

# Thames Valley Property Forum

John Burbedge reports

## Heathrow: We've had the recommendation, now let's do it

Delay in building a new runway at Heathrow Airport is costing the UK economy £1 billion every month, John Holland-Kaye told more than 200 delegates at the Thames Valley Property Forum (TVPF) held at Green Park last month.

The CEO of Heathrow Holdings urged Thames Valley businesses to lobby for Government action to ensure the rapid implementation of the Airports Commission final report, published in July.



John Holland-Kaye

The Commission concluded that expanded airport capacity was crucial for the UK's long-term prosperity, and unanimously supported a new northwest runway at Heathrow as the best option. Heathrow expansion also presented the greatest UK strategic and economic benefits – providing new global airport destinations, 180,000 new jobs, and a £211b boost to the economy.

It had taken a huge amount of work, local

consultations, environmental, noise and community issues resolution to develop a workable plan. The Airports Commission had recommended that plan, explained Holland-Kaye. "Now, we need to get on with it.

"We will be one of the most modern, efficient and best connected airports in the world, and also one of the most sustainable, right at the heart of an integrated UK transport network. Heathrow, for the first time, will be easy to get to by public transport."

The future prosperity of many Thames Valley businesses and generations to come rested upon Heathrow expansion, he stated. Emerging international markets were all far away. "You can only get to those growing markets by air and via a national hub airport such as Heathrow." Equally inward investors needed good UK connectivity.

Heathrow has 82 long-haul destinations, and was the best-connected airport in the world. Paris recently stole its crown, he added.

Final evaluations are now underway; the Government has promised a decision by the end of 2015. "But, we all know things can happen in politics. We need to make sure that decision is made. Every month that goes by, this country misses out on £1b of economic growth. That's a huge lost opportunity, which is holding back our businesses.

"This time we have a much better plan that works for everyone, and has massive support from MPs, businesses, unions and LEAs up and down the country. If we get shovels in the ground by 2020, we will have the economic benefits of new Heathrow capacity by 2025."

## New Science Park set to be 'sparky'

"Interesting things happen at interesting interfaces," stated David Gillham, director of business incubation & knowledge transfer for the University of Reading as he spoke proudly about overseeing the creation of the new Thames Valley Science Park (TVSP), south of Reading off the M4 at Shinfield.

"The application of new technology or a new business idea very often comes about because you create sparky connections where somebody in one business or technology sector meets someone from a different sector."

Encouraging people to explore outside

their comfort zone and encounter fresh influences was one of the philosophies behind the TVSP, he revealed.

"As well as being a fantastic property opportunity with great facilities and location at the heart of Europe's strongest knowledge economy, it is actually about trying to create sparky interfaces where new ideas, technologies or business models can get traction, helping to lead the next generation of step-change Thames Valley businesses."

The first multi-tenanted building on the 47-acre TVSP site should be completed by early 2016.



Too often the British trait was to delay decision-making until failure was a definite risk. Holland-Kaye warned: "We are at risk of losing connectivity, and becoming a branchline to growth rather than being at the heart of the global economy as we have been for centuries."

## 'Tech Valley' needs to be cool, smart, and heard

The Thames Valley needs to develop an attractive 'cool' image and truly demonstrate its technology credentials by adopting 'smart' solutions that will enable its regional growth. And it needs a stronger 'voice'.

That was an underlying message – not least to help attract and retain talent – delivered in several TVPF presentations.

While the Thames Valley had significant business and lifestyle advantages, the region still lacked an overall aspirational appeal to make it 'cool', the 'go to' place, or even the 'stay-here' place for local talent, as Rory Carson of Oxford Properties noted.

Thames Valley towns needed to behave like smart cities, and in a more cohesive way, delegates felt. Louise Clarke of ConnectTVT said lively collaborative working was key for attracting young talent and tech startups.

The 'Northern Powerhouse' now has its own single-voice spokesman, the TVPF was reminded. (James Wharton MP gained this ministerial role in May.)

Steve Lamb, CEO of Smart Agenda, said: "We are rolling out the technologies, but we really need to up our game because we are way behind as a country and area in the PR battle waging the smart agenda campaign. We don't do enough to say the Thames Valley is a smart place to come and work."

Do it 'smartly', suggested Carson. "There is nothing so uncool, as trying to be cool."

## Infrastructure still needed to support Thames Valley growth

TVPF 'Southern Powerhouse' keynote speaker Lord Adonis, a former Labour cabinet minister, praised recent Thames Valley progress – but only in some areas.

He highlighted the rebuilding of Reading Station, the advent of CrossRail and electrification of the Great Western mainline, and The Madejski Academy a pioneer of the continuing national Skills Agenda educational campaign.

"Great things have happened. Infrastructure affecting Reading and the Thames Valley is improving, but there's no place for complacency. There's still a lot more to do.

"Connections are so important in the infrastructure world," he noted, mentioning the need to ensure improved future Thames Valley connectivity through the proposed Western Rail Access to Heathrow (WRaTH), and linkage to the north-south High Speed 2 line from the planned London junction at Old Oak Common.

"A number of key infrastructure decisions will take place over the next four to five years that will crucially affect the Thames Valley economy and its prosperity. While they are being debated you should be lobbying very hard."

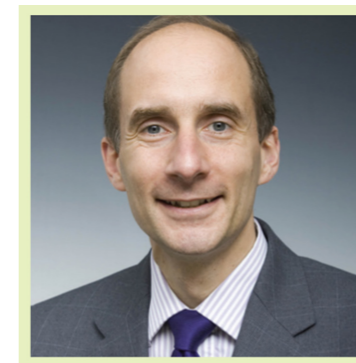
Direct HS2 connections with Heathrow and the Great Western line were still under discussion, he pointed out, as were CrossRail links to Old Oak Common.

Strongly supporting Heathrow expansion, Adonis highlighted that more than half the new UK companies being established through inward investment, were locating within 45 minutes of Heathrow. "Heathrow remains remarkably well positioned economically for the UK. But, it should have both western and southern rail access."

Housing was his other key Thames Valley concern.

"We are only building half the new homes we need to keep pace with population growth and household formation, and even fewer, possibly a third, in Greater London."

While private-sector development volumes had sustained over the years, public-sector housebuilding and development of 'new towns'



Lord Adonis

had now largely vanished, Adonis pointed out.

"My view is that we will only make housebuilding progress if the State – central and local government – gets into significant developments such as new towns or major urban extensions, particularly in southern England."

Making land available for housing development was another change required, Adonis suggested. Apart from "getting developing on their own account" local authorities needed to have "much stronger incentives to overcome NIMBY pressures when it comes to planning" rather than acting simply as "development control authorities."

"Unless this happens we will have this chronic housing problem in London and the southeast for the foreseeable future."

### Uplifting quote of the day

"We used to say: 'When I see the steel, I'll know it's real.' Well it's real now, and I'm thrilled, proud and super excited." – Victor Nicholls, assistant chief executive, Bracknell Forest Council, commenting on piling work at the long-awaited but now ongoing town-centre regeneration of 'The Lexicon' Bracknell, opening Spring 2017.



Each TVPF key presentation was followed by a Q & A panel session

With London's lack of housebuilding and high property prices ironically aiding the Thames Valley in attracting new resident workers, Robert Lynch of Harrison Clark Rickerbys and Kim Cohen of Barton Willmore, posed an urgent question ...

## Where will our future workforce live?

"With our own rising property prices, we may be seeing people working here, but not living here, which is crazy and puts pressure on our transport infrastructure," Lynch highlighted.

Use of outdated projections within the 2009 South East Plan had obscured true demand. Recession and recent planning-focused issues had slowed down new housing delivery even further, noted Cohen.

"This is not a new residential crisis but a worsening one that has been brewing for decades, and we are heading for a perfect storm. Some of the unmet London needs will inevitably come to the doorsteps of eastern Thames Valley local authorities."

What can be done to provide the houses that support the jobs and economic growth, which make the Thames Valley the powerhouse it is today, Cohen asked.

She suggested starting by planning to meet the correct demand figures. "We are playing catch-up and clearly need to get things right and make some difficult political decisions, with Green Belt reviews being front and centre, I suggest."

Green Belt was an extremely emotive issue, but "... it's not all green spaces and rolling hills today. We need to grasp the nettle and consider what should be in or out."

Consideration of diverse and inventive solutions was needed too within, for example, the rental sector, to accommodate an ageing population, attract talent, make homes affordable, site new settlements, plus developers had to deliver the right type of accommodation.

Everyone had an important role to play in resolving the crisis. "Building the relationship between the development industry, politicians (central and local) and local people has to be the way forward.

"Now is the time for considered action, but brave steps," concluded Cohen.

Later in the Urban Logistics session it became clear that there is also something of a 'race for space' with residential developers contesting brownfield land equally in demand for commercial purposes, not least for storage and distribution related to online shopping growth.

Details: Matthew Battle, chair TVPF  
matthew@ukpropertyforums.com  
www.ukpropertyforums.com

