CENTRE FOR LONDON

Remixing Central London

Josh Cottell and Claire Harding

© Dylan Nolte

Remixing Central London

Josh Cottell and Claire Harding

Published by Centre for London, March 2022

About the Authors

Josh Cottell

Josh is Research Manager at Centre for London. He joined the Centre in 2021 and is responsible for managing research projects on a range of topics. Before joining Centre for London, he worked at the Education Policy Institute.

Claire Harding

Claire is Research Director at Centre for London. She joined the Centre in 2020 and is responsible for our research programme. Before joining Centre for London, Claire worked at Coram Family and Childcare, and she has also previously worked in mental health and local government consultancy.

Acknowledgements

We are incredibly grateful to all those who shared their time and expertise with us throughout this project.

Particular thanks are due to the members of our Advisory Group: Debbie Akehurst (Chief Executive, Central District Alliance); Charles Begley (Chief Executive, Westminster Property Association); Georgina Brightwell (Policy Officer, Central London Forward); Richard Brown (Writer and consultant); Patricia Cazes-Potgieter (Commercial Development Planning Manager, Transport for London); Kate Hart (Director of Communications, Primera Corporation); Debbie Jackson (Executive Director of Growth, Planning and Housing, Westminster City Council); Alexander Jan (Chief Economic Adviser, London Property Alliance); José Reis (Principal Policy Officer, Economic Strategy, Greater London Authority); and Hari Sothinathan (Partner, Gerald Eve).

We are grateful to those at Child Graddon Lewis, Dolphin Living, First Base, Grosvenor, The Howard de Walden Estate, Mishcon de Reya, and Shaftesbury, and officers at London Borough of Camden, City of London Corporation, and London Borough of Wandsworth, who generously gave their time to be interviewed for this project. We would also like to thank Oliver Al-Rehani (Senior Research Analyst, Gerald Eve) for his analysis of COSTAR data for the report.

Our thanks go to our colleagues at Centre for London for making this report happen – especially Denean Rowe and Ines Oliveira for their help in conducting fieldwork, Jon Tabbush for designing the maps, and Nick Bowes for his support and advice. Nevertheless, the views expressed in this report are solely those of the authors, and all errors and omissions remain our own.

Finally, this project would not have been possible without the generous support of our Major Sponsor, Central District Alliance; and our Supporting Sponsors, the South Westminster Business Alliance and Westminster Property Association.

Foreword

This new report by Centre for London is a timely contribution to the debate about the future of central London. It considers the case or otherwise for increasing the resident population in the heart of the city.

If our workplaces and streets are going to be used differently, does this provide opportunities to allow more residential development into the Central Activities Zone (CAZ)? Can it be done in such a way as to enhance the broader attractiveness of central London? Or would change be at the expense of its principal functions? After all, central London is a most remarkable source of job creation, culture and prosperity for Londoners and indeed the country as a whole.

The trick must surely lie in residential development complementing commercial and other uses in a way that does not undermine our ability to build the city of the future. An uncontrolled dash into residential would not be in the long-term sustainable interests of the city or the people who work there.

Whilst there may not be a settled view of what the residential, business and cultural mix of the CAZ should be, I know that all would agree that it is the energy, diversity and vibrancy of the place that makes it attractive to all those with a stake in its future. Those things come at least in part from strong residential communities with a long-term stake in the heart of the city.

London is facing worker shortages, a rising cost of living, housing challenges and cuts to its transport funding. Centre for London research such as Remixing Central London forms a vital contribution to help us to think about what the best policies and ideas are for our city. I would like to thank Centre for London for their commitment and enthusiasm in driving this important piece of work and to my fellow partners and sponsors all of whom would I am sure agree, that London's best days lie ahead.

Alexander Jan
Chair, Central District Alliance and Hatton Garden business improvement districts
Chief economic adviser, London Property Alliance

Summary

It is likely – though by no means certain – that demand for some types of office and retail space in the Central Activities Zone (CAZ) will be less in the next few years than would have been expected in the absence of the coronavirus pandemic. The pandemic has intensified pre-existing trends toward hybrid working and online retail. There have been a range of predictions about what this means for the CAZ – from total abandonment of city centre offices and hospitality to the rapid return of 2019 levels of occupancy. If there is a "new normal", it has yet to emerge.

Despite being a small area geographically, the CAZ contributes substantially to London's and the UK's economy and cultural life. A sustained reduction in the number of people spending time in the city centre – whether office workers or visitors – would put jobs in a range of sectors at risk over the next five to ten years.

If there is a reduction in demand for some types of commercial space in the CAZ, a question arises about how that space might be used to contribute to the CAZ's vibrancy. One possibility is to convert the space used by some offices and shops into homes. There are potential advantages to this, since London needs more homes – and the right type of homes can make city centres better for businesses, visitors and existing residents. However, if done badly, there is a risk that new homes could be unpleasant, worse to live in, or only affordable to those with higher incomes. This could undermine the commercial and cultural success of the CAZ which should be protected.

This report is published at a time of significant uncertainty for the CAZ. The Greater London Authority (GLA), local authorities, and national government need to regularly review these issues so that they can judge whether further intervention is needed to support the long-term interests of the CAZ.

The CAZ today

- The CAZ covers about two per cent of London's land area, and is home to about four per cent of its residents.

- However, nearly one-third of London's jobs are based in the CAZ, and it is responsible for nearly half the city's output.

- A higher proportion of CAZ residents are social tenants than in London as a whole, and there are also many very wealthy residents. But the number of affordable and intermediate homes that are not for social rent is low.

- Overall, London has a smaller proportion of residents living in the city centre than most other UK cities and many major international cities. This is largely a result of policy rather than market forces.

- The availability of office space to let is at near record highs in many parts of the CAZ. In some areas, there is a high concentration of potentially surplus office space that might be well suited for conversion to homes as part of mixed-use neighbourhoods.

Planning controls in the CAZ

- Governance of the CAZ is complex: it covers 10 local authorities (in whole or in part), and the GLA also influences it through the London Plan.

- Permitted development rights allow some building uses to be changed without planning permission (for example, offices to flats). This is limited in the CAZ by Article 4 directions, which allow local authorities to restrict such changes.

- This gives local authorities control over the location and quality of homes created, as well as their impact on the CAZ.

Advantages and risks of more development in the CAZ

- More homes in the CAZ could have a range of effects. For residents, it may create opportunities to provide more affordable housing while making neighbourhoods feel safer and more vibrant. But it might also put more pressure on local services and, if not appropriately regulated, could lead to an increase in poor-quality homes.

- For businesses, more homes could lead to greater demand for some types of retail and hospitality, while additionally increasing the number of residents who live within a short commuting distance of their workplace. However, it could also lead to greater tensions with residents (for example over noise), and may reduce space for future businesses.

Recommendations

Principles

The evidence presented in this report suggests that the CAZ could sustain a certain amount of additional housing without undermining its economic and cultural functions. Adding more of the right type of housing could benefit current residents, potential residents, and businesses. Nonetheless, increases in housing supply must be carefully planned and controlled to realise these benefits, and to prevent negative outcomes. In many cases, the best approach will be to create mixed-use neighbourhoods with homes plus office, retail and leisure uses. It is important that property use in the CAZ remains flexible so that London can continue to respond to changing national and global needs.

We believe that, like all areas of London, the CAZ works best when it has a diverse group of residents. All residents of the CAZ – regardless of income – deserve to live in decent homes with access to good public services. They may not need or want the same amount of indoor and private outdoor space that many people have in outer London – or they may be prepared to trade these for proximity to the city centre. At present, living in the city centre is unlikely to be right for everyone at all stages of life, but the CAZ can be home to a varied population and strong communities. Government at all levels can and should support this. Decision making about building and placemaking in the CAZ must also, of course, be underpinned by good engagement with residents and other stakeholders.

Recommendations

Converting existing building stock to housing

1. National government should maintain the special protection given to the CAZ by Article 4 exemptions, and not allow unfettered changes of use to residential through permitted development rights. This will allow local authorities to ensure that new homes are of a high quality.

2. CAZ local authorities should identify promising areas where buildings could be converted to homes as part of mixed-use neighbourhoods. This may include some types of office and retail space that are not integral to high streets – as well as redundant buildings or those that are likely to see less demand in the future (such as car parks).

3. To get the best results from converting offices, planning authorities should give greater weight to applications that would convert lower-quality office units to homes of appropriately high quality. They should also signal this to developers.

4. To get the best results from converting retail, planning authorities should give greater weight to applications for units that would not compromise the integrity of high streets (such as those on the fringes) and which are already vacant. Authorities should also consider the effects on each building as a whole, to ensure that spaces can be usefully redeveloped in the future.

5. In order to understand the obstacles to such conversions – and what changes might support them – the GLA should work with CAZ local authorities to undertake regular surveys of property owners on the matter.

Ensuring that new building stock supports the future of the CAZ

1. Planning authorities should require property owners to manage buildings in a way that enables them to be redeveloped later – including a presumption in favour of rents rather than private ownership for residential uses.

2. When considering the carbon costs associated with proposed developments, planning authorities should take into consideration whether developments are designed to support easier conversion between uses in future, as this can reduce lifetime carbon emissions.

Building strong communities

1. To make the CAZ an attractive and attainable place to live for a wide range of residents, planning authorities should require all major residential developments to include a mix of different-sized homes. (This recommendation builds on London Plan policy.)

2. To reduce the likelihood of tensions between residents and businesses in the CAZ, national government should require estate agents to inform potential buyers and renters of residential property about the characteristics of nearby businesses. This should include information on opening hours, delivery hours and the potential for noise – so that residents can make an informed choice when moving.

Providing public services to residents

1. To ensure that the provision of public and essential services follows the changing population of the CAZ – and since it is not always easy to predict who will live in new developments and what services they will require – the GLA should monitor trends in property use to support CAZ boroughs in reviewing the needs of residents in their local plans.

2. So that public services are adequately funded in the CAZ, national government should recognise the additional costs of providing services in the CAZ (and elsewhere in London) when making funding allocations for public services.

Other policy areas for consideration

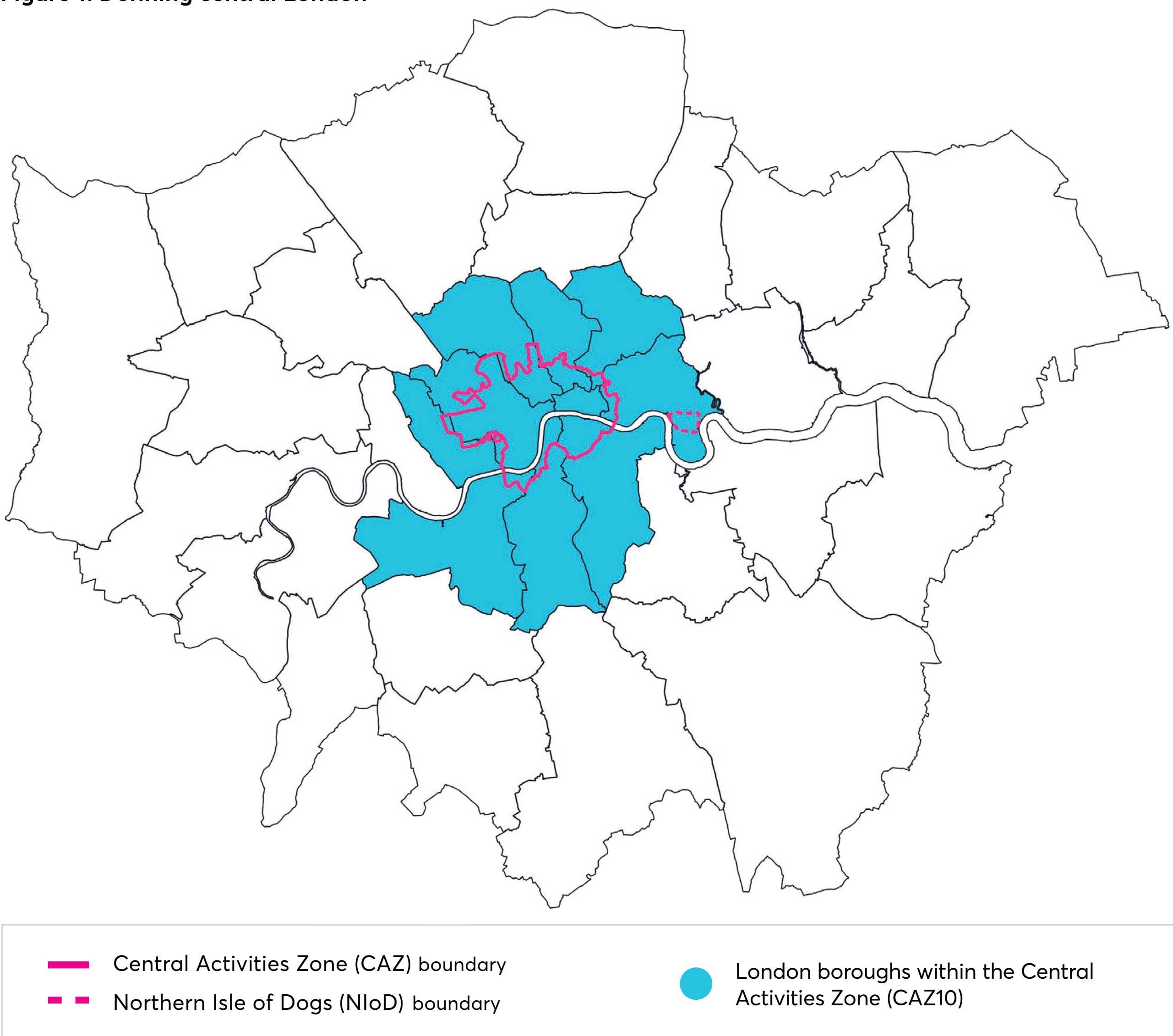
As the CAZ is changing rapidly, we recommend that other key areas are kept under review. These are discussed throughout the report and include granting temporary changes of use (p16), allowing for smaller homes under certain circumstances (p29), and local authorities purchasing underused sites (p34).

1. Central London today

For decades, London's Central Activities Zone (CAZ) has played an increasingly important role as a centre for the city's economic, social and cultural activity. Although the CAZ corresponds to just 2.2 per cent of London's total land area and 4.1 per cent of its resident population, it is responsible for nearly half of the capital's economic output.[1]

Before the COVID-19 pandemic, it was estimated that the population of the CAZ would swell by as much as 80 per cent each day as commuters, tourists and other visitors joined the capital's residents in a busy city centre.[2] The CAZ was expected to become ever busier, with tourist numbers predicted to increase substantially in the early 2020s[3] – while the opening of new Crossrail stations and Crossrail 2 were expected to support at least 120,000 additional commuters.[4] A study for the GLA in 2017 forecast that between 2016 and 2041, the number of jobs in the CAZ would increase by 28 per cent, and this would translate into 19 per cent more office floorspace.[5]

Figure 1: Defining central London



The COVID-19 pandemic has had a substantial impact on the CAZ. A joint study by Arup, Gerald Eve, and LSE found that a reduction in office workers and visitors to the city centre puts jobs in a range of sectors at significant risk in the medium to long term.[6] Significant economic damage has already been done to the CAZ, as it has across London and the wider UK. A study by GLA Economics estimates that the reduction of tourism in the CAZ alone led to a £10.9bn loss in expenditure during 2020.[7] Much of the success of the CAZ as an economic and cultural hub has been due to its rich mix of businesses in different sectors, existing alongside a variety of institutions, residents, commuters, and visitors.[8]

Given that the CAZ contributes nearly half of London's output – and more than one-tenth of the UK's – anything that affects its economy will also impact the rest of the country. Fewer people commuting into and visiting the city centre has already impacted the local economy through lower spend on retail and leisure activities – and it could also potentially lead to to a change in how offices are used, leading to some reduction in traditional office demand.

The future of concentrated city centre office and commercial functions has never seemed more uncertain than since 2020. Between the more extreme scenarios, there is a growing consensus that central London is likely to see some reduction in traditional office demand compared to what would be expected in the absence of COVID-19, as well as some increase in residential uses alongside cultural, community and hospitality services.

If there is a reduction or big shift in demand for some types of commercial space in the CAZ in the near future, a question arises about how that space might be used to contribute to the CAZ's vibrancy. In such a scenario, enabling more people to live in the city centre could help the area recover from the negative impact of the COVID-19 pandemic. Residents who spend time in their local area not only spend money in the local economy – they are also likely to play a "stewardship" role in their neighbourhood and add vibrancy to an area.

In this chapter, we discuss what the CAZ looks like now, and what potential there is for changing how its buildings are used in the future.

Terminology in this report
In this report we refer to the Central Activities Zone (CAZ) in two different ways, according to the data available to describe the area:

The CAZ: In the London Plan, the CAZ is defined as the area in Figure 1 and the "satellite location" of the Northern Isle of Dogs (NIOD), which is geographically separate but treated as part of the CAZ in policy. In this report, all data analysis that can be done at the CAZ level includes the NIOD.

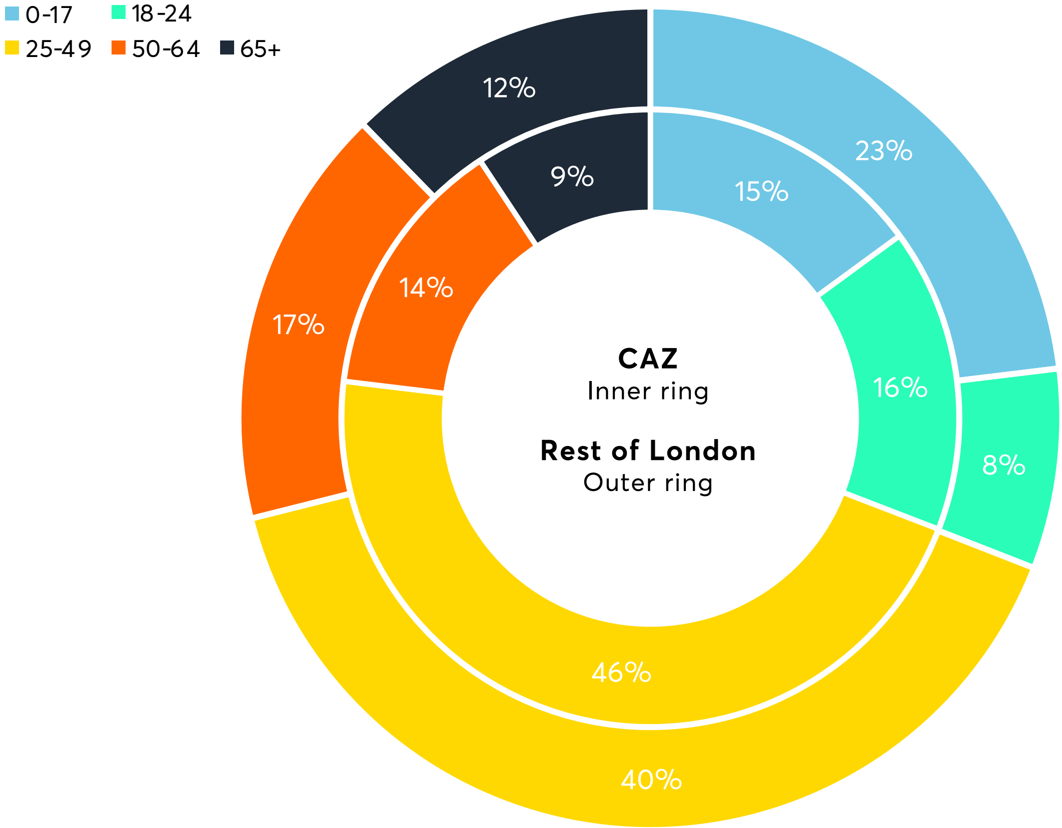
CAZ10 boroughs: These are the 10 boroughs whose geographies overlap with the CAZ partially or fully. These are: Camden, City of London, Hackney, Islington, Kensington and Chelsea, Lambeth, Southwark, Tower Hamlets, Wandsworth, and Westminster.

Residents and businesses in the CAZ

Although the CAZ covers just 2.2 per cent of Greater London's total land area, it is home to approximately 360,000 people, or 4.1 per cent of London's population.[9] It is nearly twice as densely populated as London as a whole, with 10,700 people per square kilometre.[10] However, population density in the CAZ is only half as high as in the city of Paris.[11]

A higher proportion of the CAZ population is of working age (76 per cent) than in the rest of London (65 per cent). In particular, people aged 18 to 24 account for twice as much of the CAZ population as they do in the rest of London (see Figure 2 on the next page).[12]

Figure 2: Age distribution of population, CAZ and rest of London



Source: Nomis (2021). Population estimates – small area based by single year of age – England and Wales.

The CAZ is also home to 40 per cent of London's jobs and 25 per cent of its businesses.[13] In 2019 the CAZ contributed £214bn per year to the UK's output, representing approximately 46 per cent of London's output and 11 per cent of the UK's.[14]

The number of businesses in the CAZ was 13.3 per cent higher in 2021 than in 2016.[15] The rest of London has seen a similar pattern, though with slower growth since 2018. During this period, the number of businesses in the CAZ has risen for all sizes of business: micro- and medium-sized businesses have grown the most – by 14 per cent – while the number of large businesses has increased by 9 per cent.[16]

Current issues for residential property in the CAZ

Although the CAZ10 boroughs cover only 13 per cent of London by land area, they are home to 30 per cent of its housing stock.[i] Over the past two decades, the CAZ10 boroughs have on average created more homes per person or per hectare than the rest of London.

Growth of housing supply in the CAZ would not in itself change the status quo. The number of homes built across London in 2019-20 was the highest of the past two decades, and in the CAZ10 boroughs, net completions have also been relatively high. Looking strictly at the CAZ rather than the CAZ10 boroughs, the area – which is home to just four per cent of London's population – had some 37,000 dwellings in the planning pipeline in 2019, 13 per cent of London's total.[17]

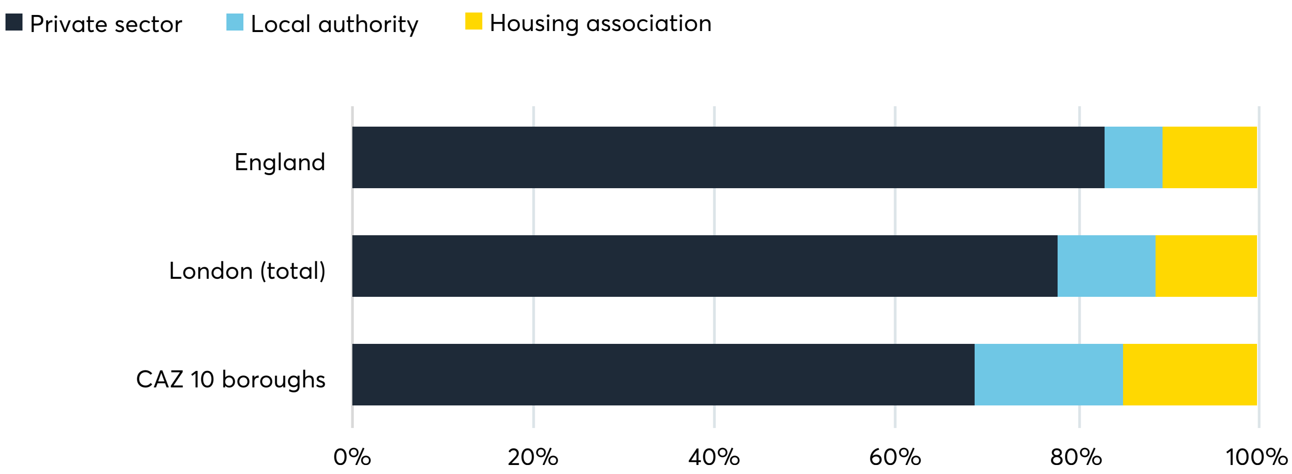
i. In this section, we use data pertaining to local authorities (the CAZ10 boroughs). For most of the 10 local authorities that overlap with the CAZ, the overlap represents only a small proportion of the local authority area. Therefore, these figures do not accurately represent the CAZ.

As shown in Figure 3 below, a higher proportion of housing in the CAZ10 boroughs is managed by the local authority (16 per cent vs 11 per cent) and housing associations (15 per cent vs 11 per cent) compared to London as a whole.[18] A lower proportion of homes in the CAZ10 boroughs are owned privately (69 per cent vs 78 per cent). However, the proportion of homes that are rented from a local authority or housing association has fallen across the CAZ10 boroughs, London and England in the past 15 years – with the CAZ10 seeing the sharpest decline (from 39 per cent of homes in 2006 to 30 per cent in 2020).[19]

The vast majority of new homes created in London over the past two decades are market housing (rented or sold at commercial rates), with approximately only 20 per cent of new homes created in London during 2019-20 being introduced at social, affordable, or intermediate rates (see Figure 4 below).

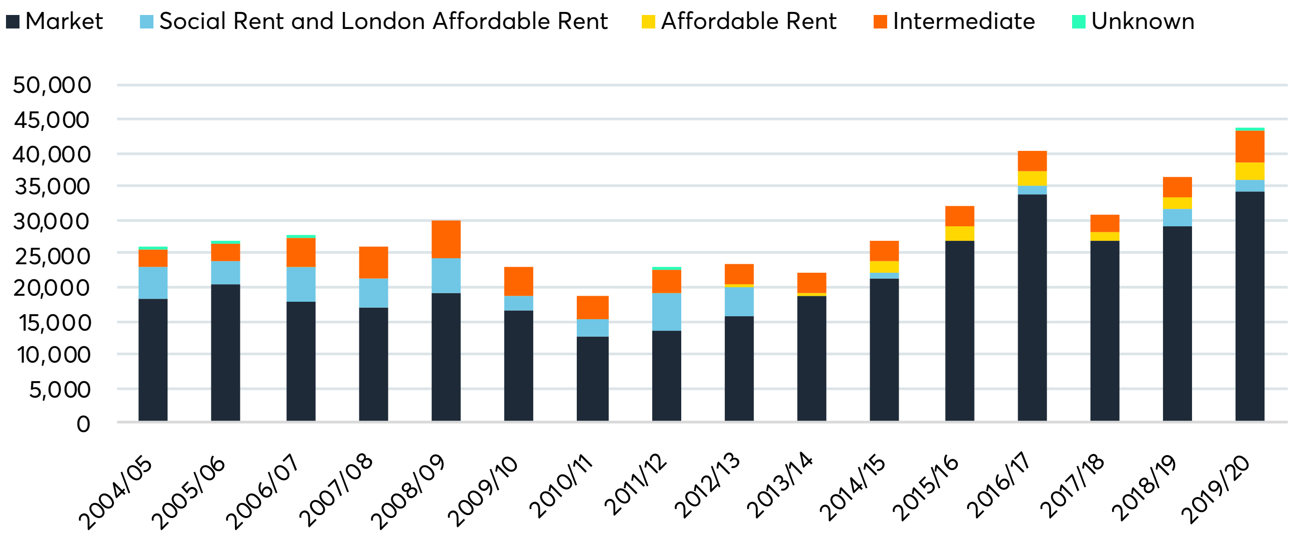
Of the CAZ10 boroughs, the biggest increases in the number of homes in 2018-19 were seen in Tower Hamlets, Wandsworth, and Southwark (see Figure 5 on the next page).

Figure 3: Housing stock by sector, 2020



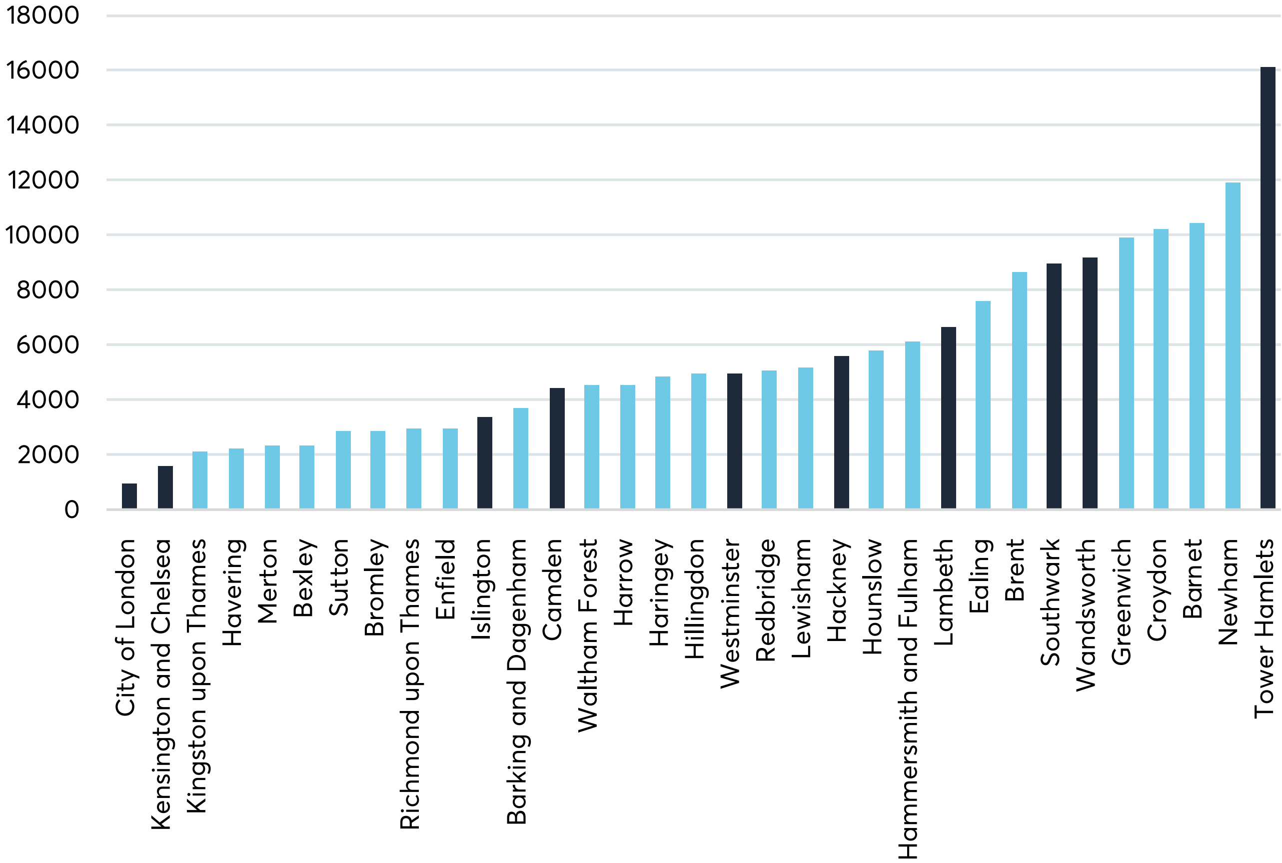
Note: A small proportion (approximately 0.1 per cent in each of the areas shown) is categorised as 'Other public sector'.
Source: Department for Levelling Up, Housing and Communities and Ministry of Housing, Communities & Local Government (2022). Live tables on dwelling stock (including vacants): Table 100.

Figure 4: Net conventional housing completions by tenure, 2004/05-19/20, London[20]



Source: London Datastore (2021). Housing in London 2021 tables. Retrieved from: https://data.london.gov.uk/dataset/housing-london

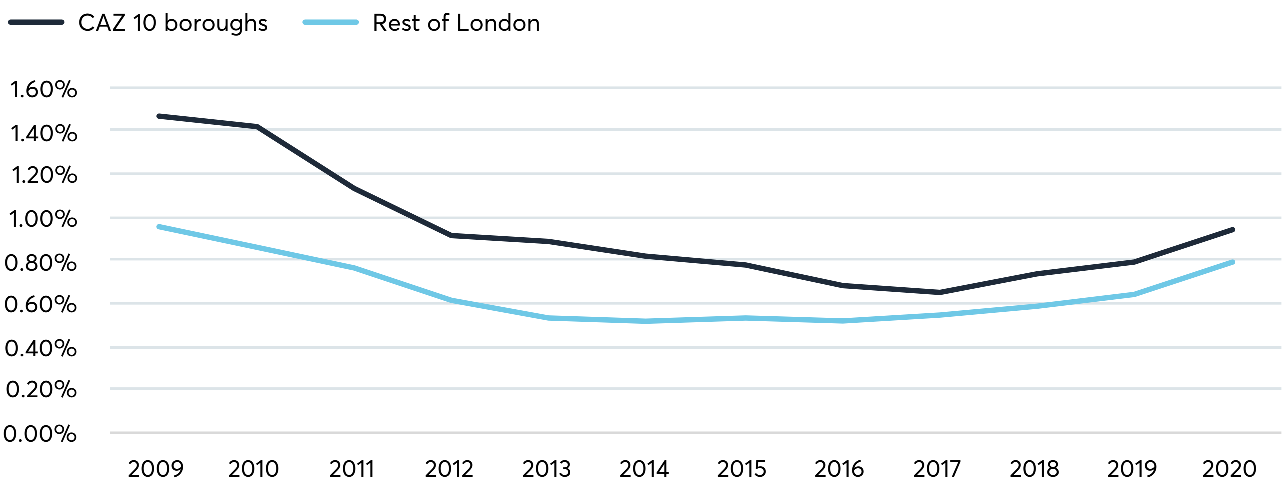
Figure 5: Number of net housing completions by borough, 2016-20 (CAZ10 highlighted)



Source: Department for Levelling Up, Housing and Communities and Ministry of Housing, Communities & Local Government (2022). Live tables on dwelling stock (including vacants): Table 122.

In 2020, there were approximately 10,000 homes in the CAZ10 boroughs that had been unoccupied and substantially unfurnished for at least two years. The number of homes classed as "long-term vacant" grew between 2017 and 2020 by over 3,000, from 0.7 per cent of all homes in the CAZ10 to 0.9 per cent (see Figure 6 below). The proportion of homes that are long-term vacant has been consistently higher in the CAZ10 than in the rest of London.

Figure 6: Proportion of dwelling stock that is long-term vacant, CAZ10 boroughs and London, 2009-2020



Source: Department for Levelling Up, Housing and Communities and Ministry of Housing, Communities & Local Government (2022). Live tables on dwelling stock (including vacants): Table 615.

2. The potential for changes in property use

© Nelson Ndongala

London's Central Activities Zone (CAZ) is unusual in the UK in that it has specific planning protections which limit residential development in order to support business functions. However, the appropriateness of this approach has been called into question by reductions in visits to city centre offices and shops.[21] Both of these trends were accelerated by the pandemic, but they were also visible before it, as new technologies meant physical trips were needed less often.

Takings in shops in London and elsewhere have been declining for many years, and they dropped sharply during the pandemic as people were either unable or unwilling to travel.[22] While revenue from physical stores has now recovered somewhat, it seems unlikely to return to its pre-pandemic peak, and many retailers have closed or reduced their floorspace.[23] This trend is perhaps most visible on London's Oxford Street, where John Lewis has announced plans to reduce its floorspace and covert some into buy-to-let housing.[24]

In the early stages of the pandemic, commuter journeys into central London fell to almost zero, as people heeded the government's orders to stay at home. Trends were inconsistent through 2020, with changing infection rates and varying government advice. From mid-2021 onwards, rates of peak-time public transport use (probably the best proxy for office attendance) began to rise – but data for late October 2021 shows that Underground peak-time rates were still at half their pre-pandemic peak, while buses were at 70 per cent.[25] Travel for leisure purposes, on the other hand, is closer to levels seen before the pandemic.[26] Metro use compared to pre-pandemic levels is lower in London than in Paris or Berlin.[27]

The medium-term trend is uncertain, but surveys of employee preference are tending to show that most office workers would prefer a mixed model of office and home-based working.[28] A poll in spring 2021 found that 85 per cent of people who were currently working from home expected hybrid working in the future.[29] In a tight labour market, it is likely that employers will need to respect this preference. One study suggests that if office worker visits to the CAZ plateau at four-fifths of previous levels by 2023, 93,000 face-to-face jobs would be put at risk compared to a scenario in which COVID-19 did not play a role.[30]

The impact of these shifts on office demand is less clear. Some firms have made sharp cuts to floorspace,[31] but others have maintained much the same footprint, to preserve space for collaboration or tempt staff back to the office with a more pleasant environment. Since the second quarter of 2020, take-up of office space in London has been below the average of the previous five years. However, it has been slowly rising – driven by demand for "prime" office space – while demand for lower-quality or peripheral space remains lower.[32] In addition, the requirement for all office space to reach higher energy efficiency ratings (EPC E+) by 2023 means that some existing spaces, particularly at the lower end of the market, will soon become obsolete.[33] Predicting travel and consumer trends through the pandemic and recovery has been difficult at best, and there is still a lot of uncertainty – perhaps most of all around how companies will choose to use office space. If the trends described in this section continue, a modest reduction in traditional office demand may occur. Reductions to retail space could be steeper, but it is hard to say what type of retail space will eventually be left vacant.

The legal and policy framework

Changes to the use of land and buildings in central London are subject to policies set at the national, regional, and local levels. In this section, we summarise some of the most relevant policies.

The London Plan is one of the most important policy documents for development in the CAZ, as elsewhere in London. It informs boroughs' local plans, which in turn influence development in the CAZ. Substantive changes to planning policy in London are likely to require changes to the London Plan if not national planning policy.

Permitted development rights

In 2013, the government changed the law to allow some buildings, including office blocks, to be converted into homes without planning permission – meaning that local authorities had very limited powers to prevent such conversions from going ahead.[ii] This move was intended to increase the supply of housing and speed up development. Buildings within the CAZ were exempt from such permitted developments, since they are covered by Article 4 directions (see below), but they were allowed in other parts of London.[34] Homes built using these permitted development rights were not covered by the usual space standards for residential property, and developers were not required to make provision for affordable housing, as is required in standard developments.

A 2018 report from the Royal Institution of Chartered Surveyors (RICS) found that the quality of housing delivered through permitted development was "significantly worse than schemes which required planning permission", with some homes significantly below usual space standards or without adequate natural light.[35]

Since April 2021, in response to these concerns, the government has required homes built under permitted development to meet national space standards.[36] In June 2020, the regulations were amended to ensure that new homes developed through permitted development rights provide adequate natural light for the occupants.[37] This change is welcome, but it only solves part of the problem. Homes can still be of poor quality, or placed in industrial sites without proper facilities – and there is still no requirement for developers to provide affordable housing. Article 4 exemptions remain an important way for local authorities in the CAZ to manage development.

Article 4 directions

Local authorities in the CAZ can use Article 4 directions to remove permitted development rights in parts of their borough, so that any development on those sites has to go through the planning system.

When permitted development rights were introduced in 2013, allowing conversions from office to residential use, the Mayor of London secured an exemption for key business districts in and around central London, including the CAZ.[38] The Mayor has since supported a coordinated approach to Article 4 directions across the boroughs of the CAZ, including publishing evidence for local authorities to use in their applications for Article 4 directions.[39]

Permitted development rights were extended in 2021 to allow changes of use from any Commercial, Business and Service use class (Class E) to residential use. In response, local authorities in the CAZ applied for Article 4 directions where these permitted development rights were believed to be inappropriate for the site. It is yet to be seen whether the Secretary of State will allow these directions to stand.

The agent of change principle

The National Planning Policy Framework places the responsibility for mitigating impacts from existing noise-generating activities or uses on the proposed new noise-sensitive development.[40] For instance, if a building near an existing music venue was converted to create homes, then the responsibility is on the developer to ensure that the new homes are sufficiently soundproofed – not on the music venue to make less noise.

ii. Permitted developments do, however, require "prior approval" of some basic features of proposals.

Energy efficiency standards

As part of the government's efforts to reduce the energy used by buildings, it recently set out targets to increase the energy efficiency rating of non-domestic premises over the coming decade. The minimum energy efficiency standards will require non-domestic premises to be at least EPC B by 2030, on a scale from A (most efficient) to G (least). Exemptions can be applied for in certain circumstances, but failure to meet these EPC levels without an exemption will lead to fines. Improving the energy efficiency rating of a building can be both expensive and difficult, especially for older buildings.

Changes of use

Converting a building that is used for offices or other commercial functions into homes requires a "change of use" from one use class to another. Such changes usually require planning permission (with exceptions where permitted development rights are in place – see above). Such changes of use can be difficult to reverse, especially when the resulting use class is residential. As argued elsewhere in this report, if demand for commercial uses in the CAZ sees a sustained fall following the pandemic, converting some commercial uses to homes could help support the CAZ. However, due to ongoing uncertainty about the future needs of the CAZ, adding more homes might pose a long-term risk to the CAZ's capacity for businesses and the employment opportunities they offer.

Planning authorities may therefore consider granting temporary changes of use from commercial to residential, so that how buildings are used can continue to adapt to the changing needs of the CAZ. The length of temporary changes of use should be informed by the GLA, based on their strategic view of the CAZ and constrained by the length of tenure required by affordable housing developments.

Demand for office space across the CAZ

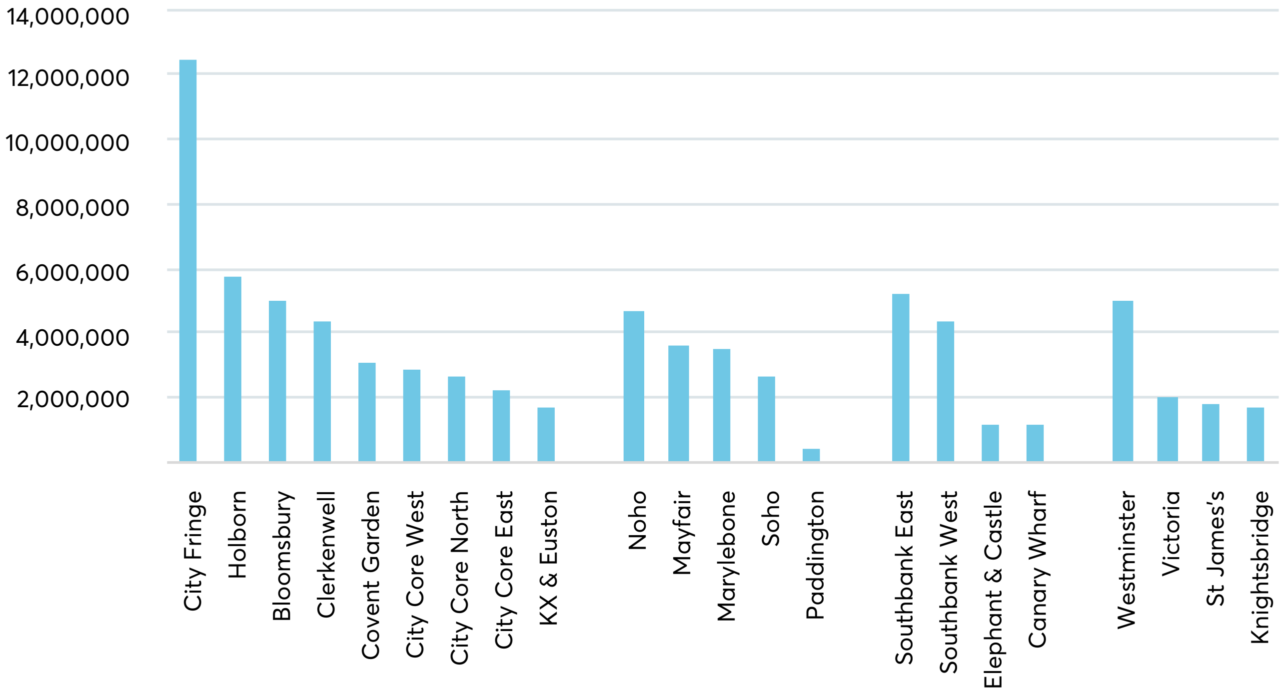
As described above, since the onset of the COVID-19 pandemic, take-up of office space in London has been below its pre-pandemic average. However, it has been slowly rising – driven by demand for "prime" office space – while demand for lower-quality or peripheral space has seen less of a rise. Across the CAZ, approximately 13 per cent of office space is available on the market to be let within the next six months..[41] This varies across the CAZ, with 5 per cent of office space in Westminster available compared to 17 per cent in City Core North and Clerkenwell.[iii] In many areas of the CAZ, the proportion of office space that is available to let in the next six months is at or near a record high.

If "subprime" office space is more likely than "prime" to see a continued dip in demand, then it may be among the types of property suitable for conversion to a mix of uses, including homes. Nonetheless, subprime office space serves a valuable function for smaller firms and those that cannot afford the higher rents required for prime: so it will remain desirable to have some subprime office space in the CAZ.

In this section we look at patterns of availability in office space as of December 2021. We also look at where more homes could be created in the CAZ through conversion of office stock to a mix of uses (including high-quality housing). This question would become salient in a scenario where demand for office space did in fact remain below its historic average following the pandemic.[iv]

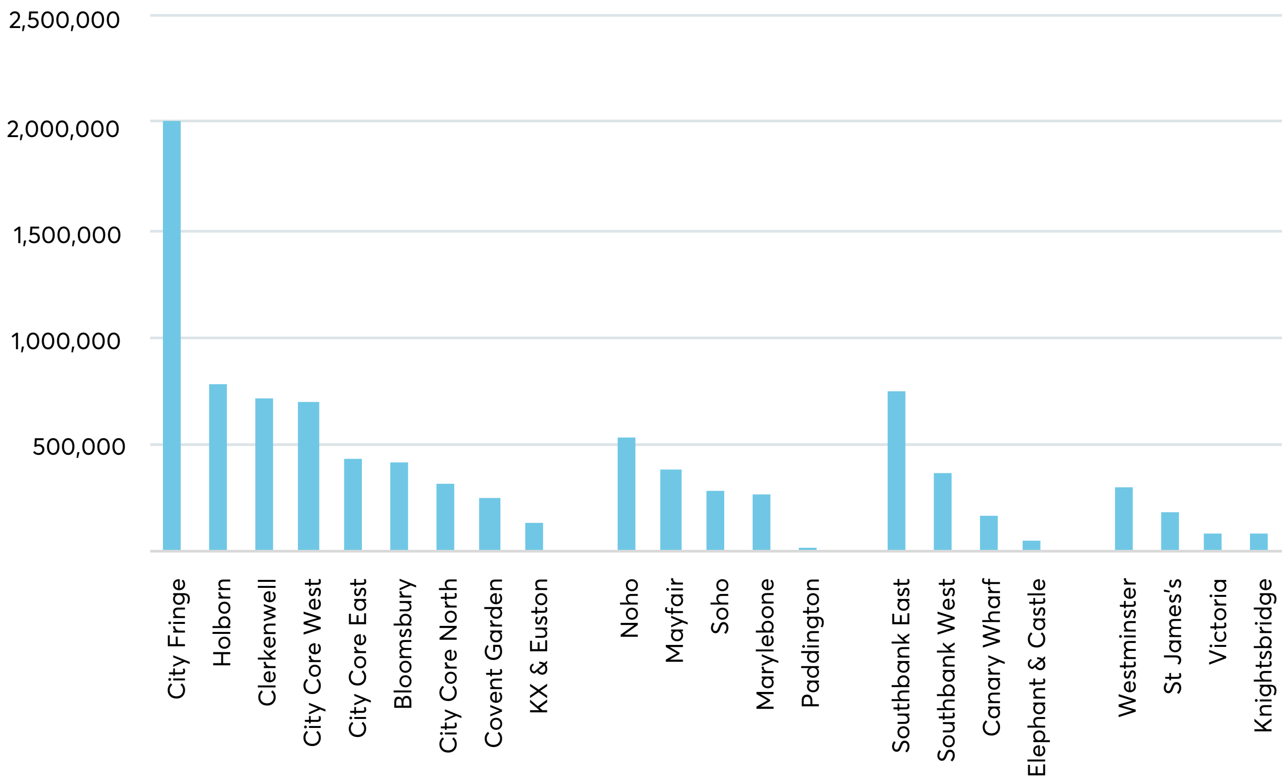
iii. Areas described do not correspond with administrative areas.
iv. Gerald Eve conducted analysis of COSTAR data in December 2021.

Figure 7: The amount of office stock (square ft) in each sub-market that is 'subprime' (1-3 stars).[v]



Source: Gerald Eve analysis of COSTAR data, December 2021.

Figure 8: The amount of office stock (square ft) in each sub-market that is 'subprime' (1-3 stars) and available to let.



Source: Gerald Eve analysis of COSTAR data, December 2021.

v. We have divided the data in quadrants based on their location relative to Charing Cross. These are intended to be illustrative rather than definitive.

We have illustrated the office space available in a number of areas within the CAZ. Using a measurement of the quality of office space, we can get some idea of the amount of subprime office space in each area (see Figure 7).[vi] This shows that subprime office space is not evenly distributed across the CAZ, with nearly half of it located in just six areas (City Fringe, Holborn, Southbank East, Westminster, Bloomsbury, and Noho). In Elephant & Castle and Clerkenwell, just under 60 per cent of office space is “subprime”, while in Canary Wharf and City Core North, it accounts for less than 10 per cent.

Lower-quality offices tend to be smaller in size than “prime” offices. The average size of subprime offices in the CAZ is approximately 12,000 square feet, compared to 86,000 square feet for prime offices. This could mean that some of the most viable office space to convert into homes as part of mixed-use neighbourhoods is fairly small in size – which can pose architectural and financial barriers for developers. Not all such spaces will be suitable for conversion. If a number of such small spaces did become available, the GLA might consider allowing smaller homes in certain circumstances where quality and security for tenants is assured (see the section in Chapter 3 on smaller homes). Further, some small spaces could be converted to temporary housing through meanwhile use.

Additionally, we can use this data to see how much office space is available to be let within the next six months in each area (see Figure 8).[vii] This shows again that some areas have much more subprime office space available to let than others, with over half of all available subprime office space located in just five areas (City Fringe, Holborn, Southbank East, Clerkenwell, and City Core West). All else being equal, this suggests that some parts of the CAZ are better suited to increasing their housing supply by converting subprime office space to a mix of uses, including housing. However, there are a number of factors which will influence how conducive a particular office building is to conversion for homes: these are discussed with reference to each area below.

City Fringe

Much of the office space in the core of this area is high-rise, but in the outer areas it is lower-rise and includes some residential space. Availability of office space in this area is at an almost historic high, above levels seen before the pandemic. Some could be a good fit for conversion to housing.

Holborn

In Holborn, there are many buildings protected by legislation against certain changes, such as in the areas close to Temple and Fleet Street. There may be greater barriers to converting offices in protected buildings to other uses, depending on the architectural features and the changes that would be required for such a conversion.

The area has a relatively high proportion of commercial space, with building stock geared towards offices, education and healthcare. This may make living in the area less appealing to some than areas with a more established community of residents.

Southbank East

This area is home to some very recent developments and new stock near London Bridge, where buildings are largely high-rise and dedicated to business. Subprime office stock is more commonly found in peripheral parts of the area – for instance near Bermondsey – where buildings are lower-rise and include residential stock. Some office space in this area is likely to be suitable for conversion to homes.

---

vi. We define "subprime" in this context as office space with a rating of 1, 2, or 3 out of a possible 5 in COSTAR's rating system. The vast majority of such office space receives a rating of 3, described by COSTAR as "an older structure, but not refurbished; standard ceiling heights with less efficient floor plates; average or near average market rents."

vii. Data was accessed in December 2021.

Clerkenwell
There is a great deal of housing in this area, which could make it attractive to potential residents. The area is also home to new office space, including very recent developments such as those near Farringdon Station. Demand for property in the area may yet change, with Farringdon Station due to become one of the busiest in the UK when the Elizabeth Line begins its planned service.

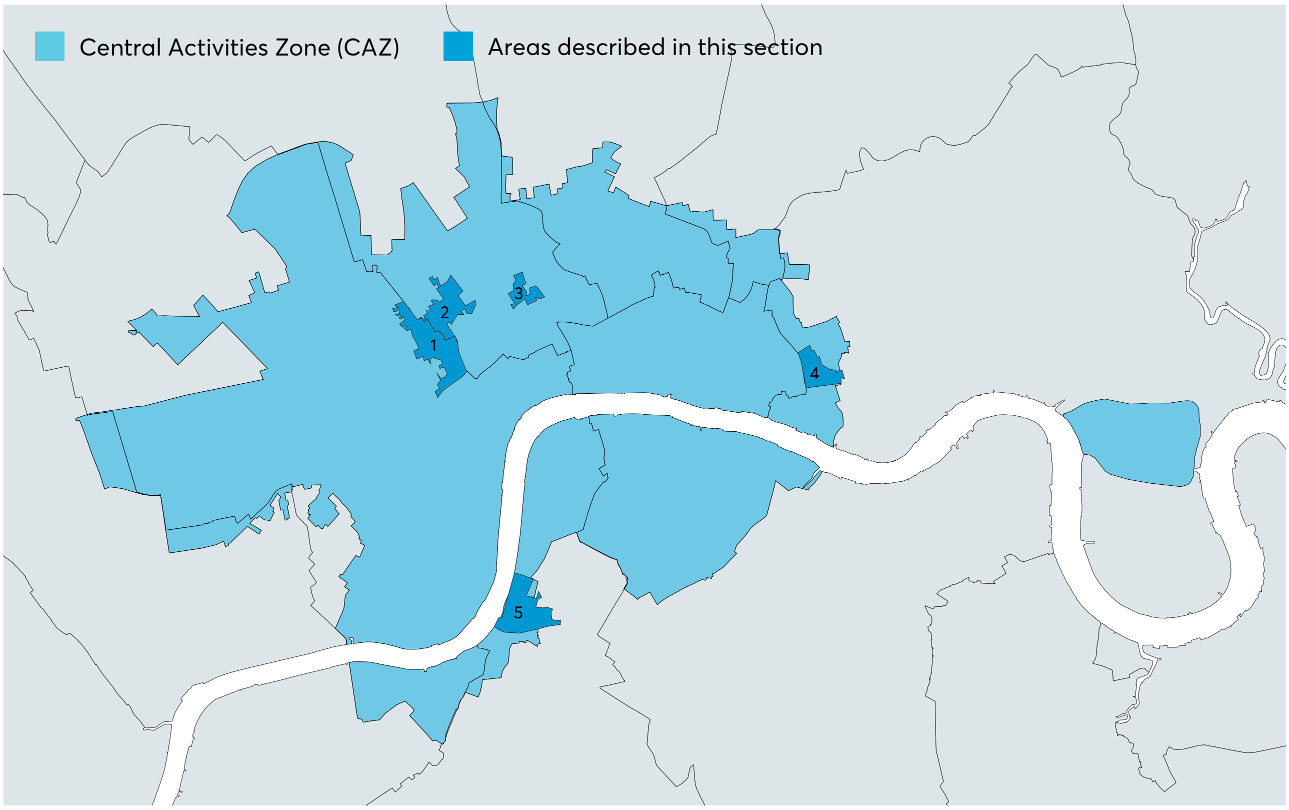
City Core West
City Core West has among the highest proportion of prime office space, with 24 per cent of space in the area rated as state-of-the-art and 20 per cent "subprime". However, because the area is home to a large amount of office space in total, the amount of subprime office space is still the fifth highest in the CAZ. Office space in this area is unlikely to lend itself well to conversion to homes, given the density of commercial space and the high-rise nature of building stock in the area.

Different places and needs within the CAZ

Despite covering a small area of land, the CAZ is home to a wide array of different neighbourhoods. Having previously discussed how demand for, and the changing use of, office space might make some areas more likely to see conversions from offices to homes, we look in this section at a handful of CAZ neighbourhoods to examine how varied an area it is.[viii] This variety will continue to be important for local planning authorities' decisions about where new homes are more suitable within the CAZ.

Figure 9: Map illustrating areas described in this section

1. West End **2.** Tottenham Court Road **3.** Bloomsbury **4.** Fenchurch Street **5.** Albert Embankment



viii. Areas discussed in this section were selected as illustrative examples of the various types of neighbourhood that exist in the CAZ. They are not intended to represent all such types of neighbourhood.

Bloomsbury: townhouses, daytime hospitality and retail

A sponsor case study from the Central District Alliance

Bloomsbury is home to the British Museum – the largest museum in the UK – as well as several educational institutions including University College London, the University of Law, the Royal Academy of Dramatic Art and the British Medical Association Association – and forms part of the growing Knowledge Quarter along with parts of Euston Road, Tottenham Court Road and King's Cross itself.

In the northern part of Bloomsbury, Lamb's Conduit Street has access to good transport links and relatively quiet roads, as well as green space and local hospitality. Buildings primarily consist of terraced townhouses, four or five stories tall, some of which have their ground floor converted to retail space. Trees line the streets, and a small public park, Red Lion Square Gardens, is a short walk away; Russell Square and Coram's Fields are nearby too. A number of museums and galleries, including the British Museum, are within a 15-minute walking distance. The hospitality in the local area appears to operate mainly in the daytime.

Although this part of Bloomsbury appears to be used mainly for homes, hospitality and retail, Bloomsbury as a whole is home to nearly 10 million square feet of available office space.[42] Much of the available stock is to be found in the southern part of the area. A relatively high proportion of office stock in Bloomsbury is older and not refurbished – a similar proportion to that in Knightsbridge and nearby Clerkenwell.[ix]

Currently, as in the CAZ as a whole, the amount of office stock available in Bloomsbury is higher than it was before the pandemic. Approximately 11 per cent of office stock in Bloomsbury is available, compared to 13 per cent across the CAZ. Much of the office stock is low-rise, with historical conversions from town houses to offices, which could mean that some buildings are physically suitable for conversions to high-quality homes. Meanwhile, housing in the area is very expensive, meaning that conversion to homes could prove viable for developers and property owners.

Tottenham Court Road: retail and hospitality centre

The area surrounding the stretch of Tottenham Court Road between the Underground station of the same name and Goodge Street, to the north, is typified primarily by a mix of retail and hospitality. Some buildings in the area are being redeveloped to accommodate a mix of uses including homes, offices and retail.

Buildings near Tottenham Court Road

ix. See Appendix for details.

West End: retail and hospitality centre

The West End, which straddles Westminster and Camden, is the centre of London's entertainment and hospitality sector – packed with bars, restaurants and theatres. London's theatrical heartland is within easy walking distance, as is Tottenham Court Road Station, which will soon be served by the Elizabeth Line.

Its building stock is largely between three and four stories, with a smaller number of high-rise office and mixed-use complexes. Side streets are largely dominated by mid-rise office buildings interspersed with occasional residential blocks, including on narrow mews streets such as Berners Mews. However, it is notable that there is already well-integrated residential accommodation of a historic character in the area. 2023 will see the opening of a new set of residential-led developments, with two new buildings containing 92 apartments above the new western Elizabeth Line entrance to Tottenham Road Court Station.

Fenchurch Street: office centre

The Fenchurch Street area is located near the border between City of London and Tower Hamlets, stretching from Aldgate East Station in the north to Chamber Street in the south, forming part of London's world-leading financial centre. It is packed with high-profile corporate offices and several skyscrapers – most notably the "Walkie-Talkie" at 20 Fenchurch Street – and there is a new 35-storey tower planned. The area also includes existing, well-integrated residential communities.

The surrounding building stock is split between mostly upper-mid and high-rise office buildings on main thoroughfares, and a mix of two- to three-storey, low-rise residential and office buildings on side streets. On the main road, the Mansell Street Estate contains a large quantity of mid-rise, dense social housing, along with the Portsoken Community and Health Centre.

Albert Embankment: Southern CAZ fringe

The Albert Embankment runs along the south side of the Thames between Vauxhall Bridge and Westminster Bridge. There is a mix of mid- to high-rise buildings on one side of the road. On the other side, railway arches are used by a number of bars, restaurants and retailers. To the east are several green spaces, including Vauxhall Gardens, and a good deal of housing. While the taller buildings in this area not already used as homes may have been built to function as offices, they do not appear so wide or deep that they could not accommodate homes on some floors.

Similarities and differences with other cities

UK cities: rapid central densification

In large cities across the UK, population density has been slowly rising.[43] In nine of England's ten most populous cities, population density has increased faster in city centres than surrounding areas over the past two decades.[x] In London, however, population density in the city centre has remained lower than in any other part of the city (see Figures 10-13 on the next page).[xi]

While these examples illustrate the range of experiences of other UK cities, an increase in the population density of London's city centre similar to the magnitudes seen elsewhere may be undesirable, given the unique economic importance of the CAZ.

x. Note that the centre is defined here as the area within one mile of the city centre.
xi. Comparing concentric rings around each city's centre: within 1 mile, between 1 mile and 2 miles, etc. up to between 6 and 7 miles from the city centre.

Figure 10: Population density in Birmingham

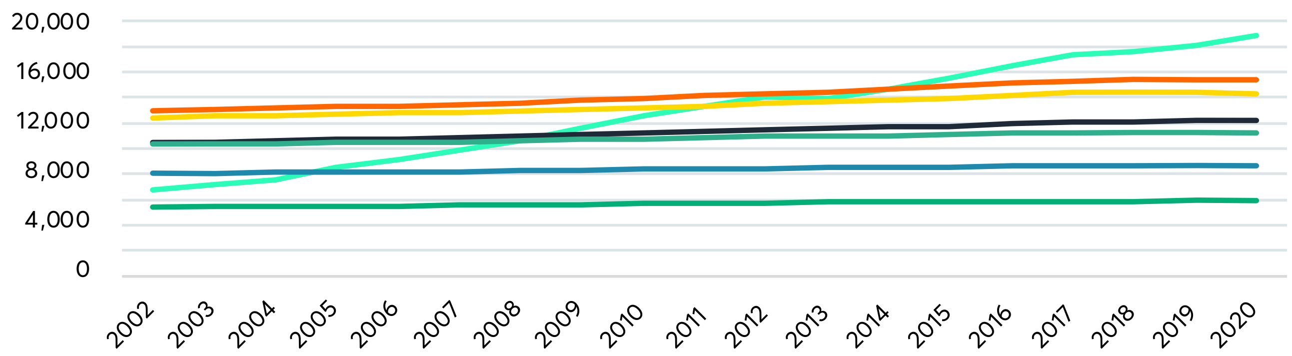


Figure 11: Population density in Newcastle

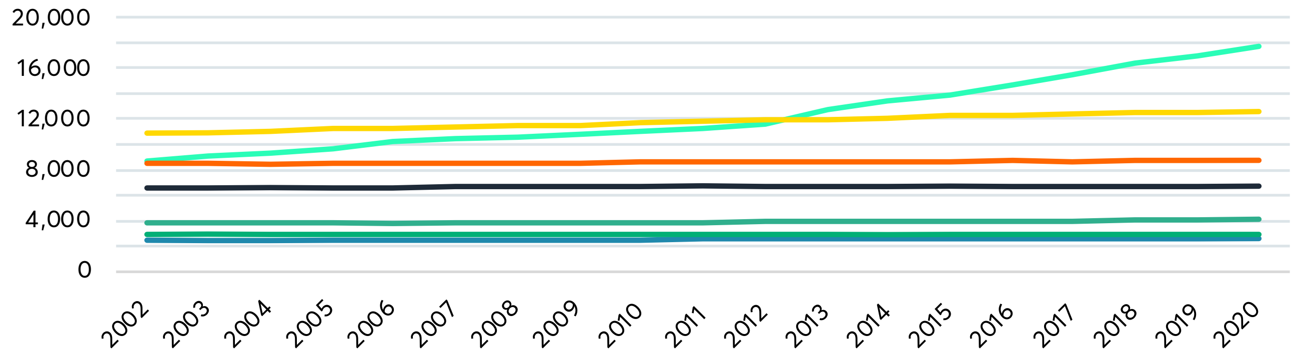


Figure 12: Population density in Southampton

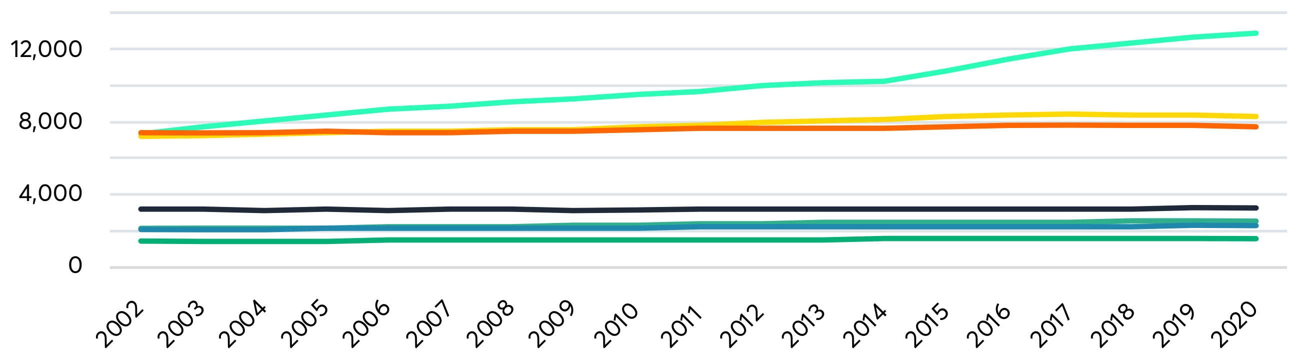
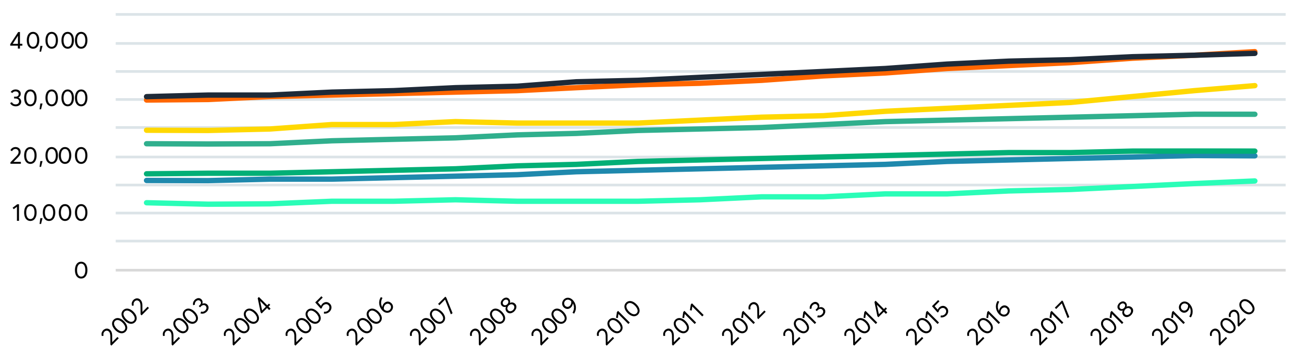
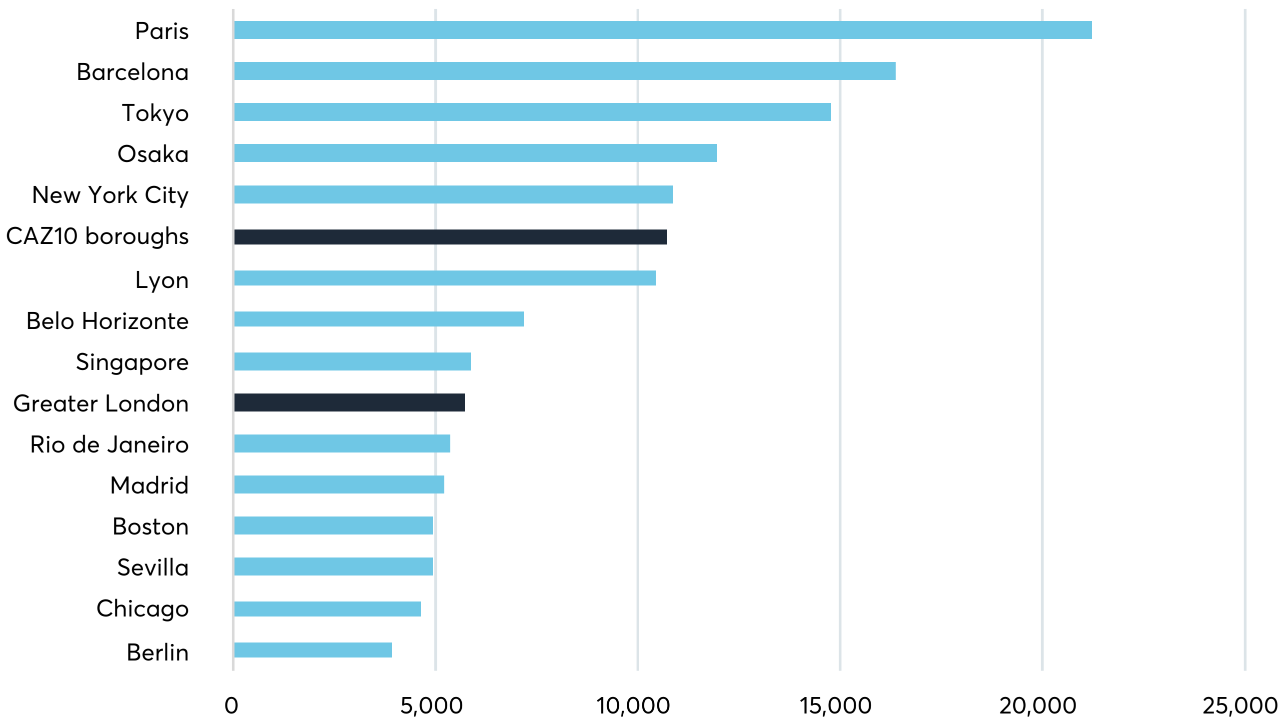


Figure 13: Population density in London



Source: Thomas Forth (2022). Population Rings. Retrieved from: https://www.tomforth.co.uk/ringpopulations/.

Figure 14: Population density in select cities, people per square kilometre[44]



Source: For data for select cities other than London, see Greater London Authority (2016). London Plan Density Research: Lessons from higher density development. Retrieved from: https://www.london.gov.uk/sites/default/files/project_2_3_lessons_from_higher_density_development.pdf; for data for the CAZ10 boroughs and other London boroughs, see ONS (2020). Population estimates – small area based by single year of age – England and Wales. Retrieved from: https://www.nomisweb.co.uk/datasets/pestsyoaoa

Paris: improving the public realm to alleviate issues associated with high population density

Population density in London is considerably lower than in several other global cities. For instance, there are nearly twice as many residents per square kilometre in Paris (City proper) than in the CAZ10 boroughs (see Figure 14 above).

Only a small fraction of wards in London have higher population density than is seen across the city of Paris.[45] However, Paris is relatively small in terms of the land area it covers – about three times as large as the CAZ.[46]

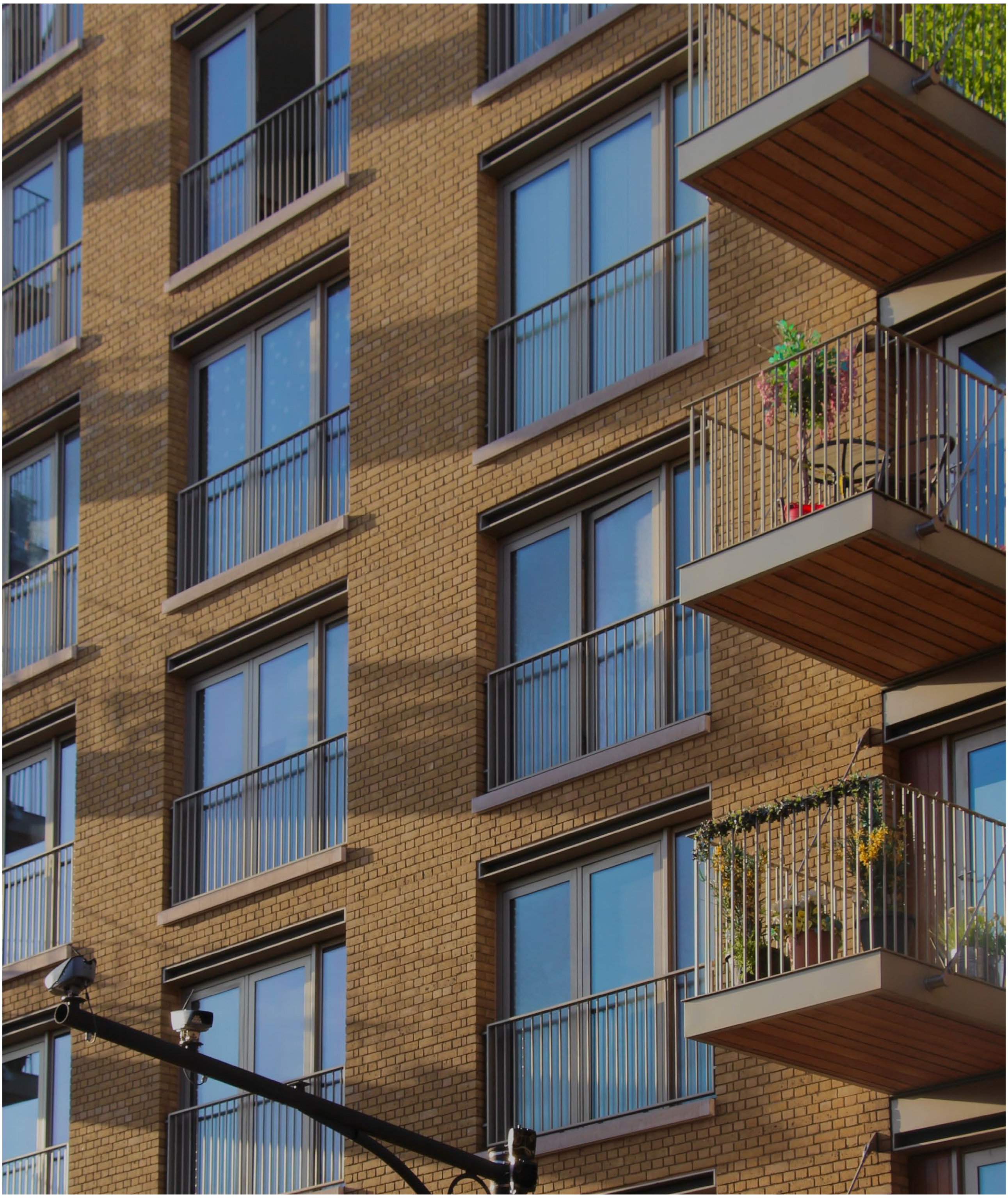
In recent years, Paris has introduced changes to improve its public sphere. These include plans to turn the Champs Elysees into a more pedestrian-friendly space by reducing space for vehicles by half, turning roads into pedestrian and green areas, and introducing substantially more trees to improve air quality.[47] The city is also introducing pedestrian zones around 80 schools in the city[48] and plans to ban through-traffic in four central districts.[49]

Stockholm: small flats for young residents

Young people in Sweden are far more likely than their UK counterparts to live alone (rather than with their parents or in a house/flat share). This has been attributed both to a culture that values independence and solitude, and to the type of housing stock available. More than half of Swedish residents live alone, compared to less than one-third of British residents.[50] Properties in the centre of the capital Stockholm are often very compact, and larger properties that would work for groups of friends are rare. This high level of solo living is also said to cause loneliness and mental health problems for some people.[51] In recent years some landlords in Stockholm have started to offer shared or co-living properties that provide a more social experience, aimed in particular toward young single people and newcomers to the city.[52]

Hong Kong: some of the highest population density in the world
Hong Kong is an exceptionally densely populated city: its densest district, Kwun Tong, has 57,000 people per square kilometre,[53] more than five times the population density in the CAZ.[54] Some 29 per cent live in public rental housing.[55] Housing costs have risen steeply in recent years, and changes to regulations in 2015 made it easier to build very small homes. The better ones are around 220 square feet in area (20 square metres), but the lowest-income workers often live in “coffin homes” of about 100 square feet (9 square metres). These tiny homes are said to cause significant mental health problems for residents, and were hugely problematic during the COVID-19 pandemic.[56] The government is promising significant housebuilding on the northern edge of the city, but this is likely to take many years to come to fruition.[57]

3. The scope for more homes in Central London



© Lufang Cao

The CAZ serves a number of very important functions in the London Plan, and is regarded as being home to “unique international, national and London-wide roles […] based on an agglomeration and rich mix of strategic functions and local uses”.[58] The success of the CAZ is driven in large part by the fact that there are lots of businesses close together, with good digital connections and public transport: this makes it easier for people and companies to make connections and find the goods and services they need.

In this chapter we discuss the advantages and risks associated with adding more homes to the CAZ, some of the policy debates surrounding such a change, and the architectural challenges facing conversions. We then discuss the importance of the CAZ being home to a mix of residents, and the need for policymakers to engage meaningfully with the public, residents, businesses and landowners on decisions about housing in the CAZ.

Advantages and risks of more homes in the CAZ

If there is a reduction in demand for some types of commercial space in the CAZ in the near future, we might ask how that space could otherwise be used to contribute to the vibrancy of the CAZ. An increase in the number of homes could potentially play a role: more people living in the CAZ could go some way towards replacing the footfall lost from office workers or visitors. However, adding substantially more homes to the CAZ without appropriate planning could potentially make the city centre work less well for residents, businesses and visitors. In this section, we explore some of the advantages and risks of introducing more homes to the CAZ.

Impacts on different stakeholder groups

Introducing more homes to the CAZ would impact a variety of stakeholder groups, from residents (both existing and prospective) to businesses and visitors. A summary of the associated advantages and risks is given in Table 1 on the next page.

© Greg Jeanneau

Table 1: Advantages and risks of more homes in the CAZ for different stakeholder groups

	Advantages of more homes	Risks of more homes
Current CAZ residents	Attracts more businesses which serve residents	More pressure on local public services
	May be preferable to living near vacant units	Disruption from building works
	Can make areas feel safer at night	
Potential CAZ residents	Potentially more affordable property	Poor-quality homes: space, light, noise
	Able to live near work/study	Insufficient public services
	Able to live near leisure opportunities	Lack of access to green space
	Can make areas feel safer at night	
Londoners outside the CAZ	Can make areas feel safer at night	May reduce space for other CAZ activities
Office-based businesses	May be preferable to adjacent vacant space	May reduce supply
	Greater proximity to a wide and deep pool of talent	Shared entrances/stairwells can create issues
Hospitality businesses	May increase demand for some types, especially at weekends	Demands to reduce noise (especially at night)
		Tensions over pavement dining
		May reduce supply, especially for hotels
Property owners	May deliver higher rental or sales values	Poorly planned developments may reduce nearby property values
		Introducing homeowners in mixed-use developments could reduce the potential for future redevelopment
Local authorities	Helps meet housing targets	Increases requirement for public services
	Reduces risk of vacant premises	Time/resources to deal with problems like noise
	Population density can provide critical mass for public services that are not viable with fewer people	Increase in income from council tax
	Reduction in income from business rates	

Making London the safest city for women and girls
Street harassment and the fear of violence are a daily reality for many women in London. ONS data on perceptions of personal safety show that, in the UK as a whole, 49 per cent of women would feel very or fairly unsafe walking alone in a busy public space such as a high street after dark, rising to 81 per cent who would feel unsafe in a park after dark.[59] Gender breakdowns are not available for different regions of the UK, but for the population as a whole, Londoners are more likely to report feeling unsafe after dark.

When people feel unsafe, they change their behaviour. They avoid taking certain jobs, socialising, exercising, or taking part in community groups. As a result, they lose many of the benefits of living in a city. In London, 42 per cent of the population have avoided going to areas they think unsafe in the last month because of their safety – the highest of any region.[60]

Women and girls often feel safer in busy public spaces than they do in quieter ones – hence the large gap between the proportion who would feel safe in a busy public space and those who would feel safe in a park. Some of London's office-dominated areas can feel very quiet at night, with cafes and restaurants targeted at office workers and shut in the evenings.

Adding more residential property would increase "eyes on the street" – people happening to be out and about, especially after dark. If done well – and if the homes built were occupied full-time – this would increase perceptions of safety without needing to add expensive security patrols.

Addressing these risks: key policy debates

To manage the risks associated with adding more homes to the CAZ, policy needs to balance the interests of different stakeholders and have a long-term focus. In this section, we focus on three key policy debates and consider how public policy could best support the CAZ now and into the future.

Policy area 1: Smaller homes

Both the London and national space standards for a one-bedroom flat require a minimum of 37 square metres. However, some people have called for smaller homes to be allowed in certain circumstances.

On the one hand, market-rate flats that meet the space standards will always be expensive in the CAZ, making it hard for people on ordinary incomes to afford them. This means that few Londoners will ever get a chance to live there, and makes the area less diverse. For most people who can't afford a single-person flat that meets the space standards, the main alternative is a flat share – but people may prefer a smaller flat of their own. Proponents also argue that high-quality design can make small flats pleasant to live in, perhaps for just a few years until residents move somewhere larger.

On the other hand, small spaces are inherently less adaptable to changing circumstances, so turnover is likely to be high. Some of the small or micro-flats on the market are very poor quality. Even the best are not suitable for families – but in practice, families end up in them because they can't afford anything bigger, and this puts a huge strain on their health and wellbeing.

In this report, we have stopped short of calling for exemptions to space standards, because they are an important safeguard against poor-quality housing. But we think this should be kept under review for the next London Plan, depending on the amount and type of buildings brought forward for conversion. Any exemptions should be limited in number, for rental only, and subject to strict controls on build quality, natural light, support for tenants, and the amount and quality of indoor and outdoor communal space.

Policy area 2: Favouring rental schemes

The effects of increasing the number of homes in the CAZ will vary according to who ends up living in the new homes, and whether they rent or own. Residents who live in an area for longer and spend more time there are more likely to play an important "stewardship" role, contributing to the shaping of local areas and engaging in the local economy. Residents who live in an area for a short time (for example students) and those who spend little time in the local area (for example, second-home owners) are typically less well placed to take on this role.

At the same time, the longer-term effects of more homes in the CAZ are likely to vary depending on whether they are owned or rented by their residents. This is because a landowner wishing to redevelop a building for another use has more scope to do so if residents rent from a single landlord on time-limited leases, rather than owning a home within the building on long leaseholds. The CAZ has historically been home to near-constant revision and redevelopment: substantially increasing the number of homeowners in the CAZ could limit the potential for redevelopment in the future.

Renting rather than selling new homes in the CAZ will therefore help landowners to manage new buildings in a way that allows them to be redeveloped later, subject to planning restrictions. However, this consideration must be balanced with the need to prevent or disincentivise insecure tenancy, which can be a source of instability and may discourage residents from engaging in their local area.

Policy area 3: Environmental impacts of buildings

City centre living can be a more environmentally friendly option than living in suburban or rural areas. There are two key reasons for this. First, city centre homes tend to be smaller, more densely packed and therefore easier to heat. Second, city centre dwellers tend to drive much less: they can often walk or cycle to work or leisure activities, and they have good public transport options for longer trips.

However, creating a new building to replace a demolished one can create very high carbon emissions, even if the resulting building is low-carbon in use. There is a stronger case for demolishing a building (as opposed to converting it) if it has a longer lifespan – for instance, 60 years or more – since the new building, if energy efficient enough, will spend that time being relatively environmentally friendly. In the long term, it is plausible that the UK's energy supply will become substantially decarbonised: if so, the energy efficiency of buildings will matter less.[61]

One way of reducing the need for buildings to be demolished before the end of their lifespan is to encourage developers to build units that can be more easily converted between uses. A building that could be perfectly converted from homes to retail or offices at little carbon cost would be practically difficult to build and relatively expensive. However, some aspects of convertibility can be built into the design of buildings at relatively low cost. One way that local planning authorities could encourage developers to consider the longer-term carbon impact of their buildings is to give a preference to proposals designed for easier conversion (where possible).

Commercial to residential conversion: the architectural challenge

Some types of property are better suited to conversion from office or residential use than others – depending on where they are, how they are built, and what types of buildings surround them.

Many of London's town houses – usually built in terraced rows during the eighteenth or nineteenth centuries – have been used both as homes and as offices in the course of their long history. Within the CAZ many were destroyed during or after World War Two, but significant groups remain, particularly in Mayfair, Bloomsbury and Kensington. Reconverting those recently used as offices to housing is fairly straightforward in many cases, but may be expensive, in part because their smaller size limits economies of scale.

Converting purpose-built office blocks can be more complex. The main problem tends to be that large square or rectangular spaces are hard to convert into flats that have sufficient natural light. Creating homes with a dual aspect (having windows on at least two sides) is particularly challenging. Dual aspect is important to prevent south-facing homes from being too hot in summer due to a lack of through draught, and to prevent them being very gloomy in winter if they only face north. One solution is to create larger properties – but this means fewer homes can be built, and they are unlikely to be affordable for many people.

The challenges of converting former shops are related but different. With larger shops, it is often hard to get natural light to the centre of the building, and for smaller high street units it can be hard to avoid front doors opening straight onto busy streets.

Case Study: Student housing in the City of London

The City of London has historically allowed a loss of office floorspace only in exceptional circumstances. It has recently granted planning permission for a 14-storey student accommodation block.[62] The same plot had received planning permission as recently as 2020 for a similar-sized hotel and office development, but this has since been re-evaluated due to the pandemic. In their report, planning officers say that the student accommodation will add "vibrancy and activity for 7 days per week" and "align with the City Corporation's ambitions for a post Covid City".[63]

This example illustrates the kind of changes in property use that may become more common across the CAZ in coming years – if residents, including students, play a bigger role in the CAZ's post-COVID future.

Benefits of mixed-use neighbourhoods

Mixed-use neighbourhoods are those which have a mixture of commercial and residential properties, or a mixture of different types of commercial property. On a small scale, mixed-use buildings can include flats above shops; on a larger one, they can comprise developments with blocks of flats and office blocks, though these are often more costly to build and manage.

There are a number of advantages to mixed-use developments, particularly in the CAZ:

- They allow shops to reduce their floorspace while keeping the ground floor (or lower floors) open: this helps maintain the integrity of high streets, and means that residents do not have to live in ground-floor units on busy streets.
- They can make areas safer, as buildings are busy with workers or shoppers during the day and residents in the evening or at weekends (see box above on women's safety).
- With effective management, they can allow residents to use commercial spaces for community activities during evenings and weekends.

Some of these issues can be solved by fully or partly demolishing a building and creating a new one on the same site. Indeed, this has been a common approach in central London over many centuries – many sites in the city have had multiple different buildings on them over the last 500 or more years. However, demolition and replacement are associated with costs including carbon emissions (see section above) as well as noise and disruption. As awareness grows of the carbon impacts of demolition and building, it is likely that there will be more pressure on planning authorities and developers to reduce this as far as possible.

Case Study: 456-472 Oxford Street

The Marks and Spencer store at the west end of Oxford Street is due to be demolished and replaced with mixed-use retail and office space – like many large retailers, the company no longer needs as much floor area for retail.[64] Although passed by Westminster Council, the decision has been controversial – partly for aesthetic and historical reasons, but also due to the embodied carbon from the development, which is estimated at 39,500 tonnes.

Its architect Pilbrow & Partners defended replacing the building on the grounds that while the initial carbon cost is high, the improved energy efficiency of the new building will mean that within 16 years the scheme will have led to a net reduction in carbon emissions.[65] While this redevelopment does not include a residential element, it shows the sort of debates likely to occur around retrofit versus demolition to create new homes in the CAZ.

In some cases, buildings that could have been converted into reasonably high-quality flats have instead been converted into poor-quality ones – because developers want to save money (for example on proper soundproofing or good windows). Such conversions have often been carried out using permitted development rights (which do not apply in the CAZ) and are discussed in Chapter 2.

Other issues with convertibility relate to the surrounding environment rather than the building itself. These may include noise and crowding from nearby shops and businesses, or from deliveries and industrial activity. There may also be problems when natural light is blocked by nearby buildings – a particular issue in the CAZ, as many parts have tall, closely packed buildings.[66] However, there are also benefits associated with taller buildings. Their compactness and comparative heat efficiency can help reduce the carbon emissions associated with running a building, and they help reduce travel-generated emissions by reducing the distances that people need to travel overall.[67] In addition, by increasing density, they could play a role in supporting the vibrancy and economy of the CAZ. Nonetheless, in some cases, these considerations mean that converting retail or office space to homes creates risks for the future, as residential properties are protected from having their light blocked or from noisy and disruptive new developments.

Getting a good social mix: the population challenge

Among the people we interviewed for this project, there was a strong consensus on the importance of the CAZ being home to a mix of residents. In particular, it is important that the CAZ is available to people with a wide range of incomes, including the "intermediate" group who are not eligible for social housing but who cannot afford the market rate (which is exceptionally high in the CAZ). This does not mean that living in the CAZ will be right for everyone: at any price point, living inside the CAZ will usually mean having less space than elsewhere, and very few CAZ properties have private gardens. Additionally, many people will prefer to live away from the bustle of city centre life.

Older people in the CAZ
London, and inner London in particular, is often seen as a young city. But the population of older residents is rising, with much of this growth expected to be in inner London, where the number of over-65s is projected to increase by 35 per cent in the decade to 2030 – well above the 23 per cent rise expected for England as a whole.[68] Since the CAZ cuts across local authority boundaries, specific data for the area is unavailable – but it is likely that it will see some increase in line with overall demographic shifts.

It is often assumed that older city dwellers will want to move to more rural areas when they retire, but this assumption underestimates the variety of older people's needs and preferences, as well as the diversity of their family and social networks.[69] Living in central London and other inner-city areas can be the right choice for some older people, as it provides easy access to shops, culture and hospitality without needing to drive or use public transport; it may also help them stay closer to relatives and friends. Supporting older residents to live in central London can make economic sense too, as they often have significant spending power and may use shops and other services at less busy times. Retired people may also have more time for volunteering, building cross-generational connections which support and strengthen local communities.

© Micheile Henderson

© Raul de los Santos

Evidence from Helsinki suggests that while those on higher incomes are more likely than others to move into new homes in the city centre, this sets off a chain of movements up the housing ladder which benefits residents on lower incomes in other parts of the city.[70] In this section, we focus on achieving a social mix within the CAZ, which depends on creating a mix of housing in terms of tenure type, size, amenities and location. This can be difficult to achieve because land values are so high: providing affordable homes below the market rent or purchase price means that they need to be subsidised in some way, either by the state or by other organisations. Another way to create more affordable homes is to allow for homes smaller than the current space standards (discussed above).

At the moment, housing below market rent in the CAZ is provided through a number of different mechanisms:

- **Social housing** provided by local authorities and housing associations – this accounts for just under one-third of homes in the CAZ (see Chapter 1).
- **Affordable housing** provided by developers as part of larger housebuilding projects under s106 legislation.
- **Free or subsidised housing** provided by charities or social purpose organisations in buildings they own for their beneficiary groups.
- **Live/work accommodation** provided by organisations for their employees or volunteers.

While local authorities were able to build considerable amounts of social housing in the CAZ from the 1930s to the 1960s, it is unlikely that they will be able to build much more – partly because land in certain parts of the CAZ has become considerably more expensive in real terms, and partly because local authorities now have less power and financial resource to build homes than they once did.[71] There may be some scope for local authorities to buy up unoccupied commercial properties to turn into housing. But this will generally be higher risk – and given the time it takes to create usable homes, it is unlikely to happen at scale. However, in a scenario in which the value of some types of CAZ commercial property sees a sustained fall following the pandemic, the Mayor should explore options to deploy his affordable housing budget towards such conversions.

Creating more housing through conversions in the CAZ is more likely to happen through partnerships between local authorities and private companies – with local authorities in the role of convenors and placemakers rather than developers or providers. This could include:

- **"Patient capital" build-to-rent developments:** Rents from relatively modest homes yield a lower short-term return than other forms of investment, but the return may be more reliable than other properties, and void periods may be shorter. This may be attractive to investors such as pension funds that have high capital availability and are looking for multi-decade returns. For example, Legal and General have a £2bn build-to-rent portfolio, including some inner London properties.[72]

- **Impact or social return investments:** Some investors may see investment in certain types of housing as a way to generate a commercial return as well as social gain. For example, Big Society Capital fund housing for women who have experienced domestic violence, and for people who have been homeless.[73] Some investors think that "general needs" social housing could also be a target for impact investors.[74]

- **Public-private partnerships** where developers build on land owned by the local authority (or other public sector organisation) that is no longer used for its original purpose, repaying the investment through rental returns rather than upfront cash.

- **Large regeneration projects** where local authorities use Compulsory Purchase Order powers to bring forward land for mixed-use redevelopment, requiring developers to produce affordable housing as part of this.

All these methods of bringing forward affordable housing are high in cost – at least at the outset – and some have caused significant controversy when used in the past. But it seems possible that more schemes like them may emerge in the next few years. Investors are increasingly interested in long-term build-to-rent residential property investment, and changing use patterns in the CAZ as a result of the pandemic may make this more attractive for some investors.

Public and resident engagement with decisions about housing in the CAZ

Resident engagement has often been challenging, with some high-profile and protracted debates between councils and residents about the best ways to balance their needs with those of businesses. This challenge is of course not unique to the CAZ, but the CAZ has certain characteristics which intensify it:

- **Business density:** There is a higher ratio of businesses to residents in the CAZ than in most other parts of the country, and many of these are nightlife businesses – so there is more scope for conflict.

- **Historic value:** The CAZ has many listed buildings and other sites of historical significance which are rightly protected. However, this protection can sometimes make it harder to enact changes that address residents' and businesses' concerns.

- **High public profile:** Many parts of central London are nationally and internationally famous, so disputes get more press attention than they would elsewhere. Since the press tend to seek conflict, this can escalate situations and make them harder to resolve.

- **Disparities of wealth and power:** By no means everyone who lives in the CAZ is wealthy, but some people are very wealthy indeed. This means it is often easier for them to make their voices heard than for others who live, work or socialise in the area.

- **Population transience:** Many people who live in the CAZ are there for only a short period – particularly students and young workers. This is often the right choice for individuals, but makes it harder for local authorities to build the connections that sustain high-quality resident engagement.

The principles of good engagement that apply in other local authority areas also apply in the CAZ: these include engaging early in the process and making a particular effort to reach groups who are heard less often. Centre for London's Public Planning Manifesto provides more detail on how we can make this work in practice across our city. The Agent of Change principle (described above) is particularly important in the CAZ, and it is right that residents of new developments should not be able to stop the operation of longstanding night-time economy businesses. But it is also right that businesses and residents are both consulted on how their area operates, as well as on potential changes. Residents of individual streets or blocks will sometimes have suggestions on how to manage conflicting uses that improve outcomes for everyone in the area.

Engaging with different stakeholder groups is especially important given the nature of the CAZ population. In particular, it is important for local authorities and developers to make a special effort to engage with lower-income residents, including renters and residents of social housing. British rent regulations mean that guaranteed long-term private rental contracts are rare in the CAZ (and elsewhere) – and many people in the CAZ choose to live there only for a relatively short period. They will often have moved on before development projects have been completed, and as a result both renters and local authorities may feel that there is little point in them getting involved in the decision-making process. Nonetheless, they are experts in their local area and will have needs and perspectives that differ from property owners and businesses – so it makes sense for local authorities to engage with them as much as possible.

Appendix

Methodology notes

The CAZ and NIOD constitute non-standard geographies, and as such no official statistics are produced on their populations or characteristics. Data must therefore be created for these areas by aggregating from smaller geographies.

In this report we refer to the CAZ in two different ways, according to the data available to describe the area:

1. The CAZ: Made up of LSOAs covering the central CAZ area and the NIOD (Northern Isle of Dogs: the area which includes Canary Wharf).

2. The CAZ10: The 10 boroughs that include some portion of the CAZ (Camden, City of London, Hackney, Islington, Kensington & Chelsea, Lambeth, Southwark, Tower Hamlets, Wandsworth, and Westminster).

In both cases – and for consistency with our previous Core Values report – the area reported on includes the Northern Isle of Dogs. However, the focus of this report's recommendations on housing is the central CAZ excluding the Northern Isle of Dogs.

This report uses Lower Super Output Areas (LSOAs) and Major Super Output Areas (MSOAs). Business Register and Employment Survey (BRES) data and population data are available at the LSOA level, while IDBR data are available at the MSOA level.

Centre for London downloaded and analysed data from BRES to map employment density. Employment data was used rather than employee data, since the former include both employees and working owners. The data include full-time, part-time and self-employed workers as long as they are registered for VAT or Pay-As-You-Earn (PAYE) schemes. Working owners are typically sole traders, sole proprietors or partners who receive a profit share.

Centre for London also downloaded and analysed data extracted from the Inter-Departmental Business Register (IDBR), which records the number of local units that were live in March of the year that data were collected. Estimates are broken down by detailed industry. A local unit is defined as an individual site (for example, a shop) associated with an enterprise. It can also be referred to as a workplace, and there can be multiple units operating under the same enterprise (for example, multiple shops of one supermarket chain).

The method used to define the CAZ and NIOD area had two stages. LSOAs were allocated to the CAZ and NIOD if 0.5 or more of their total area fell within the London Plan area boundaries when modelled. MSOAs were then derived from the formulated list of LSOAs.

The CAZ and NIOD boundaries displayed on the maps are intended for illustrative purposes only.

LSOA11CD

1. E01000001 2. E01000002 3. E01000003 4. E01000005 5. E01000850
6. E01000851 7. E01000852 8. E01000853 9. E01000854 10. E01000855
11. E01000914 12. E01000915 13. E01000916 14. E01000917 15. E01000918
16. E01000919 17. E01000920 18. E01000936 19. E01000937 20. E01000938
21. E01000939 22. E01000940 23. E01000941 24. E01000942 25. E01000943
26. E01000945 27. E01000946 28. E01000953 29. E01000954 30. E01000956
31. E01002701 32. E01002702 33. E01002703 34. E01002704 35. E01002706
36. E01002707 37. E01002723 38. E01002724 39. E01002725 40. E01002726
41. E01002727 42. E01002728 43. E01002729 44. E01002819 45. E01002824
46. E01002826 47. E01003013 48. E01003014 49. E01003016 50. E01003017
51. E01003109 52. E01003112 53. E01003927 54. E01003929 55. E01003930
56. E01003932 57. E01003933 58. E01003934 59. E01003935 60. E01003936
61. E01003937 62. E01003938 63. E01003939 64. E01003940 65. E01003941
66. E01003942 67. E01003943 68. E01003960 69. E01003981 70. E01004027
71. E01004221 72. E01004255 73. E01004256 74. E01004258 75. E01004277
76. E01004293 77. E01004294 78. E01004307 79. E01004310 80. E01004562
81. E01004657 82. E01004658 83. E01004660 84. E01004661 85. E01004662
86. E01004663 87. E01004665 88. E01004668 89. E01004669 90. E01004681
91. E01004688 92. E01004689 93. E01004691 94. E01004692 95. E01004712
96. E01004713 97. E01004714 98. E01004715 99. E01004716 100. E01004717
101. E01004727 102. E01004730 103. E01004731 104. E01004732
105. E01004733 106. E01004734 107. E01004735 108. E01004736 109. E01004737
110. E01004738 111. E01004739 112. E01004740 113. E01004741 114. E01004742
115. E01004743 116. E01004744 117. E01004745 118. E01004746 119. E01004747
120. E01004748 121. E01004749 122. E01004750 123. E01004751 124. E01004752
125. E01004753 126. E01004761 127. E01004762 128. E01004763 129. E01004765
130. E01032582 131. E01032583 132. E01032584 133. E01032637 134. E01032639
135. E01032640 136. E01032646 137. E01032719 138. E01032720 139. E01032722
140. E01032739 141. E01032740 142. E01032766 143. E01032767 144. E01032770
145. E01032771 146. E01032772 147. E01032773 148. E01032776 149. E01032779
150. E01032780 151. E01032781 152. E01032782 153. E01032803 154. E01032834
155. E01033132 156. E01033208 157. E01033489 158. E01033490 159. E01033593
160. E01033594 161. E01033595 162. E01033596 163. E01033597 164. E01033599
165. E01033708 166. E01033711

Endnotes

1. Mayor of London (2021). Strategic evidence to support London borough Article 4 Directions (commercial to residential). London: Greater London Authority. Retrieved from: https://www.london.gov.uk/sites/default/files/strategic_evidence_to_support_commercial_to_residential_article_4s_in_london_july_2021_final_report.pdf
2. GLA (2014). Daytime Population, Borough. Retrieved from: https://data.gov.uk/dataset/e5d68055-6084-40de-9b95-fcb726158c94/ daytime-population-borough
3. London and Partners (2017). A Tourism Vision for London. Retrieved from: https://files.londonandpartners.com/l-and-p/assets/london_tourism_vision_aug_2017.pdf
4. Jan, A., & Frebault, V. (2019). The West End: An economic ecosystem. London Ideas, Issue 3 (2019), 20-22. London: Centre for London. Retrieved from: https://www.centreforlondon.org/wp-content/uploads/2019/11/London-Ideas_Issue-3_Digital.pdf
5. GLA (2017). London Office Policy Review 2017. Retrieved from: https://www.london.gov.uk/sites/default/files/london_office_policy_review_2017_final_17_06_07.pdf

6 Arup, Gerald Eve, & LSE (2021). The Economic Future of the Central Activities Zone (CAZ): Phase 2 Final Report. Retrieved from: https://www.london.gov.uk/sites/default/files/caz_economic_future_phase_2_report.pdf

7 GLA Economics (2020). Lost worker vs. tourism expenditure in the Central Activities Zone (CAZ). Retrieved from: https://data.london.gov.uk/dataset/lost-worker-tourism-expenditure-caz

8 Arup, Gerald Eve, & LSE (2021). The Economic Future of the Central Activities Zone (CAZ): Phase 1 Report. Retrieved from: https://www.london.gov.uk/sites/default/files/future_of_the_central_activities_zone.pdf

9 Nomis (2021). Population estimates – small area based by single year of age – England and Wales. Retrieved from: https://www.nomisweb.co.uk/datasets/pestsyoaoa

10 See Office for National Statistics (2011). Standard Area Measurements for 2011 Census Areas in England and Wales. Retrieved from: https://geoportal.statistics.gov.uk/datasets/5a94044d113a4bd5bd895975d6612b05/about; and Nomis (2021). Population estimates – small area based by single year of age – England and Wales. Retrieved from: https://www.nomisweb.co.uk/datasets/pestsyoaoa

11 GLA (2016). London Plan Density Research: Lessons from higher density development. Retrieved from: https://www.london.gov.uk/sites/default/files/project_2_3_lessons_from_higher_density_development.pdf

12 Nomis (2021). Population estimates – small area based by single year of age – England and Wales. Retrieved from: https://www.nomisweb.co.uk/datasets/pestsyoaoa

13 See Office for National Statistics (2011). Standard Area Measurements for 2011 Census Areas in England and Wales. Retrieved from: https://geoportal.statistics.gov.uk/datasets/5a94044d113a4bd5bd895975d6612b05/about; Nomis (2020). Business Register and Employment Survey. Retrieved from: https://www.nomisweb.co.uk/datasets/newbres6pub; and Nomis (2021). UK Business Counts – local units by industry and employment size band. Retrieved from: https://www.nomisweb.co.uk/datasets/idbrlu
14 Mayor of London (2021). Strategic evidence to support London borough Article 4 Directions (commercial to residential). London: Greater London Authority. Retrieved from: https://www.london.gov.uk/sites/default/files/strategic_evidence_to_support_commercial_to_residential_article_4s_in_london_july_2021_final_report.pdf
15 Nomis (2021). UK Business Counts – local units by industry and employment size band. Retrieved from: https://www.nomisweb.co.uk/datasets/idbrlu
16 Ibid.
17 Mayor of London (2021). Strategic evidence to support London borough Article 4 Directions (commercial to residential). London: Greater London Authority. Retrieved from: https://www.london.gov.uk/sites/default/files/strategic_evidence_to_support_commercial_to_residential_article_4s_in_london_july_2021_final_report.pdf
18 Department for Levelling Up, Housing and Communities and Ministry of Housing, Communities & Local Government (2022). Live tables on dwelling stock (including vacants): Table 100. Retrieved from: https://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacants
19 Office for National Statistics (2021). Housing tenure of households. Retrieved from: https://data.london.gov.uk/dataset/housing-tenure-borough
20 London Datastore (2021). Housing in London 2021 tables. Retrieved from: https://data.london.gov.uk/dataset/housing-london
21 Arup, Gerald Eve, & LSE (2021). The Economic Future of the Central Activities Zone (CAZ): Phase 2 Final Report. Retrieved from: https://www.london.gov.uk/sites/default/files/caz_economic_future_phase_2_report.pdf
22 Centre for London (2021). Community Town Centres. Retrieved from: https://www.centreforlondon.org/publication/town-centres/
23 Reuters (2021, September 27). Shoppers in central London up 6.5% as workers return to offices – Springboard. Reuters.com. Retrieved from: https://www.reuters.com/business/retail-consumer/shoppers-central-london-up-65-workers-return-offices-springboard-2021-09-27/
24 Brignall, M. (2021, July 4). John Lewis plans to build 10,000 rental homes on its land. The Guardian. Retrieved from: https://www.theguardian.com/business/2021/jul/04/john-lewis-plans-to-build-10000-rental-homes-on-its-land-waitrose
25 Transport for London (2021). Travel in London: Report 14. Retrieved from: https://content.tfl.gov.uk/travel-in-london-report-14.pdf
26 Ibid.
27 Centre for London & London Property Alliance (2021). Global Cities Survey. Retrieved from: https://www.londonpropertyalliance.com/global-cities-survey/
28 CIPD (2021, September 30). Planning for Hybrid Working. Retrieved from: https://www.cipd.co.uk/knowledge/fundamentals/relations/flexible-working/planning-hybrid-working#gref
29 Office for National Statistics (2021). Opinions and Lifestyle Survey. Retrieved from: https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/articles/businessandindividualattitudestowardsthefutureofhomeworkinguk/apriltomay2021#future-remote-working-practices

30 Arup (2021). Phase 2 final report: Scenario development, model findings, and policy recommendations. Retrieved from: https://www.london.gov.uk/sites/default/files/caz_economic_future_phase_2_report.pdf
31 Thomas, D. (2021). UK managers plan slow return to office as Covid concerns remain. Financial Times. Retrieved from: https://www.ft.com/content/e0c6e4f7-4d5d-477d-9ac7-fc74e8391075
32 Gerald Eve (2021). London Markets November 2021. Retrieved from: https://www.geraldeve.com/wp-content/uploads/2021/11/London-Markets_NOVEMBER-2021.pdf
33 HM Government (2015). The Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015. Retrieved from: https://www.legislation.gov.uk/uksi/2015/962/contents/made
34 HM Government (2013). The Town and Country Planning (General Permitted Development) (Amendment) (England) Order 2013. Retrieved from: https://www.legislation.gov.uk/uksi/2013/1101/pdfs/uksi_20131101_en.pdf
35 RICS (2018). Assessing the impacts of extending permitted development rights to office-to-residential change of use in England. Retrieved from: https://www.rics.org/globalassets/rics-website/media/knowledge/research/research-reports/assessing-the-impacts-of-extending-permitted-development-rights-to-office-to-residential-change-of-use-in-england-rics.pdf
36 See House of Commons (2021, June 4). Planning in England: permitted development and change of use. Retrieved from: https://commonslibrary.parliament.uk/research-briefings/sn00485/; and Department for Communities and Local Government (2015). Technical housing standards – nationally described space standard. Retrieved from: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1012976/160519_Nationally_Described_Space_Standard.pdf
37 HM Government (2020). The Town and Country Planning (Permitted Development and Miscellaneous Amendments) (England) (Coronavirus) Regulations 2020. Retrieved from: https://www.legislation.gov.uk/uksi/2020/632/pdfs/uksiem_20200632_en.pdf
38 Mayor of London (2013). Permitted development rights for change of use from commercial to residential: Request for exemption for London's nationally important office locations. Retrieved from: https://www.london.gov.uk/sites/default/files/gla_migrate_files_destination/2.%20Mayor%20exemption%20request%20for%20nationally%20important%20office%20locations.pdf
39 Mayor of London (2021). Strategic evidence to support London borough Article 4 Directions (commercial to residential). London: Greater London Authority. Retrieved from: https://www.london.gov.uk/sites/default/files/strategic_evidence_to_support_commercial_to_residential_article_4s_in_london_july_2021_final_report.pdf
40 Ministry for Housing, Communities & Local Government (2021). National Planning Policy Framework. Retrieved from: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1005759/NPPF_July_2021.pdf
41 Gerald Eve analysis of COSTAR data.
42 Gerald Eve analysis of COSTAR data, December 2021.
43 Thomas Forth (2022). Population Rings. Retrieved from: https://www.tomforth.co.uk/ringpopulations/
44 For data for select cities other than London, see Greater London Authority (2016). London Plan Density Research: Lessons from higher density development. Retrieved from: https://www.london.gov.uk/sites/default/files/project_2_3_lessons_from_higher_density_development.pdf; for data for the CAZ10 boroughs and other London boroughs, see ONS (2020). Population estimates – small area based by single year of age – England and Wales. Retrieved from: https://www.nomisweb.co.uk/datasets/pestsyoaoa

45 London Datastore (2011). Land Area and Population Density, Ward and Borough. Retrieved from: https://data.london.gov.uk/dataset/land-area-and-population-density-ward-and-borough
46 Nomis (2021). Population estimates – small area based by single year of age – England and Wales. Retrieved from: https://www.nomisweb.co.uk/datasets/pestsyoaoa
47 Willsher, K. (2021, January 10). Paris agrees to turn Champs-Élysées into 'extraordinary garden'. The Guardian. Retrieved from: https://www.theguardian.com/world/2021/jan/10/paris-approves-plan-to-turn-champs-elysees-into-extraordinary-garden-anne-hidalgo
48 Modijefsky, M. (2020, September 10). Paris pedestrianises school areas at the start of the new school year. Eltis. Retrieved from: https://www.eltis.org/in-brief/news/paris-pedestrianises-school-areas-start-new-school-year
49 BBC (2021, May 14). Paris seeks to ban through traffic in city centre by 2022. BBC News. Retrieved from: https://www.bbc.co.uk/news/world-europe-57109733
50 European Commission (2022). Household composition statistics. Retrieved from: https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Household_composition_statistics&stable=0&redirect=no#Relative_differences_in_households_for_men_and_women.2C_young_people_and_seniors
51 Savage, M. (2019, August 21). Why so many young Swedes live alone. BBC.com. Retrieved from: https://www.bbc.com/worklife/article/20190821-why-so-many-young-swedes-live-alone
52 For examples see Miskiw, S. (2021). Co-living in Stockholm: make friends quickly in your new home. Visit Stockholm. https://www.visitstockholm.com/live-work/your-life-stockholm/co-living-in-stockholm-i-wish-this-was-my-starting-point/
53 Hong Kong Special Administrative Region Government (2016). Hong Kong: The Facts. Retrieved from: https://www.gov.hk/en/about/abouthk/factsheets/docs/population.pdf
54 See Office for National Statistics (2011). Standard Area Measurements for 2011 Census Areas in England and Wales. Retrieved from: https://geoportal.statistics.gov.uk/datasets/5a94044d113a4bd5bd895975d6612b05/about; and Nomis (2021). Population estimates – small area based by single year of age – England and Wales. Retrieved from: https://www.nomisweb.co.uk/datasets/pestsyoaoa
55 Hong Kong Special Administrative Region Government (2016). By-census Results. Retrieved from: https://www.bycensus2016.gov.hk/en/bc-mt.html
56 Prasso, S., & Kwan, S. (2021, November 9). Why Hong Kong Is Building Apartments the Size of Parking Spaces. Bloomberg CityLab. Retrieved from: https://www.bloomberg.com/news/features/2021-11-09/the-design-history-of-hong-kong-s-microflat-homes
57 Riordan, P., Ho-him, C., & Creery, C. (2021). Hong Kong's property barons set to benefit from affordable housing drive. Financial Times. Retrieved from: https://www.ft.com/content/e5fd7583-024a-4d81-b14e-afa5c0969384
58 Mayor of London (2021). The London Plan: The Spatial Development Strategy for Greater London. Retrieved from: https://www.london.gov.uk/sites/default/files/the_london_plan_2021.pdf
59 Office for National Statistics (2021). Perceptions of public safety and experiences of harassment, Great Britain: 7 to 27 June 2021. Retrieved from: https://www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/bulletins/perceptionsofpersonalsafetyandexperiencesofharassmentgreatbritain/2to27june2021#perceptions-of-personal-safety

60 Office for National Statistics (2021). Perceptions of personal safety and experiences of harassment, Great Britain. Retrieved from: https://www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/datasets/perceptionsofpersonalsafetyandexperiencesofharassmentgreatbritain
61 UCL (2017). Refurbishment & Demolition of Housing: Lifespans & Decisions Factsheet. Retrieved from: https://www.ucl.ac.uk/engineering-exchange/sites/engineering_exchange/files/fact-sheet-lifespan-and-decisions-social-housing.pdf
62 Dunton, J. (2022). City of London backs Stiff & Trevillion student housing. Building Design. Retrieved from: https://www.bdonline.co.uk/news/city-of-london-backs-stiff-and-trevillion-student-housing/5115894.article
63 City of London (2021). Planning officers' report for 61-65 Holborn Viaduct London EC1A 2FD. Retrieved from: https://democracy.cityoflondon.gov.uk/documents/s165513/Item%204%20-%20 21-00781-FULMAJ%20COMMITTEE%20REPORT.pdf
64 Ing, W. (2021). M&S's Oxford Street store to be demolished under Pilbrow & Partners plans. Architects' Journal. Retrieved from: https://www.architectsjournal.co.uk/news/mss-oxford-street-store-to-be-demolished-under-pilbrow-partners-plans
65 Hahn, J. (2021). Controversial M&S Oxford Street demolition "offers tangible and substantial carbon benefits" claims architect. Dezeen. Retrieved from: https://www.dezeen.com/2021/12/17/m-and-s-oxford-street-demolition-fred-pilbrow/
66 LexisNexis (2022). Rights of light – overview. Retrieved from: https://www.lexisnexis.com/uk/lexispsl/property/document/393788/59W4-TG21-F18C-40YW-00000-00/Rights_of_light_overview
67 LSE (2014). Cities and Energy: Urban Morphology and Heat Energy Demand. Retrieved from: https://www.lse.ac.uk/cities/publications/research-reports/Cities-and-Energy
68 Centre for London (2020, August 12). London: A place for older people to call home. Retrieved from: https://www.centreforlondon.org/reader/older-londoners-housing/#who-are-older-londoners-and-wheredo-they-live
69 Centre for London (2021, February 23). Third Age City: Housing for older Londoners. London: Centre for London. Retrieved from: https://www.centreforlondon.org/publication/third-age-city/
70 Bratu, C., Harjunen, O., & Saarimaa, T. (2021). "City-wide effects of new housing supply: Evidence from moving chains," Working Papers 146, VATT Institute for Economic Research. Retrieved from: https://ideas.repec.org/p/fer/wpaper/146.html
71 Local Government Association (2019). The future of council housing. Retrieved from: https://www.local.gov.uk/topics/housing-and-planning/council-housing-100/future-council-housing
72 Legal & General (2022). Build to Rent. Retrieved from: https://www.legalandgeneral.com/institutional/real-assets/investment-solutions/real-estate-equity/specialist-funds/build-to-rent/
73 Big Society Capital (2022). Social and affordable housing. Retrieved from: https://bigsocietycapital.com/our-approach/social-and-affordable-housing/
74 Impact Investing Institute (2021). Impact Investing Institute, Property Funds Research, Homes England and the Investment Property Forum launch ground-breaking report on social housing investment. [Press release.] Retrieved from: https://www.impactinvest.org.uk/press-release-impact-investing-institute-property-funds-research-homes-england-and-the-investment-property-forum-launch-ground-breaking-report-on-social-housing-investment/

Published by:
Centre for London 2022

32 - 33 Hatton Garden
London , EC1N 8DL
T: 020 3757 5555
hello@centreforlondon.org
centreforlondon.org
Company Number: 8414909
Charity Number: 1151435

About Centre for London

We are London's think tank.

Our mission is to develop new solutions to London's critical challenges and advocate for a fair and prosperous global city.

We are a politically independent charity.

We help national and London policymakers think beyond the next election and plan for the future.

We have ideas with impact.

Through research, analysis and events we generate bold and creative solutions that improve the city we share.

We believe in the power of collaboration.

We bring together people from different parts of the city - with a range of experience and expertise - to develop new ideas and implement them.

As a charity we rely on the support of our funders.

Our work is funded by a mixture of organisations and individuals who share our vision for a better London.

Find out more at **centreforlondon.org**