

Railway Infrastructure: Capacities for Diverse Economies

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Introduction: Methodology

There exists a dialectical, mutually reinforcing relationship between a city's infrastructural landscape and its broader socioeconomic context. The capacity of infrastructural spaces can set the stage through which a vibrant economy and contemporary society can unfold. In our analysis of Elephant & Castle, we have observed this complex relationship and identified the various gaps which currently exist between its spatial structure and the wider urban context.

The problematic identified in Elephant & Castle revolves around the concepts of capacity and diverse economy. Specifically, there are significant volumes of underutilized capacity throughout Elephant & Castle, including transport management, land use (e.g. railway arches), retail provision and land values. Furthermore, the existing business environment could provide the foundation for a diverse economy (including diversity of capital, goods and services, and ethnicity), which the area seeks to achieve. However, the existing retail sector faces inequitable market competition against corporate capital associated with the regeneration project.

Through this intervention, we seek not only to have an impact on the local economic diversity of Elephant & Castle through affordable retail floorspace provisions, but also seek to create spatial permeability through the railway arches into the high street, integrating these components with the broader the regeneration area. This can enhance and foster the ability to participate in the urban environment. 3 |

This study is composed of six sections with the first providing context and a conceptual framework to outline the structure of this project. The following sections

1 | Elephant & Castle Roundabout (Al-Othman, H. (2015) 'New road layout at Elephant and Castle causes misery for commuters', *Evening Standard* Available online at <http://www.standard.co.uk/news/transport/new-road-layout-at-elephant-and-castle-causes-misery-for-commuters-a3131086.html> [Accessed 5 February 2016].)



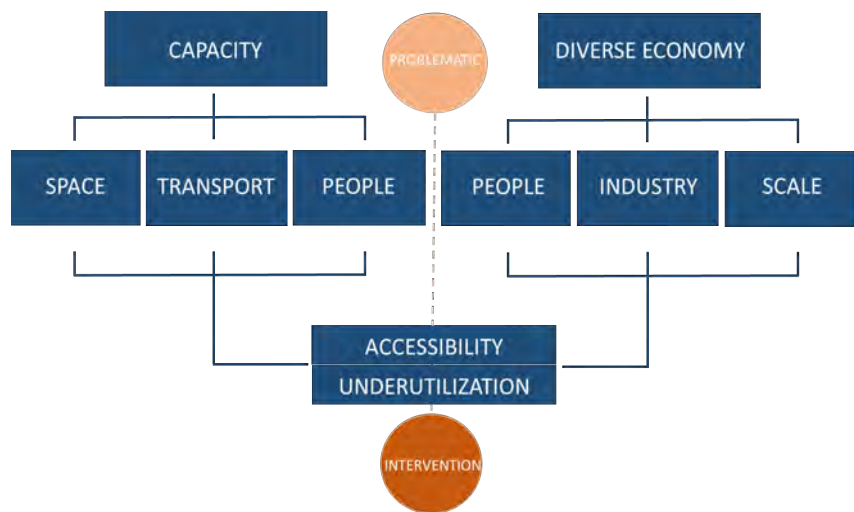
2 | Proposal for Elephant Park (Lend Lease (2014) *South Gardens launches this week*. Available online at <http://www.elephantandcastle-lendlease.com/uncategorized/south-gardens-launches-week> [accessed 5 February 2016].)



3 | Storper, M. (2013) *Keys to the city: How economics, institutions, social interaction, and politics shape development*. Princeton: Princeton University Press.

present factors of the area's problematic: capacity and diverse economy. The last three sections detail the intervention, offer two scenarios as means of implementation, and present conclusions.

The methodology used for this project include interviews with local business owners and other key stakeholders, field observations throughout the regeneration site and railway arches, and extensive demographic and economic analysis using resources such as the 2011 UK Census data. Furthermore, we have compiled a comparative site study, a comprehensive literature review on the history and policy of affordable workspace provisions, and several case studies from London to inform our intervention.



4 | Conceptual Framework

5 | View of Artworks (Harper, P. and Jackson P. P. (2015) "The problem with "Young Architecture", *The Architectural Review*. Available online at <http://www.architectural-review.com/archive/the-problem-with-youngarchitecture/8678914.fullarticle> [accessed 12 May 2016].)



6 | Advertising at the Strata Building



It is important to note that this study does not seek to prescribe a specific end product in Elephant & Castle, but it aims to strategically intervene in the process of design and appropriation. 8 | This can be used to harness the underutilized capacity in the area to cultivate an accessible inclusive business environment that can expand through the process of regeneration, and encourage a diverse and competitive retail landscape. Furthermore, we aim to adapt the function of the railway arches to reconceive their spatial capacity as an infrastructural influence on the diversity of urban form.

Context: Motivation

Elephant & Castle is currently in a state of flux, with multiple stakeholders engaged in a mix of efforts and negotiations to regenerate the area in order to transform it into a vibrant and dynamic destination.

Infrastructure as urbanism is manifested in Elephant & Castle by the symbolism of the area as a transportation hub. The juxtaposition of the fixedness and fluidity of infrastructure in the area is illustrated by the permanence of the railway arches on the one hand, and the demolition of the Heygate Estate on the other. Ironically, the historic rupture for the establishment of the railway line has left its arches as residual spaces that are now, in the midst of new ruptures, becoming important spatial actors for integration and diversity. The railway arches have preserved a unique form of urbanism which sits in contrast to the street pattern that dominates London. 9 | The public utility of the infrastructural railway lines has ensured the ongoing existence of the railway arches.

Changes to infrastructure can produce lasting socioeconomic transformations in the broader urban fabric. Development in Elephant & Castle today presents both challenges and opportunities in the context of reconceiving infrastructure as urbanism specific to the social, spatial, and economic conditions in the area. Therefore, this project must be situated within the specific context of the site's ongoing redevelopment.

7 | Renovated arches and public realm in Elephant & Castle



8 | Waldheim, C. (ed.) (2006) *The Landscape Urbanism Reader*. New York: Princeton Architectural Press.

9 | Shannon, K. and Smets, M. (2010) *The Landscape of Contemporary Infrastructure*. Rotterdam: NAI Publishers.

This study sits within the policy framework of Elephant & Castle's regeneration detailed by Southwark Council in the 2011 Supplementary Planning Guidelines and the 2015 New Southwark Plan. The Council outlined its goals to establish the area as the southern gateway to central London and to create a Latin Quarter. This rebranding focuses on cultivating a rich and diverse retail landscape, recognising an underperforming retail sector in the area. The 2015 plan reflects changes at the borough level but notably includes the addition of a low line in Elephant & Castle that activates the arches, facilitates economic growth, and improves access along the railway.

The Council aims to achieve its planning objectives in collaboration with two major developers on site: Delancey and Lend Lease. Delancey is set to design a town centre, replacing the area's current shopping centre while Lend Lease is focused on new private housing developments where the Heygate Estate once stood. Lend Lease is also slated to connect Elephant Park to the new town centre through pedestrianising railway arch viaducts that sit between the sites. Both developers demonstrate a strong push for mixed use and active street front retail.

Artworks, a temporary boxpark business incubator, is another important actor in the area that sits between the neighbourhood's present and future. Artworks was hired by Lend Lease as an affordable retail space provider and business incubator in an effort to maintain retail and business activity and vibrancy during the area's redevelopment. The space is indicative of businesses that would want to set up in Elephant & Castle in the future.

Amidst the enthusiasm for a diverse local economy and a vibrant retail landscape characterised by ethnically diverse business owners, there is a real possibility that the

10 | Projected Retail Spaces in Elephant Park
(Authors based on Lend Lease (2014) *The second phase of Elephant Park - West Grove - Final Design Exhibitions*. Available online at <http://www.elephantandcastle-lendlease.com/news/second-phase-elephant-park-west-groveopen-consultation> [accessed 5 February 2016].)



11 | Proposed Town Centre plan (Delancey (2015) *Elephant and Castle Town Centre Regeneration Public Exhibition*. Available online at <http://www.elephantandcastletowncentre.co.uk/EandC-%20Exhibition-Boards.pdf> [accessed 5 February 2016].)



ongoing redevelopment itself poses a threat to the economy it seeks to boost. 12 | Evidence for this perceived threat lies not only in the trajectory followed by other similar regeneration projects, as described in the GLA Small Shops Study, but also in the particular case of Elephant & Castle, where the borough's prioritization of high-end comparison shopping, coupled with its use of large retailers as 'anchors' for the revitalization of the area's retail sector make it highly likely that local and entrepreneurial capital will face unrealistic competition and multiple barriers to entry into the local economy. 13 | In light of the aforementioned circumstances, we have developed a conceptual framework to organise our work and this study. The two main factors driving the problematic are capacity and a diverse economy which ultimately amount to issues of accessibility and underutilisation. 4 | The components of this framework highlight the important spatial, social, and economic factors that identify the problematic and inform the intervention.

Capacity

In understanding Elephant & Castle's infrastructural capacity we highlight the gaps in the area in order to bridge them through appropriate linkages and simultaneously support Southwark Council's goal of transforming the railway arches into an active low line. Ultimately, the objective of our intervention is to adapt the function of the railway arches to reconceive their spatial capacity as an infrastructural influence on the diversity of urban form. In any regeneration site, an analysis of its infrastructural capacity is crucial in identifying spatial and socioeconomic concerns and opportunities. This type of survey can reveal underutilisation and provide effective means to adapt to solve the problems of other underperforming factors in the city.

There are significant volumes of underutilised capacity throughout Elephant & Castle, including transport management, land use (e.g. railway arches), retail provision, and land values. The various factors involved in the area's capacity fall into three categories as outlined in the conceptual framework: space, transport, and people.

Spatial

Public utility and monopoly ownership of the railway lines has ensured the ongoing existence of its arches. Yet these arches have remained residual spaces never fully integrated into the urban fabric. As seen in 16 |, 35% of the arches in Elephant &

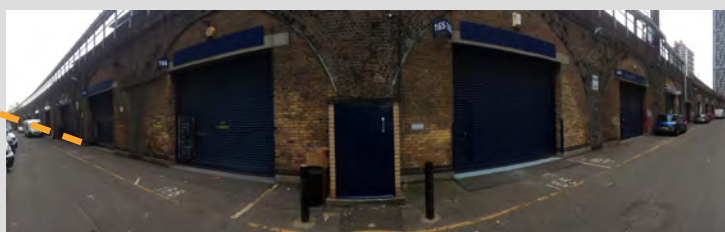
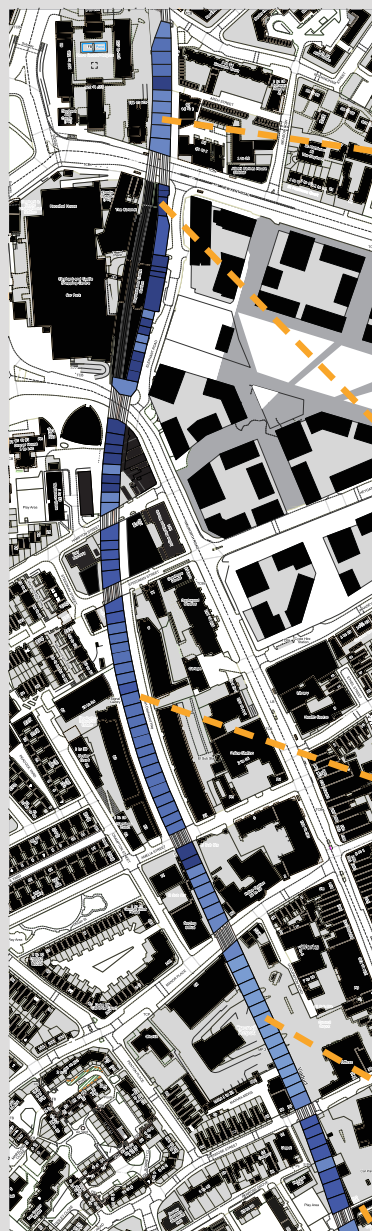
12 | Instone, P. and Roberts, G. (2006) 'Progress in retail led regeneration: Implications for decision-makers', *Journal of Retail and Leisure Property* 5(2), pp. 148–161.

13 | Greater London Authority (2010) *London Small Shops Study 2010*. London: Greater London Authority.

Southwark Council (2015) *New Southwark Plan*. London: Southwark Council.

14 | "We'd love to move into an arch. I love the industrial feel to them. My one concern would be the noise from the trains above but I'm sure there are ways to soundproof them." (Jigsaw Senior Architectural Designer (2015) Interview conducted as part of the fieldwork.)

15 | "Such a re-examination of infrastructural space involves the recognition that all types of space are valuable, not just the privileged spaces of more traditional parks and squares, and they must therefore be inhabitable in a meaningful way. This requires the rethinking of the mono-functional realm of infrastructure and its rescue from the limbo of urban devastation to recognize its role as a part of the formal inhabited city." (Mossop, E. (2006) 'Landscapes of Infrastructure', in *The Landscape Urbanism Reader*, ed. C. Waldheim. New York: Princeton Architectural Press, on p. 171.)



- Shop / Restaurant (24%)
- Car / Motor Parts (16%)
- Logistics / Storage (23%)
- Underutilized Closed (22%)
- Underutilized Open (13%)

98 Arches / Units
 135m2 Ave Floor Space
 13,230m2 Total Floor Space
 35 Under Utilized Arches (35%)
 4,725m2 Underutilized Space

Castle are underutilised. The arches occupy a strategic position between Walworth Road, social housing complexes, and the new Lend Lease and Delancey developments. Currently, each of these areas in Elephant & Castle acts as an island. The arches have the potential to activate and integrate these areas to create a cohesive and interactive environment.

The spatial capacity of the arches implies versatility and adaptability to a multitude of uses. ¹⁷ | Railway arches across London offer an abundance of capacity potential from restaurants to music studios to offices yet many parts of the city, including Elephant & Castle, haven't capitalised on the unique spatial adaptability of this infrastructure. Therefore, reconceiving the arches' spatial capacity through adaptation will not only enhance their infrastructural impact but also will influence the diversity of urban form.

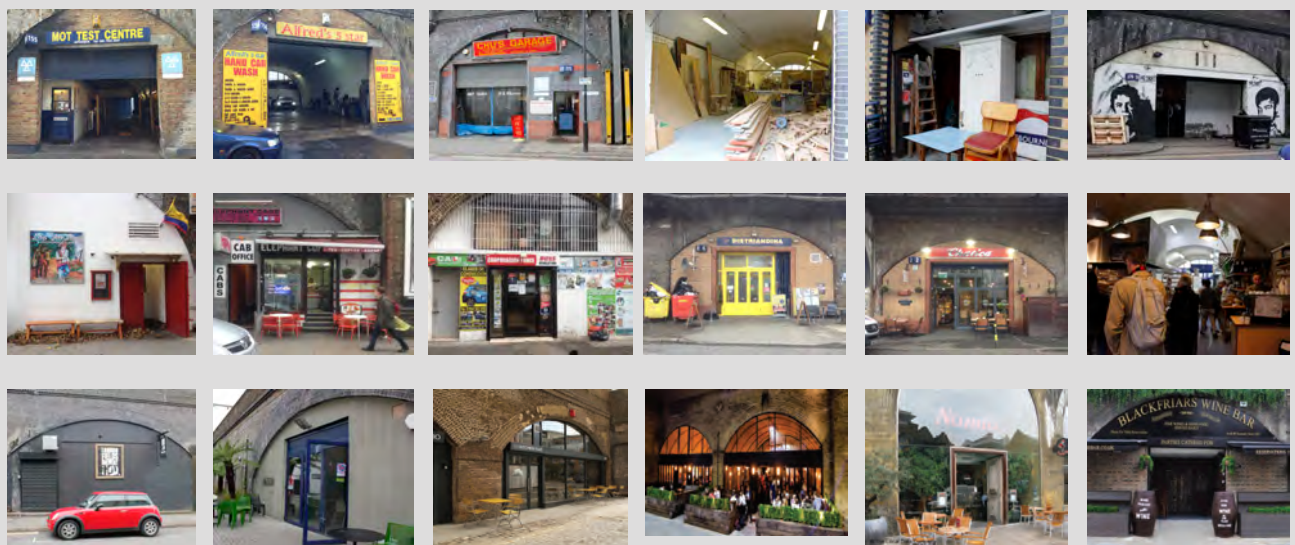
Furthermore, the aesthetic appeal and uniqueness of the railway arches attracts many businesses. When interviewing business owners in Artworks, several were enthusiastic about relocating to an arch if their business grew enough.

Transport

Located just outside the congestion charge boundary, yet within Zone 1, Elephant & Castle's accessibility by road attracts specific businesses and visitors, acting as a gateway to London. While many car garage services have shut down throughout the city, a number of them remain active in Elephant & Castle where customers can enjoy the area's proximity to central London while still avoiding the congestion charge.

Despite being known as a transit hub, the area's public transport capacity is severely under performing with an over-crowded tube station and poor accessibility to the various transport routes. This under performance was exemplified when the GLA

¹⁷ | Matrix of adaptable uses



and Department of Transport announced in January 2016 that TFL will be taking on responsibility for inner suburban rail services that operate within Greater London. While Network Rail's mandate remained restricted to the rail's structural integrity, TFL's expanded mandate requires service and public realm improvements.

People

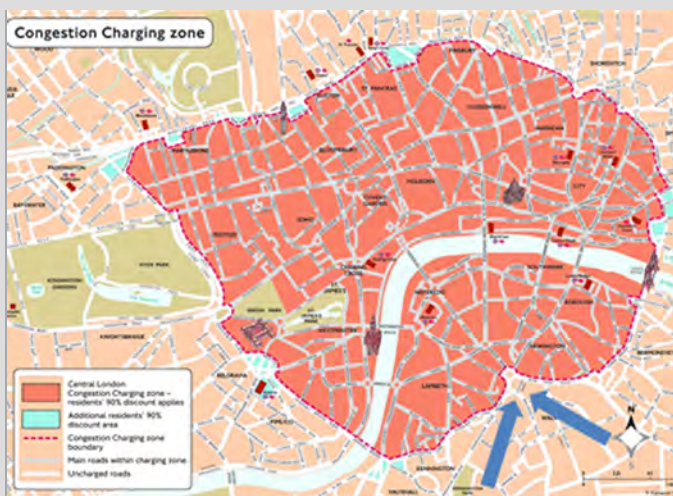
While Elephant and Castle's transport infrastructure remains underutilised due to spatial constraints, the area remains an attractive location to Londoners due to its centrality. The area pulls a large number of workers from south London and acts as a strategic half way point between north and south London. Many business owners located in the arches and Artworks highlighted the area's ideal locality.

Additionally, social dynamics within the area sit in specific spatial contexts: these arches hold not only economic livelihoods, but important opportunities for community organisation, protest, transition, renewal and reconfiguration. The clustering of these businesses has already formed important networks and utilises the existing spatial capacity to support these social networks which contribute to Elephant & Castle's economic resilience.

Diverse Economy

A diverse economic base is required to maintain a resilient local economy.²⁰ | Elephant & Castle already has a diverse economy in the sense of ethnicity, but the area's current transformation is an opportunity to foster an inclusive business environment. Therefore, the term diversity in the context of this study functions on three different levels: ethnic diversity, diversity of goods and services, and diversity of capital.

18 | Map of congestion zone (Authors based on Transport for London (2011) *Congestion Zone Map*. Available online at <http://content.tfl.gov.uk/congestion-chargezone-map.pdf> [accessed 5 February 2016].)



19 | "Network Rail are not funded to take on cosmetic work. They are not happy with the way the railways are maintained aesthetically, but they often do not affect the structures stability, and are therefore not Network Rail's responsibility." (Talbot, R. (2014) *Light at the End of the Tunnel: Transforming central London's railway viaduct, Vol. 1*. Available online at <http://crossriverpartnership.org/media/2014/09/LET-Vol-1-Main-Findings.pdf> [accessed 5 February 2016], on p. 73.)

20 | Storper, M. (2013) *Keys to the city: How economics, institutions, social interaction, and politics shape development*. Princeton: Princeton University Press.

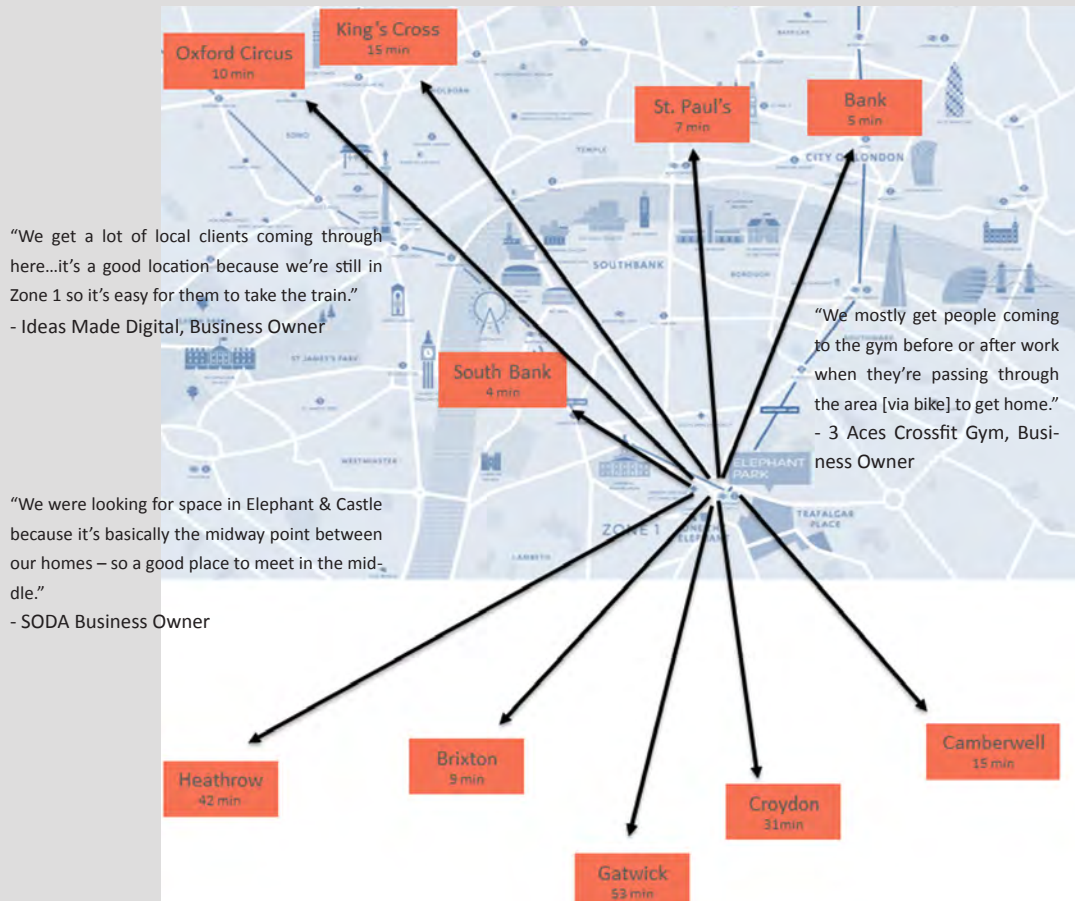
People

The strongest concentration of the Latin American community in London is focused around Elephant & Castle. The Latin business community appears to be the most visible and vocal ethnic minority in the neighbourhood, concentrated in the shopping centre and railway arches. However, this simplified perception masks the heterogeneous reality of the business community's ethnic diversity. In recent years, Latin Elephant, a small community based organisation, has been working with the Council to assert the community's space within Elephant & Castle.

Industry

The economy of Elephant & Castle has developed along similar lines to the London economy, however there are specific industries that are underperforming. The percentage of enterprises and employment in the retail sector remains low compared to the sector's citywide performance. 22 | Any initiative to promote retail should align within the context of a major structural shift in the sector which is questioning the need for new retail space due to the growth of online sales. 28 |

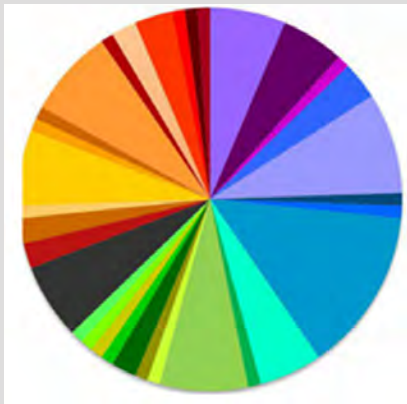
21 | Elephant & Castle as a half way point



22 | Enterprise and employment distribution by sector - a comparison of Elephant & Castle to London (Authors based on ONS (2015) *Business: Local Units by Broad Industry Group*. Available online at <http://www.neighbourhood.statistics.gov.uk/> [accessed 12 May 2016].)



23 | Ethnic diversity of business owners along Walworth Road. Each colour represents a different country of origin. (Latin Elephant (2015) *Migrant and Ethnic Businesses in Elephant and Walworth*. Available online at http://issuu.com/chloetreger/docs/final_report_on_mebs_for_ewnf_by_uc/1 [accessed 5 February 2016].)



24 | Concentration of Latin American communities in London. Darker blue represents higher concentrations. (Authors based on ONS (2011) *Census Data at the Super Output Area Level*. Available online.)



25 | “S Elephant & Castle es el punto de encuentro de todos los latinos en el sur de londres [Elephant & Castle is the meeting point of the latin community in the south of London]” (Anon. (2015) Being Latin in Elephant. Available online at <https://www.youtube.com/watch?v=VtC-IFIZKjM> [accessed 5 February 2016].)

26 | Location of Latin American business along the arches (Latin Elephant (2015) *Migrant and Ethnic Businesses in Elephant and Walworth*. Available online at http://issuu.com/chloetreger/docs/final_report_on_mebs_for_ewnf_by_uc/1 [accessed 5 February 2016].)

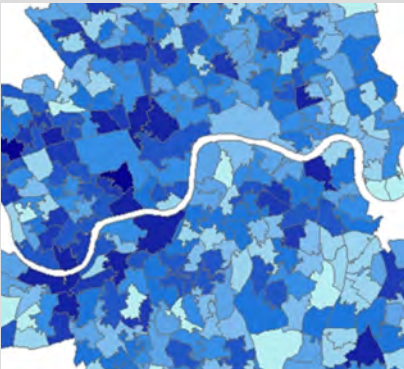


As seen in 27 | and 30 |, retail land prices are comparatively low in the London context. More significantly, retail prices remain disproportionately lower than office land prices in Southwark. This could indicate that there is an oversupply or underutilisation of retail space in parallel with an undersupply or over-demand for office space. Alternatively, lower retail land prices may reflect a lower standard of retail space, commonly associated with convenience, rather than comparison, shopping.

27 | Current distribution of land prices by use (Authors based on Valuation Office Agency (2015) *Business floorspace and rateable value statistics by Borough*. Available online at <https://www.gov.uk/government/organisations/valuation-office-agency/about/statistics> [accessed 5 February 2016].)

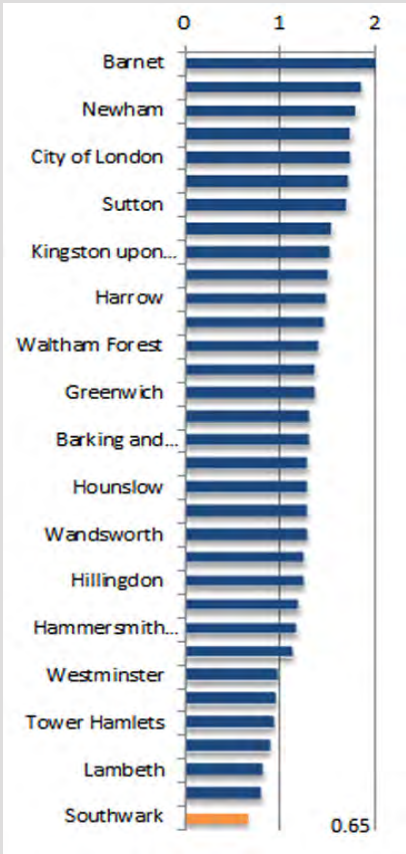


29 | Concentration of retail employment in London. Darker blue represents higher concentrations. (Authors based on ONS (2011) *Census Data at the Super Output Area Level*. Available online.)



28 | Morton, A. and Dericks, G. (2013) *21st Century Retail Policy: Quality, Choice, Experience and Convenience*. Available online at <http://www.policyexchange.org.uk/images/publications/21st%20century%20retail%20policy.pdf> [accessed 1 February 2016].

30 | Price ratio of retail to office space in London boroughs (Authors based on Valuation Office Agency (2015) *Business floorspace and rateable value statistics by Borough*. Available online at <https://www.gov.uk/government/organisations/valuation-office-agency/about/statistics> [accessed 5 February 2016].)



Scale

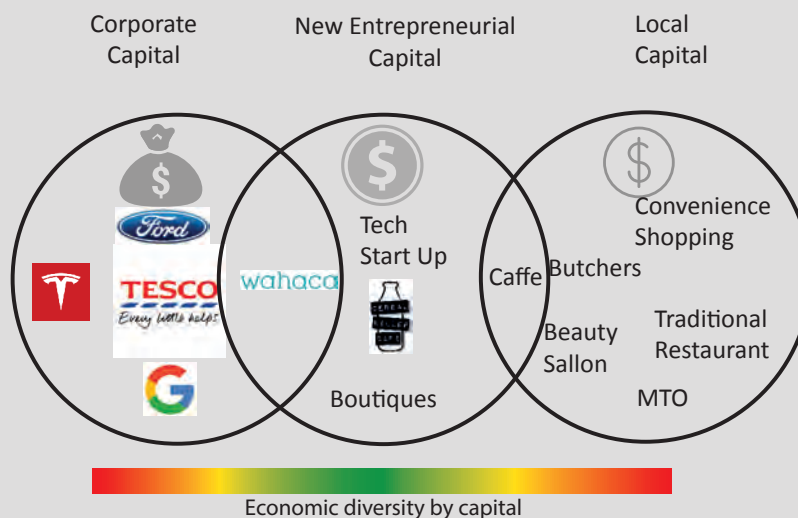
As mentioned above, a diverse economy includes the diversity of types of capital. Sharon Zukin has provided a useful framework of the retail landscape which presents three forms of capital to characterise the current competition for space and clients in cities: new entrepreneurial capital, corporate retail capital, local capital. 31 |

In the pursuit of comparison shopping in Elephant & Castle, there exists a risk of attracting a disproportionate volume of corporate retail capital into the local economy. A diverse economy in terms of capital generates local resilience through employment and the business landscape so that the associated risks of economic activity are distributed along a broader spectrum, avoiding concentration or

31 | Definition of different types of capital
(Zukin, S., Trujillo, V., Frase, P., Jackson, D., Recuber, T. and Walker, A. (2009) 'New Retail Capital and Neighborhood Change: Boutiques and Gentrification in New York City', *City & Community* 8(1), pp. 47-64.)

Type of Capital	Definition	Example
New Entrepreneurial Capital	small local chains or individually owned stores	boutiques
Local Capital	individually owned small businesses that served long-term resident prior to recent redevelopment	hair salons, delis, markets
Corporate Retail Capital	publicly traded, franchised, or large local/translocal chains with considerable market shares	chain stores

32 | Diagram of different types of capital and their interactions



dependence on particular economic sectors or enterprises. 34 | A well managed local economy should foster the availability of different types of capital, sectors, and enterprises. Most importantly, a local economy should provide accessible spaces to produce, distribute, and consume.

The gaps apparent in Elephant & Castle’s infrastructural capacity and local economy as outlined in the two sections above highlight issues and potential successes for accessibility and utilisation in the area. The components identified from the conceptual framework provide an important foundation for the impact and viability of our proposed intervention.

Intervention: Policy Guidelines for Affordable Retail

The intervention is developed in response to the research carried out in Elephant & Castle and consists of a series of policy recommendations to improve affordable retail provision as part of a broader development strategy. 35 | These recommendations are specifically tailored to Elephant & Castle but could also inform debate in other boroughs. The intervention also includes two scenarios as potential means of operationalizing these recommendations onsite. Scenario A is a modified institutional

33 | Key terms

Key Terms
Affordable Retail Rent A market mechanism that seeks to promote and protect small and medium enterprises through the provision of lower market rates (similar to social or affordable housing) <ul style="list-style-type: none">• policy innovation promoted by the GLA• adopted on an ad hoc basis by 17 boroughs• web of negotiations between local authorities, developers, workspace providers, and SMEs.
Workspace Provider (WSP) An organization co-plans designs, manages flexible work space <ul style="list-style-type: none">• facilitate business support, networking, mentoring• work with the council to inform skills development and employment pathways• public entity, a non-profit or a private company
Business Improvement District (BID) A BID is a business-led and business funded body formed to improve a defined commercial area <ul style="list-style-type: none">• ballot formed entity on renewable 5 year terms• flexible mechanism with varying compositions and scale• 32 BIDs in London covering 7.6% of London’s firms

34 | Storper, M. (2013) *Keys to the city: How economics, institutions, social Interaction, and politics shape development*. Princeton: Princeton University Press.

Glaeser, E. and Joshi-Ghani, A. (eds) (2015) *The Urban Imperative towards Competitive Cities*. Oxford: OUP India.

form of a Business Improvement District while Scenario B is an improved asset management and spatial strategy focused on the railway arches and pursued by TFL.

While there are social incentives and long-term economic benefits to affordable retail workspaces, there are also immediate economic costs to the provider. Thus, policy intervention is required to initiate the process. 36 | As many of the existing policies are deliberately vague, this paper seeks to draw out the causes and consequences of the policy tool in an effort to identify and prioritise the negotiable and non-negotiable aspects of the proposed guidelines as well as their risks, limitations, and consequences. Where fixed non-negotiable metrics are not identified, the paper tries to offer indicative ranges to act as the basis for negotiation.

Theme	Issue	Existing Policy	Recommended Policy (Non-Negotiable)	Indicative Basis (Negotiable)
Fostering Competition	Time	Indefinite /No limits mentioned	Some limits to be agreed between the WSP and business from the outset	Indicative 2 year limit
	Unit Size	No description (GLA cite limit of 80sqm)	Physical expansion should be limited	Indicative 100% expansion limit
	Rental Rate	Up to 60% of market value	Rates should gradually increase to market value	Indicative 50% starting point
Perpetual Support		No limit	Micro spaces (less than 10sqm) to be included in the provision	Exact number and location
Proportion of Floor Space		10% of new development	Volume should increase or decrease to achieve optimum range	Threshold at either end of the clone street spectrum
Geography of Coverage	Applicable Developments	Only new	New and existing	How to integrate existing developments
	Geographic Scale	Borough wide	Calibrated to individual high streets / Central Activities Zones	Affordability benchmarks can vary from location to location

36 | Policy recommendations

36 | Islington Council (2014) *Islington's Guidance on Affordable Workspace*. Available online at [http://www.islington.gov.uk/publicrecords/library/Economic-development/Information/Guidance/2014-2015/\(2015-02-12\)-Guidance-on-Affordable-Workspace-Dec-2014.pdf](http://www.islington.gov.uk/publicrecords/library/Economic-development/Information/Guidance/2014-2015/(2015-02-12)-Guidance-on-Affordable-Workspace-Dec-2014.pdf) [accessed 1 February 2016].

Fostering Competition: Pushing Businesses Into the Market

While promoting affordability appears a worthwhile pursuit, there is a risk associated with static support through the creation of a parallel market for unproductive and underperforming businesses. Concerns about productivity across the UK economy and specifically, the retail sector, are increasingly being recognised as a threat to competition. ³⁸ | Examples of marginal start-ups or established firms with no incentive to move on have been identified within tech incubators and the workspace provision efforts going back to the 1980s. ³⁹ | This not only raises questions about the accountability of ongoing subsidies, but also potentially hinders new businesses entering the market.

Thus this paper proposes a conceptual shift via the policy framework. Rather than merely support local businesses, the policy should strive to assist businesses to enter and maintain a competitive presence in the wider market. This is not seen as a zero-sum game whereby a local business simply takes market share from corporate capital, but in symbiotic terms as a means to foster competition and expand the market through greater diversity and specialisation. While this represents a fixed change in policy direction, the means of achieving it must be tailored and negotiated. We identify three parameters which could be negotiated with the workspace provider in an effort to push more businesses into the market:

1. Time

A universal time limit ignores the inherent differences that exist between business types, sizes, markets, business plans, and seasonal adjustments. A new business may need to build a customer base, whereas an existing business may require one seasonal cycle to change stock holdings.

2. Physical Space

An increase in the need for physical space is commonly identified as an indicator of business success or potential market viability. It serves as a basic indicator of increased demand necessitating more stock or staff, or increased service provision requiring a larger variety or size of space(s).

3. Rental Rates

Currently set at specific rates relative to the market (e.g. 50-60%), they pose a considerable challenge to any business if and when they suddenly jump to 100%. Thus, we propose the implementation of graduated rents in order to transition from

³⁷ | “But if workspaces are in fact being used merely for the indefinite support of marginal start-ups with little chance of ever ‘graduating,’ or alternatively as long-term locations for established firms with no incentive to move on, this should surely be of some concern to those bearing the cost of the subsidy.” (Green, H. and Strange, A. (1999) ‘Managed workspace. Do tenants stay too long?’, *RLCE* 14(3), pp. 245–256, on p. 246.)

³⁸ | Morton, A. and Dericks, G. (2013) *21st Century Retail Policy: Quality, Choice, Experience and Convenience*. Available online at <http://www.policyexchange.org.uk/images/publications/21st%20century%20retail%20policy.pdf> [accessed 1 February 2016].

³⁹ | Green, H. and Strange, A. (1999) ‘Managed workspace. Do tenants stay too long?’, *RLCE* 14(3), pp. 245–256.

the starting point (e.g. 50%) to an intermediate rate (e.g. 75%) to market rates (100%). The level and duration of these rents can vary on a case by case basis.

Perpetual Support: Propping up Shops

There are some businesses that may never be able to compete in the wider market. While this draws nostalgic concern from some commentators around a loss of high street character, the failure of a business implies deeper socioeconomic factors that deserve specific attention. 40 |

Entrepreneurial Opportunity

Market stalls have traditionally served as entry points for budding entrepreneurs. Such spaces tend to be small (less than 10sqm), limited in number, and potentially temporary in nature. The cost of their provision is relatively small in the context of the retail sector. Perpetual support of these spaces should be included in the provision and could be accommodated not just within the markets (New Town and East Street) but also in other parts of Elephant & Castle (including the railway arches).

The risk with perpetual support is the creation of a parallel subsidised economy which discourages success. Thus, the model presents ongoing challenges which this research has not been able to fully address. While the provision of essential goods and services may have alternative mechanisms, the provision of entrepreneurial spaces does not appear to have reliable alternatives.

Proportion of Affordable Space: Optimum Range not Minimum Requirement

The evidence base used to guide existing policy tends to restrict the proportion of affordable floorspace in a new development to the maximum amount of floorspace without compromising the market viability of the development. 41 | This proportion varies across boroughs and projects with examples ranging from zero to 25%. There are obvious flaws in this methodology as it only addresses the supply side without assessing demand or vacancy rates. We recommend that a more appropriate methodology is using an optimum range or best practice rather than merely a minimum requirement. This type of analysis requires a more in-depth survey than the GLA's Town Centre Health Check but is beyond the scope of this study. 42 |

40 | Carmona, M. (2015) 'London's Local High Streets: The Problems, Potential and Complexities of Mixed Street Corridors', *Progress in Planning* 100, pp. 1–84.

41 | Islington Council (2014) *Islington's Guidance on Affordable Workspace*. Available online at [http://www.islington.gov.uk/publicrecords/library/Economic-development/Information/Guidance/2014-2015/\(2015-02-12\)-Guidance-on-Affordable-Workspace-Dec-2014.pdf](http://www.islington.gov.uk/publicrecords/library/Economic-development/Information/Guidance/2014-2015/(2015-02-12)-Guidance-on-Affordable-Workspace-Dec-2014.pdf) [accessed 1 February 2016].

42 | Kensington and Chelsea Council (2013) *Notting Hill Gate: Analysis of Available Retail*. Available online at <https://www.rbkc.gov.uk/pdf/NHG%20Retail%20Study%20FINAL.%20v5%20LR.pdf> [accessed 1 February 2016].

43 | "...it is urgent to change public policy that fails to protect long-term, local shops while fostering the growth of new retail clusters. Although, in the last analysis, rent rather than consumer goods and services determine who lives in a neighborhood, the right to the city passes through the right to shop there" (Zukin, S., Trujillo, V., Frase, P., Jackson, D., Recuber, T. and Walker, A. (2009) 'New Retail Capital and Neighborhood Change: Boutiques and Gentrification in New York City', *City & Community* 8(1), pp. 47–64., on p. 62.)

The New Economic Foundation's clone street index as seen in 53 | provides a useful barometer for additional or less affordable floorspace provision. 44 | Rather than merely assessing supply and demand, it provides indicators that can be used to gauge the desirable scale of diversity on the high street.

Existing Areas: Integration of the Policy Framework

A significant gap in the existing policy framework is the failure to integrate existing floorspace into the affordable provision. In practice, the entire policy discussion revolves exclusively around new developments. These policy guidelines recommend the inclusion of existing floor space into the policy framework while the scenarios outline productive strategies to accommodate affordable retail into existing spaces. There are significant limitations to the current policy so the integration of existing floorspace is recommended for the following reasons:

- The ongoing structural shift in the retail sector warrants that there will be less need for additional physical retail space which will result in fewer new developments. 45 | In the absence of new developments, the current policy framework will effectively have no application.
- New developments currently represent a small percentage of the total provision of retail space. 46 | Therefore, the impact of current policies on affordability is exceedingly limited.
- New developments tend to be more expensive and can have an inflationary influence on the affordability of existing retail space. The failure to regulate existing spaces poses a risk to their continued affordability.

Integrating existing floorspace into the policy framework represents one of the most fundamental adjustments recommended in this paper. The integration would significantly expand the potential of the tool, enabling the policy to achieve the desired results. This provides a more sustainable means to manage capacity, encourage diversity in the market, maintain the availability of affordable retail space, and sustain the ongoing potential of retail as a step on the ladder of social development. The challenge here is less about whether existing space should be integrated and more about how existing space is managed and how the costs of integration are shared. This will be explored further in the scenarios.

Local Calibration: Categorization of the Policy Framework

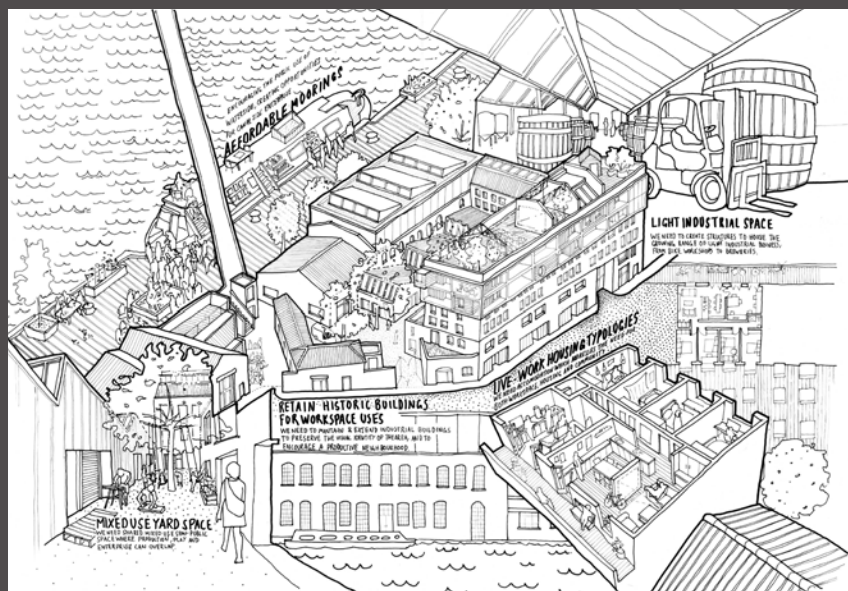
Given the socioeconomic diversity and sensitivity of local markets, coupled with the untested nature of the policy tool, the GLA appears to be correct in granting boroughs the autonomy to adapt the policy on an ad hoc basis to local conditions. However, another fixed recommendation we propose is to calibrate the policy tool

44 | Cox, E. and Squires, P. (2010) 'Re-imagining the High Street: Escape from Clone Town Britain', *New Economic Foundation*. Available online at <http://www.neweconomics.org/publications/entry/reimagining-the-high-street> [accessed 1 February 2016].

45 | Morton, A. and Dericks, G. (2013) *21st Century Retail Policy: Quality, Choice, Experience and Convenience*. Available online at <http://www.policyexchange.org.uk/images/publications/21st%20century%20retail%20policy.pdf> [accessed 1 February 2016].

46 | Carmona, M. (2015) 'London's Local High Streets: The Problems, Potential and Complexities of Mixed Street Corridors', *Progress in Planning* 100, pp. 1–84.

Cut Across: Canal and Waterway Infrastructure



Vittoria Wharf, Fish Island by Richard Brown (affordablewick.com)

Creative Enterprises in Hackney Wick

Excerpts from an interview with Architect Richard Brown, founder of AffordableWick, conducted by Francis Aguiard, Surannit Chit, and Helena Montero in Hackney Wick, 2015:

“The area [Hackney Wick] has historically been heavily industrial but Hackney Council, under the guidance of the GLA and the Plan for London, “released” this area for residential development.

The canal should be a public space on both sides, not just the towpath side. Historically the non-towpath side was the side for loading and unloading.

Historically, buildings along the canal were low and not many stories.

at the sub-borough level to the idiosyncrasies of the individual high street or Central Activities Zone (CAZ). Analyses of existing policies reveal that a borough-wide categorisation may be too coarse to be effective, ignoring the heterogeneity within the boroughs. There are instances where the borough-wide benchmark is set too high (Kensington). Conversely, if the benchmark is too low, it risks the provision of too much affordable space, discouraging growth and competition. A more granular assessment has been used in some cases (e.g. Islington) and appears far more appropriate to the intention of this policy.

47 | “A further way in which local centres are currently competing with larger centres and identifying for themselves a specific role and function is through “differentiation” to cater for local communities which are otherwise underserved by the mainstream retail offer. Many of the communities that are underserved by existing local centres and have disadvantaged access to alternative retail offers include a high proportion of ethnic minorities. Such centres have long had a diverse range of small independent retailers catering for the specialist consumer needs of local residents.”

(Instone, P. and Roberts, G. (2006) ‘Progress in retail led regeneration: Implications for decision-makers’, *Journal of Retail and Leisure Property* 5(2), pp. 148–161, on p. 158.)

Further away from the canal (further back) they were higher. I've always thought this is a good development typology to follow. Keep the buildings low along the canal and preserve that character and get density in the back. I made this proposals for Victoria Wharf where I suggested doing that, but what people told me and what developers say is that you have to build high along the canal because this makes sense. This is an issue in all of the UK, tall buildings right along the canal.

Printers were the biggest industry of the areas before the Olympics. But many of them lost a lot of business leading up to the games and during the games and kinda moved out of the area to areas further outside of London. This actually opened the way for other sorts of artists and

creatives to come fill the spaces the printer's left behind.

During the Olympic construction and during the games themselves, the identity of the area became stronger because of the cul-de-sac effect. Many people just felt like nothing was going to happen in the area. Of course, this thought was a bit naive. Many of the people buying property knew that the area was going to increase in value post-Olympics.

We are losing the makers that are in East London because we don't have the right types of work space. It is all office space, and that's not good for banging around, chopping wood, etc. Everything the GLA calls for is office space for more white-collar professions."

Scenarios & Consequences: Operationalizing the Policy Guidelines

This paper proposes two means of operationalising the policy recommendations. These scenarios take the form of revised institutional forms and business strategies that can support a more inclusive economy and integrated spatial structure. Scenario A presents an opportunity for business owners themselves to manage the local business landscape, whereas Scenario B proposes a more viable asset management strategy for TFL, and has a distinct spatial characteristic. Both scenarios have provisions for the incorporation of affordable floorspace.

Scenario A: Expanded BID with Affordable Retail

Several studies have called for an expanded mandate for BIDS, and although alterations have been proposed (Crossrail Act and General Competence Act), much of it has not materialised. 48 | Scenario A builds upon the existing mandate of BIDS, which includes determining the retail mix and improving the public realm and business environment. We propose to introduce new authorities and tasks within the

48 | Morton, A. and Dericks, G. (2013) *21st Century Retail Policy: Quality, Choice, Experience and Convenience*. Available online at <http://www.policyexchange.org.uk/images/publications/21st%20century%20retail%20policy.pdf> [accessed 1 February 2016].

BID such as inclusion of more stakeholders in the decision-making processes and empowerment of the BID to oversee modifications to the existing building stock.

As a balance to these extended powers, BIDS should also be responsible for monitoring, maintaining, and increasing the provision of affordable floorspace within existing areas, as a means of expanding and diversifying their constituency. In effect, the BID can fill the management void in existing developments and would spread the immediate cost of affordable retail across all businesses within its catchment.

Structure and Institutional Process

The proposed extensions to the BID's mandate can be granted directly by Southwark Council. Concerns about a BID's democratic accountability can be mediated by increasing the involvement of elected and community constituents within the institution. We propose the inclusion of fee-paying property owners, as opposed to merely business owners, as voting members of the BID, along with representatives of the Council, and community associations. In Elephant & Castle, this approach seeks to utilise the linear membrane fabric of Walworth Road (the high street) as an alternative structuring device to the abstract and isolated town centre ("blob") discourse on which most strategic planning in London is based. 49 |

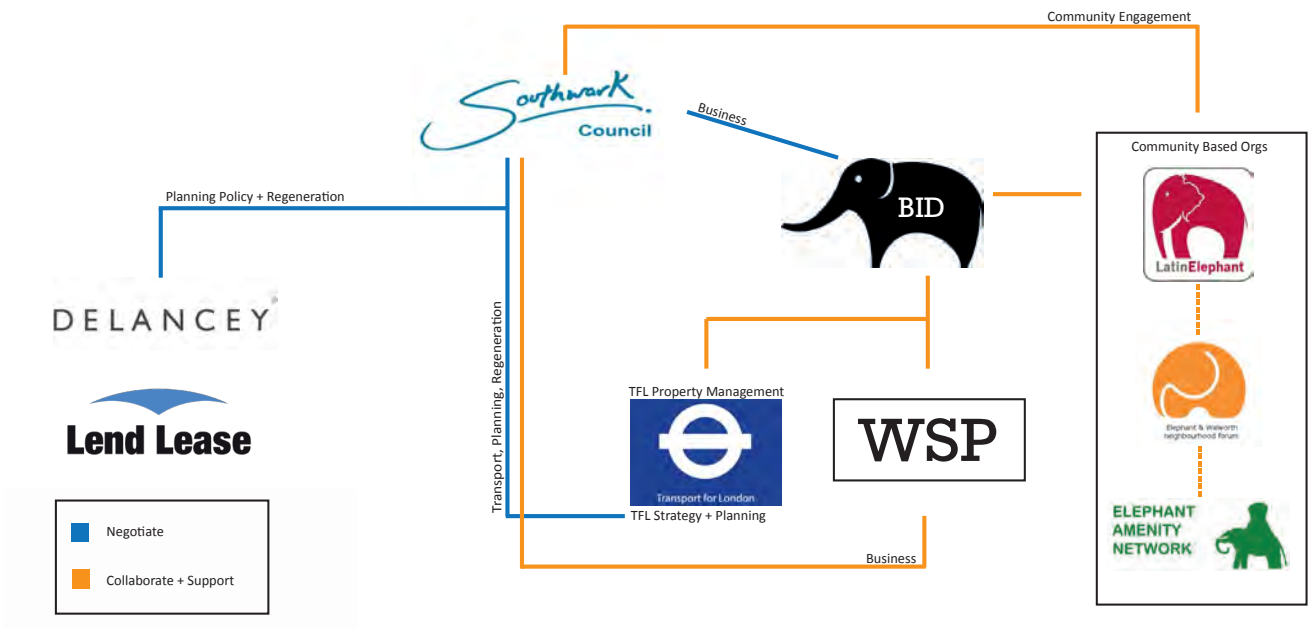
As seen in 50 |, the BID would play a significant institutional role in Elephant & Castle, aligning key stakeholders and empowering them collectively to support and enhance a diverse economy through the management of affordable retail spaces via a local workspace provider. The BID's organisational structure at the micro level is further outlined in 52 |, involving local businesses that feed into the Board, with some functioning under affordable workspace provisions coordinated through the workspace provider. At the outset of the BID's establishment, community based organisations like Latin Elephant, the Elephant and Walworth Neighbourhood Forum, and the Elephant Amenity Network, can act as effective recruiters to generate interest in the BID.

Specific to affordable floorspace, the institutional framework allows for the Council to have a monitoring role in conjunction with the workspace provider. This would provide some element of independent quality control to ensure the BID is carrying out this requirement.

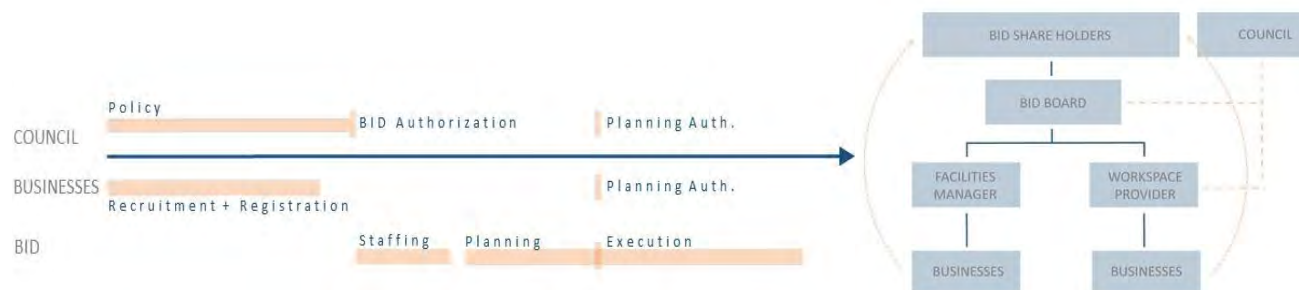
Challenges

Perhaps the greatest challenge to this model is the voluntary nature of BIDs, which necessitates that businesses in Elephant & Castle vote for the creation of one. Given the additional requirements proposed here, there is no guarantee that such a BID would ever form and would require local lobbying by actors such as Latin Elephant and other local organisations. Another long term challenge pertains to the potential

49 | Carmona, M. (2015) 'London's Local High Streets: The Problems, Potential and Complexities of Mixed Street Corridors', *Progress in Planning* 100, pp. 1–84.



50 | Institutional framework for Scenario A



51 | Timeline for Scenario A

52 | Organizational framework of the BID for Scenario A

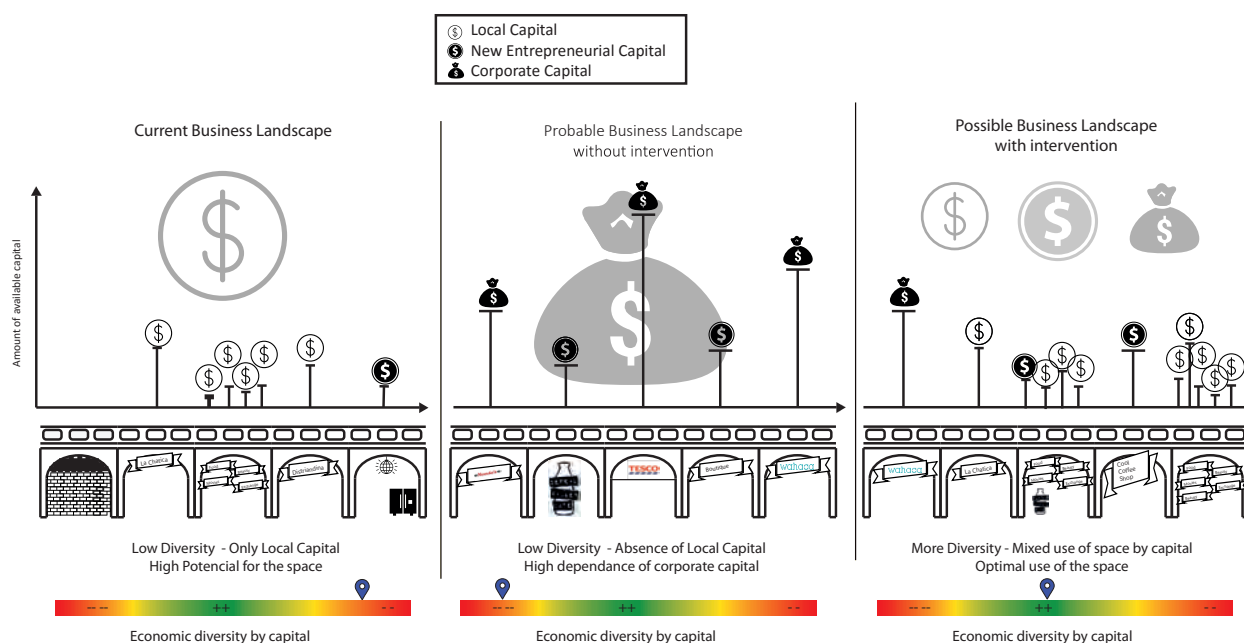
underperformance of the BID, although existing case studies reveal internal checks by BID members to be an effective mechanism of controlling performance issues.

Scenario B: TFL Asset Management

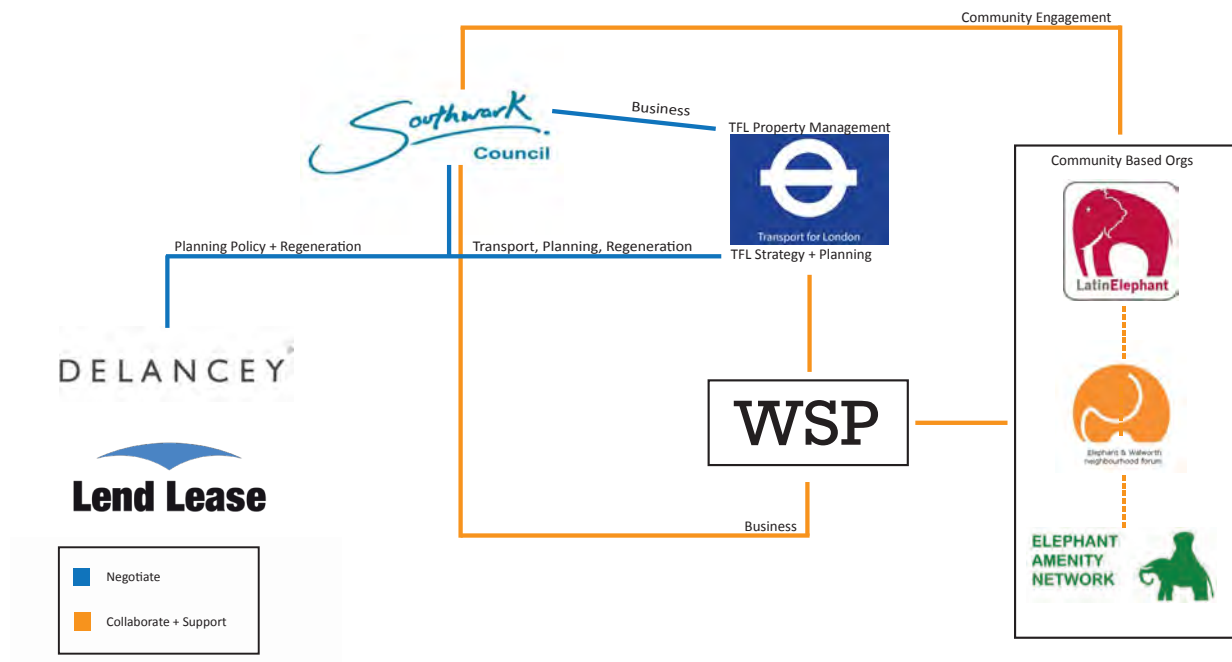
Another means to operationalise the policy recommendations is through asset management improvements – specifically the railway arches, soon to move under TFL’s purview. This approach is also consistent with Southwark’s low line strategy. Both the underutilised capacity of the arches and their monopoly ownership present an appealing financial opportunity for TFL. Moreover, as the arches currently provide inexpensive rental rates, the implementation of the policy seems to offer a seamless transition to maintain and expand affordable floorspace provision within existing developments. Rather than considering the arches solely in isolation, this strategy is conceived as a means to jump start the integration of existing areas (e.g. Walworth Road) into the development discussion.

Pitch to TFL

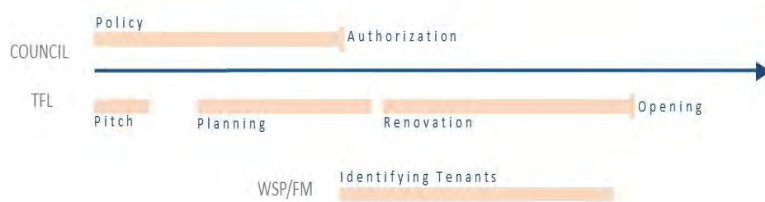
As seen in 57 |, this scenario represents a considerable opportunity in Elephant & Castle to significantly increase the revenue created by its assets while supporting a diverse economy and improving the spatial character of the area. 58 | The scalability of this strategy across potentially thousands of arches throughout London and the UK justifies further investigation.



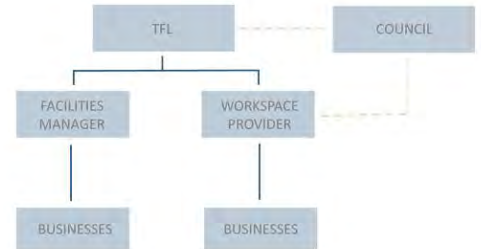
53 | Future scenarios of capital diversity along the arches



54 | Institutional framework for Scenario B



55 | Timeline for Scenario B



56 | Organizational framework of TFL for Scenario B

Structure and Institutional Form

This scenario does not require any legislative action or policy changes from the Council but recognition on part of TFL and Network Rail of the financial viability and spatial suitability of the arches for these changes. Depending on scale and TFL's internal capacity, the asset management and role of workspace provider could be vertically integrated or outsourced to specialised sub-contractors. 56 |

Spatial Strategy

The necessary spatial interventions are detailed in 61 |, building on the unique urban form of the railway infrastructure. By breaking open the urban blocks between the railway line and the high street, the space will increase permeability and the mixed-use potential of the streets that link them, activate the street fronts, and enliven the high street. 59 |

At a broader urban level, renovation of the arches will help to counterbalance the development of the area by encouraging vibrancy along the western edge of Elephant & Castle, sustaining the centrality of Walworth Road, as opposed to the new developments in the east. These efforts will integrate the disproportionate levels of social housing found west of the arches. Thus, the physical integration of the arches and Walworth Road can create a connective social fabric across the neighbourhood. Ultimately this will physically integrate the arches and the high street by transforming the underutilised arches from local boundaries to borders. 60 |

Estimated Cost Breakdown			
Item	# of Arches	Ave Cost (£/arch)	Total
Arches in the Area	98		
Existing Rental Yield	63	42,000 / year	£2.7m / year
External Repairs	31	36,000	£1.1m
Internal Repairs	25	100,000	£2.5m
Total	31	136,000	£3.6m
Increase in Rental Yield	25	42,000 / year	£1.1m / year
Potential Rental Yield	88	42,000 / year	£3.8m / year
Return on Investment (ROI): 31% in Year 1 (Capital Cost Recovery in 3.5 years)			

57 | Estimated cost breakdown

58 | Cross River Partnership (n. d.) *Light at the end of the Tunnel*. Available online at <http://crossriverpartnership.org/media/2014/09/LET-Celebration-Document.pdf> [accessed 1 February 2016].

59 | Carmona, M. (2015) 'London's Local High Streets: The Problems, Potential and Complexities of Mixed Street Corridors', *Progress in Planning* 100, pp. 1–84.

60 | Sennett, R. (2008) *The Public Realm*. Available online at <http://www.richardsennett.com/site/senn/templates/general2.aspx?pageid=16&cc=gb> [accessed 5 February 2016].



61 | Spatial interventions required



62 | Visualization of potential low line intervention

Challenges

The greatest challenge to this scenario is TFL's willingness to take it on and the potential institutional stasis if Network Rail retains exclusive control of the arches. It requires a creative approach to the asset management of the arches which could be seen as a distraction to both TFL and Network Rail from their primary role as transport providers.

Conclusion

Elephant and Castle stands at a critical juncture, with multiple competing forces intervening to alter its built form and local socioeconomic profile. The intervention developed in this report is one attempt at critically analysing these dynamics, developing a strategy targeted at capitalising upon the unique spatial structure of the area, and utilising it to generate broader socioeconomic benefits.

The provision of affordable retail space under the railway arches is one way in which we can foster and maintain a vibrant economy and social activity. It is a strategic process that remains aware of site specific contexts and relies on an integrated approach to ensuring socioeconomic and infrastructural diversity, in all senses of the word. The scenarios outlined in this study present a means to harness the underutilised capacity within Elephant & Castle to cultivate an accessible inclusive business environment that can expand through the process of regeneration, and encourage a diverse and competitive retail landscape. In particular, the adaptation of the function of the railway arches attempts to reconceive their spatial capacity as an infrastructural influence on the diversity of urban form.

It is also important to note that although we have considered the specificities of Elephant and Castle while proposing this intervention, we believe that this policy can be applied in the broader context of London. The scalability and adaptability of this intervention allow for its application throughout the city. In light of the influx of more corporate capital in other major redeveloped areas of London, this strategy can be applied in other boroughs where similar interventions by corporate capital present the risk of creating clone streets.

To take this further, the GLA could establish a consistent, more systematic means of measurement and evaluation in order to better understand the synergy between different types of capital and allow for different more strategic analysis and intervention. This could be of help to the London Boroughs as lessons are emerging from the ad hoc application of this innovative policy tool.