Office space race could hurt jobs

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The Mayor should oppose planning changes which could hurt London jobs and the wider economy.

A motion agreed by the London Assembly **today** warned that jobs could be lost if the Government continues to allow planning permission rules to be bypassed, to allow office space to be converted into housing.

The Assembly called on the Mayor to use his influence to amend the rules to protect jobs.

Nicky Gavron AM, who proposed the motion said:

"It is completely reckless to allow property owners to convert offices and other workspaces into flats almost overnight without the need for planning permission. Yes, we need more housing but this approach will lead to the wrong types of homes in the wrong places and makes no requirement of developers to contribute any affordable housing. To add insult to injury, the converted housing does not have to meet affordability, environmental, or disability standards set by local authorities.

Affordable workspace will take a huge hit, with businesses that are not evicted finding their rents being raised, having a detrimental impact on both start-ups and small businesses. Where will the Tech Cities of the future emerge?"

The full text of the Motion is:

This Assembly calls on the Mayor of London to lobby the Government to reverse its decision that the temporary rule allowing property owners to convert offices and other workspaces into flats almost overnight, without the need for planning permission, will be made permanent.

The temporary policy has already been an unmitigated disaster for outer London, where over 320 fully occupied office buildings have been earmarked for conversions. Richmond-upon-Thames, for example, has lost 20 per cent of its office space, displacing 3,150 local job. Where owners do not convert, the hope value on all commercial and light industrial premises provides an incentive to drive up rents, squeezing out even more affordable workspace. The migration of jobs outside of local authorities and beyond is particularly concerning in light of plans to allow local authorities to keep increased business rate revenues. The converted housing will not be affordable and is not required to meet environmental or disability standards set by local authorities.

The extended policy will be even more damaging to London's economy. The exemption currently enjoyed by limited parts of central London will expire in 2019. Boroughs will be able to impose Article 4 directions to suspend the permitted development rights, but this is a cumbersome process which can result in councils being subject to compensation claims by property owners and can be vetoed by the Secretary of State against the councils' wishes.

In addition, under the new rules, developers will be able to demolish office buildings and build new residential buildings in their place, further undermining the ability of local authorities to plan for development.

This Assembly recognises that some areas may have a surplus of office space, but the existing planning system already gives local authorities the tools to allow conversions where appropriate.

Given his statutory planning function in London, this Assembly calls on the Mayor to lobby the Government to withdraw its proposals regarding Permitted Development Rights in the capital.

Notes to editors:

1. The motion was agreed unanimously.
2. The full webcast will be available here shortly.
3. **Nicky Gavron AM** who proposed the motion is available for interviews. Please see contact details below.
4. As well as investigating issues that matter to Londoners, the London Assembly acts as a check and a balance on the Mayor.

For media enquiries, please contact Ash Singleton on 020 7983 5769. For out of hours media enquiries, call 020 7983 4000 and ask for the London Assembly duty press officer. Non-media enquiries should be directed to the Public Liaison Unit on 020 7983 4100.

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