

Lambeth Employment Land Review Update Final Report

February 2013

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Executive Summary

Scope and Purpose of the Study

In August 2012 Atkins Ltd supported by Regeneris were commissioned to undertake an Employment Land Review on behalf London Borough of Lambeth in order to analyse the future demand for employment land in the Borough to 2026.

This Lambeth Employment Land Review Update provides a robust evidence base and associated policy recommendations to assist in the development of policies in the Council's planning policies and land allocations.

The Study assesses the current provision for employment in the Borough. It provides an assessment of future demand and market demands and evaluates current policies and research in neighbouring authorities.

Methodology

The Study has involved a comprehensive assessment of the future demand for employment land that complies with the National Planning policy Framework (NPPF), including the need to be more flexible and responsive to market signals and the need to demonstrate greater co-operation with neighbouring authorities, as well as the requirements of the London Plan including the potential impact of major strategic sites to the north of the Borough and the need to accommodate waste facilities.

A review of existing policies and strategies was provided at the national, regional and local levels, in order to set the study in context and to establish information gaps. Crucially, the policy review sets out the current status of economic and planning policy in neighbouring boroughs and the potential for cross-boundary issues that need to be taken into account in Lambeth.

An assessment of the future employment needs in London Borough of Lambeth for the period to 2026 was carried out based on projecting employment growth in the study area. This used latest employment forecasts for Lambeth generated by the Oxford Economics Multi-Regional Model. The raw data provided by the Oxford Economics Multi-Regional Model forms the basis of our Baseline Scenario for employment growth in Lambeth in the period from 2011 to 2026. Two additional scenarios were also developed that included a Lower Growth Scenario and a Higher Growth Scenario. These have been provided to sensitivity test and contextualise the Baseline scenario, reflecting the fact that future employment trajectories (and hence employment land requirements) are the function of a complex range of drivers and hence highly dynamic / fluid.

All of the Key Industrial Business Areas (KIBAs) have been subject to a desk-top review against the Land Use criteria contained in the Mayor's Industry and Transport Supplementary Planning Guidance (SPG). In reviewing the existing designated KIBAs the consultants carried out an initial scoping exercise with Lambeth Council Planning officers, which were based on the findings from Lambeth's recently completed KIBA Survey and officer's knowledge of the KIBAs. Following the scoping exercise a further assessment was undertaken for 13 KIBAs that: had high levels of vacancy; were experiencing change; offered potential for redevelopment (either because there was vacant land on the site or they potentially could be redeveloped to intensify use).

In addition, an examination of the Lambeth market for B class uses was undertaken that draws upon the EGI database to identify 'market signals', such as vacancy rates, stock and rental levels by location and property type. Recent business surveys conducted were also used to inform the understanding of demand for new land and premises from local businesses

The Study concluded with policy recommendations for achieving a demand – supply balance and meeting demands for the period up to 2026.

Key Findings

Lambeth's supply of employment land includes the 27 designated Key Industrial and Business Areas (KIBAs) that provide the Borough's strategic supply of land for business use. The KIBAs are on the whole performing well in the given market conditions, and are considered in most cases to be worthy of continued protection.

The South Bank/Waterloo and Vauxhall Opportunity Areas (identified in the London Plan) are both identified as major contributors to Lambeth's economy and provide over half of Lambeth's existing jobs.¹

Lambeth's Major Centres of Brixton and Streatham also provide opportunities for further commercial development. The Council has identified Brixton, Clapham, Kennington, Norwood and Stockwell as key areas for economic regeneration as part of the 'Future Lambeth' long-term regeneration project.

Outside of the Vauxhall/Nine Elms/Battersea Opportunity Area and the Waterloo Opportunity Areas, town centres and KIBAs there are also a wide range of smaller sites supporting employment generating activity.

Lambeth's economy is supported by a large number of SMEs (estimated at some 10,000). Currently many of these businesses are accommodated on smaller sites located outside of designated employment areas (such as the KIBA's, town centres). It is important there is a continued supply of flexible employment space that meets the needs of SMEs.

The Council seeks to maintain a supply of local job opportunities and business premises across the Borough, and to deliver the infrastructure, support services and programmes to support local businesses and to get people into employment. Whilst the Borough is economically prosperous as a whole, there are pockets of deprivation and worklessness throughout the Borough that need to be addressed through planning for regeneration and long-term sustainable economic growth.

Demand for employment land

The employment forecasts identify a net growth of 11,600 additional B Use Class jobs under the Baseline Scenario, 4,100 under the Lower Growth Scenario and 16,200 under the Higher Growth Scenario.

All scenarios project additional need for B1(a) employment floorspace in the period to 2026. In gross terms, this ranges from 82,700 sq.m under the Lower Growth Scenario, up to 166,300 sq.m under the Baseline Scenario and 268,500 sq.m under the Higher Growth Scenario.

All scenarios project overall declines in demand for B1(c) & B2 employment floorspace in the period to 2026. The decline in requirements for B1(c) and B2 range from -22,900 sq.m under the Lower Growth Scenario, to -14,400 sq.m under the Baseline Scenario and -12,600 sq.m under the Higher Growth Scenario.

The Baseline Scenario and Higher Growth Scenarios project an increase in demand for B8 floorspace of 48,100 sq.m and 79,400 sq.m respectively. Under the Lower Growth Scenario, demand for B8 is projected to decline by 9,300 sq.m.

Supply of employment land

The Study examines a range of potential sources of supply, which include:

- **Vacant B Class Floorspace (Non KIBA) (source: EGI)** – The EGI availability database identifies the amount of actively marketed vacant floorspace in the Borough is approximately 213,000 sq.m.
- **Vacant KIBA Floorspace (Survey of KIBA 2012)** – The KIBA Survey 2012 identifies the proportion of vacant commercial floorspace within each of the 27 KIBA is approximately 39,000 sq.m.

¹ State of the Borough Report (SOB), 2008

- **Employment Floorspace from Vacant Land in KIBAs** - The KIBA desk-top analysis and the site appraisals have identified vacant land with potential for development that could offer opportunities for approximately 10,000 sq.m of floorspace.
- **Employment Floorspace from Intensification of Land in KIBAs** - The KIBA desk-top analysis and the site appraisals have land with opportunity for intensification that could offer opportunities for approximately 12,000 sq.m of floorspace.
- **Commercial Development Pipeline** – The London Development Database (LDD) identifies valid but as yet unimplemented B use class planning permissions in Lambeth this has shown that although there will be new commercial floorspace built this will lead to a net loss of 6,000 sq.m of floorspace.
- **Opportunity Areas (Vauxhall & Waterloo)** - The London Plan Opportunity Areas identifies Vauxhall and Waterloo as key locations for new office development as part of mixed use development schemes these areas offer the potential for approximately 380,000 sq.m of floorspace.
- **Town Centres (Brixton, Streatham, West Norwood/Tulse Hill)** - Lambeth's network of town centres provide key locations for major B class employment activity and the centres of Brixton, Streatham and West Norwood/Tulse Hill are identified for new B class employment development as part of wider regeneration strategies these areas offer the potential for approximately 72,000 sq.m of floorspace.

Demand – Supply Balance

The Study identified that there is theoretically a significant pipeline of potential office and industrial supply. In contrast, there is a significant shortfall in the supply of warehousing floorspace at some -61,136 sq.m.

Office and R&D (B1(a)/B1(a))

The supply of potential B1a floorspace opportunities identified in quantitative terms exceeds the demand (even under the high growth scenario). Demand for office floorspace is equivalent to a 10-33% increase in the overall stock of B1(a)/b premises, which represents a significant increase. Much of the potential B1a floorspace is in the Vauxhall and Waterloo Opportunity areas and the Town Centres, this provides a choice of locations for office based premises over 1,000 sq.m and is likely to meet the needs of those businesses that require large Grade A office accommodation. However, despite the large amount of potential floorspace that could come forward, protection of existing B1a floorspace will continue to be important. In particular protection of existing premises in KIBAs and other smaller sites will help to provide a choice of flexible and affordable accommodation for SMEs. KIBAs and other sites will continue to have a role to play in meeting some of the needs for existing SMEs in the Borough and those that want to start up or move into the Borough.

Light Industrial and Industrial Activities (B1(c)/B2)

It is anticipated that industrial (B2) and light industrial (B1(c)) employment and associated floorspace is expected to decline over the plan period. The level of decline in demand is of a scale reflecting a reduction of 7-12% of the total stock of B1(c)/B2 floorspace. Through changes permitted under the Use Class Order 2012 premises up to 235 sq.m in size may be converted to B1 a/b or B8 through the market, so there is some potential for existing premises to be converted to meet anticipated needs.

Warehousing and storage uses (B8)

Depending on the projected growth scenario the level of demand for warehousing and storage activities in Lambeth to 2026 represents a change in the overall stock of between -7% to +60%. The capability of the Borough to support demand for this activity is constrained by supply. There are relatively few opportunities to accommodate the projected increase in demand for these uses.

Other vacant floorspace (outside of the KIBA boundary) across the Borough may not be of a sufficient capacity, could be highly fragmented and may not have strategic road or public transport links, which are important for B8 uses that generally required large sites that have good strategic transport connections. Consequently, it is important not to assume that all vacant floorspace can contribute to meeting future elements of demand. Continued support for the KIBAs will be crucial if opportunities for B8 growth are to be realised.

Policy Recommendations, Implementation and Monitoring

The study shows that the KIBAs are operating effectively and viably as employment locations (on the whole), and in particular the future employment land supply demand balance shows that there is sound justification for the continued protection of KIBAs and smaller sites. The employment policies that are in the Local Plan are supported by this evidence and accord with the NPPF and the London Plan.

The Study identifies recommendations for taking forward employment land policies in the London Borough of Lambeth on the basis of the evidence set out in this report that include:

- **KIBA Policy** – retention of the KIBA policy which is in conformity with the approach for the protection of employment sites set out in the London Plan, as it retains a supply of locally significant employment land to meet the existing and future needs for employment in the Borough.
- **Existing KIBA Designations** – removal of KIBA designation for one KIBA (Bon Marche), amendments to some KIBA boundaries (see chapter 3), both extending and reducing the boundaries.
- **Smaller sites (outside designated areas)** – identifies two new sites for protection under the KIBA policy.
- **Potential amendments for smaller sites and premises (non KIBA) policy** - introducing criteria within the policy for when redevelopment of these sites (for mixed uses) is proposed that help to retain the sites for this purpose. Criteria should require:
 - Provision of space suitable for SMEs within the redevelopment schemes
 - Provision of a scale of employment that is significantly more than in the current form. This would be measured by the potential jobs that could be generated by the employment floorspace provided within the redevelopment.
- **Assessing Market Signals** – in order to respond to market signals the Council should do the following:
 - Undertake regular reviews of the employment land every 3-5 years as appropriate
 - Undertake surveys of businesses to understand local businesses needs and aspirations this will require an appropriate sample size and will need to explore aspirations for growth / expansion, perceptions of the suitability of the location, type, size and quality of the premises.
 - Continue to carry out and monitor KIBAs through regular annual or bi-annual surveys, assessing quantity of occupied and vacant floorspace, but also assessing the quality of the premises and wider site environment.
 - Consult regularly with local property agents to gain perspectives of local market conditions.
- **Implementation: Guidance on the provision of B-Class floorspace within mixed use schemes** – further planning guidance in the form of an SPD could provide a clearer basis for applicants and the Council's Development Management and economic team to maximise the opportunities for employment generating floorspace within development proposals.
- **Monitoring - KIBA Survey** – In future the KIBA survey will be broadened so that it considers issues of suitability of the KIBA sites and quality of the premises
- **Further sector analysis** – undertaking analysis of IDBR data at an individual premises level
- **Funding** – there are a number of other opportunities highlighted in the Council's Draft Growth prospectus which could help to improve the attractiveness of sites and premises in the Borough

1. Introduction

Background and Objectives

- 1.1. Atkins Ltd supported by Regeneris was commissioned in August 2012 to undertake an Employment Land Review Update on behalf of London Borough of Lambeth. The purpose of the study was to provide a robust evidence base and associated policy recommendations to assist in the development of policies in the Council's emerging Local Plan including the Core Strategy and other associated Development Plan Documents. The core objectives of the study were to:
- Assess the current national, regional and local planning policy context
 - Assess the local economy, including future demand for premises based on sector analysis land and property market (offices and industrial).
 - Assess the supply of sites and premises (including KIBA health checks)
 - Assess the demand for employment floor-space over 5, 10 and 15 years
 - Assess the supply and demand balance (offices and industrial)
 - Provide policy recommendations and explore monitoring & targets
- 1.2. This study will provide a robust evidence base and associated policy recommendations to assist with the development of the Borough's planning policies and land allocations, growth related plans and strategies and support land use related business enquiries.

Coverage

- 1.3. The study is concerned specifically with employment land and premises that fall within the "B-Class" of the Town and County Planning (Use Classes) Order 1987 (the "UCO"). Specifically the UCO identifies the following categories for employment land within the "B-Class":
- Class B1 – Business
Use for all or any of the following purposes:
 - (a) as an office other than a use within Class A2 (financial and professional services),
 - (b) for research and development of products or processes, or
 - (c) for any industrial process, being a use which can be carried out in any residential area without detriment to the amenity of that area by reason of noise, vibration, smell, fumes, smoke, soot, ash, dust or grit.
 - Class B2 – General Industrial
Use for the carrying on of an industrial process other than one falling within Class B1 above.
 - Class B8 – Storage or distribution
Use for storage or as a distribution centre.
- 1.4. The employment forecasts in Chapter 5 cover all sectors of the economy. The report also considers the role which mixed use development can play in meeting the demand for B-Class activities in the Borough.

Structure

- 1.5. The structure of the report is as follows:
- Chapter 2 provides an up to date review of relevant local, regional and national policy context, review of neighbouring borough policies and analysis of employment land appeals.
 - Chapter 3 reviews Borough's supply of employment land
 - Chapter 4 reviews the Borough's commercial property market trends;
 - Chapter 5 examines the likely future demand for employment land in Lambeth;
 - Chapter 6 reviews the proposed changes to some of Lambeth's employment land designations; and
 - Chapter 7 summarises the Consultant's conclusions and recommendations.

2. Policy Review

Introduction

- 2.1. This section summarises the policy context for the study and provides conclusions on the implications of the policy review for Lambeth. This section also includes a high level analysis of planning appeals data for applications resulting in loss of employment land.
- 2.2. The policy review has included an assessment of the relevant National and Regional Policy context including the NPPF, the London Plan and relevant Mayoral SPG. We have also reviewed the Council's existing policy approach, and have reviewed the employment policies of neighbouring Borough's and other inner London Boroughs. A COMPASS search was also conducted to identify all appeal cases regarding the loss of B Class use between 2008 and 2012.

National and Regional Policy Context

The National Planning Policy Framework

- 2.3. The National Planning Policy Framework (NPPF) was published in March 2012. It is a key part of the coalition Government's reforms which aim to make the planning system less complex and more accessible and to promote sustainable growth. It consolidates all policy statements, circulars and guidance documents into a single, simpler Framework.
- 2.4. The main changes to the planning system include the removal of the regional tier of planning outside of London. London still remains under a two-tiered planning system with the Mayor's strategic level London Plan and the Borough level Local Development Frameworks.
- 2.5. The purpose of the planning system is to contribute to the achievement of sustainable development. Therefore, one of the roles of the planning system is to help build a strong, responsive and competitive economy by ensuring that there are sufficient opportunities identified within the plan to allow for economic growth.
- 2.6. The National Planning Policy Framework identifies the importance of building a strong, competitive economy as an integral part of achieving sustainable development. Paragraph 18 emphasises the Government's commitment to securing economic growth in order to create jobs and prosperity. Paragraph 19 states that significant weight should be placed on the need to support economic growth through the planning system. Specifically, planning policies should recognise and seek to address potential barriers to investment, including a poor environment or any lack of infrastructure, services or housing (Paragraph 21).
 - In their local plans, local planning authorities should, inter alia:
 - set out a clear economic vision and strategy for their area;
 - set criteria, or identify strategic sites, for local and inward investment to match the strategy;
 - identify priority areas for economic regeneration, infrastructure provision and environmental enhancement; and
 - facilitate flexible working practices such as the integration of residential and commercial uses within the same unit.
- 2.7. Local Planning Authorities (as with the previous PPS4) are still required to maintain a robust evidence base through the continued analysis of existing and future economic activity and employment land requirements in order to ensure that a suitable and sufficient supply of employment land is available to meet the identified needs of businesses over the plan period.
- 2.8. Paragraph 158 sets out the need to base Local Plans on an adequate, up-to-date and relevant evidence base. It highlights the importance of ensuring that assessments of and strategies for housing, employment and other uses are integrated and take full account of relevant market and economic signals.
- 2.9. Paragraph 161 confirms that up-to-date evidence gathered in the plan-making process is essentially for understanding the needs for land or floorspace for economic development and the

existing and future supply of land available for economic development and its sufficiency and suitability to meet the identified needs.

- 2.10. Local Plans also need to be more flexible and responsive to 'market signals' to ensure that there is adequate provision of the right type of employment land to meet the needs of business communities. Local Planning Authorities will need to develop policies that support existing business sectors as well as identifying and planning for new or emerging sectors to locate in their area.
- 2.11. Paragraph 22 advises against the long term protection of employment allocations where there is no reasonable prospect of them coming forward. Applications for alternative uses on these sites should have regard to market signals and the relative need for different land uses to support existing communities.
- 2.12. Paragraph 51 states that LPAs should normally approve applications for the change into residential use from commercial development where there is an identified need for housing development provided that there are not strong economic reasons why such development would be inappropriate.

Duty to Cooperate and Neighbouring Boroughs

- 2.13. Boroughs with boundaries to Lambeth include Croydon, Merton, Southwark, Wandsworth and Westminster. Section 110 of the Localism Act sets out a new 'duty to co-operate'. This applies to all local planning authorities, national park authorities and county councils in England – and to a number of other public bodies. The new duty:
- relates to sustainable development or use of land that would have a significant impact on at least two local planning areas or on a planning matter that falls within the remit of a county council requires that councils set out planning policies to address such spatial issues;
 - requires that councils and public bodies 'engage constructively, actively and on an ongoing basis' to develop strategic policies;
 - requires councils to consider joint approaches to plan making.
- 2.14. Paragraph 156 of the NPPF sets out the strategic issues where co-operation might be appropriate, including the provision of major retail, leisure, industrial and other economic development across a travel to work area.
- 2.15. Paragraph 160 highlights the benefits of Councils and other bodies working with the business community, Local Enterprise Partnerships and other stakeholders to achieve a clearer understanding of business needs within their local economic market.
- 2.16. Paragraphs 178-181 of the NPPF give further guidance on 'planning strategically across local boundaries', and highlight the importance of joint working to meet development requirements that cannot be wholly met within a single local planning area, through either joint planning policies or informal strategies such as infrastructure and investment plans.
- 2.17. This study provides part of the evidence base which enables the Council to demonstrate how its approach to economic development meets with the requirements of the NPPF and the sustainable development of the Borough.

Regional Policy Context

- 2.18. It is important to consider the wider London context within which Lambeth is situated. There are a number of issues and opportunities at regional level which the study will need to consider:

London Plan

- 2.19. The London Plan published in July 2011 sets out the Mayor's strategic spatial strategy for the Capital up to 2031. It forms part of the development plan for Greater London. London Boroughs' local plans need to be in general conformity with the London Plan, and its policies guide decisions on planning applications by councils and the Mayor.
- 2.20. Policy 2.2 identifies the importance of cross-border working within the London boundary between Local Authorities and the GLA to ensure a broadly aligned approach to planning policy.

- 2.21. Policy 2.3 provides detail on the growth areas and co-ordination corridors within London with a particular focus on accommodating new homes and new jobs.
- 2.22. Chapter 4 of the London Plan relates to London's Economy, it seeks to ensure that London is a 'city that meets the challenges of economic and population growth' and maintains its edge as an internationally competitive and successful city. The London Plan identifies that over the period 2007-2031, Lambeth will experience 12.8% growth in employment.
- 2.23. Policy 4.1 recognises the importance of ensuring the 'availability of sufficient and suitable workspaces in terms of type, size and cost, supporting infrastructure and suitable environments for larger employers and small and medium sized enterprises'. Specifically, Policy 4.3 identifies that boroughs should seek to rejuvenate office-based activities in the Central Activities Zone (CAZ), which includes a part of Lambeth to provide increases in office floorspace development within mixed use development.
- 2.24. Policy 4.4 states that LDFs should demonstrate how the Borough's stock of industrial land and premises, local industrial sites and other industrial sites will be planned and managed in local circumstances. These should take account of a range of criteria set out in this policy, including the need to identify and protect locally significant industrial sites where justified by evidence of demand.
- 2.25. Policy 4.10 seeks to ensure that there is a sufficient supply of suitable land available to meet the needs of new and emerging economic sectors.
- 2.26. Policy 2.13 identifies the Opportunity Areas and Intensification Areas within Central London and provides direction on the scale and content of overall development. In keeping with the strategic locations of the Opportunity Areas, developments will be expected to maximise residential and non-residential densities and to contain mixed uses.
- 2.27. The general policy directions to be followed in the planning frameworks for the Opportunity Areas have been identified in the London Plan, which include the indicative estimates of housing and employment growth. Up to 2031, the GLA estimate the 78 hectare opportunity area at Waterloo will provide up to 15,000 jobs and 1,900 new homes. Similarly, for the Vauxhall/Nine Elms/Battersea Opportunity Area, the GLA estimate that the 195 hectare area will provide up to 15,000 new jobs and 10,000 new homes by 2031. This scale of development will have a significant impact on the Borough's growth up to 2031.
- 2.28. The London Plan recognises the importance of Waterloo as an Opportunity Area for potential commercial development and jobs growth, alongside new housing development. Vauxhall/Nine Elms/Battersea is also identified as an Opportunity Area and both of these fall within the CAZ. The Opportunity Areas are promoted to accommodate both new jobs and new homes with a mixed and intensive use of land.
- 2.29. It should be noted that since the publication of the London Plan, the Vauxhall Nine Elms Battersea Opportunity Area Planning Framework (OAPF) has been adopted as Supplementary Planning Guidance in March 2012. It identifies that the area could potentially support between 20,000 and 25,000 jobs and 16,000 homes, which is more than the GLA projections in the London Plan.
- 2.30. The London Plan identifies the northern part of Lambeth Borough (within CAZ) as an important economic contributor to Central London. Policy 2.10 states that the strategic priorities for the Central Activities Zone include the need to bring forward development capacity and supporting infrastructure and services to sustain and enhance the CAZ's divergent strategic functions, which includes promoting finance and cultural activities.
- 2.31. The area around South Bank (which partly falls within Lambeth) is designated as a Strategic Cultural Area and the River Thames Policy Area also ensures that the special character of the River Thames and Thames-side is protected and enhanced.
- 2.32. Brixton and Streatham are identified as Major Centres and have significant potential for new commercial and residential development. In addition, the London Plan identifies that there are nine District Centres in Lambeth (of which six cross Borough boundaries).

Land for Industry and Transport Supplementary Planning Guidance (SPG)

- 2.33. The Land for Industry and Transport SPG published in September 2012 sets out guidance to supplement the policies in the 2011 London Plan (LP) relating to land for industrial type activities and transport.
- 2.34. This SPG sets out proposed guidance to supplement the policies in the 2011 London Plan (LP) relating to land for industrial type activities and transport. The SPG provides advice on how to implement these policies, in particular LP Policy 2.17 on Strategic Industrial Locations, Policy 4.4 on Managing Industrial Land and Premises, and Policy 6.2 on Providing Public Transport Capacity and Safeguarding Land for Transport.
- 2.35. The Central sub-region has an expected release of 46 hectares, which is notably lower than the 338 hectares that are expected to be released in the East London sub-region. Lambeth is included within the Central and Inner London sub-region categories, where industrial sites face strong pressure from other higher value land uses, such as commercial offices, residential and retailing.
- 2.36. Boroughs around the CAZ should consider industrial uses servicing the needs of Central London in Employment Land Reviews. The SPG recognises the importance of retaining some 'just in time' logistics in close proximity to CAZ. The SPG identifies key logistics property markets, one of which is the area 'Around the Central Activities Zone' covering part of Lambeth, and therefore will have some role to play in this type of industrial provision.
- 2.37. Lambeth is in the Restricted Transfer Category, where Boroughs are encouraged to adopt a more restrictive approach to the transfer of industrial sites to other uses and set appropriate evidence based criteria to manage smaller non-designated sites. Criteria for justifying the retention or release of sites in industrial use are split into general economic criteria, land use criteria and demand criteria, as shown in Table 1. The aim is that Boroughs seek to retain sites that are functionally most important for industrial users. The criteria should be used in conjunction with the broad guidance in the SPG on release of land that it identifies for each Borough. In Lambeth's case this is the guidance on the restricted transfer of sites.

Table 1. Criteria for assessing the need for retention or release of industrial sites

Economic Criteria	<ul style="list-style-type: none"> (i) meets demonstrable local short term demand for industrial development, and / or strategic long term demand; (ii) offers potential for the in-situ expansion of existing industrial businesses; (iii) supports local or strategically important clusters of industrial activity; (iv) is viable for industrial development having regard to other criteria in paragraphs 4.14-4.16 and the value of the land in its existing (industrial) use (v) meets demand and addresses the particular needs of waste management, recycling, utilities (energy and water management) and land for transport (see Sections 6, 7 and Part B of this SPG); (vi) meets demand for new or emerging industries including green industries and those which support innovation and research (London Plan Policy 4.10) (vii) is well located to take advantage of existing or proposed infrastructure or economic development / regeneration funding (viii) offers potential for the provision of industrial units for Small and Medium Sized Enterprises (SMEs) serving local residential and commercial areas, particularly where there is little alternative provision in the local area; (ix) is needed to accommodate provision for transport in terms of London Plan policy and Mayoral guidance on provision for transport and safeguarding river related uses, for example, bus garages, rail depots, interchanges and terminals, wharves, boat yards and inter-modal sites; (x) provides lower cost industrial accommodation suitable for small, start-up, or lower-value industrial uses or other industrial related businesses important to the local economy.
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Land Use Criteria	<ul style="list-style-type: none"> (i) is well located in relation to the strategic highway network or local highway network, in particular causing minimal traffic impact in residential areas; (ii) is well located in relation to the rail, river or canal network including inter-modal rail heads and safeguarded wharves, offering potential for transport of goods by rail and/or water transport; (iii) is well located in relation to the Central Activities Zone, town centres and/or public transport facilities, recognising that many industrial activities have relatively low trip generation and that other land uses (such as offices, leisure and retail) may be more appropriate in locations with high public transport accessibility; (iv) is part of a larger cluster of existing industrial activity, or area designated for industrial protection including SILs and LSIS, where re-designation of the industrial site would alter the industrial character of the area or inhibit the operations of nearby industrial uses; (v) offers potential for 24-hour working, or provides facilities for 'bad neighbour uses (by virtue of issues including, for example, noise, access, traffic generation, hours of operation, lighting and air quality) without detriment to residential amenity, being well screened from neighbouring uses, particularly residential areas; (vi) offers potential for waste management or recycling uses; (vii) offers potential for space intensive activities which do not fall within the ambit of this SPG and would not, in this location, compromise wider planning objectives; (viii) provides sufficient space for adequate operational parking and turning space for goods vehicles (see London Plan Policy 6.13 and Part B of this SPG)
Demand Criteria	<ul style="list-style-type: none"> (i) has been adequately marketed through a commercial agent at a price that reflects market value for industrial use for a reasonable period (normally at least two years) and offered with potential for redevelopment of derelict or obsolete industrial premises where this is required to meet the needs of modern industrial users; (ii) has been vacant for a considerable period (normally at least two years, and up to five years in areas of generally strong demand), without realistic prospect of industrial re-use.

Source: Land for Industry and Transport Supplementary Planning Guidance (SPG)

Vauxhall Nine Elms Battersea Opportunity Area Planning Framework (OAPF)

- 2.38. The planning framework for the Vauxhall / Nine Elms / Battersea Opportunity Area was adopted in March 2012 and acts as Supplementary Planning Guidance to the London Plan. The framework has been produced by the GLA in collaboration with Lambeth and Wandsworth Councils and identifies that the area could potentially support between 20,000 and 25,000 jobs and 16,000 homes. This is more than the GLA projections in the London Plan that estimate 15,000 jobs in the Vauxhall/Nine Elms/Battersea Opportunity Area.
- 2.39. It is assumed that 200,000sq.m of mixed use development is delivered throughout the Opportunity Area, plus 60,000sq.m of retail, 160,000sq.m of new office and 80,000sq.m of other employment-related uses at Battersea Power Station.
- 2.40. Most of the Opportunity Area is in Wandsworth, with major development proposals coming forward for the US Embassy, Battersea Power Station and New Covent Garden Market. Major development is also envisaged in Lambeth at Vauxhall, and the Vauxhall station and interchange are vital in providing public transport access to the wider Opportunity Area
- 2.41. The OAPF will deliver high density residential with commercial development including retail and office uses will be delivered at Battersea Power Station and Vauxhall. In addition, Vauxhall is now formally recognised as part of the Central Activities Zone and as such is expected to perform a Central London function which brings both opportunities and challenges.

Local Policy Context

- 2.42. The current planning policy framework at Borough level is set out below. The purpose of the study is to review this approach and provide recommendations which will enable the policies set

out within the Core Strategy and other Development Plan Documents to be updated and inform growth related plans and strategies and land use related business enquiries.

Core Strategy

- 2.43. The Lambeth Core Strategy was formally adopted in January 2011 and provides the land-use planning framework for the Borough. The Core Strategy is underpinned by the need to maximise the contribution of Lambeth's limited employment land resources to job creation in the Borough.
- 2.44. The Council seeks to maintain a supply of local job opportunities and business premises across the Borough, deliver the infrastructure required by support services and undertake programmes supporting local people into work. Whilst the Borough is economically prosperous as a whole, there are pockets of deprivation and worklessness throughout the Borough that need to be addressed through planning for regeneration and long-term sustainable economic growth.
- 2.45. The Core Strategy identifies that there are some 10,000 business in Lambeth, of which over 99% are classified as Small and Medium Enterprises (SMEs). More than half of Lambeth's small businesses are planning to expand over the next ten years.²
- 2.46. The South Bank/Waterloo and Vauxhall Opportunity Areas are both identified as major contributors to Lambeth's economy and provide over half of Lambeth's existing jobs.³ This area also serves as the location for major companies, including IBM, Shell, and ITV and is flagged for further commercial development in the London Plan. These areas require significant investment in transport infrastructure to ensure that they can keep up with increased demand generated by new development.
- 2.47. Under the 'duty to cooperate' local authorities will need to cooperate on strategic issues with neighbouring authorities. The Lambeth Core Strategy, Paragraph 1.26, sets out some of the identified cross-border issues that impact Lambeth, which include:
- Vauxhall/Nine Elms/Battersea Opportunity Area, which is partly in Wandsworth and is the subject of a joint emerging Opportunity Area Planning Framework.
 - Major mixed use development planned at Battersea Power Station (Wandsworth) and Elephant and Castle (Southwark), which will have an impact on commercial areas in Lambeth.
 - The Central Activities Zone, which spans all or part of several Central London Boroughs.
- 2.48. Policy PN2 identifies that Vauxhall is as an area of rapid change and will support new mixed use development, including at least 3,500 new homes and 8,000 jobs in the Vauxhall area and appropriate community and public transport infrastructure improvements will be sought. Lambeth Council is producing a Supplementary Planning Document (SPD) for Vauxhall, which is currently out for consultation. The purpose of the SPD is to give guidance to how London Plan indicative capacity figures for homes and jobs may be met in the Lambeth part of the OAPF and to shape development in and around Vauxhall.
- 2.49. Lambeth's supply of employment land includes the 27 designated Key Industrial and Business Areas (KIBAs) that provide the Borough's strategic supply of land for business use.
- 2.50. Outside of the Vauxhall/Nine Elms/Battersea Opportunity Area and the Waterloo Opportunity Areas, town centres and KIBAs there are also a wide range of smaller sites supporting employment generating activity.
- 2.51. Policy S3 sets out the Council's position on supporting economic development with a focus on maximising the contribution of Lambeth's existing employment land resources to assist in job creation by:
- Safeguarding Key Industrial and Business Areas (KIBAs) for business, industrial, storage and waste management uses, including green industries, and other compatible commercial uses, excluding large scale retail.

² Lambeth Employment Study 2004 and Lambeth Business Premises Study 2007

³ State of the Borough Report (SOB), 2008

- Maintaining a stock of other sites and premises (not in KIBAs) in commercial use across the Borough subject to the suitability of the site and location.

- 2.52. The provision of sites for schools (where these are required to meet local need) is the only allowable exception to the protection of employment land both within and outside of KIBAs.
- 2.53. The KIBA's are how the Council has defined Locally Significant Industrial Sites (LSIS) which Councils are required to identify consistent with the London Plan. Although the current KIBA policy approach has been strengthened by the removal of 'mixed used employment area' from its designation in the UDP 2007; it does identify that KIBAs could be changed for use as a school location (if a need is demonstrated).
- 2.54. Policy S3 is compatible with the London Plan. Other key strands in Policy S3 that encourage a diverse range of economically beneficial uses in appropriate locations includes supporting:
- Vitality and viability of major districts and local centres;
 - Location of and investment in major office development (over 1,000sq.m), hotels, leisure, cultural industries, tourist attractions and retail development in the Central Activities Zone, Vauxhall and Waterloo London Plan Opportunity Areas and Brixton and Streatham town centres;
 - Employment and training schemes to maximise local employment opportunities and help to address the local skills deficit.
- 2.55. Policy S8 sets out the Council's approach to supporting additional sites for waste management in KIBAs and other appropriate locations.
- 2.56. Policy PN1 supports Waterloo as a key destination for domestic and local tourist/leisure and entertainment area; a major location for offices, hotels, healthcare and higher education; a mixed residential area with appropriate supporting community, service and shopping facilities.
- 2.57. Policy PN2 earmarks Vauxhall as a location for mixed use development, including employment uses, housing, retail, hotel, student accommodation, leisure, entertainment and other commercial and community uses.
- 2.58. Policy PN3 identifies Brixton as a major centre for mixed use development, including residential, civic and public service uses, retail and employment uses, entertainment and leisure uses.
- 2.59. Policy PN4 identifies Streatham as a major centre for retail, leisure, hotels and commerce. The policy encourages significant development through the masterplan, phased over a fifteen year period up to 2025 involving a net increase in the order of 900 dwellings; 10,000 square metres of retail (A1, A2, A3) floorspace; 17,000 square metres of employment (B1) floorspace; 14,000 square metres of community use (D1/D2) floorspace; and a hotel. 17,000 square metres of employment (B1) floorspace; 14,000 square metres of community use (D1/D2) floorspace; and a hotel.
- 2.60. Policy PN8 identifies West Norwood/Tulse Hill as a vibrant district centre and encourages the development of other commercial uses. The policy encourages significant development through the master-plan, phased over a fifteen year period up to 2025 involving a net increase in the order of 560 dwellings; 7,000 square metres of retail (A1, A2, A3) floor-space; 45,500 square metres of employment (B1) floor-space; 13,000 square metres of community use (D2) floor-space.

Saved Policies (Lambeth UDP 2007)

- 2.61. The Lambeth Unitary Development Plan (UDP) was superseded by the Core Strategy in January 2011. A number of the policies were saved and form part of the development plan for Lambeth and remain in place.
- 2.62. Policy 23 protects employment sites that fall outside of the KIBA boundary. The policy supports the provision or extension of light industrial B1 premises for SMEs, as long as they do not cause harm to neighbouring sensitive uses (such as residential) or impact on the character/function of the area. B2 and B8 uses are not permitted in residential areas and the extension or intensification of existing premises are not permitted if it would cause harm to sensitive neighbouring uses or create unacceptable servicing problems.

- 2.63. Outside of the KIBAs, where land is or has last been in employment use, loss of floorspace (in particular B1 business use floorspace for small businesses) to non-employment use will not be permitted, unless:
- (i) The site is no longer suitable for employment use, having regard to factors such as whether unacceptable environmental problems (which cannot be solved through enforcement powers) are associated with the site, the suitability of means of access, and whether the premises have an unacceptable relationship to surrounding properties; or
 - (ii) If the site is vacant, it is demonstrated that there is no reasonable prospect in the medium term of re-use or redevelopment to modern standards for an environmentally acceptable employment use (including Work-Live development). Regard will be had to: evidence of a lack of demand for employment premises; the length of time that the premises/site have been appropriately and actively marketed; and the amount and nature of vacant employment floor space and unimplemented, extant planning permissions in the surrounding area. The marketing exercise should include use or development of a smaller part of the site, or as part of a larger development; or
 - (iii) Exceptionally, where a scheme has substantial other planning benefits and where development of part of a site is compensated by for example, increasing the amount of employment on the remainder and/or providing modern small business units. The scheme should include the maximum feasible proportion of employment floor-space; or
 - (iv) In Central London, for development of a Key Central London Activity (other than residential), or in or on the edge of a town centre, redevelopment for a town centre use, providing there is compensation for the loss of employment; or
 - (v) It is a listed building or a building of significant architectural merit which contributes to the character and appearance of a Conservation Area, designed for and reverting to residential use.
- 2.64. The only exception for Policy 23, where none of the criteria (i) – (v) need apply, is where the proposal will result in development solely of affordable housing, and/or a community facility or for local arts and cultural uses for where there is a demonstrable need.
- 2.65. The Saved UDP contains a number of specific Major Development Opportunities (MDOs). These do not normally specify a land use, as this needs to be determined by the borough-wide policies on matters, such as housing and employment, but they normally contain key urban design objectives to be achieved on each site.
- 2.66. There are a total of 63 MDOs that cover some 182.2 hectares. In Table 2 are identified 10 MDO sites (covering some 25.5 hectares) that have policy implications specifically referring to employment matters. Some of these MDOs identify opportunity for commercial development or mixed use development, and others identify that some existing employment space may be lost if new flexible space for small businesses can be provided.
- 2.67. It should be noted that whilst the MDOs could constitute an additional source of supply, the Council's intentions are to prioritise the delivery of new commercial development in Opportunity Areas and the Town Centres.

Table 2. Saved MDO policies relating to Employment Matters

MDO	Name	Area(ha)	Policy Extract
MDO5	East Brixton Regeneration Arc	7.4	<i>"Any new development should complement and build upon the existing mix of uses and scale which characterise the uniqueness of Brixton as a centre and provide a fine-grain, high-density mix of uses with a strong focus on the creation and integration of creative and cultural industry uses."</i>
MDO6	Bon Marché Yard (between Nursery Rd, Ferndale Road and at rear of 442-444 Brixton Rd)	0.3	<i>"The Council will seek the termination of general (B2) industrial uses, and their replacement with office/light industrial (B1) uses."</i>
MDO9	Tesco Supermarket, 13 Acre Lane	1.2	<i>"Redevelopment with other uses above the ground floor retail use supported."</i>
MDO17	33 Macaulay Road/LETS	0.7	<i>"Some limited loss of employment uses may be acceptable where these are replaced within the scheme as part of a mixed-use development with a significant proportion of</i>

MDO	Name	Area(ha)	Policy Extract
			<i>employment floorspace within the redeveloped area.”</i>
MDO33	Loughborough Junction	6.8	<i>“Redevelopment of bad neighbour employment uses permitted, providing it is part of a wider scheme meeting the aims of this proposal and providing a high density mix of uses.”</i>
MDO38	West Norwood Opportunity Site - Brooks Laundry, 2-20 Lansdowne Hill, 260-367 Norwood Rd, 1-12 York Hill	1.4	<i>“Redevelopment for town centre uses with residential and other uses above”</i>
MDO41	Winn and Coales - 19-37 Rothschild Street and 31 Chapel Road	1.0	<i>“Development for commercial purposes.”</i>
MDO43	Knights Hill - Former Lambeth College (Junction of Chapel Rd)	0.7	<i>“Development of a mix of employment or mixed employment/community use.”</i>
MDO62	6-7, 15-19 Stockwell Green	1.3	<i>“Redevelopment preferred. Some loss of employment floorspace permitted providing that: a) The development includes a proportion of employment and/or community uses (at least 1/3 of floorspace GFA), in particular space for small businesses.”</i>
MDO71	Destination Streatham (Ice Rink/Streatham Station)	4.7	<i>“Develop a landmark high density mixed use development which supports reduced car use.”</i>
Total		25.5	

Source: Saved Polices Lambeth UDP

- 2.68. It should be noted that the following saved MDOs are now either fully developed, partly developed or under-construction.

Table 3. MDOs that are now developed or under construction

MDO	Name	Area(ha)	Policy Extract	Extent of development
MDO27	Copyn Yard/Clapham Manor Depot, Clapham High Street/Clapham Manor Street	1.0	<i>Potential for comprehensive mixed-use development of town centre and other uses for which there is a deficiency in Clapham High Street centre.</i>	<i>Fully Developed</i>
MDO62	6-7, 15-19 Stockwell Green	1.3	<i>“Redevelopment preferred. Some loss of employment floorspace permitted providing that: a) The development includes a proportion of employment and/or community uses (at least 1/3 of floorspace GFA), in particular space for small businesses.”</i>	<i>Partly Developed</i>
MDO71	Destination Streatham (Ice Rink/Streatham Station)	4.7	<i>“Develop a landmark high density mixed use development which supports reduced car use.”</i>	<i>Under-construction</i>

Marketing of Employment Premises and Sites

- 2.69. This Planning Guidance Note provides guidance in relation to Lambeth’s requirement for marketing evidence where there is a proposed change of use from an employment use to a non-employment use outside of the designated Key Industrial and Business Areas (KIBAs).
- 2.70. The key requirements to show that a site has been properly marketed include the submission of a marketing report with the planning application that sets out the details of the marketing campaign. The campaign should take account of the following points, which are summarised below:
- Vacant premises or sites should be continuously marketed for at least one year.

- Where premises are in poor condition or have been partially demolished, the site should also be marketed for redevelopment for B class use (subject to the policy requirements of the UDP) for at least one year.
- The marketing campaign should target potential occupiers with a variety of means.
- Premises/sites should be marketed at a price and associated terms that are commensurate with market values.
- Where premises are marketed for lease, the length of lease offered should not be unduly restrictive and should include the potential for a short-term lease in appropriate cases.
- The marketing agent should keep a log of enquiries throughout the period of marketing campaign
- Where the flow of enquiries has been limited or is decreasing, the marketing report should explain any measures taken to refresh the marketing campaign.

Economic Development Strategy

- 2.71. The Council are in the process of developing plans to take a broader approach to economic growth incorporating the benefits of major developments and the two designated Opportunity Areas (Waterloo and Vauxhall) to maximise the benefits which accrue from major sites and developments.
- 2.72. Lambeth's Economic Development Strategy 2012-2015 Scoping Report (March 2012) sets out three key strands:
- Place: Investing in our Business, District and Town Centres
 - People: Increasing Employment & Improving Skills
 - Local Economy: Delivering Growth
- 2.73. These themes are aligned with Lambeth's Sustainable Community Strategy, which states the Local Strategic Partnership's overall vision that by 2020 Lambeth will be a 'diverse, dynamic and enterprising Borough.'
- 2.74. The Strategy identifies the key employment character areas as North Lambeth, Clapham & Stockwell, Brixton, Norwood and Streatham.
- 2.75. 'Responding to Growth – delivering jobs for Lambeth' a report to Cabinet on 19th September 2012 set out the Council's stated aspirations for economic growth. The aspirations are to ensure that: local people, businesses and places can take part in this economic opportunity and prosper. Therefore growth in Lambeth will not only be measured by the uplift in economic value, but will also take account of higher household incomes; more local people working; increased visitor numbers; and a boost in from shoppers.

Other Supplementary Planning Documents (SPDs)

- 2.76. The Council has set up 'Future Lambeth', a long-term regeneration programme that seeks to work with private and public partners to develop and deliver major investment projects to provide economic improvements in the Borough. The key destinations identified for potential development include Brixton, Clapham, Kennington, Norwood and Streatham. The Council is in the process of preparing Supplementary Planning Document (SPD) to facilitate the regeneration of these locations, and includes the to-date the following:

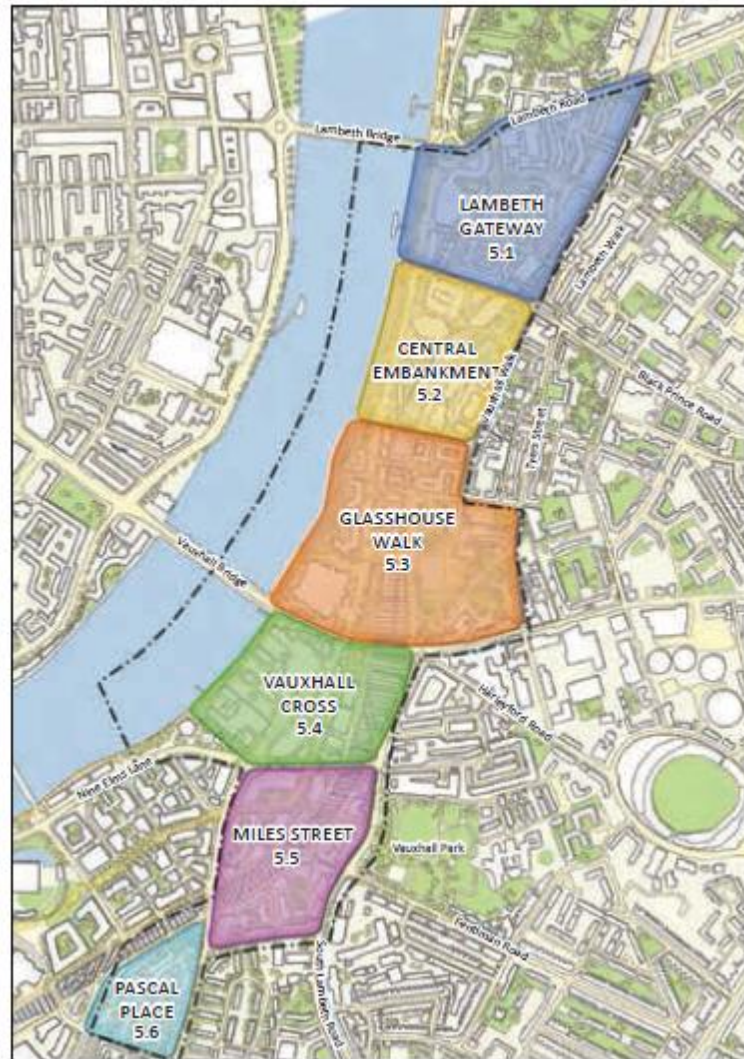
Waterloo Area (SPD)

- 2.77. The Waterloo Area Supplementary Planning Document (SPD) adopted by Lambeth Council in June 2009, promotes high density development around the station and a strategy for improving the quality of the environment and local facilities.
- 2.78. The SPD has now been updated to reflect policies in the Lambeth Core Strategy, 2011. A public consultation on the policy changes and factual updating in relation to the SPD took place between 9th November and 21st December 2012. The SPD is anticipated to be adopted in April 2013.

Vauxhall (SPD)

- 2.79. The purpose of the Vauxhall SPD is to set out the strategic ambition for the future development of the Vauxhall area (over the next 10 years) to a level of detail capable of interpretation at a neighbourhood scale. Vauxhall SPD was 2012 was adopted in January 2013.

Figure 1. SPD Character Areas



- 2.80. The SPD promotes the creation of sustainable mix of high density development will provide at least 8,000 new jobs, and construction of 3,500 new homes as part of a diverse and balanced community.
- 2.81. The Character Areas are based on the areas described in the Core Strategy: Vauxhall Heart; South East Regeneration Arc; Albert Embankment and Riverside; Vauxhall Walk and Spring Gardens. These areas have been subdivided into places that illustrate how the area could be developed.

Table 4. Character Areas

Character Area	Jobs	Floorspace (sq.m) ^{*4}
Lambeth Gateway	630	10,962
Central Embankment	2,130	37,062
Glasshouse Walk	1,950	33,930
Vauxhall Cross	590	10,266
Miles Street	2,500	43,500
Pascal Place	770	13,398
Total	8,570	149,118

Source: Atkins

- 2.82. It should be noted that in the Northern Character Area, proposals for the Fire Station will need to be carefully considered given its special character and visibility on the riverside. The Fire Station site is currently included within the Lambeth Gateway and is located in KIBA 25 South Bank House and Newport Street.

Brixton (SPD)

- 2.83. The Council are currently working with local community and business organisations to draft the Brixton Supplementary Planning Document (SPD). The Brixton SPD provides supplementary guidance to Lambeth Core Strategy Policy (PN3) for Brixton town centre and builds on the Future Brixton Masterplan (2009). Although the Future Brixton Masterplan was agreed in 2009, since then the Brixton has seen a number of regenerative changes, such as the success of Brixton Village, which is improving the attractiveness of the area for local retail / office business to locate. The SPD is also being updated to reflect policies in the Lambeth Core Strategy.
- 2.84. Lambeth's first phase of consultation on the SPD document ended on 24th September 2012. The draft SPD document was presented Council Cabinet in January 2013 and will now be subject to public consultation in February – March 2013. The intention is to approve the final document in April 2013.
- 2.85. The Brixton Draft SPD boundary covers more than one ward (including Brixton Hill; Coldharbour; Ferndale; Tulse Hill).
- 2.86. The draft Brixton SPD (work-in-progress) document currently identifies that:
- Council operations are to be housed within a refurbished Town Hall building and new office accommodation in adjacent site development. The Council needs approximately 16,000 sq.m of office accommodation on the site in addition to that provided within the town hall building. The Town Hall campus area is to be referred to as SW2 Enterprise Centre, which will include the creation of new office accommodation and an improved public realm.
 - There is considered to be capacity for 28,000sq.m of mixed use development across the whole area.

Conclusion

- 2.87. The Government has reformed the planning system with an aim to make the planning system less complex and more accessible and to promote sustainable growth which has informed the need to update the Council's Development Plan. Although the Government has withdrawn regional targets across the UK, the London Plan is still the regional level planning guidance that London Borough's must be in conformity with.

⁴ Estimate – Using Average B1 Employment Density of 17.4 (sq.m)

- 2.88. There is a clear requirement and emphasis in the NPPF to prepare local plans which are based on evidence and take into consideration delivery and viability. The assessment of, and strategies for housing, employment and other uses should also be integrated, and take full account of relevant market and economic signals.
- 2.89. The NPPF identifies that local authorities are expected to work with their neighbours under the duty to cooperate to decide employment land allocations supported by evidence based on local job growth. There is already a good degree of co-operation in London, and because London still has a regional spatial strategy (the London Plan) it ensures that the Borough's work closely together.
- 2.90. The Lambeth Core Strategy ensures the protection of a strategic supply of industrial sites under the Key Industrial and Business Areas (KIBAs), which is compatible with the London Plan's requirement.
- 2.91. The South Bank/Waterloo and Vauxhall Opportunity Areas are both a major focus for Lambeth's existing and future employment activity. Up to 2031, the GLA estimate that Waterloo has the potential to provide up to 15,000 jobs and 1,900 new homes, whilst Vauxhall/Nine Elms/Battersea Opportunity Area could provide up to 8,570 new jobs in Lambeth.
- 2.92. Lambeth's Major Centres of Brixton and Streatham also provide opportunities for further commercial development. The Council has identified Brixton, Clapham, Kennington, Norwood and Stockwell as key areas for economic regeneration as part of the 'Future Lambeth' long-term regeneration project.
- 2.93. Lambeth's economy is also supported by a large number of SMEs (estimated at some 10,000). Currently many of these businesses are supported on smaller sites located outside of designated employment areas (such as the KIBA's, town centres). It is important there is a continued supply of flexible employment space that meets the needs of SMEs.

Review of Neighbouring Borough Policies

- 2.94. This section reviews the employment policies that Lambeth's neighbours and inner London Boroughs have, in order to compare the varying approaches to the retention and release of industrial sites.
- Neighbouring Boroughs include: Wandsworth, Merton, Croydon, Southwark and Westminster
 - Inner Boroughs include: Southwark, Camden, City of London, Islington and Kensington & Chelsea.
- 2.95. Each of the Core Strategies sets out policies to ensure that the supply of employment land meets the needs of the local economy. The Development Management Plan Document and/or Local Development Framework Saved Policies sets out more detailed policy that identifies where the release of industrial land for the development of other uses may be acceptable.

Wandsworth (Core Strategy adopted in October 2010)

- 2.96. The Council adopts a flexible approach that will provide an adequate stock of land to meet future needs and functional requirements of different types of employment floorspace.
- 2.97. In the context of a shift away from manufacturing to business use, the Core Strategy proposes to meet the needs of the local economy by providing more flexible business space by utilising the Mixed Use Former Industrial Employment Areas (MUFIEA) designation.
- 2.98. The Council seeks to encourage new employment activity through the provision of flexible business space (units of up to 2000sq.m) that will support SMEs throughout the Borough. It also identifies a number of major regeneration areas, including Roehampton Regeneration Area, town centres, Thames Policy Area and the Vauxhall/Nine Elms/Battersea Opportunity Area.

Retention of Industrial Sites

- 2.99. The Council safeguards industrial areas through the following designations:

- Strategic Industrial Locations (SILs) – main focus for industry; logistics, including rail freight where feasible and business, as well as for potential waste management sites.
- Locally Significant Industrial Sites (LSISs) – provide industrial sites that support the SILs

Release of Industrial Sites

- 2.100. The Mixed Use Former Industrial Areas (MUFIEAs) designation allows the limited release of former industrial land for mixed use purpose. This flexible approach aims to assist with regeneration of town centre/riverside, supplies of modern flexible business space and affordable housing.
- 2.101. To compensate for the reduction of existing employment floorspace – Policy PL6 (a i) requires redevelopment proposals in MUFIEAs to provide a replacement of existing employment floorspace (includes use classes A1-A5, B1, B2, B8, D1 and D2). Floorspace limits are applied on A1-A5 use class (maximum of 300sq.m), B2 use class (500sq.m maximum) and B8 use class (600sq.m maximum).
- 2.102. Within the Thames Policy Area, industrial sites can only be released if they have been:
- Marketed to the Council's satisfaction for at least 18 months
 - All opportunities to re-let have been fully explored premises/site have been marketed at a price which is commensurate with market values

Waste Management

- 2.103. Sites for waste management will be identified in the Site Specific Allocations Document (SSAD). Sites generally need to be at least 0.3 ha in size are likely to be located within the SILs will need to have good access to the main road network, rail or water transport.

Merton (Core Strategy adopted in June 2011)

- 2.104. The Council sets a restrictive approach that encourages the retention of existing employment facilities or refurbishment to provide attractive business premises / floorspace.
- 2.105. The Council seeks to encourage new employment activity through regenerating the existing stock of Scattered Employment Sites for small and growing businesses or community uses under Policy CS12. Site improvements would also include enhancement of the existing parking, servicing and delivery facilities.
- 2.106. The Council identifies town centres (which have good public transport connectivity) as the main focus for office development, in order to encourage more sustainable patterns of travel.

Retention of Industrial Sites

- 2.107. The Council safeguards industrial areas through the following designations:
- Strategic Industrial Locations (SILs) – provides for business, industrial, storage and distribution functions
 - Locally Significant Industrial Sites (LSISs) – provide industrial sites that support the SILs

Release of Industrial Sites

- 2.108. Any proposals seeking to incorporate uses other than B1(b), B1(c), B2 and B8 would be subject to the adoption of a planning brief (supplementary planning document) for the whole site setting out any employment led redevelopment proposals that would meet the terms of Policy CS12 and the objectives of Merton's Economic Development Strategy.

Waste Management

- 2.109. The joint South London Waste Plan is to be used for the determination of planning applications relating to waste facilities. This identifies areas that are intended to signal to potential waste management facility developers where the Boroughs could envisage further waste facility development.

Croydon (Core Strategy adopted in September 2011)

- 2.110. The Council sets out a moderately restrictive approach that provides strong protection for large industrial sites and warehousing activities. The policy approach provides greater flexibility for

smaller clusters of industrial sites that allows for a limited range of additional uses, including education and community facilities and residential uses in certain circumstances.

2.111. The Council seeks to encourage new employment activity through regenerating the existing stock of Scattered Employment Sites. It also supports the cultivation of cultural and creative industries through a network of Enterprise centres (clustered industrial sites) and support of temporary occupation of empty/buildings cleared sites.

2.112. The Council also promotes office development within town centres. In Croydon (Metropolitan Centre) the Council encourages a flexible approach to B1 uses and seeks to secure the development of new and refurbished office floorspace.

Retention of Industrial Sites

2.113. The Council safeguards industrial areas through the following designations:

- Strategic and Separated Industrial Locations - Strong protection for industrial and warehousing activities with no loss of Class B floor space permitted
- Integrated Industrial Locations - for industrial and warehousing activities with no net loss of Class B floorspace permitted.
- Town Centre Industrial Locations - Protection for industrial and warehousing activities encouraging opportunities to provide additional workshop/studios on town centre sites.

Release of Industrial Sites

2.114. For Integrated Industrial Locations planning permission for limited residential (Class C3), office (Class B1(a)) or Education and Community Facilities (Class D1) will be granted if it can be demonstrated that:

- there is no net loss of Class B1(b), B1(c), B2 and B8 floorspace; and
- new Class B1(b), B1(c), B2 and B8 floor space is designed to meet the needs of future occupiers; and
- Residential and Office use does not harm the site and wider location's industrial function.

2.115. For Town Centre Industrial Locations planning permission for offices (Class B1(a)), residential (Class C3), leisure (Class D2), visitor accommodation (Class C1) and community facilities (Class D1) development will be granted if it can be demonstrated that:

- there is no demand for the existing premises or for a scheme comprised solely of the permitted uses; and
- there is no net loss of Class B1(b), B1(c), B2, B8 floorspace unless the other uses are required to enable development of the site to be viable; and
- residential use does not harm the wider location's business function; and
- the development will increase the vitality and viability of the town centre.

2.116. For Scattered Employment Sites planning permission for limited residential development will be granted if it can be demonstrated that:

- there is no demand for the existing premises or for a scheme comprised solely of the permitted uses and
- residential use does not harm the wider location's business function.

2.117. For Town Centre Industrial Locations and Scattered Employment Sites locations evidence will need to be submitted that a marketing exercise has been undertaken for a minimum of 18 months. The Council will need to be satisfied that the site has been offered at a price commensurate with the value of the site

Waste Management

2.118. The joint South London Waste Plan is to be used for the determination of planning applications relating to waste facilities. This identifies areas to potential waste management facility developers where the Boroughs could envisage further waste facility development.

Southwark (Core Strategy adopted in April 2011)

- 2.119. The Council encourages the protection of existing business space in established centres. The policy will provide adequate flexibility in relation to the use of employment land and premises for alternative purposes, including residential, in the majority of the Borough.
- 2.120. The Council recognises the importance of small business units in providing employment opportunities, particularly within Action Areas, Opportunity Areas, Strategic Cultural Areas and the CAZ. These well-connected locations are also the focus for new office development.

Retention of Industrial Sites

- 2.121. The Council safeguards industrial areas through the following designations:
- Strategic and Local Preferred Industrial Locations – protect significant clusters of industrial and warehousing type activities. The Council aims to protect industrial and warehousing floorspace and also support the development of new sectors (e.g. green manufacturing/technology). The Council encourages flexible space and small units (less than 500sq.m) within these locations.
- 2.122. For sites outside of the Preferred Industrial Locations that have an established concentration of B Class use and any of the following criteria (the site fronts/has direct access to a classified road/in a Public Transport Accessibility Zone/in a CAZ/in a Strategic Cultural Area) then development proposals must not result in a net loss of floorspace in B Class use.

Release of Industrial Sites

- 2.123. For sites outside of the Preferred Industrial Locations, proposals may result in a net loss of floorspace in B Class use if:
- The applicant can demonstrate that convincing attempts to dispose of the premises, either for continued B Class use, or for mixed uses involving B Class, including redevelopment, over a period of 24 months, have been unsuccessful
 - The site or buildings would be unsuitable for re-use or redevelopment for B Class use or mixed uses including B Class use, having regard to physical or environmental constraints; or
 - The site is located within a town or local centre, in which case in accordance with policy 1.7, suitable Class A or other town centre uses will be permitted in place of Class B uses.
- 2.124. Live/work units will be permitted on sites where both employment and residential uses are acceptable. At least 40sq.m of useable work space (B1 Use Class) must be separately defined within the unit.

Waste Management

- 2.125. All new waste management facilities, other than sites for the storage of recyclables and small scale composting facilities and temporary on-site construction and demolition waste management facilities should be located within Preferred Industrial Locations.

Westminster (Core Strategy adopted in October 2010)

- 2.126. The Council provides greater flexibility by encouraging new commercial uses that are appropriate in terms of scale and intensity of land uses and character and function for the area. High priority is given to the provision of small space for small businesses.
- 2.127. New office development will be directed to Paddington, Victoria and Tottenham Court Road Opportunity Areas, CAZ and North Westminster Economic Development Area. Where appropriate the council will request a range of business floorspace including workshops and studios.

Retention of Industrial Sites

- 2.128. Within the North Westminster Economic Development Area floorspace classed as having a commercial use will be protected.

Release of Industrial Sites

- 2.129. Retention or re-provision of commercial floorspace unless it can be demonstrated that the proposed commercial floorspace provided in the development meets the employment demands of the local area.
- 2.130. In the North Westminster Economic Development Area:
- Delivery of new floorspace will be encouraged.
- 2.131. Developments creating more than either 25 residential units or 2,500sq.m of residential floorspace will be required to provide new commercial floorspace on site.
- 2.132. Mixed use development is supported with the CAZ. Where proposals increase the amount of commercial floorspace by 200sq.m or more, or in the case of A1 retail or private educational, health and leisure facilities (D1 or D2), by 400sq.m or more, the provision of an equivalent amount of residential floorspace will be required on-site.

Waste Management

- 2.133. The Council identifies potential new locations suitable for waste management facilities during the lifetime of the Core Strategy. The Council emphasises the need to use sites that are currently in industrial use or are existing waste management sites.

Camden (Core Strategy adopted in November 2010)

- 2.134. The Council's approach to accommodating growth is to focus the vast majority of housing and employment in identified growth areas. These regeneration areas are located in close proximity to major transport hubs and are brownfield sites.
- 2.135. The Council supports growing creative and cultural sectors and promoting new flexible employment space, including workshops, studios and flexible layouts.

Retention of Industrial Sites

- 2.136. The Council safeguards the Borough's main Industry Area and seeks to protect existing business premises, particularly light industrial/warehouses.

Release of Industrial Sites

- 2.137. The Council will resist a change to non-business use unless it can be demonstrated that:
- Site/building is no longer suitable for its existing business use
 - Options for retaining/reusing/redeveloping have been fully explored
- 2.138. The Council will seek to maintain some business use on site, and give a higher priority to retaining flexible space that is suitable for a variety of business uses.
- 2.139. When it can be demonstrated that a site is not suitable for any business use other than B1a offices, the Council may allow a change to permanent residential uses or community uses, except in Hatton Garden where the Council expect mixed use developments that include light industrial premises suitable for use as jewellery workshops.
- 2.140. Where premises or sites are suitable for continued business use, the Council will consider redevelopment proposals for mixed use schemes provided that:
- the level of employment floorspace is maintained or increased;
 - they include other priority uses, such as housing and affordable housing;
 - premises suitable for new, small or medium enterprises are provided;
 - floorspace suitable for either light industrial, industry or warehousing uses is re-provided
 - where the site has been used for these uses or for offices in premises that are suitable for other business uses;
 - the proposed non-employment uses will not prejudice continued industrial use in the surrounding area.

- 2.141. Where it is proposed to redevelop employment land for another business use, including offices, the Council will seek to retain features that will enable the flexible use of the premises for a range of business purposes.
- 2.142. The Council will support the provision of live/work premises provided they do not:
- result in the loss of any permanent residential units; or
 - result in the loss of sites in business or employment use where there is potential for that use to continue.

City of London (Core Strategy adopted in September 2011)

- 2.143. The City of London is identified as a strategically important globally-orientated financial and business services centre where the emphasis should be the provision of new and refurbished office floorspace. The Council seeks to safeguard and secure new office development through a flexible approach.
- 2.144. Policy CS1 indicates the scale of office floorspace required to meet employment growth and encourages the assembly of large sites for office development. The Council encourages a flexible approach to alternative temporary uses for vacant offices and sites.

Waste Management

- 2.145. There is no viable waste management capacity within the Square Mile and the City. The City Corporation is working with the London Borough of Bexley, utilising spare waste management capacity in Bexley, to ensure that the City's waste apportionment can be met.

Islington (Core Strategy adopted in February 2011)

- 2.146. The Council allows for future flexibility for a range of uses and seeks to encourage new employment floorspace to be located in The CAZ and the town centres (where there is good public transport connectivity).
- 2.147. In the CAZ major development proposals that would result in a net increase in office floorspace should also incorporate housing, consistent with the LP.
- 2.148. The Council supports major development proposals for employment floorspace that incorporate an appropriate amount of affordable workspace.

Retention of Industrial Sites

- 2.149. The Locally Significant Industrial Sites (LSIS) seeks to safeguard the existing business space within the Borough.
- 2.150. The Vale Royal/Brewery Road Locally Significant Industrial Site is a site with a significant concentration of industrial uses. Planning permission will be refused for the introduction of non-business uses (except for services/facilities) on this particular site. However, proposals that would result in a loss of business floorspace would be considered if it has been actively marketed and would not have a detrimental impact on the area's primary economic function.

Release of Industrial Sites

- 2.151. Proposals that would result in a loss of business floorspace will only be considered if there is:
- Submission of clear and robust evidence related to the continuous marketing of vacant floorspace.
- 2.152. Within Town Centres and Employment Growth Areas, proposals for the redevelopment or Change of Use of existing floorspace are required to incorporate the:
- Maximum amount of business floorspace reasonably possible on the site
 - Mix of complementary uses, including active frontages where possible.
- 2.153. Within Town Centres and Employment Growth Areas the reduction of business floorspace will not be resisted if it is deemed to not have an individual or cumulative impact on the area's primary economic function and there had been evidence of continuous marketing of the vacant land.

Kensington & Chelsea (Core Strategy adopted in October 2010)

- 2.154. The Council seeks to safeguard and secure new office development through a flexible approach.
- 2.155. The Council resists large scale offices on the basis that such developments would change the character and function of these areas.
- 2.156. Employment Zones should maintain a broad mix of employment opportunities to protect the small units favoured by local employers and to ensure diversity of uses.

Waste Management

- 2.157. The Council is developing a specific waste DPD to identify sites for the purpose of managing waste. The Core Strategy seeks to safeguard existing waste management sites and requires on-site waste management facilities as part of new developments (identified in the Site Allocations Development Plan Document).

Summary of Policy Approaches

- 2.158. The policy approach that the neighbouring and inner London boroughs take towards ensuring that they have an adequate stock of land to meet future needs of different types of floorspace varies between a restrictive approach (where sites are safeguarded for B class use development only to a more flexible approach (which encourages a greater range of uses on employment sites).
- 2.159. Westminster and Wandsworth set out a flexible approach to the management of land for (B class) employment uses through encouraging a greater range of uses on sites beyond the B class category. In contrast, Merton and Southwark set out a restrictive approach that seeks to safeguard employment land for B class development. For example, in Merton, any proposals that recommend a change of use from B Use class require the adoption of a planning brief (supplementary planning brief).
- 2.160. The following summarises the key approaches to retention and release of employment sites and waste management sites that could potentially inform Lambeth's approach to the management of its existing and future stock of employment land.

Retention of existing and generation of new employment land

- Key employment designations (e.g. SILs and LSISs) are designed to safeguard major B class employment sites.
- Key regenerative designations (Opportunity Areas / Regeneration Areas/CAZ/Town Centres etc) as they provide the opportunity for the development of new flexible employment space and generally good transport connectivity
- Mixed Industrial designations - assist with supply of flexible business, affordable housing
- Scattered Employment Space - smaller industrial sites for SME's, community uses
- Flexible business space to encourage more SMEs
- Temporary occupation of businesses of empty buildings/cleared sites
- Concentrating B class uses outside of employment designations should front/have direct access to a classified road/in a Public Transport Accessibility Zone/in a CAZ/in a Strategic Cultural Area.
- Setting of floorspace maximum restrictions / requirements on types of non-B use class floorspace.

Release of employment land for non B class uses

- Continuous marketing of a site for at least 18 months/24 months, full exploration of opportunities to re-let premises and evidence that the site has been offered at a price commensurate with the value of the site.
- Adoption of a Planning Brief (supplementary planning guidance) for employment led redevelopment proposals
- Viability – other uses are required to enable the development of a site to be viable.
- No harm to the wider location's business functions
- Live/Work units have varying acceptability some set a minimum that at least 40sq.m of useable work space (B1 Use Class) within the unit, others support live/work that does not result in the loss of any permanent residential uses or employment uses on a site.

- Sites released from industrial use should meet strategic as well as local planning concerns. Such priority needs may include affordable housing or increased capacity for town centre related development
- Maximum amount of business floorspace reasonably possible on the site
- Mix of complementary uses, such as commercial, retail, residential uses and public squares/realms. New development should have active frontage where possible e.g. retail / restaurants on ground floor.

Waste Management

- Sites should be at least 0.3ha.
- Sites should be in close proximity to road/rail/water transport.
- Strategic Planning (Joint Waste Plans etc) to signal sites to potential waste management facility developers.
- Prefer sites currently in industrial use or existing waste management sites.

Review of Employment Land Appeals

- 2.161. The following section provides an initial search and review of the COMPASS appeals database. However, it should be noted that this has been limited as the scope of the study did not include more detailed analysis and review of planning applications and recent appeals. As such the data extracted is limited and can only provide some indications as to how successful Lambeth's current policy approach is, and how this compares to other boroughs.
- 2.162. A COMPASS search was conducted to identify all appeal cases regarding the loss of B Class use between 2008 and 2012/5. The results of this search provide an insight into the different approaches councils hold towards the specific release of employment land policies/criteria.
- 2.163. The COMPASS search revealed which Boroughs have refused the most B Class use applications, as well as their justifications for refusal. Coupled with the B Class use policy review above, this provides further understanding of the approaches different London Boroughs have taken towards the release of employment land for non B Class use development.
- 2.164. Between 2008 and 2012 Lambeth Borough Council had 7 appeals against planning decisions affecting B Class use out of a total of 62 appeals across London (refer to Table 5). This comprised 11% of the total amount of change of B Class uses.

Table 5. Employment Land Appeals in London Boroughs, 2008 - 2012

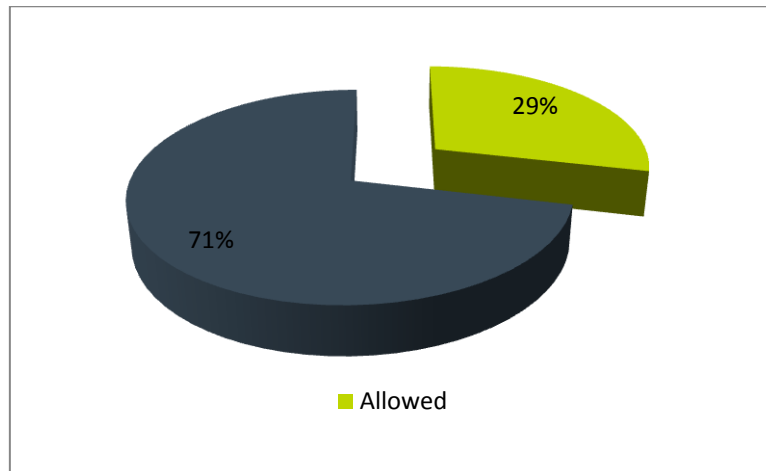
Borough	Number Appeals	% of Total
Lambeth	7	11%
Other Boroughs	55	89%
Total	62	100%

Source: COMPASS search results, August 2012

- 2.165. A majority of 71% of appeals were dismissed in Lambeth during this period, whereas the other London Boroughs saw 53% of appeals cases dismissed. The fact that almost two thirds of appeals in Lambeth were dismissed by Inspectors shows a considerable amount of support for Lambeth's existing employment land policies. For Lambeth Borough Council and the other Boroughs, 29% and 43% of appeal cases were allowed, respectively (refer to Figures 2 and 3).

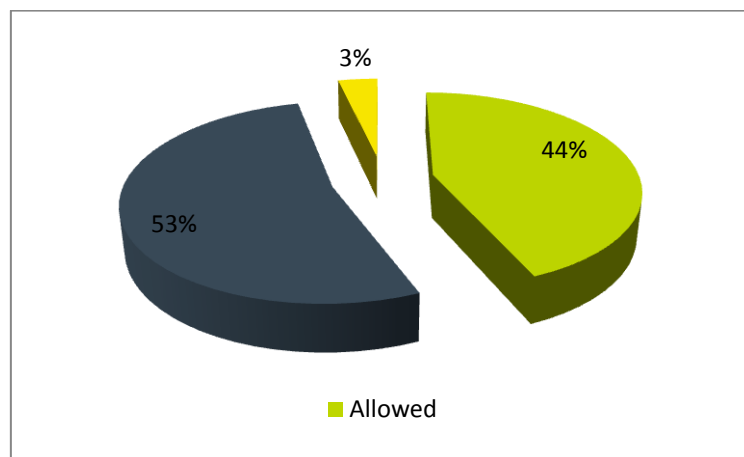
⁵ The Compass search keywords included B1, B2 Offices, conference centres, factories, industrial units, garages, builders yards, waste transfer and processing, warehouses and storage

Figure 2. Appeals relating to loss of employment land, London Borough of Lambeth



Source: COMPASS search results, August 2012

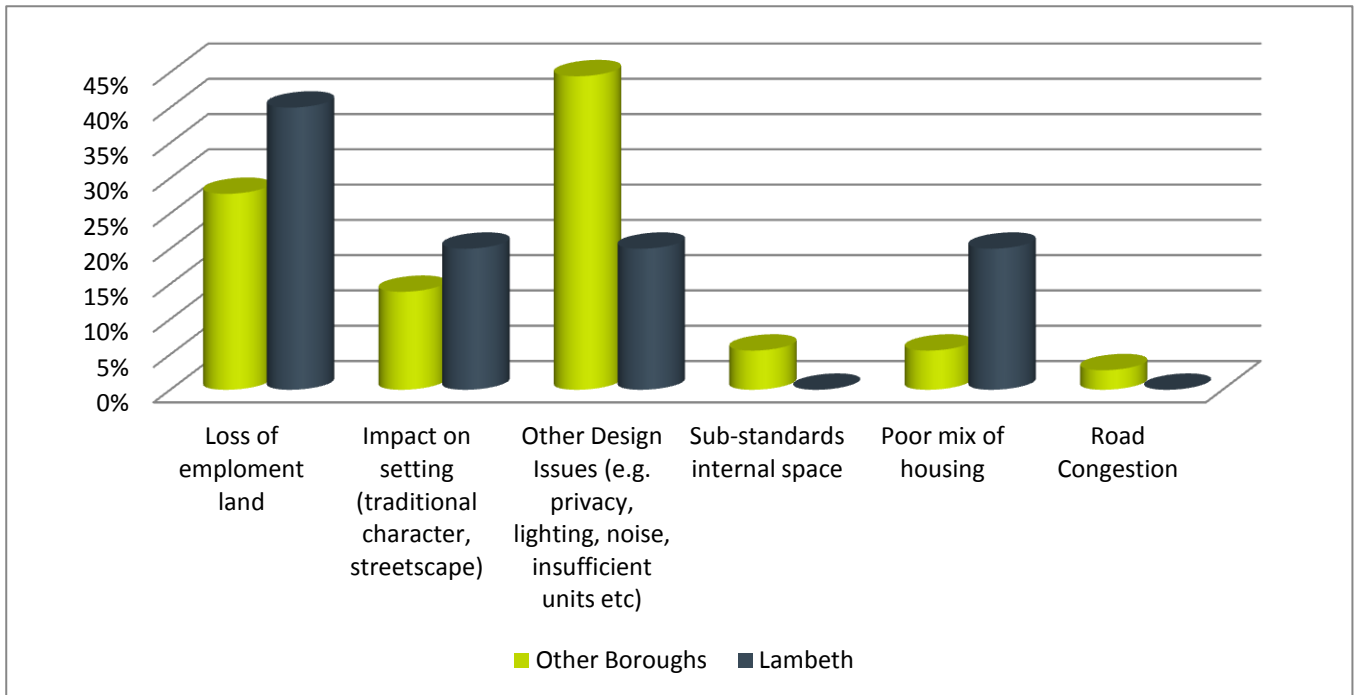
Figure 3. Appeals relating to loss of employment land , All London Boroughs



Source: COMPASS search results, August 2012

- 2.166. It is important to examine the appeal cases which were dismissed and determine the reasons for dismissal given by the Planning Inspectorate to indicate the weight given to specific release of employment land policies/criteria in Lambeth and the other Boroughs. Figure 4 compares the reasons for dismissal of change of B Class use scheme appeals between Lambeth and the other London Boroughs.
- 2.167. According to the COMPASS search, the three reasons most cited for dismissing change of use from employment land to other uses for all of the London Boroughs, including Lambeth, were other design issues (e.g. privacy, lighting, noise etc), and impact on setting (traditional character, streetscaping).
- 2.168. In Lambeth, a large majority of appeals were dismissed due to other design issues (e.g. privacy, lighting, noise, insufficient units etc) and also the loss of employment land, indicating that these are important issues in schemes that are proposing a change from B Class use. It may also indicate a strong level of support of Lambeth's existing policy approach.

Figure 4. Reasons for Appeal Dismissals, 2004 - 2008



Source: COMPASS search results, August 2012

- 2.169. Between 2008 and 2012, 29% of the appeals made against the loss of B class floorspace applications were allowed. In most cases, the Inspector found that the applications met the relevant policies and considered that permitting the developments would not lead to adverse effects on the building or the surrounding environment.
- 2.170. However, some of the appeals were successful despite the application being contrary to certain aspects of policy. For example, three of these appeals (12%) resulted in loss of employment space, but were permitted because the Inspector noted other benefits that would arise from the development.

Policy Criteria and Appeals

- 2.171. Further analysis of the data on the retention or release of industrial sites and appeals from the other London Boroughs reveals:
- The number of Councils with retention or release of industrial sites policy criteria; and which retention or release of industrial sites policy criteria are the most common.
- 2.172. A review of the development plans of the nine boroughs in the previous section revealed that the Councils with the most restrictive policies for employment land release, are Merton and Southwark. Whilst Wandsworth and Westminster had the most flexible approach to employment land release from B Use class. The specific policy criteria, which are most common amongst the Councils examined in this report, are specified and linked to the SPG Criteria in the Table 6.

Table 6. Commonly Adopted Policy Criteria for Managing Employment Land

Policy Approach - Councils		GLA SPG Guidance Criteria for assessing the need for retention or release of industrial sites	Number of Councils with Criteria
Retention of existing and generation of new employment land	Key regenerative designations (Opportunity Areas / Regeneration Areas/CAZ/Town Centres etc) as they	Land Use Criteria (iii) is well located in relation to the Central Activities Zone, town centres and/or public transport facilities, recognising that many industrial activities have relatively low trip generation and that other land uses (such as offices, leisure and	7

Policy Approach - Councils		GLA SPG Guidance Criteria for assessing the need for retention or release of industrial sites	Number of Councils with Criteria
	provide the opportunity for the development of new flexible employment space and generally good transport connectivity.	retail) may be more appropriate in locations with high public transport accessibility.	
	Key employment designations (e.g. SILs and LSISs) are designed to safeguard major B class employment sites.	Land Use Criteria (iv) is part of a larger cluster of existing industrial activity, or area designated for industrial protection including SILs and LSIS, where re-designation of the industrial site would alter the industrial character of the area or inhibit the operations of nearby industrial uses.	6
Release of employment land for non B class uses	Continuous Marketing of site for at least 18 months/24 months, full exploration of opportunities to re-let premises and evidence that the site has been offered at a price commensurate with the value of the site.	Demand Criteria (i) has been adequately marketed through a commercial agent at a price that reflects market value for industrial use for a reasonable period (normally at least two years) and offered with potential for redevelopment of derelict or obsolete industrial premises where this is required to meet the needs of modern industrial users.	5
	Flexible business space to encourage more SME's	Economic Criteria (viii) offers potential for the provision of industrial units for Small and Medium Sized Enterprises (SMEs) serving local residential and commercial areas, particularly where there is little alternative provision in the local area.	3
Waste Management	Strategic Planning (Joint Waste Plans etc) to signal sites to potential waste management facility developers	Land Use Criteria (vi) offers potential for waste management or recycling uses.	3

- 2.173. The most common policy criteria in employment policies for the 'retention of existing and generation of new employment land' are proximity to CAZ, town centres and public transport facilities and safeguarding larger cluster of existing industrial activity, or area designation for industrial protection including SILs and LSIS.
- 2.174. For policies concerned with the 'release of employment land for non B class uses' the most typical commercial policies were ensuring that adequate marketing of sites for release had been undertaken and that the provision of more flexible space to provide employment land for SMEs. For Waste Management policies there was an emphasis on the importance of collaborative planning to assist in signalling sites to potential waste management facility developers.
- 2.175. Criteria which are less common include criteria that: stipulate the importance of viability (where other non B class uses will be required to make a redevelopment of a site viable); encourage the temporary occupation of empty buildings / cleared sites; and inclusion of 'priority' uses, such as affordable housing.

- 2.176. The COMPASS search identified appeals made against refused change of B Class use development applications between 2008 and 2012 throughout the London Boroughs. However, this number of appeals does not portray the total amount of change of B Class use applications submitted or refused during this period. This would require a review of AMRs and it is beyond the scope of this study to review the AMRs of the London Boroughs. The total number of appeals dismissed per Council, between 2008 and 2012, are provided in the Table 7.

Table 7. Total Appeals Dismissed per Council, 2008 – 2012

London Borough	Total Appeals 2008 - 2012
Lambeth	5
Southwark	4
Tower Hamlets	4
Hackney	3
Islington	3
Camden	2
Ealing	2
Hounslow	2
Merton	2
Richmond Upon Thames	2
Enfield	1
Hillingdon	1
Kensington & Chelsea	1
Newham	1
Sutton	1
Haringey	1
City of London, Hammersmith and Fulham, Wandsworth, Brent, Hounslow, Kingston upon Thames, Bromley, Lewisham, Bexley, Havering, Barking & Dagenham, Redbridge, Waltham Forest, Barnet	All have zero appeals
Total	35

Source: COMPASS search results, August 2012

- 2.177. Besides Lambeth Borough's five appeals, the Councils with the most appeals made against their decisions are Southwark and Tower Hamlets. The Councils with the fewest appeals (in this case, zero) are City of London, Hammersmith and Fulham, Wandsworth, Barnet, Brent, Hounslow, Kingston upon Thames, Bromley, Lewisham, Bexley, Havering, Barking & Dagenham, Redbridge and Waltham Forest.
- 2.178. During 2008 and 2012, 14% of appeals made against refusals on applications for change of B Class use in London were in Lambeth Council. This was 3% more than Southwark Council, which had the highest number of conversion application appeals amongst the other Boroughs. Furthermore, Inspectors subsequently dismissed 71% of the appeals in Lambeth.

Appeals Allowed

- 2.179. Between 2008 and 2012, 26 of the appeals made against change of B class use applications were allowed. In most cases, the Inspector found that the applications relating to loss of employment land met the relevant policies and were not outweighed by other material considerations.
- 2.180. However, some of the appeals were successful despite the application being contrary to certain aspects of policy. For example, three of these appeals (12%) resulted in loss of employment space, but were permitted because the Inspector noted other benefits that would arise from the development.
- 2.181. According to the COMPASS search result, the reasons given by the Planning Inspectorate (PINS), in support of allowing appeals for conversions, in London during 2008-2012, were:
- No harm to the character of the area;
 - Contemporary design , materials, height and bulk appropriate;
 - No harm to the supply of employment generating premises and the potential for additional jobs.

Appeals Summary

- 2.182. Between 2008 and 2012, 71% of appeals relating to loss of employment land in Lambeth were dismissed. This reflects strong support for the existing policy in the Borough.
- 2.183. To ensure that change of B class use does not result in a significant loss of employment land, developers need to prove that there is no demand for the space through evidence that demonstrates satisfactory marketing of the site, demonstration that all opportunities he been taken to re-let and at a price which is commensurate with market values.
- 2.184. Some of the appeals that were allowed based on the benefits of the proposed development outweighing the reasons for refusal of the application. The three most common justifications for allowing appeals were there was no harm to character of the area; schemes were of a contemporary design, materials, height and bulk appropriate; and there was no harm to the supply of employment generating premises and the potential for additional jobs.

Section Summary

- 2.185. This section has identified that the release of employment land to meet future needs of different types of employment floorspace are recognised in National and Regional Policy as a means of providing more flexible employment floorspace, whilst ensuring that this provides an adequate supply of suitable employment sites to meet future demand and that the new units should provide flexible floorspace for future occupiers.
- 2.186. The review of other London borough policy approaches identifies that generally boroughs recognise that releasing employment land can assist in regenerating areas and providing a flexible supply of land for employment purposes. It is important that the scale of the 'loss of employment land' is regulated (through appropriate criteria) to ensure that there is an adequate stock of employment land to meet future demand. These policies largely fell into the following categories:
- Policies that retain existing employment land;
 - Policies that designate new employment land;
 - Policies that release employment land for non B class uses;
 - Policies that support Waste Management.
- 2.187. The policies set criteria for accepting a change of B class use in principle as well as the other requirements that make development acceptable including:
- Continuous marketing to demonstrate the demand for a site for employment uses
 - Regenerative opportunities through the provision of flexible business space for SMEs
- 2.188. A COMPASS search of appeals has shown that certain aspects of these policies fared better at appeals than others. Lambeth's policy was tested at more appeals than any other Borough and also had the highest percentage of appeals dismissed.

- 2.189. However, although the existing policy has clearly had some success in restricting unacceptable loss of employment land, there may be opportunities to strengthen the existing policy framework by adopting some of the policy approaches employed by other boroughs. This could include the requirement for evidence that identifies that there is no demand for the space through evidence that demonstrates satisfactory marketing of the site, that all opportunities have been taken to re-let and at a price which is commensurate with market values.

3. Supply of Employment Land

Introduction

- 3.1. This section considers the existing and future supply of business premises in Lambeth and draws on a range of information include the Valuation Office Agency (VOA), and Estates Gazette Interactive (EGI) databases. This section also provides a review of the Key Industrial and Business Areas (KIBAs) within the Lambeth. The results of the review provide the basis upon which to consider how future supply requirements can meet the anticipated demand (detailed in section 5).

Total Stock

- 3.2. Valuation Office data provides the most recently available details of business units in Lambeth that are subject to business rates. The VOA assesses the 1.8 million non-domestic properties in England and Wales that are liable for business rates and collects information on these properties, including the type of property, the location, the floorspace and rateable value.
- 3.3. The VOA data identifies that Lambeth has over 1,144,278 sq.m of B class use employment floorspace. The majority of this floorspace is office space (B1(a)) with a 72% share of total B class employment floorspace.

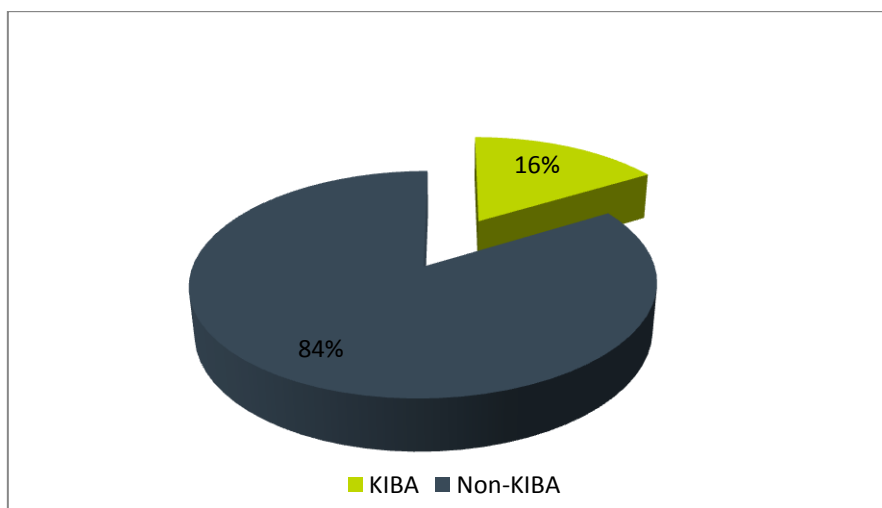
Table 8. Total Stock of B Class Employment Land in Lambeth

District	B1(a) (sq.m)	B1(c) (sq.m)	B2 (sq.m)	B8 (sq.m)	Total
Other Employment (Non-KIBA)	757,188	101,290	19,058	80,191	957,727
KIBA	65,598	63,746	4,395	52,812	186,551
Total	822,786	165,036	23,453	133,003	1,144,278

Source: Atkins based on VOA data, 2010

- 3.4. The VOA data identifies 84% of the B Class employment floorspace is outside of KIBAs, as shown in Figure 5. The total amount of KIBA floorspace is estimated at 186,551. This is around 48% less than estimates of total B class floorspace in the Survey of KIBAs (2012), which estimates a total supply of 387,995 sq.m (this is primarily as a result of the definition that the VOA data uses, the VOA data only includes rateable floorspace whereas the KIBA survey is likely to include all floorspace).

Figure 5. Total B Class Floorspace (sq.m) in Lambeth



Source: Atkins based on VOA data

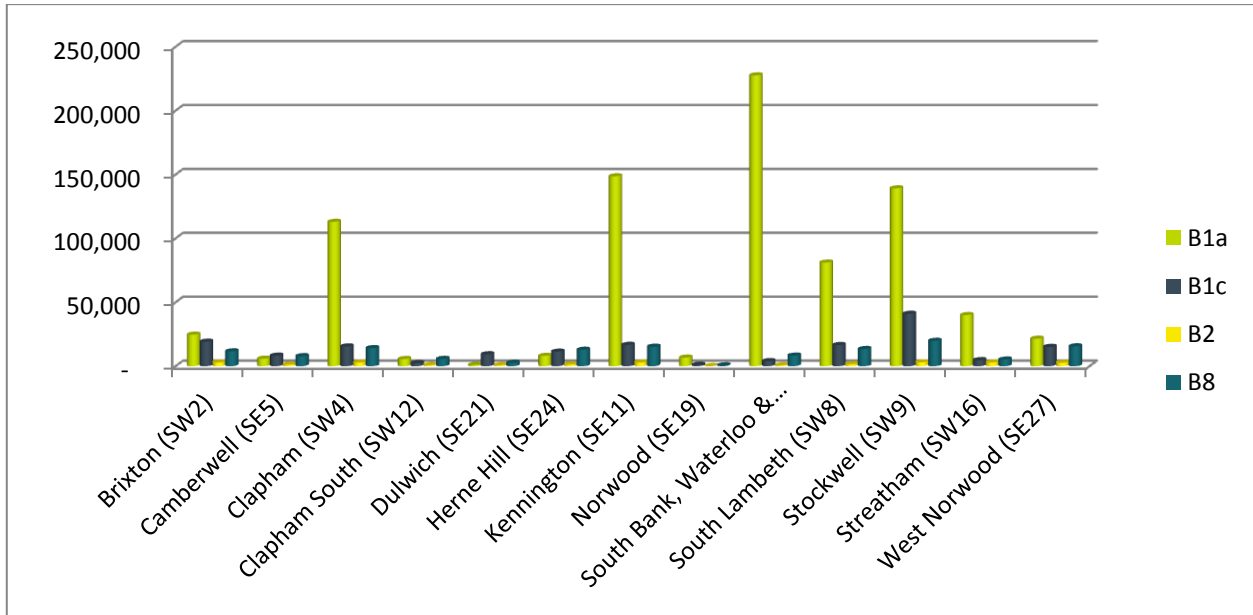
Town Centres

3.5. Lambeth’s network of town centres provide key locations for major B class employment activity with clusters of employment activity concentrated in Stockwell, Brixton, Streatham and Norwood, as shown in the map in Appendix A. These locations provide good strategic transport road and public transport links and good access to local amenities and facilities within the town centre location.

Opportunity Areas

3.6. The South Bank, Waterloo & Vauxhall (SE1) has the largest concentration of office employment floorspace (B1(a)) at over 227,589sq.m (28%), as shown in Figure 6. This area benefits from its good strategic road and public transport links and is included within the CAZ.

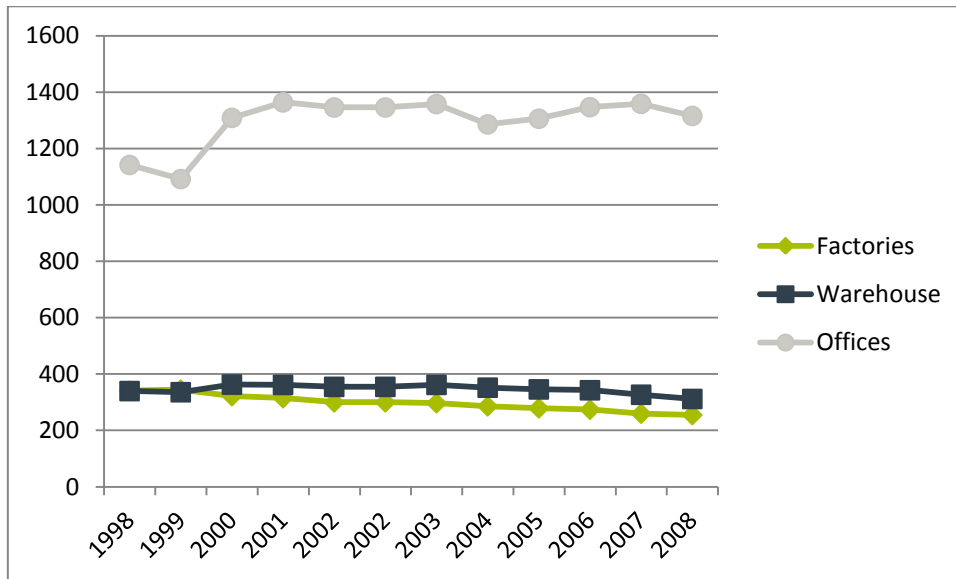
Figure 6. Total B Class Floorspace by Use Class – Town Centres (sq.m)



Source: Atkins based on VOA data

1.1. Figure 7 present estimates of total B class use floorspace in Lambeth for 1998 to 2008 using Valuation Office Agency (VOA) data (latest available data). Warehouse and office floorspace has been slowly declining over the period, whilst office floorspace has experienced some dips, with most consistency achieved between 2000 and 2003 although overall has grown over the period. With the recession commencing in 2008 it appears that the stock of all B class use floorspace is experiencing a slight decline in the overall level of stock.

Figure 7. B Class Floorspace in Lambeth 1998 - 2008 (000'sq.m)



Source: VOA – Commercial and Industrial Floorspace and Rateable Value Statistics (1998 – 2008)

KIBAs

- 3.7. Key Industrial Businesses Areas (KIBA) safeguard land for business, industrial, storage and waste management uses, including green industries, and other compatible commercial uses, excluding large scale retail.
- 3.8. Lambeth's 27 Key Industrial and Business Areas represent the Borough's strategic reservoirs of land for business use, and are set out in Appendix B. Table 9 identifies that the largest concentration of B class floorspace is in KIBA 27 West Norwood and KIBA 13 Kennington Business Park, which have a 10% share of total B class floorspace, respectively.

Table 9. Total B Class floorspace in KIBA

KIBA Sites	Postcode	Area	Total B Class Floorspace in KIBAs (sq.m)	Percentage Share of Total B Class Floorspace in KIBAs (%)
1 Waterworks Road	SW2	Brixton	1,202	0%
2 Brighton House	SW9	Stockwell	2,597	1%
3 Bon Marche	SW9	Stockwell	3,436	1%
4 Camberwell Trading Estate	SE5	Camberwell	15,837	5%
5 Clapham North Ind. Estate	SW4	Clapham	8,387	3%
6 Clapham Park Hill	SW4	Clapham	3,141	1%
7 Coldharbour Lane Ind. Estate & Bengeworth	SE5 / SW9	Camberwell	17,810	5%
8 Ellerslie Industrial Estate	SW2	Brixton	21,910	7%
9 Eurolink Business Centre	SW2	Brixton	4,763	1%
10 Durham Street/Oval Way	SE11	Kennington	9,784	3%
11 Freemans	SW9	Stockwell	5,621	2%
12 Hamilton Road	SE27	West Norwood	2,253	1%
13 Kennington Business Park	SE11	Kennington	33,877	10%
14 Lion Yard	SW4	Clapham	1,551	0%
15 Milkwood Road Estates	SE24	Herne Hill	11,789	4%
16 Montford Place	SE11	Kennington	40,474	12%
17 Shakespeare Road Business Centre	SE24	Herne Hill	3,272	1%
18 Shakespeare Road Depot	SE24	Herne Hill	5,698	2%
19 Somers Place	SW2	Brixton	2,478	1%
20 Timber Mill Way	SW4	Clapham	9,182	3%
21 Zennor Road Estate & Adjoining Sites	SW12	Clapham South	21,786	7%
22 Wandsworth Road	SW8	South Lambeth	11,232	3%
23 Loughborough Road	SW9	Stockwell	3,553	1%
24 Park Hall Road Trading Estate	SE21	Dulwich	10,964	3%
25 South Bank House and Newport Street	SE11	Kennington	24,732	7%
26 Stannary Street	SE11	Kennington	19,354	6%
27 West Norwood Commercial Area	SE19	Norwood	33,939	10%
Total			330,623	100%

Source: London Borough of Lambeth KIBA Survey (August 2012)

- 3.9. The KIBA are widely distributed throughout the Borough over 11 postcode areas, as shown in Table 10. The majority of the KIBA are located in Kennington (5 KIBA), Brixton (4 KIBA), Clapham (4 KIBA) and Stockwell (4 KIBA). Kennington and Clapham have the most B class floorspace within KIBAs, approximately 128,000 sq.m in Kennington and 101,000sq.m in Clapham.

Table 10. Location of KIBAs

Postal	No. of KIBAs	% of Total KIBAs
Brixton	4	15%
Camberwell	2	7%
Clapham	4	15%
Clapham South	1	4%
Dulwich	1	4%
Herne Hill	3	11%
Kennington	5	19%
Norwood	1	4%
South Lambeth	1	4%
Stockwell	4	15%
West Norwood	1	4%
Grand Total	27	100%

Source: Survey of KIBA (2012)

Sources of Employment Floorspace Supply

- 3.10. The borough has a number of potential sources that could bring forward new employment floorspace, as follows:

Vacant Floorspace (EGI)

- 3.11. The EGI availability data has been analysed to give an indication of the current availability of B class to new occupiers. Table 11 identifies the amount of vacant floorspace in the Borough including all vacant floorspace that is in the EGI database, it should be noted that there may be other floorspace currently available as the database may not be comprehensive.
- 3.12. The EGI data identifies that Lambeth has over 213,440 sq.m of B class use employment floorspace that is being actively marketed; this is approximately 15% of all floorspace in the Borough. Around 95% of this is Office space (B1(a)), 3% is Mixed Industrial (B1/B2/B8) and 2% General Industrial (B2).
- 3.13. The KIBAs contain approximately 4% of this actively marketed vacant floorspace, with the majority of this concentrated in industrial uses (B1/B2/B8) with 3,521sq.m.

Table 11. Vacant Floorspace by Use Class (sq.m)

	Business (B1(a)) (sq.m)	B1(a) (%)	Industrial (B1/B2/B8) (sq.m)	B1/ B2/ B8 (%)	Industrial (B2) (sq.m)	B2 (%)	Grand Total	Total (%)
KIBA	4,191	2%	3,521	55%	0	0%	7,712	4%
Non-KIBA	199,055	98%	2,932	45%	3,741	100%	205,728	96%
Total	203,246	100 %	6,453	100%	3,741	100%	213,440	100%

Source: EGI

- 3.14. Table 12 provides an analysis of vacant floorspace by post code area. The main concentration of vacant office space (B1(a)) is in South Bank, Waterloo & Vauxhall, Stockwell and South Lambeth, which have a 64%, 17% and 10% share of the total vacant office floorspace. Vacant Mixed Industrial (B1/B2/B8) floorspace is mainly concentrated in Clapham and Camberwell, which have a 27% and 21% share of the total vacant office floorspace. Streatham has the largest single concentration of vacant General Industrial (B2) floorspace, with some 3,741 sq.m.
- 3.15. South Bank, Waterloo and Vauxhall have the largest quantity of vacant B class floorspace at some 136,340 sq.m, which is 64% of the Total B class floorspace. All of this actively marketed floorspace is office (B1(a)) that covers 20 sites. The highest concentrations of Total B class vacancy are at Sea Containers House (20 Upper Ground SE1 9PD) with 22,298 sq.m of vacant B1(a) floorspace and Westminster Place (199 Westminster Bridge Road, SE1 7UT) with 22,202 sq.m of vacant B1(a) floorspace.
- 3.16. South Lambeth and Stockwell have second and third largest quantities of vacant B class floorspace with a 17% (20,386 sq.m) and 10% (36,715 sq.m) share of Total B class floorspace, respectively. The high level of vacancy is spread across 17 sites in Stockwell and 10 sites in South Lambeth.
- 3.17. The largest concentration of Total vacant B class floorspace in Stockwell is at Lincoln House (1-3 Brixton Road, SW9 6DE) with some 22,353 sq.m of vacant B1(a) floorspace. In South Lambeth the largest concentration of Total B class floorspace is at Marco Polo House (346 Queenstown Road, SW8 4NQ).
- 3.18. The Survey of Key Industrial Business Areas identifies that there is 39,468sq.m of vacant B class floorspace. Theoretically this would constitute 18% of the total vacant land supply, although it is evident that not all of this would have been captured in the EGI data.

Table 12. Vacant Floorspace by Use Class – District / Postcode Area (sq.m)

Post Code Area	Business (B1(a))	Industrial (B1/2/8)	Industrial (B2)	Grand Total
Brixton (SW2)	732	0	0	732
Camberwell (SE5)	73	1,361	0	1,434
Clapham (SW4)	1,879	1,763	0	3,642
Clapham South (SW12)	959	583	0	1,542
Dulwich(SE21)	0	430	0	430
Herne Hill (SE24)	0	773	0	773
Norwood (SE19)	244	0	0	244
South Bank, Waterloo & Vauxhall (SE1)	136,340	0	0	136,340
South Lambeth (SW8)	20,386	0	0	20,386
Stockwell (SW9)	36,158	557	0	36,715
Streatham (SW16)	5,093	0	3,741	8,834
West Norwood (SE27)	1,382	986	0	2,368
Grand Total	203,246	6,453	3,741	213,440

Source: EGI

KIBAs

- 3.19. Subsequent to the Business Premises Study (2007) and the Lambeth Employment Study (2004), the Council undertakes annual monitoring of the commercial development pipeline and of vacancies in Key Industrial and Business Areas with a purpose to establish a clear and consistent basis for informing and monitoring policies and policy development in the future uses and vacancies in the KIBAs.
- 3.20. The latest KIBA survey (August 2012) essentially provides a quantitative snapshot of the KIBA in terms of the make-up of floorspace type and premises. Overall, the KIBA survey (August 2012) showed that the KIBAs within the Borough are performing well and whilst there has been an increase in vacant floorspace the overall proportion of vacant commercial premises has remained the same. Most KIBAs in the Borough continue to have high occupancy levels.
- 3.21. The KIBA Survey identifies that 85% of the floorspace in the KIBAs is B class floorspace and 39,468 sq.m of this is vacant (12%). The vacant floorspace within the KIBAs by use class is set out in Table 13.

Table 13. Vacant Floorspace by use KIBAs

Use Class	Floorspace (sq.m)
B1(a)	21,278
B1(b)	0
B1(c)	7,824
B2	1,214
B8	9,152
Total B class	39,468

Source: Survey of KIBA (2012)

- 3.22. According to the Survey of KIBAs (2012), there are 1,124 premises in the KIBAs 111 are currently vacant, 95 of which are B Class premises.
- 3.23. The survey provides a breakdown of the floorspace and level of vacancy at each site. Sites with the highest level of B class vacancy include:
- Freemans – 88% vacancy
 - Waterworks Road – 49% vacancy
 - Southbank House and Newport Street – 33% vacancy
 - Clapham Park Hill – 30% vacancy
 - Stannary Street – 22% vacancy
- 3.24. It should be noted that the KIBA 11 (Freemans) has recently been refurbished and that the re-provided B-Class floorspace has recently commenced marketing but is not yet occupied.

Commercial Development Pipeline

- 3.25. The London Development Database (LDD) records selected planning permission in the Greater London area as part of the monitoring process of monitoring the Mayor's London Plan.
- 3.26. In Lambeth there are 31 valid but as yet unimplemented B use class planning permissions, which would result in a net loss of -6,217 sq.m. The largest net gains if the permissions were implemented are in B1(a) use class floorspace, whilst the largest losses would be in B8 floorspace, as identified in Table 14.

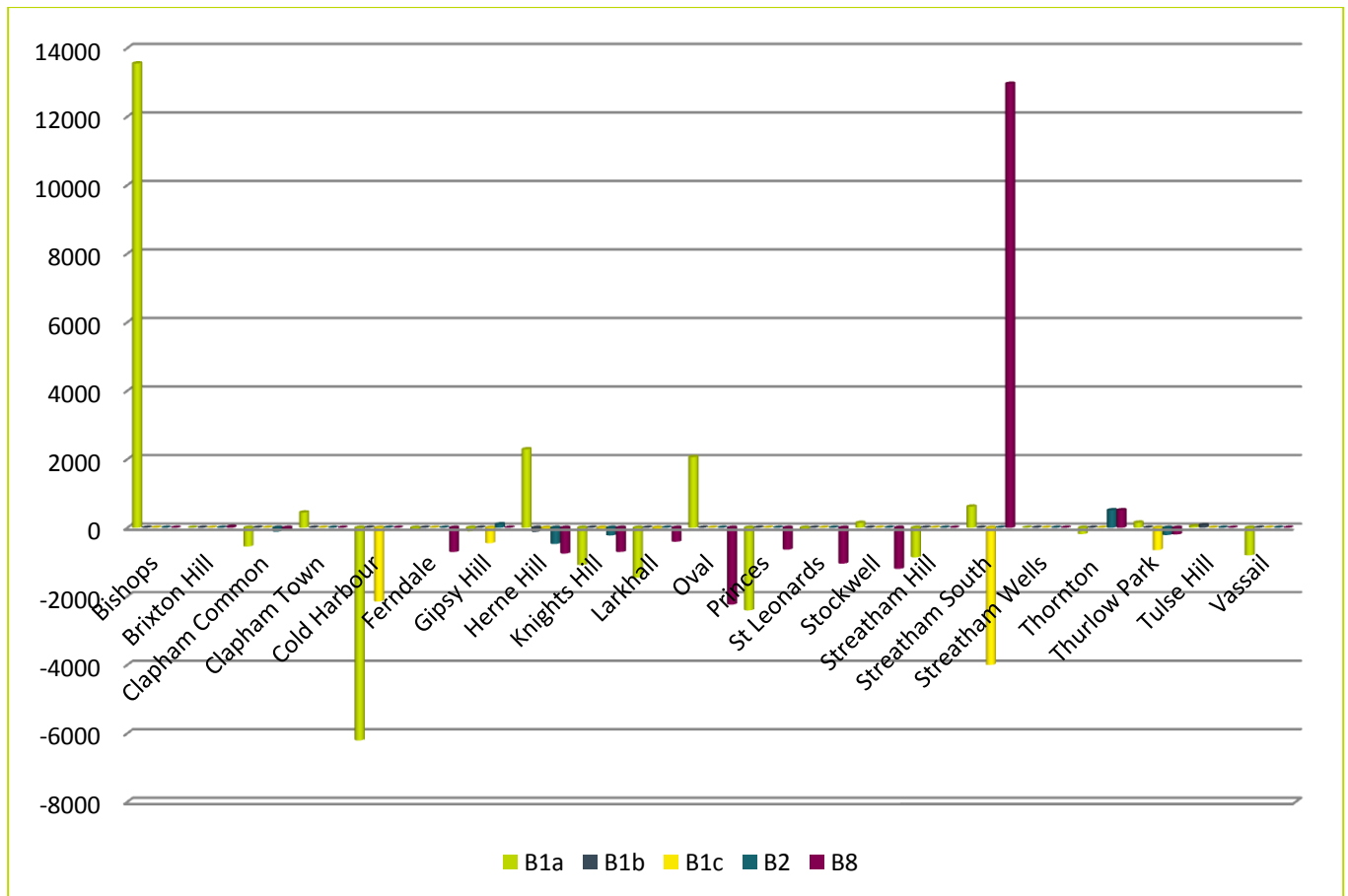
Table 14. Summary of ‘B’ Class Floorspace Unimplemented Permissions

Use Class	Existing (sq.m)	Proposed (sq.m)	Net (sq.m)
B1	9,680	12,515	2,835
B2	2,314	0	-2,314
B8	8,302	1,564	-6,738
Total	20,296	14,079	-6,217

Source: London Development Database

- 3.27. Commercial Development Pipeline Report 2010/2011 provides data on the changes of Lambeth’s commercial floorspace between 1 April 2010 and 31 March 2011, focussing particularly on ‘B’ use classes.
- 3.28. Figure 8 shows the unimplemented permissions by postcode area. Bishop’s Ward located in Vauxhall (SE1 / SE11) had a significant amount of unimplemented B1(a) office space at some 13,553 sq.m and Cold Harbour (SW2, SW9 & SW24) had the greatest loss of B1(a) office space from unimplemented development permission.
- 3.29. Streatham South (SW8/SW9/SE5/SE11) had the largest amount of unimplemented B8 use class floorspace at some 12,961 sq.m, whilst Oval (SW16) had the greatest loss of B8 use class floorspace from unimplemented development permission.

Figure 8. Net B Class Floorspace Unimplemented Permissions by Ward – Town Centres (sq.m)



Source: Lambeth Commercial Development Pipeline Report 2010/2011

Town Centres

- 3.30. Brixton and Streatham are identified in the Core Strategy as Major Centres and have significant potential for new commercial and residential development. The Lambeth Core Strategy consider these centres as locations for major office development (over 1,000sq.m) along with other mixed uses such as hotels, leisure, cultural industries, tourist attractions
- Brixton (draft SPD – work in progress) identifies opportunities for up to 16,000 sq.m of (B1(a)) office space for Lambeth Council, 8,000sq.m for mixed uses (including retail, community and commercial uses). The total capacity of mixed uses across the area equates to around 28,000sq.m.
 - Streatham (Lambeth Core Strategy 2011) identifies opportunities for up to 17,000 sq.m of (B1(a)) office space.
West Norwood/Tulse Hill (Lambeth Core Strategy 2011) identifies opportunities for up to 17,000 sq.m of (B1(a)) office space.
- 3.31. It should be noted that some of the opportunities may relate to redevelopment or intensification of existing vacant or occupied premises.

Opportunity Areas

- 3.32. The Vauxhall and Waterloo Opportunity Areas are located in the north of the borough and are located within the CAZ and set to accommodate new commercial floorspace and residential development.
- Vauxhall (draft Vauxhall SPD) identifies 8,570 new jobs and an estimated 149,118sq.m of additional floorspace.
 - Waterloo (London Plan) identifies 15,000 new jobs and an estimated 261,000 sq.m of additional floorspace.

Site Assessment of KIBAs

- 3.33. The KIBA survey (2012) provides a good indication of how much vacant floorspace there is in the Borough to meet the needs of B class employment growth. However, the KIBA survey is purely quantitative and does not consider the quality of the KIBAs or the suitability of premises within them for sectors which are forecast to grow in the Borough. Some sectors have specific requirements in terms of the types of premises they want and the location. So when assessing whether there is an adequate supply of sites in the Borough to meet the needs of growth sectors/sectors that the Borough aims to attract, it will be important to ensure not only sufficient quantity of employment land / floorspace, but also a sufficient choice of different types of accommodation to meet the needs of different market sectors.⁶ The consultants therefore carried out an assessment of the KIBAs in September 2012. The site assessment considered the KIBAs in terms of the location, premises, site quality, access and servicing, and the site potential.
- 3.34. In assessing site potential, it is important to identify any vacant land within the KIBAs. This information will be crucial in considering potential land and floorspace which could contribute towards meeting employment requirements.

Site Appraisal Methodology

- 3.35. All of the KIBA have been subject to a desk-top review against the Land Use criteria contained in the GLA's Industry and Transport Supplementary Planning Guidance (SPG), which is provided in Appendix C.
- 3.36. In reviewing the existing designated KIBAs the consultants carried out an initial scoping exercise with Lambeth Council Planning officers, which were based on the findings from Lambeth's recently completed KIBA Survey and officer's knowledge of the KIBAs. The exercise was used to undertake a further assessment of the KIBAs on those that: had high levels of vacancy; or are experiencing change; offered potential for redevelopment (either because there was vacant land on the site or they potentially could be redeveloped to intensify use).

⁶ The provision of Prime Grade 1 office accommodation within the Waterloo and Vauxhall Nine Elms Battersea Opportunity for example is unlikely to meet the needs of the SME sector who require premises at a different quality, price point and basis of tenure.

- 3.37. Following this scoping exercise 13 KIBAs were assessed in more detail. This appraisal supplements the quantitative KIBA survey that seeks to identify whether there are any particular reasons for this high level of vacancy at these sites.
- 3.38. Sites were assessed according to criteria drawn from criteria in the GLA SPG and the main attributes that were recorded included:
- Location
 - Premises (age, condition & type)
 - Site environmental quality
 - Access and servicing
 - Vacant premises
 - Site potential.
- 3.39. The site appraisal criteria are included within Appendix D. The site surveys were undertaken by a chartered town planner and completed during September 2012.
- 3.40. The Freemans KIBA was not included in the analysis; although it has a high vacancy level the premises have recently been refurbished and are now being marketed.
- 3.41. Having assessed these KIBAs the consultants then recommended the following approaches:
- Removal of KIBA designation
 - Amendments to KIBA boundary, both extending and reducing the boundaries
 - Retaining the KIBA designation in its current form.

Evaluation of Individual KIBAs

- 3.42. The following sets out our summary of the KIBAs.

KIBA 1 - Waterworks Road

Location & Existing planning designations

- 3.43. This KIBA is situated to the south of Brixton, and is bound to the east by Brixton Hill, to the north by Blenheim Gardens, and to the south by Waterworks Road. The site has good access to Brixton and is located a 15 minute walk from tube/rail connections.
- Property Appraisal*
- 3.44. The KIBA provides an eclectic mix of buildings that support mainly B8 uses along with some B1(a) uses, which are generally of a poor quality and old (more than 20years). Most of the buildings are only suitable for storage uses and attract low value investors. The KIBA has a total of 4,574sq.m of commercial floorspace, of which some 1,202sq.m (26%) falls within the B use classes.
- 3.45. In addition, enforcement cases are ongoing against the breaches of planning control that has seen the unauthorised use of substantial parts of KIBA for residential uses and other non B-class uses, such as a community church operating in a warehouse.
- 3.46. Adjacent to the south of the KIBA on Waterworks Road there are a mixture of uses, including a derelict building with architectural merit (previously occupied as bar), some small workshop units and a large warehouse occupied by a community church. These adjacent buildings would have been all occupied by B class uses; however it is evident that these have come under pressure from other uses. The collection of these premises adds to the poor quality of the overall site environment.

Figure 9. A warehouse premise occupied by a church, located to the south of the KIBA on Waterworks Road



- 3.47. There are 18 premises within this KIBA, one of which is vacant equating to 6% of all premises. The KIBA has a high level of B class vacancy at 49% of total B class floorspace. There is active marketing of a large site fronting onto Brixton Hill (in the east of the KIBA).
- 3.48. There is also an occupied site being actively marketed with large storage building occupying the site. This whole site is being advertised by the agent as a freehold site (8,550sq.m) with potential for residential development as part of a mixed use scheme.

Figure 10. Actively marketed Premises



Access and Parking

- 3.49. The KIBA is situated on the Transport for London Road Network (Brixton Hill). Access to areas of the site further away from Brixton Hill is via Blenheim Gardens and Waterworks Road. Internal circulation at this KIBA is particularly poor, typically via a series of narrow access lanes which can become blocked when deliveries are made. Parking is informal across the entire site.

Quality of Site Environment (including image, attractiveness and marketability)

- 3.50. There was evidence of dumping of construction waste (concrete & rubble). Parts of the site were overgrown and the road surface was potholed in places. The site is currently occupied by lower value businesses using the premises for storage.

- 3.51. Given the site's accessible location and proximity to Brixton Hill, the site has potential to access higher value uses if the image of the site was improved through upgrading of premises to attract higher value investors and provide more flexible B class space.
- 3.52. There is evidence of active marketing. However premises are being marketed for mixed use and residential development, which demonstrates that the KIBA is under pressure for residential development due to its highly accessible location.

Figure 11. Concrete Waste on Waterworks Road



Opportunities for Change

- 3.53. The site currently supports low value uses across the site, including storage and Tile Centre. The site's strategic position on the Brixton Hill could be better utilised with potential to support higher value uses and potential to accommodate a mix of land uses. Part of the site is being actively marketed for redevelopment opportunity, which could assist in improving the image of the KIBA.
- 3.54. It is evident that parts of the site are increasing under pressure from non-employment uses, as demonstrated by the marketing a premises for 'residential development as part of a mixed use scheme' and also the enforcement cases related to the KIBA.

Recommendations

- 3.55. The KIBA boundary could be amended to include the printing works at 116 – 120 Brixton Hill, as the premises supports B class industrial uses, which are of a good quality and size.

KIBA 3 - Bon Marche

Location & Existing planning designations

- 3.56. This KIBA is situated to the west of Brixton Road, and is bound to the north by Ferndale Road, to the south by a heavy rail line, to the east by Brixton Road and to the west by Nursery Road. The KIBA lies within a Town Centre Boundary.

Property Appraisal

- 3.57. The site consists of one large old building (more than 20 years) that has been subdivided for retail units and B1a. Bon Marche was the oldest department store in the UK opening in 1877. The building was completely refurbished in 1983 and developed as a centre for retail, offices and studios.
- 3.58. B class uses represent a small proportion of the site with only 5 of the 17 units (29%) being used for this.⁷ The site has a low level of B class vacancy at 5% of total B class floorspace.

⁷ Survey of KIBA Industrial Business Areas August 2012

- 3.59. The building is well maintained, particularly with regards to its frontage onto Brixton Road and is occupied by major retail clothing chains.

Figure 12. Ground floor retail on Brixton Road



Access and Parking

- 3.60. The Bon Marche KIBA is accessed off Brixton Road. There is no dedicated parking at this KIBA and there are parking controls on the Brixton Road.

Quality of Site Environment (including image, attractiveness and marketability)

- 3.61. The single building premises fits into the existing high street location, which includes offices and retail units. On the lower ground the site is most suitable for retail with office/residential located on the floors above this.

Opportunities for Change

- 3.62. The site is tightly bounded by roads and a heavy rail line. The building continues to be well-maintained and is satisfying the needs of its present occupiers. The recent planning application from TKMaxx and granting of permission for part of the 1st and 2nd floors to be used for A1 retail is contrary to the KIBA policy and has led to a significant reduction in B class floorspace on the KIBA.

Recommendations

- 3.63. The site should be de-designated from its KIBA status. The site is largely accommodating retail uses and is part of a town centre high street. It is evident that the KIBA's role as a B class employment location is no longer appropriate for this site.

KIBA 4 – Camberwell Trading Estate

Location & Existing planning designations

- 3.64. This KIBA runs parallel to the railway line between Loughborough Junction and Camberwell. The site is bound to the west by Paulet Road and to the south by Lilford Road. The site has excellent public transport connections and is within a 10 minute walk of Loughborough Junction railway station and has access to local amenities.

Property Appraisal

- 3.65. The KIBA contains a mix of B class uses, includes B1(a), B1(c), B8 and Sui-generis uses. The condition of the premises varies from a fair to poor quality and old (more than 20 years old). The large building known as the Lilford Business Centre fronts onto Carew Street is operated by 'BIZSPACE', which provides a range of fair quality flexible and affordable business units (office space, industrial units, workshops, storage space) for SMEs.⁸ The types of businesses include a water cooler business, language course, community church group etc.
- 3.66. One of the premises is occupied by a religious organisation. There are a series of light industrial units of poor-fair quality that are occupied by car repair workshops in the remainder of the KIBA.
- 3.67. The KIBA has a total of 17,636sq.m of commercial floorspace, of which some 15,837sq.m (90%) falls within the B use classes.

Figure 13. BIZ SPACE Office Units



- 3.68. There are 59 premises within this KIBA, seven of which were vacant equating to 12% of all premises.⁹ The site has a medium level of B class vacancy at 14% of total B class floorspace. The site was not being actively marketed.

Access and Parking

- 3.69. The site is accessed via a relatively narrow entrance off Denmark Road. This area of the KIBA suffers from poor internal circulation, and a shortage of car parking spaces. Indiscriminate car parking on the entrance to the estate makes it difficult for larger vehicles to gain easy access to the area. None of the arches have particularly good access, resulting in the majority of the arches being used for storage. The business operating from the centre of the KIBA is accessed via Paulet Road, a narrow residential road. Dedicated parking is available on this part of the KIBA. The Lilford Business Centre is accessed from Lilford Road and there is no dedicated car parking.

Quality of Site Environment (including image, attractiveness and marketability)

- 3.70. The site is considered to be of a fair quality. The current access and arrangements of premises is fragmented. The site is being actively marketed for a range of uses, including workshops & offices with units from 100sqft (9.29sq.m) that will be more attractive to SMEs and low value investors.

⁸ BIZSPACE -<http://www.bizspace.co.uk/>

⁹ Survey of KIBA Industrial Business Areas August 2012

Opportunities for Change

- 3.71. The site is constrained by the heavy rail line and surrounding residential area. There is no vacant land on the site for further development. There may be a potential longer-term opportunity to upgrade the site.

Recommendations

- 3.72. The KIBA boundary could be amended to include the railway arches along Carew Street, which provide good quality units for B class SMEs.

KIBA 5 – Clapham North Industrial Estate

Location & Existing planning designations

- 3.73. The Clapham North Industrial Estate is bounded by Clapham Road to the East, Jeffreys Road to the North, and Gaskell Street / Union Road to the south. The site is well served by public transport with two underground tube lines (Clapham North and Stockwell) that are both within a 5 minute walking distance of the KIBA. The site also has good access to local amenities.

Property Appraisal

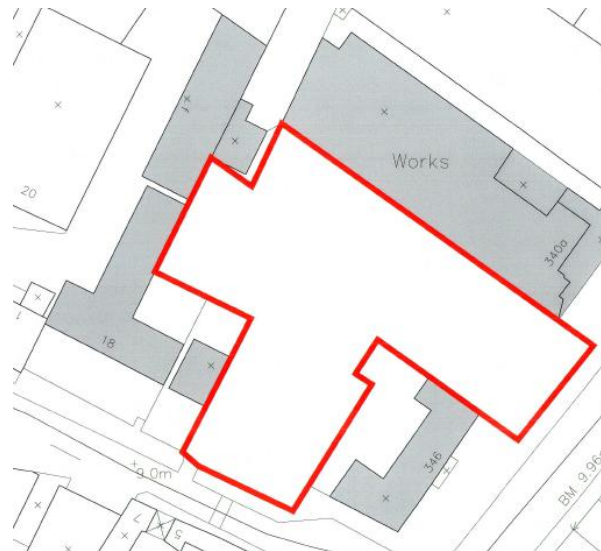
- 3.74. The KIBA is a highly fragmented site that supports a wide range of B class uses and Sui-Generis, including office premises, light industrial workshops occupied by food/drinks suppliers, vinyl manufacturer), Peugeot showroom, garage and associated vehicle repair.
- 3.75. The age and condition of the premises varies throughout the KIBA. The southeast provides premises of a sound quality that support lower value offices and a tool hire company that front onto Clapham Road. The southwest of the site is occupied by high quality B1(a) and B1 (c) units in Union Court, which are occupied by a range of businesses, including food/drinks supplies, dance studios etc.
- 3.76. The KIBA has a total of 14,574sq.m of commercial floorspace, of which some 8,387sq.m (58%) falls within the B use classes.
- 3.77. There are 29 premises within this KIBA, two of which were vacant equating to 2% of all premises.¹⁰ The site has a medium level of B class vacancy at 14% of total B class floorspace. The site has a cleared development site has recently been sold with planning permission for new residential development as shown in Figures 14 and 15. The site had been granted planning permission for the redevelopment of the site (4-14b Union Road and 342-344 Clapham Road) that includes the erection of four blocks of part six/ part-seven storeys (including lower ground floor level) to create 65 residential units, 12 work-live units and four office units (962 sq.m of B1 floorspace), together with provision of 14 car-parking spaces, cycle parking and associated landscaping.
- 3.78. This site was granted planning permission in 2007 and therefore the decision was informed by the Adopted Unitary Development Plan (1998) and the Replacement Plan (2006). The site was protected as a KIBA and MDO84 (18 Union Road, 340a-344 Clapham Road – Area 0.5ha) as mixed use employment area for SMEs and the creative industries.

¹⁰ Survey of KIBA Industrial Business Areas August 2012

Figure 14. Vacant site recently sold with permission for a new mixed use (residential and employment uses) scheme



Figure 15. Red Line Boundary of Planning Application¹¹



Access and Parking

- 3.79. The current road network surrounding this KIBA is fit for the needs of the occupiers located at this site. Clapham Road forms part of the Transport for London Road network. Parking provision across the entire site is satisfactory.

Quality of Site Environment (including image, attractiveness and marketability)

- 3.80. The site environment to the southwest (within Union Court) is of a good standard due to the high quality of the light industrial units. The rest of the site is of a fair quality due to its disjointed and ad-hoc nature of development. Some of the units in Union Court are being actively marketed and will be attractive to new occupier due to the good public transport connections and good quality of the existing units.

¹¹ 06/03159/FUL | Redevelopment of the site, involving the erection of four blocks of part-six/part-seven storeys (including lower ground floor level) to create 65 residential units, 12 work-live units and four office units (962sq.m of B1 floorspace), together with provision of 14 car-parking spaces, cycle parking and associated landscaping. | 4 6 8 10 12 12a 12b 14a And 14b Union Road And 342-344 Clapham Road London

Opportunities for Change

- 3.81. The east of the site is fragmented and occupied by low value B class uses and would benefit from employment-led mixed use development. The vacant site represents a development opportunity for new employment premises for SMEs.

Recommendations

- 3.82. The KIBA boundary could be amended to take out the vacant site which has had permission for residential development. The rest of the KIBA designation should remain.

KIBA 6 - Clapham Park Hill

Location & Existing planning designations

- 3.83. This KIBA is located to the south west of Clapham, off Clapham Park Road and has good public transport connections with Clapham Common tube station located within a 10 minute walking distance, as well as access to local amenities.

Property Appraisal

- 3.84. The KIBA supports B1(a), residential and some retail as part of a mixed use-cluster of small businesses within Welmar Mews. The age and condition of the premises across the KIBA are refurbished premises and of an excellent quality. The KIBA has a total of 3,831sq.m of commercial floorspace, of which some 3,141sq.m (82%) falls within the B use classes.

Figure 16. Welmar Mews



- 3.85. There are 14 premises within this KIBA, two of which are vacant equating to 20% of all premises. The KIBA has a high level of B class vacancy at 30% of total B class floorspace.

Access and Parking

- 3.86. The site is accessed via Northbourne Road, Clapham Park Road and a narrow lane off Park Hill Road. The existing parking meets the needs of the current occupiers.

Quality of Site Environment (including image, attractiveness and marketability)

- 3.87. The overall quality of the site environment is excellent, as the self-contained site has a good level of security, access to public transport and adequate parking. There is evidence of some marketing of ground floor residential/office units, which are likely to be re-occupied by SME's (such as design firms, accountants/business firms, creative businesses).

Opportunities for Change

- 3.88. There is no opportunity for change on this KIBA at present.

Recommendations

- 3.89. The KIBA boundary could be amended to exclude the new residential block on the corner of Northbourne Road and Clapham Road. The eastern part of the mews is now mostly residential and should be removed from the KIBA.

KIBA 7 – Coldharbour Lane Ind. Estate & Bengeworth

Location & Existing planning designations

- 3.90. This KIBA is located in Camberwell, to the east of Loughborough Junction and benefits from good public transport connections. It is located within a 5 minute walk of Denmark Hill Station and Loughborough Junction and has good access to local amenities and services.

Property Appraisal

- 3.91. The south west of the site is occupied by EDF Energy, which comprises electricity substations, ancillary offices and storage areas. The remainder of the site comprises Coldharbour Lane Industrial Estate, a relatively new development that is in good condition. It should be noted that it was not possible to gain access to the west of this site, which is occupied by EDF Energy. Consequently, the site appraisal for this area of the KIBA is based on observations made from the public highway and aerial photography.
- 3.92. The KIBA has a total of 18,984sq.m of commercial floorspace, of which some 17,810sq.m (94%) falls within the B use classes.
- 3.93. There are 15 premises within this KIBA, one of which is vacant equating to 7% of all premises. The KIBA has a medium level of B class vacancy at 14% of total B class floorspace.

Access and Parking

- 3.94. Access to EDF is from Bengeworth Road, via an entrance that has high security arrangements. Road access is from Coldharbour Lane. The KIBA has very good internal circulation and provision for car parking.

Quality of Site Environment (including image, attractiveness and marketability)

- 3.95. The majority of the KIBA is occupied by a single occupier (EDF Energy) and not considered attractive to higher value uses. The Coldharbour Land Industrial Estate had evidence of active marketing and is likely to be re-occupied as it is a relatively new development that is in good condition.

Opportunities for Change

- 3.96. The single occupier site could provide a potential redevelopment opportunity in the event that EDF Energy vacate.

Recommendations

- 3.97. No changes are recommended for this KIBA.

KIBA 12 – Hamilton Road

Location & Existing planning designations

- 3.98. This KIBA is situated to the south east of the Borough, between Hamilton Road and Rommany Road. The site has good public transport connections and is within a 5 minute walk of Gipsy Hill Station and within a 10 minute walk of West Norwood Station. The KIBA is also located close to Crystal Palace Park which offers a great range of facilities, and is also close to Dulwich to the north.

Property Appraisal

- 3.99. The KIBA supports the Hamilton Road Industrial Estate, which consists of small B1(c) and B8 units and supports a range of occupants, including agricultural suppliers, food/drink catering and building contractors. The estate is of a mature age (over 20 years) and the units are in good condition. The KIBA has a total of 2,253sq.m of commercial floorspace, which all falls within the B use class.
- 3.100. There are 10 premises within this KIBA, two of which is vacant equating to 20% of all premises. The KIBA has a medium level of B class vacancy at 18% of total B class floorspace.

Figure 17. Hamilton Road Industrial Estate



Access and Parking

- 3.101. Access to the site is from Hamilton Road. The parking provision made at this KIBA is suitable for the type of businesses that operate from this site. Access to the site is not suitable for HGVs.

Quality of Site Environment (including image, attractiveness and marketability)

- 3.102. The KIBA is of a good quality and attractive to SMEs. The surrounding residential area makes this site unsuitable for B2 uses. Workspace is being actively marketed on the site and is likely to be re-occupied by SMEs that require good quality light-industrial units on a secure site.

Opportunities for Change

- 3.103. There is no opportunity for change on this KIBA at present.

Recommendations

- 3.104. No changes are recommended for this KIBA.

KIBA 14 – Lion Yard

Location & Existing planning designations

- 3.105. This KIBA is located on Tremadoc Road, off Clapham High Street. The KIBA has good connections and is located less than a 5 minute from Clapham Common Underground Station and located close to local amenities and services in Clapham.

Property Appraisal

- 3.106. The KIBA is a self contained three storey office terrace situated within a private gated and secure office complex refurbished. These premises supports high quality small B1(a) units that are occupied by a range of professional and e-commerce businesses. There is no vacant land that has the potential to be brought forward for development within the KIBA.
- 3.107. The KIBA has a total of 1,551sq.m of commercial floorspace, which all falls within the B use classes. There are 12 premises in the KIBA, two of which are vacant and equates to 17% of premises. The KIBA has a high level of B class vacancy at 49% of total B class floorspace.

Figure 18. Lion Yard



Access and Parking

- 3.108. External access to the KIBA is off Tremadoc Road, and fully meets the requirements of the occupiers. Dedicated parking is provided within the internal courtyard.

Quality of Site Environment (including image, attractiveness and marketability)

- 3.109. Lion Yard supports high quality SMEs in an attractive environment. The KIBA is actively marketed and is likely to be occupied in the short-term due to its highly marketable location and the high quality vacant units. These premises will be attractive to higher value employment uses, particularly SMEs in the professional and e-commerce businesses.

Opportunities for Change

- 3.110. There is no opportunity for change on this KIBA at present.

Recommendations

- 3.111. The KIBA boundary should be amended to include the Lion Yard premises on the eastern side of the KIBA.

KIBA 20 – Timber Mill Way

Location & Existing planning designations

- 3.112. Timber Mill Way KIBA straddles the Clapham High Street railway station. The northern boundary of the site is Timber Mill Road, and the southern is Voltaire Road. The site is in a highly accessible location and is just a 5 minute walk to both Clapham High Street Station and Clapham North Underground Station and is close to amenities and facilities in Clapham.

Property Appraisal

- 3.113. Timber Mill Way provides a variety of B1(a), B1(c) and B8 uses. The site north of the railway is occupied by mainly B1(c) and B8 uses, such as the Safe Store. The industrial units are of a poor quality and the potential to be upgraded. These premises mainly support building merchants, timber merchants, and distiller businesses. The east part of the site is currently under-construction.
- 3.114. The site to the south of the railway line is occupied by higher value professional SMEs operating in workshops and studios. The Clapham North Arts Centre caters for a range of creative activities e.g. yoga, dance. The premises within this part of the KIBA are of a fair to good quality.
- 3.115. The KIBA has a total of 9,271sq.m of commercial floorspace, of which some 9,182sq.m (99%) falls within the B use classes.
- 3.116. There are 71 premises within this KIBA, three of which are vacant and equates to 5% of all premises. The KIBA has a low level of B class vacancy at 2% of total B class floorspace. A large site (adjacent to Safe Store premises) is currently under-construction for B8 warehouse with ancillary office use (B1).

Figure 19. Light Industrial Units (north of railway line on Timber Mill Way)



Access and Parking

- 3.117. Access for the northern site is provided off Timber Mill Way. Although there is parking provided on premises, the Timber Mill Way is also being used for informal parking. Access to the southern site is provided off Voltaire Road and parking is provided on-site.

Quality of Site Environment (including image, attractiveness and marketability)

- 3.118. The quality of the north site is improving with a new site under-construction and a good quality storage premises (Safe Store). It is anticipated that the other parts of the industrial area will improve incrementally as the area benefits from improved transport connections. The current premises are therefore suitable for low value industries, such as building merchants, timber merchants and other suppliers.

Opportunities for Change

- 3.119. The KIBA is located in an easily accessible location by the railway and is close to Clapham High Street and has the benefit of easy access to the recently completed London Overground extension. This highly accessible location will potentially attract higher value businesses, which is evident by the construction activity on the vacant parcel of land.

Recommendations

- 3.120. There are no boundary changes recommended for this KIBA.

KIBA 23 – Loughborough Road

Location & Existing planning designations

- 3.121. This KIBA is located in Camberwell, to the east of Loughborough Junction. The site has good transport links and is within a 5 minute walking distance of Loughborough Junction Station and local shops and amenities.

Property Appraisal

- 3.122. The KIBA supports Sui-Generis and B1(c) uses are located underneath railway arches. The site is actively marketed for workshop and light industrial units. The site is old (more than 20 years) and is of a fair quality.
- 3.123. The KIBA has a total of 4,894sq.m of commercial floorspace, of which some 3,553sq.m (73%) falls within the B use classes.
- 3.124. There are 28 premises within this KIBA, four of which are vacant equating to 16% of all premises. The KIBA has a low-medium level of B class vacancy at 11% of total B class floorspace.

Figure 20. Railway Arc Light Industrial Premises, off Loughborough Road



Access and Parking

- 3.125. Access to the KIBA is from two narrow access roads, Gordon Grove and Rathgar Street. The narrow access roads have evidence of pot-holing and the ease of access into the KIBA is made more difficult by the parked cars that are informally parked on the access roads. This could cause issues for businesses requiring regular access or deliveries.

Quality of Site Environment (including image, attractiveness and marketability)

- 3.126. The KIBA provides low value uses, such as building merchants, tyre suppliers that create a poor image for the majority of the KIBA. The current premises are suitable for the existing small businesses and would be inappropriate for larger businesses due to the constrained access arrangements, which would be unsuitable for HGVs etc.

Opportunities for Change

- 3.127. The potential exists to redevelop the core of the KIBA to accommodate further small workshops if the internal circulation and servicing of the site can be enhanced. These new units could be accommodated on some of the existing parking but this would need to be balanced against the parking requirement for the KIBA. In addition, a greater number of users may put pressure on the small access roads.

Recommendations

- 3.128. The KIBA boundary should be amended to include the railway arches between Wickford Street and Rathgar Road. There are also a couple of industrial units on the eastern side of Rathgar Road that should be included in the KIBA boundary.

KIBA 25 – South Bank House & Newport Street

Location & Existing planning designations

- 3.129. This KIBA is within the CAZ boundary and is situated to the north of the Borough, close to the Albert Embankment. The majority of the site falls within the Vauxhall Opportunity Area and the Thames Policy Area. The KIBA has good public transport links and is within a 10 minute walk of Vauxhall Underground Station and has good access to amenities and facilities within Vauxhall.

Property Appraisal

- 3.130. The KIBA is divided into two by the railway bridge. In the north-east corner of the KIBA is a ring-fenced site for new development, which contains some existing derelict buildings.
- 3.131. To the south of this (along Newport Street) are workshops and SMEs that are located under the railway arches. Although these units are old they are in a sound condition and are well occupied by a variety of businesses, including car repair workshops, building merchants. To the south of these premises is the Beaconsfield Contemporary Arts Centre and a vacant plot (on the corner of Black Prince Road and Newport Street that covers approximately 0.03 hectares.
- 3.132. The east corner of the KIBA (fronting onto Old Paradise Street) is a site occupied by a single occupier (Costa Coffee) on a good quality privately secured premises.
- 3.133. To the south and fronting onto Black Prince Road is Southbank House, which provides good quality fully serviced office space B1(a) in a building dating from the 1800s in a highly accessible location.
- 3.134. To the west and fronting onto Lambeth High Street is a four storey building vacant building that had been vacant since 2008 and was previously used office/workshop space by the London Fire Brigade. The site provides on-site parking directly in front of the building premises.
- 3.135. To the north is a two storey workshops that front onto Whitgift Street. These premises are currently vacant and have had some recent issues with squatters entering the block earlier this year, which resulted in the Fire and Emergency planning authority issuing an Interim Possession Order.¹²
- 3.136. The west is ring-fenced for new development and within this are some existing buildings, whilst the east is occupied by a single occupier (Costa Coffee) on good quality secure premises
- 3.137. The KIBA has a total of 28,052sq.m of commercial floorspace, of which some 24,732sq.m (88%) falls within the B use classes. There are 22 premises within this KIBA, eight of which are vacant equating to 16% of all premises. The KIBA has a high level of B class vacancy at 33% of total B class floorspace.

¹² April 2012 <http://multiplicidad.tumblr.com/post/21694843769/fire-station-social-centre>

Figure 21. Ring-fenced development site on Newport Street (north-east corner of the KIBA)



Figure 22. Costa Coffee fronting onto Old Paradise Street



Figure 23. Railway arches fronting onto Newport Road



Figure 24. Vacant site adjacent to Beaconsfield Contemporary Arts Centre (on the corner of Black Prince Road and Newport Street)



Figure 25. South Bank House



Figure 26. 2 storey vacant workshops (previously occupied by London Fire Brigade) fronting onto Whitgift Street



Figure 27. 4 storey vacant workshop premises (previously occupied by London Fire Brigade)



Access and Parking

- 3.138. Vehicle access to the KIBA is provided off the Albert Embankment, which forms part of the designated Transport for London Road Network. However, the road network covering the actual KIBA site comprises small local roads (Newport Street and Old Paradise Street), which are unsuitable for HGV access.

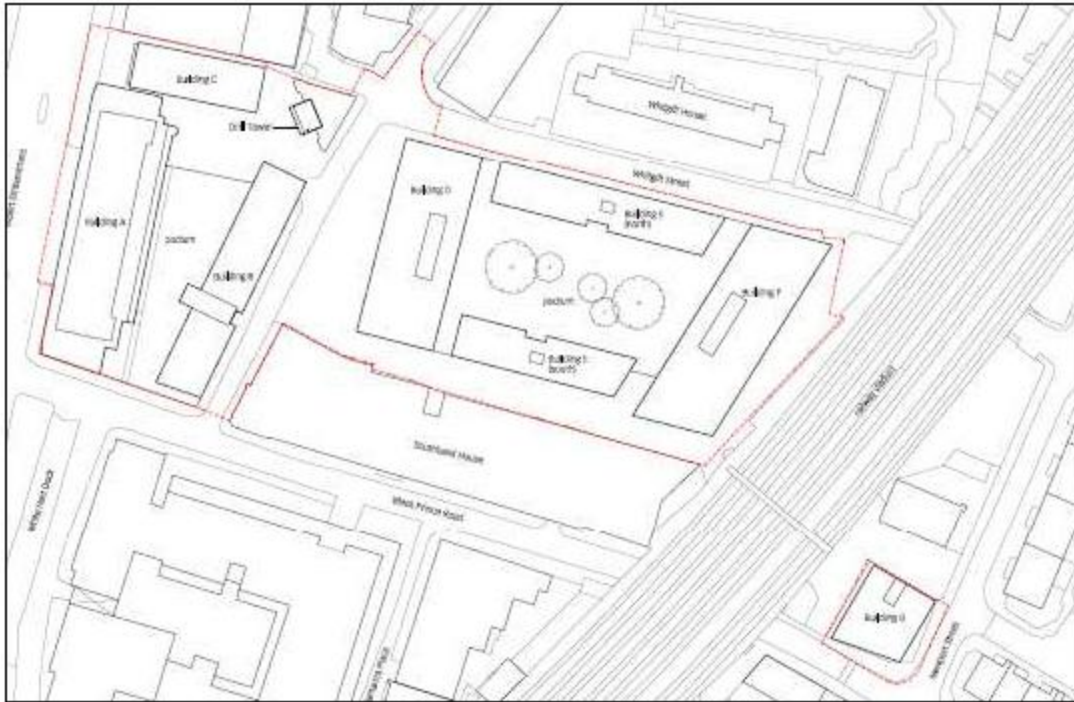
Quality of Site Environment (including image, attractiveness and marketability)

- 3.139. The ring-fenced site (in the north-east corner of the KIBA) could create a higher quality environment once developed. Planning permission (reference 05/01367/FUL) for the

redevelopment of 1-7 Newport Street was granted in July 2006. The works include the demolition of existing building (No 1 Newport Street) and erection of three storey building plus basement, together with refurbishment of No 3- 7 Newport street with internal and external works including installation of roof lights, an enclosed rear fire escape, a bridge at upper floor level (to connect No 7 and 3 Newport Street) and associated alterations to provide a private art gallery with ancillary offices and restaurant (Class A3) facilities.

- 3.140. The Costa Coffee roasting facility at 30-34 Old Paradise Street generates a smell that causes an amenity issue with neighbouring residential land uses. If the current occupier vacated the premises might come across re-letting difficulties. However, Costa Coffee has recently been granted planning permission in August 2012 (Application Reference 12/03015/FUL) to erect a two-storey infill extension at ground and first floor levels to create a new entrance and enlarge the 'roastery building', alongside the erection of a new metal clad coffee roasting hopper including associated chimneys and a feeder pipe as well as the replacement of existing security fencing. This recent planning application suggests that they Costa Coffee intended to continue their occupation of their current premises.
- 3.141. Southbank House is well-occupied and is actively marketing for a few office units. The Central London location of the premises means that the attractiveness and marketability of the site for new occupiers is high.
- 3.142. The London Fire Brigade and Emergency Planning Authority and their developers, Native Land, have lodged an appeal in August 2012 against Lambeth's refusal of planning permission (reference 10/04475/LB) for the redevelopment of former London Fire Brigade HQ on the Albert Embankment. The new development scheme would result in the provision of a fire station and associated function for the London Fire Brigade (Sui Generis), residential (class C3), office/business space (B1), units for shops, financial and professional services, restaurants and cafes and /or drinking establishments (classes A1,A2,A3 and/or A4) and creation of areas of open space.
- 3.143. The planning appeal is a residential led mixed use development. In terms of the proposed commercial uses the proposed breakdown is as follows:
- B1 (a) - 8,127sq.m, indicative employment density is 12 and creates 677 jobs.
 - Sui Generis - 2,634sq.m occupied by the Fire Station, creates 120 jobs.
 - A1-A4sq.m - 661sq.m, indicative employment density is 19 and creates 35 jobs.
- 3.144. The planning appeal application (reference 12/00098/FULREF) affects a number of sites within the KIBA as shown in Figure 28. The original application was refused in February 2012 on the grounds that are summarised as follows:
- Proposed alterations and extensions to 8 Albert Embankment and the height and the width of the building fronting onto Lambeth High Street would be unacceptably harmful to the special architectural and historic interest and setting of the Grade II Listed 8 Albert Embankment and the wider Thames Policy Area and the Albert Embankment Conservation Area;
 - Impact upon the levels of daylight and sunlight received to neighbouring residential properties;
 - Provision of an unacceptably low level of affordable housing
 - Height and bulk of development would fail to relate satisfactorily to the adjacent townscape.
- 3.145. The grounds of refusal accord with the appeals analysis in Chapter 2 that identified that other design issues (e.g. privacy, lighting, noise etc) and impact on setting (traditional character, streetscaping) were major reasons for refusal of loss of B class use in Lambeth.

Figure 28. Red Line Boundary Plan of Appeal Application ¹³



Opportunities for Change

- 3.146. The KIBA benefits from a Central London location with good public transport connections. There is a considerable amount of new residential development in the area and is evident that a number of sites within the KIBA are coming under pressure from non-B class uses.
- 3.147. The vacant premises (previously occupied by London Fire Brigade) have been vacant for some time (from 2008) and have had recent issue with squatters entering the block on Whitgift Street. There is opportunity for these premises to be refurbished or redeveloped to appeal to new businesses.
- 3.148. The vacant site on the corner of Black Prince Road and Newport Street (covering approximately 0.03hectares) could be developed to provide new employment floorspace. The planning appeal application (reference 12/00098/FULREF) identifies this site could be developed for mixed use development with ground floor commercial with four storeys of residential above this. Theoretically, if this plot was developed as a four storey office development (at a plot ratio of 0.3) it would provide 360sq.m of floorspace or alternatively 150sq.m of B8 use floorspace (at a plot ratio of 0.5).
- 3.149. Given the recent planning application and long period of vacancy, it is evident that redevelopment opportunity for these sites may only come forward through a mixed use development scheme, which would be contrary to the KIBA policy.
- 3.150. The ring-fenced development site (in the north-east of the KIBA) that contains derelict buildings will assist in improving the image of their area once developed.

Recommendations

- 3.151. No changes are recommended for this KIBA.

¹³ – 12/00098/FULREF - 8 Albert Embankment And Land To Rear Bounded By Lambeth High St, Whitgift St, The Railway Viaduct, Southbank Hse Together With Land Corner Of Black Prince Rd And Newport St London

KIBA 26 – Stannary Street

Location & Existing planning designations

- 3.152. This KIBA is found to the north east of The Oval cricket ground. The site is bound by Kennington Park Road, to the east, Kennington Road to the West, and Ravensdon Street to the north. The south of the site is partly in a Local Centre designation as it is located in Oval. The KIBA has good public transport connections and is within a 5 minute walk of Oval Underground Station.

Property Appraisal

- 3.153. The KIBA contains mainly office uses and light industrial units. The premises fronting onto Kennington Road are higher value offices.
- 3.154. The quality of premises across the KIBA is good with the highest value uses concentrated along Kennington Park Road. Office development fronts onto Kennington Park Road and supports a variety of users, including the Job Centre, and a solicitors. It is evident that premises located along this main road are coming under pressure from other uses, particularly residential development.
- 3.155. The west KIBA fronting onto Stannary Street is a good quality self-contained site (more than 20 years old) that provides business space for SMEs, including designers, printers and media production. There are also a number of other premises along Stannary Street, including offices and timber merchants.
- 3.156. The KIBA has a total of 19,997sq.m of commercial floorspace, of which some 19,354sq.m (97%) falls within the B use classes.
- 3.157. There are 27 premises within this KIBA, four of which are vacant equating to 15% of all premises. The KIBA has a high level of B class vacancy at 22% of total B class floorspace.

Figure 29. Office premises fronting onto Kennington Park Road



Figure 30. Employment Premises supporting SMEs fronting onto Stannary Street



Access and Parking

- 3.158. Access to the site is good, via Kennington Park Road and Kennington Road, both of which are classified as part of the Transport for London Road Network. The largest offices situated on this KIBA have dedicated car parks, which appear adequate. Parking arrangements for the remainder of the site are more limited to on-street parking.

Quality of Site Environment (including image, attractiveness and marketability)

- 3.159. The quality of site environment is generally highest along Kennington Park Road, due to the type of activities located there. There is no evidence of marketing of the site.
- 3.160. There is evidence of active marketing of premises along Stannary Street. From an external examination, these premises appear to be suitable for re-letting without the need for redevelopment.

Opportunities for Change

- 3.161. Considering the site has good strategic road and public transport connections, it is likely that there will be gradual change towards a greater proportion of office uses on the KIBA.

Recommendations

- 3.162. No changes are recommended for this KIBA.

KIBA 27 – West Norwood Commercial Area

Location & Existing planning designations

- 3.163. The West Norwood Commercial Area comprises of a wide variety of B1(a), B8, B2 and Sui-Generis uses. The KIBA has developed over a long period of time in an ad-hoc manner, as such the age and condition of the premises across the KIBAs varies significantly. Overall the condition of the premises can be considered to be good to fair. The site is within a 5-10 minute walk of West Norwood Station. The West Norwood Commercial Area also provides the location for West Norwood Bus Garage.

Property Appraisal

- 3.164. The West Norwood Commercial Area provides a wide range of land uses. The KIBA is highly fragmented and consists of a range of B1(a), B1(c), B8 and Sui-generis uses. There has been incremental change since 2004 with the development of the Windsor Centre that provides light industrial units and workshops for SMEs.
- 3.165. The north of the site is fragmented providing a mixture of B1(c) and Sui-Generis uses, including toy suppliers, building merchants etc.
- 3.166. To the east and outside of the KIBA boundary (between Waring Street and Windsor Grove) is the Windsor Centre that provides a good quality light industrial units and is professionally managed by a major industrial property agent. Occupiers including small office businesses, plastic supplier and car workshops.
- 3.167. The section between Ernest Avenue and Rothschild Street is dominated by the West Norwood Bus Garage and a mixture of B1(c) and Sui-Generis uses in fair condition. Occupiers in this area include Kwik Fit, car repair workshops etc.
- 3.168. The south of the KIBA contains a mixture of B8 and B1(c) uses in varying conditions and older than 20 years. There is a large vacant parcel of land (south-west corner) and the area is dominated by a large single processing plant. There are also a number of small businesses in this area, including lettering firm, IT supplier.
- 3.169. The KIBA has a total of 44,747sq.m of commercial floorspace, of which some 33,939sq.m (76%) falls within the B use classes.
- 3.170. There are 41 premises within this KIBA, five of which is vacant equating to 12% of all premises. The KIBA has a medium-low level of B class vacancy at 11% of total B class floorspace. There is a large vacant site adjacent to a premises occupied by the Big Yellow Self Storage Company.

Figure 31. Single Processing Plant



Figure 32. Vacant land adjacent to the Big Yellow Self Storage Company



Figure 33. Windsor Estate



Access and Parking

- 3.171. Road access is accessed from London Distributor Roads and Local Distributor Roads. Access and parking arrangements vary across the KIBA, and are generally considered to be better in the west of the site when compared to the east. A number of premises found in this KIBA suffer from inadequate access for deliveries, and a shortage of car parking.

Quality of Site Environment (including image, attractiveness and marketability)

- 3.172. The KIBA has a wide variety of B1(a), B8, B2 and Sui-Generis uses and the attractiveness of the site for potential investors varies. The majority of premises are suitable for SMEs. However, some of the single occupier premises, such as the Single Processing Plant would need re-configuration for re-letting if the premises became vacant. The Windsor Estate and newer occupiers, such as the Big Yellow Self Storage Company show that the KIBA has incrementally been changing.

Opportunities for Change

- 3.173. The KIBA will continue to provide a mixture of B class and Sui-Generis uses and future redevelopment of premises will be on an incremental basis to upgrade the premises or if single occupiers vacant sites then sites would need to be redeveloped. Overtime this could provide approximately between 1 and 1.5 hectares of land for new B class use development.

- 3.174. Land on the north side of Chapel Road and located in the south-west corner of the KIBA (adjacent to the Big Yellow Self Storage Company) represent a significant opportunity for new development. The vacant parcel of land covers 0.31 hectares and has the potential to attract higher value employment uses. Theoretically, if this site was developed for B8 uses (at a plot ratio of 0.5) this would provide approximately 1,550sq.m of employment floorspace or alternatively if it was developed as a 4 storey office (at a plot ratio of 0.3) it would provide 3,720sq.m. A Land Registry search identified that there were three registered private owners for the site.
- 3.175. The Windsor Estate represents a high quality of premises built to modern standards which is suitable for continued use is a high quality premises.

Recommendations

- 3.176. The KIBA boundary should be amended to include the Windsor Estate, Royal Mail Depot and the storage yard. These facilities support B class use activities in premises which are comparable quality to other KIBAs. Designation as a KIBA will provide protection for the current employment generating activities, enable consistency with the KIBA policy criteria and provide a robust and defensible boundary for the West Norwood Commercial Area..

Other identified Employment Clusters

- 3.177. We have undertaken an analysis of other employment sites in the Borough (those outside the KIBAs).
- 3.178. In order to establish whether there were any significant clusters of employment land outside the KIBAs we have mapped the VOA data of B-Class activities, as shown in Appendix A. The mapping of the VOA business premises identified five clusters of B class employment premises with a significant number of B class units and high concentration of B class floorspace outside of major employment designations. The clusters that were investigated on site to assess the provision of employment uses at these locations, included:
- Cluster 1 – Kennington (SE11) (Kennington Road / Bishops Road)
 - Cluster 2 – Stockwell (SW9) (Hackford Walk)
 - Cluster 3 – Stockwell (SW9) (Stockwell Road)
 - Cluster 4 - South Lambeth (SW8) (Peardon Street)
 - Cluster 5 – Clapham (SW4) (Abbeville Mews)
- 3.179. From the site investigations, two of the clusters were identified as suitable employment clusters that were of a similar scale and quality to the existing KIBAs. The other clusters were deemed unsuitable as employment cluster locations as they had a large mix of uses (such as retail, residential, commercial). In contrast, both Cluster 2 and Cluster 5 provided self-contained premises and flexible floorspace for SMEs, which should be considered as potential new KIBA designations.
- 3.180. An approximate floorspace estimate for each of the clusters has been identified using the VOA data, as set out in Table 15 and a site appraisal of each of the clusters follows this.

Table 15. 'Other' identified employment clusters

Cluster	B1(a) (sq.m)	B1(c) (sq.m)	Total (sq.m)
Abbeville Mews (Clapham) SW4 9LA	10,790	675	11,465
Hackford Walk (Stockwell) SW9 0QT	8,246	1,225	9,471
Grand Total	19,036	1,900	20,936

Source: Atkins based on VOA data

Cluster – Hackford Walk, Stockwell

Location & Existing planning designations

- 3.181. This commercial cluster is situated within a self-contained mews at the end of Hackford Road between Clapham Road and Brixton Road. It is within walking distance of both Stockwell (Victoria Line) and Oval (Northern Line) Underground Stations.

Property Appraisal

- 3.182. The commercial cluster comprises a series of office suites set around a self-contained courtyard mews with units providing a variety of sizes. The commercial cluster supports a variety of SMEs, including a catering company, lighting firms, design firms, etc.

Figure 34. Hackford Walk



Access and Parking

- 3.183. The site is accessed from Hackford Walk which is just off Hackford Road. The existing parking meets the needs of the current occupiers.

Quality of Site Environment (including image, attractiveness and marketability)

- 3.184. The overall quality of the site environment is excellent. There is evidence of some marketing of ground floor residential/office units.

Opportunities for Change

- 3.185. There is no opportunity for change on this employment cluster at present.

Recommendations

- 3.186. Designate as KIBA to protect B class employment uses. The self-contained B-class employment cluster should be protected as it provides flexible space for SMEs.

Cluster – Abbeville Mews, Clapham

Location & Existing planning designations

- 3.187. This commercial cluster is located on the south side of Clapham Park Road, just to the west of the junction with Abbeville Road.

Property Appraisal

- 3.188. The commercial cluster provides self contained B1 office units in a modern office mews complex that supports a variety of SMEs; including solicitors, design firm, interior designers.

Figure 35. Cluster - Abbeville Mews



Access and Parking

- 3.189. The site is accessed via Northbourne Road, Clapham Park Road and a narrow lane off Park Hill Road. The existing parking meets the needs of the current occupiers.

Quality of Site Environment (including image, attractiveness and marketability)

- 3.190. The overall quality of the site environment is excellent. There is evidence of some marketing of ground floor residential/office units.

Opportunities for Change

- 3.191. There is no opportunity for change on this employment cluster at present.

Recommendations

- 3.192. Designate as a KIBA to protect B class employment uses. The self-contained B-class employment cluster should be protected as it provides flexible space for SMEs.



Summary of Key Recommendations

- 3.193. The KIBA desk-top analysis and the site appraisals have identified vacant land with potential for development and also land with opportunity for intensification as follows:


Vacant Land

- 3.194. Within the KIBAs there are some key vacant sites which can be developed for employment uses. It is important to identify these opportunities as these areas are a potential supply of employment land. Some 0.69 ha of vacant land in the KIBAs was identified using satellite photography and was verified on site, are set out in Table 16.

Table 16. Vacant Land Parcels in KIBAs

KIBA	Existing KIBA Boundary	Proposed KIBA Boundary
KIBA 16 Montford Place	Land East of Montford Place covers 0.35 hectares and could be developed to provide new employment floorspace. A Land Registry search identified that there is a freeholder licence for the 'Land and Buildings at Montford Place'. ¹⁴	
KIBA 25 South Bank House & Newport Street	Land on the corner of Black Prince Road and Newport Street (covering approximately 0.03 hectares) could be developed to provide new employment floorspace. This site could also come forward as part of a scope for intensification in this KIBA. The planning appeal application (reference 12/00098/FULREF) identifies this site could be developed for mixed use development with ground floor commercial with four storeys of residential above this.	

¹⁴ Further investigation of site required

KIBA	Existing KIBA Boundary	Proposed KIBA Boundary
KIBA 27 West Norwood	Land on the north side of Chapel Road (covers approximately 0.31 hectares). A Land Registry search identified that there were three registered private owners for the site under one freeholder licence.	

Land with Scope for Intensification / Redevelopment.


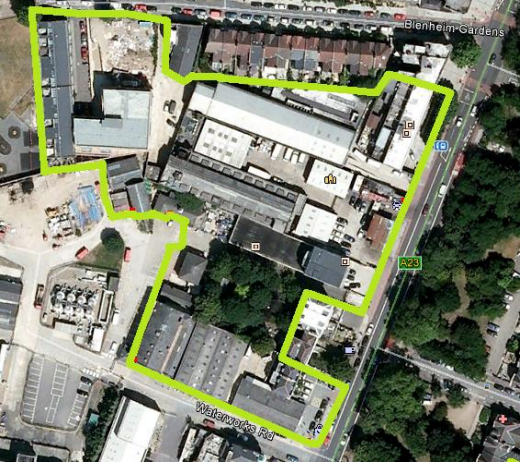



3.195. Approximately 2.5 ha of land has been identified where sites with scope for intensification or regeneration, include:



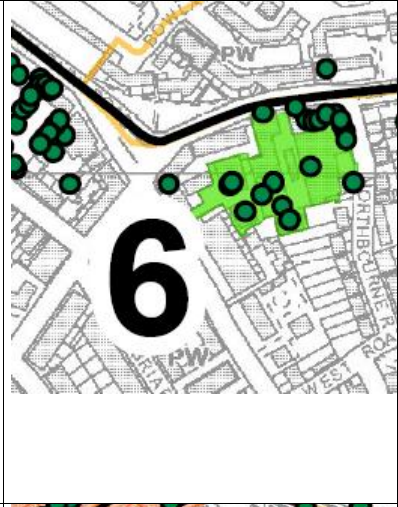

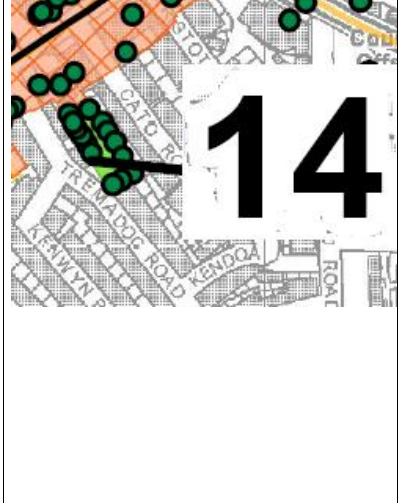

- KIBA 25 South Bankhouse & Newport Street has a planning appeal application (reference 12/00098/FULREF) covering 1.26 hectares of the KIBA, which includes the vacant land on the corner of Black Prince and Newport Street (see above in vacant land).
- KIBA 27 West Norwood continues to provide a mixture of B class and Sui-Generis uses and future redevelopment of premises will be on an incremental basis to upgrade the premises or if single occupiers vacant sites then sites would need to be redeveloped. Overtime this could provide approximately between 1 and 1.5 hectares of land for new B class use development. In addition there is a parcel of vacant land on the north side of Chapel Road (see above in vacant land) that could be utilised for new development as part of the regeneration of the overall commercial area.





KIBA Boundary Amendments



3.196. Vacant land in the KIBAs was identified using satellite photography and was verified on site. Boundary recommendations are set out in Table 17:

Table 17. KIBA Boundary Amendments

KIBA	Existing KIBA Boundary	Proposed KIBA Boundary
KIBA 1 Waterworks Road		
KIBA 3 Bon Marche		<p>Recommend KIBA to be de-designated</p>
KIBA 4 Camberwell Trading Estate		

KIBA	Existing KIBA Boundary	Proposed KIBA Boundary
<p>KIBA 5 Clapham North Industrial Estate</p>		
<p>KIBA 6 Clapham Park Hill</p>		
<p>KIBA 14 Lion Yard</p>		

KIBA	Existing KIBA Boundary	Proposed KIBA Boundary
<p>KIBA 23 Loughborough Road</p>		
<p>KIBA 27 West Norwood</p>		

KIBA	Existing KIBA Boundary	Proposed KIBA Boundary
Cluster Abbeville Mews	Not currently a KIBA designation	
Cluster Hackford Walk	Not currently a KIBA designation	

4. Analysis of Local Property Market

Introduction

- 4.1. This section provides an examination of the Lambeth market for B class uses drawing upon the upon the EGI database to identify 'market signals', such as vacancy rates, stock and rental levels by location and property type. The following provides a summary of our property market research it provides a detail on recent market activity across the Borough according to the main property market indicators, including rents, investment deals and leasing activity.

Property Market Indicators

- 4.2. The property market indicators that were analysed for Lambeth include the following:

Rents

- 4.3. Typical monthly rents for office premises currently marketed range from £161-269 per sq.m, with higher quality offices (new build) having asking rents of £215-269 per sq.m. In neighbouring boroughs, Merton and Lewisham achieved lower rents at £70 - £140 per sq.m and £69 - £133 per sq.m, respectively. Whilst, Southwark achieved much higher rents at £270 - £320 per sq.m, due to its more Central London location.
- 4.4. Rents for the majority of mixed industrial premises (B1/B2/B8) currently on the market range between £91-140 per sq.m. Neighbouring borough Lewisham achieved lower rents at £65 - £99 per sq.m and £69 - £133 per sq.m. Southwark and Wandsworth have comparable rates to Lambeth at £86 -£129 per sq.m and £118 - £134 per sq.m, respectively.
- 4.5. Rents do vary across the Borough with a number of offices in Waterloo, South Bank and Vauxhall achieving rents over £250 per sq.m. Office rents are typically lower in Streatham and Brixton with some rents achieving less than £110 per sq.m.

Investment Deals

- 4.6. There has been limited investment transactions in both office and industrial sectors in the Borough between 2010 – 2012, with one office and five sales for industrial recorded. In comparison, Southwark has also only achieved one office and three industrial sales, Wandsworth had two office sales and two industrial sales and Merton has achieved two office and two industrial sales. This reflects the risk adverse nature of the current economic climate.

Leasing Activity

- 4.7. In comparison to investment deals, there has been a stream of leasing activity in the Borough particularly for office space. New office leases have totalled 9,550 sq.m between 2010 and 2012 and are typically medium sized premises covering up to 300 sq m. The neighbouring boroughs of Merton and Wandsworth had a good stream of office leases for mainly smaller units (between 50 sq.m – 150 sq.m). In contrast, Southwark also achieved a good steam of lettings but for mainly larger units (between 900 sq.m – 3,000 sq.m), which has resulted in a total of 34,150 sq.m of space let over the same period.

Property Market Profile Areas

- 4.8. The volume of commercial investment transactions for employment premises (B Use Class) has slowed due to the recent recession. However, between 2008 and 2012 there has been a consistent stream of leasing activity within the Borough, which indicates that the inner London Borough may have been less affected than other parts of the UK.

- 4.9. The following analysis identifies areas with significant B class employment activity that are also flagged for future commercial development opportunities:

Office

- 4.10. South Bank, Waterloo & Vauxhall (SE1) is part of the Central Activities Zone (CAZ) and is well located to serve as an attractive destination for office and cultural activities. The London Plan flags this location for regeneration through mixed use development. This is partly in response to

the steady loss of office floorspace from the area over the last 20 years and the lack of new office development coming forward to date (with the exception of new offices at Elizabeth House at Waterloo Station). The London Plan recognises the importance of Waterloo as an Opportunity Area for potential commercial development and jobs growth, alongside new housing development. Vauxhall/Nine Elms/Battersea is also identified as an Opportunity Area and both of these fall within the CAZ. The Opportunity Areas are promoted to accommodate both new jobs and new homes with a mixed and intensive use of land.

- 4.11. According to the South London Business Organisation, the South Bank, Waterloo & Vauxhall area serves as a global cultural and business quarter, with a large concentration of office space B1(a). It provides valuable office space for some major international companies, including Shell, BFI Imax and ITV. The area is also well-served by the transport hubs of Vauxhall and Waterloo.
- 4.12. In addition, South Lambeth (SW8), Kennington (SE11), have all received steady stream of leasing activity and are also located close to the South Bank Area, which benefits from good public transport connections and concentration of business uses.

Industrial

- 4.13. Clapham South (SW12), West Norwood (SE27), Dulwich (SE21) and Kennington (SE11) have received most of the transaction deals for industrial premises. According to the South London Borough Organisation, West Norwood is a prime location for industrial activity, which includes the West Norwood Commercial Area and the Norwood High Street Industrial Estate.

Other Key Areas

- 4.14. The Lambeth Economic Development Strategy has identified other key areas that are being regenerated to support existing and emerging businesses and to increase inward investment in the Borough.

Brixton

- 4.15. Brixton is a major town centre within the Borough that is pioneering with a media and culture focus, providing the location for a variety of retail, arts, entertainment recreation businesses and the recently regenerated Brixton market.
- 4.16. Brixton Town Centre is regarded as a key location for small businesses, particularly within creative and cultural industries. The area has excellent public transport links with the train, tube station and buses providing a convenient means of getting to and from the centre. The Future Brixton Masterplan will sets out the vision for improvements to the area and the Council is in the process of drafting the Brixton SPD.
- 4.17. The Economic Development Strategy (2012-2015) identifies that Brixton has potential to expand the arts, entertainment and recreation sector to create a more diverse leisure offer and add to its reputation as an entertainment 'niche' market.

Clapham

- 4.18. Clapham supports thriving leisure and evening economy and its main business profile consists of the creative and hospitality sectors. Clapham Common and to a lesser extent Clapham Town have very high levels of micro businesses. Clapham High Street has excellent train, tube and bus transport links that provide a convenient means of travelling to and from the Centre of London.
- 4.19. The recent East London Line extension from Surrey Quays to Clapham Junction is improving the connectivity to important jobs markets, including Canary Wharf and Shepherd's Bush. The area has also recently benefitted from investment through the Futures Clapham Masterplan, which has provided new housing along with health care, leisure and community facilities.
- 4.20. The Economic Development Strategy (2012-2015) aims to encourage a balanced mix of uses within the Clapham area. The Strategy identifies that a balance needs to be struck between warranting an increase in the leisure and entertainment sector (bars/restaurant/hotels/arts) and the potential negative impacts of the evening economy.

Stockwell

- 4.21. Stockwell is a relatively small District Centre, characterised by small basic shops and services. The area has seen some decline as major employers have progressively moved out of the

borough (including Freemans, Trumans bottling factory and the South Bank University).¹⁵ Local residents are more likely to commute to other places for work. There is a clear need to reassert Stockwell's identity as a vibrant District Centre.

- 4.22. Stockwell area supports mainly small businesses and has good underground and bus transport connections, with recent improvements including the new Cross River Tram. The community-led masterplan for Stockwell was published in 2008 by the Stockwell Partnership, although this has not been formally adopted by the Council.

Streatham

- 4.23. Streatham is a major centre that fulfils a mixed role with convenience and comparison shopping as well as having cultural and entertainment facilities. Micro businesses support a high proportion of the local area's total business base.
- 4.24. There are plans for a major private sector mixed use development: the Streatham Hub, which will provide a variety of residential, retail and leisure uses as well as a new TFL transport interchange.
- 4.25. The area is flagged by the Council for long-term regeneration as part of the Future Streatham Masterplan. In addition, Streatham is developing a Business Improvement District (BID), which will have a focus on improving public realm, the shopper experience, reducing crime and the marketing and promotion of the area.

Business Premises

- 4.26. Business surveys are used to inform the understanding of demand for new land and premises from local businesses. The three most recent surveys include the following:

South London Business Premises Survey

- 4.27. The South London Business Survey Study 2012 published by South London Business, provides the evidence for retaining other employment sites and premises not in KIBAs across the borough in order to meet demand for premises from small businesses, creative industries, social enterprises and the voluntary sector and in order to provide a spread of employment opportunities within neighbourhoods, close to where people live. The survey identified that majority of businesses (92%) that were interviewed employed less than 100 staff and that a major issue concerning them was the lack of available commercial premises to suit their needs.

Lambeth Business Perceptions Survey

- 4.28. The 2010 Survey published by DTZ, assesses business perceptions across the Borough. The report also covered inward investment based on consultations and analysis of Think London data from 2009/2010. The report considered Lambeth's attractiveness as part of understanding competition for Foreign Direct Investment (FDI).
- 4.29. Lambeth only attracted 1% of FDI jobs, in comparison to the neighbouring borough of Southwark that secured 3%. Respondents to the business survey identified Lambeth's most common weaknesses as traffic congestion, non business friendly Council and lack of support available. The report identified the priority areas for improvement as: more parking facilities, reduced business rates, increased business support and increased security including police patrols.
- 4.30. A key and significant factor of weak performance identified by the DTZ Research showed the limited availability of employment land and premises which was seen as a key constraint in stimulating new investment.

Lambeth Business Premises Survey

- 4.31. The 2007 Survey published by DTZ, assesses the current demand for, and supply of, business premises in the Borough. The study had a particular focus on small and medium enterprises, growth sectors and deprived areas. The survey also identifies some pertinent issues in relation to supply. Whilst it states that there is significant forecast growth in businesses requiring business premises, which could amount to the need for up to 30 hectares over the period to 2020, it

¹⁵ Local Economic Assessment (LEA), Lambeth First, 2011

identifies that there are limited future development opportunities (around 9 hectares) and low vacancy rates to meet this potential future demand. Therefore the study suggests that future growth in employment could be constrained by the current lack of available space.

Conclusion

- 4.1. The volume of commercial investment transactions for employment premises (B Use Class) has slowed due to the recent recession. However during this period, there has been a consistent stream of leasing activity in the Borough particularly for office space.
- 4.2. The South Bank, Waterloo & Vauxhall area provides a key location for office space B1(a) as it forms part of the Central Activities Zone (CAZ) and has good strategic public transport links. Streatham and Brixton provide secondary locations for offices in the Borough, offering cheaper office accommodation than in the CAZ.
- 4.3. Clapham South (SW12), West Norwood (SE27), Dulwich (SE21) and Kennington (SE11) have received most of the transaction deals for industrial premises in the Borough.
- 4.4. Other key areas that are being regenerated to support existing and emerging businesses and to increase inward investment in the Borough include Brixton, Clapham, Stockwell and Streatham. These areas are flagged as key locations for small and micro businesses and all benefit from excellent train, tube and bus transport links that provide a convenient means of travelling to and from the Centre of London.
- 4.5. The limited availability of employment land and premises is seen as a key constraint in stimulating new investment across the South London Business Premises Survey, Lambeth Business Perceptions Survey and the Lambeth Business Premises Survey. In particular, limited future development opportunities and low vacancy rates were considered as key constraints in meeting potential future demand in the Borough.

5. Economic Forecasts

Introduction

- 5.1. The following section assesses possible future employment trajectories for Lambeth. These forecasts will ultimately underpin our analysis of likely demand side floorspace requirements for B use classes (B1, B2 and B8) in Lambeth in the period to 2026.

A cautionary note on forecasting

- 5.2. Forecasts can provide an indication of what might happen in terms of future employment growth but are not definitive.
- 5.3. It is difficult to predict with any certainty the levels of future employment growth in a particular area and therefore care should be taken when interpreting employment forecasts. Forecasts can vary depending on their source – Cambridge Econometrics, Oxford Economics and Experian are some of the key firms which produce employment forecasts and each of these adopt varying approaches and will produce slightly different results.
- 5.4. It is difficult to predict future trends at any time but when there have been significant economic (e.g. recession) and political changes, it is even more difficult to produce forecasts which are reliable. Forecasts for individual districts and sectors are usually extrapolated from regional growth forecasts and there are difficulties in preparing forecasts to this level of detail.

Methodology

Development of Future Employment Scenarios

- 5.5. Analysis in this section is based upon the latest employment forecasts for Lambeth generated by the Oxford Economics Multi-Regional Model. This is a highly sophisticated and respected econometric model. The raw data provided by the Oxford Economics Multi-Regional Model forms the basis of our Baseline Scenario for employment growth in Lambeth in the period from 2011 to 2026.
- 5.6. Given the caveats in the use of employment forecasts (see paragraphs 5.3 – 5.5 above), we have also developed two additional scenarios – a Lower Growth Scenario and a Higher Growth Scenario. These have been provided to sensitivity test and contextualise the Baseline scenario, reflecting the fact that future employment trajectories (and hence employment land requirements) are the function of a complex range of drivers and hence highly dynamic / fluid. Ultimately, the three scenarios are designed to highlight the breadth of the spectrum within which future employment trajectories in Lambeth could fall.
- 5.7. The characteristics of the three employment scenarios are summarised in the Table 18.

Table 18. Summary of Employment Scenarios 2011 - 2026

Scenario	Description	Source
Scenario 1 – Baseline Scenario	<ul style="list-style-type: none"> The Baseline scenario presents the raw data generated by the Multi-Regional Model produced by Oxford Economics. This is a highly sophisticated model which is run in parallel with Oxford Economics full range of econometric models, ensuring that the model reflects a range of economic developments from the local to the global. The model combines elements of both top-down and bottom-up approaches, tallying for example with national employment trends, whilst reflecting local labour market characteristics 	Multi-Regional Model produced by Oxford Economics

Scenario 2 – Lower Growth	<ul style="list-style-type: none"> • A Lower Growth scenario which assumes that future employment growth in Lambeth's reflects recently observed growth rates. • To calculate this, we have used the employment growth projections set out in the GLA's recently published trend based employment forecasts for London Borough's. • The scenario assumes that the sectoral profile of employment in Lambeth going forward will be the same as that projected by the Baseline Scenario. 	Multi-Regional Model produced by Oxford Economics; GLA Economics – Working Paper 51: Employment projections for London by sector and trend-based projections by borough, 2011
Scenario 3 – Higher Growth Scenario	<ul style="list-style-type: none"> • A higher growth scenario which assumes that a higher level of commercial and housing development comes forward in the period to 2026. • This scenario utilises the high level projection set out in the emerging economic strategy (2012) that an additional 31,200 jobs could be generated in the Borough in the period to 2026 • Under this scenario, we assume that any additional jobs over and above those projected in the Baseline scenario will be split across the following sectors – Construction, Wholesale and retail trade, Accommodation and food service activities, Information and communication, Financial and insurance activities, Professional, scientific and technical activities, Administrative and support service activities and Arts, entertainment and recreation. These sectors were chosen to reflect the types of commercial development considered likely to come forward and the aspiration of LB Lambeth. • Under this scenario, we assume that any additional jobs over and above those projected in the Baseline scenario will be generated in the following time periods – 2011-2016 (15%), 2016-2021 (55%) and 2021-2026 (30%) 	Multi-Regional Model produced by Oxford Economics; Regeneris Consulting Assumptions

Converting Employment Projections into Floorspace Requirements

- 5.8. Future employment projections for Lambeth have been converted into future employment floorspace requirements using the Consultants employment floorspace model. This model assesses average levels of activity across each employment use class for each employment sector. It then allocates employment to each use class accordingly.
- 5.9. Based upon this, employment floorspace requirements are calculated using standard employment densities.¹⁶ Our employment density assumptions are summarised in Table 19:

¹⁶ Employment Densities Guide (2010), OffPat and HCA, accessed at <http://www.homesandcommunities.co.uk/sites/default/files/our-work/employ-den.pdf>

Table 19. Employment Density Assumptions

Use Class	Description	Employment Density (sq m)
B1 (exc. B1(c))	General Office	12
	Call Centre	8
	IT/Data Centre	47
	Business Park	10
	Serviced Office	10
	Average - B1	17.4
B1(c) and B2	Light Industry (Business Park)	47
	General Industry	36
	Average B1(c) and B2	41.5
B8	General Warehouse and Distribution	70
	Large Scale and High Bay Warehousing	80
	Average	75

Source: Employment Densities Guide (2010), OffPat and HCA, accessed at <http://www.homesandcommunities.co.uk/sites/default/files/our-work/employ-den.pdf>

- 5.10. Gross floorspace requirements are then converted into gross employment land requirements through the application of standard. These are summarised in Table 20 below.

Table 20. Plot Ratio Assumptions

Use Class	Type of Location	Plot Ratio
B1(a)	Business Park	0.3
	Town Centre	1.1
B1(c) and B2	-	0.4
B8	-	0.5

Source: Regeneris

- 5.11. Reflecting the difference in Plot Ratios for town centre and non-town centre B1(a) Use Classes, we have assumed that 80% of B1(a) Use Classes in Lambeth are town centres. This reflects the locational characteristics of Lambeth.
- 5.12. The final step in the process involves the conversion of all figures from square metres into hectares, to provide gross employment land requirements.

Employment Implications

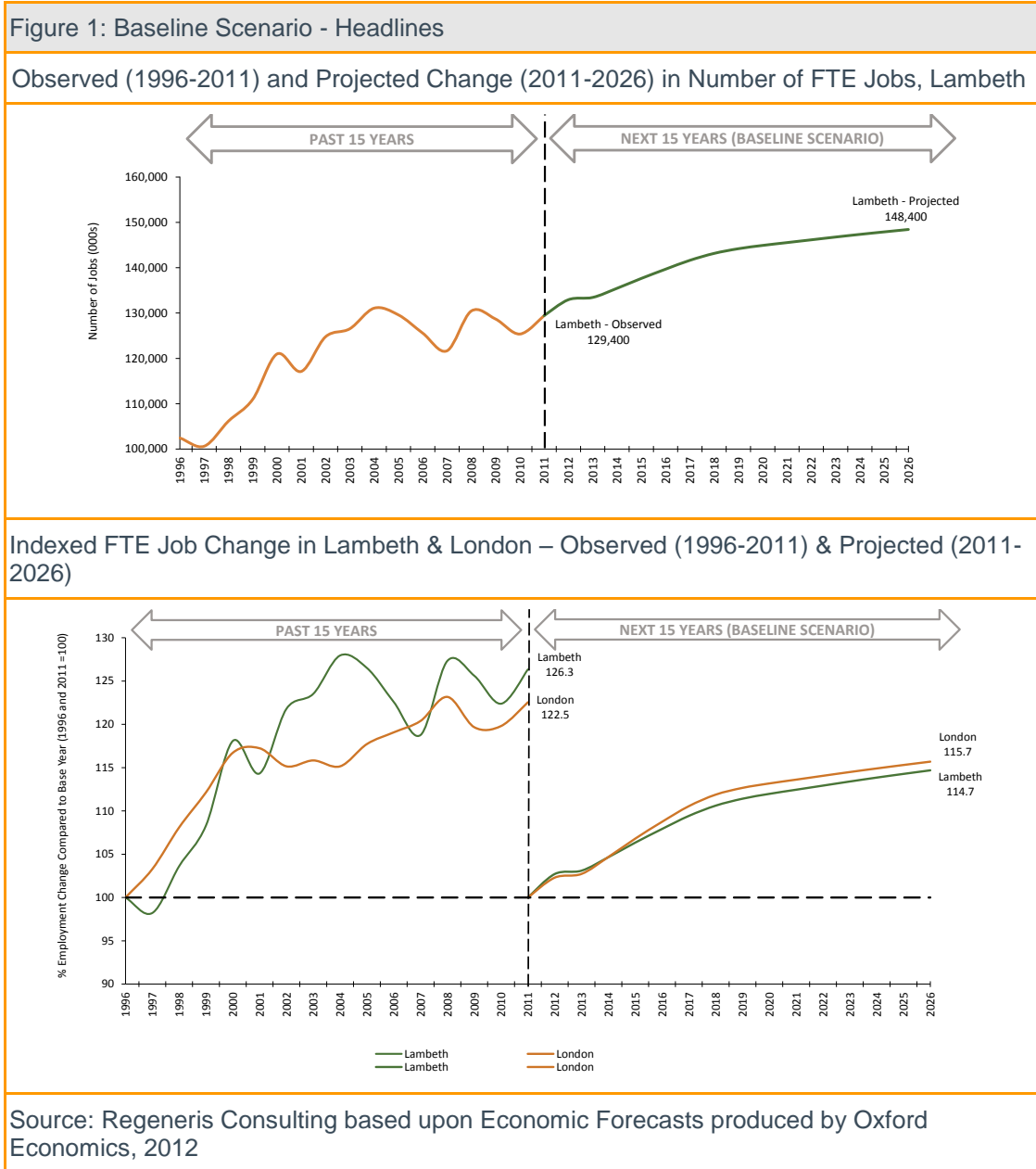
The Baseline Scenario in the Context of Recent Performance

- 5.13. Under the Base Scenario, the number of FTE jobs in Lambeth is projected to increase from 128,400 in 2011 to 148,400 over the next 15 years (to 2026). This would represent a strong increase of around 19,000 jobs, at a growth rate of 15% - a similar growth rate to that projected across London as a whole.
- 5.14. As highlighted by the chart below, employment growth going forward is projected to be weaker than performance observed over the last 15 years (between 1996 and 2011), during which

employment increased by around 26%. However, it is important to note that the majority of growth in that period took place prior to 2004 and that in the period since 2004 employment levels in the Borough have fluctuated.

- 5.15. As such, the Baseline scenario projects a return to sustained employment growth for Lambeth, replacing several years of static employment growth.

Figure 36. Baseline Scenario - Headlines



Source: Regeneris Consulting based upon Economic Forecasts produced by Oxford Economics, 2012

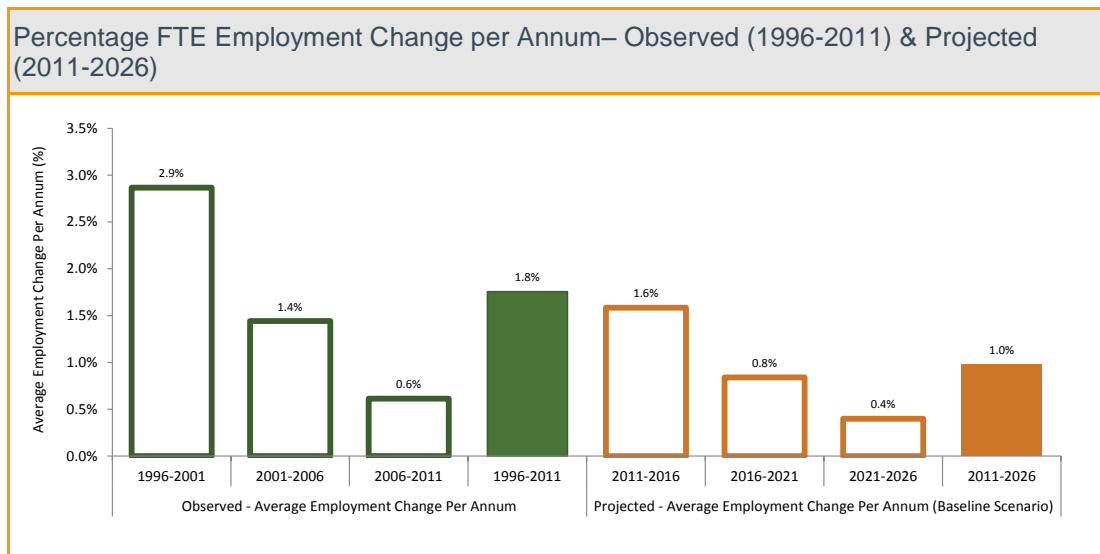
- 5.16. Over the 15 years to 2026, employment is projected to grow at an average rate of 1.0% per annum, as shown in Table 21. However, within this time period, the highest rate of employment growth is projected to occur in the 2011-2016 period (a projected growth rate of 1.6% per annum). After 2016, the rate of employment growth is projected to slow to 0.8% per annum in 2016-2021 and 0.4% per annum in 2021-2026.

Table 21. Employment Change in Lambeth– Observed (1996-2011) and Projected (2011-2026)

		Absolute Change	% Change	Average Annual Change (%)
Observed	1996-2001	14,700	14.3%	2.9%
	2001-2006	8,400	7.2%	1.4%
	2006-2011	3,900	3.1%	0.6%
	1996-2011	27,000	26.3%	1.8%
Projected (Baseline Scenario)	2011-2016	10,200	7.9%	1.6%
	2016-2021	5,900	4.2%	0.8%
	2021-2026	2,900	2.0%	0.4%
	2011-2026	19,000	14.7%	1.0%

Source: Regeneris based upon Oxford Economics Economic Forecasts, 2012

- 5.17. These trends are examined in more detail in the charts below which compare recently observed FTE employment performance in Lambeth to projected FTE employment performance over the next 15 years.

Figure 37. Percentage FTE Employment Change per Annum– Observed (1996-2011) & Projected (2011-2026)

Source: Regeneris Consulting based upon Oxford Economics Economic Forecasts, 2012

Comparing Baseline Projections to Higher and Lower Growth Scenarios

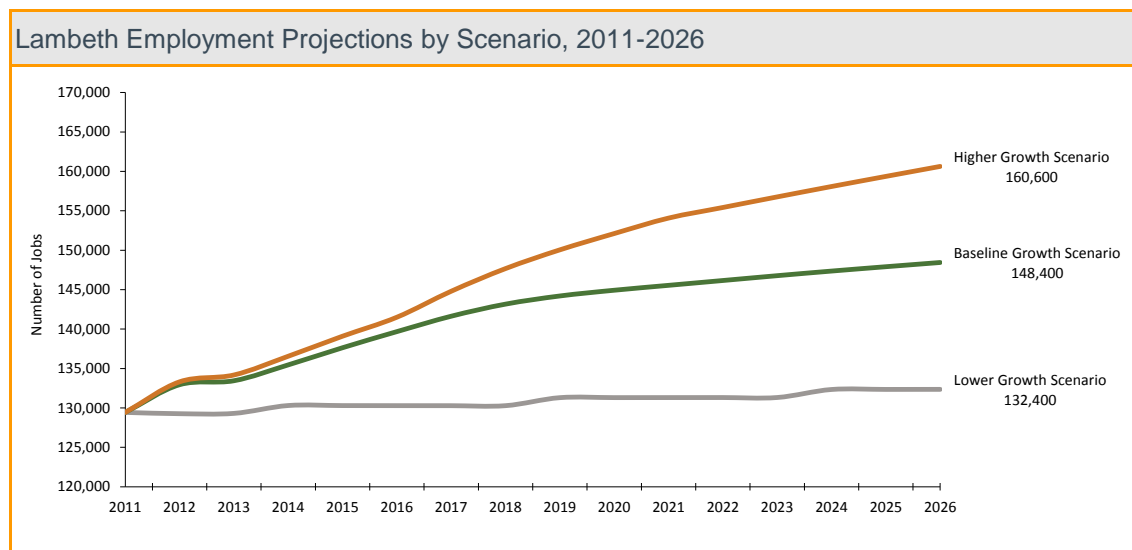
- 5.18. The employment implications under each of the future employment scenarios are summarised in the Table 22 below:
- The overall number of FTE jobs Lambeth is estimated at 129,400 in 2011.
 - As discussed above, under the Baseline scenario, it is projected that FTE employment will total 148,400 by 2026.
 - Under the Lower Growth Scenario (based upon recent employment trends), employment is projected to reach around 132,000 by 2026.
 - Under the Higher Growth Scenario, employment is projected to reach 132,400.

Table 22. FTE Employment Summary, All Scenario's – 2011-2026

	2011	2016	2021	2026
Lower Growth Scenario	129,400	130,300	131,300	132,400
Baseline Growth Scenario	129,400	139,700	145,500	148,400
Higher Growth Scenario	129,400	141,500	154,100	160,600

Source: Regeneris Consulting based upon Oxford Economics Economic Forecasts, 2012

- 5.19. The broad trajectory of 2011 to 2026 employment change under the three scenarios is mapped in the chart below. The chart highlights that variable employment growth is projected up to 2013, after which relatively strong and sustained employment growth is projected under the Baseline and Higher Growth Scenario.

Figure 38. Lambeth Employment Projections by Scenario, 2011-2026

Source: Regeneris Consulting based upon Oxford Economics Economic Forecasts, 2012

- 5.20. The implications of the above table and chart in terms of future employment change are presented in the Table 23 below:

- As discussed above, under the Baseline scenario, it is projected that FTE employment will increase by around 19,000 to 2026 (growth of around 15%). Over the whole time period this equates to average growth of around 3,800 jobs per annum.
- Under the Lower Growth Scenario it is projected that employment will increase by around 2,900 to 2026 (growth of around 2%). Over the whole time period this equates to average growth of around 600 jobs per annum.
- Under the Higher Growth Scenario, it is projected that employment will increase by around 31,200 to 2026 (growth of around 24%). Over the whole time period this equates to average growth of around 6,200 jobs per annum.

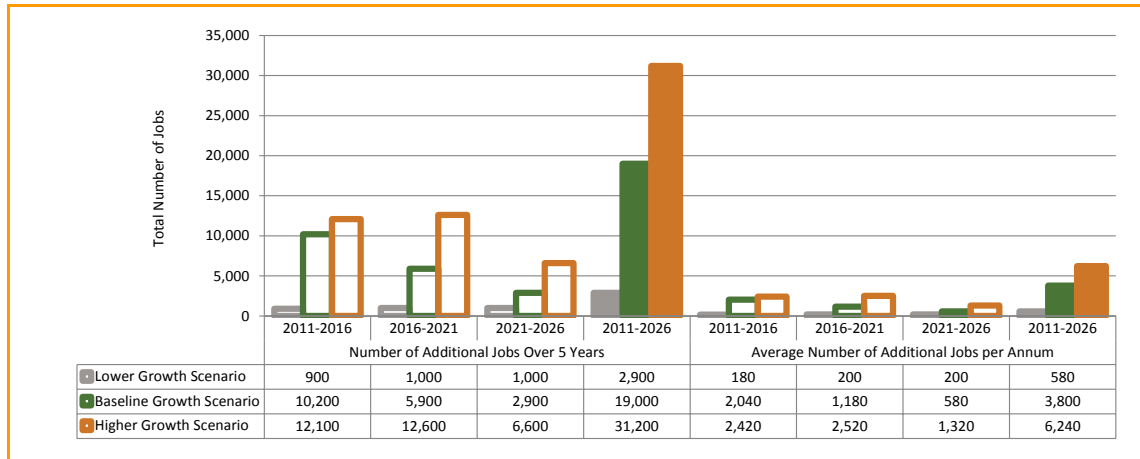
Table 23. Projected Change in Number of FTE Jobs, 2011-2026

		2011-2016		2016-2021		2021-2026		2011-2026	
		Actual	%	Actual	%	Actual	%	Actual	%
Lower Growth Scenario	Change over 5 years	900	0.7%	1,000	0.8%	1,000	0.8%	2,900	2.3%
	Average per annum	180	0.1%	200	0.2%	200	0.2%	580	0.5%
Baseline Growth Scenario	Change over 5 years	10,200	7.9%	5,900	4.2%	2,900	2.0%	19,000	14.7%
	Average per annum	2,040	1.6%	1,180	0.8%	580	0.4%	3,800	2.9%
Higher Growth Scenario	Change over 5 years	12,100	9.3%	12,600	8.9%	6,600	4.3%	31,200	24.1%
	Average per annum	2,420	1.9%	2,520	1.8%	1,320	0.9%	6,240	4.8%

Source: Regeneris Consulting based upon Oxford Economics Economic Forecasts, 2012

5.21. These projected growth rates are visualised in the chart below:

Figure 39. Lambeth – Projected Employment Growth Rates by Scenario, 2011-2026

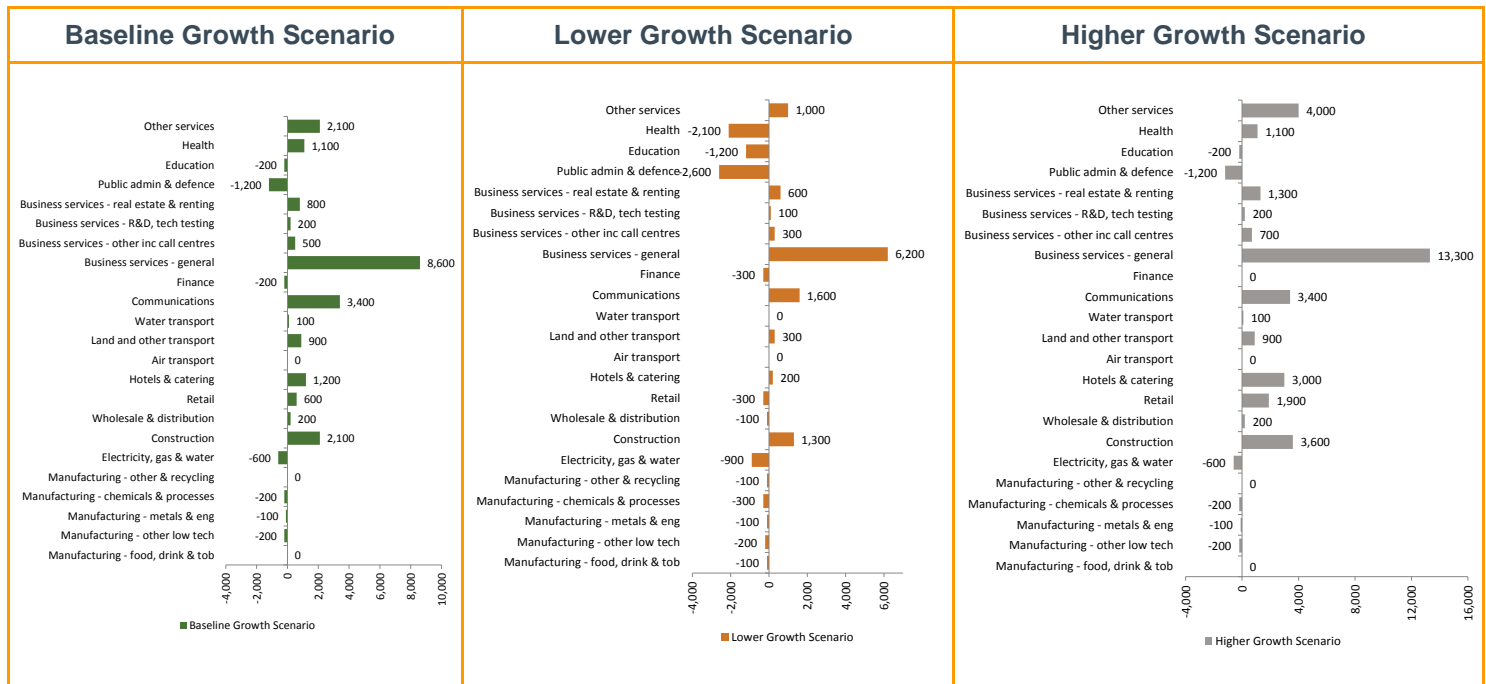


Source: Regeneris Consulting based upon Oxford Economics Economic Forecasts, 2012

5.22. Figure 40 below gives an indication of how each employment sector is projected to perform in the period to 2026 under the Baseline Scenario. The chart highlights that:

- Under the Baseline Scenario, employment is projected to increase in General Business Services (+10,000 jobs), Communications (+3,600 jobs), Construction (+2,200 jobs), Other Services (including Arts and Recreation) (+2,500 jobs) Hotels and Catering (+1,600 jobs), Health (+1,300 jobs) and Land Transport and Storage (+1,000 jobs).
- Under the Baseline Scenario, employment is projected to decline in Public Administration (-1,300 jobs), Electricity, Water and Gas (-600 jobs) and Education (-300 jobs).

Figure 40. Projected Employment Change by Sector- 2011-2026



Source: Regeneris Consulting based upon Oxford Economics Economic Forecasts, 2012

Employment Floorspace Implications

- 5.23. Using the Consultants employment floorspace model, the above employment projections have been assessed in relation to B use classes.
- 5.24. Over the period to 2026, increasing levels of employment relating to B uses are projected. This is highlighted by Table 24 below:
 - In the period to 2026, 9,900 additional B Use Class jobs are projected under the Baseline Scenario, 4,100 under the Lower Growth Scenario and 16,200 under the Higher Growth Scenario.
 - Across all three scenarios, the majority of job creation is projected to occur under B1(a) uses. Under the Base and Higher Growth scenarios, employment is also projected to increase for B8 Uses (a decrease in employment for B8 Uses is projected under the Lower Growth Scenario). Across all three scenarios, employment is projected to decline for B1(c) / B2 uses.
 - Broadly speaking, these trends reflect the projected sectoral changes in employment discussed above, with increases projected for the quantum of business services / office related jobs.

Table 24. Projected Change in Employment by Use Class, 2011-2026

		Projected Increase in Number of Jobs					
		B1 (exc. B1(c))	B1(c) & B2	B8	Total B Use	Other Uses	All Jobs
2011-2016	Base Scenario	4,900	-100	600	5,400	4,900	10,200
	Lower Growth Scenario	2,100	-200	100	2,100	-900	1,200
	Higher Growth Scenario	5,700	-100	600	6,300	5,800	12,100
2016-2021	Base Scenario	2,800	-100	100	2,800	3,100	5,900
	Lower Growth Scenario	1,300	-200	-100	1,000	200	1,200
	Higher Growth Scenario	6,000	-100	300	6,300	6,300	12,600
2021-2026	Base Scenario	1,900	-100	-100	1,700	1,200	2,900
	Lower Growth Scenario	1,300	-200	-100	1,000	100	1,200
	Higher Growth Scenario	3,700	-100	100	3,600	2,900	6,600
2011-2026	Base Scenario	9,600	-300	600	9,900	9,200	19,000
	Lower Growth Scenario	4,800	-600	-100	4,100	-600	3,500
	Higher Growth Scenario	15,400	-300	1,100	16,200	15,000	31,200

Source: Regeneris Consulting based upon Oxford Economics Economic Forecasts (2012)

5.25. The implications of the above employment projections in terms of future employment floorspace requirements are set out in Table 25 below:

- All scenarios project additional need for B1(a) employment floorspace in the period to 2026. In gross terms, this ranges from 82,700 sq.m under the Lower Growth Scenario, up to 166,300 sq.m under the Baseline Scenario and 268,500 sq.m under the Higher Growth Scenario.
- All scenarios project overall declines in demand for B1(c) & B2 employment floorspace in the period to 2026. The decline in requirements for B1(c) and B2 range from -22,900 sq.m under the Lower Growth Scenario, to -14,400 sq.m under the Baseline Scenario and -12,600 sq.m under the Higher Growth Scenario.
- The Baseline Scenario and Higher Growth Scenarios project an increase in demand for B8 floorspace of 48,100 sq.m and 79,400 sq.m respectively. Under the Lower Growth Scenario, demand for B8 is projected to decline by 9,300 sq.m.
- Note that the translation of employment forecasts into floorspace has not accounted for any change in economic productivity. Technological change and structural change in the economy influence the extent of changes to productivity may affect future employment densities.

Table 25. Projected Demand for Floorspace, 2011-2026 (sq.m)

		B1 (exc. B1(c)) (sq.m)	B1(c) & B2 (sq.m)	B8 (sq.m)	Total
2011-2016	Base Scenario	84,400	-2,900	43,300	124,800
	Lower Growth Scenario	36,700	-8,100	10,400	39,000
	Higher Growth Scenario	99,200	-2,700	48,400	144,900
2016-2021	Base Scenario	49,100	-5,800	8,800	52,100
	Lower Growth Scenario	22,900	-8,200	-9,100	5,500
	Higher Growth Scenario	105,300	-4,800	26,000	126,500
2021-2026	Base Scenario	32,800	-5,700	-4,000	23,200
	Lower Growth Scenario	23,200	-6,500	-10,600	6,000
	Higher Growth Scenario	64,100	-5,100	5,000	63,900
2011-2026	Base Scenario	166,300	-14,400	48,100	200,100
	Lower Growth Scenario	82,700	-22,900	-9,300	50,500
	Higher Growth Scenario	268,500	-12,600	79,400	335,300

Source: Regeneris Consulting based upon Oxford Economics Economic Forecasts (2012) and HCA Employment Densities Guidance

5.26. The gross floorspace figures set out in the table above have been converted into illustrative employment land requirements by applying standard plot ratios (see section on methodology for assumptions) and converting sq metre into hectares. The headline employment land requirements to 2026 are set out in Table 26 below:

- Additional employment land requirements for all B uses for the period to 2026 range from 4.0 hectares under the Lower Growth Scenario, up to 29.2 hectares under the Baseline Scenario and 50.2 hectares under the Higher Growth Scenario.
- All scenarios project additional need for B1(a) employment land in the period to 2026. In gross terms, this ranges from 11.5 hectares under the Lower Growth Scenario, up to 23.2 hectares under the Baseline Scenario and 37.4 hectares the Higher Growth Scenario.
- All scenarios project overall declines in demand for B1(c) & B2 employment floorspace in the period to 2026. The decline in requirements for B1(c) and B2 range from -5.7 hectares under the Lower Growth Scenario, to -3.6 hectares under the Baseline Scenario and -3.2 hectares under the Higher Growth Scenario.
- Again, the Baseline Scenario and Higher Growth Scenarios project an increase in demand for B8 floorspace of 9.6 hectares and 15.9 hectares respectively. Under the Lower Growth Scenario, demand for B8 is projected to decline 1.9 hectares.
- Note that in an inner London location such as Lambeth the land indicator is of limited usefulness for planning purposes as opportunities relate to brownfield sites where opportunities for the provision of additional or upgraded floorspace result from a process of redevelopment where the market is able to support such activity.

Table 26. Projected Change in Demand for Employment Land, 2011-2026, Ha

		B1 (exc. B1(c)) (ha)	B1(c) & B2 (ha)	B8 (ha)	Total
2011-2016	Base Scenario	11.8	-0.7	8.7	19.7
	Lower Growth Scenario	5.1	-2.0	2.1	5.2
	Higher Growth Scenario	13.8	-0.7	9.7	22.8
2016-2021	Base Scenario	6.8	-1.4	1.8	7.1
	Lower Growth Scenario	3.2	-2.1	-1.8	-0.7
	Higher Growth Scenario	14.7	-1.2	5.2	18.7
2021-2026	Base Scenario	4.6	-1.4	-0.8	2.4
	Lower Growth Scenario	3.2	-1.6	-2.1	-0.5
	Higher Growth Scenario	8.9	-1.3	1.0	8.6
2011-2026	Base Scenario	23.2	-3.6	9.6	29.2
	Lower Growth Scenario	11.5	-5.7	-1.9	4.0
	Higher Growth Scenario	37.4	-3.2	15.9	50.2
Note: Please refer to section on Methodology for assumptions made regarding Plot Densities					

Source: Regeneris Consulting based upon Oxford Economics Economic Forecasts (2012) and HCA Employment Densities Guidance

Applying Forecast Scenarios

- 5.27. These forecasts provide a solid basis upon which to base decisions making. It is worth recognising that these are based on technical assessments and, as such, do not fully reflect all internal and external economic influences (including the dynamics of specific sectors and sub-sectors), changes in the way businesses operate, performance of companies in Lambeth and provision of employment space in surrounding boroughs and the rest of London.
- 5.28. With this caveat in mind, it is reasonable to assume that at a sector (and subsequently floorspace) level, the likely future demand is likely to vary. For instance, there are relatively few opportunities within Lambeth to provide for large clusters of B8 uses despite the potential demand in the Borough. Similarly, future marketing of the KIBAs could conceivably lead to an actual increase in demand for B1(c) and B2 uses.
- 5.29. This Employment Land Review offers an opportunity to solidify the aspiration of the Council and consider what this might mean for future policy. To achieve the Council's economic development strategy aspirations, the Council should be using the Higher Growth Scenario as the basis for planning. However, it should be recognised that to achieve this will be challenging, it will require a step change in economic development where the Council works proactively with partners to deliver interventions which can further stimulate demand (inward investment marketing etc.) if this is the case it is fair to assume that London Borough of Lambeth could progress along a trajectory towards the higher growth scenarios.

6. Future Employment site supply requirements

Introduction

- 6.1. Sections 3, 4 and 5 have highlighted the main issues facing Lambeth in terms of current supply and future demand for employment. This section assesses the suitability of existing identified employment sites in Lambeth to meet future business accommodation requirements to 2026.
- 6.2. The process undertaken can be summarised as follows:
- The amount of additional floorspace that needs to be provided in order to meet future requirements has been identified. This yields an estimate of net land requirements to be provided during the period to 2026 (chapter 5);
 - The existing employment sites have been evaluated in terms of their suitability for future employment use (see below); and
 - Recommendations on amount of floorspace potentially available (see below).

Refining a future portfolio of employment sites

Future employment requirements

- 6.3. The implications of the above employment projections in terms of future employment floorspace requirements are set out in chapter 5. In the period to 2026, 9,900 additional B Use Class jobs are projected under the Baseline Scenario, 4,100 under the Lower Growth Scenario and 16,200 under the Higher Growth Scenario.
- 6.4. All scenarios project additional need for B1(a) employment floorspace in the period to 2026. In gross terms, this ranges from 82,700 sq.m under the Lower Growth Scenario, up to 166,300 sq.m under the Baseline Scenario and 268,500 sq.m under the Higher Growth Scenario.
- 6.5. All scenarios project overall declines in demand for B1(c) & B2 employment floorspace in the period to 2026. The decline in requirements for B1(c) and B2 range from -22,900 sq.m under the Lower Growth Scenario, to -14,400 sq.m under the Baseline Scenario and -12,600 sq.m under the Higher Growth Scenario.
- 6.6. The Baseline Scenario and Higher Growth Scenarios project an increase in demand for B8 floorspace of 48,100 sq.m and 79,400 sq.m respectively. Under the Lower Growth Scenario, demand for B8 is projected to decline by 9,300 sq.m.
- 6.7. In order to meet employment land requirements to 2026, it is necessary to firstly identify employment locations which have the physical potential to accommodate future growth. This has been achieved through the 'taking stock' assessment, comprehensive site appraisals presented in chapter 3 and review of the local property market in chapter 4.

Supply Update

- 6.8. In order to assess ways in which future demand can be met, we have examined a range of potential sources of supply, which include:
- Vacant B Class Floorspace (Non KIBA) (source: EGI).
 - Vacant KIBA Floorspace (Survey of KIBA 2012).
 - Employment Floorspace from Vacant Land in KIBAs.
 - Employment Floorspace from Intensification of Land in KIBAs.
 - Commercial Development Pipeline.
 - Opportunity Areas (Vauxhall & Waterloo).
 - Town Centres (Brixton, Streatham, West Norwood/Tulse Hill).
- 6.9. Table 27 sets out a breakdown of potential employment floorspace. It should be noted that vacant floorspace can only go a certain way in meeting the future needs for employment

floorspace as there will always need to be a degree of vacant floorspace in a properly functioning market, and also the requirements for new floorspace are largely for B1(a) floorspace and B8 floorspace and therefore some of the vacant employment floorspace is not appropriate to meet these needs. Future employment floorspace needs are also sensitive to the market need for quality and location of premises.

Vacant KIBA Land Supply & Land for Intensification Assumptions

- 6.10. The amount of floorspace potentially available from vacant land at each of the KIBAs (identified through site appraisal surveys) has been estimated (refer to Table 27) by applying the following plot ratios:
- B1(a) (Offices) – 60%;
 - B2 and B1(c) (General Industrial) – 40%; and
 - B8 (Storage and Distribution) – 40%.
- 6.11. With regard to opportunity land at KIBAs, the potential additional capacity arising from redevelopment and / or intensification has been estimated by halving the above plot ratios for each type in order to make an allowance for existing floorspace which is replaced during the redevelopment process.
- 6.12. Plot ratio relates total gross floor area to the area of the site, e.g. two storey building covering half a site would have a plot ratio of 1:1 (equivalent to 100%).
- 6.13. Table 27 shows that there is potentially 22,500 sq.m of floorspace that could be developed in KIBAs on vacant land and through intensification of KIBAs.

Table 27. KIBA – Vacant Land and Land identified for Intensification / Redevelopment

KIBA	Area of Land		Indicative use			Floorspace (sq.m)			Total
	Size of Land (ha)	Land (sq.m)	B1(a)/b	B2 / B1(c)	B8	B1(a)/b	B2 / B1(c)	B8	
Employment Floorspace from Vacant Land in KIBAs									
KIBA 16	0.35	3,500	30%	10%	60%	1,050	350	2,100	3,500
KIBA 25	0.03	300	100%			3,500	-	-	3,500
KIBA 27	0.31	3,100	0%	0%	100%	-	-	3,100	3,100
Employment Floorspace from Intensification of Land in KIBAs									
KIBA 25	1.5	15,000	50%		50%	875	-	7,500	8,375
KIBA 27	1.26	12,600	30%	20%	50%	525	350	3,150	4,025
Total	3.45	34,500				5,950	700	15,850	22,500

Source: Atkins

- 6.14. Table 28 sets out the pipeline of potential B class employment floorspace. There is potentially 721,359sqm of floorspace available from the various sources of supply. The majority of this floorspace supply will be for B1(a) and B1 (b) uses. The Vauxhall and Waterloo floorspace has been estimated from the number of jobs identified in the SPD and London Plan documents. An average employment density ratio of 17.4 has been applied, which is the average employment density assumption for B1(a) floorspace used in the Consultants employment floorspace model (see Chapter 5).

Table 28. B Class Employment Floorspace (sq.m) – Supply 2011 - 2026

Category	Type	Office (B1(a)) / R&D (B1(b)) (sq.m)	General Industrial (B2) (sq.m)	Storage (B8) (sq.m)	Mixed Industrial (B1/B2/B8) (sq.m)	Total (sq.m)
Vacant B Class (Non KIBA – EGI) ¹⁷	B Class Use (Non KIBA)	203,246	3,741	0	6,453	213,440
Vacant KIBA (KIBA Survey 2012)	KIBA	21,278	9,038	9,152	0	39,468
KIBA - Land Vacant	KIBA 16	1,050	350	2,100	0	3,500
	KIBA 25	3,500	0	0	0	3,500
	KIBA 27	0	0	3,100	0	3,100
KIBA - Intensification Land	KIBA 25	875	0	7,500	0	8,375
	KIBA 27	525	350	3,150	0	4,025
Commercial Development Pipeline - Unimplemented Planning Permission	London Development Database (LDD)	2,835	-2315	-6,738	0	-6,217
Planning Policy	Vauxhall SPD (draft)	119,294 ¹⁸	0	0	0	119,294
	Waterloo (London Plan)	261,000 ¹⁹	0	0	0	261,000
	Brixton draft SPD) (work-in-progress) 2011	12,374 ²⁰	0	0	0	12,374
	Streatham Lambeth Core Strategy 2011	14,000	0	0	0	14,000
	West Norwood/ Tulse Hill Lambeth Core Strategy 2011	45,500	0	0	0	45,500
Total		685,477	11,165	18,264	6,453	721,359

Source: Atkins - figures are rounded to the nearest whole number

¹⁷ Note this figure includes vacant premises potentially located within Town Centres and Opportunity Areas which are included within estimates of future floorspace capacity below.

¹⁸ Consultants estimate

¹⁹ Consultants estimate

²⁰ Brixton in the future will have new B1(a) floorspace coming forward as part of the Council's proposals to create a campus around the Town Hall. However, there is likely to be a corresponding decrease in existing B1(a) floorspace as the Council vacates buildings such as International House (1,890sqm of B1(a) use class) and Blue Star House (1,736sqm of B1(a) use class). The floorspace for these buildings has been deducted from the 16,000sqm of B1(a) floorspace proposed within the masterplan.

- 6.15. Table 29 identifies the pipeline of potential B class employment jobs that could come forward using the floorspace identified in Table 28 as the basis. The number of jobs is calculated using average employment density assumptions the Consultants employment floorspace model (see chapter 5) and are summarised below:
- B1(a) (Offices) – 17.4
 - B2 and B1(c) (General Industrial) – 41.5
 - B8 (Storage and Distribution) – 75
 - Mixed Use – 41.5 (assuming average B1(c) and B2)
- 6.16. For the Vauxhall and Waterloo Opportunity Areas the number of jobs is taken from the SPD and the London Plan, respectively.
- 6.17. Table 29 shows that the potential floorspace supply available in Lambeth up to 2026, has the potential to accommodate approximately 40,000 jobs.

Table 29. B Class Employment Jobs (No.) - Supply 2011-2026

Category	Data Type	Office (B1(a) / R&D (B1(b)) (No.)	General Industrial (B2) (No.)	Storage (B8) (No.)	Mixed Industrial (B1/B2/B8) (No.)	Total (No.)
Vacant B Class (Non KIBA – EGI)	B Class Use (Non KIBA)	11,681	90	0	155	11,926
Vacant KIBA (KIBA Survey 2012)	KIBA	1,223	218	122	0	1,563
KIBA - Land Vacant	KIBA 16	60	8	28	0	97
	KIBA 25	201	0	0	0	201
	KIBA 27	0	0	41	0	41
KIBA - Intensification Land	KIBA 25	50	0	100	0	150
	KIBA 27	30	8	42	0	81
Commercial Development Pipeline - Unimplemented Planning Permission	London Development Database (LDD)	163	-53	-90	0	17
Planning Policy	Vauxhall SPD (draft)	6,856 ²¹	0	0	0	6,856
	Waterloo (London Plan)	15,000	0	0	0	15,000
	Brixton draft SPD) (work-in-progress) 2011	711	0	0	0	711
	Streatham Lambeth Core Strategy 2011	805	0	0	0	805
	West Norwood/ Tulse Hill Lambeth Core Strategy 2011	2,615	0	0	0	2,615
Total		39,395	269	244	155	40,063

Source: Atkins - figures are rounded to the nearest whole number

²¹ Up to 2031, the GLA estimate that Lambeth has the potential to provide 8,570 new jobs. Of this, it is estimated that approximately 80% of these will constitute B1(a) use class jobs and the remaining 20% are likely to constitute temporary construction jobs

Demand – Supply Balance

- 6.18. For the market to function efficiently and to allow effectively for churn, choice and flexibility, it will always be necessary for pipeline supply to be in excess of projected levels of future demand. In simply planning for an amount of supply which matches future estimates of demand in quantitative terms, the operation of the market will be distorted which would result in a significant element of demand not being met. In allowing employment growth to materialise through new development, a surplus in supply is required to ensure that actual demand can be met in terms of location, type, timing, quality and size.
- 6.19. Table 30 set out the relationship between the estimated demand and supply of employment floorspace in the Borough by type of floorspace. It takes the total supply identified in Table 28 and 29 from the outputs of the High Growth Scenario (identified in chapter 5). Whilst there is a significant pipeline of potential office and industrial supply. In contrast, there is a significant shortfall in the supply of warehousing floorspace at some -61,136 sq.m.

Table 30. Demand-Supply Balance (High Growth)

B Class Land Use	Jobs (No.)	Floorspace (sq.m)
Office / R&D (B1(a) / B1(b))	23,995	416,977
Industrial (B1(c) / B2) ²²	725	30,218
Warehousing (B8)	-856	-61,136
Total	23,863	386,059²³

Source: Atkins

- 6.20. Table 30 indicates that theoretically there is a significant pipeline of potential supply to support office / R&D (B1(a) / B2) and general industrial uses (B1(c)/B2).

Office and R&D - B1(a)/B1(b)

- 6.21. The projected level of demand in the Borough to 2026 translates into an overall floorspace requirement which represents an 10-33% increase in the overall stock of B1(a)/b premises which represents a significant increase.
- 6.22. The supply of potential opportunities identified in quantitative terms exceeds the demand (even under the high growth scenario). Broadly the current supply of vacant premises is able to cater for the potential demand for floorspace over the next 5 years in quantitative terms. This means that Lambeth is well positioned to benefit from an upturn in economic activity in inner London.
- 6.23. In terms of future potential both the VNEB and Waterloo Opportunity areas and the Town Centres provide a choice of locations for office based premises over 1,000 sq.m in size. The town centres have potential to provide more affordable accommodation appealing to SMEs than is likely to be provided within the two larger Opportunity areas. KIBAs and other sites also have a key role to play in meeting the requirements of occupiers who require standalone employment premises as well as managed workspace and other types of lower cost accommodation.
- 6.24. Locationally most future office supply will be concentrated in north of Lambeth (Vauxhall and Waterloo Opportunity Areas). Although this will ensure that much of future demand in these areas could be met by planned supply, demand arising in other locations will not be so readily served. The scale of opportunities provides choice and flexibility in the range and type of locations. However, the pace at which the Borough can accommodate growth is dependent on the process of redevelopment and re-provision of suitable floorspace within development proposals and the capability of the market and financial institutions to support regeneration and the redevelopment of premises.

²² Note the proposed Mixed Industrial (B1/B2/B8) floorspace and jobs has been combined with the General Industrial category (B2)

²³ Note given the caveats to data included in Table 28 the true extent of employment floorspace capacity is likely to be overrepresented in this table.

Light Industrial and Industrial Activities – B1(c)/B2

- 6.25. Overall it is anticipated that industrial (B2) and light industrial (B1(c)) employment and associated floorspace is expected to decline over the plan period. The level of decline in demand is of a scale reflecting a reduction of 7-12% of the total stock of B1(c)/B2 floorspace.
- 6.26. Through changes permitted under the Use Class Order 2012 premises up to 235 sq.m in size may be converted to B1 a/b or B8 through the market. The VOA data identifies that there 83% of Total existing B1(c) premises are below 235 sq.m, whilst also 83% of Total existing B2 premises are also below 235sq.m. There is a projected shortfall in provision in space for B8 activities (see below).
- 6.27. Even taking into account this potential the supply of opportunities for development does not meet the future projected quantitative estimates of future demand for warehousing (B8). There are a range of key factors that need to be taken into consideration which, in practice, will have an important impact on the actual balance between future demand and supply.

Warehousing and storage uses – B8

- 6.28. Depending on the projected growth scenario the level of demand for warehousing and storage activities in Lambeth to 2026 represents a change in the overall stock of between -7% to +60%.
- 6.29. The capability of the Borough to support demand for this activity is constrained by supply. There are relatively few opportunities to accommodate the projected increase in demand for these uses. The exception is where sites in suitable locations have potential to be converted or redeveloped from B1(c)/B2 use if these are vacated.
- 6.30. Other than where vacant land opportunities exist premises with potential for intensification in the KIBAs is unlikely to come forward in the short-term as it requires current occupiers to vacate the current premises before it can be redeveloped. For some of the vacant land opportunities there may be a need for the Council to help facilitate land assembly to enable development. These sites are also likely to have potential to accommodate B1 uses.
- 6.31. Other vacant floorspace (outside of the KIBA boundary) across the Borough may not be of a sufficient capacity, could be highly fragmented and may not have strategic road or public transport links, which are important for B8 uses that generally required large sites that have good strategic transport connections.
- 6.32. Many of the sites in Lambeth which have potential capability for “white van economy” in this sector are relatively small in size. Occupiers seeking larger scale premises may have to look for premises outside of the Borough.
- 6.33. Consequently, it is important not to assume that all vacant floorspace can contribute to meeting future elements of demand. It will be essential that planning policy encourages the refurbishment and/or redevelopment of unsuitable or obsolete business floorspace in the Borough.
- 6.34. Planned and committed supply will not always be translated into the physical provision of floorspace. In this context, it will be important to protect existing, viable employment areas and not rely on potential supply that may not reach the market place.
- 6.35. In planning for meeting future demand, it will be essential to ensure that supply can respond to market needs in terms of the type of premises required. For example, the current undersupply of warehouse floorspace will need to be addressed and demonstrates the importance of strengthening the KIBA policy that provides key locations for current warehousing premises. In addition, emerging employment land supply policies and associated designations should provide sufficient choice and flexibility to meet the varying needs of the market.

Conclusion

- 6.36. This chapter has identified the potential supply of B class floorspace that could be available in the Borough up to 2026. The supply of floorspace identified comes from various sources including: existing vacant employment premises (both in KIBAs and outside KIBAs); vacant land and redevelopment opportunities in KIBAs; unimplemented planning permissions for commercial development; and major opportunities in the Vauxhall and Waterloo Opportunity Areas and the Town Centres (Brixton, Streatham, West Norwood / Tulse Hill). The potential supply is equivalent

to approximately 720,000 sq.m of employment floorspace and this could potentially accommodate some 40,000 jobs. The majority of this floorspace supply will be for B1(a) and B1 (b) uses.

- 6.37. Chapter 5 identified the forecast demand for employment floorspace up to 2026 which included: 82,700 sq.m to 268,500 sq.m for B1 (a) floorspace; -12,600 sq.m to -22,900 sq.m for B1(c) and B2 floorspace; and -9,300 sq.m to 79,400 sq.m for B8 floorspace. This chapter has compared the potential supply of employment floorspace with the forecast demand for employment floorspace identified in chapter 5. The assessment has shown the following:
- Office and R&D floorspace - the supply of potential opportunities identified in quantitative terms exceeds the demand (even under the high growth scenario). Short term opportunities are likely to be met through existing vacancies. In the longer term VNEB and Waterloo Opportunity areas and the Town Centres provide a choice of locations for office, while town centres are likely to appeal to SMEs. KIBAs will continue to meet the requirements of occupiers who require standalone employment premises as well as managed workspace and other types of lower cost accommodation.
 - Light Industrial and Industrial floorspace – overall the demand for floorspace is anticipated to decline. The current B1(c) and B2 floorspace may provide some opportunities for conversion to other uses (B1a and B8). In particular there is a potential shortfall in B8 floorspace to meet identified demand and therefore these premises may provide an opportunity to meet some of this need.
 - Warehousing and Storage – the capability to meet anticipated demand is constrained by supply. There are relatively few opportunities to accommodate the increase in demand for these uses. The KIBAs could potentially provide a supply for these type of premises although opportunities (other than current vacant land) will be longer term and require existing occupiers to vacate. Other employment sites outside the KIBAs (on the whole) may be unsuitable for B8 uses. B8 occupiers with needs for large premises may need to look for premises outside of the Borough. It will be crucial to protect existing viable employment areas (both KIBA and non KIBA) that are meeting or could potentially meet the future needs for B8.
- 6.38. The supply demand balance analysis has shown that the Borough is well placed to meet many of Borough's employment needs that are anticipated over the plan period. However, much of the supply for new office space will be dependent on the ability to deliver area wide redevelopment proposals. It will also be important that other parts of the Borough away from the Opportunity Areas provide accommodation that is flexible and affordable and meets the needs of SMEs. Despite the anticipated decline in need for light industrial and general industrial floorspace the KIBAs will continue to play an important role in providing premises to meet the needs of existing industrial occupiers, and to provide a reservoir of employment land to meet other identified employment needs including B8 uses.

7. Recommendations

Introduction

- 7.1. This section sets out our conclusions and recommendations for taking forward employment land policies in the London Borough of Lambeth. It also addresses the key aspects identified in the study brief including:
- The need to meet with the requirements of the NPPF and London Plan based on an up to date assessment of demand and future potential for employment generating uses in the Borough with a focus on needs relating to B-Class premises complementing other evidence base studies on other activities.
 - The need to account for the opportunities highlighted within the Lambeth Economic Development Strategy (EDS)
 - A review of the KIBA policy and current KIBA designations
 - Potential for different policy approaches inside and outside of town centres.
 - A review of how the Council should assess market signals.
 - A review of how the Council can deal with applications for change of use for employment use in mixed developments that have remained vacant.
 - Impact of London Plan Opportunity Areas
 - Potential economic development interventions

Summary of forecast needs and portfolio of locations and sites required to meet demand

- 7.2. The employment growth projections set out in chapter 5 identify potential B class jobs growth of between 4,100 – 16,200 up to 2026 depending on the growth scenario. In all scenarios the job growth is anticipated to be largely in the B1 class jobs (office based jobs), whilst B1(c) and B2 jobs (general industrial and manufacturing jobs) are forecast to decline. B8 jobs (storage and distribution) are forecast to increase in two of the scenarios (Baseline and Higher Growth), but decline slightly in the Lower Growth scenario.
- 7.3. For the purpose of land use planning it is important to convert the forecast jobs growth into additional floorspace needs. Given the forecast growth in jobs that will require B1(a) class floorspace, the demand for B1(a) floorspace will range from between 82,700sq.m and 268,500 sq.m in the period to 2026. All scenarios project overall declines in demand for B1(c) & B2 employment floorspace ranging from 12,600 sq.m to 22,900 sq.m up to 2026. The Baseline Scenario and Higher Growth Scenarios project an increase in demand for B8 floorspace of between 48,100 sq.m and 79,400 sq.m respectively. Under the Lower Growth Scenario, demand for B8 is projected to decline by 9,300 sq.m.
- 7.4. In order to meet employment land requirements to 2026, the Consultants have assessed the potential for additional floorspace from various sources.
- 7.5. There is a current supply of vacant floorspace in the KIBAs and in smaller sites outside the KIBAs. There is a significant amount of vacant floorspace in KIBAs and in smaller sites, currently some 213,000 sq.m, this represents 15% of total floorspace. The vacant floorspace has a role to play in meeting some of the future demand, but in any market there will be a need for a level of vacancy to allow for movement of businesses to meet their needs. A normal level of vacancy in a buoyant market could be considered to be between 7-10%. Therefore not all vacancy will be used to meet growth needs. There will also be issues with the type and quality of some units not meeting the requirements of businesses looking to move to the Borough or start up.
- 7.6. Another source of supply is the existing commercial development pipeline (sites that have planning permission but have not been implemented). Although in terms of proposed B class use floorspace, there is almost 14,000sq.m of floorspace in the pipeline, when the existing floorspace at these sites is taken into account the net figure represents a decline of -6,217 sq.m. As such this source of floorspace does not have the potential to meet the future floorspace needs of the Borough in quantitative terms.

- 7.7. There are some short to medium term opportunities for new floorspace in the existing KIBAs, where there is a total of 0.69ha of vacant land, which could accommodate a total of 10,000 sq.m of new floorspace.
- 7.8. Up to 2.5 ha of land which could accommodate potentially 12,000 sq.m of net floorspace could be realised if the KIBAs at Southbank House and Newport Street and West Norwood were redeveloped to intensify the use. However, these are medium to longer term opportunities as they will require land assembly and significant investment.
- 7.9. Much of the opportunity for new floorspace is concentrated in the two major Opportunity Areas of VENB and Waterloo. Where area wide regeneration of VENB will provide scope for approximately 6,850 jobs (which is estimated to be approximately 120,000 sq.m of floorspace), whilst new office developments in the Waterloo are anticipated to provide 15,000 new jobs (which is estimated to be approximately 260,000 sq.m of floorspace).
- 7.10. Redevelopment and regeneration of the Borough's town centres (Brixton, Streatham and West Norwood), offer significant potential for new jobs, with approximately 4,130 jobs potentially provided across all three town centres (with potentially up to 72,000 sq.m of B-Class floorspace across the three town centres).
- 7.11. Chapter 6 has quantified the potential from each of the above sources to assess what the theoretical supply and demand balance in the Borough, might be, in terms of meeting both the floorspace and job growth forecasts. This has shown that theoretically there is sufficient floorspace either at present or planned to be developed, to meet the forecast needs for B1(a) floorspace needs. However, there is also likely to be a shortfall in the amount of floorspace to meet the forecast needs for B8 floorspace and jobs.
- 7.12. It should be noted that the quantitative assessment reflects a level of uncertainty inherent in the job forecasts and the supply of sites needs to provide for a choice of size, quality, type and location of premises, and therefore aligning supply completely with demand. Providing a precise match of sites and premises is not realistic accounting for the functioning of the market and not the purpose of the exercise. However, balancing the supply and demand does allow the Council to consider what policy approaches they will need to take forward to meet the future employment needs in the Borough and to promote growth that responds to market signals.
- 7.13. The key finding from this exercise is that the KIBA and smaller sites are providing a significant reservoir of land and floorspace for SMEs and other types of businesses that are not likely to be provided in the Borough's opportunity areas. If the Borough is to continue to cater for the ongoing needs of general industrial and light manufacturing businesses and to meet some of the forecast need for more B8 floorspace, the Council should continue to retain policy protection for both the KIBAs and the smaller sites.

Policy Recommendations

- 7.14. The KIBA policy and the smaller sites and premises (non KIBA) policy are important for the protection of employment land in the Borough. The evidence set out in this study shows that the KIBAs are operating effectively and viably as employment locations (on the whole), and in particular the future supply demand balance shows that there is sound justification for the continued protection of KIBAs and smaller sites. The employment policies that are in the Local Plan are supported by this evidence and accord with the NPPF and the London Plan. These issues are explored further below.

KIBA policy

- 7.15. In assessing the current KIBA policy we have considered the requirements of the NPPF. The NPPF makes it clear that long term protection of employment allocations where there is no prospect of them coming forward, should be avoided. However, it is also clear from the NPPF that plan making should be based on an up to date and relevant evidence base and therefore be responsive to the market signals to provide adequate provision of the right type of employment land to meet the needs of the business community.
- 7.16. In assessing the suitability of the KIBA policy it is also important to consider the regional policy context. The London Plan recognises the importance of ensuring the availability of sufficient and suitable workspaces, it also sets out a need to plan and manage the supply of industrial land and

premises, that includes a need to identify and protect locally significant industrial sites where justified by the evidence of demand.

7.17. The KIBA policy is in conformity with the approach for the protection of employment sites set out in the London Plan. This study provides an up to date evidence base, which both the NPPF and the London Plan require in support of a protective policy stance. The findings on the supply and demand for employment land show that the KIBAs are currently performing well overall (see below for detail on those that currently have higher levels of vacancy) with a level of vacancy that considering the current economic situation is consistent with market conditions and maintaining a level of 'churn' which any functional market will require. Findings from the study also show that the KIBAs also generally provide a reasonable quality of premises that are meeting the needs of existing users. Section 5 has shown that there are significant forecast employment land needs that would be generated up to 2026 based on a higher growth scenario. The KIBAs will be required to meet some of this demand and to maintain a balanced employment market in Lambeth. KIBA's provide an important contribution to meeting demand in key sectors which are competitively located in Lambeth. These activities demonstrate the role of Lambeth in the London economy and include many of the features of the comparative advantages of operating an industrial or warehousing activity in London. Many of these activities:

- Serve London markets;
- Are near the end of the physical production process;
- Produce time-sensitive goods and services; and
- Are high-productivity and high-value.

7.18. KIBAs also contributes to local economic diversity by providing:

- Clusters of economic activity which support a significant amount of existing employment;
- A strategic location that is in good proximity to the road network and local residential communities;
- An existing role or offers potential with regard to the provision of premises serving SMEs (including start-up, expanding and relocation businesses);
- A location for new waste facilities; and
- Lower accommodation suitable for small, start-up or lower value industrial, warehousing or office use or other or businesses important to the local economy.

7.19. This provides a justification for the retaining a supply of locally significant employment land to meet the existing and future needs for employment in the Borough, and therefore for the above reasons, we recommend retaining the KIBA policy.

Existing KIBA designations

7.20. The London Plan recognises the importance of ensuring the availability of sufficient and suitable workspaces; it also sets out a range of criteria for planning and managing the retention and release of industrial land and premises. There are 27 KIBAs designated in Council's Core Strategy, which have been designated as the Borough's Strategic supply of land, this study has considered the KIBAs in terms of suitability of employment premises, and in particular how they perform against the Mayor of London's Land for Industry and Transport SPG.

7.21. In reviewing the existing designated KIBAs the consultants carried out an initial scoping exercise with Lambeth Council Planning officers, which was based on the findings from Lambeth's the recently completed KIBA Survey and officers knowledge of the KIBAs. The exercise was used to focus assessment of the KIBAs on those that: had high levels of vacancy; were known to be under threat from new development; offered potential for redevelopment (either because there was vacant land on the site or they potentially could be redeveloped). Following this scoping exercise 13 KIBAs were assessed in more detail. Having assessed these KIBAs the consultants recommend the following approaches:

- Removal of KIBA designation
- Amendments to KIBA boundary, both extending and reducing the boundaries
- Retaining the KIBA designation.

7.22. The Consultants recommend that KIBA designation is removed from the following sites:

- Bon Marche - Given the site has over time been converted to retail uses and along with its town centre location it is evident that the KIBA is no longer functioning in its intended role as an employment location.

7.23. The Consultants recommend that the boundaries of the following KIBAs are amended:

- KIBA 1 Waterworks Road - boundary could be amended to include the printing works at 116 – 120 Brixton Hill, as the premises supports B class industrial uses, which are of a good quality and size.
- KIBA 4 Camberwell Trading Estate - boundary could be amended to include the railway arches along Carew Street, which provide good quality units for B class SME's.
- KIBA 5 Clapham North Industrial Estate - boundary could be amended to take out the vacant site which has had permission for residential development. The rest of the KIBA designation should remain.
- KIBA 6 Clapham Park Hill - boundary could be amended to exclude the new residential block on the corner of Northbourne Road and Clapham Road. The eastern part of the mews is now mostly residential and should be removed from the KIBA.
- KIBA 14 Lion Yard - boundary should be amended to include the Lion Yard premises on the eastern side of the KIBA.
- KIBA 23 Loughborough Road - boundary should be amended to include the railway arches between Wickford Street and Rathgar Road. There are a couple of industrial units on the eastern side of Rathgar Road that should be included in the KIBA boundary.
- KIBA 27 West Norwood Commercial Area – the boundary of the KIBA was amended recently to remove certain parts of the site from the designation. These areas should be put back into the KIBA designation. In particular this is to include the high quality Windsor Estate and associated sites.

7.24. The Consultants recommend retaining all other KIBA designations in their current form.

Smaller sites (outside designated areas)

7.25. The study looked at smaller sites outside of the existing KIBAs, in order to assess whether there were any significant clusters of employment premises that were outside KIBAs or other designated areas such as the town centres or Opportunity Areas. By assessing Valuation Office Agency data significant clusters of premises were identified and assessed on site. All of the smaller sites clusters identified had a significant number of employment premises and are similar size to other existing KIBAs in terms of B class employment floorspace. Following site visits it was clear that two provided good quality and flexible premises for SMEs, and it was evident from the that they meet the requirement for protection under the KIBA policy as they represent part of the Borough's strategic employment reserve. As such the consultants recommend that these sites are protected under the KIBA designation. The sites include:

- Abbeville Mews, Kennington – self contained B1 office units in modern mews development; and
- Hackford Walk, Clapham – B1 office suites of varying sizes around mews development.

Potential amendments for smaller sites and premises (non KIBA) policy

7.26. The Council are in the process of drafting policies to provide more detail on the Core Strategy policies, to form part of the Borough's Local Plan. The Consultants' have considered the proposed wording of the sites and premises (not in KIBAs or town centres) policy.

7.27. The draft policy encourages maintaining a stock of other sites and premises (not in KIBAs or town centres) in commercial use. Exceptions apply where a demonstrable planning need cannot be met in any other way including: schools; other community or cultural uses; restoration to original use of a listed building or building of significant architectural merit; or where amenity and environmental reasons justify a change of use. The consultants support this approach and do not see any reason to amend or add to these exceptions.

7.28. The sites outside the KIBAs play a significant role in providing for SMEs. It is likely that much of the new employment floorspace that will come forward in Lambeth will be high grade offices, particularly in areas such as VENB and Waterloo Opportunity areas. It will therefore be important to retain smaller sites to meet the need for SME and to meet economic development objectives.

The consultants would therefore recommend including criteria within the policy for when redevelopment of these sites (for mixed uses) is proposed that help to retain the sites for this purpose. Criteria should require:

- Provision of space suitable for SMEs is provided within the redevelopment scheme
- Provision of a scale of employment that is significantly more than in the current form. This would be measured by the potential jobs that could be generated by the employment floorspace provided within the redevelopment.

7.29. The policy sets out criteria where redevelopment is proposed for solely residential use or alternative proposals; this will only be permitted where it demonstrated through at least a year of marketing evidence that there is no demand for continued B class use. The policy review of neighbouring Boroughs and other Central London Boroughs has shown that several Boroughs also include similar marketing criteria in their employment land policies and provide justification for maintaining at least a year long period for marketing activity, although this should perhaps be extended to 2 years which is the norm in other London Boroughs, as this allows sufficient time for a vacant premises to be reoccupied.

7.30. The criteria provides an important test that helps to ensure that employment premises have been available for re-occupation over a reasonable time period. All markets operate with a level of 'churn' in properties, this is inevitable as premises do become vacant from time to time as occupiers either move premises to expand or meet other needs or they cease to operate, this is important to the market and the policy approach needs to reflect this. Without the criteria there is a danger that premises that become vacant could be converted or redeveloped for other uses without having been given sufficient time to be reoccupied.

7.31. In considering what is a reasonable level of time for a property to be marketed before it could be argued that there is no evidence of demand, 2 years is considered an appropriate level of time. As this allows a sufficient time for a period to account for the churn in a market, and also provides sufficient time for recovery in the economic cycle to account for where vacancy has occurred due to a period contraction in the economy. For the above reasons the consultants recommend retaining a marketing criteria with a period of at least 2 years.

Assessing Market signals

7.32. The NPPF requires local authorities to be responsive to market signals to ensure that there is adequate provision of the right type of employment land to meet the needs of the business communities. This study represents part of the evidence base to identify what the market requires in terms of employment land needs. The Consultants recommend that in order to respond to market signals the Council should do the following:

- Undertake regular reviews of the employment land every 3-5 years as appropriate
- Undertake surveys of businesses to understand local businesses needs and aspirations this will require an appropriate sample size and will need to explore aspirations for growth / expansion, perceptions of the suitability of the location, type, size and quality of the premises.
- Continue to carry out and monitor KIBAs through regular annual or bi-annual surveys, assessing quantity of occupied and vacant floorspace, but also assessing the quality of the premises and wider site environment.
- Consult regularly with local property agents to gain perspectives of local market conditions.

Implementation

7.33. To help meet the forecast the consultants recommend that there will be a need for a much more proactive approach to economic development within the Council; the following provides recommendations on potential implementation measures that could assist with this.

Guidance on the provision of B-Class floorspace within mixed use schemes

7.34. In order for the Council to maximise the economic development potential of sites within the Borough we recommend that further planning guidance in the form of an SPD could provide a

- 7.35. clearer basis for applicants and the Council's Development Management and economic team to maximise the opportunities for employment generating floorspace within development proposals.
- 7.36. Guidance is required on types of employment provision which can be accommodated:
- Maximising location potential
 - Occupier needs and requirements (Size and type of premises reflecting mix of sectors and SMEs)
 - Configuration and design of premises.
 - Conversion and refurbishment projects
 - Fit out requirements
 - Management and disposal options
- 7.37. Illustrative worked examples could show how to assess the level of B-Class provision which can be accommodated in different market locations accounting for market viability issues.

Monitoring

- 7.38. This study has provided further evidence that can be used in support of the Borough's employment land policies; this will need to be updated on a periodic basis to ensure that the Council is responding appropriately to market signals.
- 7.39. The Council also carry out regular surveys of the KIBAs (every two years) which provides useful information on the quantity of B class floorspace. However, the Council should ensure that the information collected is shared widely within the Council in particular with those officers that are responsible for economic development. This would help the Council develop a more proactive approach to planning for employment land and supporting economic development.
- 7.40. The KIBA survey is a useful source of information, this study has added to the KIBA survey to provide a comprehensive and robust evidence base. In future the KIBA survey will be broadened so that it considers issues of suitability of the KIBA sites and quality of the premises. Where possible vacant floorspace in KIBAs should be mapped (to assist with tracking of vacancy over time), and any new vacant land parcels should be identified so that the Council might take a more proactive approach in bringing forward employment development, either through the preparation of planning briefs, and or through identifying and working with land owners to assess potential issues with bringing forward land for employment uses.

Further sector based analysis

- 7.41. The Council should undertake analysis of IDBR data at an individual premises level. This would provide the opportunity to provide detailed analysis of the business base, including emerging clusters of firms. This would also enable detailed analysis of employment densities by sector, premises and location which the Council could use when scrutinising planning applications.

Funding

- 7.42. There are a number of other opportunities highlighted in the Council's Draft Growth prospectus which could help to improve the attractiveness of sites and premises in the Borough. The proposed growth fund could be used to support improvements in access/branding/signage improvements – possibly utilising CIL/Business rates retention from premises (area by area basis).
- 7.43. An investment fund for B-Class premises development/management represents another opportunity. There is potential for the Council to consider a joint venture approach with private sector development sector partners.

Appendices

Appendix A. B Class Employment Sites (VOA data) - Borough Level

Appendix B. KIBA Sites (VOA data) - Borough Level

Appendix C. Analysis of KIBAs & Clusters

Site	Postcode	Area	Strategic Highway Network	Rail/Water Network	CAZ / Town Centre	Public Transport	Operational Parking	24 hour working	Potential for change
1 Waterworks Road	SW2	Brixton	Y	N	N	Y	Y	N	Redevelopment of Vacant Site (marketed)
2 Brighton House	SW9	Stockwell	Y	N	Y	Y	Y	N	N/A
3 Bon Marche	SW9	Stockwell	Y	Y	Y	Y	N	N	Designation for suitable for retail uses
4 Camberwell Trading Estate	SE5	Camberwell	Y	Y	N	Y	Y	N	N/A
5 Clapham North Ind. Estate	SW4	Clapham	Y	N	N	Y	Y	N	Redevelopment of Vacant Site (marketed)
6 Clapham Park Hill	SW4	Clapham	Y	N	N	Y	Y	N	N/A
7 Coldharbour Lane Ind. Estate & Bengeworth	SE5 / SW9	Camberwell	Y	N	Y	Y	Y	N	N/A
8 Ellerslie Industrial Estate	SW2	Brixton	Y	N	N	Y	Y	Y	N/A
9 Eurolink Business Centre	SW2	Brixton	Y	N	Y	Y	Y	Y	N/A
10 Durham Street/Oval Way	SE11	Kennington	Y	Y	Y	Y	Y	N	N/A
11 Freemans	SW9	Stockwell	Y	N	N	Y	Y	N	N/A
12 Hamilton Road	SE27	West Norwood	Y	Y	Y	Y	Y	N	N/A
13 Kennington Business Park	SE11	Kennington	Y	Y	Y	Y	Y	N	N/A
14 Lion Yard	SW4	Clapham	Y	N	Y	Y	Y	N	N/A
15 Milkwood Road Estates	SE24	Herne Hill	Y	Y	Y	Y	Y	N	N/A
16 Montford Place	SE11	Kennington	Y	N	N	Y	Y	N	Redevelopment of Vacant Site
17 Shakespeare Road Business Centre	SE24	Herne Hill	Y	Y	Y	Y	Y	N	N/A
18 Shakespeare Road Depot	SE24	Herne Hill	Y	N	N	Y	Y	N	N/A
19 Somers Place	SW2	Brixton	Y	N	Y	Y	N	N	N/A
20 Timber Mill Way	SW4	Clapham	Y	Y	Y	Y	Y	N	N/A
21 Zennor Road Estate & Adjoining Sites	SW12	Clapham South	Y	N	N	Y	Y	N	N/A
22 Wandsworth Road	SW8	South Lambeth	Y	Y	Y	Y	Y	N	N/A
23 Loughborough Road	SW9	Stockwell	Y	Y	Y	Y	Y	N	N/A
24 Park Hall Road Trading Estate	SE21	Dulwich	Y	N	N	Y	Y	N	N/A
25 South Bank House and Newport Street	SE11	Kennington	Y	Y	Y	Y	Y	N	Redevelopment of Existing Site & Vacant Site
26 Stannary Street	SE11	Kennington	Y	N	Y	Y	Y	N	N/A
27 Norwood Commercial Area	SE19	Norwood	Y	Y	Y	Y	Y	Y	Redevelopment of Vacant Site & incremental regeneration of KIBA & adjustment of KIBA boundary
Cluster : Abbeville Mews	SW12	Clapham	Y	N	Y	Y	Y	N	Designation as potential KIBA
Cluster : Hackford Walk	SE11	Kennington	Y	N	N	Y	Y	N	Designation as potential KIBA

Appendix D. KIBA Sites Appraisal Criteria

Site Appraisal Criteria – Lambeth ELR update (August 2012)

Location

- Site well located to the strategic highway network / and or local highway network (min impact on residential areas)
- Site well located in relation to rail, river or canal – with potential to make use of rail/river for transport of goods
- Site well located for town centre
- Site well located for public transport network
- Site well located to take advantage of existing or proposed infrastructure

Premises

- Approx age of Premises –
 - <5years
 - 5-10 years
 - 10-20 years
 - 20+ years
- Condition of premises overall –
 - Good
 - Fair
 - Poor
 - Very poor
- Type of premises
 - Offices
 - Managed workspace
 - Studio
 - Railway arches
 - Light industrial
 - Factory
 - Warehouse / storage depot.

Site environmental quality (wider landscape, image, branding – not buildings)

- Good
- Fair
- Poor
- Very poor

Access and Servicing

- Site offers adequate operational parking
 - Dedicated parking
 - On street parking
 - Red route
 - CPZ / paid parking
 - Yellow lines / double yellows
- Site offers adequate vehicular access and servicing
 - Suitable for cars / small vehicles
 - Suitable for all including HGV

Vacant premises

- Actively marketed – at reasonable price and or with potential for redevelopment for modern employment premises.
- Length of marketing for vacant premises.

Site Potential

- Offers potential for 24 hour working or has facility for bad neighbour uses – without detriment to residential areas
- Suitability for sectors
 - Waste management
 - Cultural and creative
 - Advanced manufacturing
 - Business services
- Potential for change
 - Site offers potential for in-situ expansion of existing business
 - Site offers potential redevelopment to accommodate new business / sectors
 - Limited potential for change

Euston Tower
286 Euston Road
London
NW1 3AT

Email: richard.ainsley@atkinsglobal.com

Telephone: 020 71212000

Direct telephone: 020 71212280

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