

The Savills logo consists of the word "savills" in a lowercase, sans-serif font. The letters are white and set against a solid yellow rectangular background.

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2 March 2018

Mayor of London
Greater London Authority

Via Email Only:
londonplan@london.gov.uk

Dear Sir / Madam,

**DRAFT NEW LONDON PLAN
REPRESENTATIONS ON BEHALF OF DIAGON LTD, JOHN OUGHTON AND BOB PERDEAUX**

Thank you for the opportunity to engage with the preparation of the Mayor's London Plan. This representation is made in respect of the Draft New London Plan (Draft London Plan) published by the Greater London Authority (GLA) on 29 November 2017 and has been prepared by Savills (UK) Limited on behalf of our clients:

- Diagon Ltd, of Capital Industrial Estate, Belvedere;
- John Oughton, of Yard 20 Elbourne Trading Estate, Belvedere;
- Bob Perdeaux and Chris Insole, of Unist 25 Elbourne Trading Estate, Belvedere;

Our clients own the freeholds of the above sites (hereafter referred to as "the site"). The site is currently located within an area designated as a Strategic Industrial Location (SIL) and is identified within the Bexley Growth Strategy as having "potential for development". Our clients broadly support the Growth Strategy's vision for a positively managed approach to good growth and consider that this should be encouraged by the Draft London Plan.

It is with this in mind that we set out below our clients representations on the Draft London Plan. We have focussed only on those areas of the Draft London Plan that are of particular relevance to redevelopment of their site and the realisation of Bexley's vision for growth. We start by setting out the comments our clients have on the overall approach of the Draft London Plan. We then set out specific comments on policies related to the designation of new town centres, the redevelopment of industrial land and the delivery of transport infrastructure.

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The main points of these representations with respect to the Draft London Plan are as follows:

- Support for the ambition to deliver significantly more homes in London than have been delivered in the recent past, particularly in the Outer Boroughs;
- Support for delivery of at least 1,245 new homes per year in the London Borough of Bexley;
- Welcome the Mayor's commitment to extending Crossrail to Slade Green, although growth should still be promoted around Belvedere station without significant transport intervention;
- The identification of new town centres in appropriate locations should be positively supported to promote good growth;
- Support for the release of industrial land through a plan-led process in accordance with the principle of no net loss;
- Applying an affordable housing threshold of 50% to industrial land will unnecessarily burden development.

Overall approach

Our clients share the Mayor's vision of delivering the homes London needs through making the best use of land whilst building strong and inclusive communities and creating a healthy, resilient city. They support the ambition to deliver significantly more homes in London than have been delivered in the recent past, and particularly the Outer Boroughs, which have historically under delivered against housing targets. In particular our clients support the increase in Bexley's housing delivery target from 446 new homes a year to 1,245 new homes a year.

A very significant proportion of the new housing target in the Draft London Plan is comprised of delivery on small sites. In Bexley small sites account for 865 new homes a year or 69% of the overall target. Our clients are concerned that this focus on small sites does not reflect the 'positively managed' approach to good growth set out in the Bexley Growth Strategy, which has a greater focus on the capacity of larger sites, particularly redevelopment of surplus industrial land around transport nodes. They consider that additional housing capacity can be identified on surplus industrial land currently in SIL but identified for release through the Bexley Growth Strategy.

Our clients support the spatial development strategy set out in the Draft London Plan and the focus on locating new homes in town centres, opportunity areas and other large sites, and surplus industrial land with good public transport accessibility. This spatial strategy broadly accords with the vision set out in Bexley's Growth Strategy, which will inform the full review of the Bexley Local Plan and the preparation of Opportunity Area Planning Frameworks. However, with regards to the Bexley Riverside Opportunity Area they note that its capacity to provide new homes and jobs has changed from 11,000 homes and 8,500 jobs, as set out in the Mayor's City in the East document, to 6,000 homes and 19,000 jobs as set out in the Draft London Plan. They are concerned that this does not appropriately reflect the opportunity to deliver housing growth in Bexley.

Our clients welcome the Mayor's support for an extension of the Elizabeth Line to Slade Green and beyond. They also welcome the indication of a potential new river crossing to Rainham. Specifically regarding the Belvedere area of the borough, Bexley's Growth Strategy notes that a new neighbourhood will be created in Belvedere growing out from a potential new Crossrail station, accommodating more than 8,000 homes focussed on a public transport interchange and a new town centre, with the area generating up to 3,500 new

jobs. Our clients consider that Belvedere presents an opportunity for growth even through its existing train station, which has regular services that get into London Bridge and London Cannon Street Station in c.35 minutes, and would be supported further by proposed bus network improvements.

Our clients consider there to be significant opportunity to realise substantial housing delivery through the re-development of industrial land around Belvedere station that creates a new neighbourhood centred around a new town centre, as identified in Bexley’s Growth Strategy. However, they are concerned that as drafted, policies in Draft London Plan will constrain rather than encourage this vision. In order to encourage this growth and realise the opportunity to deliver new housing, we have suggested positive changes to policies related to town centres, industrial land, transport infrastructure and affordable housing as set out below.

Town Centres

Our clients welcome the recognition that the Draft London Plan gives to the important role of town centres and their potential for delivering new housing through higher-density mixed-use or residential development. However, they consider that the Draft London Plan should provide explicit support for the identification of new town centres related to rail or underground stations where they can address deficiencies in the town centre network and promote the delivery of good growth. We suggest potential new town centres, including those indicated in the Bexley Growth Strategy, are indicated on a map in Annex 1. We also suggest the following modification to the relevant town centre policies:

Policy SD7 Town centre network

(Modify)

B. Identified deficiencies in the London town centre network ~~can~~ **should** be addressed by promoting centres to function at a higher level in the network, designating new centres (see Annex 1) or reassessing town centre boundaries (see Policy SD8 Town centres: development principles and Development Plan Documents). Centres with current or projected declining demand for commercial, particularly retail, floorspace may be reclassified at a lower level in the hierarchy.

(Insert)

C. **Boroughs should explore opportunities through the preparation of development plans and Opportunity Area planning frameworks to designate new town centres around Tube or rail stations to promote sustainable patterns of growth, the creation of new neighbourhoods and/or fully realise the growth and regeneration potential of Opportunity Areas.**

Industrial land

The Draft London Plan sets a principle of no overall net loss of industrial floorspace in designated industrial locations, which is also reflected in the Bexley Growth Strategy. Bexley is one of several boroughs within the East London sub-region that account for a large proportion of total industrial land supply in London. As surveyed in 2015 it had 560 hectares of industrial land and approximately a fifth of this was vacant or in non-industrial use. Bexley’s Growth Strategy has identified surplus industrial land, including SIL around transport nodes that can be released for residential and mixed use development. It sets out that the principle of no overall net loss of floorspace will be achieved through the intensification of the remaining industrial areas to ensure they are used more effectively and efficiently.

It is our clients view that this process would represent a strategically co-ordinated process of SIL consolidation as set out in Policy E5 Part D. However, they are concerned that the detailed processes set out in Policy E7, as currently drafted do not fully reflect this. Our clients consider that this Policy should clearly set out proces for identifying areas of SIL within a Borough for intensification to enable release of SIL in locations that are well connected and suitable for delivery of homes. As such we suggest the following modification to Policy E7.

(Insert new Part B and re-order subsequent Parts)

B. Development Plans should be proactive in identifying areas of SIL or LSIS that are particularly well suited for intensification of business uses Use Classes B1c, B2 and B8. Such Intensification should enable release of SIL or LSIS in other parts of the borough that are well connected to public transport and town centres, in order to deliver new homes as part of a plan led process and monitored to ensure no net loss of industrial capacity overall.

Transport infrastructure and growth

Our clients welcome the Mayor's support for an extension of the Elizabeth Line to Slade Green and beyond. They also welcome the indication of a potential new river crossing to Rainham in Figure 2.7. However, suggest that Table 10.1, which provides an indicative list of potential transport schemes, is modified to include the new river crossing to Rainham.

Notwithstanding their support for these transport interventions our clients consider that Belvedere presents an opportunity for growth even through its existing train station, which has regular services that get into London Bridge and London Cannon Street Station in c.35 minutes. The connectivity of the area would be improved further by proposed bus network improvements. On this basis they consider that the potential capacity of the Bexley Riverside Opportunity Area should be revised upwards to the levels set out in the City in the East document.

Affordable housing

Policy H6 *Threshold approach to applications*, which sets an affordable housing threshold of 50% for SIL, LSIS and other industrial sites deemed appropriate to release for other uses. This is higher than the 35% threshold applied to most other forms of development. The reason given for the higher threshold is that the difference in values between industrial and residential development means that they are expected to deliver a higher level of affordable housing. However, our clients consider this to be an over simplification of the economics related to industrial sites in the Outer Boroughs.

Industrial land and premises often appear to be low quality and therefore low value. However, as a result of the decreasing supply of industrial and logistics premises, rents and values have increased whilst yields become ever more competitive. At the same time residential values are lower in the Outer Boroughs, where a large proportion of London's industrial land is located. Consideration also has to be given the costs associated with developing industrial land, including loss of rental revenue and remediation of contamination. As a result our clients consider the assumption that redevelopment of former industrial land in low residential value areas is more financially viable than other forms of development, is flawed and will unnecessarily burden development contrary to the NPPF. As such we suggest the following modification to Policy H6.

(Delete as follows)

The threshold level of affordable housing is initially set at:

1) a minimum of 35 per cent

2) 50 per cent for public sector land

~~3) 50 per cent for Strategic Industrial Locations, Locally Significant Industrial Sites and other industrial sites deemed appropriate to release for other uses (see Policy E7 Intensification, co-location and substitution of land for industry, logistics and services to support London's economic function).~~

Our clients would be grateful if the matters raised in this letter could be taken into account when completing the next stage of the London Plan and would welcome the opportunity to represent these views at the Examination in Public.

Yours faithfully,

Russell Smith MTCP MRTPI
Savills Planning