

Just Space Economy and Planning

Note of 4th Meeting, Monday 27th January 2014 6.30pm

Bootstrap Company, Dalston

Present:

Abigail Stevenson, Wards Corner
Community Coalition
Ana McMillin, UCL
Corrine Turner, Peckham Vision
Courtney Vircavs, UCL
Ed Jones, UCL
Eileen Conn, Peckham Vision
Elena Besussi, UCL and Camley Street
Neighbourhood Forum
Hero Austin, People's Empowerment
Alliance for Custom House (PEACH)
Ilinca Diaconescu, London Gypsy and
Traveller Unit
Jessica Ferm, UCL
Kathryn Johnson, Sustainable Hackney
Michael Edwards, UCL
Michael Mohammed, Peckham Vision
Myfanwy Taylor, UCL

Pilada Intanate (Fang), UCL
Rahila, PEACH
Richard Lee, Just Space
Robin Brown, Hayes Community Forum
and Just Space
Sara Turnbull, Bootstrap Co. and
Hackney resident
Sharon Hayward, London Tenants
Federation
Sven Mundner
Tariq Khan, PEACH

Apologies:

David Fell, Brook Lyndhurst
Patria Roman Velasquez, Independent
Researcher
Roy Tindle, London Thames Gateway
Forum (circulated a note round JSEP
email list)

1. Introductions

RL introduced Just Space, for the benefit of newcomers to Just Space Economy and Planning. Just Space is a London-wide community-based network, its London wide, looking to influence planning policy issues and with a strong ethos of mutual support. Just Space Economy and Planning group was one way in which Just Space was seeking to form alliances with key stakeholders on economic issues in relation to London-wide planning, such as small businesses, social enterprises, all those with an interest in affordable workspace. Just Space itself is community-led.

MT highlighted that the meeting had been held in Hackney in order to tie in with future community participation in discussions on Hackney's affordable workspace policy, and to contribute to the development of community planning networks in Hackney and Newham more generally.

2. Affordable workspace in London: planning policy, delivery and current issues

Jessica Ferm (JF) began with an overview on affordable workspace in London, building on work she did for her PhD towards her current concerns with broader issues relating to employment land. Jessica's presentation outlined:

- the ways in which the public sector, particularly planning, has traditionally supported small businesses
- the ways in which these traditional mechanisms have been eroded or removed in recent years, including through the change in permitted development rules
- new policy approaches, such as delivering affordable workspace through Section 106 agreements
- evidence on whether these new policy approaches are working

- what else could be done.

Jessica's conclusions were that the traditional tools available to planners to protect existing employment premises for small businesses were being undermined. New tools such as affordable workspace policies were enjoying limited success and were being further undermined by broader planning changes to permitted development. She suggested that change from office to residential through the new permitted development rules would be most likely where there is a high ratio of residential to employment land value.

Jessica's slides are available on the Just Space website with the papers from this meeting, along with a background briefing document on affordable workspace and examples of affordable workspace policies in Hackney, Camden and the London Thames Gateway Development Forum. JF and EJ are also beginning a mini-research project on employment land in London that would build on JF's PhD research; an outline of the project is also available online.

2. Providing affordable workspace: experience and lessons from Bootstrap Company, Dalston

Sara Turnbull (ST) explained that Bootstrap Company had been founded in the early 1980s by a husband and wife team. They had a background in social housing and, inspired by a bicycle cooperative they'd seen in Spain, set up Bootstrap Company to help people work themselves out of deprivation by setting up their own businesses. They had great results in getting people into employment, but the businesses they started were not always successful. They obtained the use on the building Bootstrap Company still occupies from Hackney Council, and began providing managed and affordable workspace. The emphasis on affordability as well as major repair costs and a recall of European funding meant that Bootstrap Company's finances had been in a very poor state. More recently, there had been an emphasis on bringing creative and artistic people into the building, and a bar had been set up on the rooftop and a trading company quickly set up. When Sara arrived at Bootstrap, all emphasis was on space for start-ups and the rooftop bar, but there was little sense of how these activities helped Bootstrap to meet its charitable objective to alleviate poverty through providing education and support to businesses.

Sara then discussed how the changes in Hackney had been matched by changes in Bootstrap's tenants. The first wave of tenants were from the charity and voluntary sector and from the community. Over time, Bootstrap changed into a place for young creatives, who were often relatively new to Hackney, white and highly educated. Initiatives such as the rooftop bar, which paid a share of its profits to Bootstrap Company, now fund charitable programmes, such as Bootstrap Campus, which takes 18 to 25-year-olds from the job centre and from local schools and colleges and brings them into the building. Around 300 young people were currently involved in the programme, gaining access to businesses and conducting projects, with an estimated impact on their total average incomes of £300,000 per annum.

Sara explained that Bootstrap's approach was not to subsidise unsustainable businesses. A key metric in success was whether or not a business paid its rent. Sara was following up with various tenants with a significant backlog of rent owing.

Flexible leases (starting from two week licenses) were key in enabling people to take on workspace to start up their business, without having to commit to long leases. Tenants could quickly expand and move into longer term leases within Bootstrap if they grew. Bootstrap were also now introducing new three year leases, with RPI inflation built in

from the start to provide certainty. Having some longer-term tenancies balanced the risk of shorter-term tenancies. Bootstrap Company were currently exploring what they could do to encourage people to move on from the building, so as to release space for others and to enable businesses to use asset ownership to grow further.

Sara was also interested to expand the business support they offered to tenants, to address things like numeracy and knowledge of basic accounting and business planning. This could be either through signposting to available services, or in-house provision.

In discussion the following main points were raised:

- *Planning policy and Bootstrap Company:* RL asked whether Bootstrap Company had ever participated in planning consultations, for example around Hackney's affordable workspace policy. ST confirmed they hadn't, but had got involved in one planning application and in the proposal to extend the exemption of the permitted development changes to the City Fringe. On the latter, high rent levels in surrounding areas – including around Old Street, where rents seemed to be getting more expensive than the City – and relatively poor out-of-hours access and security meant that it was difficult for people to find affordable and suitable workspaces to move on to. Bootstrap Company had supported the extension of the City's exclusion from the changes to permitted development to enable conversion of office to residential without planning permission into parts of Hackney (called the 'City Fringe') for this reason. It wasn't clear whether this was part of broader efforts to re-brand Hackney as part of the City, however.
- RL asked how Just Space could support greater participation of businesses and social enterprises in planning policy, and wondered whether there was any Hackney wide network existing already to support this. ST said there had been an attempt to build a network, including Bootstrap Company, Shoreditch Trust and a few others, but this hadn't really worked. So the only network currently was within Bootstrap itself (although Hackney Council did hold a list of affordable workspace providers, which had been circulated by ID prior to the meeting). ST would really welcome support on engaging in planning, as otherwise this would be too time consuming and difficult to engage with. Just Space and London Tenants Federation had already started to build contacts in Hackney and Newham, through a project they had to support community participation in planning in a small number of boroughs and Opportunity Areas. A number of UCL students were volunteering with Just Space to support the development of a planning network in Hackney specifically in relation to jobs, so would be taking this forward with Just Space and London Tenants Federation.
- On the issue of what planning could do to support initiatives such as Bootstrap Company, ST remarked that they got more support from the Hackney town centre management and regeneration teams than the planning team. The planning team were harder to talk to than the regeneration team, who understood what Bootstrap was about.
- RB suggested it would be useful if the Bootstrap Company model could be written up and disseminated, so that others elsewhere could attempt to do this. ST said that this was in the five year plan, but that also it was important not to impose a template but to vary the approach according to the specific area. She felt that the Community Asset Transfer and Community Right to Bid provisions that were being taken up so enthusiastically by councils in Bristol, for example, were not being taken up to the same extent by others, including Hackney Council. Lambeth Council

seemed to have been more positive, although ME did highlight that they were also presently evicting a number of housing cooperatives.

- *Further specific points in relation to Bootstrap Company:* ME highlighted that entrepreneurs without access to capital faced the difficulty of having to compete with those with access. Bootstrap Company was about making the investment through your own efforts, but could also now point people to social finance. The bike shop and restaurant next to Bootstrap Company were started through 'in-kind' investment from Bootstrap in the form of a rent-free period in exchange for building repairs.
- Property ownership was significant, ST felt, in making it possible for Bootstrap Company to run its projects. They generated their own income and didn't have to rely on grant funding.
- In terms of taking on new buildings, ST suggested that volume was key. The Bootstrap Company Board felt that 10,000 square metres was the minimum. However, this was all a way ahead yet, as the focus for the next few years was on sorting out the current building. Within five years, the aim was to be looking at taking on another building.
- *Peckham Vision:* EC raised the issue Peckham Vision were facing in Peckham, where a cluster of around 60 small businesses occupying network rail land around Peckham Rye Lane were suddenly threatened by a plan to demolish this and replace it with housing. At the same time, Southwark Council seemed to be picking up on the affordable workspace and creative industry—ideas that Peckham Vision had been putting forward for years. Yet the creative businesses currently making use of the affordable workspace near the station would be unlikely to be able to afford the rents in the new development. Eileen was exploring whether the site could be listed as a special site of cultural importance, within which you could create a taxonomy of different industries across the creative sector, and identify the characteristics necessary to root themselves and to grow in relationship to their ecological environment and their biological environment. JF suggested the designation of the land was important, for instance whether it was mixed use or employment only. ST's advice to Peckham Vision on this issue was that they try to identify whether Network Rail had a development partner in place and who their retail consultant was, and get hold of any studies done, which would specify the number of units that would need to be provided at different rent levels. She also suggested Peckham Vision avoid taking an oppositional stance, but rather try to work constructively with the developer and Network Rail but, as Eileen said, this would be difficult as Peckham Vision had been developing their own ideas for over seven years and had been consistently sidelined. KJ also felt it was important that we develop our own visions for a sustainable economy, so as to be able to fight *for* something, rather than just against.
- *PEACH:* Hero and Tariq from People's Empowerment Alliance for Custom House (PEACH) introduced themselves and their work. PEACH is a collection of schools, churches, streets, clubs and shopkeepers in one ward in the Custom House area, who work on a lot of different issues including jobs and housing. One of the big issues is around regeneration of Custom House which will see about 1000 council houses demolished and land sold by the council to private developers. One of the main stretches was along Freemasons Road, which has been a high street since the war and which was still occupied by independent shops who had been there a long time. Newham Council was leading the development, and had identified three

potential development partners. In a previous redevelopment in Canning Town, also in Newham, only two of the 26 existing businesses returned to the new site, both of which were chain stores, not independent retailers.

- PEACH's aim was to ensure people who have run shops on the Freemasons Road high street for a long time get the chance to get back into the new development. They requested help in identified examples where this had been done before in London, that could give PEACH some ideas to work from and experience to learn from. For instance, were there cases where councils had worked to provide local economy spaces for local retailers at lower rent levels initially and with compensation for relocation costs etc. Currently, the council were suggesting very little compensation would be available and were suggesting unsuitable options for relocation. ST was aware of one example of a music shop being relocated within a new development in Dalston Lane (his face had also been drawn on the side of the building). ME also mentioned the example of Woodberry Down in Hackney, where there had been strong pressure to provide not just replacement retail units but replacement retail without moving twice. ME thought that just one of the 10 traders from the existing retail units had been accommodated within the new development. JSEP would take this request away and come back with any examples that might be useful – one of the purposes of the group was to begin to generate and distribute this sort of material amongst campaigns and groups in London.
- ME asked whether PEACH were in touch with Friends of Queen's Market, who had considerable experience fighting Newham Council on planning issues; HA confirmed they were.
- SH encouraged PEACH to work closely with tenants who would be displaced under the planned development. This had been key to the work Just Space and London Tenants Federation had done with local residents and businesses in the Carpenters Estate on a community plan. HA confirmed PEACH were in touch with Carpenters Estate residents and had a tenants group who were negotiating terms of their conditions with the council (secure tenancies and compensation had been promised). SH highlighted the link between the existing (working class) community and existing shops, and warned that with a more affluent population, the existing shops serving the existing population would most likely be pushed out to make space for shops and services for the more affluent new population.
- *Community planning networks:* SH highlighted the importance of strengthening the community planning networks in Newham and Hackney, in order to counter the marginalisation of business voices within planning. She suggested this had been important in the Carpenters estate, as Newham Council had seen the businesses as dirty and didn't want to engage with them, because they saw the future economy of Newham as being more high-tech and service-oriented. She suggested it would be helpful for PEACH to connect up with other groups in Newham through the community planning network.
- EC reported that they had established a Peckham Planning Network, building on the model developed by Just Space and London Tenants Federation. This was one of the reasons around four people were attending the meeting from Peckham. The network would be building on the work of Peckham Vision in relation to the Area Action Plan in order to prepare for the review of the Southwark Local Plan that would begin in 2014. EC mentioned that any offers of help and support were welcomed. The planning network were exploring the potential to make use of the neighbourhood forum provisions to develop their work on the town centre.

4. Update on the Further Alterations to the London Plan

ME updated the group on the Further Alterations to the London Plan, which were currently out to consultation with a deadline of 10 April. One of the catches was that as only some specific alterations had been made to the text, comments, changes and challenges could only be suggested on the altered text, ruling out whole chunks of the text from the consultation.

The main chapters in relation to the London economy were Chapter 4 (on London's Economy) as well as chapters on Town Centres and London's Places, amongst others. ME had prepared a one-page note to highlight the key issues (EC commented that this was very useful indeed), which would be posted on the Just Space website. The Mayor hadn't changed the Plan's employment provisions; the main change included:

- How the new permitted development rights would be handled in London. The Mayor seemed included to offer some protections for workspace and employment for small and medium enterprises in the Central Activities Zone (CAZ), but not for Outer London. This might need to be challenged.
- The new London Enterprise Partnership was also a focus of changes, and this too might be the subject of some response from Just Space.
- The main changes related to the reduction in office targets and retailing, due to the expansion of internet trade and contraction of consumer spend. The London Plan focuses retail growth on central London shopping and the Westfield shopping centres (two existing plus a further centre in Croydon). Very local retailing and corner shops were also expected to survive, but not the intermediate sized retail centres. Town centres with good transport links, such as Peckham, would instead be the focus of huge amounts of new housing, if necessary at the expense of quite a lot of workspaces. ME felt this looked very bad, but Just Space could hopefully work together to produce some strong arguments and gather evidence about the loss of jobs, services and activities this would entail. RL noted that despite the reduction in retail numbers, no town centres had been downgraded while others had been upgraded – this seemed to be an inconsistency.
- There was some positive text written in to the Plan on the importance of interlinked local clusters and networks of businesses which support each other. So that could be helpful in supporting the argument Peckham Vision were putting forward.

RL commented that he was a little more optimistic than ME, in particular in relation to the alterations on affordable workspace, that seemed to be going in the right direction. He also felt that the changes under Section 2.15 following the Mary Portas review recommendations on high streets were very helpful. There hadn't been any further release of Strategic Industrial Land, as far as RL could tell, and there was specific reference to the need to review the approach to release of industrial land at Charlton Riverside, which had been recommended by London Thames Gateway Forum and Just Space during the examination on the Greenwich local plan.

RL also highlighted the importance of the numbers of jobs due to be delivered through the Opportunity Areas; there were five new OAs and increases in numbers for existing OAs. RB felt that the increase in employment numbers was very much less than the increase in population, however.

Other issues raised in discussion:

- KJ commented on the need for an industrial policy for the UK as a whole, and the need to focus jobs growth on other UK regions rather than only London.
- ST commented on the emergence of craft industry and manufacturing, and in the place of the 'dirty' business that used to be based in London. She suggested there was a need to explore how these activities could be mixed together with residential uses. EB highlighted the need to prevent loss of existing industrial land, as a starting point. Her experience in Camley Street, Kings Cross, pointed to the potential for more density in industrial land, challenging the idea that industrial land is less intensive than offices in terms of employment or value added.
- There was a suggestion that in order to give more importance to so-called lower value businesses within the London Plan, it would be necessary to re-visit some of the language used. For instance, the use of the term 'under-used' to describe the use of industrial land for storage and distribution activities. This made it very different to gain recognition for these activities within planning, rather than just seeing retail as the solution.
- On the issue of quality jobs, it seemed important not to build barriers between workers in different industries, for example by suggesting retail jobs were not 'proper jobs'. EB felt that all sorts of business had a role, but the issue was when industrial businesses were being demolished to make room for major supermarkets.

5. Next steps

MT ran through upcoming activities for JSEP:

- *Community Conference on FALP*: The plan had been to have a community conference on the London Plan. Due to limited resources, there was an option to have one conference on all topics, within which the economy would be covered, rather than to have an additional event on the economy. The majority of people suggested they would attend an over-arching community conference, to enable links to be made between economy and other topics. There was also significant interest in an economy-only event (approx 10 people).
- *Responding to the FALP consultation*: RL reminded all that JSEP had formed in order to build 'Just Space' engagement on economic issues in planning in London, as there had been less community engagement on economy compared to housing or environment, for example. He hoped JSEP would be able to marshal the evidence and experience that had been gathered through the bi-monthly seminars in order to achieve this. RL encouraged all to submit responses to the FALP consultation (closing date 10 April). JSEP would be pleased to help anyone who wished to do this; briefing papers would be circulated in the next month as a first step. ME encouraged all to add comments to the Just Space website section on FALP, which included relevant links and resources.
- *Next JSEP bi-monthly seminar*: previously identified topics for the remaining two seminars in the series included quality jobs and social enterprise etc. Other potential issues which had come up were poverty and inequality; and viability, which was coming up over and over again. Additionally, MT wanted to put forward 'growth' as a potential option. There was strong interest in future meetings on growth; poverty and inequality; and social enterprise.

- *First JSEP public event:* MT alerted people to the proposal for the first public event, aimed at London's policy audience and held at the GLA, in order to try to have the debate on London's economy that JSEP felt should really be happening through the London Plan. The date was still to be finalised, in light of the community conference on FALP, which was the priority. MT requested feedback from JSEP members on the proposal in order to ensure it was relevant to community groups. EC suggested that groups ask the local businesses and business organisations they were in touch with what their main issues were, to ensure it was relevant to them.
- *Research project on industrial land in London:* JF updated the group on a small research project she was beginning with EJ. JSEP members were very welcome to feed into this.

Myfanwy Taylor
UCL February 2014