completed phases now means Acton and Chiswick can flow into each other in a more logical way that will benefit prosperity in Acton. It also borders the Chiswick Park business centre and it should also enable better linkage into the employment opportunities there. South Acton demonstrates the potential that can be created to use existing developed housing sites to create more and better homes in way that unlocks potential in a wider area.
Green sprawl
Our current affection for a preservation myth?
Jonathan Manns
Students of Royal College of Art ADS2:
Amelia Hunter
Andy Matthews
Rowan Prady
Benjamin Turner
William Young