



**'Shaping the Borough' - Waltham Forest Local
Plan (LP1) Examination**

**RESPONSE TO FURTHER MATTERS, ISSUES AND
QUESTIONS**

**MATTER 4: EMPLOYMENT AND THE VITALITY AND
VIABILITY OF CENTRES**

January 2023

MATTER 4: EMPLOYMENT AND THE VITALITY AND VIABILITY OF CENTRES

Employment Designations – Strategic Industrial Locations (SIL), Locally Significant Industrial Sites (LSIS) and Borough Employment Areas (BEAs)

4.1 Are the revised Employment Land designations set out in the Topic Paper (paragraph 3.6.4.2) justified, necessary for soundness and in general conformity with the London Plan?

In particular, is the re-designation of Cork Tree Retail Park from LSIS to SIL justified by the evidence and necessary for soundness?

The revisions to the Employment Land designations set out in the Topic Paper (LPE30) are fully justified, necessary for the soundness of the Local Plan, and are in general conformity with the London Plan; a position that has been confirmed by the Mayor of London (see Statement of General Conformity with the London Plan (New) (LPE38)).

In July 2021, the Council wrote to the Mayor requesting his opinion as to whether further amendments to the draft Local Plan – as submitted to the Secretary of State on 30 April 2021 (KD1) – were necessary in order to bring it into general conformity with the new London Plan (2021). The opinion of the GLA at the time was that the submitted Local Plan needed further amendments to ensure general conformity. Officers from the Council and the GLA worked collaboratively to agree appropriate modifications, as recorded in the Statement of Common Ground (March 2022) (LPE27), and in his letter of 2 September 2022 (LPE38) the Mayor confirmed that, if implemented, these agreed modifications would bring the Local Plan into general conformity with the London Plan.

The modifications to Appendix II – Employment Land Designations that are set out in paragraph 3.6.4.2 of the Topic Paper (LPE30) are informed by

these agreed modifications. They include the redesignation of part of the Blackhorse Lane Strategic Industrial Location (SIL) as a Locally Significant Industrial Site (LSIS) (please see the response to question 4.2 for further detail on this) and the associated redesignation of the Cork Tree Retail Park from LSIS to SIL.

The redesignation of the Cork Tree Retail Park as SIL is considered necessary by both the Council and the Mayor in order to maintain SIL capacity across the borough, to contribute to the Local Plan target to deliver an increase in employment capacity, and to ensure that the stock of SIL designated floorspace is situated in the most appropriate locations for the types of uses that it is anticipated to accommodate, including in particular sites with good access to the strategic road network.

The designation is fully justified by the borough's evidence. The Employment Land Audit (EB6.0), undertaken by Avison Young on behalf of the borough and published in April 2021, identifies the suitability of the site to be considered for SIL intensification, stating: "there could be some opportunity to include this Site alongside the intensification of the adjoining Site, SIL 1 [Hall Lane]" and that "across the Cork Tree Retail Estate, the land does not appear intensively used, with much of the land taken up by car parking for the retail units, as well as a small portion for vehicle servicing behind the retail units". The evidence further identifies the site's location on the North Circular as being "attractive to industrial occupiers", with these likely to include logistics and distribution operators. As this use class forms the largest proportion of the borough's employment floorspace requirements (see the Employment Land Study (EB6.1)), the redesignation of this site as SIL rather than LSIS – in parallel with the introduction of co-located uses in the southern part of the Blackhorse Lane SIL – represents a strategic, plan-led approach to better utilise the borough's supply of industrial and employment land and to ensure the borough can meet its identified economic floorspace need.

The approach to redesignation is consistent with paragraph 82 of the NPPF and the requirement for planning policies within local plans to “set criteria, or identify strategic sites, for local and inward investment to match the strategy and to meet anticipated needs over the plan period”. The redesignation is also considered to be appropriate in the context of Policy E5 Strategic Industrial Locations (SIL) of the London Plan, part B.1 of which states that boroughs in their development plans should “define the detailed boundary of SILs in policies maps having regard to the scope for intensification, co-location and substitution (set out in Policy E7 Industrial intensification, co-location and substitution)”. The supporting text, in paragraph 6.5.2, notes that SILs “are important in supporting strategic logistics operations serving the capital ... Typically, they are well located close to the strategic road network”.

The designation of the site for industrial use is also supported by the landowner, Prologis, as set out in representations made on behalf of them by Knight Frank LLP on the submitted version of Local Plan 1 (see the Consultation Statement – Copies of representations made under regulation 20 (KD6.2), pages 76-81). The representations identify that Prologis intend to use the site for storage / distribution purposes; that any office floorspace on site should be limited to that which is ancillary to the main operational use of the site; and that the site is not considered appropriate for the co-location of other uses. Prologis’ aspirations are therefore clearly supported by and are consistent with the designation of the site as SIL.

Please note that the modifications to Appendix II set out in paragraph 3.6.4.2 of the Topic Paper (LPE30) also include the redesignation of all but three of the Borough Employment Areas (BEAs) as LSIS, and their associated re-numbering to ensure geographic coherence. These modifications reflect changes to the economic land designations within the Plan that were previously identified in the Council’s schedule of proposed changes to the

published Plan, April 2021 (KD2) and the Response to the Inspectors' Preliminary Matters: (5) Modifications, August 2021 (LPE5) – under references SOPC114 and SOPC115 (p.49). The modifications were made in response to concerns raised by the Mayor of London over the need to establish a clear distinction between the borough's industrial and non-industrial land, and – by extension – to ensure the approach to the protection of industrial land is not undermined by the introduction of offices in place of industrial uses.

4.2 Is the designation of part of Blackhorse Lane as part SIL/part LSIS justified by the evidence? Will it be in conformity with the London Plan and what main modifications are necessary to Policy 26 for soundness?

The redesignation of the southern part of the Blackhorse Lane SIL as LSIS is fully justified, necessary for the soundness of the Local Plan, and in general conformity with the London Plan; a position that has been confirmed by the Mayor (see the Statement of General Conformity with the London Plan (New) (LPE38)).

The agreed Blackhorse Lane Masterplan (Stage 1 and Stage 2) (LPE53 and LPE54, respectively) forms the robust evidential basis which supports this redesignation. As an area that has seen considerable growth – both of new businesses in the area’s designated industrial land and of residential developments on neighbouring sites – the Blackhorse Lane Masterplan was developed to guide the process of transformation in the SIL in a sustainable way, forming part of a plan-led, strategic approach to the management of industrial capacity across the borough. The Masterplan has been developed to ensure the protection of the area’s existing industrial uses; to facilitate industrial intensification in appropriate locations; and to identify opportunities to optimise the use of the available land, including through the introduction of other uses where these can successfully co-exist with the industrial functions. In doing so, it also takes account of the designation of the Blackhorse Lane Creative Enterprise Zone, which recognises the unique ecosystem of creative and cultural uses active within the location.

The development of the two-stage masterplan followed guidance set out within the GLA’s ‘Industrial intensification and co-location through plan-led and masterplan approaches’ Practice Note (2018) and was informed by collaborative engagement with landowners, businesses and the local community. The Masterplan Stage 2 document identifies the northern part of the existing SIL as offering the greatest potential for the intensification of

industrial use, due in part to its superior access to the strategic road network. The central and southern parts are identified as holding the potential to retain industrial floorspace whilst also supporting the co-location other uses, including new homes and cultural uses, and the Masterplan proposes the redesignation of this area as LSIS to facilitate this. The evidence has been robustly tested, including through consultation with officers at the GLA, and the Mayor formally signed off the Blackhorse Lane Masterplan Stage 2 (LPE54) in June 2022.

As set out above in response to question 4.1, the Mayor has confirmed that the Plan can be brought into general conformity with the London Plan if the modifications agreed in the Statement of Common Ground between the GLA and the Council (LPE27) are implemented. These include the “reconfiguration of Blackhorse Lane SIL”, which consists of “redesignating the central and southern subareas of the site as LSIS as part of the masterplan proposal”. As drafted, the modification suggests that “the redesignation of part of the SIL at Blackhorse Lane to LSIS will be reflected in Local Plan 2 (LP2) – Site Allocations, including figures for reprovision of the amount of floorspace and of SIL capacity, when these are finalised through the agreement of the masterplan. The exact boundary will be defined in the masterplan and adopted in LP2”. However, given that the Blackhorse Lane Masterplan Stage 2 (LPE54) has now been finalised and signed off by the Mayor of London, the Council agree with the Inspectors’ opinion, outlined in their letter dated 5 May 2022, that it is preferable for the redesignation of this land to be implemented through Local Plan 1 (LP1). This approach has informed the proposed main modifications to Appendix II and Figure 9.1 proposed in the Topic Paper (LPE30).

In support of the above, the Council has identified that a further modification to those already proposed to Policy 25 – Supporting Economic Growth and Jobs, will be necessary to ensure the consistency of this approach. This is required in order to remove language relating to the ‘future’ redesignation

(i.e. within LP2) of part of the Blackhorse Lane SIL as LSIS and the Cork Tree Retail Park as SIL, ensuring that the Plan as a whole reads consistently and correctly. To achieve this, it is proposed that the 'new' paragraph E and accompanying footnote set out in the Statement of Common Ground with the GLA (LPE27) are deleted. For clarity, the following text is therefore no longer proposed to be added to Policy 25, which should now end after the amended part D:

E. Plans for the reconfiguration of SIL across the borough will be captured in LP2, to comprise a framework for managing change in the borough's industrial areas which will include meeting identified need and the re-provision of the SIL capacity brought about as a result of the proposed reconfiguration of Blackhorse Lane SIL¹. The Council proposes to upgrade the industrial designation of Cork Tree Retail Park (LSIS in LP1), to Strategic Industrial Location.

¹The proposed reconfiguration of Blackhorse Lane SIL involves delivering an increase in total industrial floorspace in this location and re-designating the central and southern subareas of the site as LSIS as part of the masterplan proposal. In order to maintain SIL capacity it is proposed to designate Cork Tree Retail Park as SIL and to demonstrate its viability/deliverability through LP2. This represents a specifically agreed situation in which SIL release will occur ahead of its re-provision. The re-designation of part of the SIL at Blackhorse Lane to LSIS will be reflected in LP2 – Site Allocations, including figures for re-provision of the overall amount of floorspace and of SIL capacity, when these are finalised through the agreement of the masterplan. The exact boundary will be defined in the masterplan and adopted in LP2.

This modification is not considered to substantively alter those previously agreed with the Mayor of London, nor to affect his conclusion that LP1 can be made to be in general conformity with the London Plan (as per the Statement of general conformity with the London Plan (New) (LPE38)).

As a separate consideration from the redesignation of part of the Blackhorse Lane SIL, it is noted that the agreed modifications set out within the Statement of Common Ground (LPE27) also include changes to part A of Policy 26 – Safeguarding and Managing Strategic Industrial Land (SIL). The London Plan enumerates a broader range of 'industrial-type activities' within part A of Policy E4 (Land for industry, logistics and services to support London's economic function) than the Submission version of the Local Plan outlined in Policy 26. To ensure general conformity between the two

documents, a modification is proposed so the uses in the latter reflect the former. Please note, in the Statement of Common Ground, this modification refers to “other uses supported by the London Plan at E4A”, however for clarity the Council intends instead to list the supported uses in full.

Following the issue of the Inspectors’ Stage 2 Matters Issues and Questions (MIQs), officers from the Council and the GLA have been in consultation and have agreed a further modification to Policy 26. It is agreed that reference in part C to the ‘masterplan approach’ in support of realising industrial intensification should be removed since the intensification of industrial capacity can also be delivered within SILs without the need to bring forward a masterplan as set out in Policy 30 (i.e. through a two-stage process in consultation with the GLA). This deleted reference should be replaced by the addition of a new clause part B.iii which outlines support for applications which deliver either the full replacement or intensification of industrial capacity. In lieu of reference to a masterplanning process, the policy should encourage landowners to work together to make the most efficient use of land. The proposed amendments to parts B and C of Policy 26 are as follows:

B. New development will be supported on SIL, where it:

i. Provides improved high-quality, fit for purpose **acceptable** employment space and infrastructure; and

ii. Allows for future flexibility ~~in the above uses~~, including future subdivision and / or amalgamation for a range of employment uses; and

iii. Provides either the full replacement or the intensification of existing industrial capacity. Landowners should, where appropriate, work with those of adjacent sites in order to make the most efficient use of land.

~~C. A masterplan approach to the intensification of industrial capacity in SIL is supported (see Policy 30 – Industrial Masterplan Approach)~~

The same modification is also proposed to part C of Policy 27 – Safeguarding and Managing Change in Locally Significant Industrial Sites (LSIS). To note, this will supersede the amendment recorded under reference SOPC041 in the

Council's Response to the Inspectors' Preliminary Matters: (5) Modifications (August 2021). In support of the above amendments, a modification to paragraph 9.23 of the supporting text (to Policy 30 – Industrial Masterplan Approach) should also be made as follows:

To deliver intensification and consolidation, Areas of Intensification and Consolidation will be identified. These areas are defined as where there is an opportunity to deliver a large uplift in space for industrial businesses. This uplift is expected to be delivered on-site and ahead of any development on an Area of Potential Change. ~~Areas of Potential Change are defined as areas where there may be opportunity to deliver different uses to those outlined as supported in Policy 26 – Safeguarding and Managing Strategic Industrial Land (SIL) and Policy 27 – Safeguarding and Managing Change in Locally Significant Industrial Sites (LSIS).~~

4.3 Would the proposed main modifications to Policy 30 set out at paragraph 3.6.4.3 of the Topic Paper address the issues raised at the March 2022 hearing sessions, including the potential for non-industrial uses on SIL and would the policy be in general conformity with the London Plan?

The proposed main modifications to Policy 30 set out at paragraph 3.6.4.3 of the Topic Paper (LPE30) address the issues raised at the March 2022 hearing sessions, including the potential for non-industrial uses within SIL raised by the Mayor of London. Subject to these modifications being made, the policy is considered by both the Council and the Mayor of London to be in general conformity with the London Plan.

As set out in the Statement of Common Ground (LPE27), in advance of the examination hearings in March 2022 officers from the Council and the GLA worked together to agree modifications to Policy 30 in order to address issues of general conformity. The modifications were made to establish a clearer definition of industrial capacity and to ensure that the approach to delivering industrial intensification through masterplanning is consistent with the requirements set out in the London Plan with regards to the phasing of different land uses. It was also agreed to delete a proposed amendment (SOPC055) as set out in the Schedule of proposed changes to the published plan, April 2021 (KD2), which was considered to introduce too much flexibility in the application of the masterplan approach, and which could ultimately facilitate the erosion of industrial floorspace.

As set out in paragraph 3.6.4.3 in the Examination Stage 2 Topic Paper, further modifications were proposed to this policy during the stage 1 Hearing sessions, which have resulted in a broader redrafting of this policy (i.e. subsequent to the Statement of Common Ground iteration). The policy outlined within the Topic Paper, and the further modifications set out in response to question 4.2 above, therefore represents the culmination of the collaboration between the two authorities. It outlines a masterplanning process that is consistent with the London Plan and which would enable the

evidence-led consolidation of industrial use on a designated site, including potentially allowing for the subsequent introduction of non-industrial uses into these areas. The further modifications proposed retain the intent of those agreed within the Statement of Common Ground (LPE27) with respect to the definition of industrial capacity and to the phasing of development to ensure that industrial uses are brought forward in advance of non-industrial uses.

4.4 Are any main modifications necessary for soundness?

A limited number of further modifications have been identified above in response to question 4.2. These are considered necessary to ensure the soundness of the Plan, with the relevant justification contained within the body of the Council's response. For purposes of clarity, the amended policies are set out below in whole and as they are now proposed, including amendments that have previously been submitted to the Inspectors. Extracted paragraphs from the supporting text have also been included where modifications have been proposed within this document only.

Policy 25 – Supporting Economic Growth and Jobs

Opportunities for employment growth in Waltham Forest will be maximised to ensure there is sufficient capacity to deliver a minimum of 52,000 sqm of additional employment floorspace across the borough, and protect the borough's SIL capacity over the plan period by:

- A. Focusing the delivery of new Class E Part G iii, B2 and B8 floorspace in SIL, LSIS, BEA and non-designated employment sites;
- B. Focusing the delivery of Class E Part G i, ii floorspace in BEA and town centres;
- C. Supporting the delivery of a range of employment typologies in suitable locations, across the borough:
 - i. Distribution uses – storage and distribution floorspace (B8), in locations within good proximity of strategic road network;
 - ii. Industrial Space – light industrial (Class E, Part G iii) and the production of goods (B2) in smaller or sub-divided space within the borough's designated employment sites; and
 - iii. New London Mix – high density office space (Class E Part G i and ii) ranging from small studio space, flexible co-working spaces to large offices in the designated centres or other locations with access to supporting amenities and services; and
- D. Promoting industrial intensification through site allocations in LP2, the Industrial Intensification SPD and the subsequent development of industrial masterplans (in line with Policy 30 and London Plan Policy E7) to facilitate the intensification of industrial capacity, and ensure that the SIL capacity is at a minimum maintained, whilst also delivering an uplift in terms of overall industrial capacity.

Policy 26 – Safeguarding and Managing Change in Strategic Industrial Locations (SIL)

To safeguard and manage SIL:

A. The following uses are acceptable:

- i. Light industrial (Class E Part G iii);
- ii. General industry (Class B2);
- iii. Storage and Distribution (Class B8);
- iv. Waste management, secondary materials, and aggregates (B2 / B8 / Sui Generis)
- v. Utilities infrastructure (such as energy and water);
- vi. Lane for sustainable transport functions including intermodal freight interchanges, rail and bus infrastructure;
- vii. Wholesale markets;
- viii. Emerging industrial-related sectors;
- ix. Flexible hybrid space (Class E Part G iii / B2 / B8);
- x. Low cost industrial and related space for SMEs;
- xi. Research and development of industrial and related products or processes; and
- xii. Uses ancillary to the above.

B. New development will be supported on SIL, where it:

- i. Provides improved high-quality, fit for purpose acceptable employment space and infrastructure; and
- ii. Allows for future flexibility, including future subdivision and / or amalgamation for a range of employment uses; and
- iii. Provides either the full replacement or the intensification of existing industrial capacity. Landowners should, where appropriate, work with those of adjacent sites in order to make the most efficient use of land.

Policy 27 – Safeguarding and Managing Change in Locally Significant Industrial Sites (LSIS)

To safeguard and manage LSIS:

A. The following uses are acceptable:

- i. Light industrial (Class E Part G iii);

- ii. General industry (Class B2);
 - iii. Storage and Distribution (Class B8);
 - iv. Waste management, secondary materials, and aggregates (B2 / B8 / Sui Generis)
 - v. Utilities infrastructure (such as energy and water);
 - vi. Lane for sustainable transport functions including intermodal freight interchanges, rail and bus infrastructure;
 - vii. Wholesale markets;
 - viii. Emerging industrial-related sectors;
 - ix. Flexible hybrid space (Class E Part G iii / B2 / B8);
 - x. Low cost industrial and related space for SMEs;
 - xi. Research and development of industrial and related products or processes; and
 - xii. Uses ancillary to the above.
- B. New development will be supported on LSIS, where it:
- i. Provides improved high-quality, fit for purpose acceptable employment space and infrastructure; and
 - ii. Allows for future flexibility, including future subdivision and / or amalgamation for a range of employment uses; and
 - iii. Provides either the full replacement or the intensification of existing industrial capacity. Landowners should, where appropriate, work with those of adjacent sites in order to make the most efficient use of land.

Policy 30 – Industrial Masterplan Approach

The London Plan (2021) outlines a process for achieving intensification of designated industrial areas to provide additional industrial capacity. In some circumstances, where it would be to the benefit of the wider area, and demonstrably helps meet industrial and employment needs, this could facilitate the consolidation of industrial use on a designated site, potentially allowing for the subsequent introduction of non-industrial uses into these areas in order to meet other planning objectives.

- A. Masterplans are required to manage change in industrial locations where uses other than industrial and related uses are proposed.
- B. Part D of the London Plan Policy E7 sets out criteria that must be met in the masterplanning process in order for the potential for consolidation through this approach to be realised. The following criteria are developed from those outlined in the London Plan and

associated guidance¹ as local requirements which must be followed in order to effectively develop a masterplan which can be agreed.

C. Procedure:

- i. Masterplans must be delivered in partnership with and by agreement of the Council and the GLA.
- ii. Masterplans must take a comprehensive approach and cover the extent of an entire SIL or LSIS.
- iii. Masterplans must be developed according to a two-stage process:
 - a. Stage 1: Based on up-to-date evidence, including full audit of the designated site, and appropriate engagement with landowners and existing businesses, identify the sub areas within the SIL/LSIS to be “areas of intensification and consolidation”, and, where relevant, those proposed as “areas of change”. These sub areas must be agreed and approved with the GLA and the Council before progressing to Stage 2.
 - b. Stage 2: Further develop the agreed masterplan for the entirety of the SIL/LSIS, and produce detailed sub-area masterplans, which together demonstrate how the industrial capacity outlined in Stage 1 will be achieved. At this stage, in line with Policy 56 – Delivering High-Quality Design consideration should be given to land assembly and opportunity for coordinated development.
- iv. Following the agreement of a two-stage masterplan with the Council and the GLA, any resultant boundary changes to relevant industrial designations are required to be reflected in the next Development Plan Document to be prepared.

D. Outcomes:

- i. Masterplans must not lead to any loss in industrial capacity across the SIL or LSIS, and must seek to provide a net increase of industrial floorspace capacity¹.
- ii. Industrial intensification must be achieved ahead of delivering any non-industrial uses.
- iii. Masterplans must take an “industrial first” approach to phasing, ensuring that the agreed industrial capacity is delivered ahead of any other uses.

E. Evidence:

- i. Masterplans must be informed by an up-to-date audit of the designated location and evidence covering employment land needs, wider spatial context, land ownerships, partnerships and engagement, and infrastructure requirements.
- ii. Masterplans must be supported by a Viability and Delivery Plan.

- iii. Masterplans must set out how existing businesses will be retained through a Retention and Relocation Strategy; and
- iv. Masterplans must be supported by a Servicing and Management Strategy.

¹ Industrial floorspace capacity is: the built floorspace across all complete floors (additional floors in multi-storey developments and basements where they exist); or if the site is utilised primarily for open-yard or storage-based uses, the benchmark figure for re-provision is calculated at 65% of the total site area. Where sites are in waste use, capacity will be considered in through-put terms, in line with Policy 95 – Waste Management.

Supporting text

Paragraph 9.32. To deliver intensification and consolidation, Areas of Intensification and Consolidation will be identified. These areas are defined as where there is an opportunity to deliver a large uplift in space for industrial businesses. This uplift is expected to be delivered on-site and ahead of any development on an Area of Potential Change.