



London's New Centre London First's Green Paper for East London

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The Olympic Games have the potential to be much more than a localised regeneration initiative around the Olympic Park. The Games should be a catalyst for tackling the decades of underinvestment in the whole of the East End. However the current economic slowdown makes realising this potential a greater challenge than when the Games were first won by London. Success will require an international effort to attract investment, with the public and private sectors coming together to seize the opportunity.

This green paper represents London First's preliminary thoughts on steps to regenerate East London. It sets out a vision for legacy, businesses' views on the different ways investment can be encouraged and concludes with a series of criteria which the public sector must meet if the private sector is to deliver. It incorporates the views of London First members consulted over the summer as to how the capital can secure the Games' legacy.

We welcome further contributions to policymaking in response to this document.

Our criteria for success:

1. **Strong leadership by the Mayor of London** is needed to forge a common vision for what the Olympics can do for the East End, developed and agreed with the area's multiple stakeholders, and with business. There must also be similar, strong leadership at agency level.
2. **A common vision** of what east London aspires to become must be the starting point for delivery, with the London Development Agency's Strategic Regeneration Framework (SRF) and Legacy Masterplan Framework (LMF) flowing from this.
3. **Infrastructure** to support communities is essential to underpin the SRF and LMF objectives for the whole of the Lower Lea Valley.
4. A one stop shop, providing information and delivering decisions, is needed, to **encourage potential private sector investment**.
5. To realise the potential of the 2012 Games as a catalyst for regeneration in east London we must **act now**.

London First is a business membership organisation whose mission is to make London the best city in the world in which to do business. London First mobilises the experience, expertise and enthusiasm of the private sector to develop practical solutions to the challenges facing London, and seeks to persuade central and London government to make the investments that London needs in its infrastructure.

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East London opportunity

In preparation for the 2012 Olympic Games, £9 billion of public money is being ploughed into a site in Stratford, east London. Much of this investment will have a long lasting effect – land will be cleared, infrastructure created, waterways brought back into use and Olympic facilities, including future homes, built. This represents long overdue regeneration in one of the country's most deprived areas.

East London is an area of stark contrasts. The financial centres of the City and Canary Wharf are home to hundreds of thousands of jobs, the headquarters of some of the world's leading companies, and provide the backbone of the UK's economy. In comparison, the boroughs surrounding the Olympic Park in the Lower Lea Valley, once the home of heavy industry, have had a recent history of industrial decline and a lack of investment. The majority of the housing stock is low grade. Land ownership surrounding the Park is fragmented, much is contaminated from its industrial past and that which is occupied is often under used. As a result, the Lower Lea Valley is home to communities who suffer associated social burdens: high unemployment, low wages and life expectancy.

The Olympic Games have the potential to be much more than a localised regeneration initiative around the Olympic Park. The Games should be a catalyst for tackling the decades of underinvestment in the whole of the East End. But this potential will only be realised if the public and private sectors come together to seize the opportunity.

Attention

Up to and through the Games there will be a global focus on the Olympic site and its environs. This represents a one-off opportunity: to leverage international awareness into action and investment in the East End.

Assets

The regeneration challenges may be great but so too is the East End's potential. The Olympic site will leave 200 acres of developable land close to the centre of London.

Thanks in part to the Olympics the East End now has transport links which are amongst the best in the capital. Stratford is just minutes to Canary Wharf, the City and the West End - and has swift, modern connections to Europe, via the high speed train line to Brussels and Paris, and London City Airport. In 2017, Crossrail will further improve links across London.

As well as Europe's largest financial centre, the East End now has Europe's largest shopping centre under construction at Stratford City, conference and exhibition space at ExCeL London and, of course, world-class entertainment facilities at the O₂.

Action

The London Plan forecasts substantial population growth in the East End. Tens of thousands of new homes and jobs are planned and the sheer scale of this growth means a new part of London will be built. The challenge is to build it well: to create a new quarter of London which contributes to its world city status and is a place where people want to live, work, play and visit.

Growth needs to bring real benefits to local people. It must improve east Londoners' employment prospects, giving them relevant training and education so they can access the local employment opportunities presented by new development as well as London's wider job market.

The vision

A common vision - agreed by all the principal public stakeholders in consultation with the private sector - must be the starting point for delivery. This should not be a “bible”, rigidly specifying what is to be built in east London. Rather, it should provide a clear statement of what the many public bodies involved on this patch agree they aspire to achieve. It needs to combine ambition with realism: neither the lowest common denominator nor an unrealisable wish list. Partnership with the private sector - experts in markets and delivery - will help ensure that aspirations are viable.

The vision might look something like this

The regeneration of east London must result in:

An economically successful part of the capital. Ambitious world class development, which leverages the area’s exceptional transport links to central London and mainland Europe, will support the private sector investing in innovative and sustainable developments which deliver:

- a world class visitor destination, building on and knitting together the Olympic Park, Stratford City, ExCeL London, Silvertown Quays, the O₂ and utilising the miles of canal and river frontage and other leisure facilities;
- new housing, to accommodate London’s population growth; and
- new businesses, jobs and other investment, underpinned by the delivery of essential infrastructure by the public sector.

High quality of life for existing communities. A place where local people have better facilities, more opportunities – to learn, to work, to relax - and want to live.

A place in which people aspire to live and want to visit. Modern, sustainable well-designed housing, high-quality infrastructure and exciting things to do make the East End a place people want to be.

The London Development Agency (LDA), the Mayor of London’s economic development arm, is producing a Strategic Regeneration Framework (SRF) for the East End, within which sits the Legacy Masterplan Framework (LMF) for the Park. In putting these frameworks in place the LDA will need to negotiate with a complex range of stakeholders, including the five local boroughs, the Homes and Communities Agency, the Department for Communities & Local Government, the London Thames Gateway Development Corporation and, of course, with business. Agreeing a vision now will ensure that stakeholders are agreed at the outset on what these more detailed plans should seek to achieve.

The view of business

During the summer of 2008 London First coordinated a series of events with its members and the LDA. Companies across a number of sectors - including development, construction, retail, manufacturing and hospitality and catering - shared their views on the practicalities of Olympic legacy and regeneration across east London.

There was universal agreement on the need for a shared vision, in which the private sector's views are incorporated, and a consensus that the most ambitious and imaginative ideas should be encouraged from the private sector to complement London's existing strengths. Rather than building another "something" that London already has, the plans need to look globally for new ideas.

Big ideas included a middle/back office for London and Europe's financial centres, the largest bank of allotments in the capital, a theme park and other leisure opportunities. Some felt that a large number of smaller solutions would provide enough momentum to create a successful new part of London - start up premises for local businesses, creating a riverside café culture and building a truly "children friendly" park were amongst those suggested.

Either way, imaginative creative ideas that make the most of east London's potential need to be sought internationally by the public sector and delivered by the private sector.

Alongside these overarching themes, discussions were focused on a number of topics, all with the backdrop of attracting private sector attention and investment in the run up to 2012.

Creating new places

The scale of development, stretching across five contiguous boroughs, means that rather than creating one homogenous development, the SRF should look at creating a series of towns – each with an identity that links to the heritage of the place as well as to the future.

Overall, there must be a change in perceptions, from east London being a place where people live because they can't afford to live elsewhere, to a place of choice, where people aspire to live and to bring up their families. Part of achieving this outcome will be attracting a greater mix of people from different social backgrounds. Increasing overall housing delivery, with a particular focus on market and intermediate housing, will broaden the area's make-up.

To create a "place", consideration should be given to the name of the area created by the Games. This does not mean renaming Stratford, which is of course already a place and many people's home; but the Park itself must not come to be known as the "ex Olympic site".

Investments in less tangible things that help create a sense of place are also important in creating a place where people choose to live. Creating a "future history" and attaching a sense of emotion to a place can be achieved in part through investing in quality architecture and design.

Tangible investment in community infrastructure such as safe, well lit and well managed open public spaces, schools, doctors' surgeries and leisure facilities will also change the nature of an area. As well as improved public facilities, the area also needs provision for private facilities, such as schools.

Green space is a vital asset in linking places together and creating a high quality urban realm. But large, homogenous parks with no clear function are of less value than smaller patches of green space, local to people's homes, which can help new developments physically link in with existing communities.

The substantial new parkland that will be within the Olympic site itself must be structured in such a way as to be revenue generating, or at least self financing, rather than a burden on local taxpayers. Providing a leisure attraction that will draw visitors to the area, creating a tourism offer which complements other East End attractions and from which other businesses can feed, is one way of achieving this. In this sense, the new park should be more like Kew Gardens than Hyde Park.

With the Olympic Games, sport will become part of that local heritage, so perhaps a university with a reputation for sporting excellence might be encouraged to locate a campus in the area.

Estate management across the Park will be critically important for its long term success. Structures must be agreed and put in place early, and lessons should be drawn from the private sector, in particular London's big estate management companies.

Ambition needs to be tempered by realism. Too much planning policy and guidance stifles innovation and delays or frustrates development. Too often planning strives for the best and is the enemy of the good. Objectives over-load and suffocate creativity and delivery. Planning policy needs to be light touch and to encourage development. This is ever more critical in the current challenging economic environment. East London risks collapsing under the weight of planning policy, briefs, guidance and objectives from the various agencies involved in the area. The public sector needs to lighten this burden, not add to it, and give space for the market to get on with delivery.

Growing the local economy

Some investment is already underway. Westfield's 175,000sqm retail and leisure development, currently under construction at Stratford and scheduled to open in 2011, will bring business to east London before the Games. It also allows for 35,000sqm of hotel development, 106,000sqm of office space and around 1,200sqm of residential development. But more needs to be done if the area is to fulfil its potential.

The improved transport links to the rest of London provide a new access to market which, in turn, creates the opportunity to locate part of an industry's supply chain in or around Stratford. This is particularly true for those businesses that will benefit from being located close to Europe's biggest financial hub in the City and Canary Wharf. And the transport links to the Continent open up market opportunities much wider than the City or London.

High value manufacturing and technology should be encouraged to expand – providing a link to east London's heritage. Vertical factories, like those in Singapore, could be an innovative way of making the best use of land.

Building an economy around education can provide training as well as jobs for local people. Talks to create a campus at Stratford including Birkbeck University, the University of East London and Newham Sixth Form College show this already has traction.

There has been much discussion about building an International Broadcast Centre (IBC) and its legacy role. If a bespoke IBC is to be developed, serious consideration needs to be given at the outset to what a commercially viable and appropriate legacy use might be.

Another opportunity is to develop an international convention centre in east London on a global scale London currently lacks, attracting business from all over the world and supporting the development and growth of hotels, leisure and retail facilities.

Securing a substantial developer and investor on the Park, to act as an anchor tenant, should be an early priority for the LDA.

Delivering infrastructure to support communities

It is essential to decouple the investment being made in the Olympic Park for the Games from the infrastructure and investment needed to bring forward regeneration through the Park into the Lower Lea Valley. London First and its members strongly agree that the Games themselves need to be delivered cost-effectively – somewhere between the austerity some fear and the opulence of Beijing.

Of course the £9 billion investment in the Park to enable the Games will bring substantial long-term benefits; but more will be needed to underpin the wider legacy and regeneration masterplans. The current economic climate – particularly the interaction between the credit-crunch, slowdown in development and collapse in housing starts – means that, in the short-term, the private sector will struggle to meet the level of co-investment in and around the Park originally anticipated. The public sector needs to step up to provide the counter-cyclical investment taking place elsewhere in the economy.

A key area for investment is local transport to leverage the powerful London, national and international connections of Stratford. Better local roads, for people movements, deliveries and servicing of local businesses are essential. North–south links down the Lower Lea Valley are poor, indeed as are those links between the north and south banks of the Thames along this stretch of the river. Use of the extensive waterways network should be maximised, for transport, leisure and effective public space. Bridges across the waterways need to be built and maintained in the post Games era. They should be constructed together with safe, high quality public realm that allows for walking and cycling.

Another key piece of infrastructure is utility provision. Whilst plans are in place to provide services for the Games, the SRF needs to take account of the needs of the wider area. Thousands of new homes and jobs will inevitably need increased capacity. Investment in this area now, to “future proof” for forthcoming demand, will provide better value for money than a piecemeal approach to delivery. The LDA can play an important role in working with the private utilities to put in place the funding models to deliver this investment.

As well as these “hard” infrastructure investments, high quality social infrastructure - schools, hospitals, doctors’ surgeries – needs to be planned and delivered, and there must be room for private provision where the market demands.

Next steps

London First will work to bring the public sector and private sector together to create the right framework for the development of the East End. Given the complexity of regeneration in the area and the multiple stakeholders who must be at the heart of any plans, London First is not seeking to be prescriptive about the structures that will best deliver. Instead, London First has established criteria which must be met if the private sector is to realise its full potential in investing in the Park and the Lower Lea Valley. These are:

1. Leadership

The buck needs to stop somewhere. Someone needs to be responsible for leading, coordinating or cajoling the stakeholders – including the boroughs, the London Thames Gateway Development Corporation, the new London Housing and Communities Agency, various central government departments and business – into forming a cogent vision for what the Olympics can do for the East End.

London First believes the Mayor of London, together with his officials and agencies, is in a unique position given his term in office – and has a unique responsibility – to be this champion and to forge a common vision for the Park and the wider Lower Lea Valley.

There must also be strong leadership at agency level. A mixture of skills from across the public and private sectors is required: to coordinate the public sector; to make the case for public investment to deliver the legacy infrastructure; and to attract the private investment from across the globe to make the regeneration successful. Getting the right Chairman and Chief Executive will be critical. They in turn need the level of experienced staff sufficient to be credible to these different audiences.

2. A common vision

Creating a common vision, as outlined above, agreed by the principal public sector stakeholders in consultation with the private sector is important both to explain to the outside world what east London aspires to become and to define the outcomes, and therefore roles, of any new bodies. This common vision must then be the starting point for delivery, with the SRF and LMF flowing from it.

3. Infrastructure to support communities

The SRF and LMF objectives for the whole of the Lower Lea Valley must be underpinned by an infrastructure delivery and funding plan.

4. A one stop shop

The public sector must not make it difficult for the private sector to invest. The current plethora of agencies and fragmented responsibilities is confusing and frustrates rather than encourages development. Whatever the structure of the functional bodies, there must be a single point of contact – on and off Park – that can provide information and deliver decisions for potential investors.

5. Act now

To realise the potential of the 2012 Games as a catalyst for regeneration in east London we need to act now.