NEWHAM LOCAL PLAN REVIEW
EXAMINATION

On behalf of CBRE Global Investors

Hearing Statement: Matter 5
Examination Questions: 5.3 and 5.4

June 2018
1.0 Matter 5

MATTER 5: THE ECONOMY AND EMPLOYMENT POLICIES

1.1 CBRE Limited (CBRE) is instructed by CBRE Global Investors to address the Examining Inspector’s questions from the perspective of our client’s property interests at Standard Industrial Estate, Silvertown E16 2ES (referred to hereafter as ‘the Site’).

1.2 We refer the Inspector to the representations made on behalf of our client responding to Proposed Submission consultation.

1.3 CBRE has prepared hearing statements in respect of four Matters (Matters 1, 3, 5 and 6).

1.4 This Statement responds to the Inspector’s Questions 5.3 and 5.4 (i) and (ii).

Question 5.3: Housing/Employment Balance

(i) How well related are the Plan’s housing provision and the provision of land and sites for jobs within the likely economic context over the plan period?

(ii) Should the Council aim to achieve a measure of self-containment by the end of the plan period, and if so, should this be included in the Plan?

(iii) Is there a balance between housing provision and maintaining an adequate supply of employment land?

1.5 In response 5.3, CBRE does not consider that the draft Local Plan adequately plans to meet identified housing needs. Further information is presented in our hearing statement for Matter 6, but in essence by not planning for the most up to date assessment of housing need, the Proposed Submission cannot be considered to be ‘positively prepared’ in the context of the NPPF. It is also not aligned with the Draft London Plan’s growth strategy for the Royal Docks and Beckton Riverside Opportunity Area. This, in combination with the fact that the Draft Local Plan does not give due consideration to SIL consolidation in appropriate locations means that the Draft Local Plan fails to maintain a balance between housing provision and maintaining an adequate supply of employment land. As we have previously set out within our Proposed Submission representations, employment land and housing do not necessarily need to be competing uses. The evidence base to the Draft London Plan provides examples and suggests design solutions for the delivery of genuinely mixed-use development which has the potential to balance needs for last mile industrial space and housing. The Draft Local Plan fails to explore this opportunity, and in this respect the approach taken to the retention/release of employment land, particularly within the Royal Docks area, is not justified.

Question 5.4: Providing for Efficient Use of Employment Land

(i) Is policy J2 justified in its protection of Strategic Industrial Locations (SIL) / employment land and in its managed release of land to other uses, e.g. through its ‘agent of change’ principles in order to achieve an effective buffered transition between residential and traditional industrial uses? Is the onus on developers of released SIL to accommodate their designs to pre-existing industrial neighbours, rather than vice versa, (which is my

1 CBRE representations to the London Borough of Newham’s Local Plan Review: Proposed Submission (January 2018)
understanding of para 3.a), justified and would this policy be effective in achieving neighbourliness and eliminating complaints from noise-sensitive developments? Does this policy set out an effective template for overcoming conflict between neighbouring uses, or is it overly onerous and restrictive?

1.6 CBRE are supportive of the managed release of employment land to other uses. We consider that the agent of change principles can help to achieve an effective buffered transition between residential and traditional industrial uses through careful design to protect residential amenity and secure an uncompromised industrial function. However, we also believe that the Draft Local Plan’s current approach to SIL management in the Royal Docks area lacks an adequate spatial strategy which places too much reliance on the agents of change principle. The sites allocated for development in Draft Plan which are located along the river frontage in the Thameside area result in a patchwork of sites identified for industrial intensification and release for housing. We do not consider this approach to be appropriate as it has high potential to result in conflicting land uses, and ultimately compromised housing and business space.

(ii) In the light of the planned/projected increases in housing numbers in Newham over the plan period (and the accompanying increase in economically active residents), what is the justification for releasing large amounts of employment land?

1.7 Demand for housing in the Borough has increased significantly in recent years and is expected to continue during the plan period.

1.8 At a borough level, the draft London Plan (2017) identifies how industrial capacity should be managed by attributing one of the three categorisations: ‘provide capacity’, ‘retain capacity’ or ‘limited release’. The London Borough of Newham is one of only three boroughs identified for ‘limited release’ of industrial capacity. These boroughs are all located within the Thames Gateway, which the London Industrial Land Demand Report (2017) demonstrates is London’s weakest industrial market area, and where industrial land vacancy rates are currently well above the London.

1.9 As such, there is scope for ‘limited release’ of industrial land in SIL and/or LSIS designated sites within the London Borough of Newham, and this should be achieved through a plan-led approach to new development. This is proposed to help strengthen this industrial market and to support the re-use of surplus land and floorspace for other uses.

1.10 Notwithstanding the above, the draft Local Plan fails to sufficiently consider the direction of the Draft London Plan with regards to managing industrial capacity and neither does it plan for the Site and wider North Woolwich Gateway area in a manner consistent with Newham’s local and strategic objectives which, amongst other things, seek to regenerate this part of the riverside and better integrate this location with the wider North Woolwich area.

**Industrial Capacity**

1.11 The Proposed Submission proposes limited release of SIL in some locations along the riverside, however we believe that a clear opportunity for proactive SIL consolidation at our Client’s Site and surrounding area has been missed.

1.12 Regarding the Standard Industrial Estate, in which the Site is located, Newham’s Employment Land Review (Supply) states that “given vacant and underutilised land, and non-conforming SIL uses, its relative proximity to local facilities, neighbouring residential site allocation (in the DSPDPD) and investor interest there may be scope for industrial release to allow for mixed use redevelopment (reflecting the need to buffer remaining SIL) at the eastern end perhaps as part of a wider strategic site”.

CBRE
1.13 The evidence base confirms that there are clear opportunities for SIL consolidation at the Standard Industrial Estate, which the Proposed Submission does not appropriately consider and explore.

1.14 Overall, the SIL designation in this location is not justified by all of the evidence available, does not reflect the direction of the Draft London Plan and is unlikely to achieve both the site-specific and strategic objectives set out in the Proposed Submission. It is therefore not ‘positively prepared’, ‘justified’ or ‘effective’.

**Suggested Modification**

The evidence base for the new Local Plan and the Draft London Plan, together with the need to deliver more housing and to address existing issues of deprivation, supports the proposal to manage industrial capacity and to consolidate SIL boundaries at the Site.

We propose that the Draft Local Plan takes a more comprehensive and spatial approach to managing SILs along Thameside to reduce the reliance on the agents of change principle, whilst retaining employment functions, boosting housing delivery, contributing to the creation of a distinct place.

As part of this process, consolidation of the Thameside East SIL should be considered, with a repositioning of the eastern boundary further west, as shown in Appendix 1 of our Proposed Submission representations. We also recommend that any land released for SIL is promoted for genuinely mixed use development which results in no net loss of industrial capacity, and enhances rather than compromises the role that these sites play in the provision of industrial capacity.

Appendix 2 and 3 of our Proposed Submission representations shows two ways in which genuinely mixed use development could be arranged and achieved at the Standard Industrial Estate to ensure that industrial capacity is retained, whilst also delivering a number of other planning benefits which are described further below. Both options propose the same type of space which is provided at the site currently (i.e. industrial/light industrial uses within small units), as these are considered to be compatible with housing when properly designed and arranged.

**North Woolwich Gateway Strategic Site**

1.15 The Site adjoins the proposed North Woolwich Gateway Strategic Site (S04). The purpose of the NWG SS is to optimise the role of the area as a ‘gateway location’ which is positively integrated with the wider North Woolwich neighbourhood and riverside. By identifying the location as a Strategic Site, the draft Local Plan expects that the opportunity for regeneration will be signposted; investment, intensification and reconfiguration will be encouraged; and development will be masterplanned and delivered in a cohesive manner.

1.16 The area currently suffers from high levels of deprivation, and the quality of the local environment is very poor. As a result, it is greatly important that ambitious yet deliverable plans are formulated to put the site in the best possible position for being able to achieve the core objectives for the area, and wider borough.

1.17 Within the adopted Local Plan, the core part of the site to the north of the ferry terminal is allocated for housing development, and the land to the west is designated as SIL. These fundamental principles are repeated within the proposed NWG SS. Given that the adopted position has failed to stimulate the delivery of new development or positive change, it is...
unlikely that the proposals for NWG SS will result in the transformative change, investment, intensification and reconfiguration that is intended.

1.18 For this reason, in its current form the NWG SS is not considered to be ‘effective’ as per the NPPF requirement.

1.19 Related to the above point made about the proposed Strategic Site representing no material change from the adopted plan, we feel that the limited scale of the allocation fails to meet, or at least compromises, the achievement of a number of the intended planning objectives for North Woolwich Gateway.

**Suggested Modification**

Linked to the SIL consolidation recommendations made above, and in addition to the recommendations on housing delivery, the NWG SS should be extended further to the west for the following reasons:

- to facilitate the comprehensive masterplanning of a broader area, thereby supporting the establishment of a wider network of high quality public realm and connections, including improved links and access to the riverside.
- to signpost a more attractive and deliverable development opportunity.
- to support the delivery of development which has been promoted for a number of years already, by providing reassurance that a high-quality environment will be promoted beyond the currently limited SS area.
- to facilitate transformative change in the area by expanding the scope and setting for such change and by offering a more viable and deliverable development solution.

**Summary**

1.20 In summary, in order to make the draft Local Plan sound, the recommended revisions to the draft Local Plan comprise:

- planning for a greater amount of new housing in Newham to meet identified needs – this would require a change to the delivery targets set out in proposed Policy H1.
- promoting SIL consolidation in the North Woolwich Gateway area (without losing industrial capacity) – this would require:
  - an update to proposed Policy J2 to reference support for SIL consolidation at Thameside East to release land for genuinely mixed use development
  - revisions to NWG SS (S04) and the Proposals Map to show a revised SIL boundary, and updates to the NWG SS text to reflect the release of SIL land for genuinely mixed use development
- extending the NWG SS (S04) further to the west – this would require a change to the NWG SS western boundary on the SS allocation and the Proposals Map. The supporting text will also need to be updated to include a requirement that the mixed-use development deliver a transition between residential-led development to the east and the SIL to the west, without compromising the function of industrial land, both within and outside of the proposed SIL designation.