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1. Introduction

- 1.1 The Paper provides additional clarification on two matters that have been raised through the examination, which have resurfaced following the submission of the Council’s responses to the Inspectors’ Matters, Issues and Questions submitted on Friday 17 May 2024.
- 1.2 The first of these matters relates to the new Local Plan’s approach towards providing new compensatory Strategic Industrial Land provision, in addition to new Locally Significant Industrial Site provision at land at the Bermondsey Dive Under site. This being identified by the new Local Plan under site allocation Policy LNA SA 08 Bermondsey Dive Under. In support of the site allocation and the wider approach towards securing strategic industrial employment provision, the Council submitted a technical study to the examination on Friday 17 May 2024. The Study provides the examination with an overview of how the site allocation will deliver these objectives. The Paper seeks to provide the Inspectors with a brief note on the Study.
- 1.3 The remaining matter relates to the new Local Plan’s approach towards securing strategic industrial employment provision as set out under Policy EC2 Protecting employment land and delivering new workspace. In their response to the Inspectors’ Matters, Issues and Questions, the Council has suggested that a modification to Policy EC 2 be introduced by way of providing a baseline target for industrial intensification. Within this context, the Inspectors’ have asked whether the Council intends to up-date the new Local Plan’s evidence base to support this modification. The Paper provides the examination with a brief overview of how this matter emerged through the discussions with the Greater London Authority, and how the proposed baseline position was derived from existing evidence.

2. The Bermondsey Dive Under Study

- 2.1 An overview of the Capital’s designated Strategic Industrial Locations is set out for the examination within the submitted Employment Background Paper (LC06) under its Paragraphs 4.12 – 4.16. These speak to the approach taken within the new Local Plan – specifically in respect of how the plan-making process has sought to reconcile the factual on-the-ground situation on three sites that were historically designated and operated as component parts of the Surrey Canal Road Strategic Industrial Location. This is set out under the Employment Background Paper’s (LC06) Paragraph 4.25, which speaks to the three historic Strategic Industrial Local sites being redesignated as Locally Significant Industrial Sites.
- 2.2 The Employment Background Paper (LC06) continues by explaining that the plan-making process has sought to provide compensatory Strategic Industrial Location provision through the designation of a new site at land at the Bermondsey Dive Under. This is explained at its Paragraph 4.15 (LC06).
- 2.3 Whilst the Council considers that this approach is sound and consistent with the requirements for plan-makers set out under the London Plan, the Mayor of London had expressed his opinion that it is not in general conformity with that document. This matter is signalled in the Employment Background Paper (LC06) under its Section 5. This speaks to the (then) on-going discussions between the Council and the Mayor (via the Greater London Authority) that sought to positively resolve this matter.

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- 2.4 One of the factors that led to this position was that the Mayor of London was uncertain that the new Strategic Industrial Location at land at the Bermondsey Dive Under (site allocation Policy LNA SA08) would provide sufficient compensatory provision, in terms of both its quantity and quality as strategic industrial floorspace. In order to respond to this concern, the Council and the Greater London Authority agreed that the former would prepare a further supplementary assessment that would form part of the submission to the Secretary of State for the purpose of examination. This is expressed through the work encapsulated by the Lewisham Industrial Employment Land Report 2023 (EB22 and LC01). A summary of its key outputs is set out within the Employment Background Paper (LC06) at Paragraphs 3.14 – 3.25. The Council highlights the conclusions, relating to land at the Bermondsey Dive Under, which are set out at Paragraph 3.20. On this basis, the Council had considered the matter resolved.
- 2.5 Notwithstanding the preparation and submission of the Lewisham Industrial Employment Land Report 2023 (EB22 and LC01), the Mayor remained concerned that the new Strategic Industrial Location at land at the Bermondsey Dive Under (site allocation Policy LNA SA08) would provide insufficient compensatory provision. Consequently, he requested that the Council prepare a further site-specific study that assessed the capacity of the site to accommodate strategic industrial uses. The Council agreed to this measure; with both parties agreeing that subject to its production, and positive conclusions, the issue of general conformity would in this specific respect be resolved. This factual position is reflected in the Council's and the Mayor's response to the Inspectors' Matters, Issues and Questions; and the Statement of Common Ground between the two partner organisations.
- 2.6 The submitted Bermondsey Dive Under Study provides the examination with a further assessment of the quantity and quality of strategic industrial employment provision that will be delivered on this site. It confirms that the site can function as such provision, meeting the requirements of London Plan Policy E4, and that it will deliver strategic industrial uses. It is highlighted that the site is already meeting that need. It is noted that the Study is referenced under the Council's responses to relevant questions raised under Matter 6; Matter 8; and Matter 18. The Council concludes that this matter is resolved.

3. Proposed Modification - baseline target for industrial intensification

- 3.1 The new Local Plan sets out an approach towards strategic industrial land that seeks to ensure that there is no net loss in capacity (of sites and floorspace) and that opportunities are taken intensify capacity when they arise and in circumstances where it is appropriate. The Council considers that the submitted new Local Plan sets out this approach clearly under its Policy EC 02 Protecting employment land and delivering new workspace.
- 3.2 However, in parallel to his concerns expressed in specific reference to the new Strategic Industrial Location provision being made at land at the Bermondsey Dive Under, the Mayor of London also stated concerns of general conformity in terms of the new Local Plan's approach towards maintaining supply of strategic industrial opportunities. An overview of his position is set out under the Employment Background Paper (LC06) under its Section 5. This speaks to the (then) on-going discussions between the Council and the Mayor (via the Greater London Authority) that sought to positively resolve this matter.

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- 3.3 In order to respond to this concern, the Council and the Greater London Authority agreed that the former would prepare a further supplementary assessment that would form part of the submission to the Secretary of State for the purpose of examination. This is expressed through the work encapsulated by the Lewisham Industrial Employment Land Report 2023 (EB22 and LC01). A summary of its key outputs is set out within the Employment Background Paper (LC06) at Paragraphs 3.14 – 3.25. The Council highlights that key conclusions found that the on-the-ground was relatively positive in that whilst older historic provision had been lost to other uses (as planned-for), overall capacity had been maintained through intensification of across remaining provision. The Council had considered that the preparation of addition evidence (under EB22 and LC01) had resolved this matter.
- 3.4 Whilst it is noted that there is no national or regional planning policy requirement to disaggregate employment need into its component parts, the Council has given the matter further consideration. Consequently, following further discussions between the Council and the Mayor of London, it was agreed that to fully resolve this matter the Council would seek to introduce a modification to the new Local Plan that would identify a baseline target for intensification at Strategic Industrial Locations. This forms the basis of the modification proposed through the Council’s response to Matter 6 MIQ 6.5, and Matter 8 MIQ 8.9. The rationale for this modification is set out under MIQ Q6.5 Paragraph 6.5.6 – 6.5.8. Additional associated modifications are proposed to the supporting text between Paragraphs 8.8 and 8.9 and new Paragraphs from 8.14 – 8.16; with subsequent Chapter paragraphs renumbered accordingly. This is addressed under MIQ Q6.5 Paragraph 6.5.4. For clarification, these modifications seek to ensure general conformity with the London Plan, rather than being necessary for the purpose of soundness. They seek to provide a clear baseline position for monitoring the performance of strategic industrial intensification.
- 3.5 The identification of appropriate baseline figures was undertaken by the Council in consultation with the Greater London Authority. The methodology for undertaking this exercise used existing information already set out in the technical evidence documents that are summarised within the Employment Background Paper (LC06) under its Section 3. It is unnecessary to revise or review the new Local Plan’s evidence base.
- 3.6 The following seeks to provide the Inspectors with a note of the “working out”. The agreed methodology for identifying a baseline target seeks to compensate for the three former Strategic Industrial Locations being redesignated as Locally Significant Industrial Sites. For clarification, existing evidence demonstrates that this is comprised of:
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|--------------------------|---------|
| • Apollo Business Centre | 0.42 ha |
| • Evelyn Court | 0.27 ha |
| • Trundleys Road | 0.55 ha |
- Which gives a total of **1.24 ha**
- 3.7 In order to identify credible floorspace figures for these sites, the Council used data provided by the Valuation Office Agency. This revealed that:
- Apollo Business Centre contained 3,099 sqm of “Workshops and Premises”

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- Evelyn Court contained zero industrial activity, as previously noted. It contained office and one shop.
- Trundleys Road contained 1,002 sqm of “Workshops and Premises” and 1,059 sqm of “Land used for storage and premises”

3.8 In concluding the calculation, the Council notes that there was a total of 5,160 sqm of industrial premises split between 4,101 sqm that would be considered B2 and 1,059 sqm that would be considered B8. Consequently, the Council determined to set a rounded-down baseline of 4,000 sqm of B2 and 1,000 sqm of B8. The Council confirms that it proposed this baseline methodology and output to the Greater London Authority, who were satisfied with the approach and the outcomes.

3.9 The Council concludes that the baseline provides a reasonable, deliverable, and developable baseline position for monitoring intensification on designated strategic industrial sites. This approach is consistent with the London Plan’s objectives on this matter and contributes towards resolving concerns relating to general conformity.