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Dear Mr Stone

Wandsworth Council – Examination of Local Plan Employment and Industry Document (LPEID) Response on implications of the Draft London Plan (ref ID/005)

Thank you for your communication dated 6 December 2017, reference ID/005 stating:

‘Does the publication of the consultation in relation to the new emerging London Plan have any implications for their Employment and Industry Document and the on-going examination process?’

The Council’s response is set out below.

The recently published London Plan is ‘draft’ and now open for public consultation until 2 March 2018. It is acknowledged that this is a new draft London Plan for the next 25 years (i.e. from 2019 to 2041) by the current Mayor Sadiq Khan. As it is an entirely new Plan by a new Mayor, the draft Plan introduces some changes including ‘good growth’ principles and policies in order to respond to the key challenges facing London.

However, in addition to the current public consultation, the London Plan will also have to go through an examination process (in autumn 2018), and it is intended that it will be adopted in autumn 2019. Subject to the Inspector’s findings on the Wandsworth Local Plan – Employment and Industry examination (LPEID), and in line with the Council’s Local Development Scheme (November 2017), the LPEID is intended to be adopted in Winter 2018, i.e. ahead of the London Plan adoption.

The Council is therefore of the view that very limited weight should be given to the draft London Plan at this stage as it still has to go through the public consultation process, and whilst it is acknowledged that a development plan’s weight increases the further the plan progresses, the adoption of Wandsworth’s LPEID is anticipated to be roughly 1 year prior to the adoption of the London Plan. In addition, the Inspector should note that the Council, alongside many other London Boroughs, will be challenging and objecting to various proposed policies.

The Council is also of the view that it is neither in the interest of Government nor the Mayor of London to hold up and potentially delay Local Plans that have already been submitted and are undergoing the examination in public process. As the LPEID is anticipated to be adopted in

winter 2018, the legal requirement and soundness test in relation to the London Plan is whether the LPEID is 'in general conformity' with the existing adopted London Plan (i.e. the current 2016 version of the Plan).

The GLA has been engaged throughout the consultation process of the LPEID and have not objected to the LPEID in regard to the conformity with the adopted London Plan. With regards to the new evidence published by the GLA on 'London Industrial Land Demand Study' (2017) (ID reference number SD-030) and the 'London Office Policy Review' (2017) (ID reference number SD-029) for the draft new London Plan the GLA referred to the evidence requiring the need to increase floorspace capacity for industry and warehousing over the coming London Plan period. It is considered that the LPEID addresses this position, achieving an increase in floorspace capacity through intensification and more efficient use of land.

We have considered the draft London plan policies that are most relevant to the LPEID and provided a response below. However, to conclude, the Council does not consider that the publication of the new draft London Plan has any direct implications on the LPEID and the ongoing examination process.

Draft London Plan review and LPEID

Policy GG5 growing a good economy and SD1 Opportunity Areas

This policy is supportive of the need to ensure a successful economy for Londoners. It plans for sufficient employment and industrial space in the right locations. This is further reinforced in policy SD1 Opportunity Areas which states the requirement to support and sustain SILs and to consider opportunities to intensify and make more efficient use of land in SIL.

The Council considers that the LPEID plans for sufficient office and industrial space, balancing the planned release of underutilised industrial land with intensification that supports the sustainable economic growth of the borough. Policy E11 recognises a balanced approach is required in protecting established employment sites but also promoting redevelopment/intensification of other sites. Policy E12 sets out the locations for new employment floorspace to supplement the protection of employment land as set out in Policy E13 which further reinforces that the LPEID plans for the main focus for industry, logistics and storage to be located in the SIL and LSIAs. Policies E11 and E12 support and protect office and industrial uses in the Nine Elms Vauxhall Opportunity Area in accordance with existing adopted Core Strategy Policy PI 6 and PL11 (ID reference number SD-019).

It is considered that the LPEID is in accordance with the thrust of Policy GG5 and SD1.

SD4 The Central Activities Zone (CAZ)

This policy identifies in Part B and M the national and international significance of office functions in the CAZ, including the intensification and provision of sufficient space to meet demand for a range of types and sizes of occupiers.

LPEID Policy E11 sets out the strategic approach (and supported by policies E12- E19) where the plan seeks to protect established economic areas as well as promoting redevelopment of sites that have the potential for intensification. The Council considers that the LPEID policy approach will meet demand for office floorspace in the CAZ for a range of different occupiers focussed on major national and international businesses. In some instances, sites in Nine Elms may have capacity to provide small-scale offices alongside larger developments. These sites will be able to contribute to the supply of offices that meet the forecast demand for the borough more widely.

SD5 Offices and other strategic functions and residential development in the CAZ

New residential development should not compromise the strategic function of the CAZ.

The Opportunity Area at Vauxhall Nine Elms Battersea has been identified with potential to deliver greater levels of housing alongside employment where there is an equivalent or net increase in office floorspace. Residential proposals should not lead to a loss of office floorspace in any part of the CAZ unless there is no reasonable prospect of the site being used, or alternative provision can be made nearby.

Support from the Mayor for boroughs to introduce Article 4 Directions to remove Office to Residential permitted development in the CAZ.

LPEID Policy E11 sets out that the CAZ will be one of the main areas for office development in the borough. This approach is further supported and set out in detail in Policy E12 which states that new office development will be supported within CAZ focussing on the emerging town centre at Battersea Power Station, and the emerging CAZ local centre at Nine Elms near Vauxhall. This is in accordance with emerging draft London Plan Policy SD5 which identifies the equivalent Battersea Centre and Vauxhall centres as within high commercial growth and CAZ office categories.

On 6th April 2016 permitted development rights were made permanent through a legislative amendment to the GPDO and the CAZ exemption was limited to 30th May 2019. The legislation allows the Council an opportunity to protect office space in key areas by withdrawing these rights through issuing an Article 4 Direction to those office spaces considered worthy of protection as key business areas. This has to be completed by May 2019 in order to continue the protection of offices in the part of Nine Elms that is within the CAZ. As a result to ensure that the exemption is continued a non-immediate Article 4 Direction was issued on 11 May 2017 for Wandsworth Borough Council to remove PD rights in the CAZ (ID reference number SD-024). It is proposed that subject to confirmation of the Direction; which is expected in February 2018 following consideration by the Council's Environment and Community services overview and scrutiny Committee, that the Direction will come into force 16 May 2018.

Policy H1 increasing housing supply

Optimise the potential for housing delivery on all suitable and available brownfield sites through sources of capacity such as; industrial sites - that have been identified through the processes set out in the Draft LP employment policies.

LPEID Policy E12 sets out the proposed Economic Use Intensification Areas ensuring that the redevelopment of these sites provides an increase in existing industrial and employment floorspace. Residential use would also be considered appropriate where this would assist in the intensification of employment floorspace in accordance with Policy E12 and the relevant site allocations. Policy E13 also makes provision for potential residential development within Employment Protection Areas where a mix of uses can be achieved in accordance with the policy. All EUIA and EPA sites of over 0.25ha have been included in the GLA's Strategic Housing Land Availability Assessment as part of their evidence base for the forecasting of the draft new London Plan Housing target.

H6 Threshold Approach to Applications

Introduces a 50% threshold approach for affordable housing on industrial land (that has been deemed acceptable for release) as industrial sites are expected to deliver a higher level of affordable housing than other sites.

The LPEID policy E12 introduces a mixed use approach on sites through the re-designation of sites within the Economic Use Intensification Areas. Viability appraisals are required as part of any major residential application to the Council. The Core Strategy policy IS5(e) requires a viability test on residential development proposals under 50% affordable housing. It is considered that this policy is in line with the adopted policy in the Core Strategy 2016.

Affordable housing policy will be reviewed as part of the forthcoming full review of the Local Plan and will consider the Mayors Threshold approach as part of this process.

E1 Offices

Support for improvements to quality of office space for different sizes and increases in the current stock where there is evidence of demand, taking into account projected demand for office-based employment and office floorspace.

Existing viable office floorspace should be retained by Article 4 Directions.

Development plans should take into account the need for lower cost and affordable workspace, examining the scope for re-use of otherwise surplus office space for smaller units and support the redevelopment, intensification and change of use of surplus office space to other uses including housing.

London Plan Policy E1 (points C&D) sets out the locations where office development will be supported/ focused including the town centres and CAZ and that consideration needs to be had to demand both in scale and in type of premises. LPEID Policy E11 and E12 identify the same locations for Wandsworth. Furthermore, Employment Protection Areas have also been identified to contribute to meet local office/industrial needs. The LPEID is clear in taking account of office forecast demand over the Plan period and identifies suitable locations/types of units for this demand. The strategic approach set out in policy E11 continues to protect the successful industrial areas and re-designate some sites for mixed uses. These sites have the potential to provide through consolidation increase industrial floorspace and provide residential uses as well as business floorspace (including offices) for SMEs to further support the borough's economy.

In 2013 the Government introduced temporary permitted development rights that enabled offices to be converted to housing without having to apply for planning permission. The legislation allows the Council an opportunity to protect office space in key areas by withdrawing these rights through issuing an Article 4 Direction to those office spaces considered worthy of protection as key business areas. As a result a non-immediate Article 4 Direction was issued on 11 May 2017 for Wandsworth Borough Council for identified office locations (ID reference number SD-024).

It is proposed that subject to confirmation of the Direction; which is expected in February 2018 following consideration by the Council's Environment and community services overview and scrutiny Committee, that the Direction will come into force 16 May 2018.

LPEID Policy E14 supports and encourages the provision for start-up businesses and other SMEs within the borough through economic development providing managed and affordable workspace. Policy E15 sets out requirements of new economic development to ensure flexibility of space to improve the competitiveness of office space of different sizes.

E2 Low-cost business space

Sets out the provision and protection of a range of low-cost B1 business space should be supported to meet the needs of SME's and support firms wishing to start-up or expand.

There is a presumption against the loss of B1 space in areas with an identified shortage of lower-cost space.

Proposals for new B1 over 2500 sqm to consider provision of flexible workspace suitable for micro and SMEs.

The LPEID is clear in acknowledging forecast office demand over the Plan period and identifies suitable locations/types of units for this to meet the demand. For the rest of the borough excluding Nine Elms the capacity of identified sites is around 59,600 to 71,000sqms of office floorspace. The demand projection from the ELPS ranges between 31,700 and 65,800 sqms;

the site potential will therefore at least meet the medium growth scenario and may exceed the high growth scenario.

LPEID Policy EI3 sets out the areas where business space will be protected. This includes Employment Protection Areas which are located in areas typical of those described in para 6.2.2 of the draft new London Plan.

The LPEID in Policy EI 1 (point 6), identifies that provisions of all (including B1) floorspace provided should be “well designed, flexible and affordable”, which aligns with the Draft London Plan Policy.

The LPEID supports affordable workspace and has set out policy EI4 on how flexible workspace for SMEs will be achieved this includes provision for managed workspace which support financial flexibility to encourage small business growth.

It is considered that the LPEID’s overall approach to protecting B1 business space has been maximised and is in accordance with the draft new London Plan.

E3 Affordable workspace

Planning obligations may be used to secure affordable workspace at rents maintained below market rate. Particular consideration should be given to the need for affordable workspace where there is existing affordable workspace on-site, in areas where cost pressures could lead to the loss of affordable workspace such as the CAZ and where affordable workspace would be necessary to contribute to the character of the area.

Planning obligations and development plans are the tool to delivery of affordable workspace.

Encourages delivery of new workspace for SMEs in the creative industries, artists and the fashion industry.

Policy EI4 sets out the Councils policy to provide affordable and lower cost business space. The policy seeks to ensure that businesses are able to afford to operate from the borough and that the premises they use provide the flexibility that businesses need in order to grow.

EI4.3 specifically details the Councils support for providing workspace for specialist sectors that meets the specific needs of the creative, digital and food and drink industries, where the Employment Land and Premises Study (AECOM 2016) has identified these sectors are growing strongly within Wandsworth. Planning Obligations through the use of Section 106 agreements would be used to secure affordable workspace in accordance with Policy EI4. Monitoring of S106 agreements, reported on via the Authorities Monitoring Report would monitor how much space and the type of space which is being secured. Subject to review by the inspector, the proposed monitoring framework (ID reference number SD-016) contains an indicator for this purpose.

E4 Land for industry, logistics and services to support London’s economic function

A sufficient supply of land and premises to meet current and future demands for industrial and related functions should be maintained.

Land and premises for industry, logistics and services falls into 3 categories:

1) SIL, 2) LSIS and, 3) Non-designated industrial sites.

The retention and provision of industrial capacity across the 3 categories should be planned and additional industrial capacity should be prioritised in locations that are accessible, provide capacity for SMEs and certain industrial functions and are suitable for last mile distribution to support large scale residential or mixed use.

No overall net loss in industrial floorspace in London in designated SIL and LSIS. Wandsworth is now categorised as 'Provide Capacity' which means that there is strategic demand for industrial logistics uses and should seek to deliver intensified floorspace in either existing and/or new locations

Efficient whole sale market functions should be retained to meet London's requirements whilst enabling opportunities to consolidate composite wholesale markets to meet long-term wholesaling needs.

Article 4 Directions should be introduced to ensure that sufficient industrial and logistics capacity is not undermined by permitted development rights.

Development proposals for large-scale industrial floorspace (over 2500sqm) should consider the scope to provide industrial units suitable for SMEs, in particular where there is a local shortage and demand for such space.

The LPEID has identified SIL, LSIA, EUIA and EPA (example of what would be categorised as a non-Designated Industrial site as set out in draft London Plan Policy E4.B(3)) designations to meet the boroughs needs. Policy EI3 and EI6 set out how these areas are to be protected. In accordance with evidence from the ELPS the LPEID re-designates some employment areas and identifies the provision of increased capacity of industrial floorspace as set out in policy EI1 and EI3 the LPEID expects no net loss of existing floorspace on all sites in the SILs, LSIAs, EUIAs and EPAs.

The draft London Plan has now categorised Wandsworth as 'Provide Capacity' the intention being to seek to deliver intensified floorspace and it is considered that this is what the LPEID sets out to deliver.

New Covent Garden Market plays an important role in the economy of the borough and is of strategic importance as one of London's major wholesale markets. The wholesale function of NCGM will be protected this is set out in policy EI3.7.

As stated above a non-immediate Article 4 Direction was issued on 11 May 2017 for Wandsworth Borough Council for identified office locations (ID reference number SD-024). It is proposed that subject to confirmation of the Direction that the Direction will come into force 16 May 2018.

As set out in Policy EI3, the borough will retain a strategic reservoir of industrial land in the Queenstown Road SIL and the LSIAs along the Wandle Valley. Policy EI6.6 has identified locations within the Battersea SIL area that is appropriate for Industrial Business Park uses alongside industrial uses it will also be appropriate for SMEs. The retention and provision of industrial capacity will also be monitored using the proposed monitoring framework (ID reference number SD-016) to monitor industrial capacity to ensure no net loss of industrial floorspace capacity.

E5 Strategic Industrial Locations (SIL)

SILs should be managed through a plan led process to sustain them as London's reservoirs of industrial uses.

Boroughs should define the boundaries of SILs having regard to scope for intensification, co-location and substitution. Develop policies to protect and intensify the function of SILs.

Development proposals in SILs should be supported where the uses proposed fall within the broad industrial type activities listed in the draft London Plan.

'No net loss of industrial floorspace' in designated SIL and LSIS. The plan adds that any release of industrial land for housing or other uses would have to be through a defined process, including co-locating industrial and residential uses on site.

The Summerstown LSIA (Garratt Business Park) is proposed to change to SIL (as part of the North Wimbledon SIL)

The Council considers that the LPEID has identified and protected land through policies to provide industrial uses.

The LPEID sets out in policy E11 where the strategic reservoirs of land for industry will be retained and protected made up of the Battersea SIL and the LSIA in the Wandle Valley. Supporting text for Policy E16 is clear in stating that residential uses aren't appropriate for SIL. Policy E12 sets out where there will be re-designations to provide EUIAs to set out intensification and residential development in accordance with LPEID. Economic uses will be intensified to provide industrial floorspace for SMEs.

Sites in the north and west parts of the SIL have been identified as appropriate for Industrial Business Park uses as stated in policy E13. These areas have the capacity to increase the amount of industrial floorspace as well as providing increased quantities of business floorspace, which should be aimed at SME businesses. The IBP area has been identified as an appropriate location for a wide range of cultural industries.

E6 LSIS

Define boundaries of locations that have particular local importance for industrial and related functions, these designations should be based on evidence in strategic and local demand assessments and should complement provision in SILs. Scope for intensification, co-location and substitution should be explored.

It is considered that the LPEID has clearly defined boundaries for LSIA's resulting from reviewing demand projections from the AECOM Employment Land and Premises Study and consider there is a clear evidence base for the locations identified. As a result of the review the LPEID has identified EUIAs from the existing LSIA's in Central Wandsworth and at Bendon Valley. These sites contain areas of non-industrial land which are proposed to be re-designated for intensification and co-location with other uses.

E7 Intensification

Development plans should be proactive and encourage the intensification of industrial land. In selected parts of SILs could be intensified and this should facilitate the consolidation of the identified SIL to support the delivery of residential and other uses. This approach should only be considered as part of a plan led process of SIL intensification and consolidation.

Mixed use or residential proposals on non designated sites will be supported where:

There is scope for selected parts of SILs and LSIS to be consolidated which is done through a coordinated plan led approach and clearly setting out the areas that are to be removed.

Outside of these areas there may be an opportunity to deliver a mix of industrial and residential on the same site where there is no reasonable prospect of the site being used for logistics/industrial purposes. Plan sets out what constitutes 'no reasonable prospect'.

Policy E12 sets out locations that have been designated Economic Use Intensification Areas. These sites currently form part of an industrial area, which through intensification and consolidation of economic uses have capacity to provide an overall increase in industrial and other business floorspace as well as residential development and improvement to the spatial character of the area. Development in the EUIAs as with all significant development, will need to consider the impacts on established residents and businesses.

The LPEID Policy E13 promotes parts of the Queenstown Road SIL as IBP which accords with the thrust of the Draft London Plan Policy E7.

E8 Sector Growth Opportunities and Clusters

Provision of flexible workspace to support start ups, existing and growing SMEs
Implementation of the Strategic Outer London Development Centre

The LPEID supports flexible managed workspace to encourage start ups and SMEs. This is detailed within policy E14.

S17 reducing waste and supporting the circular economy

S18 waste capacity

S19 safeguarded wharfs

As stated in the Council's consultation response documents, the waste and safeguarded wharf policies of the LPEID remain the same as the adopted Local Plan. A review of these policies will take place as part of the full review of the Local Plan. A review of the waste evidence has already commenced in collaboration with the Western Riverside Waste Authority Boroughs and which will inform the full review of the Local Plan.

The Council considers that the publication of the new draft London Plan does not have any direct implications on the LPEID. This is considered to be demonstration of the in depth evidence base work of the LPEID and on-going collaboration with the GLA. I hope this response gives you a good indication that the LPEID would be in general conformity with the new policies and would not affect the ongoing examination process.

Yours sincerely



John Stone

Head of Planning and Transport Strategy