London Chamber of Commerce and Industry

Response to the Draft London Plan consultation 2026

15 October 2026

About London Chamber of Commerce and Industry

London Chamber of Commerce and Industry (LCCI) is the voice of London's business community, with a 12,000-strong business network of SMEs and microbusinesses, major corporations, and cultural and educational institutions. Founded in 1881 to represent London businesses and promote international trade, we support our members to drive growth and prosperity across the UK and internationally.

LCCI champions the interests of London businesses to ensure their views are reflected in policymaking at local, regional and national levels. Its policy work draws on extensive member engagement, research and polling, the Quarterly Economic Survey, and insights from its sector forums and policy committees. This submission combines that evidence with member-supplied examples and practitioner experience, with particular input from LCCI's Connected London Committee.

LCCI's Connected London Committee brings together members to examine the planning, development, transport and infrastructure issues affecting London's businesses. Its work informs the Chamber's policy positions and engagement with decision-makers, drawing on members' experience of investing, developing and operating in the capital. Committee discussion and subsequent written contributions have helped shape the priorities and recommendations in this response.

Planning, housing, land and infrastructure shape London's competitiveness and its ability to attract investment, support employment and accommodate a growing workforce. This response assesses whether the proposed London Plan creates the practical conditions needed to support that growth. It forms part of Choose LDN., LCCI's campaign to make London the best city in the world to do business, live and build a future.

The conditions for London's growth

London remains a foundational part of the UK economy, generating nearly a quarter of national output and enabling growth through trade, innovation, tax revenues and supply chains across the country. Its financial and professional services, technology ecosystem, cultural offer, international airports and diverse business base provide a

concentration of advantages that few cities can match. These strengths cannot be taken for granted. Competition for investment, businesses and talent is intensifying as rival global cities continue to improve the conditions they offer.

That competition is taking place against a difficult business environment. LCCI's Q3 2026 Quarterly Economic Survey found that 64% of London businesses were operating below full capacity, while only 6% had increased investment in plant and equipment. These findings cannot be attributed to planning policy alone, but they demonstrate the wider conditions in which businesses and investors are deciding whether to make long-term commitments in the capital.

London continues to attract business and career ambition, but too often the cost of building, operating and establishing a life in the capital prevents that initial attraction from becoming lasting commitment. LCCI-commissioned polling in August 2026 found that 70% of UK adults aged 24 to 35 believed career opportunities were better in London, while 74% of London business leaders said housing costs were limiting their ability to recruit and retain staff. Housing supply and affordability cannot be treated as separate social questions: they directly affect access to labour, business expansion and London's ability to retain the people on whom its economy depends.

The proposed London Plan sets a more openly pro-growth direction than the current framework. It identifies capacity for around 558,000 homes over its first decade, supports a range of employment and industrial uses, and recognises that development depends on transport, utilities and digital connectivity. These are important foundations. However, the housing capacity identified remains below the level of assessed need and substantially above London's recent rate of delivery. The central test is how far the Plan turns this allocated capacity into viable development and economic activity.

Planning permission does not by itself produce a development-ready site. Schemes must remain viable after planning requirements, infrastructure contributions, affordable housing obligations, technical evidence and financing costs are taken into account. Permissions must then be supported by electricity, water, transport, digital connections and servicing capacity when development is ready to proceed. Where these conditions are uncertain, projects can remain unbuilt even after substantial time and money have been committed.

The same considerations apply to land. GLA-owned and controlled land should be used more actively to support housing and economic growth, with a transparent route from ownership to development. The approach to the Green Belt should go further by identifying and releasing potentially suitable unused and underused land, rather than leaving difficult decisions to later borough interpretation and site-by-site negotiation. At the same time, additional housing must not be secured by weakening the commercial ecosystem that allows London to function. Industrial land, logistics

facilities, affordable workspace, freight routes and servicing capacity should be treated as economic infrastructure and assessed according to their practical usability, not floorspace totals alone.

London's airports form another part of that infrastructure. Sustainable expansion at Heathrow, Gatwick and Luton would support investment, trade, tourism, freight and employment. The Plan should provide a positive framework for airport growth where environmental effects, surface access, public transport and congestion are addressed, rather than beginning from a presumption against expansion.

Taken together, these issues show that the Plan's pro-growth direction is not yet matched by a sufficiently clear framework for implementation. Greater certainty is needed if London is to sustain investment and accommodate growth.

Summary of the submission

Against this background, LCCI recommends eight changes to the final Plan:

1. **Reduce the burden of planning.** Measure the full route from early engagement to an implementable permission, standardise recurring requirements across boroughs and make evidence proportionate to the size, complexity and risk of each proposal.
2. **Assess the cumulative cost of planning.** Publish an updated plan-wide viability assessment before adoption, monitor performance annually against its assumptions and define when sustained divergence between assumptions and actual delivery should trigger a formal review.
3. **Identify practical measures and incentives to improve development viability.** Alongside assessing cumulative requirements, the Mayor should identify ways to reduce development costs and enable schemes to proceed across a wider range of sites. Housing delivery depends on projects offering a commercially viable return.
4. **Support airport expansion and the jobs it creates.** Replace the current restrictive approach with a positive, mitigation-led framework for additional capacity at Heathrow and across the wider London airport system, supported by funded surface access and cross-boundary coordination.
5. **Mobilise GLA-owned and controlled land.** Publish a comprehensive development pipeline covering site capacity, proposed uses, delivery partners, infrastructure requirements, milestones and actions to address delays. The Mayor and the GLA must fully utilise the value of the land that it already owns, including around City Hall and the Royal Victoria Docks.
6. **Undertake a more ambitious Green Belt review to unlock further grey belt land for development.** Identify a materially larger pipeline of suitable locations, align release with London's assessed housing and economic needs, and establish clear requirements and timescales for site assessment

and allocation through borough local plans. There is a clear case for releasing land for development which is currently classified as green belt, but has very limited or no ecological value.

7. **Protect operational industrial and logistics capacity.** Assess land and replacement provision by practical usability, including access, yards, operating hours, power, occupancy cost and freight connections, rather than floorspace alone.
8. **Align growth with infrastructure delivery.** Publish a consolidated schedule showing the transport, utility, digital and servicing capacity required for each major growth location, together with its funding status, responsible delivery body and timetable.

1. Burden of planning

The Plan's clearer starting expectations for development and its proposed monitoring framework provide a useful basis for improving planning performance. Greater consistency with national planning rules should also reduce uncertainty for applicants. The remaining issue is whether these changes make the full route through planning faster, more proportionate and more predictable.

Businesses and developers do not experience planning as a single statutory decision period. Work begins before an application is submitted and can continue long after permission is granted. Pre-application discussions, technical studies, validation requirements, legal agreements, the discharge of conditions and coordination with utilities or other public bodies can all affect when construction begins or premises become available for occupation. A decision recorded as being made on time may still leave separate technical approvals, legal agreements or access arrangements outstanding. Where these involve several bodies, the sequence and timing of their decisions can determine when work begins.

Evidence from LCCI members indicates that these stages bring additional professional and financing costs. Smaller developers are particularly exposed because they have less capacity to spread those costs across several projects or absorb repeated requests for revised evidence. Businesses occupying or seeking premises experience a different effect: planning uncertainty can delay relocation or expansion, increase occupancy and holding costs, and leave firms waiting for premises needed to operate or grow.

A significant source of avoidable cost is variation in how recurring requirements are defined and applied across boroughs. Local flexibility remains necessary to reflect different places and proposals, but it does not require calculations, templates and evidence requests to vary without a clear policy reason. Inconsistent requirements make it harder to compare sites, estimate costs and prepare an application that can progress across different parts of London. A common starting point, with local departures explained by the circumstances of a proposal, would preserve borough discretion while reducing duplication.

A London-wide monitoring framework should distinguish between delays within the influence of the Mayor and boroughs and those arising from the Building Safety Regulator gateway process, judicial review or the national planning framework. This would show where responsibility lies and where action is required from government or other bodies.

The final Plan should establish a London-wide approach to measuring the whole planning journey, from initial engagement to a permission that can reasonably be implemented. Reporting should identify the organisation responsible for each stage, outstanding decisions and dependencies between bodies, with agreed response

times for approvals needed to commence work. Where the data allow, it should distinguish between different development types and sizes.

The GLA has indicated that most of the Plan's proposed performance indicators can be populated from information already collected, with any additional fields incorporated through limited changes to the Planning London Datahub. This provides a practical basis for extending monitoring beyond statutory determination periods. Any new reporting requirements should build on existing data systems and emerging national standards, rather than create a separate administrative process for boroughs and applicants.

The GLA should also work with boroughs and applicants to standardise recurring definitions, calculation methods, templates, evidence requirements and reporting arrangements. Evidence should be proportionate to the size, complexity and risk of a proposal. The results should inform a published improvement programme focused on the stages where delay, duplication and uncertainty impose the greatest burden.

2. Cost of planning

Planning requirements affect development cumulatively rather than in isolation. The central issue for the final Plan is whether the combined cost of London-wide and borough requirements remains compatible with viable development across London.

Development viability reflects both planning requirements and wider market conditions. Planning-related costs include technical studies, design and environmental standards, Community Infrastructure Levy and Section 106 contributions, affordable housing obligations, professional fees and the financing cost of delay. Interest rates, construction costs and market demand sit outside the planning system but determine how much additional cost a scheme can absorb.

The effect varies considerably by location and development type. A package that remains viable for a large central London development may have a different effect on a smaller scheme, an outer London site or the reuse of an existing building. For smaller developers, fixed professional and financing costs can form a larger share of scheme value, while late changes to requirements can disrupt decisions already made on land, design and funding. Delayed or abandoned schemes also reduce the supply of homes and business premises.

The GLA has confirmed that Phase 2 of the London Plan Viability Study is expected to be published in spring 2027 in support of the Plan's submission to the Planning Inspectorate. It should provide an updated plan-wide assessment of the combined effect of London-wide and borough requirements across representative locations, development types and scheme sizes. Publication needs to allow sufficient time for scrutiny before the Plan is examined and adopted, with the principal assumptions

presented in an accessible and comparable form. The findings should inform practical measures and incentives to reduce development costs and bring otherwise unviable schemes forward.

The assessment should provide a strategic evidence base for the Plan rather than create an additional scheme-level requirement. Boroughs proposing further local requirements should demonstrate how their cumulative effect relates to the London-wide assessment.

The Annual Monitoring Report should then compare the study's assumptions with permissions, construction starts and completions across different locations and development types. The GLA has acknowledged that the first five years of the Plan are likely to remain challenging and that policy thresholds may require earlier review if economic circumstances change. The Plan should therefore define the scale and duration of divergence that would trigger a formal reassessment of its viability assumptions and combined requirements.

3. Airport expansion

Aviation is central to London's international connectivity and economic competitiveness. The capital's airports connect businesses with customers, investors and supply chains, support tourism and employment, and provide essential capacity for high-value and time-sensitive freight. The proposed London Plan recognises this economic role and the national policy framework governing airport expansion.

LCCI supports expansion at Heathrow, Gatwick and Luton as important infrastructure projects. Heathrow lies within the GLA boundary, while Gatwick and Luton form part of a wider airport system whose passenger, workforce and freight connections cross administrative boundaries. Their growth is consequently relevant to the Plan's treatment of strategic and cross-boundary infrastructure.

The current aviation policy nevertheless starts from an unnecessarily restrictive position. It gives greater weight to the circumstances in which expansion should be opposed than to the conditions under which sustainable growth should be supported. This sits uneasily with the Plan's wider pro-growth direction.

The final Plan should adopt a positive, mitigation-led framework for additional aviation capacity. Support should depend on credible measures addressing emissions, noise, congestion and effects on local communities, together with sufficient surface access for passengers, airport workers and freight.

For Heathrow, the Plan should identify the associated public transport and freight connections, their funding status, responsible delivery bodies and expected timetable. It should also establish how the Mayor and GLA will coordinate with

government, airport operators, transport providers and authorities outside London on Gatwick, Luton and the wider airport system.

4. Utilising GLA-owned and controlled land

Public land has a central role to play in delivering London's housing and economic growth. The GLA, Transport for London, Places for London and other mayoral bodies control land across the capital. Used more actively, this estate could accelerate development, provide affordable homes and support the commercial and infrastructure needs of growing communities.

The proposed London Plan provides an opportunity to turn GLA-owned and controlled land into a visible and accountable development programme. Active management would provide greater certainty over land assembly, partnerships, planning and phasing, while demonstrating the delivery standards expected from boroughs and private landowners. The programme needs to assess sites systematically against London's housing and economic needs, rather than bring them forward only as individual opportunities arise.

The GLA should publish and maintain a comprehensive, prioritised development pipeline covering its owned and controlled land. For each site, the pipeline would identify:

- Ownership and current use
- Indicative developable capacity
- The proposed housing, affordable housing and commercial mix
- Planning, funding and infrastructure requirements
- The proposed development or delivery partner
- Key milestones and the body responsible for each stage
- The reason for any material delay and the action required to resolve it

The pipeline would also cover land controlled through relevant joint ventures and development corporations where the GLA has a meaningful delivery role. It would distinguish sites ready to proceed from those awaiting planning, infrastructure, funding or partnership decisions, with clear timetables for moving each site forward.

Regular reporting would compare published milestones with actual progress. Missed deadlines would require a specific explanation and corrective action. This would show whether the GLA and its functional bodies are using the land under their control in line with the Plan's housing and economic objectives.

5. Green Belt

The Plan acknowledges that brownfield development alone cannot meet London's housing needs and proposes the targeted release of Green Belt land. This is a necessary change from the current framework, but the scale of release and proposed route to development fall short of what London requires.

The Plan identifies capacity for around 558,000 homes over its first decade. This is materially below the approximately 880,000 homes implied by the government-assessed annual need over the same period, while remaining substantially above London's recent rate of delivery. Addressing both gaps requires a larger and more proactive land strategy.

The GLA has undertaken a London-wide, transport-led assessment of potential Green Belt capacity and identified Broad Locations for Growth without regard to borough boundaries. This provides a useful strategic starting point. However, these locations remain broad areas of search rather than identified development sites, and the Plan does not provide detailed delivery programmes for them. Site identification, assessment and allocation would still depend largely on subsequent borough processes.

This leaves a significant implementation risk. In boroughs where Green Belt development is politically difficult, the proposed approach may not release enough suitable land within the required timeframe. It also leaves landowners and applicants to assemble much of the site-level evidence through local plan preparation and, potentially, later application negotiations. Strategic capacity identified in the Plan may consequently remain unavailable for development.

The final Plan needs to move from broad areas of potential capacity to a materially larger and more deliverable pipeline of suitable locations. Working with boroughs, landowners and infrastructure providers, the GLA should refine the Broad Locations for Growth, assess potentially suitable unused and underused land, and provide sufficient spatial direction for sites to be taken through borough local plans. This work would:

- Identify suitable locations and their realistic development capacity
- Align the scale of release with London's assessed housing and economic needs
- Apply consistent criteria covering Green Belt function, biodiversity, accessibility, proximity to employment, utility capacity, local services, ownership and deliverability

- Set clear requirements and timescales for site assessment and allocation through borough local plans
- Define the infrastructure, phasing and delivery responsibilities associated with each location
- Monitor progress from inclusion in the strategic pipeline through allocation and development

This approach would build on the GLA's existing assessment while closing the gap between identifying broad capacity and bringing forward developable land. The GLA would set the strategic scale, spatial direction and timetable, with boroughs responsible for timely site assessment and implementation through their local plans.

6. Industrial land

The proposed London Plan provides a stronger foundation for protecting London's industrial and logistics capacity. Its policies recognise the importance of storage, distribution, servicing, waste, aggregates and freight, retain the Agent of Change principle and require replacement capacity before protected land is released. These are important provisions, and LCCI supports their retention.

The challenge is to ensure that protection works in operational terms. The Plan estimates additional storage and distribution demand of 1.26 million sq m between 2024 and 2036, requiring approximately 270 hectares of land. These activities cannot simply be treated as residual uses and relocated to London's edge or beyond its boundary. Industrial and logistics sites support construction, retail, utilities, repair, waste management and local services across the capital.

The Plan's recognition of qualitative servicing requirements, including yard space, is welcome. The GLA has also indicated that the loss and provision of storage and distribution land will be monitored at borough and Property Market Area level. The assessment nevertheless needs to cover the full range of factors determining whether capacity can perform its intended function. Replacement space may provide the same internal area while offering restricted delivery access, unsuitable operating hours or inadequate power. Its location, specification or cost may also place it beyond the practical reach of businesses, workers, customers and freight routes. The same principle applies to wharves and rail-connected sites: formal protection has limited value if tidal access, adjoining development, road connections or rail constraints prevent effective use.

Industrial, logistics and related employment space should be treated as economic infrastructure. Assessment needs to cover its type, size, location, specification, price and operational suitability, rather than aggregate floorspace alone. For

manufacturing, wholesale, repair and local services, relocation to a higher-cost or poorly specified site can increase operating costs and disrupt access to customers, suppliers, workers and freight routes.

The proposed Industrial Coordination Working Group should support Property Market Area delivery and replacement schedules showing:

- Existing industrial, logistics and freight capacity
- Additional demand and planned provision
- Capacity proposed for release or reconfiguration
- The location and expected availability date of replacement capacity
- The organisation responsible for its delivery
- Operational requirements, including yards, loading, access, operating hours, power and occupancy costs
- Any temporary loss of capacity and its effects across borough boundaries

Replacement space would count as available only when it is operationally equivalent and ready for occupation. Monitoring would record usable and occupied capacity, displacement and relocation outcomes, rather than only permissions or floorspace secured.

The Plan also needs measurable delivery benchmarks for industrial and logistics capacity, covering land, floorspace, operational suitability and occupation. Reporting through the Industrial Coordination Working Group would make cross-borough dependencies visible and show whether planned replacement capacity is available before existing sites are released. This would allow housing development and land renewal to proceed without reducing the capacity required to service London's economy.

7. Infrastructure

London's growth cannot be separated from the capacity of its transport, utility and digital networks. The proposed Plan recognises this connection and allows development to be phased around major infrastructure upgrades. The GLA has also confirmed that some growth assumptions depend directly on particular projects. The DLR extension to Thamesmead, for example, is assumed to be delivered within the Plan's first ten years, and any delay would affect the associated housing objectives.

A planning allocation or permission does not make a site development-ready. Construction, occupation and business operation depend on electricity, water and wastewater capacity, transport access, digital connections, freight and servicing

arrangements, and resilience to environmental risks. Where these remain uncertain, development may be delayed after substantial planning, design and financing costs have already been committed.

The GLA reports that its Utilities Impact Assessment has secured assurances from providers that sufficient capacity will be available to support the planned scale and distribution of growth. It also refers to gradual increases in electricity provision at identified pinch points and continued coordination as local plans and major proposals develop. These are useful foundations, but general assurances do not give businesses, developers or boroughs sufficient visibility over individual projects, connection dates, funding or delivery dependencies.

The distinction between infrastructure that is operational, committed and funded, conditional or aspirational needs to be explicit. Businesses rely on this information when deciding whether to acquire premises, invest in equipment, recruit staff or enter long-term contracts. Uncertain connection dates can alter the cost, timing and location of those decisions.

Major growth locations may face competing demands for limited capacity from housing, data centres, laboratories, industrial uses and the electrification of transport. Electric freight fleets will require both additional network capacity and suitable land for charging. These pressures need to be assessed across locations and sectors, rather than project by project.

Transport provision also needs to be assessed by how workers and customers reach workplaces, shops and services. Changes to bus stops and pedestrian routes need to account for walking distances, accessible crossings and the needs of people with reduced mobility. Service availability outside peak hours also matters for workers whose shifts begin early or finish late. Development and street-improvement programmes should maintain practical access during construction and provide clear arrangements for any permanent changes.

The GLA should coordinate and publish a consolidated infrastructure delivery schedule with boroughs, providers and relevant government bodies. For each major growth location and development phase, it would identify:

- Existing transport, utility, digital and servicing capacity
- Changes to local public transport and pedestrian access, including temporary arrangements and the restoration or replacement of affected facilities
- The infrastructure required before construction or occupation
- Whether each project is operational, committed and funded, conditional or aspirational
- Its funding source, responsible delivery body and timetable

- Dependencies on developer contributions or future government decisions
- The action required if capacity or delivery falls behind schedule

The schedule would cover strategic transport and freight projects, airport surface access, and the infrastructure required to unlock GLA-owned and Green Belt sites. It would record progress from allocation and permission through construction, connection and occupation, while making clear where responsibility lies. Progress should be reported through the Annual Monitoring Report, including any need to revisit growth assumptions when enabling projects are delayed.

Planning and phasing decisions need to reflect when network capacity will be required and the commitments in place to provide it. Construction may proceed while an upgrade is under way where a credible delivery programme is in place, but occupation must be supported by the necessary connections and services.

Bringing this information together would expose capacity gaps earlier, strengthen accountability and give businesses and investors a firmer basis for making long-term decisions in London.

Conclusion

London's ability to compete for investment and talent depends on decisions about planning, land, connectivity and infrastructure reinforcing one another. The proposed Plan takes a more explicitly pro-growth direction than the current framework, but its effectiveness will depend on clear responsibilities, credible implementation timetables and transparent monitoring.

The changes proposed in this response would reduce uncertainty for businesses, developers and investors, widen the supply of land for housing and employment, and protect the operational capacity required by a growing city. Together, they would strengthen the conditions for sustained investment and economic growth across London.