

What the property industry wants from **the new mayor**

■ As London prepares to welcome a new mayor this May, eight experts from across the property industry reveal the policies they would like to see at the top of the new incumbent's list of priorities



Bjorn Hobart
Partner, Tritax

For London to keep its position as a major global city and to drive further inward investment and sustainable economic growth, it needs to adapt to businesses' changing requirements, which are continuously challenged by the knowledge economy, specifically e-commerce.

For the logistics sector, this is typically achieved through a combination of property development and infrastructure investment. The mayor should help ensure London remains open-minded towards innovative urban logistics facilities in densely populated high-land-value areas, such as those that

have succeeded in Tokyo, Japan. These are often contentious in London but crucial to continue to effectively distribute goods in and around London from large logistics facilities. Fundamental to this is the delivery of a diverse land-use strategy while driving a more flexible, less arbitrary local authority planning policy for brownfield development.

Development is meaningless without the adequate supply of human resources from broad socio-economic backgrounds to fulfil the increasing job numbers, primarily addressed through the effective delivery of housing and infrastructure.

However, the focus should also be on improving the connectivity of London, for people and goods, to and from the rest of the country and abroad via projects such as HS2 and a third runway at Heathrow. These would help ease the pressure on housing and the supply of skills in London to meet the demands of a growing economy.



Richard Jackson
Co-founder and MD, Apache Capital Partners

History is defined and shaped not just by its people and events but also by the architecture of that time. It is the latter, especially in London, that remains a prominent and everlasting monument to our rich history.

At the very heart of our diverse demographic, economic, political and social culture remains our built landscape. The future London mayor must balance development profitability and viability alongside council requirements, s106, CIL and other contributions that conflict.

The mayor should give more direction and encourage more effective recognition of and flexibility for those developers/funders who focus on the quality of building and the level of service they lend both to their occupants and the wider community over the short and longer term. To meet the demands of London's population and economic growth, coupled with restricted land supply, the London mayor also has to progressively encourage taller buildings, especially in central London.

The public consultation process needs more robust parameters to limit the unnecessary influence of the noise of those who fundamentally disagree with any form of development - no matter what its benefits - versus those who are genuinely adversely affected unreasonably by potential schemes.



Andy Portlock
CEO, Hadley Property Group

The renewed focus on planning reform in 2015 was a welcome boost for the building industry, but further simplification of the planning system is needed to provide a vital lifeline to the property industry. The continued, yet carefully considered, relaxation of red tape would be a welcome helping hand from the new London mayor to boost housebuilding momentum.

This, combined with the release of public land for development, is crucial if we are to continue to breathe life into London's housebuilding market and ensure we provide much-needed

new homes for Londoners. Equally, while the mayor's support to help us deliver homes remains a key requirement, closing the door on investors is not the answer to our housing crisis.

The mayor needs to refrain from over-zealous actions that discourage the market, at both ends of the pricing spectrum. We want to see the new mayor working in close partnership with the property industry to find strategic, viable solutions that will see not just new homes, but the creation of thriving new communities across the city, through a holistic, mixed-use approach to development.

This, along with a robust approach to traffic and transport in the capital, is needed to ensure fundamental infrastructure is in place to support such growth.



Rob Samuel
President, City Property Association (CPA) and head of office development, British Land

The CPA and our sister organisation, WPA, have set out a series of 25 policy recommendations that we consider vital to securing London's position as a leading global city. We fully recognise the importance and urgency of new homes, but we will only create other problems if there is not a cohesive plan to balance a wide range of housing, along with workplaces, across the capital.

We feel this can be achieved by taking a strategic and integrated view of London's housing and workplace needs and increasing intensification, in particular around transport hubs. Crossrail 2 and other transport schemes will play a significant role as

improved connectivity drives development. But let's be innovative and encourage boroughs to 'bid' for stations by proposing schemes that maximise density for efficient housing and mixed-use schemes around these. We need the new mayor to co-ordinate and back new training schemes, including apprenticeships, to help address an acute skills shortage.

Our joint manifesto also calls for wholesale infrastructure improvements across London, particularly in broadband accessibility, energy and water, to maintain the city's magnetism for international business. Population projections and employment growth will see benefits continue to ripple out, but only if we continue to safeguard and enhance the capital's very own economic powerhouse, and that's the centre of our great city.





Mark O'Callaghan
Co-founder,
Echlin

A positive move would be for the new mayor to vary the controls

on the size and number of dwellings within new developments. Boroughs have certain requirements or shortages that they require developers to address in their planning applications. This, however, can result in unfeasible developments where the micro-market, the street, the area and so on won't support the units delivered. For example, the capital value of a three-bed flat on an average

street in Hackney could be £1m-plus, which would not appeal to the majority of families who live there. Slower sales of larger apartments suggest smaller and more affordable units are in greater demand.

We believe the new mayor should look at under-utilised green spaces in London (47% of central London is green) and how they can be used more creatively. They should also look to build more tunnels and more 'openable' bridges and find other ways to cross the river.

Finally, the new mayor should offer more apprenticeships and encourage young talent into the construction industry. This will help address the construction skills shortage.



Mark Bladon
Member of the
new business
team, Investec
Structured
Property
Finance

For us, the most important thing for the London mayor to focus on is stability.

While homeowners are happy to see rapid house-price inflation, for those of us involved in financing the market it is a mixed blessing as periodic downturns will always follow. For us, low or even zero house-price inflation is better than rapid growth, as it means developers should still get the return profile they

expect, without being exposed to large asset value corrections.

We would also like to see the mayor lobby against sweeping, unexpected changes to the sector. We have already seen an impact on overseas and buy-to-let investors' appetite in the residential market as a result of the changes to stamp duty. This is unhelpful when assessing new lending proposals.

Finally, we have a new regulatory landscape, which has not diminished international clients' willingness to use London's banks. The mayor should promote the message that the City is a critical part of the economy and has learned the lessons of the previous few years.



Richard Everett
Estate
manager,
Sloane Stanley

The property industry can only respond to what the mayor proposes and disposes, and if that is done correctly, the industry will respond positively.

Housing will be a big part of any mayorality and the only effective long-term solution is to increase supply. The sites are there and the opportunity is to work with the industry to provide homes on them.

The other elephant is infrastructure. London is one of the few truly great

international cities and we cannot afford to throw that away. The lack of airport capacity needs to be addressed and transport improved through projects such as Crossrail 2.

At the local level, the mayorality is about ensuring that the parochial does not override the needs of the city as a whole, and about providing the vision, guidance and support to councils to help them through what can be controversial decisions.

The success of London is often taken as a cause for embarrassment, not celebration. The new mayor should have no doubt that a thriving city will be their best legacy and that the property industry can and will play a major role.



Paul Cook
MD,
Dukelease
Properties

There are a number of major transport and infrastructure proposals on the table that are pivotal in shaping the capital's future.

Promoting early decisions on such projects as Crossrail 2 and the expansion of London's airport hub will be key to progressing growth and developer decision-making in the short to medium term.

Similarly, policies addressing the decongestion of roads should be

firmly on the agenda and promoted as a priority. Both pedestrian and vehicle traffic within central London is growing but its streets are not. New and improved transport connections are set to significantly increase the number of people moving through the city. Crossrail alone is expected to triple the number of people travelling through its three most central stations - Bond Street, Tottenham Court Road and Farringdon - with around 750,000 people moving through them every hour. It is important to consider in advance how the existing street networks are going to manage this increased capacity.

