

# Town centres, building council houses & London Plan EiP update

Minutes of the London Planning and Development Forum on 3rd June 2019.  
Full minute by Drummond Robson at [planninginlondon.com](http://planninginlondon.com) > LP&DF

DISCUSSION TOPICS:

**1 Town Centres: Presentation by Dr Steven Norris (LSH).**

Steve is Director and head of PDR at LSH. He also sits on the REVO Planning Committee and Local Authority Groups; and is a Board Member of National Retail Planning Forum (NRPF).

He has recently advised Nottingham, Oxford, Milton Keynes, Warwick, Newark, Hull and Basingstoke Councils on town centre and retail strategies, and regeneration projects. His background is as a Human Geographer – his PhD at Reading University was under Mike Breheny - and he studied town planning at UCL in the late 1990s under Sir Peter Hall.

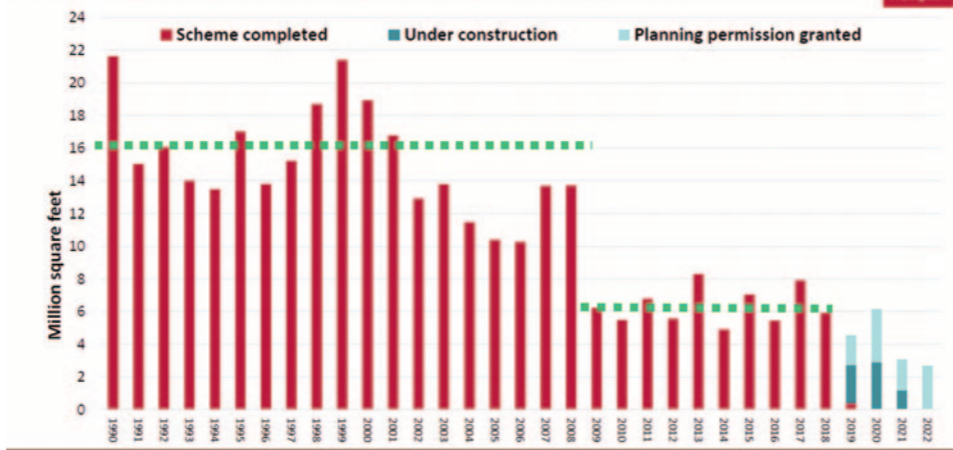
Steve explained that LSH advises the public and private sector on all aspects of regeneration – from appraisals, strategies and masterplanning, through to advising on public-private partnerships, and the funding and delivery of major mixed use regeneration schemes.

He referenced the “golden age” of retail-led regeneration between 1995 and 2008 (e.g. Birmingham Bull Ring, Westfield in Stratford and Shepherds Bush, Liverpool One, and Princesshay in Exeter). Post 2008 there was a significant decline in the development of new retail floorspace (see figure, RIGHT).

## The Regeneration Lifecycle



## The Rise & Fall of Retail-led Development



### Meeting on 3rd June 2019 at Rockwell Property with Jonathan Manns as host

- Brian Waters (Chairman)
- Andrew Rogers: Association of Consultant Architects
- Calum Ewing: Head of Property at Metrobank
- Prof Janice Morphet: UCL
- Duncan Bowie: UCL
- John Lett: formerly GLA
- Judith Ryser: Ugb/Cityscope Europe
- Liliana Shandbach: Development Manager HOME Group
- Michael Coupe: London Society and Coupe Planning

- Michael Bach: London Forum
- Peter Eversden: London Forum
- Dr Steven Norris: National Head of Planning, Development & Regeneration (PDR) at Lambert Smith Hampton (LSH)
- Tim Wacher: RICS
- Tom Ball: London Forum
- Drummond Robson: Honorary Secretary
- Apologies from Jonathan Manns (unavoidably detained by late flight), Jessica Ferm, Michael Edwards, Ron Heath, Brian Whiteley

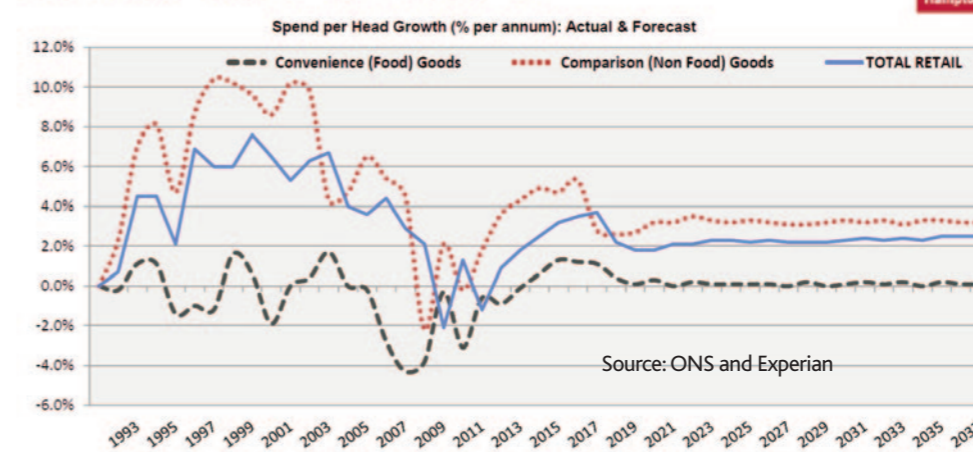
This was precipitated by the economic downturn and a significant decline in retail expenditure growth – both comparison and convenience goods spend – that impacted on investor and developer confidence.

This decline in retail development was further impacted by the significant growth in the market share of online shopping between 2006 and 2019. It now accounts for a circa 20 per cent share of total retail sales.

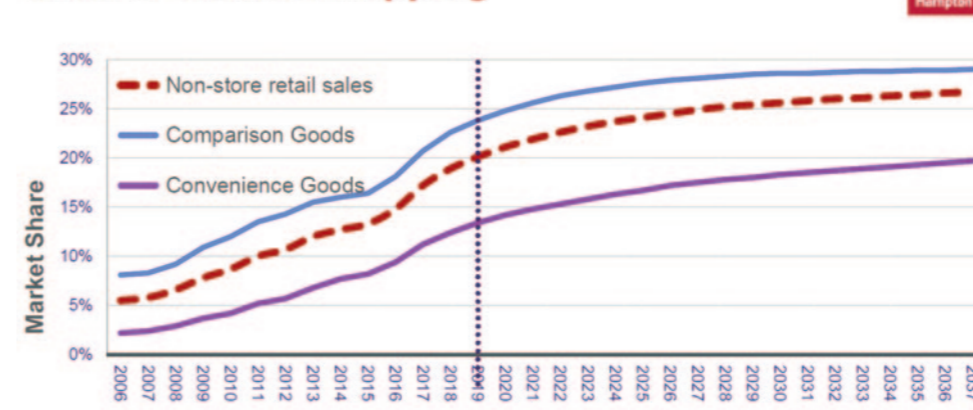
This has resulted in many retail casualties on the high street and the loss of jobs due to closures and restructuring <https://www.retailresearch.org/>

Steve suggested that previous investment and development models that characterized the 1990s to 2010 are “broken” and local authorities are hav-

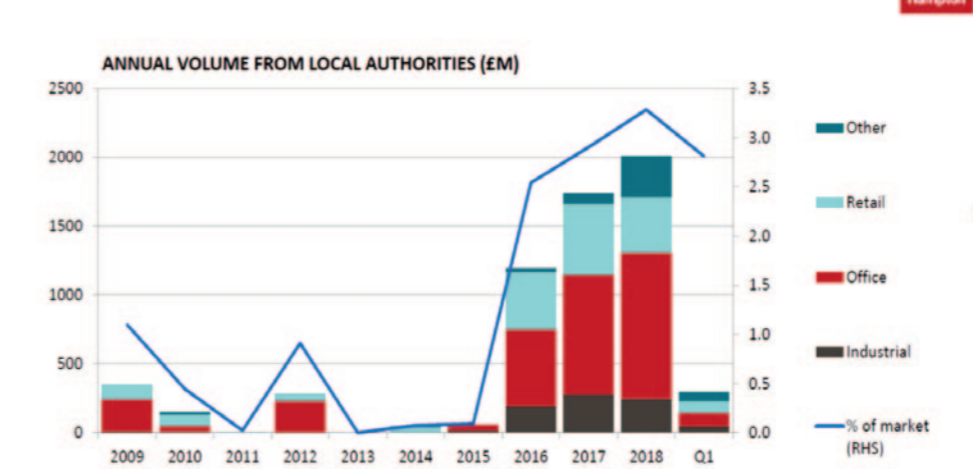
## No More “Boom” or “Bust” ...



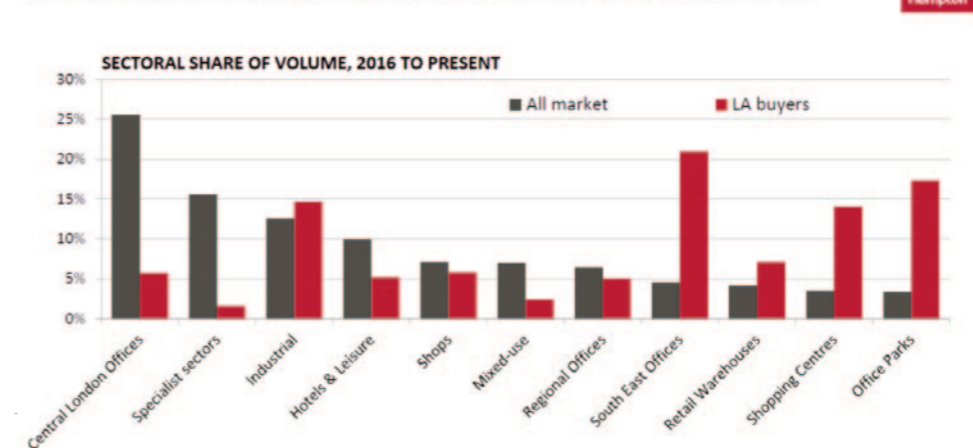
## Rise of Online Shopping



## THE RAPID GROWTH OF LOCAL AUTHORITY INVESTMENT



## AUTHORITIES ARE KEY BUYERS IN PARTICULAR SECTORS



ing to take the lead in planning, funding and developing new town centre development. However they do not necessarily have the in-house resources or expertise to deliver and manage major mixed use development.

Some £5bn has been invested by local authorities in property assets since 2016 – both within and outside their local authority areas. Local authorities are now the major investors in shopping centre assets – but what is the rationale for this given the private sector is disinvesting in shopping centres as their values fall?

In conclusion Steve summarised his findings as follows:

- The scale, pace and nature of change in the retail sector and property industry is unprecedented and permanent
- Impact of internet and multi-channel retailing
- Demand from retailers and casual dining sector is shrinking
- Too much floorspace and wrongly configured
- Occupancy costs – not a level playing field
- Fragmented ownership and management across centres
- Little appetite amongst developers and investors for risky, unviable development in subprime locations
- Traditional development and investment models are “broken”

Steve suggested that previous investment models that characterised the 1990s to 2010 are broken and local authorities are having to take the lead in planning, funding and developing new town centre development. However they do not necessarily have the in-house resources or expertise to deliver and manage mixed use development.

In response to a question from Brian Waters asking about fortunes in London, he thought that the pattern was similar.

### Presentation by Calum Ewing - Head of Property at Metrobank

Calum explained that there was a growing tendency in stores they have opened for seven day trading, notably in convenience goods. Alternative trading models were undoubtedly being considered.

The future of SMEs were now more important as his home town of Saffron Walden demonstrates. Also multichannel retailing and the growing emphasis on online trading is a new factor as Steve Norris was showing, in forms such as click and collect. He explained that Metrobank was not looking at Town Centres by local authorities. Car park charges by contrast were a feature which need to be considered with care, to attract customers while remaining profitable. Metrobank also considered vehicles such as BiDs. He stressed the importance of active frontages to trading success >>>

>>> and profitability.

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**Drummond Robson presented a District Centre Case Study for High Barnet** – see feature following this report.

**3. A general discussion on the effects of new Permitted Development Rights** followed (See *Brokenshire's Ministerial Statement of 13.3.19*)

**4. Affordable Housing**

Discussion was led by UCL Prof. **Janice Morphet** (house building by councils) and **Liliana Shanbhag** a Development Manager at HOME Group, who deliver a good amount of affordable housing across the country.

As increasingly recognised across the main political parties and commentators, one major reason for the 'housing crisis' is that local authorities ceased their role of direct housing providers in the 1980s. Since then, the shortfall in housing provision has mirrored the scale of the former local authority contribution to the market."

**Current research**

Local authority direct provision of housing survey funded by G L Hearn

Local authorities direct provision of housing planning issues interim report with full desk survey of all LA activity March 2019 funded by RTPI

Local authority direct provision of housing planning issues final report June 2019 funded by RTPI

1. G L Hearn survey 2019

Survey of local authority officers

Follow up from survey in 2017

Primarily the same questions

Asking about

Motivation

Means

Methods

Added question of JVs

Responses: motivations

Full results by local authority as at April 2019

<https://www.rtpi.org.uk/media/3291304/tableoflocalauthorityhousingprovision2019.pdf>

The phase 2 report was published on 24th June as outlined below by Janice Morphet.

**Responses: motivations**

Land and planning

61 per cent of authorities acquiring more land and/or buildings as part of a longer term investment strategy to support income

For those authorities directly delivering housing, 95 per cent are building on their own land, 44 per cent are purchasing sites to develop, 42 per cent are

purchasing existing residential buildings, 17 per cent are using land from the One Public Estate initiative and 13 per cent using other public land

61 per cent of authorities directly delivering housing are accounting for this specifically in their local plans

2. RTPI local authority direct provision of housing desk survey

100 per cent Local authorities in England

Repeats survey undertaken in 2017

Details of companies including propcos [property company deals], JVs, HRA [Housing Revenue Accounts], ALMOs [Arms Length Management Organisations] and land sales

Weblinks to each council's activity in providing housing primarily outside the HRA – rang of material including Council reports, press reports and trade websites

Some analysis now – more to come in next report.

**Desk survey findings**

In 2017, 57 per cent had companies; in 2019 it is 78 per cent

In 2019, 57 per cent councils had some form of JV (JVs not counted separately in 2017)

Of those councils without a company, 23 per cent of council exploring establishing a company

Some councils that had a company in 2017 do not have one now

Since January 2018, at least 119 new companies

have been established

Many councils not in WOCs, JVs or HRA are delivering through 'partnerships' – need to do more work on this – RTPI questions being examined

How can planning help to deliver more social and affordable housing How can the Housing Revenue Account be used to deliver more housing including the active use of RTB receipts?

How are councils achieving housing delivery through General Fund investment either through directly owned housing companies or through direct provision without a company?

How are councils using their s106 pots to prime and deliver housing development?

What are councils doing to ensure that they are receiving clawback payments for the provision of additional housing following viability negotiations?

**What are councils doing within their local plans to provide affordable housing?** (RTPI questions continued)

What are councils doing to provide special needs housing for example for the elderly? This could include approaches where local authorities are working directly with CCGs on transitional housing arrangements for those leaving hospital.

How can local authorities obtain the best outcomes when they negotiate large housing developments or garden cities in terms of affordability and housing types to meet a range of local needs?

What have local authorities learned using joint ventures and what do they regard as being the most successful arrangements?

How are local authorities managing the planning processes when they are the developer?

Quality is indicated as a major motivator for local authorities in the direct provision of housing. How do councils consider their direct provision of housing can make a contribution to the improvement of housing quality in their areas and how are they doing it?

**3. Main research What have we found so far?**

- Planners need to operate in councils where there is a corporate commitment to delivery in housing provision
- The approach to achieving delivery needs to be established in the Local Plan and other documents
- Delivery needs to be a key issue in negotiation for each development
- Delivery needs to be monitored

- Councils that are delivering have their own development surveyor with experience of RPs and the private sector brought
- planning and housing officers together into a housing delivery team
- the HDT monitoring all housing sites for progress, quality and delivery of affordable housing
- a housing delivery group of all providers that

meets regularly

- a housing delivery board that meets regularly to review progress

The approach to achieving delivery needs to be established in the Local Plan and other documents.

(Janice said that RPs are not so welcome now and Councils were recasting their approaches, considering whether to buy now or on a longer term. They were also looking towards building on their own land. She wondered if partnerships knew what they were doing now, too).

Local Plans that are successful in delivery have a clear relationship with other parts of the council including CCG, housing strategy and delivery and services for older people, homelessness, PRS/HMOs

It is using evidence on housing for the whole council eg JSNA [Joint Strategic Needs Assessment] not just using the NPPF

It has a LP housing delivery strategy eg Bristol which assumes the council's intervention in delivery in addition to LP targets

Using deliverability as a test in call for sites in terms of profit margins and type of development proposed have joint working on direct supply with neighbouring authorities e.g. funding, nomination rights have a clear strategy for providing for the needs of its population not just market homes in NPPF eg older people in Wigan – strategy for new homes designed for older people have practical elements e.g. space standards, access standards, design SPDs e.g. Croydon for suburban areas

Directly developing its own stock to demonstrate what quality standards are required

Monitoring actively to achieve ends and intervening if necessary ie directly through acquisition and conversion

**Achieving affordable housing**

- Prioritise affordable housing above other developer contributions
- Develop council's own schemes in policy compliance to demonstrate that it can be done
- Consider profit margins in call for sites and how affordable contribution has been included
- Indicate type of use on site allocations eg for older people, families at the same time as indicating the level of contributions required
- Set evidence based targets using wellbeing powers for type and location for affordable homes, monitor their achievement
- Use economic evidence from Local Industrial Strategy to support need for affordable housing
- Assume that the provision required for affordable housing in local authority will not be provided through residual funding from market development – plan is only one means
- Assume that the council will need to provide affordable housing directly using cross subsidy and/or Homes England grant

**Conclusions**

- Need corporate commitment
- Need relationships with providers
- Need intensive monitoring and intervention for all sites
- Need internal skills
- Need commitment to own delivery
- See LP as one only means to providing quality and affordable housing
- Need to indicate type of development in site allocations
- Need to negotiate the LP policies for each scheme through DM

**5. Peter Eversden of the London Forum of Amenity and Civic Societies updated us on the London Plan EIP and its housing policy**

Affordable Housing Delivery in London  
The implications of the London Plan  
Recent housing delivery  
• Current London Plan target is 49,000 homes pa  
• Delivery in 2018-19 was 45,000  
• Only 21 per cent were low cost rent type  
• The 2017 SHMA shows the requirement to be 66,000 new homes per year of which 47 per cent should be low cost rent and 18 per cent intermediate tenure  
• Unmet need backlog has been growing every year  
• The wrong types of homes are being delivered  
• The requirement for new market homes is 35 per cent  
• The Annual Monitoring Reports show that the market homes delivered have been one third over the target

Examination in Public of the draft New London Plan commenced in January 2019 with a GLA statement: "80 per cent of all new homes delivered are affordable by only 8 per cent of Londoners"

Sources of affordable homes  
Government grant £4.82bn for affordable homes is ring fenced to shared equity homes but SHMA need is 18 per cent

Mayor's aim is 116,000 new affordable homes by 2022

In 2018-19 14,544 were commenced, below 19,000 target and freedom from Government constraints is being sought

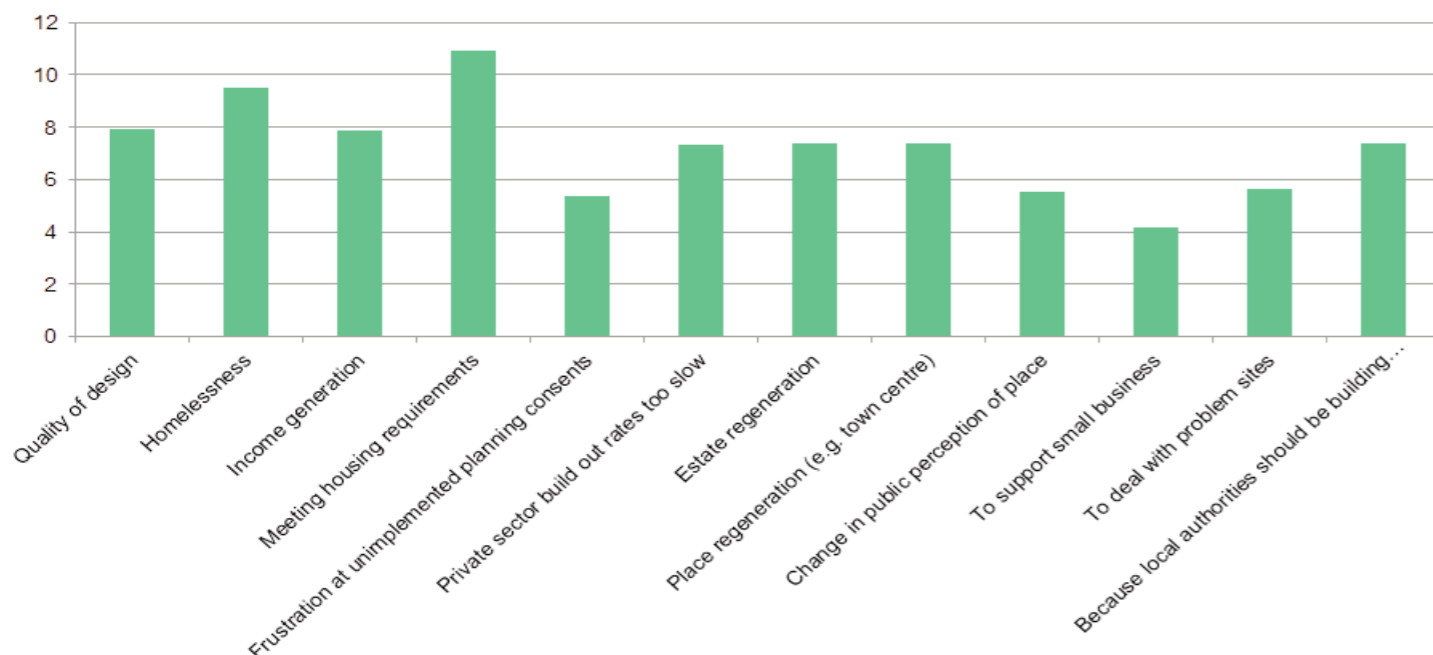
GLA Group land target is 5,260 affordable starts by 2022

Other sources are Housing Associations and boroughs. The Mayor has allocated £100M to assist the latter but only a few boroughs have a clear programme for home building

Small sites target 24,000 of NLP 65,000 annually - viability?

# Responses: motivations

What are the main reasons for engaging in housing provision? (Higher score = greater importance)



>>>

## &gt;&gt;&gt; The Mayor's 'Fast Track' route

A 35 per cent affordable housing threshold has been set

It was stated at the NLP EIP that the target is being met. The GLA Viability assessment team is available to boroughs. Percentage of low cost rent homes achieved is not clear. The Mayor has said he will increase the target to 50 per cent for "genuinely affordable homes". Achievement by this programme will depend upon delivery rates by the main house builders

## Delivery of new housing slowing

In May 2019 Molior reported work on 63,500 approved new private homes in Zone 2 in the first quarter of 2019 was down 97 per cent from the quarterly average in 2015

Grant Thornton UK reported May 2019 that only 54 per cent of the housing schemes for a total of 57,500 homes approved in 2015 had been started.

Applications fell in 2018 by 17 per cent on 2017 with only 5,230 affordable homes completed in 2018, down 30 per cent on 2017

Affordable homes given planning permission jumped three fold to 22,277 but SHMA requirement is over 42,000 pa of which 47 per cent are needed as low cost rent type

That is 682,000 social and London Affordable Rent by 2041

## Opportunity Areas

At the New London Plan EIP London Forum challenged the OA minimum indicative numbers for homes and jobs

Several of the Opportunity Area Planning Frameworks were compiled up to ten years ago and most have not been validated within the Local Plans of the borough(s) involved

The Old Oak Opportunity Area planning had stalled - landowner Car Giant have 'walked away'. The Earls Court Opportunity Area has failed and LBH&F are considering compulsory purchase

The latest of the 48 Areas of Opportunity and Intensification is the Great West Corridor but it has poor public transport

## Infrastructure for new homes

Transport schemes will have to be delivered

TfL will have £742M loss in 2019-20 due to bus subsidy at record £722M and Crossrail delays

High dependency on major developers to fund social infrastructure but viability issues will limit their contribution

Mayoral MCIL2 to 2038 is significant but will it be enough?

Policy D6 B 3) in the NLP states boroughs should phase approved scheme delivery if the required local infrastructure is not in place and that could extend completion dates

High dependency on the boroughs

The current London Plan has failed to deliver the homes Londoners need

The draft replacement New London Plan (NLP) has been a material consideration since December 2017 but has had only a limited positive effect on affordable home deliveries

The NLP leaves boroughs to implement its policies and achieve its targets but many Local Plans are out of date

The NLP introduces design code requirements for boroughs to implement with resource and skill implications

The February 2019 NPPF and the 2020 NLP will require boroughs to change their Local Plans

In conclusion Peter asks:

What has to happen to get the affordable homes London needs?

How do we reduce overcrowding of homes, the growth of inadequate accommodation and tenant exploitation in the Private Rented Sector and the continued increase in temporary home costs?

Can London retain the key workers it needs and support its economic growth?

How can we create sustainable and walkable communities and reduce the need to travel by car?

What kind of Plan for what kind of London do we need when the NLP is replaced?

The Panel report is not due until the autumn with a further unknown period for the GLA to respond to it, presumably involving discussion/negotiation with the Department. ■

**Drummond Robson gave a description to the London Planning and Development Forum of his home town, the District Centre of High Barnet, seen through his planning practitioner experience going back for over 50 years**

**High Barnet** is notably an implementation of a full London Regional town centre (one of only six in London) which weathered the OPEC oil crisis in 1973-4. This comprised the realisation of over 1.5 million square feet of shopping, most of one-million square feet of office space, 1,000 new houses and flats, industrial floorspace in two areas, and diverse amenities. It included partnerships with two pension funds to assemble and acquire the land, much compulsorily, together with separate smaller privately funded developments, and realization of new highways.

This formative public sector apprenticeship led on to privately led developments in Birmingham (Brindleyplace), Leeds, a new town in Edinburgh, and many other diverse developments in London and the UK with major international developers and local authorities and communities.

The approach adopted is made easier since it is not subject to the popular influence of fashionable development trends of the moment to assess and determine its quality, and what is likely to be enduringly significant. It predated town centre management. Barnet is a place that has been there and learned from for at least seven centuries. The emphasis is therefore towards consideration of a place to live in, work in and enjoy for a sustained period, rather than merely its profitability or public or private sector control.

**What Seems to Work**

- Town Centres rely on people choosing to use them.
- District Centres with convenient access, accessibility and a range of choice.
- They want a quality experience and
- Lasting well made quality goods, hard work and personal service.

High Barnet is the Highest Town in Greater London. It is a market town in the London Borough of Barnet. It is a diverse suburban development built around a 12th-century settlement and Charter Market established in 1199 by King John at the top of a hill with a great incentive for refreshment after climbing the fairly steep hill (a few on horseback but

# High Barnet 2019: A Portrait of a District Town Centre



Identity and Lively Diversity

for most on foot).

The First image seeks to capture the hub of the town centre High Street: most intense footfall, at the junction of the original Great North Road with the route to Saint Albans and Holyhead. It also provides a sense of an established place for local people through the historical reference (now on the lamp-posts) to The Battle of Barnet, where, on the foggy morning of 14th April 1471 Richard Warwick – Earl of Warwick and Warwick the Kingmaker - was slain. This significant event shifted the fortunes of the House of Lancaster and York in favour of the latter and led to the subsequent crowning of Henry V1. Warwick's coat of arms, shown nearest, indicates his very complex ancestry (from Edward III).

The two subsequent images are of the Spires Shopping Centre – entered between the former Methodist churches two towers and the old Courthouse Gardens at the foot of the High Street. Both give purpose and hopefully pleasure to the local resident and visiting shopper.

Image 4 – seen in an estate agents window, adds to the identity with more iconography, including a

map of the battlefield, and some of the more well known inhabitants such as a blue plaque to the Trollope authors, Antony and his mother Fanny, Sidney Chapman who was a local MP and architect who worked hard for the area (and was a key figure in ensuring that Barnet had a new district general hospital – which would otherwise have gone to Edgware) and a plaque where David Livingstone lived.

BELOW: Image 4

**Shopping Characteristics**

The extract from a recent Peter Brett analysis (*SEE table overpage*) sets out numerically some key shopping data. There are a large number of service outlets for a wider area although comparison shopping is more restricted – almost certainly attributable to its truncated catchment hinterland fettered by constraints of green belt and the boundary between Barnet and Hertsmere.

This Mosaic demographic profile shows the dominance in the area of young well-educated city dwellers, many of whom commute away by public transport from the area into London.

The High Street and Managed Shopping Centre. The Spires was developed in 1988 by the Lovell Group on a former military barracks on backland behind the west side of the High Street. Its key anchor trader is Waitrose and recent newcomers are H&M and Carluccios. UBS bank acquired the site for the Spires shopping centre in 2013. It was sold to the Pears Group and is now owned by Alberta Investment Management Company (AIMco), a Canadian Pension and Investment Fund. A recent initiative is to develop part of the site for a Premier Inn. This has conditional planning permission (November 2018) which requires the town centre car park to be open 24 hours.

Like many managed centres in the last year, the centre appears to have suffered a significant fall in footfall, seemingly greater than in the High Street itself. The reasons may be conjectured: Rentals? Business Rates? Service Charges? Unimaginative Management? Too many comparison shops? Not enough Variety/Diversity? Soulless Uniformity? Safe Investments rather than value to the Town Centre? Large unit sizes?

**A recent addition**

The High Street itself is influenced more by owners and occupiers of the diverse premises and infrastructure investments by the State and Barnet Council, sometimes in harmony. (Historically the monarch and church or landed estates, and then County and Metropolitan Councils exerted influences - whether carried out or not).

Recently The Spires has recast its High Street >>>

## London Planning & Development Forum

## NEXT MEETING

[provisional, please check [planninginlondon.com](http://planninginlondon.com) idc]

Week of 9th September at City Hall



>>> frontage to attract Carluccios, a recognised Brand for quality and reliable service. However it is now threatened by the convenience Of Deliveroo, Amazon and perhaps Uber Eats for home delivery, with frequent rapid changes of menu from diverse sources. The dilemma is not just for the retailer but also the landowners, who have made a significant investment to attract the well-known retailer, but not markedly increased the footfall as well as both centre and outlet's usage if customers prefer home delivery.

The High Street – like other District Centres - also has another dilemma exemplified by the artisan baker.

The High Street still retains its artisan bakery established in 1820 making bread and other confectionary on the premises by artisans who can mix, shape, ferment and bake.

Following a pattern by its two outlets in Crouch End and then Wood Green the firm also had an outlet in the Spires until recently, but this was obliged to close, partly influenced no doubt by its proximity to the Waitrose in-house space but also (it is alleged) as the result of a major rent increase by the Spires centre owner. (The unit is to be occupied by another of Barnet's many pizza chains). It is hard to see how this will increase the centre's business activity.

**Former Spires Outlet**

The Council's local park nearby (once an orchard) has the contrast of a different coffee and home-made snacks experience in the form of The Old Courthouse Café. This is operated by an innovative local lady providing a personal service (including the planted surroundings) to a growing following of loyal customers. They also offer more event space, whether for a marquee event or bouncy castle. More difficult is to decide whether to provide this solely outside café trading hours to avoid upsetting the local trade or to attract parents wanting a coffee and the bouncy castle to distract the children.

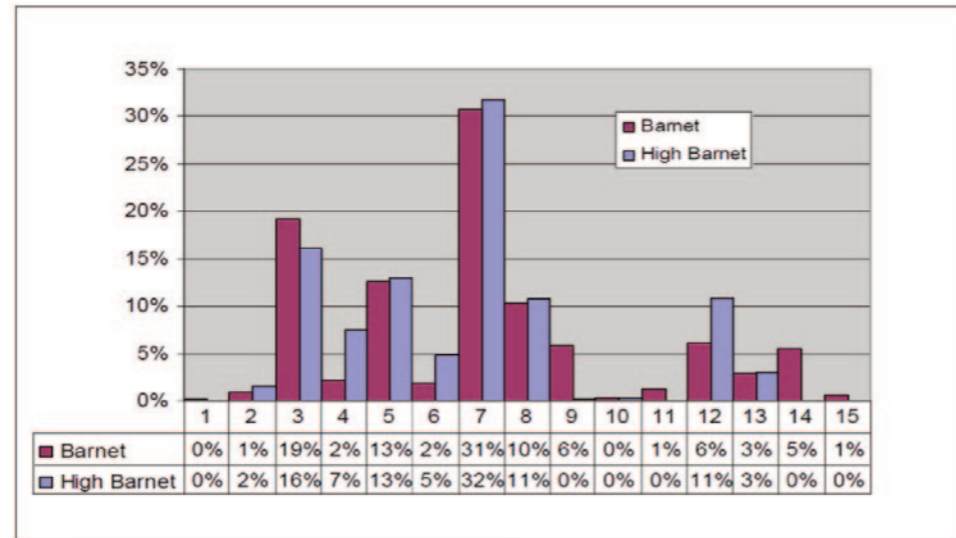
The successful planting scheme illustrates starkly another dilemma for the Council as park landlord who have been trying to save money by reducing skilled park maintenance. The result is fewer attractive bedding plants and watering by unskilled itinerant highway maintenance teams

The cost implications will be felt over a longer term since they will result in adverse behavioral consequences by visitors to and users of this former manicured parkland. These range from dumping litter, loss of respect for parks and their beauty and design quality which have been maintained by knowledgeable gardeners for centuries, treating the grass areas for kick about space or to walk the dog, soil the paths, use by the neighbouring College who now regrettably have no other recreation space.

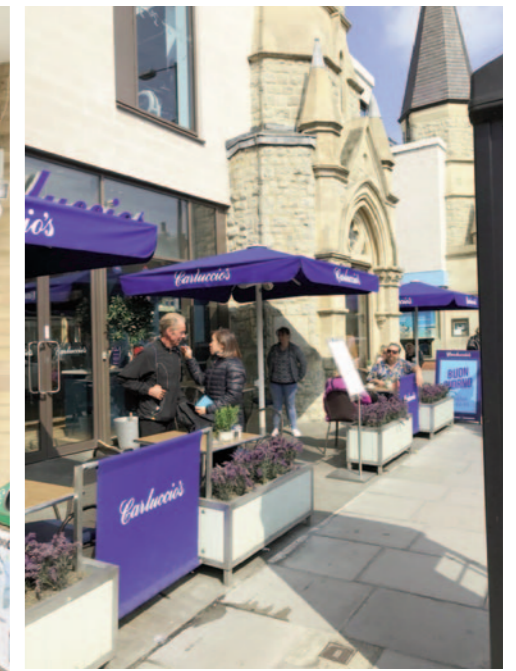
This should demonstrate that town centres will not be maintained and improved by one-off and cos-

Diversity of uses					
Category	No. of units	% of units	UK %	Floorspace (sq.m)	Floorspace (%)
Convenience	19	8.0	9.41	5,550	14.6
Comparison	63	26.6	39.10	11,450	30.1
Services	132	55.7	38.17	19,000	50.0
Vacant	21	8.9	12.13	1,870	4.9
Other	2	0.8	1.19	160	0.4
<b>Total</b>	<b>237</b>	<b>100</b>	<b>100</b>	<b>38,030</b>	<b>100</b>

Source: GOAD and PBA



Group Code	Group Description	Group Code	Group Description
1	Residents of isolated rural communities	9	Lower income workers in urban terraces in often diverse areas
2	Residents of small and mid-sized towns with strong local roots	10	Owner occupiers in older-style housing in ex-industrial areas
3	Wealthy people living in the most sought after neighbourhoods	11	Residents with sufficient incomes in right-to-buy social housing
4	Successful professionals living in suburban or semi-rural homes	12	Active elderly people living in pleasant retirement locations
5	Middle income families living in moderate suburban semis	13	Elderly people reliant on state support
6	Couples with young children in comfortable modern housing	14	Young people renting flats in high density social housing
7	Young, well-educated city dwellers	15	Families in low-rise social housing with high levels of benefit need
8	Couples and young singles in small modern starter homes		



metic improvements to satisfy a political or electoral cycle, nor by separate silos of public and private owners and managers. Understanding, regular and sustained hard work and effort are necessary and far more complex to achieve than that.

The longer term evolution of the town centre and the lasting implications of its notable historic origins and through the planning acts will be considered another time. ■

