

GREATER LONDON AUTHORITY

Andrea Copsey

Planning Inspector
c/o Ms Christa Masters and Mr Andrew
McCormack
Examination Office

Department: Planning

Your reference:
Our reference: LDF04/LDD17/LP04/HA01
Date: 26 August 2020

Dear Andrea

**Re: Examination of the Brent Local Plan. Inspector's Matters, issues and questions.
Matter 6 – Economy and town centres**

Thank you for inviting matters statements in advance of the London Borough of Brent Local Plan Examination in Public hearing sessions. The London Borough of Brent has actively engaged with officers at the Greater London Authority (GLA) to discuss concerns raised in the Mayor's Regulation 19 letter of conformity dated 05 December 2019 and Regulation 18 consultation response issued 03 January 2019.

As you will be aware, development plan documents prepared by London boroughs must be in general conformity with the spatial development strategy (SDS) for London (referred to as the London Plan) in accordance with S.24 of the Planning and Compulsory Purchase Act 2004 (as amended).

The Mayor published his draft new London Plan for consultation in December 2017. The plan and representations received were submitted to the Panel of Inspectors appointed by the Secretary of State who conducted an examination in public from 15 January until 22 May 2019. The Panel of Inspectors report was published on 8 October 2019.

On 23 October 2019 Brent requested the Mayor's opinion on conformity through its Regulation 19 consultation. The Mayor issued the intend to publish London Plan on 9 December 2019 to the Secretary of State and received directions on 13 March 2020. The Mayor responded to these directions on 24 April setting out an intention to publish the new London Plan as soon as possible in 2020 and is now awaiting response from the Secretary of State.

Given the Mayor's intention to publish the new London Plan as soon as possible we are anticipating the Plan should be published in 2020. As such the Intend to Publish London Plan (ItP) should be afforded very significant weight to ensure Brent Local Plan is in general conformity with it.

Mayor of London Statement

The Mayor has welcomed collaborative working with the London Borough of Brent and agreed a Statement of Common Ground (SCG) on 20 April 2020. The Mayor notes his support for elements of the Brent Local Plan in the SCG and seeks to clarify only outstanding matters of conformity with the Intend to Publish London Plan in this statement.

Question 6.1 – What is the employment need of the Borough over the Plan period? Is this clearly defined within the Plan?

The Mayor recognises that the draft Local Plan methodology used to forecast the need for industrial capacity is fundamentally different to the methodology that underpins the ItP London Plan. The London Industrial Land Demand Study (LILDS) establishes a need to provide in the region of 47ha while the West London Employment Land Evidence {WLELE} suggests a requirement for 0.6ha of land for the period up to 2041. The LILDS has been rigorously tested through the examination of the London Plan and has been found to be sound¹. The Planning Practice Guidance² has also been updated recently to ensure needs assessments accurately reflect demand for logistics functions. The reasons for raising this as an issue of non-conformity are laid out clearly in the Mayor's response to the Regulation 19 consultation and are summarised below:

- The WLELE uses labour demand modelling to forecast land demand for warehousing whereas London Plan evidence is derived from industrial job growth projections (based on GLA Economics employment projections at sector level 2016-2041)³ and a range of other factors, including economic growth, trends in warehousing floorspace, land demands for waste, utilities and land for transport, and the potential to reduce industrial land vacancy rates in those boroughs where the level of vacant industrial land is still high.
- The WLELE lacks an assessment of the future land demands for waste and utilities which is an essential consideration given these uses typically occupy industrial sites.
- The WLELE is limited to a part of the Park Royal/Heathrow property market area and it is the Mayor's opinion that a broader area would have yielded more accurate results.
- The future land requirements for transport needs should also be based on population and economic growth and not the labour demand model used for the purposes of the WLELE.

The WLELE report identifies the methodological differences between the labour demand model it uses and the trend-based approach to projecting logistics demand in the LILDS. The WLELE states that its model "will reflect to a greater degree the trend of 'substituting' activity outside of London as it tracks recent and long-term trends in sectoral employment." The problem with this approach is that it pre-supposes a particular spatial pattern of development, specifically that London's future additional demand for logistics capacity will be supplied outside London. (While the ItP London Plan recognises that there may be scope for some substitution of London's industrial capacity to locations in the wider region or elsewhere in London, Policy E7 sets the strategic framework for how this should be achieved, primarily through boroughs undertaking collaboration with authorities inside and outside London, and ensuring that substitution does not give rise to cumulative negative impacts for example, on business supply chains, labour markets, pollution and congestion.)

¹ See page 88, Report of the Examination in Public of the London Plan 2019 <https://www.london.gov.uk/what-we-do/planning/london-plan/new-london-plan/inspectors-report>

² See PPG paragraph 031 Reference ID: 2a-031-20190722

³ GLA Economics, London Labour Market Projections, 2016

As a result, the WLELE significantly under-estimates likely demand for industrial land uses within the borough.

In the absence of what the Mayor considers to be sound and up-to-date local evidence, the GLA's Industrial Land Demand Study 2017 is the most suitable source of data on which to base Brent's industrial capacity needs over the plan period. The Mayor considers that the demand identified in the LILDS for Brent should be stated in the Local Plan.

Question 6.2 - Has sufficient land been identified to meet the short and long term employment needs of the Borough over the Plan period? Is the approach consistent with national policy and the London Plan? And Question 6.3 - Is the amount of employment provision and its proposed distribution consistent with the evidence base? Is the adopted approach sound and based on robust and up to date evidence?

Over the period 2001 to 2015, more than 1,300 hectares of industrial land in London (including Strategic Industrial Locations, Locally Significant Industrial Sites and Non-Designated Industrial Sites) was released to other uses⁴. This was well in excess of previously established London Plan monitoring benchmarks. Research for the GLA indicates that there will be positive net demand for industrial land in London over the period 2016 to 2041⁵. A key driver of this being strong demand for logistics to service growth in London's economy and population. The ItP London Plan is clear that sufficient industrial land must be retained and provided to ensure the effective functioning of London's economy and for servicing the needs of its growing population⁶. Policy E4A of the ItP London Plan requires a sufficient supply of land and premises in different parts of London to meet current and future demands for industrial and related functions to be provided and maintained.

The LILDS establishes that in order for Brent (including the area of the borough included in the Old Oak and Park Royal Development Corporation (OPDC) Mayoral Development Corporation (MDC)) to meet its need for industrial capacity over the plan period it would require the equivalent of around 47ha of industrial land. The Mayor recognises that OPDC is likely to have the capacity to absorb a significant amount of Brent's additional industrial demand over the plan period; this is reflected in the broad strategy for meeting demand that is set out in Para 6.4.18 of the Local Plan. It is understood that collaboration between Brent and OPDC is ongoing as set out in Brent's Statement of Common Ground. This is welcomed by the Mayor.

How much additional industrial capacity can be provided in OPDC and when that is likely to come forward is unknown and will take time to fully emerge as the OPDC Local Plan progresses. The extent to which additional capacity in OPDC can meet the additional demand requirements for Brent and other boroughs in the property market area will also require collaborative working. Due to this uncertainty, the Mayor considers that Brent should be doing as much as it can through policy-making to ensure the retention of its current industrial capacity while simultaneously promoting opportunities for intensification to provide additional industrial capacity, in line with the ItP London Plan.

Brent have proposed modifications to draft Policy BE2 since the Regulation 19 consultation which are welcomed. These modifications are a significant step toward ensuring greater protection of the borough's designated industrial capacity. These changes are laid out in

⁴ London Industrial Land Supply and Economy Study, 2016)

⁵ London Industrial Land Demand Study, 2017

⁶ Paragraph 6.4.1 of the Intend to Publish London Plan, page 301 and Good Growth objective GG5 Growing a good economy, part C, page 35.

modifications MM248, MM249 and MM250 (and other site-specific modifications) which garner specific protection of industrial land and uses as opposed to broader employment ones.

Despite this positive progress, the Mayor remains concerned that the policy approach may still be inconsistent with the London Plan in a number of respects. As currently drafted Policy BE2 creates uncertainty regarding its approach to Staples Corner SIL by seeking 'intensification through co-location' to be achieved. While Policy BE2 states that this should be undertaken in conformity with London Plan Policy E7, the ItP London Plan does not support co-location within SIL as a mechanism for achieving intensification. The Mayor believes that without a clearer policy the current wording could result in the introduction of residential development into the SIL without intensified industrial capacity. This remains a matter of conformity. The current wording of BE2 could also give rise to speculative approaches that result in the co-location of residential and industrial uses across the SIL, though a masterplan requirement may mitigate this.

The Mayor would welcome a requirement for development to consider the need for wider industrial uses – especially land for waste and transport uses – within Policy BE2, particularly in relation to those designated industrial areas where co-location is being supported. A modification along these lines would be very welcome and would go some way to addressing the shortcomings of the WLELE, which did not adequately address this aspect of industrial demand.

Finally, the Mayor would welcome a stronger monitoring target in relation to industrial capacity. The borough is committed to exceeding the demand figure in the WLELE (see para 6.4.18) and this should be reflected with a positive target.

I would emphasise that the Mayor and Brent are continuing to work positively together in an effort to reach consensus on the above matters prior to the examination hearings. There are indications that continued efforts could result in positive outcomes.

I hope this statement can inform the Examination of Brent's Local Plan.