

## Sara Chiong

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**From:** Sophie Hinton [REDACTED]  
**Sent:** 19 September 2024 20:00  
**To:** Local Plan  
**Cc:** [REDACTED]  
**Subject:** Draft Submission Local Plan (Regulation 19) - Representations - SEGRO  
**Attachments:** 240919 - Final SEGRO Newham Reps September 2024 (2).pdf

**Sensitivity:** Confidential

**Follow Up Flag:** Follow up  
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Dear Planning Policy Team,

On behalf of our client, SEGRO, we attach representations to the Regulation 19 Version of the Newham Local Plan. This follows the previous consultation held in February 2023 to the Regulation 18 Version of the Local Plan, to which SEGRO also submitted representations. These are appended to the attached letter for ease.

As a long-term stakeholder and investor in Newham, SEGRO welcome the opportunity keen to engage with LB Newham to help shape the future of the area and welcome future involvement in the preparation of this plan and Examination in Public.

If you have any questions, please do not hesitate to get in touch.

Many thanks  
Sophie

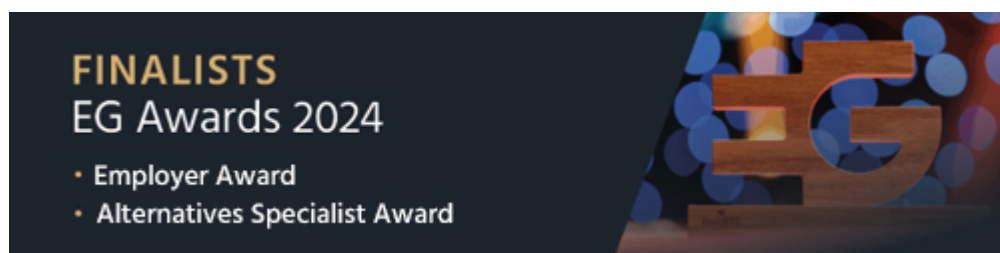
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**Our ref: U0027908**

19 September 2024

Dear Sir/Madam,

**Representations to the Third Consultation: Draft Submission Newham Local Plan (Regulation 19)**

On behalf of our client, SEGRO, we welcome the opportunity to comment on the Regulation 19 Version of the Newham Local Plan. This follows the previous consultation held in February 2023 to the Regulation 18 Version of the Local Plan, to which SEGRO also submitted representations. These are appended to this letter.

SEGRO are keen to work with LB Newham to help ensure that the Plan is found to be sound in accordance with paragraph 35 of the National Planning Policy Framework (NPPF).

Paragraph 35 of the NPPF states that “Local plans and spatial development strategies are examined to assess whether they have been prepared in accordance with legal and procedural requirements, and whether they are sound. Plans are ‘sound’ if they are:

- a) Positively prepared – providing a strategy which, as a minimum, seeks to meet the area’s objectively assessed needs; and is informed by agreements with other authorities, so that unmet need from neighbouring areas is accommodated where it is practical to do so and is consistent with achieving sustainable development;
- b) Justified – an appropriate strategy, taking into account the reasonable alternatives, and based on proportionate evidence;
- c) Effective – deliverable over the plan period, and based on effective joint working on cross-boundary strategic matters that have been dealt with rather than deferred, as evidenced by the statement of common ground; and
- d) Consistent with national policy – enabling the delivery of sustainable development in accordance with the policies in this Framework and other statements of national planning policy, where relevant”.

Paragraph 36 of the NPPF is clear that the above-mentioned tests of soundness will be applied to non-strategic policies i.e., where these are contained within a Local Plan in a proportionate way, taking into account the extent to which they are consistent with relevant strategic policies for the area.

Where relevant, these representations assess the proposed changes against the four tests for soundness of policy set out within the NPPF.

### Summary of Representations

SEGRO's representations to the Regulation Version of the Local Plan are set out in the following table:

<b>Policy Reference</b>	<b>SEGRO Representations</b>
Vision and Objectives	<p>SEGRO wish to reiterate representations made to the Regulation 18 version of the Local Plan (under point 1(a)).</p> <p>SEGRO recommend that the Vision more clearly outlines LBN's approach to protecting and promoting new industrial uses in the wider context of economic growth for the borough and supporting functions for new residential development. The economic objectives should specifically refer to the protection and growth of industrial uses.</p>
BNF1: Spatial Strategy	<p>SEGRO supports the point set out in part 3(a) of this policy which seeks to protect and intensify the borough's SIL and LILs for a diverse range of industrial and storage, logistics and distribution related uses as per our original representations to Regulation 18 of the Local Plan (point 2(a)).</p> <p>However, as set out in our representations made of the Regulation 18 version of the plan (point 2(a)), it is important to recognise that some sites may face challenges with intensification.</p> <p>As set out in our previous representations, (point 2(a)) SEGRO continue to support part (b) of the policy.</p> <p>SEGRO welcome the revisions to part (e) of the policy which removes specific site allocations for where new employment floorspace is to be located.</p> <p>SEGRO welcome the revision to part (f) of the policy which seeks to support the location of industrial uses in out-of-centre retail and leisure parks, removing the reference to the need for 'intensification' of such uses in these areas.</p>
BFN2: Co-Designed Master planning	<p>SEGRO reiterate the representations made to the Regulation 18 version of the Local Plan, specifically points 3(a) of the representations which raise concerns over the requirements set out in draft policy BFN2 which apply to all major developments, noting that these are not necessarily appropriate for industrial and logistics.</p>
D1: Design Standards	<p>SEGRO reiterate the representations made to the Regulation 18 version of the Local Plan, specifically points 3(b) of the representations which raises concerns over application of the policy to 'all developments.'</p>
D2: Public Realm Net Gain	<p>SEGRO reiterate the representations made to the Regulation 18 version of the Local Plan (part 3(c)), and request that contributions are only required "where justified."</p>
D4: Tall Buildings	<p>SEGRO reiterates the representations made to the Regulation 18 version (part 3(d)) of the Local Plan and suggest that an extra part is added to policy D4 which states tall</p>

	<p>buildings of 30-40m can be potentially appropriate in SIL, which would allow the potential for multi storey developments where appropriate.</p> <p>More specifically, SEGRO Park Canning Town (on Bidder Street) is located in an area defined in the draft plan as being appropriate for a maximum height of 32m. However, 32m is just below the typical height of a multi storey development, which are between 36 and 40m in height (for example the SEGRO V Park Building Gradn Union building and SEGRO multi storey building within the Slough Trading Estate are both 36m in height).</p> <p>The current draft maximum building heights within policy D4 therefore currently preclude multi storey developments being located in areas where the maximum height is proposed to be 32m.</p> <p>Whilst multi storey is a relatively new concept in London, given the demand for land in industrial locations this will inevitably become a more common feature across the industrial landscape. It is suggested therefore that the height restrictions are amended in such locations to allow flexibility for multistorey developments to come forward in the future.</p>
Previously Policy D7, now Policy D6: Neighbourliness	<p>SEGRO welcomes the additional text which recognises the importance of not comprising the current operational functions of employment uses and the <u>viability of industrial intensification</u>, notwithstanding comments made throughout our Regulation 18 representations which raise concerns over the requirement to intensify industrial locations (namely point 5(b)).</p> <p>SEGRO do however seek to reiterate the representations made to the Regulation 18 version of the Local Plan (part 3(e)) which seek to include reference to <u>future</u> operational functions of employment uses.</p>
HS3: Edge of Centre and Out of Centre retail, restaurants, cafes and services	<p>SEGRO reiterates the representations made to the Regulation 18 version (part 4(a)) of the Local Plan where it is noted that draft Policies BFN1 and J1 acknowledge the role of intensifying out-of-centre retail and leisure parks for industrial uses. SEGRO suggest that a mirror reference is made within draft Policy HS3 for clarification.</p>
HS7: Delivery Led Businesses	<p>SEGRO welcomes the additional text within this policy which sets out that a Sites Options Test is required to demonstrate the priority of SIL, LIL and LMUA in the first instance. SEGRO reiterates the representations made to the Regulation 18 version (part 4(b)) of the Local Plan</p>
J1: Employment Growth	<p>SEGRO reiterates the representations made to the Regulation 18 version (part 5(a)) of the Local Plan which supports the spatial approach to new employment floorspace in part 2 of the draft policy and reference to SIL2 and SIL6 and LIL7. SEGRO also reiterates previous presentations made in relation to Table 12.</p>
J2: New Employment Floorspace	<p>SEGRO welcomes the change in language of part 1 of the draft policy to include the word 'format,' however further clarification is required on this. It is suggested that additional text is included to recognise that industrial intensification can take the form of yard space, as whilst this may not increase floor area it is nonetheless meeting an important need.</p>

	<p>SEGRO reiterates the representations made to the Regulation 18 version (part 5(b)) of the Local Plan as these comments remain applicable to the Regulation 19 version. Further justification and details are set out within our Regulation 18 representations.</p>
J3: Protecting Employment Floorspace	<p>SEGRO welcomes the inclusion of the word 'capacity' in part 1 of draft policy J3. However, the inclusion of the reference to 'jobs' is considered too binary and not suitable for the purposes of this policy. The jobs created or lost on a redevelopment of a site may be difficult to quantify, particularly if utilising prescribed figures based on land use and floor areas and a more flexible approach should be taken.</p> <p>SEGRO reiterates the representations made to the Regulation 18 version of the Local Plan (part 5(c)) which states that 'floorspace' should be replaced with 'land' as in some cases, upgrading or enhancing an industrial site may result in the loss of floorspace through proposing a more efficient, flexible building which is fit for purpose.</p> <p>SEGRO reiterates the representations made to the Regulation 18 version (part 5(c) in relation to part 1 (previously part 2) in relation to limited circumstances where employment floorspace can be lost.</p>
J4: Delivering Community Wealth Building Inclusive Growth	<p>SEGRO reiterates the representations made to the Regulation 18 version of the Local Plan (part 5(d)).</p>
GWS3: Biodiversity, urban greening, and access	<p>SEGRO reiterates the representations made to the Regulation 18 version of the Local Plan (part 6(a)) and welcomes the removal of reference to a 'bespoke Newham Urban Greening Factor' under point 5 of the draft policy.</p>
CE2: Zero Carbon Development	<p>SEGRO reiterates the representations made to the Regulation 18 version of the Local Plan (part 6(b)).</p>
CE3 Embodied Carbon and Circular Economy (new title highlighted)	<p>SEGRO reiterates the representations made to the Regulation 18 version of the Local Plan (part 6(c)).</p>
T3: Transport Behaviour Change	<p>SEGRO welcome the inclusion of the reference to the London Plan maximum standards as set out in policy reference 1(c).</p>
T4: Servicing a Development	<p>SEGRO reiterates the representations made to the Regulation 18 version of the Local Plan (part 7(b)).</p>
W4: Utilities and Digital Infrastructure	<p>SEGRO reiterates the representations made to the Regulation 18 version of the Local Plan (part 8(a)) which strongly object to the principle of development proposals being required to demonstrate that there is sufficient utility infrastructure capacity to meet demand. SEGRO notes that an additional point to part 1.b has been added which requires developments to demonstrate sufficient capacity is demonstrated <b>on and off site</b>. It is imperative that this reference is removed as this is not a planning requirement and should not be introduced into planning policy. This requirement adds a further layer of complexity to applications and should be resolved by the Government and utilities providers.</p> <p>Furthermore, an additional point has been added under part 6, which requires major development to ensure there is a sufficient supply of electricity capacity. SEGRO</p>

	<p>objects to the inclusion of this point for the reasons set out within point 8(a) of the representations to the Regulation 18 version of the Local Plan.</p> <p>Policy W4 is contrary to paragraph 35 within the NPPF, and cannot satisfy the criteria of being positively prepared, justified, effective, and consistent with national policy. Policy W4 is inconsistent with strategic priorities of the plan, which seek to protect and intensify the borough's SIL and LILs for a diverse range of industrial and storage, logistics and distribution related uses. This policy is not, therefore, positively prepared, meaning it fails to meet the first test for plan making.</p> <p>Furthermore, we consider policy W4, as currently drafted, is unsound with regard to the national tests for plan-making, is inconsistent with national policy and not in general conformity with the adopted London Plan. If adopted in its current form, it would also lead to the Newham Local Plan being internally inconsistent.</p> <p>This policy does therefore not meet the soundness test in paragraph 35 of the NPPF.</p> <p>The requirements set out within this policy are not and should not be controlled by the planning system. Suggesting that there should be an onus on the developer to demonstrate there is sufficient utility capacity and to enhance any deficit places an unrealistic and unjustified expectation which is entirely inappropriate for planning policy to control.</p>
N5.SA5 Canning Town Riverside	SEGRO reiterates the representations made to the Regulation 18 version of the Local Plan (part 9).
N6 Manor Road	<p>SEGRO reiterates the representations made to the Regulation 18 version of the Local Plan(part 10), namely part 2 of Policy N6 states that the vision for Manor Road will be achieved by:</p> <p>"Supporting the delivery of new residential moorings in suitable locations with appropriate ancillary facilities;"</p>

As a long-term stakeholder and investor in Newham, SEGRO welcome the opportunity keen to engage with LB Newham to help shape the future of the area and welcome future involvement in the preparation of this plan and Examination in Public.

If you have any queries, please contact Sophie Hinton or Leonie Oliva on 020 3486 3493.

Yours faithfully



**Gerald Eve LLP**

Appended – Regulation 18 Draft Local Plan SEGRO response

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**Our Ref: LEOL/SRO/U0022106**

**Your Ref: Draft Local Plan (Regulation 18) Consultation**

20 February 2023

Dear Sir / Madam

**Newham Local Plan Review  
Draft Local Plan (Regulation 18) – SEGRO Response**

We write on behalf of our client, SEGRO PLC ('SEGRO'), to make representations on the London Borough of Newham's ('LBN's') draft Regulation 18 Local Plan ('the draft Plan'). SEGRO is the leading owner, asset manager and developer of modern warehousing and light industrial property in Europe with total Assets Under Management of £17.9bn, home to approximately 1,400 customers. A significant part of the portfolio is situated within Greater London and SEGRO is committed to grow its presence in East London.

SEGRO welcomes the opportunity to comment on the draft Plan. Newham remains a key growth area for businesses in London. It is vital that industrial land in the borough continues to be protected and unlocked to provide new employment accommodation and that the borough facilitates the development of new industrial premises.

The representations are set out thematically, with specific reference to the draft Policy numbers.

**SEGRO within the London Borough of Newham**

SEGRO's East Plus Portfolio includes a portfolio of industrial land development sites in the London Borough of Newham ('LBN'), London Borough of Barking and Dagenham and London Borough of Havering.

SEGRO owns two substantial sites within LBN – SEGRO Park Newham and SEGRO Park Canning Town. SEGRO is therefore a major investor in the borough and is committed to delivering high quality, well-functioning development which delivers jobs and economic benefits for LBN residents.

At SEGRO Park Newham, SEGRO invested £40m in regenerating the brownfield land, which is located within the Royal Docks and Beckton Riverside Opportunity Area. The site comprises a former landfill site which has remained undeveloped for 50+ years and now comprises two urban logistics units extending to circa 9,000 sqm let to DPD and DHL and a 96-bedroom hotel occupied by Travelodge. SEGRO Park Newham was developed as a long-term investment for SEGRO, in conjunction with the Greater London Authority, as part of the East+, a joint venture set up in 2016 to regenerate 85 acres of brownfield land in East London. In four years, the JV has already redeveloped over 46,000 sqm of mixed commercial space, from small business units to mid-box industrial / warehouse units



available on a mix of tenures. This space has provided new accommodation for a diverse range of businesses, including a number of BAME businesses, as well as established occupiers within the industrial/ warehouse sector. SEGRO estimate that East+ has the potential to create 4,000 direct jobs; helping to keep London working as well as supporting new housing within the area.

SEGRO's assets at SEGRO Park Canning Town comprise an urban warehouse estate providing 21,200 sqm of high quality and modern industrial / warehouse space across ten units.

## 1. Vision and Objectives and Neighbourhood Profiles

### a. Vision and Objectives

The Vision and Objectives section of the plan is largely silent on industrial uses. Industrial uses are essential to the country's functioning economy and particularly that within LBN where industrial uses provide a significant number of jobs. SEGRO has published a report titled 'Keep London Working' that sets out research into the London employment market and highlights the vital role industrial land has in the capital's future economic and population growth. Therefore, SEGRO recommend that the Vision more clearly outlines LBN's approach to protecting and promoting new industrial uses in the wider context of economic growth for the borough and supporting functions for new residential development. The economic objectives (no. 2, p19) should specifically refer to the protection and growth of industrial uses.

### b. Neighbourhood Profiles

SEGRO considers that the Neighbourhood Profiles should also be reviewed to more specifically refer to existing industrial land and uses. In particular, SEGRO suggests that the profiles for N1 Gallions Reach, N8 Stratford and Maryland and N12 East Ham South are reviewed to reflect the significant industrial holdings contained within these areas.

## 2. Spatial Strategy

### a. Draft Policy BFN1 (Spatial strategy)

SEGRO supports the approach set out in part 3(a) of draft Policy BFN1 to protect and intensify the borough's Strategic Industrial Land ('SIL') and Local Industrial Locations ('LIL') for a diverse range of industrial and storage, logistics and distribution and related uses. However, it is important to be cognisant of the fact that there can be challenges with intensification in respect of some sites and uses. We set out further commentary below (see the 'Industrial' section) in respect of the plan's assumptions regarding the intensification of industrial land.

SEGRO supports part 3(b) of the draft Policy which directs employment-led development to the borough's Mixed-Use Areas to deliver light industrial, offices and workspace.

SEGRO supports part 3(e) of the draft Policy that requires new industrial and employment floorspace on a range of specified site allocations.

SEGRO supports the approach set out in part 3(f) of draft Policy to support the intensification of out-of-centre retail and leisure parks for industrial uses. These sites are currently underutilised but are well-located for industrial and logistics uses.

## 3. Design

### a. Draft Policy BFN2 (Co-designed masterplanning)

As written, draft Policy BFN2 would be a requirement for all major applications and all applications on site allocations. This would capture major industrial applications. However, a number of the draft Policy criteria are more suitable for residential and mixed-use development and would not be appropriate for an industrial/logistics development where no residential is being delivered. For example, part 3(d) which refers to **"spaces that young people can thrive in"**. In addition, part 2(d) in respect of delivering key walking and cycling connections **"within the site"** may not be appropriate on a large industrial site where operational needs would likely render pedestrian and cycle routes unsafe and unsuitable. Part 4 regarding meanwhile uses may also not be appropriate for large industrial sites.

If the policy is to apply to all development, SEGRO requests that draft Policy BFN2 be re-framed to be more flexible

when applied to industrial/logistics sites reflecting that not all criteria will be appropriate in all cases. Parts 2, 3 and 4 could incorporate use of the phrase ‘where relevant’ and the supporting text could then acknowledge that the policy requirements may, in some instances (for example for some industrial uses), not be appropriate. It should be acknowledged that industrial typologies have special operational requirements and therefore, some aspects of the policy must be applied flexibly.

#### **b. Draft Policy D1 (Design standards)**

This draft Policy sets out a range of criteria for “All developments”. As with draft Policy BFN2 above, not all of the listed criteria will be suitable or appropriate for application to large-scale industrial or logistics developments and are most suitable for residential and mixed-use developments. For example, part 1(d) of the draft Policy states that development should be of a human scale, with the relationship between streets and buildings supporting a comfortable pedestrian microclimate. This is not a realistic objective for a major industrial development. In terms of part 1(e), there are challenges in integrating “living building” features on industrial buildings which are discussed further below (see section 6a), while part 1(f) on promoting a sense of enclosure and definition that supports the role of public and communal spaces, and part 2 requiring all developments to be well integrated socially and physically into their neighbourhoods, are not necessarily realistic on an industrial/logistics development site.

If the policy is to apply to all development, SEGRO requests that it is re-framed to be more flexible when applied to industrial/logistics sites reflecting that not all criteria will be appropriate in all cases. At the end of the introductory section to part 1 of the draft Policy the following text could be added:

**“..... as appropriate to the type of development that is being proposed:”**

The supporting text could then acknowledge that the policy requirements may, in some instances (for example for some industrial uses), not be appropriate. It should be acknowledged that industrial typologies have special operational requirements and therefore, some aspects of the policy must be applied flexibly.

#### **c. Draft Policy D2 (Public realm net gain)**

SEGRO notes the ambition to achieve a public realm net gain and recognises the benefits of this. However, it is not always appropriate to provide public realm on smaller schemes, in particular those of an industrial nature where there are safety and security considerations, where footfall is low and where the need to make most effective and productive use of limited industrial land is high. Therefore, SEGRO requests that this policy should only apply to major developments and should exclude industrial/logistics uses.

Part (3) of the draft Policy requires all major developments to make a proportionate contribution towards public realm enhancement and maintenance beyond the site. The Community Infrastructure Levy Regulations (2010) (as amended) are clear at s122 that planning obligations may only be used where the obligation is necessary to make the development acceptable in planning terms; directly related to the development; and fairly and reasonably related in scale and kind to the development. Contributions which go beyond these tests to fund wider development and infrastructure across the local authority, should be collected via the CIL regime.

There may well be instances where a public realm enhancement/maintenance contribution does not meet the s122 tests and therefore SEGRO requests that the wording in part (3) of draft Policy D2 be amended only to require contributions “where justified”.

#### **d. Draft Policy D4 (Tall buildings)**

Part 1 of the policy sets out that tall buildings in Newham are defined as those at or over 21m in height.

Whilst the viability of multi-level industrial buildings is challenging at this time, the plan should enable and facilitate these typologies in the future, should they become deliverable, as this will support the local plan’s objective to intensify industrial land. To achieve this, it will be essential for policy to allow for taller building heights in industrial locations. For example, SEGRO V-Park Grand Union is c. 35m tall and such a height is required to achieve the efficiency needed to enable such building typologies.

Therefore, we propose an extra part is added to Policy D4 which states that tall buildings of c. 30-40m can be potentially appropriate in SIL, subject to further masterplanning and testing. This approach will help ensure that SIL intensification

objectives in Newham are met.

**e. Draft Policy D7 (Neighbourliness)**

SEGRO supports the 'Agent of Change' approach set out in part (2) of draft Policy D7.

In part (1)(b) of draft Policy D7, SEGRO suggests an adjustment to wording to state that new development on or adjacent to designated and non-designated employment locations should ensure that they do not compromise **"current and future operational functions of employment uses..."**. This is important to ensure that existing industrial sites have the potential to further intensify and grow and deliver much needed industrial space within the borough.

**4. Retail**

**a. Draft Policy HS3 (Edge-of-centre and out-of-centre retail, restaurants, cafés and services)**

SEGRO supports the clarification within the draft Policy of which Class E uses the policy would apply to.

It is noted that draft Policies BFN1 and J1 acknowledge the role of intensifying out-of-centre retail and leisure parks for industrial uses. SEGRO suggest that a mirror reference is made within draft Policy HS3 for clarification.

**b. Draft Policy HS7 (Delivery-led businesses)**

SEGRO supports the approach in draft Policy HS7 in respect of 'dark kitchens and dark shops' and 'micro-fulfilment centres' and the priority ordering of sites for these uses, with SIL, LIL and Local Mixed Use Areas being the first priority. Micro-fulfilment centres in particular should be promoted as they have a critical role in ensuring the smooth functioning of industrial and logistics uses across the capital and meeting consumers/residents' needs for fast and efficient home and business deliveries.

**5. Employment**

**a. Draft Policy J1 (Employment and growth)**

SEGRO supports the general approach within the draft Policy to encourage the growth of employment uses, particularly industrial uses, and the spatial approach to delivering this via part 2 of the draft Policy.

In particular, SEGRO supports the priority uses for SIL.2. British Gas / Cody Road, SIL.6. Bow Goods Yard and LIL7. Beckton Gateway (set out in Tables 6 and 7). Particularity at Bow Goods Yard, the reference to freight related uses / distribution / light industrial is welcomed as this offers a good opportunity to increase the supply of warehousing space and to decarbonise the movement of goods in and out of London via rail.

SEGRO supports the principle of co-location with residential development in Local Mixed Use Areas set out in Table 8. It has been demonstrated across London that well-designed logistics and light industrial uses can complement residential development.

It is noted that Table 12 supporting the draft Policy assumes that 75% of LBN's gross supply of industrial floorspace will come from sites with the potential for intensification. SEGRO strongly supports the principle of intensification, but it is important to understand that intensification is not always appropriate/viable. Therefore, it is imperative that the draft Plan acknowledges this and ensures that there is a supportive policy context for sites coming forward for industrial development which are not allocated (e.g. windfall sites and the re-use of retail parks) in order to supplement the supply that comes forward from intensification. We set out further comments on the intensification point below in respect of draft Policy J2.

**b. Draft Policy J2 (New employment floorspace)**

Part 1 of the draft Policy states that all development proposals on SIL and LIL must intensify site use to deliver a net increase in industrial floorspace. SEGRO supports the acknowledgement of London Plan (Policy E7) which encourages the intensification of industrial land via various routes. SEGRO notes that there could be some opportunities for intensification of existing industrial areas in LBN, potentially with them being redeveloped for multi-storey schemes in the future, if viability conditions and occupiers' confidence in this typology improve. However, it must be acknowledged that intensification, particularly the development of industrial multi-storey is

at the relatively early stages of development. Multi-storey requires large capital injections and build costs that are approximately 3-4 times more expensive than traditional warehousing, which would render some sites/schemes unviable. Therefore, it will not be suitable in all instances and is unlikely to be deliverable in the foreseeable future without subsidy. This is acknowledged in LBN's Employment Land Review (2022) at para 23:

*"Intensification is, as set out in the London, the main route to meeting economic needs but remains largely untested and at a 'pilot stage'. It is vital that the plan continues to support intensification and promote the multi-deck format as a starting point for intensification because it is sensible planning strategy that makes the best use of limited land. The Boroughs large SIL sites needs strong current and future protection to ensure that, when the market is able, that sites are available that are free of constraints and can accommodate intensive formats. But the evidence is not available today to rely on intensive formats to meet todays need for space. The market is already undersupplied and cannot wait for new formats."*

It is also important to note that some industrial/logistics typologies require large yard areas and, therefore, redeveloping an old-style industrial site (for example, one with outdated but two storey light industrial buildings) for a new logistics warehouse with a large yard, may not intensify the employment floorspace on the site but it is nonetheless meeting an important need.

SEGRO's recently completed development at 23-33 Brunel Road, Westway Trading Estate is an example of this. Here, 3x dated buildings which were both environmentally inefficient and unattractive to modern business use were replaced with a net zero carbon building with an Excellent BREEAM rating. The redevelopment resulted in a net loss of 540 sqm of floorspace (from 1,965 to 1,425 sqm) but significantly improved the quality of space and its suitability for modern business. The new unit is now occupied by Taiko Foods, a modern manufacturer of sushi, bentos and other Japanese food which supplies to businesses such as Pret a Manger and Waitrose.



New development at 23-33 Brunel Road





Old buildings at 23-33 Brunel Road

For these reasons SEGRO considers that, as drafted, part (1) of draft Policy J1 is overly rigid as it states that all proposals on SILs and LILs “**must intensify use to deliver a net increase in industrial floorspace**” (our emphasis).

The supporting text at para J2.1 is more flexible and states that proposals which seek to intensify industrial and logistics uses within SILs and LILs “**will be supported in principle**” and that all industrial proposals are “**expected to explore the scope for multi-deck as a priority, followed by other formats...**”, and suggests that proposals which cannot deliver net increases in industrial floorspace will be accepted when this can be evidenced. SEGRO supports the cascade approach set out within the supporting text, which would allow other approaches where intensification is not feasible.

SEGRO also supports the flexibility contained within the supporting text which acknowledges that it will often not be possible to deliver an increase in floorspace. Depending on the existing site’s context and characteristics, upgrading and enhancing industrial use will not always necessarily equate to an increase in floorspace.

Therefore, SEGRO requests that part 1 of draft Policy J1 be amended to reflect the approach set out in the supporting text (para J2.1). The following amendments are proposed:

**“All development proposals on Strategic Industrial Locations and Local Industrial Locations ~~must~~ should aim to intensify site use to deliver a net increase in industrial floorspace through the most appropriate intensification typology for meeting business needs.”**

SEGRO supports the principle of part 3 of the draft Policy as it is important for the draft Plan to acknowledge the scope of alternative sites coming forward into the supply chain. However, the requirements set out in part 3 should be more flexible and provide more scope to support employment uses in areas not identified in Policy J1. There is no reason why an employment use should not be permitted on a particular site if the use can be demonstrated to be neighbourly and not prejudice other strategic targets of the draft Plan coming forward. Therefore, SEGRO suggests the following amendments to part 3:

**“Development proposals for new employment floorspace, outside of the locations identified in Policy J1, will be supported where it can be demonstrated that employment use would be compatible with the site location, giving due consideration to the requirements set out in Policy D7 (neighbourliness), and where the proposal would not compromise the ability of site allocations to come forward. if the following criteria is met:**

- a. The proposal results in an increase in employment floorspace (particularly for general, light and storage to support local supply chains) on an existing nondesignated industrial site of 0.1ha or more, or where operational employment generating floorspace compromises of 1,000 sqm; or**
- b. The proposals will deliver employment floorspace in an area which is not currently covered by the 15 minute network of economic opportunities for residents; or**
- c. The proposal will deliver 100 per cent affordable workspace.”**

**c. Draft Policy J3 (Protecting employment floorspace)**

SEGRO strongly supports the general approach in part 1 to protect employment space, however the metric used should be *land*, not floorspace. On some sites, upgrading and enhancing industrial use may well result in a loss of floorspace – for example where an old, inefficient building previously used for workshops is redeveloped into warehousing which requires significant areas of yard space to operate. This would still deliver significant planning benefit – through increasing employment opportunities, responding to market demand and providing buildings and uses which can help decarbonise the environment. The use of an employment floorspace metric is considered unduly onerous and does not recognise all the needs of the industrial/logistics market.

Whilst part 2 of the draft Policy does allow for net losses in floorspace, this does come with potentially onerous requirements in terms of providing financial contributions towards skills, training and local employment in mitigation. This assumes that a loss of employment floorspace will always have a negative impact on business/employment within the borough which is not always the case (for example, where a long term vacant older industrial building is redeveloped for an employment use with less floorspace but quite intensive job creation).

Parts 2(a) and 2(b) therefore should be reviewed to ensure that developments which meet the current needs of the market, delivering economic investment and jobs, are not unfairly penalised for failing the metric of a loss of floorspace.

#### **d. Draft Policy J4 (Delivering community wealth building and inclusive growth)**

SEGRO is committed to investing in local communities and environments and ensuring responsible development and strongly supports the principle of Community Wealth Building.

However, SEGRO is concerned that as drafted, part 1(c) of draft Policy J4 is very restrictive and may well hinder development from coming forward and for community benefits to be realised. There is no acknowledgement of instances where it would be unviable to meet the targets. The supporting text (para 3.129) states:

**“This policy aims to create new opportunities including targeted support and securing new opportunities for local residents to develop skills, knowledge and training to have a role in Newham’s economic future.”**

Achieving this aim is dependent upon employment-generating development being delivered in LBN. There may well be instances where the targets cannot be met – for example, achieving 50% end-user phase jobs for LBN residents may not be feasible for some uses and may discourage tenants and therefore investment and development. The contributions towards skills, training and local employment have very high rates – based on c. 17,500 sqm scheme construction costs would be in the region of £110,000 and operational costs would be c. £950,000. These costs are substantial and could well render some schemes unviable to come forward. The %s and £ figures do not appear to have any justification or be evidenced based.

SEGRO strongly recommends that these targets are reviewed to ensure that they do not place unreasonable burdens on employment generating development coming forward in LBN. Without adequate development, the policy will fail in its aim to secure opportunities for local residents.

We also note that the viability report included in LBN’s evidence base suggests that the employment and training contributions be applied on a flexible and ‘subject to viability’ basis and SEGRO would support this approach.

In respect of part 3, it is considered that this requires clarification. Parts (d) and (e) refer to green technology/green industries but no further guidance is provided on exactly what these categories cover.

## **6. Sustainability and Greening**

### **a. Draft Policy GWS3 (Biodiversity, urban greening, and access to nature)**

SEGRO supports the principle of the draft Policy to protect and enhance biodiversity in LBN. SEGRO is very supportive of creating sustainable industrial buildings and ‘green’ schemes.

However, it must be acknowledged that the opportunities and mechanics to deliver these greening/biodiversity benefits are more challenging on industrial sites. This is acknowledged by the London Plan (Policy G5) where B2 and B8 uses are excluded from the Mayor’s target Urban Greening Factor (‘UGF’), albeit supporting paragraph 8.5.5 does state that such uses will still be expected to set out what measures they have taken to achieve greening

on site.

Part (1)(d) of draft Policy GWS3 requires development to maximise 'living building' elements and this reflects the approach set out in part (1)(e) of draft Policy D1. Urban greening on SEGRO's schemes is typically delivered through the inclusion of measures such as soft landscaping and planting along site boundaries, tree planting within car park areas / along site boundaries, green roofs on offices and cycle/bin stores and the use of permeable paving. Whilst SEGRO is committed to improving biodiversity, it is also committed to ensuring other sustainability benefits which are evidenced by SEGRO's track record in London, which includes delivering the first carbon neutral industrial unit for Camden Town Brewery in Enfield and the first BREEAM Outstanding industrial unit for Rolls Royce at Heathrow.

Installing green roofs on warehouse buildings can have significant sustainability impacts. The additional steel and concrete required to increase the structure to support a green roof would increase embodied carbon levels by c. 10%. SEGRO also often looks to utilise roof space to provide PV panels to provide a low carbon and renewable energy source. Furthermore, SEGRO often installs roof lights, which are a key feature of industrial buildings and comprise a principle natural light source which reduces reliance on artificial lighting.

Green roofs also have a viability implication due to the additional structures required, and SEGRO's cost plans indicate that such systems increase total development costs for industrial buildings by c.15%. Green walls can be appropriate in the right environmental conditions, however SEGRO is aware that the GLA is currently resisting these features until they have a better understanding of the potential safety implications.

Part (5) of the draft Policy states that development should meet the London Plan UGF, or a bespoke LBN UGF (albeit no details are provided in respect of the bespoke UGF). The UGF calculations often place a heavy reliance on green walls / green roofs. As set out above, these are often not appropriate for industrial uses.

Draft Policy GWS3 should be reviewed to ensure that it is not placing unreasonable burdens on industrial development. The draft Plan needs to ensure that it encourages industrial development, and development that considers all sustainability implications.

It is recommended a similar approach is taken to the London Plan (Policy G5) where B2 and B8 uses are excluded from the Mayor's target Urban Greening Factor ('UGF'), albeit supporting text states that such uses will still be expected to set out what measures they have taken to achieve greening on site.

#### **b. Draft Policy CE2 (Zero carbon development)**

One of the three long-term priorities in SEGRO's 'Responsible SEGRO' framework is to champion low-carbon growth. SERGO aims to reduce carbon emissions from its development activity and the operation of its existing buildings, and eliminate them where possible, and is targeting becoming net-zero carbon by 2030. SEGRO therefore supports the overarching policy aim to deliver carbon efficient development.

Notwithstanding this, SEGRO has some concerns in respect of the draft Policy wording and how this would work in practice.

Part 1 of the draft Policy states that all new buildings should be designed and constructed to be net zero carbon in operation. This aligns with London Plan Policy SI 2. Policy SI 2 also allows for instances where it can be clearly demonstrated that such a target cannot be met, with shortfalls to be provided via cash in lieu contribution towards a carbon offset fund or off-site via an alternative proposal. Draft Policy CE2 makes no such allowance. For some buildings/operations, net zero carbon may be technically infeasible, and the wider benefits of development should not be unduly restricted where the technical constraints can be clearly evidenced. SEGRO therefore considers that part 1 should allow for carbon offsetting payments and off-site delivery where this can be clearly justified, in line with the London Plan.

The space heating demand rates set out in part 2(c) and the industrial energy requirements set out in parts 4(b(iv)) and 5(a)(ii) of the draft Policy could be an acceptable target if applied to a base build, single storey industrial unit. However, for an industrial building which has several mezzanines or floors which require heating, this may not be achievable. Multi-storey units also have additional operational requirements including requiring more roof light space and safe access areas. The draft Plan (and the London Plan) place a significant emphasis and encouragement on intensification of industrial uses in order to assist meeting demand. Any relevant energy standards need to reflect this encouragement and acknowledge that more intensified industrial buildings will inherently generate a

higher energy demand.

Part 3 of the draft Policy states that new development should not use fossil fuels or heat or energy. This is not achievable. All developments will be connected to the wider electricity network and the majority of the electricity generated in the UK currently is derived from natural gas (c. 60%). SEGRO does not provide gas connections to any of its developments and endeavours to use the most efficient localised heat pump system available to provide space and water heating. However, there are still instances where systems will use fossil fuels – for example, an ASHP will still use fossil fuels when the PV panels are not generating. Whilst the target is to use renewable energy all the time, this cannot be guaranteed consistently. Given that this target is unachievable and impractical, we suggest that part 3 is reviewed to ensure that the policy is reasonable and enforceable.

SEGRO monitors energy use and renewable energy generation as part of BREEAM monitoring and to report to shareholders and investors. Therefore, SEGRO accepts the monitoring targets set out in part 6(b) of the draft Policy. SEGRO understands part 6 to be a reporting tool only and would object to a policy that sought some kind of penalty or compensation during the course of the building's operation, as this is outside of the landlord's control.

However, SEGRO strongly objects to part 5(b) of the draft Policy which would appear to place an unreasonably onerous burden on development which could threaten lettings and discourage investment (and therefore job creation) in the borough. As drafted, part 5 states that new development should generate all of its renewable energy on site to a level equivalent to, or in excess of, the predicted annual energy demand of the building. Where this is not possible it may be subject to a payment-in-lieu contribution. It is not clear how this payment would be calculated and whether it would be a one-off payment or an annual payment in perpetuity, or whether this would be time limited to five years post operation in line with part 6(b). The Policy lacks clarity in this respect and raises a number of issues:

First, as set out above, despite best endeavours, it is not always possible for all energy to be generated via renewables. Linking back to the comments on part 1, there has to be an acknowledgement that the net zero target will not always be achievable and in these instances this policy would place a significant additional burden which would already have been accounted for in any carbon offset payment / off-site delivery. This is unreasonable.

Second, commercially this would be very challenging and could discourage investment. For speculative development the exact energy demand may be difficult to predict, and this would cause uncertainty in assessing the scale of the payment or if a payment was due at all. In addition, a building may be occupied by different tenants over its lifetime with different operational equipment and therefore different energy needs. Some may operate within the on-site renewable energy level and some may not.

For the reasons set out above, SEGRO considers that part 5 of the draft Policy, particularly 5(b) is unreasonable, lacks clarity and could deter investment. Therefore, it is strongly suggested that this element of the draft Policy be removed.

### **c. Draft Policy CE3 (Embodied carbon)**

One of the three long-term priorities in SEGRO's 'Responsible SEGRO' framework is to champion low-carbon growth. SERGO aims to reduce carbon emissions from its development activity and the operation of its existing buildings, and eliminate them where possible, and is targeting becoming net-zero carbon by 2030.

SEGRO therefore supports the approach set out in draft Policy CE3, including part (5) which states that major developments are expected to meet embodied carbon limits of less than 500kgCO<sub>2</sub>/m<sup>2</sup>.

## **7. Transport**

### **a. Draft Policy T3 (Transport behaviour change)**

SEGRO strongly objects to part 1 of the draft Policy which states that "all new development will be car free". This is too restrictive and is not consistent with the rest of the Policy (including part (b)) which allows a level of car parking for commercial or industrial uses.

The supporting text at paragraph 3.263 acknowledges that a quantity of car parking may be justified for industrial development due to hours of operation/shift patterns/PTAL etc. as reflected in the London Plan (paragraph



10.6.18). This is an extremely important point, and it is essential that the Policy wording clearly reflects this.

Parts 2(b) and (c) of the draft Policy are very detailed and may not be appropriate for all sites. It is considered that this level of detail is too granular for Local Plan policy and should instead be brought forward by supplementary guidance.

#### **b. Draft Policy T4 (Servicing a development)**

SEGRO recognises that Government targets and legislation will drive industries over the coming decades, and SEGRO firmly believe that it is both possible and environmentally responsible to seek to achieve zero-emission fleets sooner than those government targets.

However, it is also recognised that the industry is still developing at this time, and that the production of electric fleet vehicles has been adversely impacted by significant recent events/situations (such as Brexit and COVID-19) which have decelerated industry advancement to some extent and resulted in the availability of electric fleet vehicles in the UK remaining short of the projected demand. It is therefore expected that a transition period will be required to allow operators to adopt this new technology gradually as the availability of electric fleet vehicles improves over time.

Likewise, SEGRO acknowledges the important role that cargo bikes can play in achieving sustainability goals and reducing carbon impact. However, in some instances it will not be feasible for cargo bikes to service development as these are generally best suited to ultra-urban depots located in densely populated areas. They are not efficient or practical where the distances between depot and consumer, and between consumers, are high.

It is therefore suggested that part (5) of the draft Policy be amended to allow flexibility where it can be demonstrated that the policy requirements cannot feasibly be met. The following amendment is suggested:

**“Developments that service and/or deliver to other locations should:**

- a. ~~Ensure~~ Facilitate and enable the deployment of zero emission vehicles or cargo bikes for ‘last mile’ journeys, where feasible...”**

### **8. Utilities**

#### **a. Draft Policy W4 (Utilities and digital infrastructure)**

SEGRO objects to part (1)(b) and (6) of the draft Policy which would require major development proposals to demonstrate that there is sufficient utility infrastructure capacity to meet the demand of development during the construction and operational phases. This is a structural issue which should be resolved by the Government and utilities providers. The planning system should not be the arbiter of wider structural capacity.

More information is required to understand the implications and implementation of part (7)(b and c).

### **9. Site Allocation N5.SA5**

This allocation should be more explicit that new residential development will not be supported adjacent to SIL.

### **10. N6 Manor Road Neighbourhood**

Part 2 of Policy N6 states that the vision for Manor Road will be achieved by:

**“supporting the delivery of new residential moorings in suitable locations with appropriate ancillary facilities;”**

This is highly inappropriate as the waterway runs along the SIL, which is not a suitable environment for living accommodation, especially living accommodation that has not been designed and purpose built to protect inhabitants from a noise environment where businesses will be operating on a 24/7 basis. SEGRO has direct experience of boat owners taking action against the use of yards and buildings during the night-time in proximity to the canal, despite the fact that these businesses have been operating from the same location for many years and the moorings have only recently been introduced.

Residential moorings will introduce a sensitive receptor which will be very harmful to the operation of the SIL, and certainly to any plans to intensify it. This policy will undermine the council’s strategy with regards to accommodating jobs and economic activities in this area (N6.3) – an objective that SEGRO shares. N6.2 should be

removed or reworded to actively resist new residential moorings in this location.

Part 4 of policy N6 refers to supporting appropriate development of "heavier industrial uses" on the Cody Road SIL site. SEGRO objects to the reference to 'heavier' industrial uses, as SIL compliant uses include modern economic activities which should be accommodated in these areas, in addition to the more 'traditional' industrial activities which may be more readily described as 'heavy'.

Part 5 of policy N6 refers to providing new bridges across the River Lea, including the Lochnagar Bridge. SEGRO supports the general thrust of policy which aims to improve the quality of environment and the connectivity of the area. However, as a major landowner in the area it is important that SEGRO understands more about the detail of these proposals and looks forward to engaging further on this.

### Summary

SEGRO is committed to investing in LBN and continuing its growth within the borough. Therefore, SEGRO welcomes the opportunity to feed into LBN's emerging planning policy framework. Should it be helpful to discuss the content of these representations further with SEGRO, please contact Leonie Oliva ([REDACTED]) or Suzanne Thurtle ([REDACTED]) of this office who would be happy to arrange a meeting.

Yours faithfully

[REDACTED]

Gerald Eve LLP

C.C.

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**SEGRO**