



Lewisham Employment Land Study

FINAL REPORT

INFORMING POSITIVE CHANGE

LB Lewisham

Lewisham Employment Land Study
Final Report

A report by CAG Consultants in association with Aspinall Verdi

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1 Introduction

Study Brief

- 1.1 CAG Consultants, in association with Aspinall Verdi, were commissioned to undertake an Employment Land Study (ELS) for the London Borough of Lewisham to inform preparation of Lewisham's new Local Plan. The study provides up-to-date technical evidence to inform policy development in respect of employment land management and will help underpin the spatial strategy for the borough.
- 1.2 The ELS provides an up-to-date assessment of employment land supply and demand in the borough, with consideration given to projected future requirements over the plan period. The research was carried out during the last quarter of 2018.

Report Outline

- 1.3 Chapter 2 of this report summarises relevant planning policy at National, London and Borough level.
- 1.4 Chapter 3 provides an economic profile of Lewisham to provide the context for the commercial floorspace and land analysis of the subsequent chapters. It draws on a more extensive Lewisham Local Economic Assessment compiled as a parallel strand of work.
- 1.5 Chapter 4 sets out a property market profile of Lewisham describing recent trends in rents and take-up for commercial property in the Borough.
- 1.6 Chapter 5 summarises the employment site assessment results. The detailed sites assessment tables are contained at Appendix 1.
- 1.7 Chapter 6 contains forecasts of employment by sector for Lewisham with sensitivity analysis and alternative scenarios around the central forecast.
- 1.8 Chapter 7 analyses the balance between projected demand for employment space in Lewisham and supply of such space both in quantitative and qualitative terms.
- 1.9 Chapter 8 concludes by summarising the overall findings and presenting conclusions and recommendations for both policy and implementation.

2 Policy Context

National

National Planning Policy Framework

- 2.1 The new National Planning Policy Framework published in July 2018 sets out in the chapter on 'Building a strong, competitive economy' that:

"Planning policies should:

- a) set out a clear economic vision and strategy which positively and proactively encourages sustainable economic growth, having regard to Local Industrial Strategies and other local policies for economic development and regeneration;*
- b) set criteria, or identify strategic sites, for local and inward investment to match the strategy and to meet anticipated needs over the plan period;*
- c) seek to address potential barriers to investment, such as inadequate infrastructure, services or housing, or a poor environment; and*
- d) be flexible enough to accommodate needs not anticipated in the plan, allow for new and flexible working practices (such as live-work accommodation), and to enable a rapid response to changes in economic circumstances.*

Planning policies and decisions should recognise and address the specific locational requirements of different sectors. This includes making provision for clusters or networks of knowledge and data-driven, creative or high technology industries; and for storage and distribution operations at a variety of scales and in suitably accessible locations."

Industrial Strategy White Paper

- 2.2 In November 2017, the Government published its Industrial Strategy White paper. This set out five foundations of productivity:

- *Ideas – with an aim both to invest a higher proportion of GDP into Research and Development (R&D) and also become more effective at turning good ideas into commercial products.*
- *People – in particular aimed at investing in education to raise skills in the STEM subjects.*
- *Infrastructure – with a strong emphasis on digital infrastructure.*
- *Business environment – including 'sector deals'; efforts to scale up businesses with growth potential; and trying to address the 'long tail' of less productive businesses.*
- *Places – through developing local industrial strategies.*

- 2.3 Among the key policies under the places driver were: "Agree Local Industrial Strategies that build on local strengths and deliver on economic opportunities".

- 2.4 The first Sector Deals are in life sciences, construction, artificial intelligence and the automotive sector. The White Paper also pointed to future growth opportunities in what it called the 'Four Grand Challenges':

- Put the UK at the forefront of the artificial intelligence and data revolution.
- Maximise the advantages for UK industry from the global shift to clean growth.
- Become a world leader in shaping the future of mobility.
- Harness the power of innovation to help meet the needs of an ageing society.

London

2.5 The London Plan (the Plan) sets the strategic planning context for borough level planning within the capital. The London Plan 2016 document incorporates the alterations to the 2011 London Plan. This includes the Further Alterations to the London Plan (FALP) in March 2015, which was developed in response to population growth and projections emerging from the 2011 Census that were higher than had been anticipated. The introduction to the Plan concludes that, “the only prudent course is to plan for continued growth” (para 1.47) and providing the basis for the continued growth and economic development of all parts of London is a key theme of the Plan. This approach forms the context for much of the work for this ELS.

2.6 Lewisham forms part of Inner London and it also forms part of the central sub-region. Policy 2.9 on Inner London states the following.

“The Mayor will, and boroughs and other stakeholders should, work to realise the potential of inner London in ways that sustain and enhance its recent economic and demographic growth while also improving its distinct environment, neighbourhoods and public realm, supporting and sustaining existing and new communities, addressing its unique concentrations of deprivation, ensuring the availability of appropriate workspaces for the area’s changing economy and improving quality of life and health for those living, working, studying or visiting there.”

2.7 The Inner London area is further broken down into the CAZ, in recognition of its specific global economic role and the need to nurture and grow that role. The Plan’s Strategic Priorities include the continued development of the CAZ. Policy 2.10 sets out the strategic priorities for the CAZ.

“The Mayor will, and boroughs and other relevant strategic partners should ... enhance and promote the unique international, national and London wide roles of the Central Activities Zone (CAZ), supporting the distinct offer of the Zone based on a rich mix of local as well as strategic uses and forming the globally iconic core of one of the world’s most attractive and competitive business locations.”

2.8 But unlike most other Inner London Boroughs Lewisham lies wholly outside of the CAZ.

2.9 The Plan also identifies a number of Opportunity Areas which provide the capital’s main reservoir of brownfield land with the capacity to accommodate new housing and commercial capacity. The Lewisham, Catford and New Cross Opportunity Area an area of 815 ha lies wholly in LB Lewisham. It has an indicative employment capacity: 6,000 and minimum new homes figure of 8,000. The London Plan notes that, “This Area contains a series of centres with scope for intensification, regeneration and renewal. There is scope for

further intensification in central Lewisham where strategically important regeneration is already planned. Projects such as the Kender Triangle gyratory removal and Lewisham Gateway will provide development opportunities, improve the public realm and raise design quality in the area. The scope to address poor legibility, severance and traffic congestion should be investigated. Projects such as Waterlink Way and Deptford Loop should be further developed together with wider environmental improvements such as extensions to the East London Green Grid."

- 2.10 The Deptford Creek/Greenwich Riverside Opportunity Area is partially in Lewisham and partially in Greenwich. It is an area of 165 ha, has an indicative employment capacity of 4,000 and a minimum new homes figure of 5,000. The London Plan notes that, *"The Area should benefit major concentrations of deprived neighbourhoods across the two boroughs and capitalise on its waterside and heritage character. Subject to resolution of wharf related issues, parts of Convoys Wharf should be developed for a range of uses. The Area as a whole has potential for a cultural quarter, for smaller scale leisure and tourism-related provision, business workspaces and additional housing. East-west connections across Deptford Creek should be addressed."*
- 2.11 Policy 2.13 of the London Plan commits the Mayor to supporting the development of the Opportunity Areas and Areas for Intensification in order to realise their growth potential, including through working with the relevant boroughs to develop more detailed policies and proposals. In terms of planning decisions in these locations, Policy 2.13 requires development to support the strategic policy directions set for them, to optimise residential and non-residential output and densities, and provide necessary social and other infrastructure to sustain growth and, where appropriate, a mix of uses.
- 2.12 The London Plan expects boroughs to adopt a rigorous approach to industrial land management, including the release of surplus industrial land, where this would be compatible with the requirement to maintain a sufficient stock of industrial land to meet the future needs of different types of industrial and related uses (Policy 4.4A). Lewisham is classed as a 'Limited' release borough an intermediate category where, *"Taking account of local variations of demand boroughs are encouraged to manage and where possible, reconfigure their portfolios of industrial land, safeguarding the best quality sites and phasing release to reduce vacancy rates for land and premises towards the frictional rates"*

Draft London Plan

'Good growth'

- 2.13 The Draft London Plan (August 2018) is described as being *"different to those that have gone before"*, and both *"more ambitious and focused than any previous Plans."* It notes that, *"London's population is set to grow from 8.9 million today to around 10.8 million by 2041. As it does so, employment is expected to increase on average by 49,000 jobs each year, reaching 6.9 million over the same period."* Accommodating this growth is London's biggest planning challenge, but the new Draft London Plan is clear that this shouldn't be growth at any costs but that the type of growth also matters.

- 2.14 Policy GG1 of the London Plan recognises that *“London is home to an ageing population, with more and more people facing the barriers that already prevent many from participating fully in their communities”*.
- 2.15 The Draft Plan therefore emphasises the importance of “Good Growth”, which the previously published Draft Economic Development Strategy (December 2017) described as:
- “...growth that is well planned and sustainable. It is growth which preserves and enhances the city’s integrity for future generations and improves the quality of life for Londoners”*.
- 2.16 The Draft London Plan seeks to provide spatial expression of the concept, which is said to underpin the Plan and to ensure that it is focused on sustainable development. It defines good growth as:
- “growth that is socially and economically inclusive and environmentally sustainable”*.
- 2.17 It suggests that economic growth should not be pursued simply as an end in itself but that growth should be planned *“on the basis of its potential to improve the health and quality of life of all Londoners, to reduce inequalities and to make the city a better place to live, work and visit”*.
- 2.18 This then translates into a series of policies, the most relevant of which, for this report, are GG2 and GG5, extracts of which are reproduced below.

Policy GG2 Making the best use of land

To create successful mixed-use places that make the best use of land, those involved in planning and development must:

- *Enable the development of brownfield land, prioritising Opportunity Areas, surplus public sector land, sites which are well-connected by existing or planned Tube and rail stations, and sites within and on the edge of town centres, as well as utilising small sites.*
- *Proactively explore the potential to intensify the use of land, including public land, to support additional homes and workspaces, promoting higher density development, particularly on sites that are well-connected by public transport, walking and cycling to other infrastructure and services, applying a design-led approach.*

Policy GG5 Growing a good economy

To conserve and enhance London’s global economic competitiveness and ensure that economic success is shared amongst all Londoners, those involved in planning and development must:

- *Promote the strength and potential of the wider city region.*
- *Seek to ensure that London’s economy diversifies and that the benefits of economic success are shared more equitably across London.*
- *Plan for sufficient employment and industrial space in the right locations to support economic development and regeneration.*

- *Ensure that sufficient high-quality and affordable housing, as well as physical and social infrastructure is provided to support London's growth.*
- *Ensure that London continues to provide leadership in innovation, research, policy and ideas, supporting its role as an international incubator and centre for learning.*
- *Promote and support London's rich heritage and cultural assets, and its role as a 24-hour city.*
- *Make the fullest use of London's existing and future public transport, walking and cycling network, as well as its network of town centres, to support agglomeration and economic activity.*

2.19 Whilst noting that *"The Central Activities Zone and Northern Isle of Dogs will remain vital to London's economic success"*, it further goes on to state, *"but growth in town centres across London will be equally important, alongside supporting local regeneration, investment in Opportunity Areas and enabling access to a wide range of jobs. Reasonably-priced, good quality employment space will be needed across London to make this happen."*

2.20 Developing digital infrastructure and the skills of Londoners are also seen as being critical to delivering good growth.

Spatial Development Patterns

2.21 The Draft Plan reaffirms the importance of Opportunity Areas as the areas of London that will see the most significant change. The Plan "has a clear focus on delivery" and Policy SD1 states that: *"To ensure that Opportunity Areas fully realise their growth and regeneration potential, the Mayor will [among other things]:*

- 1) *provide support and leadership for the collaborative preparation and implementation of planning frameworks that:*
 - a) *set out a clear strategy for accommodating growth*
 - b) *assist in delivering specific infrastructure requirements that unlock capacity for new homes and jobs*
 - c) *support regeneration*
 - d) *are prepared in an open and timely manner...*
- 6) *...ensure that Opportunity Areas contribution to regeneration objectives by tackling spatial inequalities and environmental, economic and social barriers that affect the lives of people in the area, especially in Local and Strategic Areas for Regeneration".*

2.22 Indicative guidelines for new homes and new jobs in the Opportunity Areas are included, with New Cross/Lewisham/Catford earmarked for 13,500 homes and 4,000 jobs and Deptford Creek/Greenwich Riverside earmarked for 5,500 homes and 3,000 jobs.

2.23 As part of the growth of New Cross/Lewisham/Catford and supported by the arrival of the Bakerloo Line at Lewisham, the Plan envisages that *"Lewisham will grow in function and population and has potential to become a town centre of Metropolitan importance"*.

2.24 The Draft Plan also identifies the potential for significant urban renewal in Catford.

Economy

2.25 The economy chapter of the Plan contains eleven policies:

- **Policy E1 Offices** addresses the range type and locations required for office provision to keep London's economy competitive.
- **Policy E2 Low-cost business space** seeks to support the provision, and where necessary protection, of low-cost business space for SMEs and start-up businesses
- **Policy E3 Affordable workspace** aims to secure "workspace that is provided at rents maintained below the market rate for that space for a specific social, cultural, or economic development purpose."
- **Policy E4 Land for industry, logistics and services to support London's economic function** aims to secure a sufficient supply of land and premises in different parts of London to meet current and future demands for industrial and related functions.
- **Policy E5 Strategic Industrial Locations (SIL)** aims to protect and intensify use on defined SIL
- **Policy E6 Locally Significant Industrial Sites (LSIS)** ask boroughs to define local boundaries where evidence justifies and make clear the range of industrial and related uses that are acceptable in LSIS.
- **Policy E7 Industrial intensification, co-location and substitution** seeks to actively encourage planned intensification and more efficient use of industrial land.
- **Policy E8 Sector growth opportunities and clusters** aims to encourage growth across a diverse range of sectors and support the development of high-tech clusters.
- **Policy E9 Retail, markets and hot food takeaways** promotes a competitive and diverse retail sector with a particular emphasis on Town Centres.
- **Policy E10 Visitor infrastructure** aims to enhance London's visitor attractions and also provide the accommodation to cater for visitors.
- **Policy E11 Skills and opportunities** for all seeks to promote inclusive access to training, skills and employment opportunities for all Londoners.

2.26 The Draft Plan notes that, *"Over the period 2001 to 2015, more than 1,300 hectares of industrial land (including SILs, LSIS and Non-Designated Industrial Sites) was transferred to other uses. This was well in excess of previously established London Plan monitoring benchmarks".*¹ The Plan notes how London depends on a wide range of industrial, logistics and related uses to keep the city functioning and as a consequence *"addresses the need to retain sufficient industrial, logistics and related capacity by seeking, as a general principle, no overall net loss of industrial floorspace capacity across London in designated SIL and LSIS."*²

2.27 The Draft Plan introduces a new categorisation for boroughs with regard to industrial land release. Lewisham is placed in the **Retain** category. *"Boroughs in the 'Retain' category should seek to intensify industrial floorspace capacity following the general principle of no net loss across designated SIL and LSIS."*³

¹ Para 6.4.4

² Para 6.4.5

³ Para 6.4.7

Local

Neighbouring boroughs

Southwark

2.28 The Proposed Submission Version of the New Southwark Plan was published in December 2017. Policy SP4, entitled 'Strong Local Economy' states: *"We will work to make sure that Southwark has a strong economy where all of our existing and new residents and workers benefit. This will be achieved through:*

- 1) Bringing more opportunities for people to find work, get into training and achieve their aspirations; and*
- 2) Making Southwark a place where the town centres and high streets thrive and are a place to do business in the London and global economy, where business owners know this is the borough where their enterprises will grow and prosper;*
- 3) Ensuring the distinctive town and local centres will be places where shops, leisure, office*
- 4) Working with our residents to assist them to be and stay financially independent;*
- 5) Ensuring we retain the industrial premises London needs*
- 6) Working with local business and other partners to make sure our residents are equipped with the skills and knowledge to access the many exciting opportunities that being in Southwark brings; and*
- 7) Ensuring the delivery of 500 new affordable small business units."*

2.29 The Old Kent Road area leads into Lewisham and is set to be a significant growth corridor as the Bakerloo Line Extension proposals proceed. This area is a focus for development and there is an ambition to *"help grow the significant economic base in the Old Kent Road, not just for offices, but over a wide range of skills and job types, including the types of business that service Central London such as the distribution industry and new and growing sectors such as the arts industry".* 20,000 new homes and 5,000 new jobs are planned for this area.

Tower Hamlets

2.30 Tower Hamlets sits on the opposite side of the Thames from Lewisham but is connected by the DLR and London Overground. Examination hearings on the new Tower Hamlets Local Plan have recently been held following the issuing of the Publication Version in October 2017.

2.31 The Plan seeks to accommodate very significant projected growth in population and employment, including through improved transport and other infrastructure.

2.32 The vision articulated for the borough includes that:

"the strategic roles of Canary Wharf as a global financial and business hub and the City Fringe and Whitechapel as emerging hubs for life sciences, bio-tech and digital industries will be strengthened. This is alongside nurturing and developing our thriving small-and-medium enterprise sectors, properly recognising the need to support the entrepreneurial and business-focussed dynamism of many of our residents and workers, preserving our remaining industrial

heritage and promoting our historic and distinctive town centres, markets and heritage and cultural attractions”.

- 2.33 The majority of new housing and employment provision within the borough will be focussed within the Isle of Dogs and South Poplar Opportunity area, principally within Canary Wharf and north of the Isle of Dogs, closely connected to Lewisham by the DLR.

Greenwich

- 2.34 A new Local Plan for Greenwich is in development, with a proposed submission version due for publication in Spring 2019. The current Local Plan was adopted in July 2014. Significant housing and commercial growth is planned, with a significant proportion of this being accommodated on the Greenwich Peninsula.
- 2.35 The vision for the borough includes a local economy which demands *“a broader range of higher-level skills to meet the future needs of both existing and emerging sectors”*. The plan envisages that *“leisure, hospitality and tourism and the digital and creative sectors will grow, and new job opportunities will develop in the low carbon sector, advanced manufacturing and life sciences”*.
- 2.36 The Deptford Creek/Greenwich Creekside Opportunity Area is included as an area for significant growth, where tourism, culture and heritage-led development will be encouraged.

Bromley

- 2.37 In Bromley’s Submission Draft Local Plan (November 2016) economic growth is focused on the three areas of Bromley town centre, Biggin Hill Strategic Outer London Development Centre (SOLDC) and the Cray Business Corridor.
- 2.38 Key aspects of the Plan’s vision for the Bromley economy are that:
- New businesses will start up and grow using local skills, supply chains and investment (the borough currently experiences very high levels of out-commuting).
 - High quality, flexible accommodation is provided.
 - Biggin Hill is an important sub-regional hub for aviation and related high-tech industry.
- 2.39 On the border with Lewisham, Crystal Palace is a focus for growth as part of its London Plan designation as a SOLDC and through building on its strengths in terms of leisure, tourism, arts, culture and sports functions.

South London Partnership

- 2.40 The South London Partnership is a sub-regional collaboration of five London boroughs: Croydon, Kingston upon Thames, Merton, Richmond upon Thames and Sutton. They have developed a growth proposition which identifies the priorities that the Partnership will focus on in the next few years in order to address constraints and enhance the economic potential of South London. The priorities are:

1. *A Programme for Economic Growth – SLP will bring together businesses from key sectors (tech, life sciences and sports sciences), with research and education providers and other partners to develop a programme of work to support economic growth.*
2. *Skills for Jobs – SLP will seek devolution of skills commissioning to enable us to better meet business needs and strengthen the pathways through education and learning into jobs. (link to Skills page)*
3. *Making the Links – securing investment in transport infrastructure and improvements in services to address congestion, link workers to jobs and maximise the potential of our location and secure the wider infrastructure to support growth.*
4. *More than the Sum of the Parts – establishing new ways of working with business and other partners to maximise the potential of sub-regional growth sectors and to attract inward investment and tourism. Our goal is a sub-regional LEP (Local Economic Partnership) with funding to support this. We will also seek opportunities to use our business strengths to improve public services.*
5. *Making Best Use of our Space – protecting and enhancing land for jobs, while securing affordable housing to support our growing economy, including through collaborating on opportunity areas as the focuses for development and unlocking public estate.*

Lewisham Local Plan

- 2.41 Lewisham's Core Strategy (June 2011) was in part premised on the release of a number of large redundant employment sites in the north of the borough as Mixed-Use Employment Locations. This was part of the spatial development strategy for regeneration in the London Plan Opportunity Area, and also supported with focussed growth in major town centres, district and local hubs.
- 2.42 The core strategy forms part of the development plan for the borough, together with the Site Allocations local plan, the Lewisham Town Centre local plan, the Development Management local plan, and the London Plan.

Employment Land Study 2015

- 2.43 The 2015 Lewisham Employment Land Study (ELS) forecast a net increase in demand for office floorspace of between 13,700 - 18,600 sq m over the period 2015-33.
- 2.44 In terms of industrial land, the ELS projected a net demand of between -19.8 to -23.0 ha over the period.

Lewisham Business Growth Strategy 2013-2023

- 2.45 The Lewisham Business Growth Strategy 2013-2023 identified five key characteristics of the Lewisham economy:
 - Lewisham has become a growing centre for micro businesses, which benefit from the demand created from the London economy;

- Lewisham has a dynamic, diverse, creative and entrepreneurial population;
- Lewisham provides excellent value for London businesses;
- Lewisham is undergoing a period of significant regeneration, creating new high-quality business space and environments; and
- Lewisham town centres are being revitalised, developing their unique and diverse offer.

2.46 The Strategy set out three aims to develop the Lewisham economy in the future:

Aim 1: To boost Lewisham's contribution to the London economy by enhancing the ability of new and existing businesses to thrive and grow.

Aim 2: To accelerate the expansion of the Lewisham economy by capitalising on major physical regeneration in the borough to create the right environment for business growth.

Aim 3: To diversify and expand the Lewisham economy by inspiring, nurturing and promoting the creativity and entrepreneurship of Lewisham residents.

2.47 Under each of these aims it set out a series of objectives with activities designed to progress these objectives. Whilst some of the context will have changed over time, this still provides a broad direction for LB Lewisham's economic ambitions and policies.

Summary

2.48 Lewisham's new Local Plan is being developed in a context of very significant growth requirements for housing, employment and associated infrastructure. National policy emphasises the importance of locally strategic approaches to economic growth. This includes the need to recognise and address the specific locational requirements of different sectors and to make specific provision for clusters or networks of higher value-added sectors such as knowledge and data-driven, creative or high technology industries.

2.49 There will be a need to align with the requirements of the London Plan, including:

- Responding to the emphasis on 'good growth', i.e. ensuring that growth is socially and economically inclusive, as well as environmentally sustainable.
- Maintaining the focus on the Opportunity Areas, working in conjunction with the Mayor and other stakeholders.
- Reflecting the focus on intensification of the use of land and the co-location of uses on appropriate sites.
- The need for good design, particularly in the context of increased intensification and mixing of uses.
- Ensuring diversity in employment space provision, including low cost business space for SMEs and start-up businesses.
- Retaining capacity to accommodate industrial activity

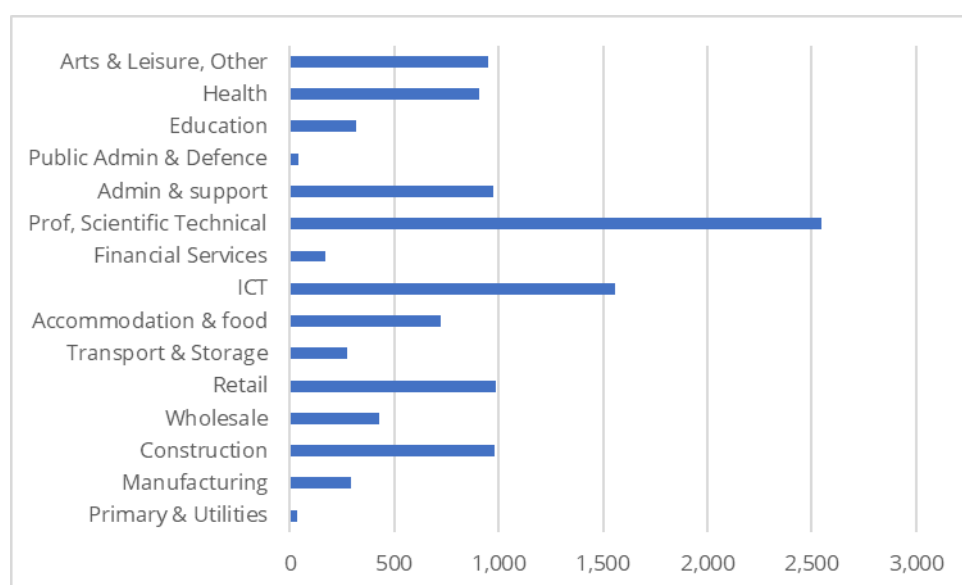
2.50 The policies and ambitions of neighbouring boroughs are a further important dimension of the policy context. It will be particularly important for Lewisham to respond to the opportunities and challenges arising from: the ongoing growth and regeneration in the Old Kent Road corridor and the associated Bakerloo Line Extension; and the ongoing very significant growth in employment on the opposite side of the Thames in Tower Hamlets.

3 Lewisham Economic Profile

Introduction

- 3.1 This chapter provides a summary socio-economic profile of LB Lewisham. It draws extensively on the Lewisham Economic Assessment (LEA)⁴ which was compiled immediately preceding the start of the ELS. The LEA drew on published statistical sources but also included a survey of 200 Lewisham businesses and in-depth consultations with some of the principal local economic stakeholders. To avoid unnecessary repetition or duplication, readers are referred to the LEA for more detailed analysis.
- 3.2 This chapter summarises the analysis primarily to provide context to understanding the demand for B-class employment land and floorspace in the Borough.
- 3.3 There were just over 11,000 local business units in Lewisham in 2017. The figure below shows the breakdown by sector. There were just over 2,500 business units in the Professional, Scientific and Technical services sector and just over 1,500 in the ICT sector.

Figure 3.1 Local Business Units in Lewisham by Sector

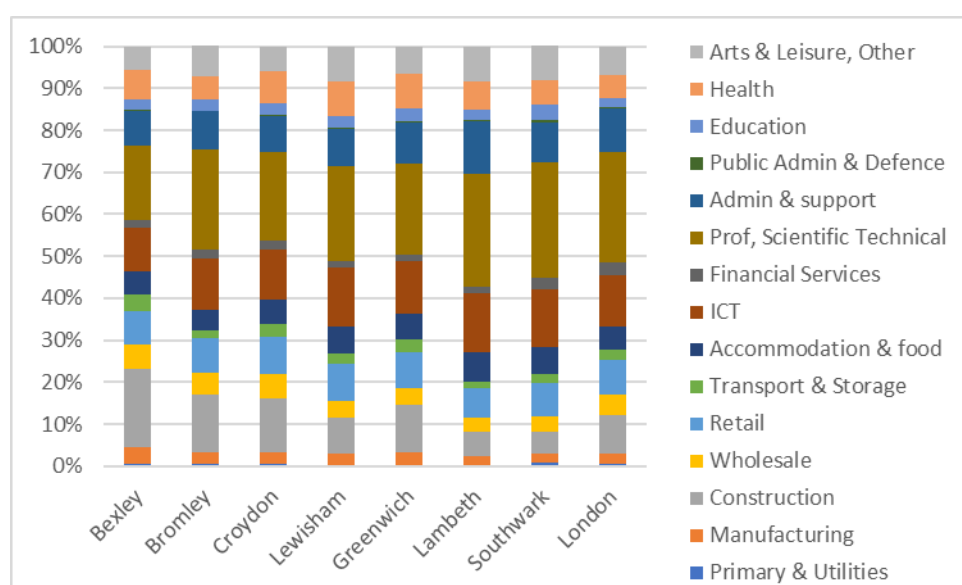


Source: ONS UK Business Counts

- 3.4 The overall structure of business units is not dissimilar to that of London as a whole. Lewisham has a higher proportion of business units in the Health sector than the London average and a lower proportion in Professional Scientific and Technical service sector. But the differential in structure is less marked in terms of the numbers of business units than it is in terms of overall employment as we shall show later.

⁴ CAG Consultants and Aspinall Verdi (2018) Lewisham Local Economic Assessment

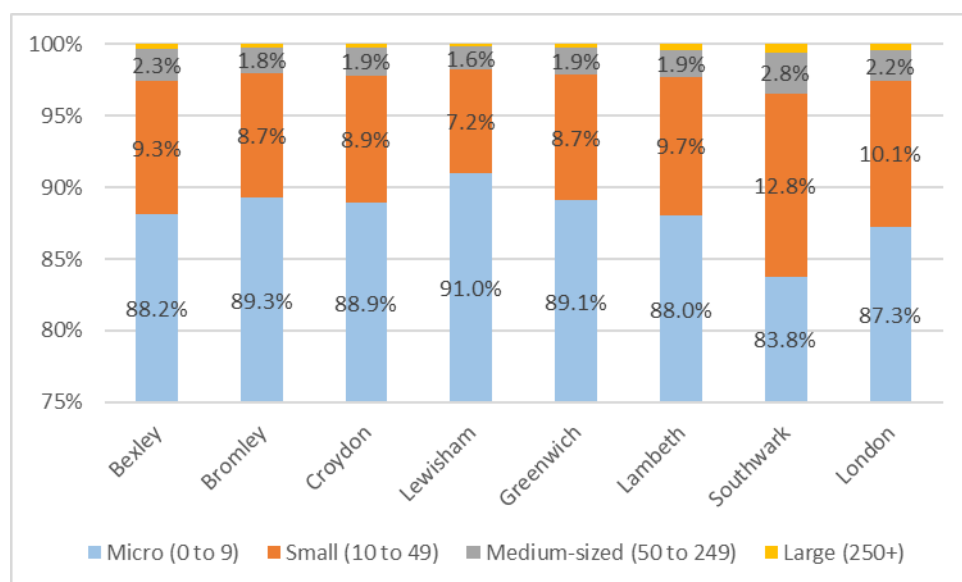
Figure 3.2 Structure of Local Business Units by Sector 2017



Source: ONS UK Business Counts

- 3.5 91% of Lewisham business units are micro business with fewer than 10 employees. This is higher than the London average of 87.3% and higher than that of any of the comparator boroughs. Correspondingly, it has a lower proportion of businesses in the other size bands.

Figure 3.3 Proportion of Local Business Units by Employment Size Band 2017

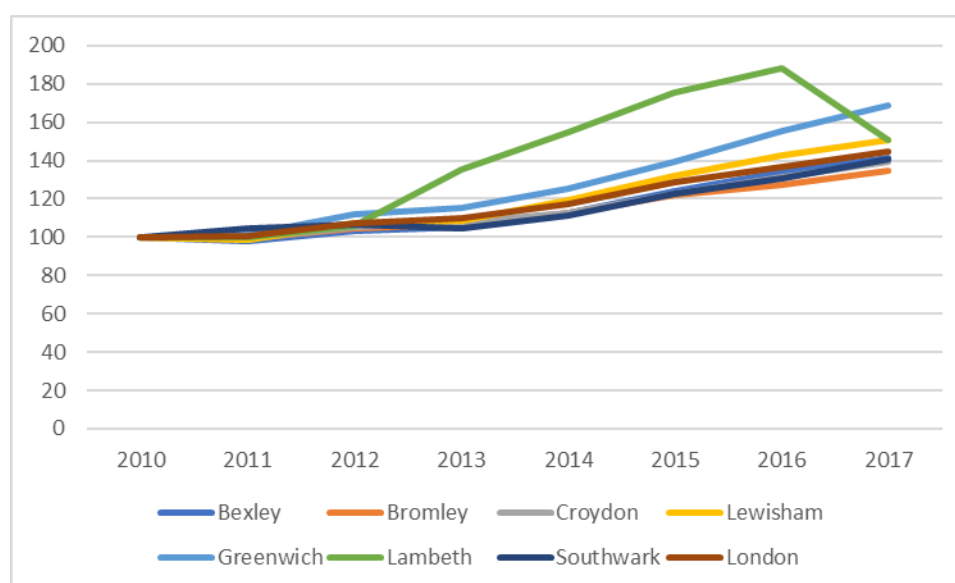


Source: ONS UK Business Counts

- 3.6 Lewisham has a higher proportion of business that are sole proprietors (14.9%) than the London average of 10.9%. The proportion of sole proprietor business is also higher than that of any of the comparator boroughs.

- 3.7 The number of business units in Lewisham has grown rapidly in recent years, increasing by more than 50% since 2011. This is faster than growth in London as a whole and faster than most of the comparator boroughs.
- 3.8 This seemingly rapid expansion in business in London over this period needs to be considered in the light of some of the drivers of change noted in the previous chapter. Part of this growth will have been driven by changes in the structure of employment, with companies making increasing use of self-employed and contract labour, leading to increases in the stock of micro businesses. Thus, rather than indicating a growth in the business base of the London economy, this may in part reflect increased job insecurity and the shifting of risks and overheads from firms to workers.⁵

Figure 3.4 Change in Stock of Local Business Units 2010-2017 - Index 2010=100

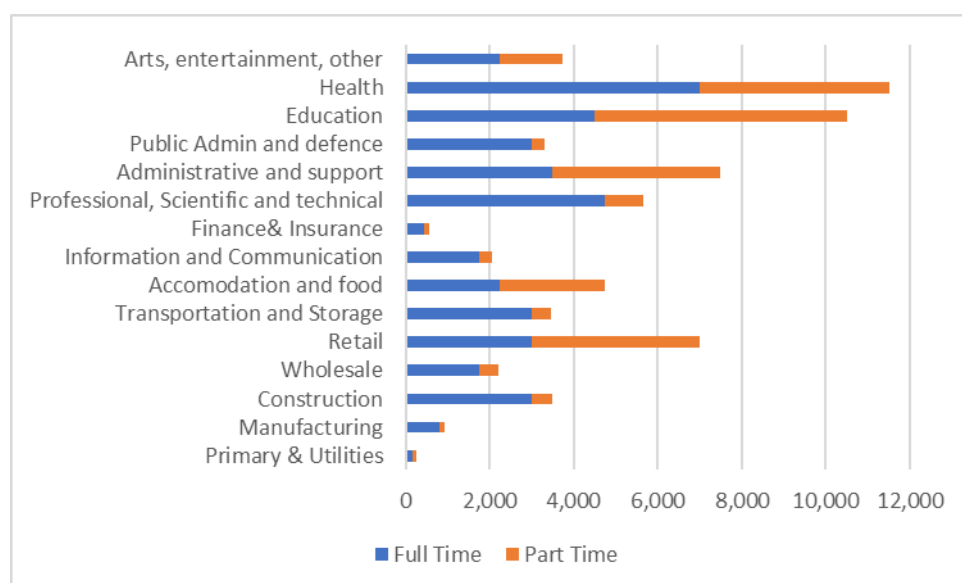


Source: ONS UK Business Counts

- 3.9 In 2016 there were 66,000 employee jobs in Lewisham. 60% of these were full-time jobs and 40% were part-time jobs. Adding in working owners takes the total to 68,000.
- 3.10 The single largest sector was health, which accounted for 17% of employee jobs, followed by education, which accounted for 15%. The next two largest sectors were administrative and support services, which accounted for 12% of jobs, and retail, which accounted for 10%. These four sectors accounted for over half of all employment in the borough and all have a high proportion of part-time employment.

⁵ There is also a small technical adjustment. In 2015, ONS extended the coverage of businesses to include a population of solely PAYE based businesses that were previously excluded because of the risk of duplication. This results in a small uplift in the number of business units in that year.

Figure 3.5 Employment in Lewisham by Sector and Full-Time/Part-Time



Source: BRES

- 3.11 GLA Economics estimate there are 15,000 self-employed workers in Lewisham, giving an employment total of 81,000 in 2016. Self-employment therefore represents 18.5% of all jobs in the borough significantly higher than the London average of 12.8%.

Employment Profile on Designated Sites

- 3.12 Using Inter Departmental Register (IDBR) data we have analysed the employment profile on LB Lewisham designated employment areas and compared this to the profile of employment elsewhere in the Borough. We have analysed each employment area by broad category of employment.
- 3.13 There are a total of 2,300 jobs on Strategic Industrial Locations (SILs), 2,500 on Local Employment Locations (LELs) and 1,700 on Mixed-Use Employment Locations (MELs).

Table 3.1 Employment on Designated Sites by Broad Category of Employment

	Area	Jobs	Jobs/Ha	Industrial	Office	Public	Consumer
SILs	36.94	2,326	63	1,720	359	1	246
LELs	17.9	2,534	142	600	922	506	506
MELs	45.5	1,657	36	179	634	488	356
Town Centres ex wider	140.8	14,820	105	923	5,626	2,122	6,149
Town Centres	217.0	21,545	99	1,643	7,829	3,614	8,459
Non-Designated	3,203.7	37,093	12	4,205	8,714	18,565	5,609
Borough	3,521.0	65,155	19	8,347	18,458	23,174	15,176

Source IDBR/CAG

- 3.14 SILs account for 3.6% of total employment in Lewisham, LELs account for 3.9%, and MELs account for 2.5%. So, in total just 10% of jobs in Lewisham are accommodated on 'employment land'. SILs however account for 20% of industrial jobs in the borough and between them SILs, LELs, and MELs accommodate 30% of industrial jobs. Employment

density, in terms of jobs per hectare, is highest in LELs followed by the town centres. Employment density is lower in the SILs reflecting that fact that employment density is generally lower for industrial activity. Employment density is lower still for the MELs, though there are some, notably Sun and Kent Wharf and to a lesser extent Plough Way and Arklow Road, where employment densities are reasonably high.

Table 3.2 Proportion of Jobs in Lewisham by Employment Land Designation

	Industrial	Office	Public	Consumer	Total
SILs	20.6%	1.9%	0.0%	1.6%	3.6%
LELs	7.2%	5.0%	2.2%	3.3%	3.9%
MELs	2.1%	3.4%	2.1%	2.3%	2.5%
Town Centres ex wider	11.1%	30.5%	9.2%	40.5%	22.7%
Town Centres	19.7%	42.4%	15.6%	55.7%	33.1%
Non Designated	50.4%	47.2%	80.1%	37.0%	56.9%
Borough	100.0%	100.0%	100.0%	100.0%	100.0%

Source IDBR/CAG

- 3.15 Looking at types of jobs accommodated on different types of land, 74% of jobs on SIL are in industrial sectors. In LELs there is a broad spread of jobs across all types, though office type sectors are the largest category represented. On MELs there is a lower proportion of jobs in industrial sectors, reflecting the limited compatibility of industrial activity in a mixed-use environment.
- 3.16 Town Centres accommodated a combination of consumer services, such as retail, as well as office type activities. The high proportion of public sector employment on Non-Designated sites will reflect the health and education sectors that make up a large proportion of Lewisham's total employment.

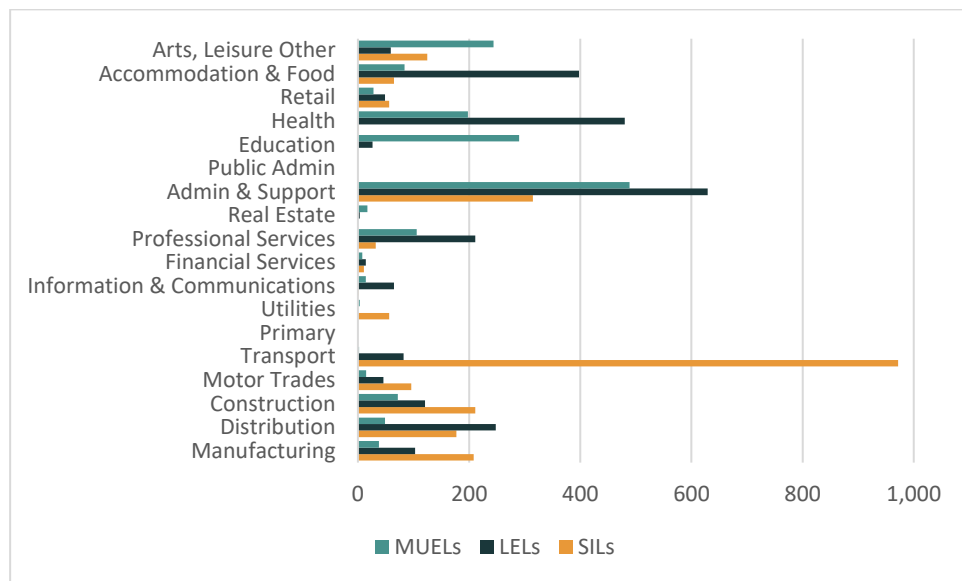
Table 3.3 Proportion of Jobs on Designated Land by Broad Category of Employment

	Industrial	Office	Public	Consumer
SILs	73.9%	15.4%	0.0%	10.6%
LELs	23.7%	36.4%	20.0%	20.0%
MELs	10.8%	38.3%	29.5%	21.5%
Town Centres ex wider	6.2%	38.0%	14.3%	41.5%
Town Centres	7.6%	36.3%	16.8%	39.3%
Non Designated	11.3%	23.5%	50.0%	15.1%
Borough	12.8%	28.3%	35.6%	23.3%

Source IDBR/CAG

- 3.17 Figure 3.6 shows a more detailed sectoral breakdown of activity on the designated employment sites. This again shows the concentration of industrial activity on SILs, and in particular the high representation of the transport sector.
- 3.18 Administrative and support services activities are the largest sectors on LELs followed by Health and Accommodation & food. Administrative and support service activities are also the largest sector on MELs followed by Education and Arts, Leisure and other services.

Figure 3.6 Sectoral Profile of Employment on Designated Employment Land

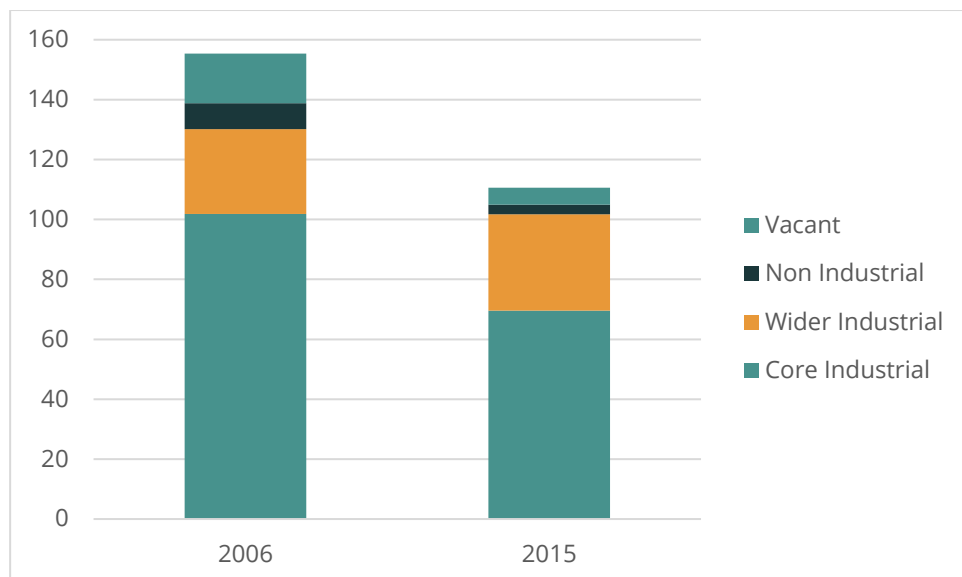


Source IDBR/CAG

Industrial Land

3.19 Data from the London Industrial Land Supply report showed that between 2006-15 total industrial land in Lewisham declined from 155.4ha to 110.6ha a reduction of 44.8ha or 28.8%. Excluding Non-Industrial Land there was a reduction of 39.3ha or 26.8%. The rate of decline averaged -3.4% p.a. over this period, which was faster than the average for London as a whole of -1.3% p.a.

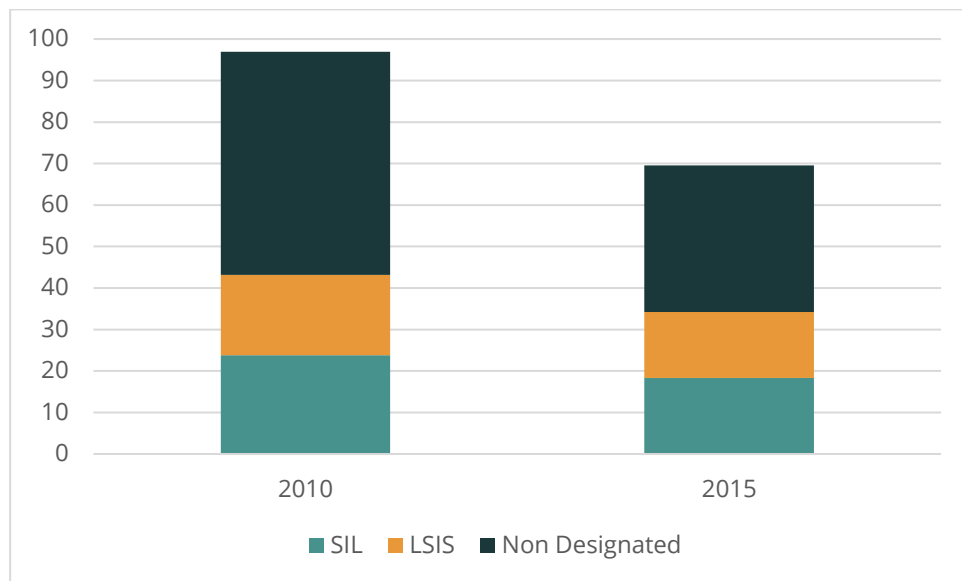
Figure 3.7 Industrial Land Supply Lewisham 2006-15



Source: London Industrial Land Supply 2015

3.20 The biggest loss of core industrial land in the most recent period has come from Non-Designated sites, which saw a reduction of -18.4 ha or -34.2% between 2010-15. But there was also a loss of core industrial land on SIL, which fell by -5.5 ha or 23.2%, and on Local Strategic Industrial Sites (LSIS), which fell by -3.4 ha or 17.8%.

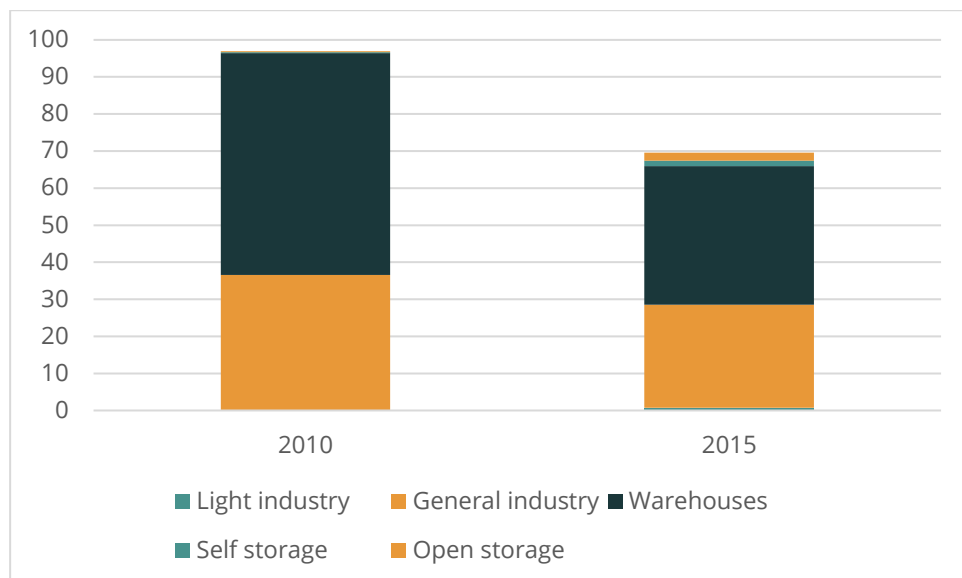
Figure 3.8 Change in Core Industrial Land Lewisham by Designation 2010-15



Source: London Industrial Land Supply 2015

- 3.21 There was a significant reduction in land for both general industry and for warehousing. There has been a small increase in land for light industry, self-storage and open storage though these are still minor occupiers of core industrial land in Lewisham.

Figure 3.9 Change in Core Industrial Land Lewisham by Type 2010-15



Source: London Industrial Land Supply 2015

Conclusions

- 3.22 Lewisham has predominantly a local service sector economy, servicing the needs of its local resident population. Its largest sectors are health and education. It also has a large retail sector. Lewisham and Catford are major town centres and there are a number of district and neighbourhood centres throughout the borough serving their local population. Lewisham town centre has aspirations to be a Metropolitan centre, though it currently

lacks the type of sub-regional leisure and cultural offer that would normally be found in such centres.

- 3.23 Lewisham has not experienced the same levels of growth seen elsewhere in London in recent years. Whilst the number of new businesses being formed in Lewisham has grown rapidly in recent years, increasing by more than 50% since 2011, much of this is due to structural changes on the nature of work with higher levels of self-employment and contract work and the growth of the gig economy. Total employment in Lewisham has grown, but not as rapidly as other parts of London. Lewisham remains an economy made up of very small firms with just a handful of major employers. Compared with neighbouring boroughs, Lewisham has a small and declining stock of commercial floorspace. There are just 40 jobs in Lewisham for every 100 working age residents, the second lowest proportion of any London borough.
- 3.24 Higher value and higher wage sectors, such as professional, scientific and technical services and information & communication technologies are under-represented in Lewisham compared to other boroughs. The average wage of full-time workers working in Lewisham is 5% lower than those of the resident workforce.
- 3.25 A high proportion of jobs in Lewisham are part-time. This, combined with the overall sectoral make-up of employment in the borough, results in the output, or Gross Value Added (GVA), produced in Lewisham being comparatively low by London standards. GVA per head of population in Lewisham is just 38% of the London average.
- 3.26 Although the value of economic activity may be relatively low, Lewisham is seen as a good place to do business by those people who run businesses here. In a survey of Lewisham businesses, 61% said it was a 'good; or 'very good' place to run a business and 63 % said it was a 'good' or 'very good' place to work⁶. External perceptions of Lewisham are not quite as positive however, so the borough is probably missing out on some investment potential by being under-valued. Despite its proximity, Central London is not in general a major market for most Lewisham businesses.

⁶ CAG Consultants (2018) Lewisham Local Economic Assessment Business Survey

4 Property Market Profile

Introduction

- 4.1 This chapter reviews the property market for employment space in the borough, covering offices and general industrial/distribution space. For both offices and general industrial/distribution space we consider in turn demand, supply and the balance of the market. The main purpose of the analysis is to identify where there is potential demand for new floorspace.
- 4.2 In relation to demand, we identify the types of business that are taking space in the borough or may consider doing so, and what property they are looking for in terms of size and quality. In relation to supply and market balance, we analyse the stock which is currently available, recently developed and in the pipeline, and the rental values and capital values that properties in the area are achieving. This is to determine:
- How far the existing floorspace stock is meeting current and foreseeable occupier requirements;
 - Hence, how far there is likely to be demand for more or different space, now or in the future; and
 - Conversely, if property and land are oversupplied overall or in particular sections of the market.
- 4.3 These findings will help assess the potential demand for new employment floorspace, and hence the quantity and qualitative mix of development sites.
- 4.4 A strength of the market-facing analysis is that it considers real-life property transactions, including the values (rents and prices) realised in such transactions, and whether these values are enough to support viable development. This provides evidence of effective, or viable, demand – which means that potential occupiers will pay enough, and (where relevant) have sufficient covenant strength,⁷ to support financially viable development.

Sources and definitions

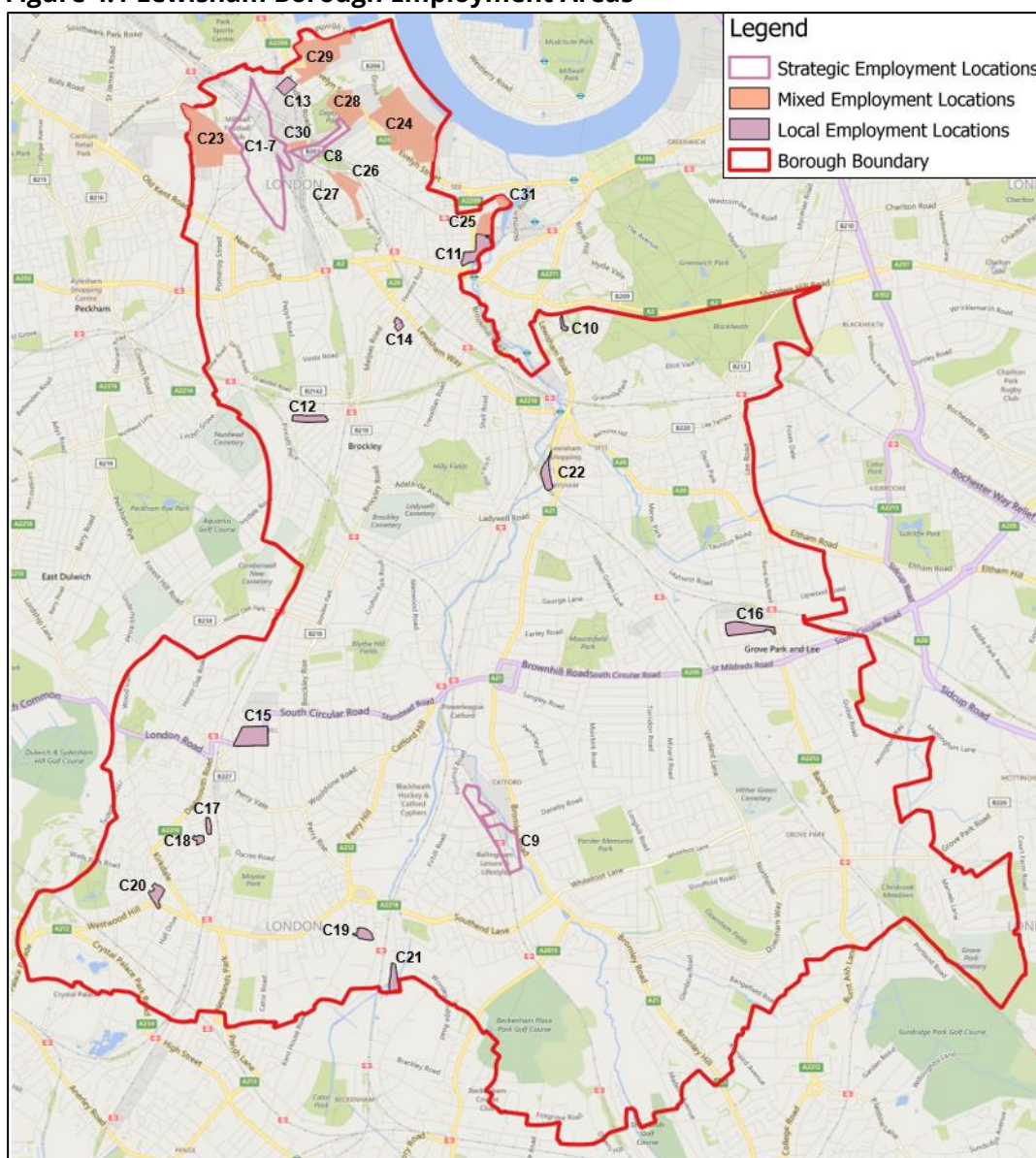
- 4.5 Our property market research has drawn on two main sources:
- We have relied on the property market database Estates Gazette Interactive (EGi) and commercial property research reports for evidence of take-up, availability and values, both for the market overall and individual properties.
 - Total stock figures have been derived from analysis of Valuation Office Agency (VOA) data on business rate assessments. We have cross-referenced this data with the EGi data to provide an indication of vacancy rates. Cross referencing the EGi and VOA data does have limitations as the sources are different, therefore not guaranteeing that the description of unit type or size is the same. The reason why there may be discrepancies with the unit type is that the VOA data has 117 description codes, of which we have used 21 in our analysis. However, agents may list property on EGi for industrial or office

⁷ A business tenant has strong covenant if there is good evidence that they will be in good financial health, and able to pay the rent, through the period of the tenancy.

purposes that do not fall in the VOA categories that we have used in our analysis. Part of the reason the size data may not correlate is that the EGi may provide a total floor area for a single building whereas VOA may list this into various suites, and vice versa. Due to the volume of data it has not been possible to “iron out” these discrepancies.

- 4.6 The main market indicators we have considered are rental values, capital values, recent take-up and floorspace availability (vacancy). In a property market context, ‘take-up’ means the occupation of business floorspace.⁸ Take-up covers both new-build and second-hand space (second-hand being the larger share of the market). When we consider availability, we consider all space being currently marketed. This covers both new and second-hand space. The main employment areas in the borough are set out in Figure 4.1.

Figure 4.1 Lewisham Borough Employment Areas

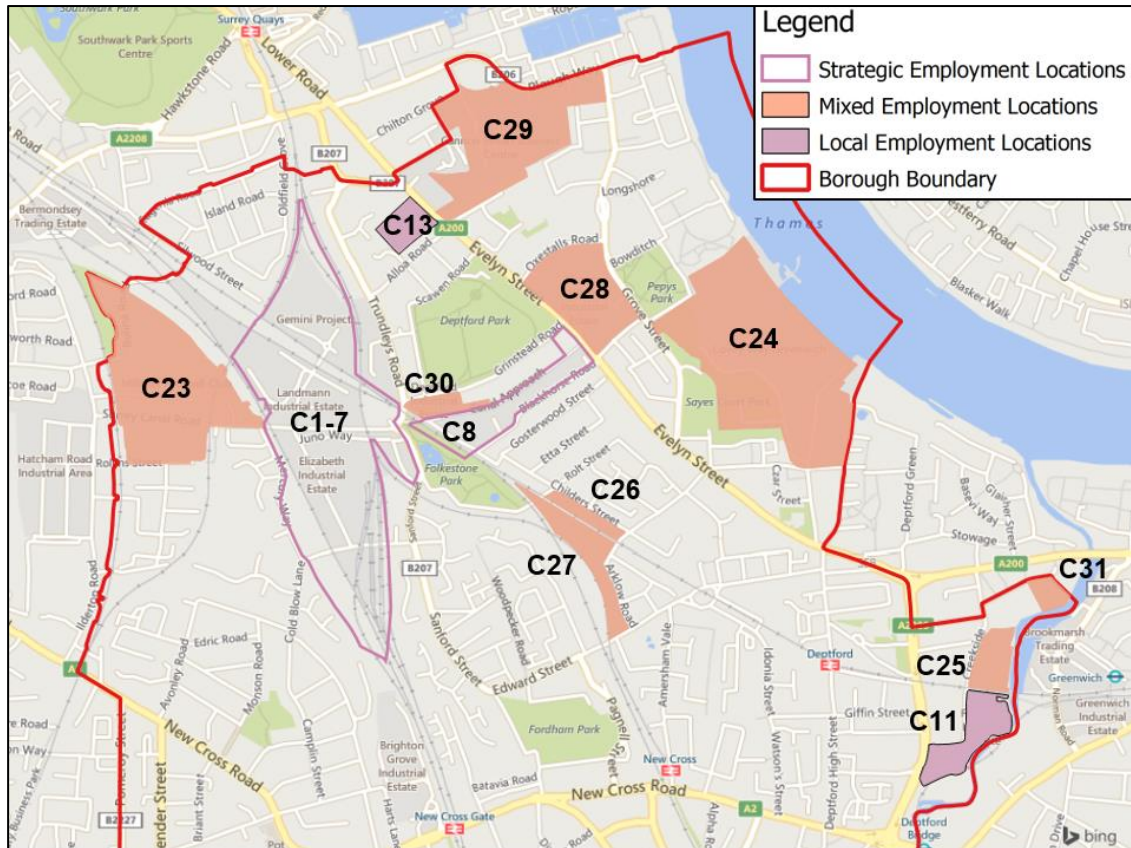


Source: AspinallVerdi, OS, LB Lewisham

⁸ SoS for Ministry of Housing, Communities and Local Government (July 2018), National Planning Policy Framework, para 120

- 4.7 Figure 4.2 sets out the employment areas in the north of the Borough identified by the site reference numbers taken from AECOM's 2015 Employment Land Study (see later text and tables for further details).

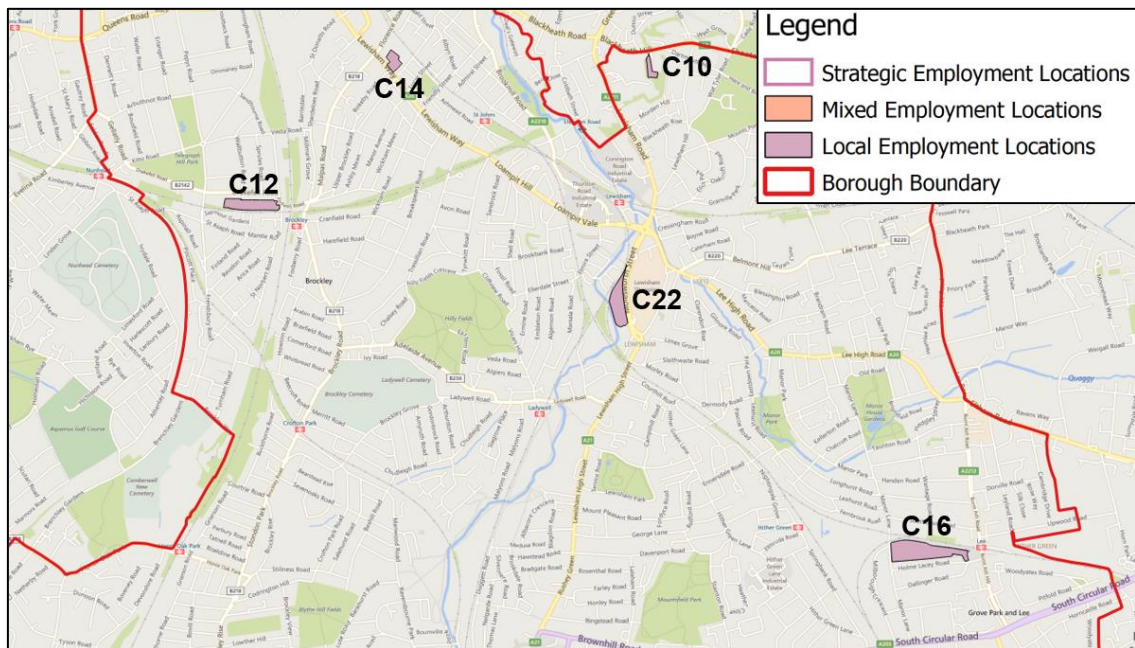
Figure 4.2 Lewisham Borough Employment Areas - North of the borough



Source: AspinalVerdi, OS, LB Lewisham

- 4.8 Figure 4.3 sets out the employment areas around Lewisham identified by the site reference numbers taken from AECOM's 2015 Employment Land Study.

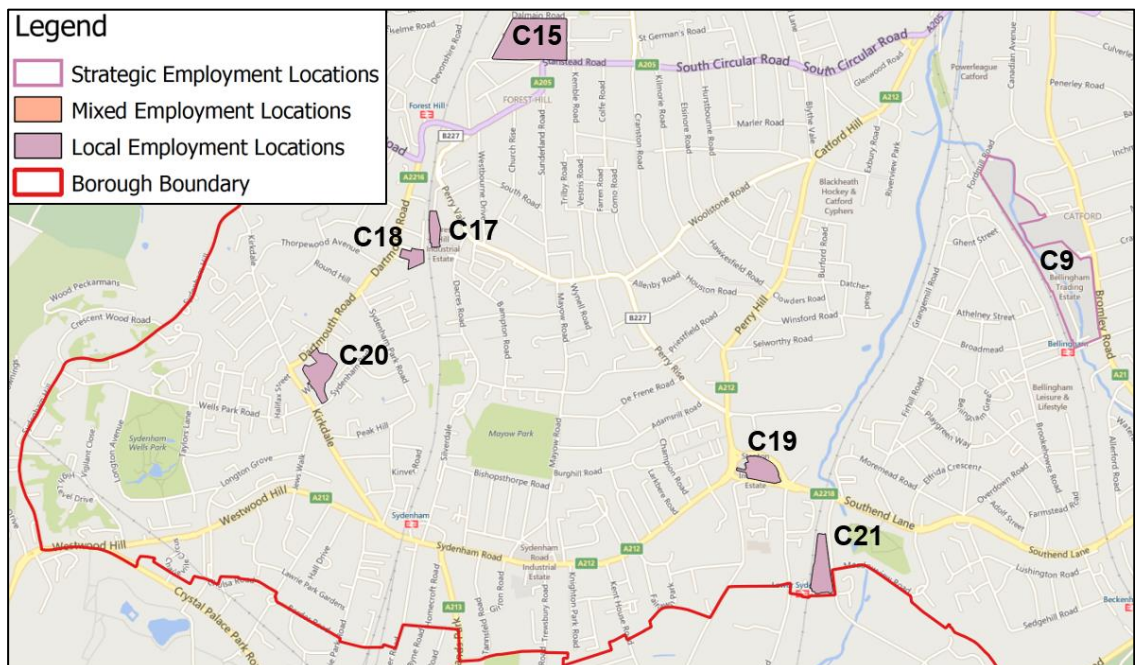
Figure 4.3 Lewisham Borough Employment Areas – Around Lewisham



Source: AspinallVerdi, OS, LB Lewisham

4.9 Figure 4.4 sets out the employment areas in the south of the Borough identified by the site reference numbers taken from AECOM's 2015 Employment Land Study.

Figure 4.4 Lewisham Borough Employment Areas – South of the Borough



Source: AspinallVerdi, OS, LB Lewisham

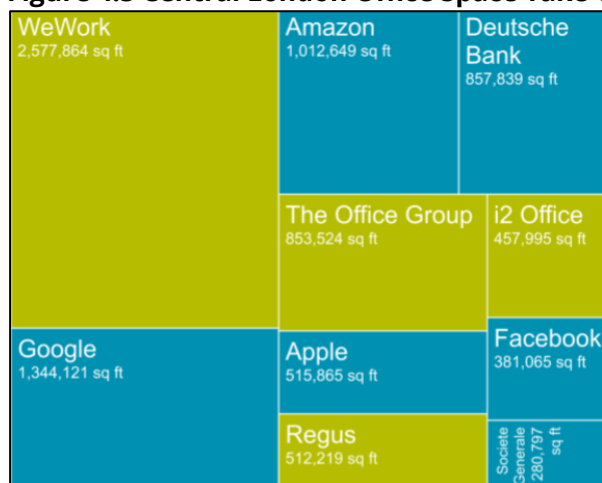
National Office Market

- 4.10 During the recession in the late 2000s, speculative office development in the UK came to a standstill. As the national economy began to improve (around 2010), speculative office building restarted. This occurred firstly in London, followed by core regional cities such as Manchester and around the Thames Valley. Office development is only currently viable and financeable typically with pre-let in place to a blue-chip covenant on a long lease. This structure gives sufficient security to investment to enable funding to be obtained. Demand for office space is generally coming from professional services, TMTs (Technology, Media and Telecommunications) and flexible workspace providers remains robust.

London Office Market

- 4.11 Generally, office development in London is only viable in Central Activity Zones (CAZ). In London, Quarter 1 2018 was a time of high demand for space and a lack of new space which has eased fears of a slowdown in the market instigated by the EU referendum. The lack of new space is caused by the time-lag of the development market not keeping pace with demand. JLL reports that vacancy rates for offices in Central London in 2018 was 4%.⁹ Knight Frank report that *'London is not seeing large numbers of jobs leave as a result of the vote to leave the EU. Most major banks and insurers have announced plans to move a small number of jobs (usually in the low hundreds) to offices in the European Union in order to continue serving EU-based clients post-Brexit.'*¹⁰ The impact the financial services has on the London office is market is mitigated through the London market now having a larger reliance on the TMT sector: *'Government figures show the number of people in London employed in the technology, media and telecoms (TMT) sector overtook those working in finance and insurance in 2013, thanks to rapid expansion by major digital firms.'*¹⁰ In addition, flexible workspace providers are also taking significant amount of space. Figure 4.5 shows that flexible office providers (WEWork, The Office Group, i2 Office, and Regus) have taken the most central London office space since 2012, accounting for over 4 million sq ft of office space, followed by TMTs such as Google and Amazon.

Figure 4.5 Central London Office Space Take-up Since 2012



Source: Cushman & Wakefield (2018) Coworking

⁹ JLL (Q1 2018) Central London Office Market Report

¹⁰ Knight Frank (2018) The London Report

Lewisham Office Market

- 4.12 The Borough of Lewisham is not typically considered an office location, with demand for office space low compared to other similarly sized boroughs in London such as Newham. Most of the traditional office space in the borough is located in Lewisham centre, Catford, and the Local Employment Locations (LELs). But the emergence of flexible workspace has meant that Lewisham is becoming a hub for small and medium enterprises (SMEs). Places such as Dek (Catford, Lewisham, Ladywell) and Fuel Tank (Deptford) has meant that more people now have access to co-working space in the borough. Large office occupiers in the borough include Lewisham Council (local authority), Andrew Cross & Co (accountants), and Westminster Homecare (specialist care provider).

Demand

- 4.13 Demand for office space in Lewisham is relatively weak, and where there is demand, it is for small space i.e. sub 5,000 sq ft. The weak demand for office space is illustrated through EGi take-up data - Table 4.1 shows that between 2013 and 2017, there was an average of 8 deals done per annum with an average yearly floorspace take-up of 16,430 sq ft. The most active year in terms of number of transactions was 2014, with a total of 13 transactions. In 2017 there was a 12,289 sq ft lease at Romer House on Lewisham High Street. We understand that Romer House has been leased to Regus and has been converted into serviced office space. Although not shown in Table 4.1, there have only been two recorded transactions in 2018. Both have been at 82-84 Childers Street and equate to 8,993 sq ft.

Table 4.1 LB Lewisham Annual Office Take-up Since 2013

Calendar year	No. of transactions	Total take-up sq ft
2013	5	7,392
2014	13	35,184
2015	6	11,274
2016	10	12,306
2017	5	15,995
Total	39	82,151
Annual average 2013 – 2017	8	16,430

Source: EGi, accessed Nov 2018

- 4.14 Occupiers in Lewisham currently look for space that is close to amenities, close to their service base and is affordable. Most occupiers prefer areas to the north of the borough such as New Cross, Lewisham Town Centre and Deptford as they have better connectivity and general amenities then compared to Catford, Bellingham, Lower Sydenham etc. The type of occupiers that require space in Lewisham are generally businesses servicing the local area. Examples include JBS Solicitors taking 900 sq ft of space and the charity Three Cs taking 3,500 sq ft.
- 4.15 Table 4.2 illustrates that the primary take-up of office space is for the smaller units, with the majority of transactions (71%) recorded on EGi since 2013 being up to 2,000 sq ft.

There has only been one transaction above 10,001 sq ft, which was the letting to Regus at Romer House.

Table 4.2 Lewisham Office Take-up by unit size

Size range sq ft	Total No of units	% of units by size range
up to 1,000	14	34%
1,001-2,000	15	37%
2,001-5,000	7	17%
5,001-10,000	4	10%
10,001-20,000	1	2%
+20,000	0	0%
Total	41	100%

Source: EGi, accessed Nov 2018

Supply and Market Balance

- 4.16 Analysis has been undertaken of the existing total stock in the borough, which has been cross-referenced with EGi advertised properties to assess availability. Table 4.3 shows there are 12 units currently available, which equates to a total of 19,542 sq ft of floorspace. This is against a total stock of 596 units / 1,047,474 sq ft registered on VOA. Therefore, the current vacancy rate for offices is 2% of floorspace and 2% of number of units. Cross referencing the availability in Table 4.3 with average annual take-up (shown in Table 4.1) indicates a supply of 1 years and 6 months in relation to number of units and 1 years 2 months' in relation to floorspace. Both the indicators show that the market is tight, with few available units.

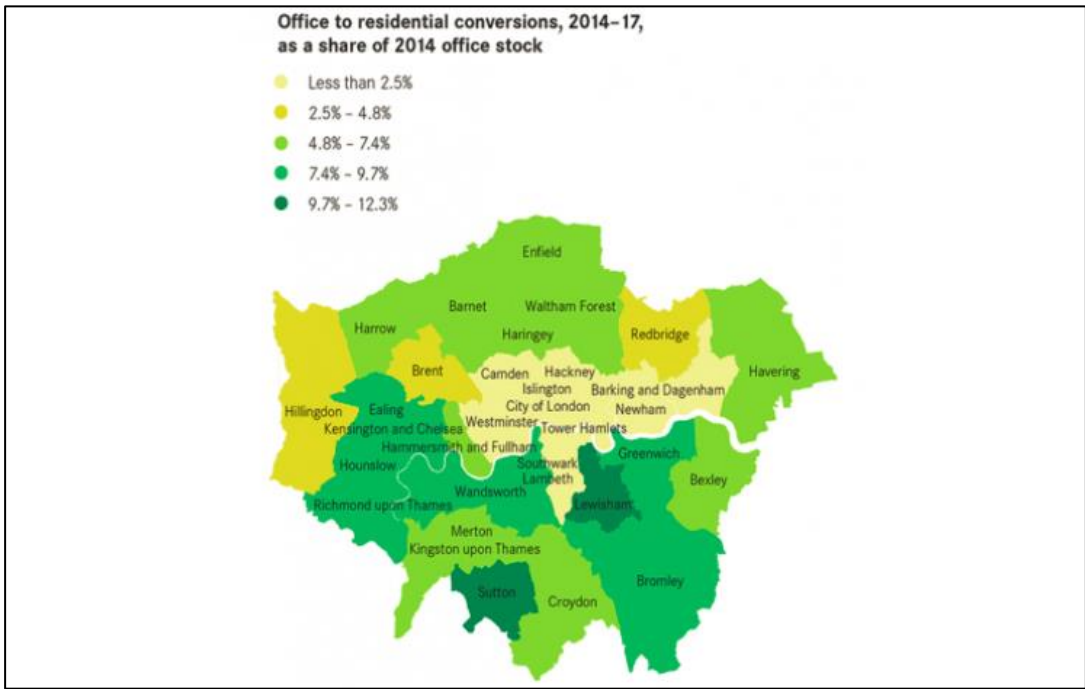
Table 4.3 LB Lewisham Total Office Availability

	Floorspace sq ft	No. of units
Total stock	1,047,474	596
Availability	19,542	12
	2%	2%

Source: EGi & VOA, accessed Nov 2018

- 4.17 Although the current vacancy rate is not a cause for concern, supply is tightening. Part of the reason supply is tightening is because increasing amount of office space is being lost through Permitted Development Rights (PDR). Figure 4.6 shows that between 2014 and 2017, over 10% of the office stock in Lewisham was lost due to PDR.

Figure 4.6 Office to Residential Conversions 2014-2017



Source: MHCLG, 2018, VOA, 2018

4.18 To assess whether there are any specific employment areas in the borough which have particularly high or low office vacancy we have undertaken further analysis, as described below.

Lewisham Town Centre

4.19 As illustrated in Figure 4.7 the office stock is mixed; there is traditional space offered in converted premises, purpose built 1960s/70s space and new build space provided as part of mixed-use development.

Figure 4.7 Examples of Office Stock in Lewisham Town Centre



Source: EGi propertylink

4.20 Table 4.4 shows that there is just a single unit available in Lewisham out of a total stock of 66 units registered on the VOA. The unit advertised is below 5,000 sq ft – this is where there is greatest demand. The vacancy data does not reflect the availability at Romer House, which is being offered through the serviced office provider Regus which will help service the market for small units.

Table 4.4 Office Availability Lewisham Town Centre

Size range sq ft	Total No of units	% of units by size range	No. of units available	% of units available
up to 1,000	31	47%	0	0%
1,001-2,000	13	20%	0	0%
2,001-5,000	17	26%	1	6%
5,001-10,000	3	5%	0	0%
10,001-20,000	1	2%	0	0%
+20,000	1	2%	0	0%
Total	66	100%	1	2%

Source: EGi & VOA, accessed Nov 2018

Catford Town Centre

- 4.21 The Catford office market is relatively small as Catford has not traditionally been considered as an office location. As illustrated in Figure 4.8 office space in Catford tends to be offered in purpose-built units on a refurbished basis.

Figure 4.8 Example of Office Space in Catford

Source: hindwoods.co.uk

- 4.22 Table 4.5 shows that two thirds of the office stock in Catford comprises units under 1,000 sq ft. Out of a total stock of 58 units registered on VOA, there is just a single unit available on EGi. The vacant unit is under 5,000 sq ft. Although there is only a single unit available in Catford, which would indicate very low availability, we would not consider this a major concern given the weak and small nature of the market.

Table 4.5 Office Availability Catford

Size range sq ft	Total No of units	% of units by size range	No. of units available	% of units available
up to 1,000	38	66%	0	0%
1,001-2,000	6	10%	1	17%
2,001-5,000	6	10%	0	0%
5,001-10,000	1	2%	0	0%
10,001-20,000	4	7%	0	0%
+20,000	3	5%	0	0%
Total	58	100%	1	2%

Source: EGi & VOA, accessed Nov 2018

Local Employment Locations (LELs)

- 4.23 Table 4.6 shows that in terms of total stock there are more units in the LELs than Catford, but the LELs have a much higher percentage of units up to 1,000 sq ft - this indicates in floorspace terms that the market is smaller.
- 4.24 Table 4.6 shows that there are three units available on EGi in all the LELs in the borough against a total stock of 70 units registered on VOA. Again, three units would normally indicate very tight supply but given the weak nature of the office market this is not a concern.

Table 4.6 Office Availability LELs Combined

Size range sq ft	Total No of units	% of units by size range	No. of units available	% of units available
up to 1,000	56	80%	3	5%
1,001-2,000	10	14%	0	0%
2,001-5,000	4	6%	0	0%
5,001-10,000	0	0%	0	0%
10,001-20,000	0	0%	0	0%
+20,000	0	0%	0	0%
Total	70	100%	3	4%

Source: EGi & VOA, accessed Nov 2018

Rent Levels

- 4.25 Office rents in central London are around £75 psf for prime stock, £60 psf for Grade A and £38 psf for Grade B. At these prime and Grade A rents, development is viable and for Grade B space refurbishment is viable.
- 4.26 There is little recent evidence of achieved office rents in Lewisham on EGi but from the evidence we have, shows that good quality space is letting at between £18-20 psf. These rents are sufficient to refurbish existing space. However, rents for Grade B offices are around £14 psf, which is more akin to industrial rents and at these rents the space is vulnerable for redevelopment for higher-value residential use.

Development Opportunities

- 4.27 The town centres provide the greatest scope for office development, but it remains challenging due to the low rents achievable. Furthermore, the borough does not attract large corporate occupiers seeking pre-lets, therefore any space being brought forward would need to be small units to attract local occupiers. To enable delivery of office space it would need to come forward as part of a mixed-use development. But as we see from existing examples in the borough (e.g. Renaissance, Loampit Vale) this space is usually offered on a shell and core basis and faces competition from competing uses such as gyms. To make office units attractive to end users as part of a mixed-use development the space needs to be offered fitted out to negate high initial costs for incoming tenants and be ready for occupation.

Industrial Market

4.28 We now consider the industrial market. Again, we provide initial analysis of the national and London markets before providing detailed analysis at borough level.

National Industrial Market

4.29 Nationally, the general industrial market is healthy due to good levels of demand and tightening supply. In the global economic crisis, speculative development came to a halt. At that point in time there was sufficient supply to meet demand due to weakening occupier demand and the wave of speculative development that had occurred pre-financial crisis (driven by easy access to finance).

4.30 In recent years, supply has tightened. This is due to improvement in the economy, changing shopping patterns (increase in online sales), and some units being lost to higher value residential uses. Most recently, the devaluation of the pound has supported growth in the UK manufacturing sector by making exports more competitive.

4.31 In some areas of the country supply of industrial units has not kept pace with demand due to the lack of new build development occurring. Developers are finding it much harder to fund industrial warehousing development when compared to the period prior to the financial crisis.

London Industrial Market

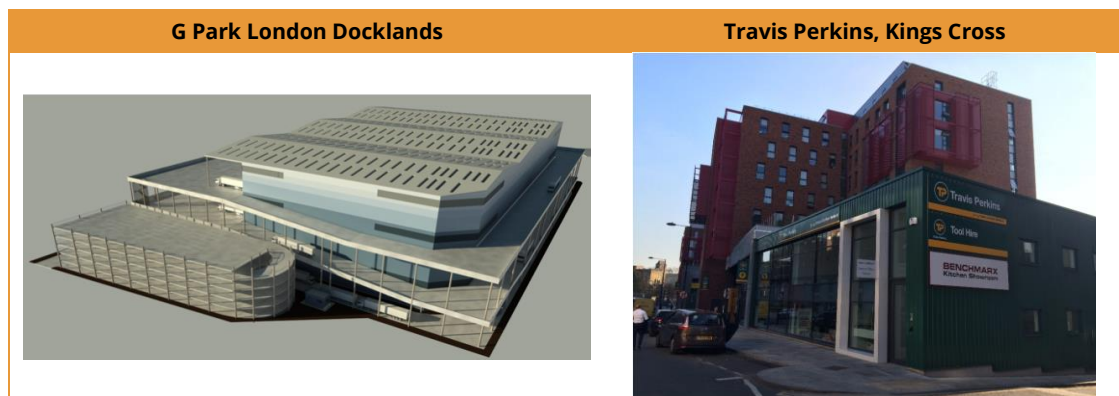
4.32 London is seeing some of the highest demand for industrial space in the country. This has been driven by population growth, tightening of industrial land supply, demand from e-commerce and the need for services to support the capital's global economy. Industrial space is also facing pressure from residential redevelopment and 'non-traditional' industrial uses (e.g. creative industries) attracted to the space due to its flexibility and relatively affordability compared to traditional offices.

4.33 Due to the pressure from residential development London has been losing industrial space at a greater rate than forecasted. The GLA's Industrial Land Demand Study, June 2017, study states that *'There are approximately 7,000 hectares (ha) of industrial land in London. In the period 2010-15 the stock of industrial land in London fell by over 500 ha, at an annual rate of 106 ha per annum. This compares to a release benchmark of 37 ha per annum in the current (2016) London Plan based on recommendations in the 2011 Industrial Land Demand and Release Benchmarks in London report.'*¹¹

4.34 Due to the on-going pressure on industrial land, the market is needing to respond but this is still very much at early stages. Solutions are being sought on intensification and mixed-use – examples of which are set out in Figure 4.9.

¹¹CAG, et al (June 2017) London Industrial Land Demand

Figure 4.9 Examples of intensification and mixed-use industrial



Source: royalwharfnews.com, beemold.com

- 4.35 Agents report that operators in London have had to be innovative and take unconventional approaches to service the market. This has led to occupiers using a network of smaller units across the city rather than a central distribution hub.

Lewisham Industrial Market

- 4.36 The Lewisham industrial market is larger than the office market. As shown in Figure 4.10, the age and specification of industrial units in the borough varies. In the north of the borough around Deptford Trading Estate and Surrey Canal Road there are a number of established industrial estates. To the south around Bromley Road there has been more recent development such as the Selco unit on Bromley Road.

Figure 4.10 Examples of industrial space in Lewisham



Source: AspinallVerdi, 2018

- 4.37 Large industrial occupiers in the borough by floorspace include DHL Express (3PL) in a 55,000 sq ft unit, Access Self-Storage (Storage Company) in a 41,000 sq ft unit, and Selco (builders' merchant) in a 108,000 sq ft unit.
- 4.38 Like elsewhere in London, some industrial space in Lewisham has been lost to residential. Examples include Axiom House (23,000 sq ft) and Hatcham Mews Business Centre (14,000 sq ft).

Demand

- 4.39 There is strong demand for industrial space in the borough from a mix of sectors, including traditional industrial, trade counter, last mile distribution and storage. Also, the borough is seeing demand from those seeking to relocate from Old Kent Road. There is a strong freehold market, but this does not form the majority of the demand. There is no demand for larger scale distribution, with agents reporting that this tends to locate outside the M25.

Borough Wide Take Up

- 4.40 Table 4.7 shows that between 2013 and 2017 annual general industrial take-up averaged 100,000 sq ft across 17 transactions. The most active years were between 2014 and 2015 with between 19 – 22 transactions per year. In 2013 there was a total of 136,635 sq ft space transacted, the most of any year. Between 2016 and 2017, there was a drop-in take-up, both in terms of number of units and total floor space. This is not due to lack of demand from occupiers, but due to lack of available supply with limited new stock being delivered.

Table 4.7 LB Lewisham Annual Industrial Take-up Since 2013

Calendar year	No. of transactions	Total take-up sq ft
2013	16	136,721
2014	22	132,635
2015	19	101,959
2016	14	72,332
2017	14	57,233
Total	85	500,880
Annual average 2013 – 2017	17	100,176

Source: EGi, accessed Nov 2018

- 4.41 Table 4.8 shows that virtually all the transactions recorded over this period are 25,000 sq ft and under, with nearly two thirds of these transactions 5,000 sq ft and under which reflects the take-up of smaller units occurring. There have only been two transactions above 25,001 sq ft, both of which occurred in 2013 and included the 25,327 sq ft letting to Pipe Centre

Table 4.8 Lewisham Industrial Take Up by Unit Size

Size range sq ft	Total No of units	% of units by size range
up to 2,000	19	22%
2,001-5,000	34	40%
5,001-25,000	30	35%
25,001-50,000	2	2%
50,001-100,000	0	0%
+100,000	0	0%
Total	85	100%

Source: EGi, accessed Nov 2018

Supply and Market Balance

- 4.42 Table 4.9 shows that there are 20 units available in the borough, which equates to a total of 75,097 sq ft. This is against a total stock of 737 units / 2,700,798 million sq ft registered on VOA. Therefore, there is a current vacancy rate of 3% of floorspace and 3% of number of units. If we cross reference the availability in Table 4.9 with annual take-up (shown in Table 4.7), the availability across the borough equates to 1 year 2 months in relation to number of units and 9 months' supply in relation to floorspace – both of these indicators show the market is very tight.

Table 4.9 LB Lewisham Total Industrial Availability

	Floorspace sq ft	No. of units
Total stock	2,700,798	737
	75,097	20
Availability	3%	3%

Source: EGi & VOA, accessed Nov 2018

- 4.43 To assess whether there are any specific employment areas in the borough which have particularly high or low office vacancy we have undertaken further analysis, as described below.

Bromley Road Strategic Industrial Location (SIL)

- 4.44 Figure 4.11 shows that there are a number of good quality modern units in the Bromley Road SIL, many of which are used as trade counter units.

Figure 4.11 Examples of modern units at Bromley Road



Source: AspinalVerdi, 2018

- 4.45 Table 4.10 shows that there are no units available on EGi in Bromley Road SIL. This is against a total stock of 27 units registered on VOA.
- 4.46 Table 4.10 also shows that the spread of unit sizes across the Bromley SIL is relatively narrow, with units falling in three of the size bands. Given the strategic nature and the popular nature of the area attracting quality occupiers means that the low vacancy is a concern.

Table 4.10 Industrial Availability Bromley Road SIL

Size range sq ft	Total No of units	% of units by size range	No. of units available	% of units available
up to 2,000	0	0%	0	0%
2,001-5,000	20	74%	0	0%
5,001-25,000	6	22%	0	0%
25,001-50,000	0	0%	0	0%
50,001-100,000	0	0%	0	0%
+100,000	1	4%	0	0%
Total	27	100%	0	0%

Source: EGi & VOA, accessed Nov 2018

Surrey Canal SIL

4.47 Figure 4.12 shows Surrey Canal SIL offers a wide range (age, quality and size) of purpose-built industrial accommodation. The wide range of accommodation means it is able to attract a wide range and type of occupiers.

Figure 4.12 Examples of industrial stock at Surrey Canal SIL

Source: AspinallVerdi, 2018

4.48 Table 4.11 shows that there are five units available on EGi in the Surrey Canal SIL. This is against a total stock of 91 units registered on VOA, equating to a vacancy rate of 5% of units. The majority of stock is small units, with over 87% under 5,000 sq ft in size. This reflects the nature of the inner London industrial market, with units often being small due to the lack of available land to fill large requirements. The largest unit being marketed is 3,105 sq ft, located in Gemini Business Estate. Although a 5% vacancy rate appears high when compared to the borough average, we do not consider it to be an issue given it represents just five units and the tight nature of the market elsewhere in the borough.

Table 4.11 Industrial Availability Surrey Canal SIL

Size range sq ft	Total No of units	% of units by size range	No. of units available	% of units available
up to 2,000	53	58%	0	0%
2,001-5,000	26	29%	5	9%
5,001-25,000	11	12%	0	0%
25,001-50,000	0	0%	0	0%
50,001-100,000	1	1%	0	0%
+100,000	0	0%	0	0%
Total	91	100%	5	5%

Source: EGi & VOA, accessed Nov 2018

Blackhorse Road SIL

4.49 Figure 4.13 shows Blackhorse Road SIL offers a wide range (age, quality and size) of purposes built industrial accommodation. The wide range of accommodation means it is able to attract a wide range and type of occupiers. The majority of occupiers are national operators servicing the local market.

Figure 4.13 Examples of industrial stock at Blackhorse Road SIL

Source: AspinallVerdi, 2018

4.50 Table 4.12 shows that there is a single unit available on EGi in the Blackhorse Road SIL. This is against a total stock of 31 units registered on VOA, equating to a vacancy rate of 3% of units. 68% of units are small, being under 5,000 sq ft in size, again a reflection of the inner London industrial market. The single available unit is for 8,988 sq ft of space and is located in the Deptford Trading Estate.

Table 4.12 Industrial Availability Blackhorse Road SIL

Size range sq ft	Total No of units	% of units by size range	No. of units available	% of units available
up to 2,000	13	42%	0	0%
2,001-5,000	8	26%	0	0%
5,001-25,000	9	29%	1	11%
25,001-50,000	0	0%	0	0%
50,001-100,000	0	0%	0	0%
+100,000	1	3%	0	0%
Total	31	100%	1	3%

Source: EGi & VOA, accessed Nov 2018

Surrey Canal Triangle Mixed Use Area (MEL)

- 4.51 Figure 4.14 shows The Surrey Canal Triangle, which predominantly comprises small units. The majority of units are dated but are they currently well occupied. Occupiers are generally small companies servicing the local market. The type of occupiers here are more traditional industries which you would expect to see in industrial estates such as car repair and MOT testing centre.

Figure 4.14 Examples of industrial stock at Blackhorse Road SIL



Source: AspinallVerdi, 2018

- 4.52 Table 4.13 shows that there are no units available on EGi in Surrey Canal MEL. This is a concern given the strong demand for industrial space in the borough. 85% of the total stock in Surrey Canal Triangle is under 2,000 sq ft, with 12% between 2,001 – 5,000 sq ft.

Table 4.13 Industrial Availability Surrey Canal Triangle MEL

Size range sq ft	Total No of units	% of units by size range	No. of units available	% of units available
up to 2,000	63	84%	0	0%
2,001-5,000	9	12%	0	0%
5,001-25,000	1	1%	0	0%
25,001-50,000	2	3%	0	0%
50,001-100,000	0	0%	0	0%
+100,000	0	0%	0	0%
Total	75	100%	0	0%

Source: EGi & VOA, accessed Nov 2018

Industrial Local Employment Locations (LELs)

- 4.53 The LELs are spread across the borough and represent a large amount of the total stock. Table 4.14 shows that there are four units available on EGi in all the LELs in the borough. This is against a total stock of 140 units registered on VOA, equating to a vacancy rate of 3% of units. Like other areas in the borough, units under 5,000 sq ft represent the majority of the stock. The highest percentage of vacancy is for units between 2,001 sq ft – 5,000 sq ft, at 13% but this is not a concern as it is just three units and this is the size range where there is good level of demand. The largest available unit is 5,847 sq ft at Chiltonian Industrial Estate.

Table 4.14 Industrial Availability All LELs

Size range sq ft	Total No of units	% of units by size range	No. of units available	% of units available
up to 2,000	87	62%	0	0%
2,001-5,000	23	16%	3	13%
5,001-25,000	27	19%	1	4%
25,001-50,000	2	1%	0	0%
50,001-100,000	1	1%	0	0%
+100,000	0	0%	0	0%
Total	140	100%	4	3%

Source: EGI & VOA, accessed Nov 2018

Rent Levels

- 4.54 Around London and the south east, industrial rent levels are increasing due to the growing London economy. This, coupled with a decline in available industrial space, has meant that industrial rents in Greater London will continue to rise. Rents for industrial space in the borough range from £16 psf for units of circa 5,000 sq ft, rising to £20 psf for smaller units of 1,000 sq ft. Freehold units are achieving £180 psf.

Development Opportunities

- 4.55 Given the pressure from competing land uses there are very limited development opportunities for new employment land designations in the borough. Industrial development is viable without residential hope value and we have seen new development occurring such as Chiltonian Industrial Estate and Trade City Sydenham. If new units were brought to the market, they would be occupied given the low vacancy rates and strong demand for space. The development opportunity in Lewisham is to intensify existing employment areas and/or bring space forward as part of mixed-use development.

Conclusion

- 4.56 Lewisham's industrial market is much stronger than its office market. Vacancy levels in the borough for offices is reasonable but supply is tight for industrial space and this is where there is greatest demand. Both industrial and office space is facing pressure from higher value residential use.
- 4.57 Demand for office space in the borough is from traditional occupiers servicing the local area. The borough does not attract large footloose requirements. The nature of demand for office space means it is not viable for standalone development. If new space was to be brought forward it would need to be small units, delivered as part of a mixed-use development to enable higher value uses to cross-subsidise the unviable office space. It is important how this space is brought to the market, not as shell and core, but appropriately designed and 'fitted out' to meet occupier requirements.
- 4.58 With industrial rents ranging between £16 psf and £20 psf, and capital values of £180 psf industrial development is viable in the borough and space would be occupied if brought forward. The general strategy in London to increase/maintain industrial floorspace is to

seek to intensify existing industrial areas and bring new development through mixed-use. Both of these approaches are still unproven and this is where the challenge lies. Existing industrial areas need to be protected and mixed-use development should be encouraged in appropriate areas.

5 Site Appraisal: demand

5.1 The following sections of this report focuses on the assessment of existing employment sites. All currently designated employment sites have been considered as part of this study, with detailed site assessments undertaken for all sites except a selected number of MEL sites, as discussed elsewhere within the report. The boundaries of these sites have been provided by the Local Authority and are mapped in Figure 4.1. The site assessment method reflects the principles of the National Planning Policy Framework (NPPF), and in particular the requirement that:

- *planning should aim to meet objectively assessed needs and promote an effective use of land for homes and other uses [other uses including employment] (para 117); and*
- *plans should be deliverable (para 16b of the Framework), and authorities should reflect changes in demand for land in planning policies. Policies should be reviewed regularly in light of allocated land and land availability. Where an authority believes land has no prospect of an application coming forward for that use, they should either reallocate the land in an updated plan, or as an interim measure consider applications for alternative uses (para 120).* These points imply that the sites should only be identified for employment if they can reasonably be expected to be in demand and viable.

5.2 In terms of existing employment locations, Paragraph 120 of the NPPF can make safeguarding employment sites challenging, but there are there are two possible reasons for safeguarding existing employment sites against redevelopment for other uses. Firstly, it could result in a shortage of employment space, damaging business performance, prosperity and job opportunities. Secondly, it could result in incompatible uses being placed next to each other. In particular, industrial or logistics operations that are too close to housing may have to restrict their activities, so that residents are not affected by noise, smells, light pollution or visual intrusion. Such bad neighbour impacts provide much of the historic rationale for segregating industry and warehousing into dedicated areas.

5.3 We have undertaken a market test because it would not be reasonable to safeguard employment sites where there is no effective demand. The NPPF advises that planning policies should avoid the long-term protection of sites and that plans should seek to identify needs through the deallocation of sites where appropriate. Going forward existing employment areas which we have recommended for safeguarding should be protected in policy. The policy should generally prohibit redevelopment or change of use to non-employment uses. There might be an exception for services that support employment uses, such as small-scale retail, cafes or crèches.

5.4 Based on these principles, the main questions our demand assessment will seek to answer are whether existing employment sites are performing well and whether they can viably be kept in employment uses? Or is there scope for future redevelopment, intensification or masterplanning? Or can they be released for alternative uses?

Caveats

Policy and supply constraints

- 5.5 The site appraisals are a market test on their suitability to be safeguarded, intensified or masterplanned for employment uses. The site appraisals do not consider any supply-side constraints, including policy constraints. To ensure “complete site appraisals” the council will need to consider the supply side constraints separately and reconcile this with our market test.

Snapshot in time

- 5.6 Like the market assessment section of this report, the site assessments are a snapshot in time - due to the fluid nature of the market the conclusions on each site may change over time. An example of this for existing employment sites, where vacancy is analysed. Vacancy on an estate with a handful of major occupiers in large units may change from being very low to high should occupiers vacate. In some cases where units are bespoke, it may be difficult to find a new occupier to take space. All existing estates have been assessed on their current situation. In some cases, should an occupier leave, there may be little hope of re-occupation of the space. If this did occur then this would have a significant impact upon our recommendations; such that the opinion to safeguarding the site may change.

The detailed assessment

- 5.7 Our detailed assessment for existing sites is set out in Appendix 1. Below, we briefly explain the content of the table, working from left to right through the questions in the top header.

Market area

- 5.8 Firstly, we determine which market area the site is located. This is usually established through determining where the nearest town or district centre is to the site.

AECOM cluster reference

- 5.9 This is the site reference used by AECOM's their 2015 Employment Land Study. This has been done to provide continuity between the studies and to help make identifying the sites easier. For the large Surrey Canal SIL site, our site assessment includes AECOM's C1-C7 clusters.

Site area

- 5.10 As mentioned earlier, the list of sites for assessment and the boundaries of those sites have been provided by the council, together with facts about each site. Site areas are measured by GIS from the site boundaries provided by the council.

Primary type of employment

- 5.11 For each site the predominant employment use must be determined. This first step is important because different types of occupier have different requirements. For example, excellent strategic road access is more important for strategic logistics than general industrial uses. We identify six types/mixes of use, based on the typical requirement of each sector:

- Offices (B1a)
- Light Industrial (B1c)
- General Industrial (B2)
- Storage and Distribution (B8)
- B2 - B8
- Mixed B uses

5.12 To identify the use of each site we have used planning data, discussion with the Local Authority and our own professional judgment.

Site designation

5.13 It is important to establish what designation the site holds and whether this is a local designation or a regional one. There are employment locations in the borough which are un-designated but the full complement of these sites have not been considered in detail as part of this study. The site designations covered in our assessment are as follows:

- Strategic Industrial Location (SIL) – this is a London Plan industrial land designation
- Local Employment Location (LEL) – this is a Lewisham Local Plan land designation
- Mixed Employment Location (MEL) – this is a Lewisham Local Plan land designation

Site sequential location

5.14 Next, we consider the sites sequential location to establish proximity to town centres and their corresponding amenities. We identify three locations:

- In a town centre
- Within 400m of a town centre
- Within the built-up area

Attractiveness to occupiers

5.15 The remainder of the site assessment set out in the tables is a succession of questions, or assessment criteria. For each site assessment criteria, sites are scored using a five-point scoring system from excellent, to good, to reasonable, to poor, to very poor. Each score is supported by a short explanation that explains our judgment. Some criteria do not follow this scale i.e. vacancy – where this is the case it has been stated below.

- Access to amenities
- Any problems with shape, gradient, boundary etc.
- Strategic accessibility (road) - Proximity Motorways, trunk roads and other strategic link roads (km)
- Local access by road – Site junction and quality of access to the principal road network
- Public transport access
- Is the site close to a railway station (within 400m)?
- Number of bus stops within 400m of site

Quality, vacancy, and recommendation

- 5.16 'Quality of existing stock' discusses the condition of the units, including their age and specification. This is important as it indicates whether a unit is fit for purpose or is coming to the end of its economic life.
- 5.17 'Other market intelligence' includes any information collected as part of the study that has a bearing on the attractiveness to occupiers. For example, if an occupier has recently invested in their accommodation, or expanded, this can indicate that they plan on staying in the area in the short to medium term.
- 5.18 Vacancy is an important criterion as it indicates the health of an employment area. High vacancy would tend to indicate that the estate is unattractive to occupiers. Low vacancy may indicate that a specific estate is in high demand – but this may not always be the case, especially for the office market in Lewisham. We score vacancy on a different system based on the perception of how many units are available compared to the estate's size. This includes none, to low, to middling, to high, to 100% vacant.
- 5.19 'If the site retains its current use will it be occupied' is a yes/no question and is self-explanatory.
- 5.20 'Opportunities and constraints for redevelopment, intensification, extension, and refurbishment' are considered, and if there is an opportunity, how much developable land is available. If there are constraints, we have outlined these and stated if they are likely to be, or can be, resolved within the plan period.
- 5.21 Finally, a conclusion is made as follows:
- **Safeguard for employment uses:** is self-explanatory. The existing employment site should be in enough demand from occupiers to viably keep in employment use over the plan period. But the sites should seek to intensify wherever possible.
 - **Safeguard for employment-led mixed-use redevelopment (through masterplan process):** given the tight nature of the general industrial market across London and increasing pressure for alternative uses it is appropriate to consider whether there are opportunities for intensification of sites as part of mixed-use development. There is an expectation that as a minimum there is no net loss of employment floorspace through the mixed-use development of the site.
 - **Co-location of uses (through masterplan process):** like the safeguard for employment-led mixed-use option, this considers where there are opportunities for co-location/redevelopment of sites within the SIL designation for employment uses. Larger sites that have fragmented ownership, a mix of different employment uses, or have been developed at different times, may benefit from undergoing a wider masterplanning exercise. Without the clear vision outlined in a masterplan, parts of these sites may be lost to alternative uses on a piecemeal basis. Overtime this could lead to a deterioration of the integrity of the employment area.
 - **Strategic mixed-use employment for MEL:** almost all MEL sites have now been committed by way of build-out, consent or in pre-app stage. There could be

opportunities to intensify the uses on these sites but any new developments will need to ensure there is no net loss of employment floorspace.

Drawing conclusions

- 5.22 The next stage in our analysis is to translate the demand assessment into whether existing sites should be safeguarded. In our analysis we found that due to the strong demand and limited supply in the commercial market no sites in the borough should be entirely released for alternative uses. Instead for a number of sites, in accordance with the conclusion criteria in the above section, should be either intensified or masterplanned to ensure that some redevelopment can take place. But ultimately this should not be at the expense of employment uses.
- 5.23 The next section is a brief description of the sites in each category. The reader must bear in mind that the recommendations made at this stage are partial and provisional, based solely on the qualitative demand-side assessment of individual sites.

Employment site assessment results

- 5.24 Figure 5.1 summarises the sites analysed as part of our site assessments. The site locations are shown in Figures 4.1 – 4.4. Based on our assessment we conclude that eight sites (or 12 if the Surrey Canal SIL clusters are counted separately), totalling 43.4 ha, fall in the category ‘*Safeguard for employment uses*’. Two sites, totalling 2.9 ha, are SIL that are in the category ‘*Co-location of uses (through masterplan process)*’. Eight sites, totalling 8.4 ha are in the category ‘*Safeguard for employment-led mixed-use redevelopment (through masterplan process)*’. Five sites, totalling 23.4 ha are in the category ‘*Strategic mixed-use employment for MEL*’.
- 5.25 These site specific recommendations are intended to be considered through the plan-led process and where appropriate, progressed through the local plan; and further, that these recommendations are not to be read prescriptively on individual site proposals. The plan-led process is advocated to ensure a coordinated approach to managing the borough’s industrial land capacity, particularly in meeting future identified need.

Table 5.1 Employment site assessment summary (Nb. Figures are gross area.)

Cluster No.	Name	Site Designation	Market area	Site area (ha)	Primary type of employment	Recommendation
C1 - 5	Surrey Canal	SIL	New Cross	22.1	Mixed B uses	Safeguard for employment uses
C6	Trundleys Road / Apollo Business Centre	SIL	Deptford	1.5	General Industrial (B2)	Co-location of uses (through masterplan process)
C7	Mercury Way Waste Sites	SIL	Deptford	1.4	General Industrial (B2)	Co-location of uses (through masterplan process)
C8	Blackhorse Road	SIL	Deptford	3.6	Mixed B uses	Safeguard for employment uses
C9	Bromley Road	SIL	Catford	8.3	Mixed B uses	Safeguard for employment uses
C10	Blackheath Hill	LEL	Blackheath	0.3	Light Industrial (B1c)	Employment-led mixed-use redevelopment (through masterplan process)
C11	Lower Creekside	LEL	Deptford	2.4	Mixed B uses	Employment-led mixed-use redevelopment (through masterplan process)
C12	Endwell Road	LEL	Brockley	1.4	Mixed B uses	Safeguard for employment uses
C13	Evelyn Street	LEL	Deptford	1.2	Storage and Distribution (B8)	Safeguard for employment uses
C14	Lewisham Way	LEL	Saint John's	0.5	Mixed B uses	Safeguard for employment uses
C15	Malham Road	LEL	Forest Hill	3.6	Mixed B uses	Safeguard for employment uses
C16	Manor Lane	LEL	Lee	2.7	General Industrial (B2)	Safeguard for employment uses
C17	Perry Vale	LEL	Forest Hill	0.5	B2 – B8	Employment-led mixed-use redevelopment (through masterplan process)
C18	Clyde Vale	LEL	Forest Hill	0.4	Light Industrial (B1c)	Employment-led mixed-use redevelopment (through masterplan process)
C19	Stanton Square	LEL	Sydenham	1	Mixed B uses	Employment-led mixed-use redevelopment (through masterplan process)
C20	Willow Way	LEL	Sydenham	1.2	Mixed B uses	Employment-led mixed-use redevelopment (through masterplan process)
C21	Worsley Bridge Road	LEL	Sydenham	1.2	Mixed B uses	Employment-led mixed-use redevelopment (through masterplan process)
C22	Molesworth Street	LEL	Lewisham Town Centre	1.4	Storage and Distribution (B8)	Employment-led mixed-use redevelopment (through masterplan process)
C23	Surrey Canal Triangle	MEL	New Cross	10.9	Mixed B uses	Strategic mixed-use employment for MEL
C25	Sun and Kent Wharf	MEL	Deptford	1.4	Storage and Distribution (B8)	Strategic mixed-use employment for MEL
C26	Childers Street	MEL	Deptford	0.7	Light Industrial (B1c)	Strategic mixed-use employment for MEL/Part safeguard for employment uses
C27	Arklow Road	MEL	Deptford	2.1	Office (B1a)	Strategic mixed-use employment for MEL
C29	Plough Way	MEL	Deptford	8.3	Office (B1a)	Strategic mixed-use employment for MEL

Safeguard for employment uses

- 5.26 **Surrey Canal SIL (C1-C5)** – is the largest employment area in the borough and comprises a number of distinct employment sites including, Juno Way Industrial Estate, Silwood Triangle. It also includes the Trundleys Road / Apollo, Business Centre, and Mercury Way Waste Sites which are assessed separately below. The employment area is located to the north of the borough where there is strong demand for industrial premises. The area attracts a number of traditional industrial occupiers such as Topps Tiles and Screwfix, as well as 3PLs such as DHL.
- 5.27 The London Borough of Lewisham (LBL), London Borough of Southwark (LBS), and Network Rail (NR) have commissioned a feasibility study to assess the development potential of Bermondsey Trading Estate, and the land around the new Bermondsey Dive Under, with the intention to intensify B1(c), B2 and B8 uses within the study site. The study has identified opportunities within Lewisham to convert a significant number of railway arches for employment uses and has also identified two additional sites for employment led development. The study will inform Lewisham's Local Plan and will also inform Network Rail's preparation for the sale of its commercial property portfolio, including the dive-under land.
- 5.28 Given the strategic importance of the Surrey Canal SIL and strong demand for industrial space in the borough, this entire employment area should be protected in the emerging local plan.
- 5.29 **Blackhorse Road (C8)** - is an established industrial area in Deptford that comprises two large occupiers - Shurgard Self-Storage and Ascott Cab Company. There are a number of smaller industrial units at Blackhorse Business Park, Deptford Trading Estate. There is also council owned land and 18 office units at Evelyn Court.
- 5.30 The estate is located towards the north of Deptford and is situated off Evelyn Street (A200). The access to the estates is narrow, restricted by on-street parking. The estate has a mix of units varying in quality and size. To the east of the estate, the units are more modern and in good condition while the units at Deptford Trading Estate are in poorer condition. Some of the older units may benefit from refurbishment in the plan period. Vacancy in the area is low, and though some of the units are dated they should be safeguarded as they will likely stay in employment use (to serve a local need) over the plan period.
- 5.31 Evelyn Court is well occupied but is reasonably dated. If it was to become surplus to requirements, it could be intensified to provide employment space as part of a possible mixed-use development, incorporating neighbouring council owned land. There is a prior approval on Evelyn Court for office to residential uses, at the northeast corner of the area. The introduction of housing is likely to compromise the function of the employment area and consideration could be given to consolidating boundaries of this SIL.

- 5.32 **Bromley Road (C9)** – is Strategic Industrial area in Catford which comprises a storage unit, builders' warehouse, Catford Bus Garage, Bellingham Trading Estate and a Dhamecha cash and carry unit. The Access Self Storage unit and Catford Bus Garage has frontage onto Bromley Road (A21) but Bellingham Trading Estate does not. Units towards the south of Catford Bus Garage are of poor quality and could be redeveloped to provide industrial units. This part of the site is not appropriate for residential development due to its close proximity to the bus garage that operates 24 hours.
- 5.33 The building currently occupied by the Metropolitan Police is dated and could also be redeveloped to provide industrial/storage units. Catford Bus Garage could possibly be redeveloped for employment use in the plan period if Stagecoach vacates. Demand for industrial uses in this area is strong. The size of the site allows for a masterplan approach to take place to allow intensification through a carefully planned mixed use development safeguarding this area for employment.
- 5.34 **Endwell Road (C12)** – is an industrial area located off Endwell Road (B2142). The employment site comprises Brockley Cross Business Centre, Dragonfly Place and industrial units occupied by Skyline Roofing Centre. Both Brockley Cross Business Centre and Dragonfly Place have high site coverage and restricted car parking. Dragonfly Place provides live-work units but the majority of the ground floor commercial units do not appear to be used for this purpose, although this does add to the feel of a more mixed-use environment. It is located 0.8 km from the A20, which provides good access to other parts of the borough/London.
- 5.35 The access to the A20 is tight, with vehicle restrictions on Brockley Road heading south, and Geoffrey Road heading east – this would limit access to HGVs. There is little to no vacancy in the office or the light industrial units. The existing units are mostly of good quality, although the units occupied by Skyline Roofing Centre are significantly more dated. The supply of industrial accommodation at this end of the borough is tight and there is strong market demand.
- 5.36 Due to the underutilisation of the live-work units on Dragonfly Place, a residential led redevelopment would likely not be suitable but a wider range of employment uses should be encouraged and it may prove attractive to parts of the creative industries sector. Overall the employment site is of reasonable quality and should current occupiers vacate, units should be reoccupied. The area should be protected as an employment site over the plan period.
- 5.37 **Evelyn Street (C13)** – is located in Deptford at the northern boundary of the borough directly off Evelyn Street (A200). The site has good prominence and amenities located close by on Lower Road. There are two occupiers - Wolseley, who use the site predominantly as a B8 distribution/storage, and Constantine Limited, who occupy Huntsman House to the rear of the site also for storage and distribution purposes. The site has good access to the A2, which is attractive to industrial occupiers. The units on the site are in good condition but the Constantine Limited unit to the rear of the site has only a small amount of yard

space. There is demand for industrial accommodation and the site should be safeguarded in the emerging Local Plan.

- 5.38 **Lewisham Way (C14)** – comprises three industrial units and a purpose built Big Yellow Self Storage facility. The site is located just off Lewisham Way (A20). The site has high prominence but is surrounded by residential uses. The quality of the existing stock is generally reasonable, although the industrial units are more dated and could possibly reach the end of their economic life within the plan period. The site is currently fully occupied. Due to the site's location and surrounding uses, there will possibly be pressures for residential development of the three industrial units. But supply for industrial space at this end of the borough is tight at and there is strong demand. We are also aware that the site is the single preferred location for a ventilation shaft between New Cross Gate and Lewisham Stations on the Bakerloo Line Extension (BLE).
- 5.39 We recommend that this site should be safeguarded for employment use in the short time until it is required for the BLE. If for any reason site is not required for the BLE the site should continue to be safeguarded for employment use in the emerging local plan.
- 5.40 **Malham Road (C15)** – is an industrial estate in Forest Hill occupied by a range of local and national occupiers. The estate is compact and there is limited yard space and most of the units have a limited number of parking spaces. The location is not optimum, being situated within a residential area, with poor prominence and access to amenities. Currently, there is low vacancy on the site and the units are generally dated and seem to have been built at different points in time. But the estate is in a well-defined area and there is demand for this type of industrial accommodation. There is an opportunity to redevelop the more dated units to provide better quality units that meet modern occupier requirements. The site should be safeguarded in the emerging Local Plan.
- 5.41 At 118 Stanstead Road, to the south of the designated Malham Road LEL, there is another cluster of undesignated employment uses. The site comprises a mix of industrial and studio space. Occupiers include, Campervantastic (campervan hire) and Whirled Art Studios (a multi let flexible studio space for artists). There is no vacancy on the site, and the individual Whirled Art Studios currently have a waiting list. The Whirled Art Studios were refurbished in 2010 and appear to still be in good condition. The Campervantastic unit is more dated but appears to be suitable for the current occupier's needs. There is a demand for both small industrial units and flexible studio space in the borough. This area should be included in the Malham LEL and safeguarded in the emerging Local Plan.
- 5.42 **Manor Lane (C16)** – is located in Lee, just west of Lee train station. The site comprises Chiltonian Industrial Estate, which includes some older, some newly refurbished and new build units. There is also a single unit accessed from Holme Lacey Road, currently occupied by Travis Perkins. The majority of units at Chiltonian are high quality modern purpose-built industrial units – some of the most modern in the borough. The modern units have a reasonable amount of yard space suitable for modern occupier requirements. The older unit has a reasonable site coverage although some of the yard space currently used for

open storage. There is nothing to suggest that Travis Perkins plan to leave the site, but if they did vacate it may be difficult to find an occupier as the building is quite dated. The Chiltonian Estate has seen recent development which demonstrates that when units come to the end of their economic life it is viable for them to be redeveloped and occupied. There is demand for industrial accommodation and the site should be safeguarded in the emerging Local Plan. Given the separate access consideration could be given to treating the Travis Perkins site and the Chiltonian Estate as distinct clusters.

Co-location of uses (through masterplan process)

- 5.43 **Trundleys Road and Apollo Business Centre (C6)** - The units here are of significantly poorer quality than the rest of the SIL and would require refurbishment in the plan period if it is to remain occupied. Due to the significant demand for industrial space around the SIL, this part of the site should be protected for employment use. Any intensification through mixed-use development should provide sufficient employment floorspace to ensure that there is not a net loss.
- 5.44 **Mercury Way (C7)**. The waste site at Mercury Way is also of poor quality and its location would make it appropriate for mixed-use residential development. But the London Plan policy 5.17(H) requires the safeguarding of sites with licensed waste capacity. This makes redevelopment only possible where suitable alternative provision for management throughput/capacity can be secured. Ultimately this leads to it being difficult to relocate waste sites as they are utilised by local authorities across the London.

Safeguard for employment-led mixed-use redevelopment (through masterplan process)

- 5.45 **Blackheath Hill (C10)** – is located in a predominantly residential area in Blackheath. The site comprises a Business Centre which contains 18 light industrial units with allocated parking. The employment area has no prominence and is located within a residential area. It is situated near a number of new residential developments. The existing employment space has reasonable car parking and yard space. Access to the strategic road network is very good although site access is tight and only suitable for cars.
- 5.46 The existing employment units are dated and may require refurbishment in the plan period. The site is likely to face pressure from residential use due to the scale of redevelopment occurring nearby. We recommend a strong policy approach to the site to ensure employment uses are protected. But this should be pragmatic and allow intensification to occur through mixed-use development when proposals are reasonable.
- 5.47 **Lower Creekside (C11)** – is located in Deptford at the northern boundary of the borough. The area comprises a mix of industrial units, studio space and flexible workspace operated by Workspace Group. It is surrounded by residential but does benefit from being close to the A2 with very good local road access. The buildings at the southern end of the site have a dated exterior but appear suitable for the current occupiers. The units currently occupied by Greenwich MOT could be redeveloped as they are coming towards the end of their economic life. There are some serviced office/workshop suites currently being

advertised at The Fuel Tank but overall vacancy the site is low. The sites small amount of remaining employment space should be protected but there is an opportunity for intensification at the southern end of the site.

- 5.48 **Perry Vale (C17)** – is located in Forest Hill, south of the borough. The site comprises three B2/B8 industrial buildings. Occupiers include Royal Mail and London Mosaic Tiles. The employment area is well connected, being in close proximity to the A205 and Forest Hill train station. The site would not be suitable to regular HGVs access as the entrance to the industrial area is through a public car park. Overall the existing units seem to be in a good condition and there is no vacancy. There are few industrial units in Forest Hill and based on our market report there is strong demand for space in the area, meaning there will be demand for these units should current occupiers vacate. However, there is also opportunity to intensify the site to provide an employment-led mixed-use development. This is appropriate for the site given its close proximity to Forest Hill railway station and adjacent residential uses. Any mixed-use development should result in no net loss of employment floorspace in order to protect the already constrained supply of employment land in the borough.
- 5.49 **Clyde Vale (C18)** – is a light industrial employment area in Forest Hill. The site has excellent strategic road access as it is located just 0.3 km from the A205, but the access to the site is very constrained due to on street parking along Clyde Vale. The site is located in a predominantly residential area although its current occupiers appear compatible. The units on the site are dated and would likely require refurbishment/redevelopment in the plan period. There is strong demand for industrial space, especially for these sizes of units. We recommend a strong policy approach to the site to ensure employment uses are protected. But this should be pragmatic and allow intensification to occur through mixed-use development when proposals are reasonable.
- 5.50 **Stanton Square (C19)** – is an industrial location in Lower Sydenham comprising industrial units and brownfield land. The site has good connectivity, being situated close to the A21 and A205 strategic roads. The existing stock is of reasonable quality and is suitable for the current occupiers. There is no vacancy on the site and units will likely continue to be attractive to occupiers in the future.
- 5.51 Directly north of the site is the former gas works site, which is allocated in the emerging plan as policy SA26. This site has seen multiple phases of mixed-use development including, retail, industrial and residential. There appears to still be some undeveloped plots on this site. Stanton Square also benefits from being in close proximity to Lower Sydenham Station. The station is being considered as a potential stop on the BLE. We recommend a strong policy approach to the Stanton Square site to ensure employment uses are protected. This could take the form of a wider masterplan including the former gas works site to the north, and the regeneration opportunity provided through the potential BLE.

- 5.52 **Willow Way (C20)** – is an industrial area in Forest Hill with a mix of B class occupiers. Commercial units are located on either side of Willow Way which runs between Kirkdale and Dartmouth Road. The site benefits from being in close proximity to amenities; located less than 100m from the majority of the site. The site has been developed in a number of phases on a piecemeal basis. There are modern small industrial units in close proximity to Kirkdale Road which are in reasonable condition and appear to be well occupied. Further south west along Willow Way the office and small industrial units are more dated but still well occupied.
- 5.53 There is vacant land in the centre of the site that was previously occupied by the council. The land is still in the council's ownership and a masterplanning exercise was undertaken in 2013/14 which produced plans to provide residential units along with a school, commercial, and mixed-use space. These should be considered positively, if they do not reduce employment floorspace, but intensify the existing offering. Currently, there is no planning application for this land but if these plans go ahead it may encourage intensification of other parts of the site. Though there may be scope to provide a mix of uses on the site. The existing amount of employment floorspace should be protected to ensure that demand in the area is met over the plan period.
- 5.54 **Worsley Bridge Road (C21)** – is located to the south of the borough, close to the boundary with the London Borough of Bromley. The employment area comprises a mix of office units, with frontage onto Worsley Bridge Road, and industrial at Broomsleigh Business Park. There is also an office building which is in a state of disrepair. There are different employment uses and the fact they have been developed at different times means the employment area is not cohesive. Due to the size of the employment area, the pressure for residential and the piecemeal approach to mixed development which has occurred over the borough boundary, this area is at risk from residential development. But there is strong demand for small industrial uses in the area. The size of the site allows for a masterplan approach to take place to allow for site intensification through carefully planned mixed use development to include residential and industrial uses.
- 5.55 **Molesworth Street (C22)** – is located near Lewisham town centre. The site comprises a single building which contains a data centre owned by Citibank. The site is in a very prominent location off the A21 and site access is suitable for cars and small vans. The Citibank building is of good quality and demand for data centres in close proximity to central London remains strong. The existing employment use should be safeguarded but part of the designated employment area is no longer effectively an employment area and consideration should be given to consolidating this.

Strategic mixed-use employment for MEL

- 5.56 **Surrey Canal Triangle (C23)** – is an industrial area located in New Cross. The area comprises Enterprise Industrial Estate, Orion Business Centre, Millwall FC Stadium (The Den), industrial units along Stockholm Road and the units between Surrey Canal Road and Rollins Street. It is located 0.6 Km from the A2 which provides very good access to other parts of the borough/London, although access to the A2 is via Ilderton Way which is

generally not suitable for HGVs due to the amount of on street parking along the road. The existing units are mostly dated and would require some external refurbishment in the plan period. There are no vacant units currently being advertised.

- 5.57 A planning application was approved in 2015 for the comprehensive redevelopment of the whole site to include up to 2,400 homes, as well as retail and 10 – 15,000 sq m of B1 floorspace. So far, the development has not commenced. Nonetheless, the site should be safeguarded for employment use in the short term, and then reassessed if the development does not come forward.
- 5.58 **Sun and Kent Wharf (C25)** – is a mixed-use industrial location in Deptford located close to Deptford High Street and the amenities it has on offer. Access to the site is via Creekside which is a small road not suitable for large vans/trucks. Site access and yard space around the site is generally poor. This, coupled with high amounts of on street parking, means that the site is unsuitable for a range of modern industrial occupiers.
- 5.59 The units comprise railway arches occupied by Ariel Scaffolding, storage units occupied by Jones Catering and a historic office building occupied by Cockpit Arts. The new Kent Wharf is a mixed use residential and office development by Bellway.
- 5.60 Overall the industrial and office buildings are dated and would benefit from refurbishment over the plan period. If the current occupiers vacate the site it may be difficult to find a new occupier due to the constrained nature of the access and poor site coverage. There is no reason to believe that the current occupiers plan to vacate the site so it should be safeguarded for employment uses. Should space become vacant the site should be considered for intensification through a mix of residential and employment uses. We would consider flexible workspace to be appropriate in this location.
- 5.61 **Childers Street (C26)** - is located to the north of Deptford. The site comprises ACME Studios, Parkside Business Estate and VIVE LIVING – which is a scheme of 82 Build to Rent apartments and coworking space. The units vary in size and quality, however the building currently occupied by ACME studios is of poorer quality than the railway arch units. This seemingly does not affect their attractiveness as there is no vacancy on the site. The site has close proximity to the A2 and access is good via Edward Street and Pagnell Road. The units on the site are currently only suitable for certain occupiers due to their size and specification. The building currently occupied by ACME is of particular interest, given its continuing employment use, and this part of the site should be considered for safeguarding and potential intensification through a mixed-use residential/workshop scheme, compatible with the mixed-use schemes recently built on the southern part of the Childers Street site.
- 5.62 **Arklow Road (C27)** – is located in Deptford in the north of the borough. Most of the site comprises residential buildings but there is also a mixed residential/office building called Astra House. Astra House is a good quality building which is highly compatible with existing residential buildings. The units at Astra House seem to be fully occupied at the moment. The site has good proximity to the A2 and access is suitable for cars/vans. In the

short-term the unit should be protected for employment use. But should it become vacant, the site should be re-assessed against the strength of the market at that point in the property cycle, and possibly released for residential purposes.

- 5.63 **Plough Way (C29)** - is located in Deptford comprising four development sites. Three of these sites; Marine wharf East, Cannon Wharf and Marine Wharf West, are mixed use schemes providing some B1 floorspace. The quality of the units at the site is good with most being built recently. Furthermore, the site benefits from close proximity to Lower Road which has good access to amenities and good access to the A2 through Evelyn Street. Although there are some vacant units on the site, this is not a concern due to the age and specification of the units. The site should be safeguarded as it will viably remain in employment use over the plan period.

MELs not assessed

- 5.64 The following sites are currently designated as MEL have not been subject to detailed site assessments assessed because they have been recently redeveloped or committed, predominantly for residential with an element of employment generating uses. Going forward these sites should all fall in the category of Strategic mixed-use employment for MEL.

- Convoys Wharf (C24)
- Oxestalls Road (C28)
- Grinstead Road (C30)
- Thanet Wharf (C31)

6 Forecasts

Introduction

- 6.1 This Chapter presents forecasts of the demand for employment land and premises in Lewisham. The forecasts are presented for 15 and 20 year planning horizons for the Lewisham Local Plan, namely 2018-33 and 2018-38. We also present the forecasts for the London Plan period 2016-41. The starting point is recent work published by the GLA to inform the London Plan. In presenting these projections we consider three categories of employment land:
- Offices (B1a)– for which the starting point is the London Office Policy Review 2017
 - Industrial (B1b , B1c, B8) – for which the starting point is the London Industrial Land Demand study (2017)
 - All other (Non B-class) employment – this is not directly an output for this study but as noted in the preceding analysis accounts for the majority of employment in Lewisham Review
- 6.2 In making this distinction between different types of demand on Use Class grounds we recognise that there is an increasing blurring of activity on the ground. Non-industrial businesses occupy industrial premises and much activity is of a hybrid nature that is partly service and partly production. Nevertheless, it is still useful to segment demand as different types of occupiers have different premises needs. We start with office and industrial demand and return later to consider where demand may be transferable between different types of property market product.
- 6.3 The projections of office and industrial demand produced to inform the London Plan are not the only possible outcomes and Lewisham does not need to be bound by these projections when determining its employment land policies. But it does need to demonstrate it has taken these projections into account and needs to provide a justification for the projections that the borough decides to adopt.
- 6.4 We use the GLA projections as our starting point but also undertake sensitivity tests and reality check the projections against what we know about the Lewisham economy from the assessment set out in earlier chapters of this report.
- 6.5 We also consider the projected outcomes against what we understand to be LB Lewisham's policy objectives.
- 6.6 We consider in turn the forecast demand for office premises and for industrial premises. We then also comment on demand for non B-class employment.
- 6.7 We first set out employment forecasts for Lewisham, by sector, drawing on employment projections prepared by GLA Economics, and used to inform the London Plan.

- 6.8 These employment forecasts are then translated into forecasts of demand for premises by application of employment density ratios, and then into a forecast of the demand for employment land by application of plot ratios. The approach is summarised in Figure 6.1.

Figure 6.1 Forecast Method



Employment Projections

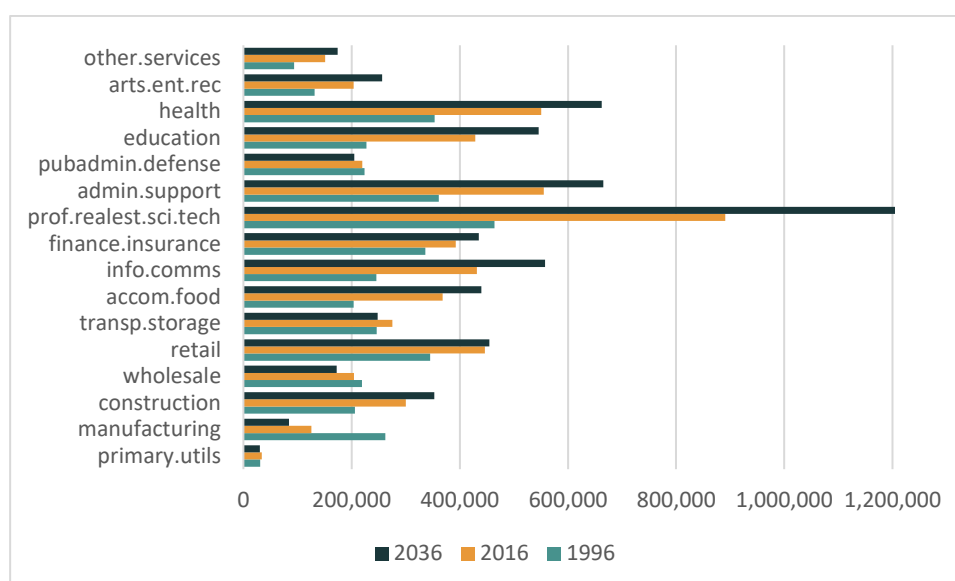
GLA employment projections

- 6.9 In June 2016 GLA Economics published employment projections at sector level for London, and for total employment at borough level¹². There were no sectoral breakdowns of the borough projections. These projections in turn were used to inform the forecast of office floorspace set out in the London Office Policy Review 2017 (LOPR 2017) and in part were an input to the forecast of industrial land demand set out in the London Industrial Land Demand (LILD) study 2017.
- 6.10 The GLA project growth of 1.2m jobs over the period 2016-41, an increase of 21.0%. This compares with a growth of 1.6m jobs over the preceding 20-year period.
- 6.11 Information and communication services (up 162,000); administrative and support services (up 139,000); education (up 150,000); and health (up 141,000), are other sectors that are projected to experience a large increase in jobs over the period 2016-41.
- 6.12 As a sensitivity test the GLA also published a High variant of its Central projection which showed growth of 1.5m jobs over the period 2016-41 and Low variant which showed growth of 0.8m jobs.
- 6.13 Projected employment change by sector for the period 2016-36 is set out in Figure 6.2 below, which also shows change from 1996 by way of comparison. The largest growth is projected to occur in the professional scientific and technical services sector with an increase of 412,000 jobs (46%).
- 6.14 The projected pattern of growth is broadly similar to that seen in the preceding 20-years. The principal differences are in the manufacturing sector, where the projected rate of

¹² GLA Economics (2016) London Labour Market Projections

decline is much slower than in the past, and in the retail sector, where future growth is projected to be relatively static.

Figure 6.2 Employment Change by Sector London 1996-2036



Source: GLA Economics

Borough employment projections

6.15 GLA Economics also published a set of borough-level employment projections using a revised version of their previous 'Triangulated' method. These projections are generated by developing a set of rules to integrate three separate projections for borough jobs, including:

- continued historic trends, prepared by GLA Economics;
- transport accessibility, based on a relationship for each borough between employment density and transport accessibility, and
- workplace capacity, using data from the London Employment Sites Database¹³.

6.16 As the transport accessibility analysis will inform future investment decisions by TfL, the transport accessibility projections do not feature in the rules to allocate employee jobs across boroughs for this round of borough projections.

6.17 The 2016 GLA projections for Lewisham show employment increasing from 79,200 in 2016 to 89,200 in 2041, an increase of 10,100¹⁴ jobs or 12.7%. This is below the projected growth for London as a whole of 21.0%, where growth is anticipated to be faster in Central London.

6.18 The GLA do not produce sector forecasts at borough level. We therefore generate borough sector forecasts by initially assuming that each sector grows at the same rate as the London sector forecasts. The London sector growth rates are applied to the 2014 borough

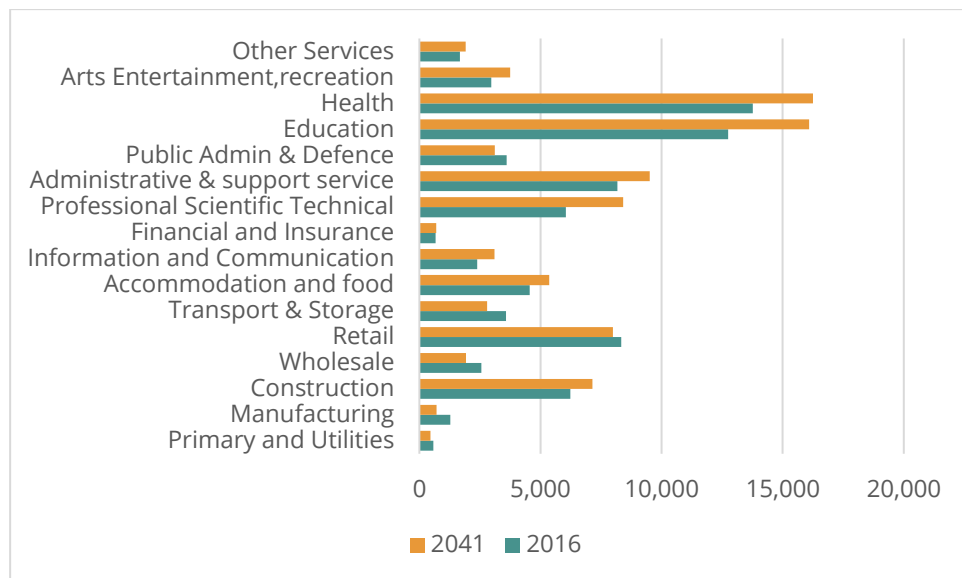
¹³ CAG Consultants (2017) London Employment Sites Database

¹⁴ Figures are stated after rounding to nearest 100.

sector data (for the 16 sectors at which GLA Economics produce their London forecasts). The input data for this is BRES 2014¹⁵ employment data which are grossed up to the GLA 2014 borough employment totals to account for self-employed.

- 6.19 These initial borough-level sector forecasts are calibrated to ensure consistency with both the GLA's London sector-level forecasts and with the GLA's borough-level forecasts through a process of reiterations to these dual constraints.
- 6.20 Sector level forecasts for Lewisham are illustrated in Figure 6.3 below.
- 6.21 The largest growth sectors were projected to be education which grows by 3,300 jobs; health, which grows by 2,500 jobs; and professional, scientific and technical services sector which is projected to grow by 2,400 jobs.

Figure 6.3 Lewisham Sector Employment Projections 2016-41 based on GLA2016

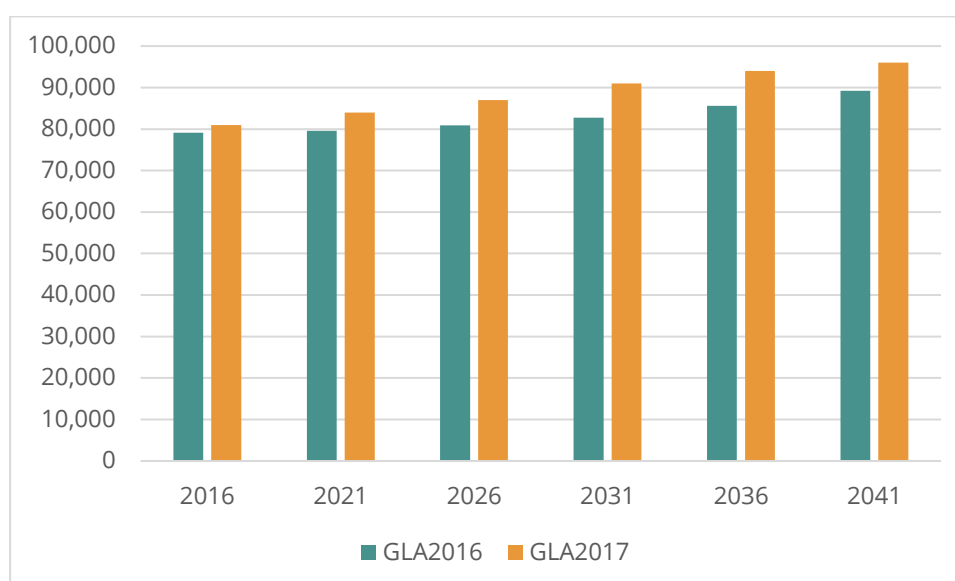


Source: GLA Economics/CAG

- 6.22 In June 2017 the GLA published an update of their employment projections. Figure 6.4 compares the employment projections prepared by the GLA that were used to inform LOPR and LILD with those produced by the GLA one year later in 2017. The GLA2017 projections are significantly more positive for Lewisham projecting an increase in employment of 15,000 jobs over the period 2016-41. Compared with a projected increase of 10,000 in GLA2016.

¹⁵ 2017 BRES data is at time of producing this report the latest available, but 2014 is used as it is consistent with the base data for the GLA Economics projections

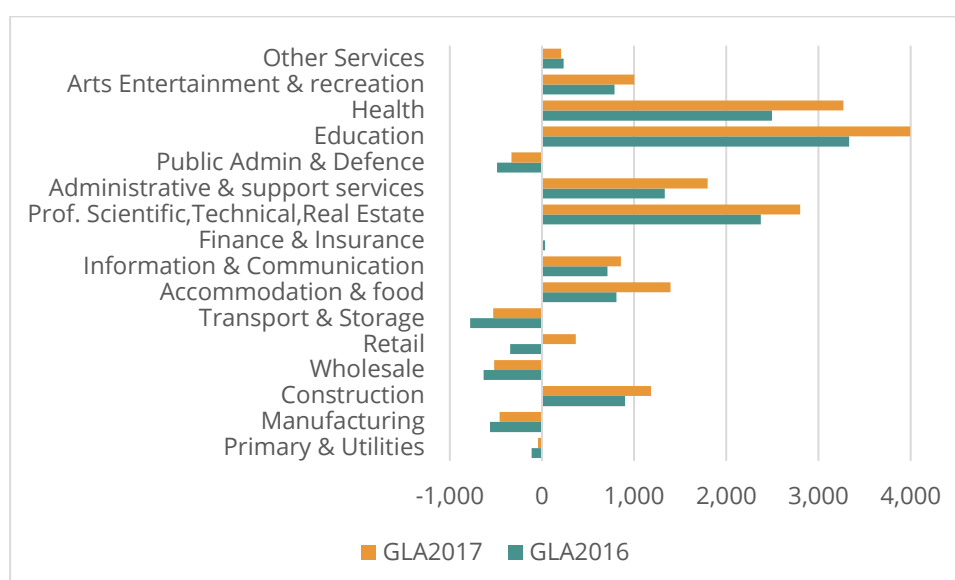
Figure 6.4 GLA Employment projections for Lewisham 2016 and 2017



Source: GLA Economics

- 6.23 Comparing the two projections at the sectoral level, the additional jobs are distributed in broad proportion to projected sector change. The sectors that are projected to have the largest increase in employment, namely health and education, have the largest amount of the additional projected jobs growth.

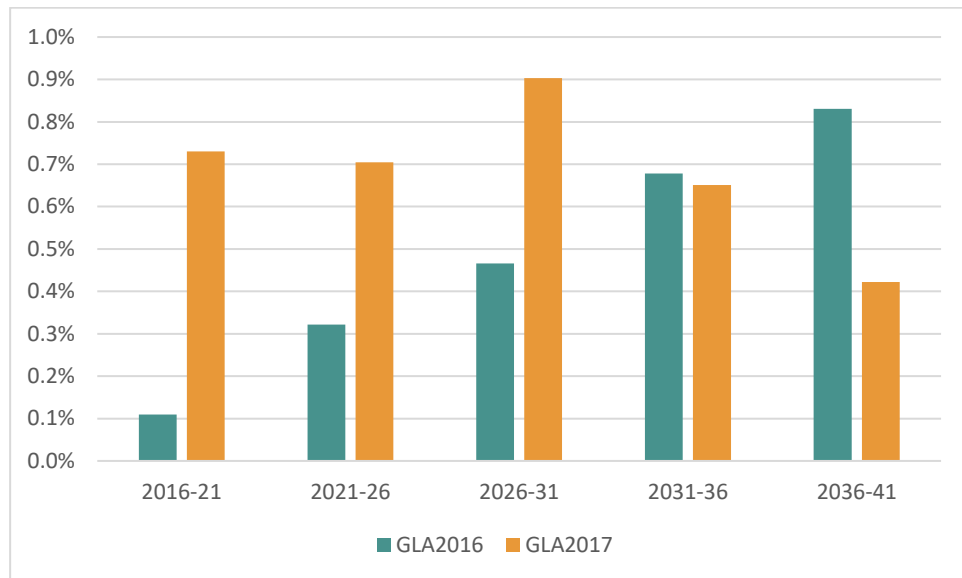
Figure 6.5 Comparison of Employment Projections for Lewisham at Sector Level – Change in Jobs 2016-41



Source: GLA Economics/CAG

- 6.24 Where there is a more significant difference in the two projections is in the time profile of growth. The GLA2017 projections have much higher growth for Lewisham in the earlier years of the Plan period than the GLA2016 projections. By contrast GLA2016 show higher rates of growth in the latter parts of the Plan period, indeed progressively rising over time.

Figure 6.6 Average Annual employment growth rate projections for Lewisham by 5-year period

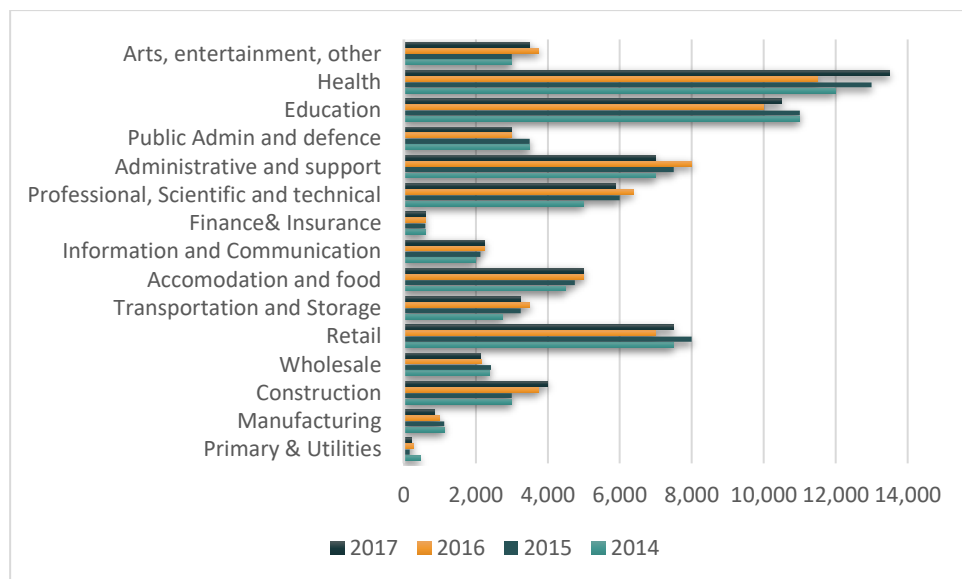


Source: GLA Economics

Recent Employment Trends in Lewisham

6.25 The baseline employment data used to inform the LOPR and LILD projections was BRES 2014. Since that time there have been three additional years of baseline employment data published. This new data does not, however, suggest any significant change in the composition of employment in the borough. Thus, we do not propose to make any adjustment for this factor.

Figure 6.7 Employment Trends Lewisham 2014-2017



Source: BRES

Offices

London Office Policy Review

- 6.26 The London Office Policy Review (LOPR) 2017 set out three approaches to projecting demand for office floorspace in London, as follows:
- Trend projection: based on past change in office floorspace stock in each borough.
 - Central employment-based: which converts projections of employment by sector to floorspace, by application of an employment density ratio.
 - Composite projection: the average of the trend projection and central employment-based projections.
- 6.27 The employment-based projection might be interpreted as the best approach if the boroughs were able to capture their share of London's projected growth. But long running trends have shown office employment growth in London concentrating in the Central Activities Zone (CAZ).
- 6.28 Therefore, the Composite projection might be seen to represent the best central projection, taking account as it does of past trends in office floorspace at the borough level, the local employment structure, and known development proposals.
- 6.29 Taking account of past change in stock also helps to account for the changing relationship between employment growth and office floorspace demand. LOPR noted how the past relationship between growth in what had traditionally been office employment sectors and demand for office floorspace has broken down. Since 2001 Outer London, in particular, has seen a growth in 'office' employment sectors combined with a reduction in office floorspace stock. This trend has also been reflected in Lewisham. Over the period 2004-15 employment in 'office sectors' in Lewisham grew at an average of 0.6% p.a., whilst over the period 2001-15 the office floorspace stock in Lewisham declined at an average of -1.3% p.a. Cost-driven intensification and technology-led working practices mean that growth in jobs does not necessarily translate into growth in floorspace.
- 6.30 In addition to these core approaches to projecting demand for office floorspace, LOPR presented a series of sensitivity tests around the Employment-based Central projection. These were as follows.
- **Employment-based high** - Uses the GLA's higher employment projection.
 - **Employment-based low** - Uses the GLA's lower employment projection.
 - **Hybrid** - Assumes some activity in sectors that have traditionally been considered as office sectors is accommodated in hybrid industrial premises.
 - **Homeworking** - Assumes a higher proportion of future employment growth will be homeworkers who do not require office space.
 - **Density ratio 13 sq m non-CAZ** - Assumes a higher average floorspace to worker ratio than the central projection, hence increasing the overall demand for floorspace.

- **Density ratio 1.25 desk share** - Assumes a higher rate of desk-sharing, hence reducing the overall demand for floorspace.
- **Intensity all stock 11.3 sq m** - Assumes that all office stock is occupied at the benchmark ratio of 11.3 sq m per worker in 2041.

6.31 The results of the sensitivity tests for Lewisham are summarised in Table 6.1 for the London Plan period 2016-41. The Table also shows the proportionate share for the Lewisham Plan periods of 2018-33 and 2018-38. This assumes an even distribution of the LOPR projections over the Plan period. This may not be in strict accordance with the time profile of the LOPR projections but is probably the most transparent way of presenting and interpreting that data. In any event the time profile will be subject to cyclical fluctuations that are absent from the London Plan projections.

Table 6.1 Office Floorspace Change Lewisham 2016-41 Sensitivity Tests

Change Sq m	2016-41	2018-33	2018-38
Trend Projection	-36,700	-22,000	-29,400
Composite Projection	-2,500	-1,500	-2,000
Employment-Based Central	31,700	19,000	25,400
Employment-Based High	41,000	24,600	32,800
Employment-Based Low	22,500	13,500	18,000
Hybrid	23,300	14,000	18,600
Homeworking	29,000	17,400	23,200
Density Ratio 13 sqm Non-CAZ	36,400	21,800	29,100
Density Ratio 1.25 Desk share	30,300	18,200	24,200
Intensity all Stock 11.3 sq m	55,800	33,500	44,600

Source: London Office Policy Review¹⁶

- 6.32 The high-intensity scenario at the London level looks to test the impact of applying current density ratios to older, less intensively occupied stock. This scenario is not however appropriate for Lewisham, as Lewisham's current office stock to 'office employment' ratio is below the benchmark ratio.
- 6.33 Using the LOPR definition of office employment sectors and the VOA data on office stock, the LOPR report showed that Lewisham has an apparently high density of occupation of office stock. This means that the implied floorspace per worker ratio of 10 sq m per worker was one of the lowest in London and significantly below the London average of 13.8 sq m per worker. There are a number of potential explanations for this, all of which are helpful in trying to understand the nature of Lewisham's economy.
- **Stock is actually occupied more densely in Lewisham.** This could be explained by the nature of the types of office activities that are located in Lewisham. For example, back office activities will typically be occupied at higher densities than Corporate HQ premises.
 - **High levels of self-employment and home working.** If an above average proportion of people who work in 'office sectors' are in fact working from home, then the

¹⁶ Ramidus, CAG (2017) London Office Policy Review 2017

denominator in the ratio floorspace per worker is artificially inflated, hence depressing the ratio.

- **The sector use class mapping is not appropriate for Lewisham.** It may be that a number of sectors that would traditionally be expected to occupy office space are in fact working in different types of premises e.g. industrial premises. This was one of the purposes of the hybrid sectors sensitivity tests in the LOPR report.

6.34 The reality is likely to be found in a combination of these factors. If so, the question is what is the appropriate density ratio to apply going forward? This will be answered by the types of activities we expect Lewisham to attract in the future.

6.35 Other things being equal the GLA2017 projections would imply a slightly higher demand for office floorspace than the figures published in LOPR. Applying the same method that was used to generate the LOPR employment projections then using GLA2017 rather than GLA2016 would produce a forecast net additional growth in office jobs of 3,300 compared with 2,600.

6.36 This would result in forecast demand for office floorspace of 39,800 sq m for the Employment-based Central projection compare with 31,700 sq m published in LOPR. In turn this would imply the composite projection showing positive demand for 1,600 sq m over the period 2016-41 compared to a negative net demand of -2,500 sq m as set out in LOPR.

Table 6.2 Forecast of Office Employment Change 2016-41

2016-41	GLA2016	GLA2017
Total Jobs	10,100	15,000
Office Jobs	2,600	3,300
Office as % of Total¹⁷	25.7%	21.8%
Office Floorspace (sq m)	31,700	39,800
Composite Projection (sq m)	-2,500	1,600

Source; GLA Economics/CAG

6.37 There is essentially little difference in substituting the later GLA projections, but it could be seen as adding a small margin for error or as planning positively for growth. Table 6.3 applies this update for the GLA2017 projections to the Lewisham Plan period.

Table 6.3 Office Floorspace Projections for Lewisham based on GLA2017 Sq m

GLA2017	2016-41	2018-33	2018-38
Trend Projection	-36,700	-22,000	-29,400
Composite Projection	1,600	900	1,200
Employment-Based Central	39,800	23,900	31,800

Source; GLA Economics/CAG

¹⁷ Percentages based on unrounded data.

Conclusions on Office Floorspace Projections

- 6.38 Given past trends in office floorspace stock in the borough and what appears to be a change in the relationship between office employment change and office stock change, we do not think the full employment-based demand projections are likely to be realised. But Lewisham should also seek to plan positively for growth and if it does not develop new stock it will not attract the growth potential in sectors such as professional services and ICT.
- 6.39 We would therefore recommend planning for a net addition to office stock of 10,000 sq m over the period 2018-33 or 15,000 sq m over the period 2018-38. However, as important as the quantum of office floorspace will be the type and location of floorspace that is delivered.
- 6.40 We see demand as being predominantly for small units in the Deptford New Cross area. Dependent on the outcome of the Catford Masterplan it may also be possible to establish a small office quarter there, again predominantly based around small units.

Industrial

- 6.41 The London Industrial Land Demand study (LILD) 2017 was published in June 2017. Under the suggested new categorisations set out in the LILD Lewisham is identified as a borough that should 'Retain' its industrial land. The report also sets benchmarks for the release of industrial land by borough.
- 6.42 The LILD report states that the projections and benchmark release totals should be treated with caution at the Borough level as much demand is effectively sub-regional. There is likely to be some adjustment to the Borough level release totals following consultations with Boroughs.
- 6.43 The LILD study assesses demand by sub region and by Industrial Property Market Area. Lewisham is classified in the East sub region and in the Central Services Property Market Area. These two assessment areas have quite different characteristics and Lewisham probably does not fall neatly in to either category. The definitions, based on those used for the London Industrial Land Supply study¹⁸, are also based on whole borough areas, whereas in reality the north and south of the borough may fall in to different industrial property market areas. Thus, the benchmark release figure should be interpreted sensitively in line with Lewisham designation as a 'Retain' borough rather than being seen as a target for planned release.
- 6.44 The Baseline projection is for a net loss of -12.4 ha of industrial land for Lewisham over the period 2016-41. This is derived from an estimate of a reduction of -3.4 ha of land for general industrial purposes; a reduction of -5.6 ha of land for warehousing; a reduction of -3.5 ha of land for utilities; an increase of 2.6 ha of land for other uses; and a reduction of -2.5 ha of excess surplus vacant land.

¹⁸ Aecom et al (2015) London Industrial Land Supply & Economy Study

- 6.45 This is best considered in terms of a reduction of -0.5 ha a year. This compares with an average loss of -4.4 ha a year over the period 2006-15. The message is not that Lewisham should be planning to release more industrial land, but it may be possible as sites are redeveloped to be used more intensively and more efficiently that small amounts of industrial land may be released as part of this process.

Table 6.4 Baseline Industrial Land Projections (ha) for Lewisham by Component of Demand

	2016-41	2018-33	2018-38	p.a.
Industry	-3.4	-2.0	-2.7	-0.14
Warehouse	-5.6	-3.4	-4.5	-0.22
Waste	-3.5	-2.1	-2.8	-0.14
Other	2.6	1.6	2.1	0.10
Demand	-9.9	-5.9	-7.9	-0.40
Surplus Vacant	-2.5	-1.5	-2.0	-0.10
Total	-12.4	-7.4	-9.9	-0.50

Source: LILD2017

- 6.46 A loss of -12.4 ha represents a reduction of -11.2% on Lewisham's 2015 industrial land stock of 110.6 ha.
- 6.47 The central scenario also needs to be considered in terms of the various sensitivity tests.

Alternative Scenarios

- 6.48 The London Industrial Land Demand Study also published a number of alternative scenarios.
- **Trend supply** - where industrial land continues to be released at the same rate as in the recent past. This produces a net release of -60.1 ha of industrial land for Lewisham over the period 2016-41 (-36.1 ha pro rata for the period 2018-2033, -48.1 ha for 2018-38)
 - **Planning Pipeline** - which looks at how much industrial land would be released under current plans including the existing development pipeline and areas earmarked in Opportunity Area Planning Frameworks, Local Plans and in Housing Zones. This produces a net release of -10.2 ha of industrial land for Lewisham over the period 2016-41 (-6.1ha pro rata for the period 2018-2033, -8.2 ha for 2018-38)
 - **Planning + Infrastructure** - this adds to the planning pipeline scenario additional industrial land releases related to the development of Crossrail 2 and the Bakerloo Line Extension. This has no impact on Lewisham over and above the Planning Pipeline release.
- 6.49 The LILD also looked at the potential additional releases enabled through intensification of existing industrial area and further releases that might be achieved through meeting more of London's demand for warehousing from outside of its borders. Broad and general assumptions of the potential for this were used in LILD and we have examined this in more detail through the site assessments set out in Chapter 5.

- 6.50 Whilst the baseline industrial land release figure suggests Lewisham should release -12.4 ha of industrial land it could release more if it could demonstrate that it has increased capacity for industrial floorspace on existing industrial land.

Conclusions on Industrial Land Projections

- 6.51 Lewisham is designated as a borough that should 'Retain' industrial land under the latest GLA industrial land categorisations. The benchmark release figure of -12.4 ha over the period 2016-41 equates to -0.5 ha a year compared to an average release of 4.4 ha per year in the recent past.
- 6.52 Such a rate implies that Lewisham should not be seeking further planned losses of industrial land, but there may be scope to allow some small releases either as part of site redevelopment or where an existing use becomes rendered redundant and there is no realistic possibility of future re-use for industrial activity.

Non B-Class employment

- 6.53 It is not in the remit of this study to assess the demand for floorspace outside of B-class uses, but demand for other uses provides relevant context. As shown in the earlier profile of the Lewisham economy it is the non B-class sectors that account for the majority of jobs in Lewisham. The forecasts of employment also show the majority of future growth is expected to come from sectors that do not predominantly occupy B-class floorspace.
- 6.54 The two most notable sectors are education and health. 46% of projected employment growth is expected to come from the education and health sectors alone. This will range from local health centres and schools to larger hospitals and universities, which may have a sub-regional or even national catchment. Land for schools, health centres and other similar facilities are planned for in a different way and do not form part of this study.
- 6.55 But these sectors do create demand for land and in some cases this may be competing with demand for B-class employment land and also with demand for residential development.
- 6.56 Intensification of economic activity through integrating different land use types on the same site, or same development area, is an increasingly important consideration for land use planning in London.

Reality Checks and Benchmarks

- 6.57 As noted previously the GLA employment forecasts are not the only potential outcomes. Forecasts of this nature are in any event subject to a degree of uncertainty. We therefore undertake sensitivity analysis by reviewing other forecasts for London to check if an alternative view would suggest any significantly different outcome.
- 6.58 A research report produced for the City of London Corporation in 2015¹⁹ forecast employment growth for London over the period 2015-2025 averaging 0.6% p.a., from

¹⁹ Centre for Cities and Cambridge Econometrics (2015) The Future of the City of London's Economy

5,584,000 in 2015 to 5,955,00 in 2025. This is an increase of 371,000 over ten years and represents a lower rate of growth than the GLA Economics projections, which show employment growth averaging 0.8% p.a. over the period 2016-36.

- 6.59 Growth in Central London in the City of London report was expected to be faster with employment averaging a 0.7% p.a. increase over this period, so correspondingly growth in the rest of London would be projected to be slightly lower than the London average.
- 6.60 The forecast for London as whole shows GVA averaging 2.5% p.a. growth between 2015-25 and productivity growing by 1.8% p.a. over this period.
- 6.61 Another forecast is provided by Working Futures who project employment growth for London averaging 0.7% p.a. over the period 2014-24, with GVA growth averaging 2.5% p.a. over this period.
- 6.62 Forecast prepared by Oxford Economic in 2017 projected growth in employment for London between 2016-30 of 748,000 jobs, an average growth rate of 0.9% p.a.
- 6.63 Oxford Economics projects a GVA growth rate for London over the period 2018-28 averaging 2.6% p.a.²⁰.
- 6.64 A report by Cambridge Econometrics for the Mayor of London in 2018²¹ assessed a range of Brexit Scenarios. *“Scenario 1 reflects a status quo situation where the UK remain in the Single Market and Customs Union (the baseline), and then Scenarios 2 and 3 move from a softer version of Brexit (the UK is part of the EEA, but not the Customs Union in Scenario 2; and is part of the Customs Unions, but not the EEA in Scenario 3), to a harder Brexit in Scenarios 4 and 5 (UK is no longer part of the EEA or the Customs Union). Scenario 4 is the closest scenario to the government’s current position, while Scenario 5 is a more extreme outcome of Scenario 4, which is still plausible within the government’s approach.”*
- 6.65 Depending on the scenario employment was projected to grow at between 0.5%-0.6% p.a. over the period 2019-30, with GVA growing at between 1.6%-1.8% p.a.
- 6.66 These alternative forecasts for the London economy are summarised in the table below.

²⁰Oxford Economics Forecasts July 2018. Regional and country economic indicators: House of Commons Briefing Paper Number 06924, 16 October 2018.

²¹ Cambridge Econometrics (January 2018) Preparing for Brexit

Table 6.5 Comparison of Employment Projections for London

Forecast	Forecast Date	Forecast Period	Employment Growth % p.a.	GVA Growth % p.a.
GLA2016 Central	2016	2016-41	0.8%	2.5%
GLA2016 High	2016	2016-41	1.0%	2.9%
GLA2016 Low	2016	2016-41	0.6%	2.1%
GLA2017 Central	2017	2016-41	0.8%	2.3%
GLA2017 High	2017	2016-41	1.3%	2.8%
GLA2017 Low	2017	2016-41	0.4%	2.0%
City of London Research	2015	2015-25	0.6%	2.5%
Working Futures	2014	2014-24	0.7%	2.5%
Oxford Economics Host Borough	2017	2016-30	0.9%	n/a
Cambridge Econometrics Brexit High	2018	2019-30	0.6%	1.8%
Cambridge Econometrics Brexit Low	2018	2019-30	0.5%	1.6%

Source: see text

- 6.67 Whilst the pace of growth varies from one body to another, projections of other forecasting bodies all have broadly the same outlook for the future growth of the London economy, with employment growth averaging in the range of 0.5% p.a. – 0.9% p.a. (excluding the GLA High and Low Scenarios). Whilst the GLA projections are towards the upper end of the range of published forecasts they are in line with the consensus view.
- 6.68 This suggests that any sensitivity test on the employment-based projections would consider a slight downside view. But in planning for employment floorspace it is prudent to add a margin for error and allow for some choice. Hence these two factors balance each other out and suggest that adopted the GLA based projections are reasonable, especially given there is a range around their central floorspace projection.

Conclusions

- 6.69 Employment projections for Lewisham forecast a higher level of growth than the borough has experienced in the recent past, though we do not expect all of this growth to turn in to demand for office floorspace. But Lewisham should seek to plan positively for growth and if it does not develop new stock it will not attract the growth potential in sectors such as professional services and ICT.
- 6.70 We would therefore recommend planning for a net addition to office stock of 10,000 sq m over the period 2018-33 or 15,000 sq m over the period 2018-38. However, as important as the quantum of office floorspace will be the type and location of floorspace that is delivered.
- 6.71 We see demand as being predominantly for small units in the Deptford New Cross area. Dependent on the outcome of the Catford Masterplan it may also be possible to establish a small office quarter there, again predominantly based around small units.

- 6.72 In terms of industrial activity Lewisham is designated as a borough that should 'Retain' industrial land under the latest GLA industrial land categorisations. The benchmark release figure of -12.4 ha over the period 2016-41 equates to -0.5 ha a year compared to an average release of 4.4 ha per year in the recent past.
- 6.73 Such a rate implies that Lewisham should not be seeking further planned losses of industrial land, but there may be scope to allow some small releases either as part of site redevelopment or where an existing use becomes rendered redundant and there is no realistic possibility of future re-use for industrial activity.

7 Market Balance

Introduction

- 7.1 This chapter first sets out the future supply of office and industrial land and premises by analysing recent changes in planning permissions and looking at the development pipeline of future projects. It then compares this with the demand projections set out in the previous chapter. The balance of supply and demand is assessed both quantitatively and qualitatively with a particular view to identifying types of premises where there is an under-supply and also land or premises that may be potentially surplus to requirements.
- 7.2 It then sets out where additional capacity may be brought forward through intensification of existing land-use.

Supply

London Development Database

- 7.3 Monitoring data from the London Development Database (LDD) shows steady loss of floorspace stock in recent years. Over the five years 2014/15-2018/19 there has been a net loss of 60,000 sq m of B-class floorspace in completed developments.

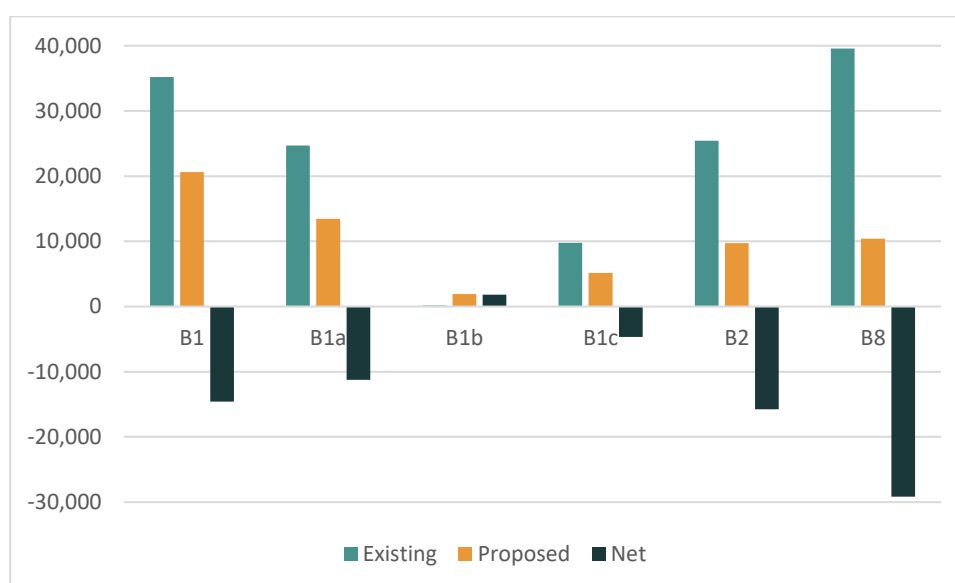
Table 7.1 Net Change in Non-Residential Floorspace in Lewisham by Use Class

	FY2014	FY2015	FY2016	FY2017	FY2018	Total 2014-2018
A1	355	5,680	-955	-1,058	-574	3,448
A2	512	773	335	49	-98	1,571
A3	716	1,058	1,089	-73	-87	2,703
A4	1,040	-1,303	-500	-622	-759	-2,144
A5	500	-70		-82		348
B1	3,271	-5,243	-8,382	-1,477	-2,752	-14,583
B1a	3,403	-4,849	-6,251	-804	-2,752	-11,253
B1b		1,077	391	327		1,795
B1c	393	-1,411	-2,522	-1,101		-4,641
B2	-2,326	723	-9,960	-4,168		-15,731
B8	4,845	-9,209	-9,063	-14,436	-1,274	-29,137
C2	-249					-249
D1	1,825	-7,804	553	1,453	-1,291	-5,264
D2	-733	2,544	759	1,800	-42,600	-38,230
SG	-4,606	4,169	-3,842	-2,900	-673	-7,852

Source: LDD

- 7.4 Figure 7.1 illustrates how despite new B-class floorspace being built, the overall effect on the stock is negative as less space is being built than is being lost.

Figure 7.1 Net and Gross Completions of B-Class floorspace 2014-18



Source: LDD

- 7.5 There are a further 30,000 sq m of B-class floorspace due to be lost through developments currently under-construction or with outstanding consents. 23,000 sq m of this is B1 office premises and 4,000 sq m is B2 industrial and 3,000 sq m is B8 warehousing. As Table 7.2 shows there is a pipeline of losses across most of the non-residential use classes.

Table 7.2 Non-Residential Development Pipeline

	Started	Consents	Total
A1	-1,617	-5,683	-7,300
A2	467	-224	243
A3	324	1,944	2,268
A4	-94	-1,315	-1,409
A5	329	262	591
B1	-14,863	-8,556	-23,419
B2	-3,390	-614	-4,004
B8	-3,974	901	-3,073
C2		-7,325	-7,325
D1	1,811	-2,661	-850
D2	-245	1,086	841
SG	-8,119	-1,649	-9,768

Source: LDD

- 7.6 Combining data from Tables 7.1 and 7.2 shows that from 2016 there is a net loss of 33,000 sq m of office to factor in terms of net reduction in office floorspace.

London Employment Sites Database

- 7.7 The London Employment Sites Database (LESDB) provides information on employment generating development proposals at various stages of the pipeline. This shows a net addition of 17,500 sq m of B1 floorspace. It shows a net loss of -14,000 sq m of B2 floorspace and a net loss of -27,000 sq m of B8 floorspace.

Table 7.3 Development Proposals: Floorspace sq m by year of completion

	2016	2021	2026	2031	Total
A1 Floorspace	23,043	11,723	7,435	5,810	48,011
A2 Floorspace	552	6,728	1,000		8,280
A3 Floorspace	832	1,370	1,500	2,300	6,002
A4 Floorspace	0	2,315	2,190	2,300	6,805
A5 Floorspace	552	1,374	300	0	2,226
B1 Floorspace	12	-8,673	10,668	15,500	17,507
B2 Floorspace	-2,445	-10,489	-1,128		-14,062
B8 Floorspace	-7,976	-2,562	-16,459	0	-26,997
C1 Hotel Bedrooms	60	250	150	541	1,001
C2 Floorspace	0	0	0	0	0
D1 Floorspace	-4,210	9,990	10,353	6,500	22,633
D2 Floorspace	6,597	5,799	14,091	6,500	32,987
SG Floorspace	335	-1,609	9,000	32,200	39,926

Source: LESD

Quantitative Balance of Supply and Demand

- 7.8 Combining the supply side analysis of pipeline change with the demand forecasts provides an estimate of the unidentified office floorspace capacity to be found over the plan period. The forecasts have again been presented for three time periods: the London Plan 2016-41, and the potential Lewisham Plan periods of 2018-33 and 2018-38.
- 7.9 Completions data is taken from Table 7.1, Started and Consents comes from Tables 7.2. Pipeline Proposals are from Table 7.3 from 2026 onwards to avoid double counting with the earlier data sources. Using the Employment-Led Demand Forecast from Chapter 6, this would mean that Lewisham needs to identify an additional 25,800 sq m of office floorspace capacity for the period 2018-33 or 32,200 sq m for the period 2018-38.

Table 7.4 Market Balance Office Floorspace Employment-Led Demand Forecast

	2016-41	2018-33	2018-38
<i>Demand: Employment-Led</i>			
Net Demand for Office	31,700	19,000	25,400
<i>Supply</i>			
Completions 2014-18	-9,500	-9,500	-9,500
Started	-14,900	-14,900	-14,900
Consents	-8,600	-8,600	-8,600
Net Change	-33,000	-33,000	-33,000
Pipeline Proposals	26,200	26,200	26,200
Net Change in Supply	-6,800	-6,800	-6,800
Unidentified Capacity	38,500	25,800	32,200

Source: LILD/CAG

- 7.10 We concluded, however, that the full employment-led forecast was probably too high so under the planning scenario we propose Lewisham would need to identify an additional

16,800 sq m for the period 2018-33 or 21,800 sq m for the period 2018-38. In other words, there is additional capacity to be identified averaging just over 1,000 sq m a year. This assumes no further losses are incurred over and above those already identified, and that the identified pipeline capacity to date is actually developed.

Table 7.5 Market Balance Office Floorspace planning Scenario

	2016-41	2018-33	2018-38
Demand: Planning Scenario			
Net Demand for Office	20,000	10,000	15,000
Supply			
Completions 2014-18	-9,500	-9,500	-9,500
Started	-14,900	-14,900	-14,900
Consents	-8,600	-8,600	-8,600
Net Change in Supply	-33,000	-33,000	-33,000
Pipeline Proposals	26,200	26,200	26,200
Net Change in Supply	-6,800	-6,800	-6,800
Balance	26,800	16,800	21,800

Source: LILD/CAG

- 7.11 For Industrial Land we have undertaken a similar process. The floorspace figure from Tables 7.1-7.3 have been converted to land through application of a plot ratio of 6,000 sq m per ha. This was derived from work on the London Industrial Land Demand study and is calculated as the average plot ratio prevailing on industrial land in Lewisham.
- 7.12 This shows that the Benchmark release figure from the London Plan has already been released, if we take in to account planned releases already in the pipeline. To maintain consistency with Lewisham's status as a 'Retain' borough there should be no further release of industrial land over and above those already committed through the plan process. The only exceptions will be where Lewisham can demonstrate that it has increased industrial capacity through intensification or that another London borough or local authority district is providing additional capacity on its behalf.

Table 7.6 Balance of Supply and Demand for Industrial Land

	2016-41	2018-33	2018-38
Demand			
Net Demand for Office	-12.4	-7.4	-9.9
Supply			
Completions 2014-18	-8.3	-8.3	-8.3
Started	-1.2	-1.2	-1.2
Consents	0.0	0.0	0.0
Net Change in Supply	-9.4	-9.4	-9.4
Pipeline Proposals	-2.9	-2.9	-2.9
Net Change in Supply	-12.4	-12.4	-12.4
Balance	0.0	4.9	2.4

Source: LILD/CAG

Qualitative Balance of Supply and Demand

7.13 The typology of employment space is broader than just office and industrial. It ranges through different product types:

- Grade A Office – for larger corporate occupiers for which we think there is no real demand in Lewisham at present.
- Multi-let offices – whilst this may continue to accommodate some of Lewisham’s local service demand we do not see sufficient growth in demand to render new development viable.
- Managed workspace – small units that provide a lot of flexibility to occupiers both in terms of size and lease lengths. The profile of Lewisham office demand is overwhelmingly for small units and this is the product most likely to fit that demand profile. But standalone development is unviable and will need to be delivered through conversion or as part of a mixed-use development.
- Co-working space – similar to the DeK offer for which there is some evidence of demand for this type of space. The overall quantum of space the market will be able to absorb will be limited.
- High street premises – with the decline of traditional retail, existing high street premises provide an opportunity to both accommodate office type service activity and bring some much-needed activity back into town centres. Also these are the locations that occupiers wish to locate as evidenced through Regus office service provider taking space in the centre of Lewisham.
- Hybrid space – a combination of production and service space that accommodates many of the types of activities that service the central London economy such printing, design, events and catering. There has been growth in demand for these premises in London generally.
- Traditional industrial – there is little of this that remains in Lewisham and it is not likely to generate demand for future growth. Existing premises may have potential to be re-purposed for hybrid or managed workspace, leading to intensification of employment. This has occurred at Brockley Cross Business Centre.
- Light Industrial – there is strong demand in the borough for these types of premises. Future provision should look for opportunities for co-location with residential, but the space needs to be carefully planned to ensure the industrial use is not compromised.
- Storage – there will continue to be some demand for storage units but going forward these should only be considered in the context of mixed-use intensification.
- Warehousing - demand for large warehouse is from beyond the M25, but there may be growing interest in smaller last-mile distribution units.
- Informal – the sort of activity often located in arches or builders’ yards, which whilst visually unattractive provides a useful local service function. Whilst not the type of premises policy should actively seek to create, existing premises should generally be protected.

7.14 The type of space offered should be flexible in nature to accommodate traditional offices through micro business and TMTs. Currently the space is offered to ‘shell’ only, which is

not suitable for the type of occupiers seeking space in the borough. The nature of the occupiers in the borough mean that they cannot afford expensive 'fit outs' or wait for the lead-in time to do the works. Therefore, space should be flexible in nature to accommodate a range of size requirements and be 'fitted out' to enable occupiers to be ready to move in. The current trend for fit out to accommodate occupier requirements is commonly referred to as 'defurberd'. Savills (04 June 2018) explain "To keep things fresh and boost creativity the traditional office, with its stock blue carpet tiles and suspended ceiling, has gone out of fashion. Instead 'defurbishment' has taken the market by storm with firms removing dated features to expose brickwork, concrete and services to create larger, less uniform spaces." Space which has all the services, electricity, water, heating, WCs and kitchenette finished to a defurbished standard will be sufficient to attract occupiers. This type of space should be offered in and around the town centres and could be accommodated as part of mixed-use development.

- 7.15 With new commercial office development not currently viable in its own right, these premises may need to be brought forward as elements of wider regeneration schemes. This will require partnership between residential developers and commercial workspace providers within an overall masterplan set by the Council.

8 Conclusions and Recommendations

Summary

Policy Context

- 8.1 Lewisham's new Local Plan is being developed in a context of very significant growth requirements for housing, employment and associated infrastructure. National policy emphasises the importance of locally strategic approaches to economic growth. This includes the need to recognise and address the specific locational requirements of different sectors and to make specific provision for clusters or networks of higher value-added sectors such as knowledge and data-driven, creative or high technology industries.
- 8.2 There will be a need to align with the requirements of the London Plan, including:
- Responding to the emphasis on 'good growth', i.e. ensuring that growth is socially and economically inclusive, as well as environmentally sustainable.
 - Maintaining the focus on the Opportunity Areas, working in conjunction with the Mayor and other stakeholders.
 - Reflecting the focus on intensification of the use of land and the co-location of uses on appropriate sites.
 - The need for good design, particularly in the context of increased intensification and mixing of uses.
 - Ensuring diversity in employment space provision, including low cost business space for SMEs and start-up businesses.
- 8.3 The policies and ambitions of neighbouring boroughs are a further important dimension of the policy context. It will be particularly important for Lewisham to respond to the opportunities and challenges arising from: the ongoing growth and regeneration in the Old Kent Road corridor and the associated Bakerloo Line Extension; and the ongoing very significant growth in employment on the opposite side of the Thames in Tower Hamlets.

Lewisham Economic Profile

- 8.4 The economy of Lewisham is predominantly a local service sector economy, servicing the needs of its local resident population. Its largest sectors are health and education. It also has a large retail sector. Lewisham and Catford are major town centres and there are a number of district and neighbourhood centres throughout the borough serving their local population. Lewisham town centre has aspirations to be a Metropolitan centre, though it currently lacks the type of sub-regional leisure and cultural offer that would normally be found in such centres.
- 8.5 Lewisham has not experienced the same levels of growth seen elsewhere in London in recent years. Whilst the number of new businesses being formed in Lewisham has grown rapidly in recent years, increasing by more than 50% since 2011, much of this is due to structural changes in the nature of work with higher levels of self-employment and contract work and the growth of the gig economy. Total employment in Lewisham has grown, but not as rapidly as other parts of London. Lewisham remains an economy made

up of very small firms with just a handful of major employers. Compared with neighbouring boroughs, Lewisham has a small and declining stock of commercial floorspace. There are just 40 jobs in Lewisham for every 100 working age residents, the second lowest proportion of any London borough.

- 8.6 Employment in Lewisham is under-represented compared to other boroughs in higher value and higher wage sectors such as professional, scientific and technical services and information & communication technologies. Average wages of full-time workers working in Lewisham are 5% lower than those of the resident workforce.
- 8.7 A high proportion of jobs in Lewisham are part-time. This, combined with the overall sectoral make-up of employment in the borough, results in the output, or Gross Value Added (GVA), produced in Lewisham being comparatively low by London standards. GVA per head of population in Lewisham is just 38% of the London average.
- 8.8 Although the value of economic activity may be relatively low, Lewisham is seen as a good place to do business by those people who run businesses here. In a survey of Lewisham businesses 61% said it was a 'good; or 'very good' place to run a business and 63 % said it was a 'good' or 'very good' place to work²². External perceptions of Lewisham are not quite as positive however, so the borough is probably missing out on some investment potential by being under-valued. Despite its proximity, Central London is not in general a major market for most Lewisham businesses

Property Market Profile

- 8.9 Lewisham's industrial market is much stronger than its office market. Vacancy levels in the borough for offices is reasonable but supply is tight for industrial space and this is where there is greatest demand. Both industrial and office space is facing pressure from higher value residential use.
- 8.10 Demand for office space in the borough is from traditional occupiers servicing the local area. The borough does not attract large footloose requirements. The nature of demand for office space means it is not viable for standalone development. If new space was to be brought forward it would need to be small units, delivered as part of a mixed-use development to enable higher value uses to cross-subsidise the unviable office space. It is important how this space is brought to the market, not as shell and core, but to be appropriately designed and 'fitted out' to meet occupier requirements.
- 8.11 Industrial development is viable in the borough and space would be occupied if brought forward. The general strategy in London to increase/maintain industrial floorspace is to seek to intensify existing industrial areas and bring new development through mixed-use. Both of these approaches are still unproven and this is where the challenge lies. Existing industrial areas need to be protected and mixed-use development should be encouraged in appropriate areas.

²² Lewisham Local Economic Assessment Business Survey – CAG Consultants (2018)

Site Assessments

- 8.12 All of Lewisham's designated employment sites, whether SIL, LEL or MEL are performing a valuable function and should be safeguarded. This does not mean they should just be left alone. Intensification of activity should be sought at all sites where opportunities arise.
- 8.13 The sites have been classified into one of four categories:
- Safeguard for employment uses.
 - Safeguard for employment-led mixed-use redevelopment (through masterplan process).
 - Co-location of uses (through masterplan process).
 - Strategic mixed-use employment for MEL.
- 8.14 Based on our assessment we conclude that eight sites (or 12 is the Surrey Canal SIL clusters are counted separately), totalling 43.4 ha, fall in the category '*Safeguard for employment uses*'. Two sites, totalling 2.9 ha, are SIL that are in the category '*Co-location of uses (through masterplan process)*'. Eight sites, totalling 8.4 ha are in the category '*Safeguard for employment-led mixed-use redevelopment (through masterplan process)*'. Five sites, totalling 23.4 ha are in the category '*Strategic mixed-use employment for MEL*'.
- 8.15 Trundleys Road / Apollo Business Centre (C6) and Mercury Way Waste Sites (C7) are categorised as '*Co-location of uses (through masterplan process)*'. This is a refinement of the 2015 recommendation which was to consider a change of use away from industrial employment uses at these clusters.
- 8.16 At Malham Road (C15) consideration should be given to a potential extension of the employment area to include 118 Stansted Road. At Molesworth Street (C22) consideration should be given to consolidating the designated employment area to reflect the current employment area.
- 8.17 The 2015 Employment Land Study recommended permitting change of use away from industrial employment at the designated MEL clusters. Almost all MEL sites have now been committed by way of build-out, consent or in pre-application stage. To maintain their function as Mixed-Use Employment Locations (MELs) the new recommendation of '*Strategic mixed-use employment for MEL*' is to help to ensure that future proposals do not result in a further loss of floorspace, beyond that which has now been facilitated through the Local Plan, and which has been consented at these locations.
- 8.18 The other principal change in the current site assessment recommendations compared with the 2015 Study is the greater emphasis on intensification of activity on all sites with use of a masterplan process to achieve this end.

Demand Forecasts

- 8.19 Recent evidence in London suggests that increase in employment in what have been traditionally been considered office sectors has not generated a proportionate increase in office stock. This is due to a combination of factors. Changing working practices and technologies such as cloud computing have led to much higher occupational densities –

i.e. less floorspace per worker. At the same time some sectors that may have traditionally occupied office can now also be found occupying hybrid space in industrial locations. Taking these structural shifts in demand together with past trends in office floorspace stock in Lewisham, we do not think the full employment-based demand projections are likely to be realised. But Lewisham should also seek to plan positively for growth and if it does not develop new stock it will not attract the growth potential in sectors such as professional services and ICT.

- 8.20 We would therefore recommend planning for a net addition to office stock (B1a/b) of 10,000 sq m over the period 2018-33 or 15,000 sq m over the period 2018-38. This is not too dissimilar to the 2015 Employment Land Study which concluded there was net additional demand for between 13,686 sq m and 18,606 sq m of office (B1a/b) floorspace up to 2033.
- 8.21 In setting a target for B1a/b office stock we recommend that this is closely monitored. The rigid uses class definitions dating from 1987 no longer reflect the fluid way in which different forms of activity occupy premises. As one commentator has noted, *"Office buildings can accommodate high tech manufacturing. Modern industrial sheds are used for retail and older industrial buildings are used by the creative industries."*²³ Some service activities of an office nature can equally well be accommodated in industrial or hybrid buildings.
- 8.22 As important as the quantum of office floorspace will be the type and location of floorspace that is delivered. Trends in office design have been away from a desk-based environment towards creating an engaging collaborative environment that also extends beyond its walls. Demand is increasingly for flexible space. A report by real estate firm JLL notes that by 2030, *"30% of corporate portfolios will comprise flexible space, including co-working, incubator and accelerator space"*.²⁴
- 8.23 We see demand as being predominantly for small units in the Deptford New Cross area. Dependent on the outcome of the Catford Masterplan it may also be possible to establish a small office quarter there, again predominantly based around small units.
- 8.24 Lewisham is designated as a borough that should 'Retain' industrial land under the latest GLA industrial land categorisations. The benchmark release figure of -12.4 ha over the period 2016-41 equates to -0.5 ha a year compared to an average release of 4.4 ha per year in the recent past.

Market Balance

- 8.25 But projections of future demand also need to take account of already committed losses. There is a pipeline of losses that have either already occurred in recent years or where

²³ Commercial real estate: planning for change – Ramidus Consulting (July 2018)

²⁴ Workspace, Reworked: Ride the Wave of Tech Driven Change - JLL (2017)

there are outstanding commitments that need to be taken in to account when considering how much new land or floorspace needs to be identified.

- 8.26 To meet the forecast net addition to stock of 10,000 sq m for the period 2018-33, Lewisham needs to identify an additional 16,800 sq m of office floorspace over and above that already in the pipeline. To meet the forecast net addition to stock of 15,000 sq m for the period 2018-38, Lewisham needs to identify an additional 21,800 sq m of office floorspace over and above that already in the pipeline.
- 8.27 Office is not an homogenous product and will include serviced offices, managed and studio space, and incubators accelerators and co-working space. A range of sectors that might traditionally have been thought of as office sectors can be found occupying 'hybrid' in re-purposed industrial premises. Providing the right mix and type of space will be as important as the quantum.
- 8.28 In terms of industrial land, the London Plan benchmark release figure of -12.4 ha over the period 2016-41 has already been released and hence no further net loss is appropriate. This is consistent with the findings reported from the site assessment work in Chapter 5.

Conclusions

- 8.29 Paragraphs 80-82 of the National Planning Policy Framework set out how planning policy should contribute to 'Building a strong, competitive economy'. Figure 8.1 below sets out how the evidence in this report can be used to inform the Local Plan in response to the Guidance set out by the NPPF.

Figure 8.1 Planning for Economic Development

NPPF Guidance	Local Plan Response
create the conditions in which businesses can invest, expand and adapt. Significant weight should be placed on the need to support economic growth and productivity, taking into account both local business needs and wider opportunities for development. The approach taken should allow each area to build on its strengths, counter any weaknesses and address the challenges of the future.	The Lewisham Local Economic Assessment has assessed the economic strengths and weaknesses of the Borough and identified six strategy themes to encourage growth and performance of the Lewisham economy going forward.
set out a clear economic vision and strategy for their area which positively and proactively encourages sustainable economic growth;	The Lewisham Business Growth Strategy aims to: <ul style="list-style-type: none"> • boost Lewisham's contribution to the London economy by enhancing the ability of new and existing businesses to thrive and grow. • accelerate the expansion of the Lewisham economy by capitalising on major physical regeneration in the borough to create the right environment for business growth. • diversify and expand the Lewisham economy by inspiring, nurturing and promoting the creativity and entrepreneurship of Lewisham residents.
set criteria, or identify strategic sites, for local and inward investment to match the strategy and to meet anticipated needs over the plan period;	The ELS has identified the types of premises and location of premises that are most likely to meet future demand in Lewisham and enable the economy to grow
seek to address potential barriers to investment, such as inadequate infrastructure, services or housing, or a poor environment;	LB Lewisham is strongly supportive of the Bakerloo Line Extension which would significantly enhance connectivity and accessibility in the Borough, in particular improving links with Central London.
be flexible enough to accommodate needs not anticipated in the plan, allow for new and flexible working practices (such as live-work accommodation), and to enable a rapid response to changes in economic circumstances.	The ELS and LEA have considered recent trends in technology and working practices that have affected the demand for space. This is a dynamic process that will evolve over the plan period and proposals are sufficiently flexible that they can respond to future changes in the nature of demand,
recognise and address the specific locational requirements of different sectors. This includes making provision for clusters or networks of knowledge and data-driven, creative or high technology industries; and for storage and distribution operations at a variety of scales and in suitably accessible locations.	Lewisham has a strategy to develop a Creative Enterprise Zone in the north of the borough to capitalise the growing cluster of activity developing in the area around Goldsmiths University.

Recommendations

8.30 The key recommendations arising from this Employment Land Study are summarised below.

Quantitative Demand

- 8.31 To meet the forecast net addition to stock of 10,000 sq m for the period 2018-33, Lewisham needs to identify an additional 16,800 sq m of office floorspace (B1a/b) over and above that already in the pipeline. To meet the forecast net addition to stock of 15,000 sq m for the period 2018-38, Lewisham needs to identify an additional 21,800 sq m of office floorspace over and above that already in the pipeline.
- 8.32 In terms of industrial land, the London Plan benchmark release figure of -12.4 ha over the period 2016-41 has already been released – both through plan-led consolidation and other cumulative losses through the development process - and hence no further net loss is appropriate.
- 8.33 Both these targets should be closely monitored as new evidence emerges as to the ways in which different forms of economic activity occupy commercial floorspace and changing technologies and working practices generate demand for different forms of space. There is no longer a binary choice for many businesses as to whether they occupy office or industrial premises and planned provision needs to keep pace with occupier demand.

Qualitative Demand

- 8.34 The type of space offered should be flexible in nature to accommodate traditional offices through micro business and TMTs. Currently the space is offered to 'shell' only, which is not suitable for the type of occupiers seeking space in the borough. The nature of the occupiers in the borough mean that they cannot afford expensive 'fit outs' or wait for the lead-in time to do the works. Therefore, space should be flexible in nature to accommodate a range of size requirements and be 'fitted out' to enable occupiers to be ready to move in.

Workspace Development Support

- 8.35 Commercial workspace delivered as part of Section 106 agreements on residential-led mixed use development has often in the past delivered workspace that is not suited to occupiers needs. Lessons have been learned from this and new policies have been developed to ensure better outcomes. Many London boroughs have developed an approved workspace provider list to help ensure delivery of commercial workspace that meets local demand. Other boroughs have developed design guidance to give a more precise specification of what is required.
- 8.36 Other initiatives that could encourage provision of suitable workspace include:
- Identifying suitable locations, sites and buildings.
 - Providing guidance on new developments for the provision of workspace. This is being done through work on the LEA.

Spatial Guidance

8.37 The best locations to promote and encourage new B1 floorspace in the borough are likely to be:

- Deptford/New Cross in the north of the borough which has an emerging new cluster based around the creative and digital economy and is well located close to Central London
- The major town centres of Lewisham and Catford, though we believe that Catford has greater potential to create a new small office quarter as part of a comprehensive town centre redevelopment. This would be further enhanced should the Bakerloo Line Extension be built.
- In other towns centres small B1 development or conversions should be welcome as an addition to the activity mix. Town centres with a higher amenity value such as Blackheath or Forest Hill are more likely to be attractive to local entrepreneurs.
- As part of mixed used development where they meet the guidelines set out above.

8.38 In the south of the Borough there is a cluster of employment sites in the Bell Green / Lower Sydenham area, which offer opportunities for comprehensive redevelopment, particularly if they were to be considered together with out-of-centre retail and former Bell Green Gas Works (i.e. 2013 site allocation SA26).

Site Specific Recommendations

8.39 All of Lewisham's designated employment sites, whether SIL, LEL or MEL are performing a valuable function, should be safeguarded and intensification of use sought where opportunities arise.

8.40 The sites have been classified into one of four categories:

- Safeguard for employment uses.
- Safeguard for employment-led mixed-use redevelopment (through masterplan process).
- Co-location of uses (through masterplan process).
- Strategic mixed-use employment for MEL.

8.41 These site specific recommendations are intended to be considered through the plan-led process and where appropriate, progressed through the local plan; and further, that these recommendations are not to be read prescriptively on individual site proposals. The plan-led process is advocated to ensure a coordinated approach to managing the borough's industrial land capacity, particularly in meeting future identified need.

Safeguard for employment uses.

8.42 The following are categorised as Safeguard for employment uses:

- Surrey Canal (C1-5)
- Blackhorse Road (C8)
- Bromley Road (C9)
- Endwell Road (C12)

- Evelyn Street (C13)
- Lewisham Way (C14)
- Malham Road (C15)
- Manor Lane (C16)

Safeguard for employment-led mixed-use redevelopment (through masterplan process)

8.43 The following are categorised as Safeguard for employment-led mixed-use redevelopment (through masterplan process):

- Blackheath Hill (C10)
- Lower Creekside (C11)
- Perry Vale (C17)
- Clyde Vale (C18)
- Stanton Square (C19)
- Willow Way (C20)
- Worsley Bridge Road (C21)
- Molesworth Street (C22)
- Childers Street – Part (Acme Studios) (C26)

Co-location of uses (through masterplan process)

8.44 The following are categorised as Co-location of uses (through masterplan process):

- Trundleys Road / Apollo Business Centre (C6)
- Mercury Way Waste Sites (C7)

Strategic mixed-use employment for MEL

8.45 The following are categorised as Strategic mixed-use employment for MEL:

- Surrey Canal Triangle (C23)
- Convoys Wharf (C24)
- Sun and Kent Wharf (C25)
- Childers Street (C26)
- Arklow Road (C27)
- Oxestalls Road (C28)
- Plough Way (C29)
- Grinstead Road (C30)
- Thanet Wharf (C31)

Site Opportunities

8.46 Intensification of activity should be sought at all sites where opportunities arise. There are a number of sites where we think there is currently potential for intensification, possibly through introduction of some mixed-use element. In some case this intensification potential may arise as current occupiers close or relocate. The sites with potential for intensification are:

- Blackheath Hill (C10)

- Lower Creekside (C11)
- Clyde Vale (C18)
- Willow Way (C20)
- Sun and Kent Wharf (C25)
- Childers Street (C26)
- Blackhorse Road (C8)

8.47 There are proposals for alternative uses on some sites. In the short term, or if plans for redevelopment do not occur, the sites should be safeguarded for employment uses. These are Lewisham Way (C14) and Surrey Canal Triangle (C23).

8.48 There are three further sites where we see potential for intensification as part of a wider masterplan for the site or area. These are:

- Stanton Square (C19)
- Worsley Bridge Road (C21)
- Bromley Road (C9)

Appendix 1

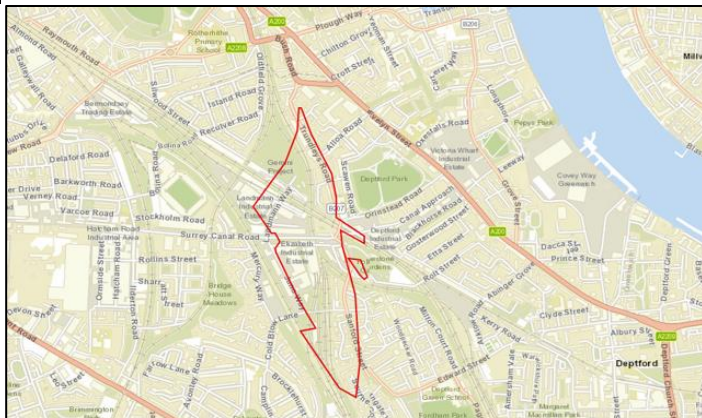
Site Assessments

C1 - 5

Surrey Canal SIL

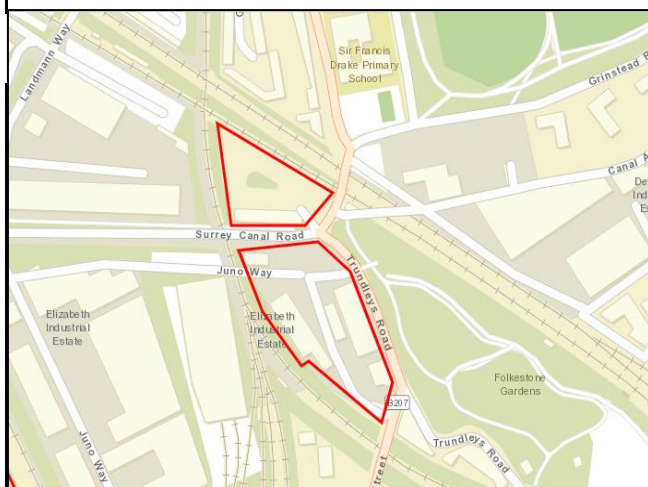
Market area	New Cross
AECOM Cluster Reference	C1 - Juno Way SIL C2 - Juno Way Railway Lands C3 - Surrey Canal C4 - Silwood Triangle C5 - Silwood Street Rail Arches
Site Description	Industrial area in Deptford which comprises Juno Way Industrial Estate, Silwood Triangle, Silwood Street Rail Arches and Silwood Triangle
Site area (ha)	22.1
Site Designation	SIL
Primary type of employment	Mixed B uses
Site's sequential location	Within the built up area
Prominence of site	Reasonable - The site is not visible from any major/strategic road but is visible from the railway lines that bound most of the site.
Compatibility with surrounding uses	High - The residential areas that surround most of the site are shielded from it by railway lines and landscaping in the form of trees.
Access to amenities (nearest centre Km/miles)	Poor - The closest area that offers a range of amenities is Old Kent Road which is (0.7 miles) from the site.
Score	Reasonable
Layout, parking, servicing, landscaping etc.	Yard space is generally reasonable across the site. Some parts of the site e.g. Landmann Way and Gemini Business Estate have plenty of yard space which is suitable for HGVs. There is a good amount of landscaping throughout the site. Most of the site is also shielded from neighbouring residential uses by railway lines which act as an external boundary.
Score	Good
Proximity to principal roads/Mway [Km/miles]	New Cross Road (A2) is located (0.9 miles) from the west of the site.
Score	Good
Quality of access to the principal road network	Access to the A2 is via Ilderton Road and Surrey Canal Road. Ilderton Road has a high amount of on street parking which restricts access to HGVs. Surrey Canal Road has less on street parking but is a small road and not ideal for HGVs.
Score	Reasonable
Is the site close to a railway station (within 400m)?	Yes

Station name, number of bus stops within a 400 m radius	Surrey Quays, 33 Bus Stops (From the edge of the entire site)
Score	Good
Quality of Existing Stock	Most of the units at the site are dated, although there are some newer build industrial units at Surrey Canal Trade Park and Elizabeth Industrial Estate.
Score	Good
Other market intelligence e.g. market history, competing supply nearby, occupiers known to be moving in/out,	Surrey Canal SIL is the largest amount of industrial floorspace in the borough, there is approximately 10 ha of land being used for rail purposes. There is strong market demand for industrial premises, especially at this end of the borough due to space being lost closer to central London.
Vacancy	One vacant unit to let at Juno Way.
Score	Low
If the site retains its current use, will it be occupied?	Yes
Are there opportunities for redevelopment / intensification / extension?	No sites available at present. Will require other solutions.
Are there any constraints on redevelopment / intensification / extension?	N/a
When are these constraint(s) likely to be resolved?	N/A
Recommendation	Safeguard for employment & intensify where possible



C6 Trundleys Road / Apollo Business Centre	
Market area	Deptford
AECOM Cluster Reference	C6 - Trundleys Road / Apollo Business Centre
Site Description	Strategic industrial area in Deptford which comprises industrial and railway arch units at Apollo Business centre and a dated industrial building whose current occupiers include SE8 Test centre and Automobile Windscreens. The site also includes a scrap metal yard.
Site area (ha)	1.5
Site Designation	SIL
Primary type of employment	General Industrial (B2)
Site's sequential location	Within the built up area
Prominence of site	Reasonable - The site is not visible from any major/strategic road but is visible from the railway lines that bound most of the site and the B207
Compatibility with surrounding uses	Reasonable - The site is surrounded by railway lines which separate it from the rest of the SIL. there is also a park (Folkstone Gardens) to the east of the site.
Access to amenities (nearest centre Km/miles)	Poor - The closest area that offers a range of amenities is Old Kent Road which is (0.7 miles) from the site.
Score	Poor
Layout, parking, servicing, landscaping etc.	Yard space is generally reasonable across the site. Some parts of the site e.g. Landmann Way and Gemini Business Estate have plenty of yard space which is suitable for HGVs. There is a good amount of landscaping throughout the site. Most of the site is also shielded from neighbouring residential uses by railway lines which act as an external boundary.
Score	Reasonable
Proximity to principal roads/Mway [Km/miles]	New Cross Road (A2) is located 1.4 Km (0.9 miles) from the west of the site.
Score	Good
Quality of access to the principal road network	Access to the A2 is via Ilderton Road and Surrey Canal Road. Ilderton Road has a high amount of on street parking which restricts access to HGVs. Surrey Canal Road has less on street parking but it is a small road and not ideal for HGVs.
Score	Reasonable

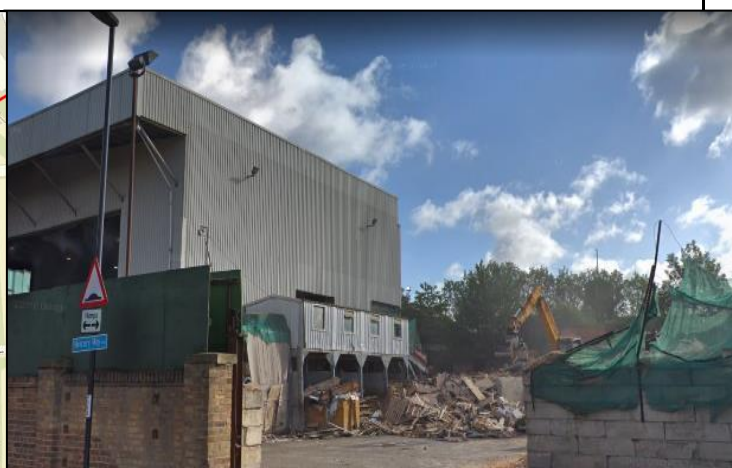
Is the site close to a railway station (within 400m)?	No
Station name, number of bus stops within a 400 m radius	8 bus stops
Score	Poor
Quality of Existing Stock	Most of the units at the site are dated, although the units to the south of the site are extremely dated and will require redevelopment in the plan period. The railway arch units are of better quality
Score	Good
Other market intelligence e.g. market history, competing supply nearby, occupiers known to be moving in/out,	Land to the south of the site has been acquired by Aitch Group for potential mixed use development.
Vacancy	No apparent vacancy
Score	Nil
If the site retains its current use, will it be occupied?	Hard to tell
Are there opportunities for redevelopment / intensification / extension?	The condition of the current buildings on the site creates the opportunity to release the site from SIL and redevelop for employment led, mixed use or co-location purposes. This will be more appropriate use for the site as it is separated from the rest of the SIL by the railway lines and the proximity of the adjoining residential area and park limits the scope for occupiers that will be interested in the site.
Are there any constraints on redevelopment / intensification / extension?	N/A
When are these constraint(s) likely to be resolved?	N/A
Recommendation	Co-location of uses (through masterplan process)





C7**Mercury Way Waste Sites**

Market area	Deptford
AECOM Cluster Reference	C7 - Mercury Way Waste Sites
Site Description	Waste site in Deptford currently occupied by Economic Skips Limited. C&G Skip Hire and Guaranteed Asphalt
Site area (ha)	1.40
Site Designation	SIL
Primary type of employment	General Industrial (B2)
Site's sequential location	Within the built up area
Prominence of site	Low - Site is not visible from any major/strategic road
Compatibility with surrounding uses	Low - The site is surrounded by residential areas with a railway line disconnecting it from the other areas of the SIL.
Access to amenities (nearest centre Km/miles)	Poor - The closest area that offers a range of amenities is Lower Road which is (0.7 miles) from the site.
Score	Poor
Layout, parking, servicing, landscaping etc.	Yard space is generally reasonable across the site. Some parts of the site e.g. Landmann Way and Gemini Business Estate have plenty of yard space which is suitable for HGVs. There is a good amount of landscaping throughout the site. Most of the site is also shielded from neighbouring residential uses by railway lines which act as an external boundary.
Score	Poor
Proximity to principal roads/Mway [Km/miles]	The A2 is located 1.4 Km (0.9 miles) from the site
Score	Good
Quality of access to the principal road network	A2 accessed via Ilderton Road which is suitable for HGVs.
Score	Good
Is the site close to a railway station (within 400m)?	No
Station name, number of bus stops within a 400 m radius	5 bus stops
Score	Poor

Quality of Existing Stock	Existing stock is generally of poor exterior quality. The units towards the south of the site are of significantly poorer quality than the recycling unit to the north. yard space on the site is generally of poor quality.
Score	Poor
Other market intelligence e.g. market history, competing supply nearby, occupiers known to be moving in/out,	
Vacancy	The site is fully occupied
Score	Nil
If the site retains its current use, will it be occupied?	Yes
Are there opportunities for redevelopment / intensification / extension?	As there is an identified need for waste sites in Lewisham, the site will remain occupied if it retains its current use, however, the proximity of the site to residential dwellings means it is not in an ideal location for the site. But the London Plan policy 5.17(H) requires the safeguarding of sites with licensed waste capacity. This makes redevelopment only possible where suitable alternative provision for management throughput/capacity can be secured. If the site becomes vacant then the site should be considered for employment led, mixed use or co-location.
Are there any constraints on redevelopment / intensification / extension?	The area is in a fully built up area and therefore cannot be expanded.
When are these constraint(s) likely to be resolved?	N/A
Recommendation	Co-location of uses (through masterplan process)

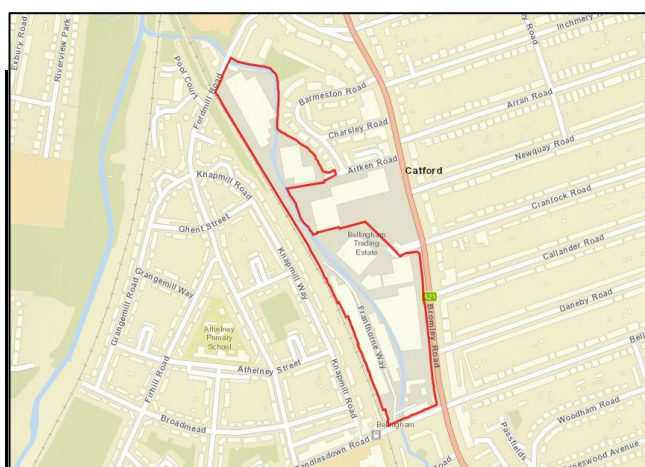


C8 Blackhorse Road	
Market area	Deptford
AECOM Cluster Reference	C8 - Blackhorse Road
Site Description	Industrial area in Deptford that comprises Shurgard Self Storage, Ascott Cab Company, Blackhorse Business Park, Deptford Trading Estate and 18 office units at Evelyn Court.
Site area (ha)	3.64
Site Designation	SIL
Primary type of employment	Mixed B uses
Site's sequential location	Within the built up area
Prominence of site	Low - Site is not visible from any major/strategic road but is visible from Evelyn Street (A200).
Compatibility with surrounding uses	Low - The site is surrounded by residential areas and forthcoming residential developments (Timberyard, Neptune Wharf).
Access to amenities (nearest centre Km/miles)	Poor - The closest area that offers a range of amenities is Lower Road which is (0.7 miles) from the site.
Score	Poor
Layout, parking, servicing, landscaping etc.	Blackhorse Business Park has a very high site coverage and little yard space which is unsuitable for HGVs. Most of the other parts of the site have a good amount of yard and parking space. There is a significant amount of in street parking which further constrains an already small road, this means that larger vehicles/HGVs find it difficult to access the site especially Deptford Trading Estate. There is minimal landscaping around the site.
Score	Reasonable
Proximity to principal roads/Mway [Km/miles]	The A2 is located Km (1.4 miles) from the site
Score	Good
Quality of access to the principal road network	A2 accessed via Evelyn Street (A200) which is suitable for HGVs.
Score	Good
Is the site close to a railway station (within 400m)?	No
Station name, number of bus stops within a 400 m radius	9 bus stops
Score	Reasonable

Quality of Existing Stock	Existing stock is of varying quality. The units at Blackhorse Business Park are of good exterior quality. Units at Deptford Trading Estate are of reasonable exterior quality but may require refurbishment in the plan period.
Score	Good
Other market intelligence e.g. market history, competing supply nearby, occupiers known to be moving in/out,	Evelyn Court is well occupied but is reasonably dated, if it was to become surplus to requirements, it could also be developed to provide employment space as part of a mixed use scheme.
Vacancy	One unit is being marketed at Deptford Trading Estate and Evelyn Court.
Score	Low
If the site retains its current use, will it be occupied?	Yes
Are there opportunities for redevelopment / intensification / extension?	If the quality of the existing stock Deptford Trading Estate was to further decline and vacancy increase the site could be redeveloped to provide new industrial units. There is demand for industrial space in this area of the borough. Brownfield land near Evelyn Court can also be developed to provide possible B8 space as new office development is not viable in the borough. Evelyn Court faces the most pressure for redevelopment to residential because it is on the edge of the employment area, and we are seeing residential development occurring nearby. Demand for office space in the borough is weak so should this become vacant and a new occupier is not found this element could be considered for managed release but not at the expense to comprise the other industrial uses. There is a prior approval on Evelyn Court for office to residential uses, at the northeast corner of the area. The introduction of housing is likely to compromise the function of the employment area and consideration could be given to consolidating boundaries of this SIL.
Are there any constraints on redevelopment / intensification / extension?	The area is in a fully built up area and therefore cannot be expanded.
When are these constraint(s) likely to be resolved?	N/A
Recommendation	Safeguard for employment uses:
	

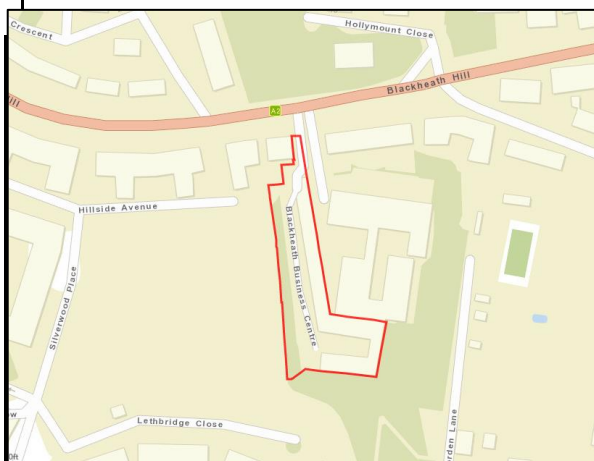
C9 Bromley Road	
Market area	Catford
AECOM Cluster Reference	C9 - Bromley Road
Site Description	Strategic Industrial area in Catford which comprises a storage unit, builders warehouse, Catford Bus Garage, Bellingham Trading Estate, and a Dhamecha cash and carry unit.
Site area (ha)	8.3
Site Designation	SIL
Primary type of employment	Mixed B uses
Site's sequential location	Within the built up area
Prominence of site	High - The Access Self Storage unit and Catford Bus Garage has frontage onto Bromley Road (A21) But Bellingham Trading Estate does not.
Compatibility with surrounding uses	Reasonable - The northern parts of the site are bounded by residential areas. Other parts of the site are separated from residential areas by Bromley Road and a railway line.
Access to amenities (nearest centre Km/miles)	Excellent - The site has immediate access to Ravensbourne Retail Park and Randlesdown Road which offers a wide range of amenities.
Score	Good
Layout, parking, servicing, landscaping etc.	Very high site coverage across the site but there are sufficient parking spaces. There is minimal landscaping which shields this site from the railway line and some residential areas towards the north of the site. Access to Bellingham Trading Estate and Selco Builders Warehouse is not ideal for HGVs.
Score	Reasonable
Proximity to principal roads/Mway [Km/miles]	Most of the site either has direct access or is in close proximity to Bromley Road (A21).
Score	Excellent
Quality of access to the principal road network	Access to the A21 is via Fordmill/Canadian Road for parts of the site. Canadian Road is suitable for HGVs as goes through residential areas. Fordmill Road is unsuitable for HGVs and is further restricted due to parked cars.
Score	Reasonable
Is the site close to a railway station (within 400m)?	Yes
Station name, number of bus stops within a 400 m radius	Bellingham, 7 bus stops
Score	Good

Quality of Existing Stock	Existing stock is of varying quality. The units at Bellingham Trading Estate are of good quality but would likely require exterior refurbishment within the plan period. Catford Bus Garage is dated and would not be suitable for most industrial occupiers. Units to the south of the bus garage (car wash and SE Autos) are extremely dated and are prime for industrial redevelopment. The units towards the north of the suite (Selco Builders Warehouse, Access Self Storage and Dhamecha) are modern and of good quality having been built recently. The police building is dated and can be redeveloped for industrial use if the current occupiers vacate.
Score	Good
Other market intelligence e.g. market history, competing supply nearby, occupiers known to be moving in/out,	
Vacancy	Seemingly high vacancy at Bellingham trading Estate. All other units are fully occupied.
Score	Low
If the site retains its current use, will it be occupied?	Likely
Are there opportunities for redevelopment / intensification / extension?	Demand for industrial space in this area of the borough is strong. Units towards the south of Catford Bus Garage are of poor quality and can be redeveloped to provide possible industrial units. The building currently occupied by the Metropolitan police is dated and can also be redeveloped to provide industrial/storage units. Catford Bus Garage can possibly be redeveloped in the plan period if stagecoach vacate. A masterplan approach should be considered given the size of the site and to ensure the integrity of employment uses for the site is maintained.
Are there any constraints on redevelopment / intensification / extension?	The area is in a fully built up area and therefore cannot be expanded.
When are these constraint(s) likely to be resolved?	N/A
Recommendation	Safeguard for employment & intensify where possible



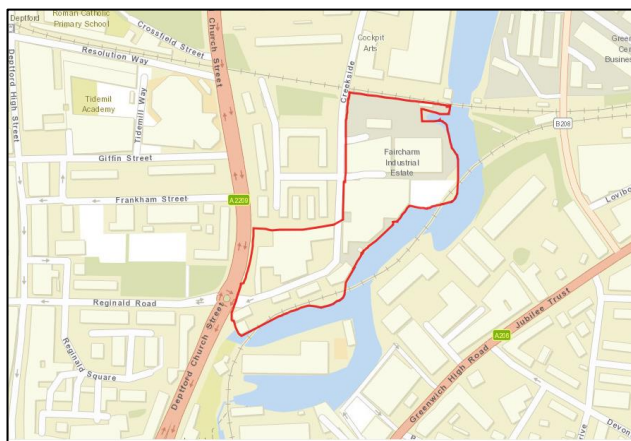
C10		Blackheath Hill
Market area		Blackheath
AECOM Cluster Reference		C10 - Blackheath Hill
Site Description		Business centre which comprises 18 light industrial units with allocated parking.
Site area (ha)		0.3
Site Designation		LEL
Primary type of employment		Light Industrial (B1c)
Site's sequential location		Within the built up area
Prominence of site		Low - the site does not have frontage onto the A2 so is not visible from the road.
Compatibility with surrounding uses		Low - There are residential areas to the west and south of the site and a Hospital (Cygnet Hospital) to the east.
Access to amenities (nearest centre Km/miles)		Good - Blackheath hill/Blackheath Road located 1 Km (0.6 miles) from the site and offers a range of amenities.
Score		Reasonable
Layout, parking, servicing, landscaping etc.		The amount of yard space is reasonable for the size, and type of units, although the site has narrow access. There are trees to the west and south of the site which shield it from neighbouring residential areas.
Score		
Proximity to principal roads/Mway [Km/miles]		Immediate access onto the A2.
Score		Excellent
Site junction and quality of access to the principal road network		Access to the A2 from the site is tight and only suitable for cars/small vans. This is not a concern as these are the main types of vehicles that will be accessing the site.
Score		Good
Is the site close to a railway station (within 400m)?		Yes
Station name, number of bus stops within a 400 m radius		Elverson Road, 11 bus stops
Score		Good

Quality of Existing Stock	The existing stock is dated and coming towards the end of its economic life.
Score	Poor
Other market intelligence e.g. market history, competing supply nearby, occupiers known to be moving in/out,	The units on the site seem to be coming towards the end of their economic life, but there is strong demand for small industrial units across the borough.
Vacancy	6 units appear to be vacant.
Score	High
If the site retains its current use, will it be occupied?	Hard to tell
Are there opportunities for redevelopment / intensification / extension?	No opportunities for expansion as the site is within a built up area. The site is likely to face pressure from residential use due to the scale of redevelopment occurring nearby. We recommend a strong policy approach to the site to ensure employment uses are protected but a pragmatic approach should be taken to allow mixed use development to occur.
Are there any constraints on redevelopment / intensification / extension?	The area is in a fully built up area and therefore cannot be expanded.
When are these constraint(s) likely to be resolved?	N/A
Recommendation	Safeguard for employment-led mixed-use redevelopment



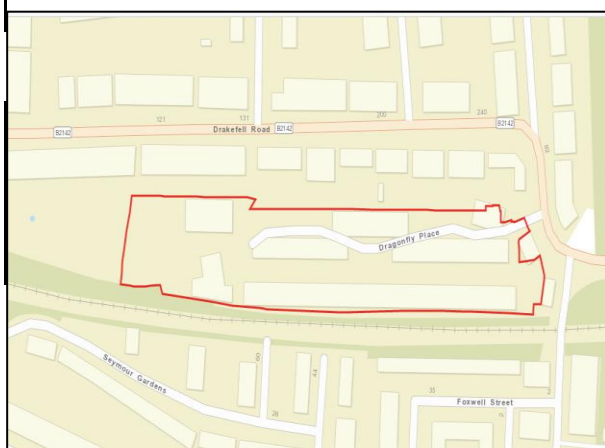
C11 Lower Creekside	
Market area	Deptford
AECOM Cluster Reference	C11 - Lower Creekside
Site Description	Mixed-use area in Deptford with a mix of different sized industrial and workspace units including creative industries. Occupiers include Art Hub Studios, Greenwich MOT Centre and Euro Wines.
Site area (ha)	2.4
Site Designation	LEL
Primary type of employment	Mixed B uses
Site's sequential location	Within the built up area
Prominence of site	Low - Site is not visible from any major/strategic road but is visible from Creekside
Compatibility with surrounding uses	Reasonable - The site is bounded by residential area and Deptford Creek, however, although a majority of current uses on the site are compatible with residential areas, some units (Greenwich MOT and Euro Wines) are not compatible.
Access to amenities (nearest centre Km/miles)	Good - Deptford high street is located 0.6 Km (0.4 miles) from the site and offers a wide range of amenities.
Score	Reasonable
Layout, parking, servicing, landscaping etc.	The industrial units at the site have very little yard space and access is unsuitable for HGVs. Parking is generally poor across the site. There is no landscaping.
Score	Poor
Proximity to principal roads/Mway [Km/miles]	The A2 is located 0.6 Km (0.4 miles) to the south of the site.
Score	Excellent
Quality of access to the principal road network	A2 accessed via Deptford Church Street (A2209) which is suitable for HGVs.
Score	Excellent
Is the site close to a railway station (within 400m)?	Yes
Station name, number of bus stops within a 400 m radius	Greenwich DLR, Deptford, 10 bus stops

Score	Excellent
Quality of Existing Stock	Existing stock is of varying quality. Some units to the north of the site (Fuel Tank) are of very good exterior quality having been recently refurbished. Units towards the south of the site (Art Hub & Greenwich MOT) are of poorer exterior quality but seem to be suitable for current occupier requirements.
Score	Reasonable
Other market intelligence e.g. market history, competing supply nearby, occupiers known to be moving in/out,	Parking space does not seem to be a significant requirement for the art studios and Fuel Tank occupiers.
Vacancy	There are some vacant units at Fuel Tank
Score	Low
If the site retains its current use, will it be occupied?	Hard to tell
Are there opportunities for redevelopment / intensification / extension?	If the current occupiers were to vacate, units towards the south of the site could be intensified to provide a mixed use development or better quality B1c units. It is well-suited to a wider range of employment uses
Are there any constraints on redevelopment / intensification / extension?	The area is in a fully built up area and therefore cannot be expanded.
When are these constraint(s) likely to be resolved?	N/A
Recommendation	Safeguard for employment-led mixed-use redevelopment



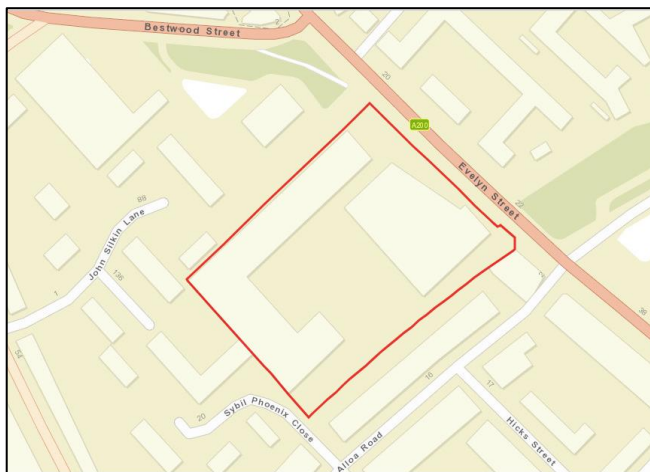
C12		Endwell Road
Market area		Brockley
AECOM Cluster Reference		C12 - Endwell Road
Site Description		Industrial area in Brockley which comprises Brockley Cross Business Centre and Dragonfly Place. Dragonfly Place comprises a number of modern live work units. Mix of uses including creative industries. There is also a number of industrial units with occupiers such as Skyline Roofing Centre.
Site area (ha)		1.4
Site Designation		LEL
Primary type of employment		Mixed B uses
Site's sequential location		Within 400m of a town centre
Prominence of site		Reasonable -The site is close to the town centre and has frontage onto Endwell Road (B2142). Endwell Road is not a strategic/major road.
Compatibility with surrounding uses		Low - The site is surrounded by residential units. Although the current industrial occupiers seem to be compatible with the surrounding users. Dragonfly Place comprises "live work" units with a small amount of commercial space on the ground floor and residential above. A number of these live work units do not appear to be in commercial use.
Access to amenities (nearest centre Km/miles)		Very good - the site is located within close proximity to Brockley Road which offers a wide range of amenities.
Score		Reasonable
Layout, parking, servicing, landscaping etc.		The internal layout reflects the type of units around the site. There is a large yard at the Sky Roofing site which is used mainly for storage of materials but also includes parking. There are sufficient parking spaces at Brockley Cross Business Centre but not at Dragonfly Place. There is minimal landscaping around the site. The estate benefits from having a secure gate and security.
Score		Reasonable
Proximity to principal roads/Mway [Km/miles]		The A20 is located 1.3 Km (0.8 miles) from the site
Score		Good
Quality of access to the principal road network		Access to the A20 is difficult as the majority of roads sounding the estate go through residential areas. Some of these roads have weight and height restricts making it difficult for HGVs to access.
Score		Poor

Is the site close to a railway station (within 400m)?	Yes
Station name, number of bus stops within a 400 m radius	Brockley, 14 bus stops
Score	Excellent
Quality of Existing Stock	Existing stock is of varying quality. The commercial units at Dragonfly Place are modern and of very good quality. The units at Brockley Cross Business Centre are of reasonable quality but may require refurbishment within the plan period. The industrial units currently occupied by Skyline Roofing Centre are dated and there may be an opportunity for these units to be redeveloped.
Score	Good
Other market intelligence e.g. market history, competing supply nearby, occupiers known to be moving in/out,	Skyline Roofing is a historic occupier having been at the site for over a decade. There is nothing to suggest that the site at Endwell Road is surplus to their requirements but if they were to vacate this would be the most challenging part of the estate to find a replacement occupier.
Vacancy	No apparent vacancy
Score	Nil
If the site retains its current use, will it be occupied?	Yes
Are there opportunities for redevelopment / intensification / extension?	Industrial units occupied by Skyline Roofing Centre can be redeveloped if the current occupiers vacate. The units are dated and there may be scope to provide small flexible workshop units. It is well-suited to a wider range of employment uses.
Are there any constraints on redevelopment / intensification / extension?	The area is in a fully built up area and therefore cannot be expanded.
When are these constraint(s) likely to be resolved?	N/A
Recommendation	Safeguard for employment & intensify where possible



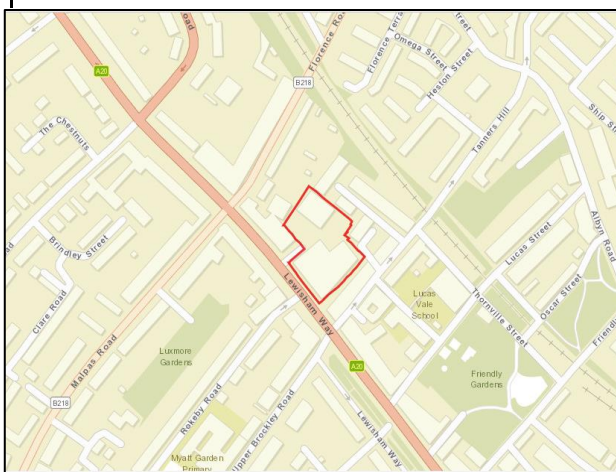
C13 Evelyn Street	
Market area	Deptford
AECOM Cluster Reference	C13 - Evelyn Street
Site Description	Industrial site in Surrey Quays occupied by Wolseley, and Constantine Limited. Both units have separate access points from Evelyn Street.
Site area (ha)	1.2
Site Designation	LEL
Primary type of employment	Storage and Distribution (B8)
Site's sequential location	Within the built up area
Prominence of site	High - The site has frontage onto Evelyn Street (A200)
Compatibility with surrounding uses	Poor - the site is located in a residential area and there is a Lidl and McDonalds towards the northwest of the site.
Access to amenities (nearest centre Km/miles)	Good - Lower road which is 0.5 Km (0.3 miles) from the site offers limited amenities but Surrey Quays Shopping Centre is 1.3 Km (0.8 miles) from the site and offers a wider range of amenities.
Score	Reasonable
Layout, parking, servicing, landscaping etc.	Yard space is reasonable for the Wolseley unit but is tight for the Constantine Limited unit to the rear of the site. Access to the site is suitable for HGVs and there are sufficient parking spaces. There is little landscaping to the west of the site which shields the industrial units from surrounding residential areas.
Score	Reasonable
Proximity to principal roads/Mway [Km/miles]	The A2 is located 2.1 Km (1.3 miles) to the south of the site.
Score	Good
Quality of access to the principal road network	Access to A2 partly via Evelyn Street (A200), onto the Abinger Grove then Arklow Road (built up residential area). Arklow Road provides direct access onto the A2 but is not suitable for HGV access.
Score	Reasonable
Is the site close to a railway station (within 400m)?	No
Station name, number of bus stops within a 400 m radius	14 bus stops
Score	Good

Quality of Existing Stock	Both units are fairly modern and seem to be fit for current occupiers requirements. Both units have a reasonable amount of office space which is often attractive to modern occupiers.
Score	Good
Other market intelligence e.g. market history, competing supply nearby, occupiers known to be moving in/out,	Both Wolseley and Constantine Limited units are 25,000 sqft and 45,000 sqft respectively with both being taken up in 2013. The units on the site are of good quality and will likely be reoccupied if units are vacated by current occupiers. But the Constantine Limited unit to the south and rear of the site may be less attractive to occupiers due to its small amount of yard space and high site coverage.
Vacancy	None
Score	Nil
If the site retains its current use, will it be occupied?	Yes
Are there opportunities for redevelopment / intensification / extension?	No sites available at present. Will require other solutions.
Are there any constraints on redevelopment / intensification / extension?	The area is in a fully built up area and therefore cannot be expanded.
When are these constraint(s) likely to be resolved?	N/A
Recommendation	Safeguard for employment & intensify where possible



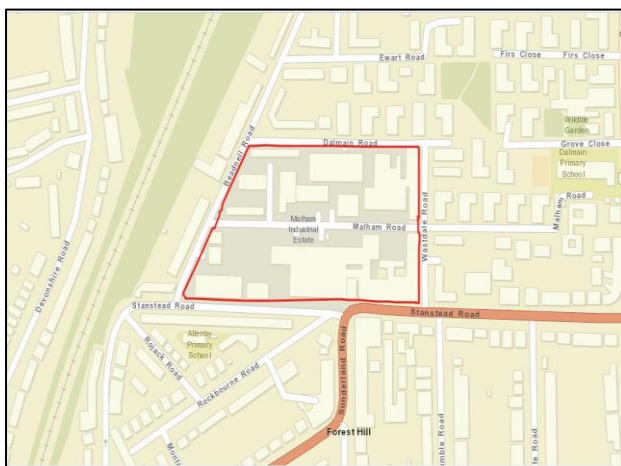
C14 Lewisham Way	
Market area	Saint John's
AECOM Cluster Reference	C14 - Lewisham Way
Site Description	Industrial location in Saint John's comprising of a purpose built Big Yellow Self Storage unit and three industrial units.
Site area (ha)	0.5
Site Designation	LEL
Primary type of employment	Mixed B uses
Site's sequential location	Within the built up area
Prominence of site	High - The site has frontage onto Lewisham Way (A20) via the Big Yellow Self Storage unit.
Compatibility with surrounding uses	Reasonable - The sites current industrial uses are appropriate within a residential area, however, its location may deter other potential industrial occupiers.
Access to amenities (nearest centre Km/miles)	Very good - the estate is located on the Lewisham Way which offers immediate access to a number of amenities.
Score	
Layout, parking, servicing, landscaping etc.	There is a small amount of yard space for the industrial units and sufficient car parking spaces to the rear of the self storage unit. The site in general has a very high site coverage. No landscaping.
Score	Reasonable
Proximity to principal roads/Mway [Km/miles]	Immediate access to Lewisham Way (A20)
Score	Excellent
Quality of access to the principal road network	A20 is accessed via Alexandra cottages which is wide and suitable for HGVs.
Score	Good
Is the site close to a railway station (within 400m)?	No
Station name, number of bus stops within a 400 m radius	18 bus stops
Score	Good

Quality of Existing Stock	The Big Yellow Self Storage unit is modern having been built in the past decade. The three industrial units are more dated and are coming towards the end of their economic life.
Score	Reasonable
Other market intelligence e.g. market history, competing supply nearby, occupiers known to be moving in/out,	<p>The three industrial units are prime for redevelopment. There is due to be pressures for residential development, this is evident as other units that were previously part of a wider industrial estate have been demolished and lost to residential/storage uses. The site should be safeguarded but should the current occupiers vacate this should be considered for possible vertical intensification as a mixed-use industrial location.</p> <p>We are aware that the site is the single preferred location for a ventilation shaft between New Cross Gate and Lewisham Stations on the Bakerloo Line Extension (BLE).</p>
Vacancy	No apparent vacancy
Score	Nil
If the site retains its current use, will it be occupied?	Yes
Are there opportunities for redevelopment / intensification / extension?	We recommend that this site should be safeguarded for employment use in the short time until it is required for the BLE. If for any reason site is not required for the BLE the site should continue to be safeguarded and vertical intensification could be seen as a redevelopment option .
Are there any constraints on redevelopment / intensification / extension?	The area is in a fully built up area and therefore cannot be expanded. Surrounding residential areas will hinder the redevelopment of B2 space.
When are these constraint(s) likely to be resolved?	N/A
Recommendation	Safeguard for employment uses



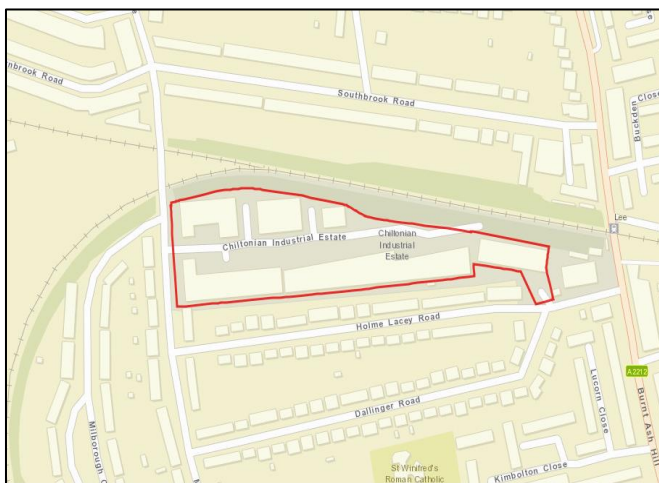
C15 Malham Road	
Market area	Forest Hill
AECOM Cluster Reference	C15 - Malham Road
Site Description	Estate in Forest Hill comprising general industrial and storage units, occupiers include Travis Perkins, Shurgard and SC Motor Factors.
Site area (ha)	3.6
Site Designation	LEL
Primary type of employment	Mixed B uses
Site's sequential location	Within the built up area
Prominence of site	Low - Parts of the estate is visible from the A205 but most of the units are hidden from the road.
Compatibility with surrounding uses	Low - the site is surrounded by residential areas. There is also a Montessori School to the south of the estate.
Access to amenities (nearest centre Km/miles)	Poor - Due to the estate being surrounded by residential areas, there is limited access to amenities.
Score	Poor
Layout, parking, servicing, landscaping etc.	The estate is compact and there is limited yard space. Most of the units have a limited number of parking spaces Most parts of the estate are not be suitable to be serviced regularly by HGVs due to the access. There is no landscaping around the estate.
Score	Poor
Proximity to principal roads/Mway [Km/miles]	Immediate access to Stanstead road (A205)
Score	Good
Quality of access to the principal road network	A205 is accessed via Wastdale Road which is suitable for HGVs although on road car parking may constrain access.
Score	Reasonable
Is the site close to a railway station (within 400m)?	No
Station name, number of bus stops within a 400 m radius	10 bus stops
Score	Reasonable

Quality of Existing Stock	The existing stock is generally dated and some units are coming towards the end of their economic life.
Score	Reasonable
Other market intelligence e.g. market history, competing supply nearby, occupiers known to be moving in/out,	The units are in a good location. Some units may not be reoccupied if they become vacant due to their poor quality, but there is strong demand industrial uses in the area at viable rents. Therefore, it should be viable for refurbish/redevelopment existing buildings.
Vacancy	There is a "To Let" sign at the entrance of the estate which indicates that there is some vacancy. Also, some of the older units appear to be vacant.
Score	Low
If the site retains its current use, will it be occupied?	Yes
Are there opportunities for redevelopment / intensification / extension?	There are opportunities to redevelop the older units to provide more modern B1c/B2 units. Potential extension of employment area to include 118 Stanstead Road
Are there any constraints on redevelopment / intensification / extension?	The area is in a fully built up area and therefore cannot be expanded.
When are these constraint(s) likely to be resolved?	N/A
Recommendation	Safeguard for employment uses



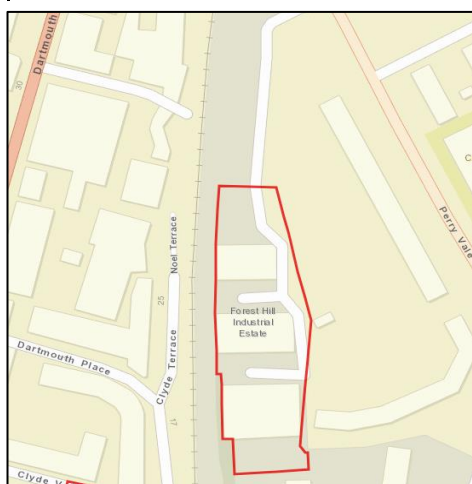
C16 Manor Lane	
Market area	Lee
AECOM Cluster Reference	C16 - Manor Lane
Site Description	Newly refurbished Industrial area in Lee, including the Chiltonian Industrial Estate and Travis Perkins, which is accessed from the east of Holme Lacey Road.
Site area (ha)	2.7
Site Designation	LEL
Primary type of employment	General Industrial (B2)
Site's sequential location	Within the built up area
Prominence of site	Low - The site is not visible from and strategic/major road but is visible from Manor Lane. Due to the shape of the estate units to the rear cannot be seen from any road.
Compatibility with surrounding uses	Poor - The site is surrounded by residential areas.
Access to amenities (nearest centre Km/miles)	Good - Burnt Ash Hill is (0.6km/0.4 miles) from the site and offers a good range of amenities.
Score	Reasonable
Layout, parking, servicing, landscaping etc.	There are sufficient parking spaces on the site and yard space is suitable for HGVs. The main entrance to Chiltonian Industrial Estate is wide and offers enough space for HGVs to operate. There is limited landscaping to the southern part of the site which backs onto residential units on Holme Lacey Road - though this does not seem to impact current occupiers.
Score	Good
Proximity to principal roads/Mway [Km/miles]	St Mildred's Road (A205) located (0.5Km/0.3 miles) from the site.
Score	Good
Quality of access to the principal road network	A205 accessed via Manor Lane. Though it runs through a residential area, with parked cars at the side, the road is large enough to accommodate HGVs.
Score	Reasonable
Is the site close to a railway station (within 400m)?	Yes

Station name, number of bus stops within a 400 m radius	Lee, 5 bus stops
Score	Good
Quality of Existing Stock	The units at Chiltonian Industrial Estate are modern and of high quality. The Travis Perkins unit is more dated but seems to be suitable for its current occupiers.
Score	Good
Other market intelligence e.g. market history, competing supply nearby, occupiers known to be moving in/out,	Current occupiers at Chiltonian industrial Estate include trader counter operators and distribution companies. There is good demand for industrial premises in the area.
Vacancy	There are currently four units being marketed.
Score	Low
If the site retains its current use, will it be occupied?	Yes
Are there opportunities for redevelopment / intensification / extension?	If Travis Perkins were to vacate the site, the unit could be redeveloped to provide modern units akin to nearby Chiltonian Industrial Estate.
Are there any constraints on redevelopment / intensification / extension?	The area is in a fully built up area and therefore cannot be expanded.
When are these constraint(s) likely to be resolved?	N/A
Recommendation	Safeguard for employment-led mixed-use redevelopment (through masterplan process)



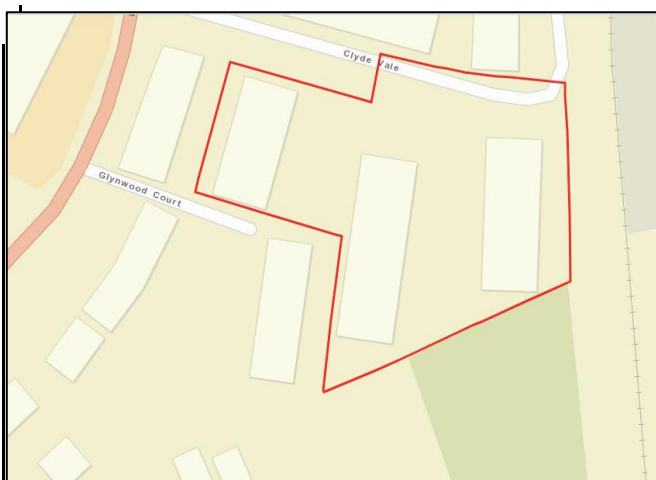
C17 Perry Vale	
Market area	Forest Hill
AECOM Cluster Reference	C17 - Perry Vale
Site Description	Industrial estate comprised of Forest Hill Industrial Estate and a number of warehouse units, occupiers include Royal Mail and London Mosaics (tile distribution)
Site area (ha)	0.5
Site Designation	LEL
Primary type of employment	B2 - B8
Site's sequential location	Within the built up area
Prominence of site	Low - The estate is not visible from any major/strategic road and is also hidden from Perry Vale (B227).
Compatibility with surrounding uses	Reasonable - the estate is located in a residential area but there is sufficient landscaping to limit its impact on surrounding uses.
Access to amenities (nearest centre Km/miles)	Very Good - Devonshire Road is located (0.2 miles) from the site and offers a wide range of amenities.
Score	Reasonable
Layout, parking, servicing, landscaping etc.	High site coverage across the estate. There are limited car parking spaces in the estate, but directly to the north there is a public car park. Access is tight and not suitable for regular HGV access. There is landscaping to the south and east of the site which shields the estate from surrounding residential areas.
Score	Poor
Proximity to principal roads/Mway [Km/miles]	Waldram Park Road (A205) is located (0.2 miles) from the estate
Score	Good
Quality of access to the principal road network	A205 accessible via B227 The A509 is suitable for cars/vans but not ideal for HGVs.
Score	Reasonable
Is the site close to a railway station (within 400m)?	Yes

Station name, number of bus stops within a 400 m radius	Forest Hill, 12 bus stops
Score	Excellent
Quality of Existing Stock	The existing stock is of good quality and seems to be suitable for current occupiers. They will be reoccupied if the current occupiers were to vacate.
Score	Good
Other market intelligence e.g. market history, competing supply nearby, occupiers known to be moving in/out,	Royal Mail is a historic occupier and there is nothing to suggest that they will be vacating the premises in the near future. The industrial market is very tight in Forest Hill and there is demand for space.
Vacancy	No perceived vacancy
Score	Nil
If the site retains its current use, will it be occupied?	Yes
Are there opportunities for redevelopment / intensification / extension?	No sites available at present. Will require other solutions.
Are there any constraints on redevelopment / intensification / extension?	The area is in a fully built up area and therefore cannot be expanded.
When are these constraint(s) likely to be resolved?	N/A
Recommendation	Safeguard for employment-led mixed-use redevelopment (through masterplan process)



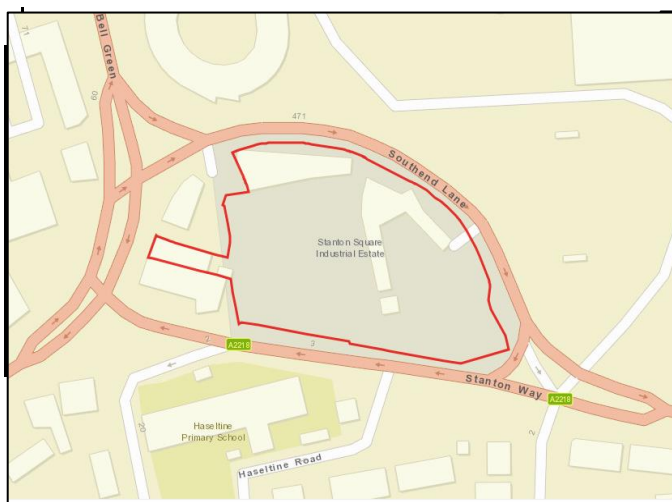
C18		Clyde Vale
Market area		Forest Hill
AECOM Cluster Reference		C18 - Clyde Vale
Site Description		Business centre which comprises 15 light industrial units with allocated parking.
Site area (ha)		0.4
Site Designation		LEL
Primary type of employment		Light Industrial (B1c)
Site's sequential location		Within the built up area
Prominence of site		Low - The site is not visible from any strategic road but is visible from Clyde Vale.
Compatibility with surrounding uses		Reasonable - the site is located in a residential area and there is a green towards the south of the site. The light industrial uses will not have a negative effect on the surrounding residential uses.
Access to amenities (nearest centre Km/miles)		Very good - the site has immediate access to Dartmouth Road (A2216) which offers a number of amenities.
Score		Reasonable
Layout, parking, servicing, landscaping etc.		The amount of yard space is small and only suitable for small cars/vans. There is limited landscaping towards the west of the site which shields it from residential areas.
Score		Poor
Proximity to principal roads/Mway [Km/miles]		London Road (A205) is located 0.3 Km (0.2 miles) from the site
Score		Excellent
Quality of access to the principal road network		Access to the A205 via Dartmouth Road (A2216) which is suitable for HGVs although it is a busy road. Access to Dartmouth Road via Clyde vale which is tight and unsuitable for vans/HGVs.
Score		Good
Is the site close to a railway station (within 400m)?		Yes

Station name, number of bus stops within a 400 m radius	Forest Hill, 12 bus stops
Score	Good
Quality of Existing Stock	Existing stock appears to be dated and will likely require refurbishment within the plan period should they become vacant.
Score	Reasonable
Other market intelligence e.g. market history, competing supply nearby, occupiers known to be moving in/out,	The units on the site are dated and would likely require refurbishment/redevelopment in the plan period. There is strong demand for industrial space, especially for these sizes of units. We recommend a strong policy approach to the site to ensure employment uses are protected on the site but a pragmatic approach taken to allow mixed-use development to occur.
Vacancy	6 units appear to be vacant
Score	High
If the site retains its current use, will it be occupied?	Hard to tell
Are there opportunities for redevelopment / intensification / extension?	The site could be redeveloped to provide better quality B1c units and improve the access to the site via Clyde Vale. This could be achieved as part of a mixed use intensification although care needs to be taken to ensure that industrial floorspace is not lost.
Are there any constraints on redevelopment / intensification / extension?	The area is in a fully built up area and which limits expansion.
When are these constraint(s) likely to be resolved?	N/A
Recommendation	Safeguard for employment-led mixed-use redevelopment (through masterplan process)



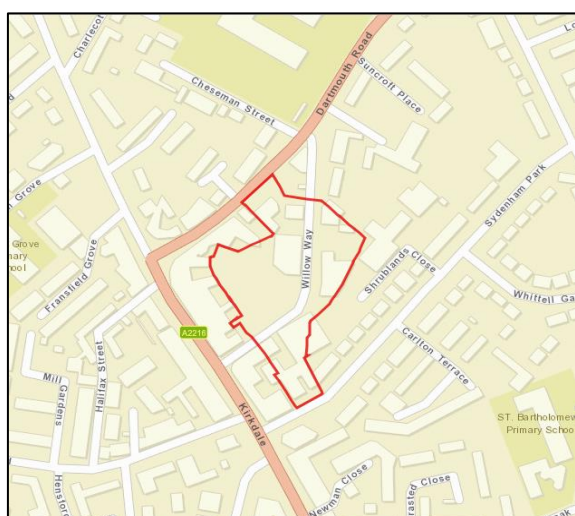
C19 Stanton Square	
Market area	Sydenham
AECOM Cluster Reference	C19 - Stanton Square
Site Description	Purpose built industrial units occupied by Coventry Scaffolding Co and Industrial Security Doors Ltd as well as brownfield land currently being advertised as industrial units to let.
Site area (ha)	1.0
Site Designation	LEL
Primary type of employment	Mixed B uses
Site's sequential location	Within the built up area
Prominence of site	High - Prominent location between Southend Lane and Stanton way.
Compatibility with surrounding uses	Low - The site is bounded by a primary school yard to the south and a residential/retail scheme to the north.
Access to amenities (nearest centre Km/miles)	Very good - the estate is located within close proximity to Bell Green Retail Park which offers access to a number of amenities.
Score	Excellent
Layout, parking, servicing, landscaping etc.	Current yard space around the site is poor except for the scaffolding yard which has reasonable yard space. There is no landscaping around the site. Access to the scaffolding yard is suitable for HGVs but the other units on the site have no HGV access.
Score	Reasonable
Proximity to principal roads/Mway [Km/miles]	The A21 is located Km (1 mile) to the east and the A205 is located Km (1.1 miles) to the north of the site.
Score	Good
Quality of access to the principal road network	A21 accessed via Southend Lane which is suitable for HGVs. A205 accessed via Perry Hill (A212) which is also suitable for HGVs
Score	Good
Is the site close to a railway station (within 400m)?	Yes
Station name, number of bus stops within a 400 m radius	Lower Sydenham, 14 bus stops
Score	Excellent

Quality of Existing Stock	The quality of the existing site is reasonable with some parts of the site looking fairly dated and The Old Bath House which is of very poor quality.
Score	Reasonable
Other market intelligence e.g. market history, competing supply nearby, occupiers known to be moving in/out,	Although Coventry Scaffolding units on the site are bespoke and not suitable for a wide range of occupiers, they are a historic occupier and there is nothing suggesting that they intend to vacate the site in the near future. A planning application has been approved for an Access Self Storage unit and 962 sqm of office space on the element of the site known as the former Stanton Square Industrial Estate.
Vacancy	The available units are fully occupied.
Score	Nil
If the site retains its current use, will it be occupied?	Yes
Are there opportunities for redevelopment / intensification / extension?	Directly north of the site the former gas works site which is allocated in the emerging plan as Policy SA26. This site has seen multiple phases of mixed use development including, retail, industrial and residential. There appears to still be some undeveloped plots on this site. Stanton Square also benefits from being in close proximity to Lower Sydenham Station. The station is being considered as a potential stop on the BLE. We recommend a strong policy approach to the Stanton Square site to ensure employment uses are protected. This could take the form of a wider masterplan including the former gas works site to the north, and the regeneration opportunity provided through the potential BLE.
Are there any constraints on redevelopment / intensification / extension?	The area is in a fully built up area and therefore cannot be expanded.
When are these constraint(s) likely to be resolved?	N/A
Recommendation	Safeguard for employment-led mixed-use redevelopment (through masterplan process)



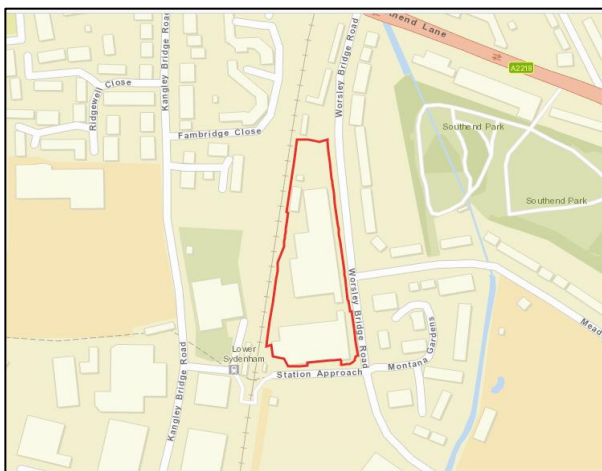
C20 Willow Way	
Market area	Forest Hill
AECOM Cluster Reference	C20 - Willow Way
Site Description	Industrial area in Forest Hill with a mix of different sized office and industrial units. Occupiers include Selkent Fastenings, Hallmark Catering equipment, and Delta Motors.
Site area (ha)	1.2
Site Designation	LEL
Primary type of employment	Mixed B uses
Site's sequential location	Within the built up area
Prominence of site	Low - The estate is not visible from any major/strategic road and is also hidden from Kirkdale and Dartmouth Road (A2216).
Compatibility with surrounding uses	Low - Part of the site has already seen residential redevelopment - creating an incompatible adjacent use. There is also retail located at Kirkdale the east of the site and Dartmouth Road to the north. Overall the adjacent uses, though incompatible, do not appear to be impacting the current occupiers.
Access to amenities (nearest centre Km/miles)	Very good - Immediate access to Kirkdale (A2216) and Dartmouth Road offer a range of amenities
Score	Reasonable
Layout, parking, servicing, landscaping etc.	Reasonable amount of yard space at Willow Business Centre given the type of units. The industrial units at the centre of the site have varying amounts of parking space and as a result, there are significant numbers of cars parked along the Willow Way. Willow Way is not suitable for large HGVs, but this does not appear to be an issue for most current occupiers. There is no landscaping on the site.
Score	Reasonable
Proximity to principal roads/Mway [Km/miles]	London Road (A205) is located 0.8 Km (0.5 miles) from the site.
Score	Good
Quality of access to the principal road network	Access to the A205 is via Dartmouth Road (A2216) is a relatively busy road although it is suitable for HGVs
Score	Good
Is the site close to a railway station (within 400m)?	No

Station name, number of bus stops within a 400 m radius	12 bus stops
Score	Reasonable
Quality of Existing Stock	Some of the units at Willow Business Park are of reasonable quality, but there are some industrial units which are dated and coming to the end of their economic life.
Score	Reasonable
Other market intelligence e.g. market history, competing supply nearby, occupiers known to be moving in/out,	The vacant land at the site is owned by the local authority and was previously used as a local authority depot. There have been a number of development proposals on the site including an office development, a temporary school and, a mixed use development.
Vacancy	No apparent vacancy
Score	Nil
If the site retains its current use, will it be occupied?	Yes
Are there opportunities for redevelopment / intensification / extension?	Within the plan period, there are opportunities across the whole site for intensification. It is important that the existing amount of employment floorspace, especially industrial, is not reduced due to the strong demand for this use in the area.
Are there any constraints on redevelopment / intensification / extension?	The area is in a fully built up area and therefore cannot be expanded.
When are these constraint(s) likely to be resolved?	N/A
Recommendation	Safeguard for employment-led mixed-use redevelopment (through masterplan process)



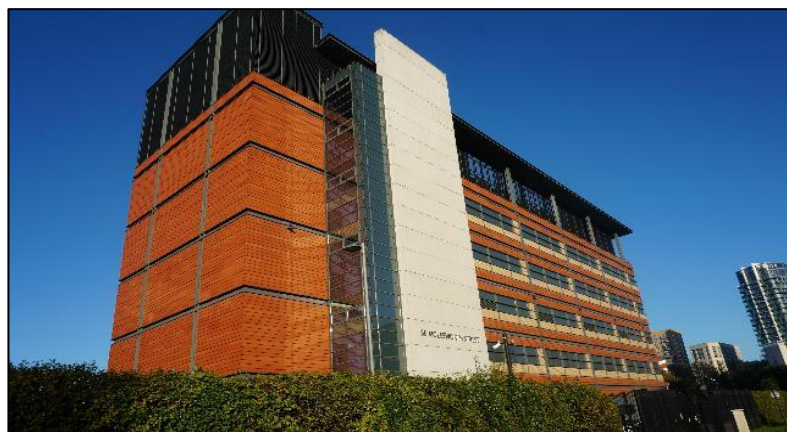
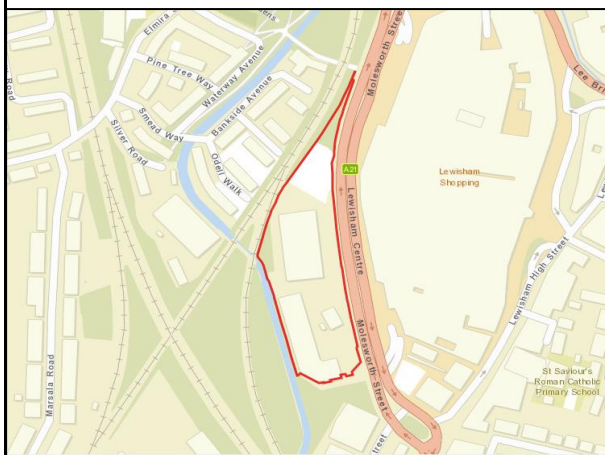
C21 Worsley Bridge Road	
Market area	Sydenham
AECOM Cluster Reference	C21 - Worsley Bridge Road
Site Description	Employment area which comprises office units with frontage onto Worsley Bridge Road and industrial at Broomsleigh Business Park. There is also an office building which is in a state of disrepair
Site area (ha)	1.2
Site Designation	LEL
Primary type of employment	Mixed B uses
Site's sequential location	Within the built up area
Prominence of site	Low - The site is not visible from and strategic/major road but is visible from Worsley Bridge Road.
Compatibility with surrounding uses	Reasonable - the site is adjacent to residential areas, however, Sydenham Industrial Estate is located on the opposite side of a railway line.
Access to amenities (nearest centre Km/miles)	Good - The site is 0.6 Km (0.4 miles) from Bell Green Retail Park which offers a range of amenities
Score	Reasonable
Layout, parking, servicing, landscaping etc.	Limited car parking spaces at the office units. Broomsleigh Business Park has a small amount of yard space and is not suitable for HGVs. Given that a significant amount of occupiers are automotive related, there are plenty of cars on the site which further reduces yard space.
Score	Poor
Proximity to principal roads/Mway [Km/miles]	Bromley Road (A21) located 1.7 Km (1.1 miles) from the site.
Score	Good
Quality of access to the principal road network	Access to the A21 via Southend Lane (A2218) which is suitable for HGVs.
Score	Good
Is the site close to a railway station (within 400m)?	Yes

Station name, number of bus stops within a 400 m radius	Lower Sydenham, 6 bus stops
Score	Good
Quality of Existing Stock	The general quality of the office stock is good, although some of the industrial units currently used for storage are of poorer quality and may require some refurbishment before they are reoccupied. Kelvin House has been lost to residential through Permitted Development Rights.
Score	Reasonable
Other market intelligence e.g. market history, competing supply nearby, occupiers known to be moving in/out,	A majority of occupiers in Broomsleigh Business Park are automotive related (Spectrum Automotive, ABM). The units are well occupied and in a good location and are likely to be reoccupied if units are vacated by current occupiers.
Vacancy	None identified.
Score	Low
If the site retains its current use, will it be occupied?	Yes
Are there opportunities for redevelopment / intensification / extension?	Due to the size of the employment area, the pressure for residential and the piecemeal approach to mixed development which has occurred over the borough boundary this area is at risk from residential development. But there is strong demand for industrial uses in the area. The size of the site allows for a masterplan approach to take place to allow for site intensification through carefully planned mixed use development to include residential and industrial uses.
Are there any constraints on redevelopment / intensification / extension?	The area is in a fully built up area and therefore cannot be expanded.
When are these constraint(s) likely to be resolved?	N/A
Recommendation	Safeguard for employment-led mixed-use redevelopment (through masterplan process)



C22		Molesworth Street
Market area		Lewisham Town Centre
AECOM Cluster Reference		C22 - Molesworth Street
Site Description		The site comprises Riverdale House - a residential building and 66 Molesworth Street - Citibank's London data centre
Site area (ha)		1.4
Site Designation		LEL
Primary type of employment		Storage and Distribution (B8)
Site's sequential location		In a town centre
Prominence of site		High - Prominent town centre location with frontage onto the A21 .
Compatibility with surrounding uses		High - There is a residential area (Riverdale House) to the south of the data centre. Lewisham shopping centre is directly east of the site. The data centre does not have any detrimental effect on surrounding areas.
Access to amenities (nearest centre Km/miles)		Very good - the estate is located directly opposite Lewisham Shopping Centre and therefore offers immediate access to a number of amenities.
Score		
Layout, parking, servicing, landscaping etc.		There is sufficient parking space directly north of the data centre. No landscaping.
Score		Reasonable
Proximity to principal roads/Mway [Km/miles]		The A20 is located Km (0.2 miles) to the north of the site.
Score		Excellent
Quality of access to the principal road network		Access to the A20 via Molesworth Street (A21).
Score		Excellent
Is the site close to a railway station (within 400m)?		Yes
Station name, number of bus stops within a 400 m radius		Lewisham Station, 20 bus stops
Score		Excellent

Quality of Existing Stock	The stock is fairly modern having been built in 2003 and is of high quality.
Score	Good
Other market intelligence e.g. market history, competing supply nearby, occupiers known to be moving in/out,	There is no reason to believe Citibank would be vacating the site in the near future.
Vacancy	The data centre is wholly occupied by Citibank
Score	Nil
If the site retains its current use, will it be occupied?	Yes
Are there opportunities for redevelopment / intensification / extension?	The Citibank building is of good quality and demand for data centres in close proximity to central London remains strong.
Are there any constraints on redevelopment / intensification / extension?	The area is in a fully built up area and therefore cannot be expanded.
When are these constraint(s) likely to be resolved?	N/A
Recommendation	Safeguard for employment-led mixed-use redevelopment (through masterplan process)



C23		Surrey Canal Triangle	
Market area		New Cross	
AECOM Cluster Reference		C23 - Surrey Canal Triangle	
Site Description		Industrial area in New Cross which comprises Enterprise Industrial Estate, Orion Business Centre, Millwall FC Stadium, industrial units along Stockholm Road and the units between Surrey Canal Road and Rollins Street.	
Site area (ha)		10.9	
Site Designation		MEL	
Primary type of employment		Mixed B uses	
Site's sequential location		Within the built up area	
Prominence of site		Low - The site is not visible from and strategic/major road but is visible from Ilderton Road.	
Compatibility with surrounding uses		Reasonable - There are residential areas to the west and south of the site but Surrey Canal SIL is located to the east of the site and Hatcham Road industrial area to the south west.	
Access to amenities (nearest centre Km/miles)		Poor - The closest area that offers a range of amenities is Old Kent Road which is (0.5 Km/0.9 miles) from the site.	
Score		Poor	
Layout, parking, servicing, landscaping etc.		There is generally high site coverage throughout the area. There are sufficient parking spaces across the estates. There are trees around the site as well as railway lines on the outside of the site which shields the estate from neighbouring residential areas. Quite low site coverage on the industrial estate between Surrey Canal Road and Rollins Street (Ilderton Wharf), and some space outside is being used for outdoor storage.	
Score		Reasonable	
Proximity to principal roads/Mway [Km/miles]		Old Kent Road (A2) is located 0.6 Km (0.4 miles) from the estate.	
Score		Excellent	
Site junction and quality of access to the principal road network		Access to the A2 is via Ilderton Way which is generally not suitable for HGVs due to the amount of on street parking along the road.	
Score		Reasonable	
Is the site close to a railway station (within 400m)?		Yes	

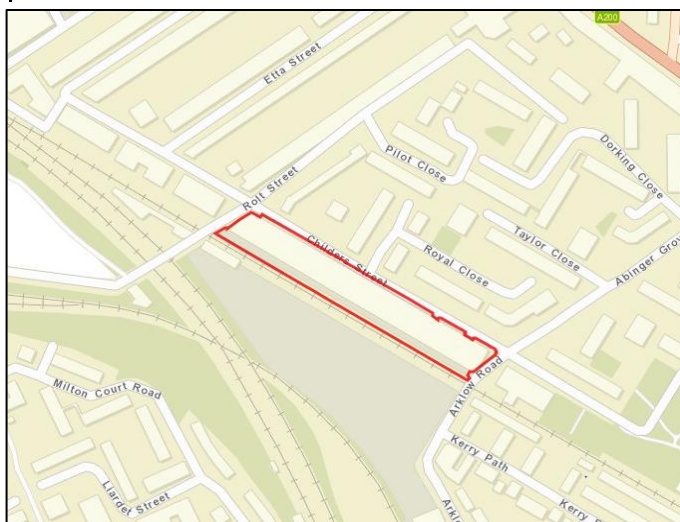
C25 Sun and Kent Wharf	
Market area	Deptford
AECOM Cluster Reference	C25 - Sun and Kent Wharf
Site Description	Industrial area in Deptford that includes a mix use residential scheme, railway arch units occupied by Ariel Scaffolding, an art studio (Cockpit Arts) and industrial units occupied by Jones Catering Equipment.
Site area (ha)	1.4
Site Designation	MEL
Primary type of employment	Storage and Distribution (B8)
Site's sequential location	Within the built up area
Prominence of site	Low - Site is not visible from any major/strategic road but is visible from Creekside.
Compatibility with surrounding uses	Low - The site is surrounded by residential as well as residential units within the site.
Access to amenities (nearest centre Km/miles)	Good - Deptford high street is located 0.6 Km (0.4 miles) from the site and offers a wide range of amenities.
Score	Reasonable
Layout, parking, servicing, landscaping etc.	Yard space around the site is poor. There is a lack of parking spaces at Kent Wharf but Cockpit Arts and Jones Furniture have sufficient parking spaces. Access to the units occupied by Jones Furniture is via Creekside which is a small road and not suitable for large vans/trucks. There is no landscaping around the site. Access to the railway arch units is tight and unsuitable for HGVs.
Score	Poor
Proximity to principal roads/Mway [Km/miles]	The A2 is located 0.6 Km (0.4 miles) to the south of the site.
Score	Excellent
Quality of access to the principal road network	A2 accessed via Deptford Church Street (A2209) which is suitable for HGVs.
Score	Excellent
Is the site close to a railway station (within 400m)?	Yes
Station name, number of bus stops within a 400 m radius	Greenwich, Deptford, 10 bus stops

Score	Excellent
Quality of Existing Stock	The units used by Cockpit Arts and Jones Furniture are dated. The railway arches are also dated and would require refurbishment if the current occupiers were to vacate. The office units at Kent Wharf are higher quality having been built recently.
Score	Reasonable
Other market intelligence e.g. market history, competing supply nearby, occupiers known to be moving in/out,	Jones Furniture and Cockpit Arts are both historic occupiers that have been on the site for over a decade. Both units seem to be fit for current occupier requirements.
Vacancy	There are vacant office units at Kent wharf
Score	Low
If the site retains its current use, will it be occupied?	Yes
Are there opportunities for redevelopment / intensification / extension?	If Jones Furniture and Cockpit Arts were to vacate, there is an opportunity to redevelop the site to provide residential as part of a mixed use scheme with possible B2 on the lower levels.
Are there any constraints on redevelopment / intensification / extension?	The area is in a fully built up area and therefore cannot be expanded.
When are these constraint(s) likely to be resolved?	N/A
Recommendation	Strategic mixed-use employment for MEL



C26 Childers Street	
Market area	Deptford
AECOM Cluster Reference	C26 - Childers Street
Site Description	The site former foundry now occupied by ACME Studios, which provides affordable studio space for artists, Parkside Business Estate and VIVE LIVING which is a scheme of 82 Build To Rent apartments and coworking space.
Site area (ha)	0.7
Site Designation	MEL
Primary type of employment	Light Industrial (B1c)
Site's sequential location	Within the built up area
Prominence of site	Reasonable - the site is not visible from any major road but is next to the railway line.
Compatibility with surrounding uses	High - The site is bounded by residential areas on all sides, however, the design of the sites and its current use (Artist Studios and B1c/B8 units) is compatible with the residential areas.
Access to amenities (nearest centre Km/miles)	Poor - the site is not in close proximity to any high street/ major centre. However, Lower Road is located 1.2 Km (0.8 miles) from the site.
Score	Reasonable
Layout, parking, servicing, landscaping etc.	There are a small number of on-street parking spaces. To the west of the site are railway arches that house a number of industrial uses. There is no landscaping around the site.
Score	Reasonable
Proximity to principal roads/Mway [Km/miles]	The A2 is located 0.8 Km (0.5 miles) to the south of the site.
Score	Good
Quality of access to the principal road network	Access to the A2 via Edward Street and Pagnell Road (B207). Both roads are suitable for cars/small - medium vans.
Score	Good
Is the site close to a railway station (within 400m)?	No
Station name, number of bus stops within a 400 m radius	14 bus stops
Score	Good

Quality of Existing Stock	Vive Living's scheme on the site is of good quality. ACME studios is of considerably poorer quality but seem to be suitable for the current occupiers.
Score	Reasonable
Other market intelligence e.g. market history, competing supply nearby, occupiers known to be moving in/out,	The ACME units are well occupied and in a good location. They are likely to be reoccupied if units are vacated by current occupiers due to demand for these types of units.
Vacancy	We have been informed that there are no vacant units on the ACME site.
Score	Nil
If the site retains its current use, will it be occupied?	Yes
Are there opportunities for redevelopment / intensification / extension?	The building currently occupied by ACME is of particular interest, given its continuing employment use, and this part of the site should be considered for safeguarding and potential intensification through a mixed use residential/workshop scheme, compatible with the mixed-use schemes recently built on the southern part of the Childers Street site.
Are there any constraints on redevelopment / intensification / extension?	The area is in a fully built up area and therefore cannot be expanded.
When are these constraint(s) likely to be resolved?	N/A
Recommendation	Strategic mixed-use employment for MEL



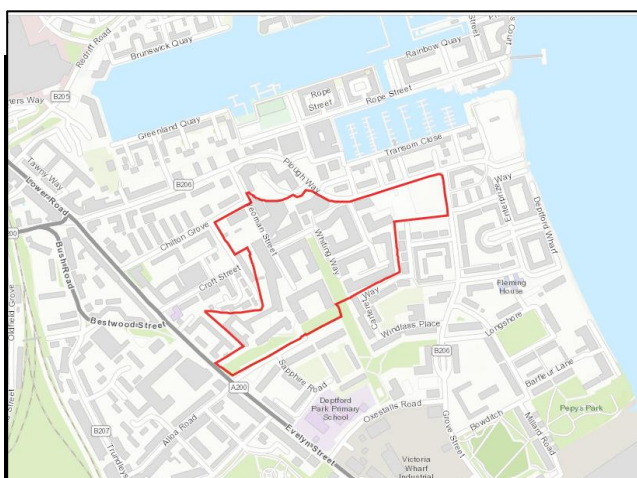
C27 Arklow Road	
Market area	Deptford
AECOM Cluster Reference	C27 - Arklow Road
Site Description	Comprises Astra house, a mixed use office/residential building and Anthology Deptford Foundry, a residential development.
Site area (ha)	2.1
Site Designation	MEL
Primary type of employment	Office (B1a)
Site's sequential location	Within the built up area
Prominence of site	Low - the site is not visible from any major road.
Compatibility with surrounding uses	High - The site is bounded by residential areas on all sides, however, the design of the site and its current use as an office location is compatible with the residential areas.
Access to amenities (nearest centre Km/miles)	Reasonable - New Cross Road is located 0.64 Km (0.4 miles) from the site and offers a wide range of amenities.
Score	Reasonable
Layout, parking, servicing, landscaping etc.	There are six on-street parking spaces. There is no landscaping around the site.
Score	Reasonable
Proximity to principal roads/Mway [Km/miles]	The A2 is located 0.64 Km (0.4 miles) to the south of the site.
Score	Good
Quality of access to the principal road network	Access to the A2 via Edward Street (B207 which is suitable for cars/small - medium vans.
Score	Good
Is the site close to a railway station (within 400m)?	No
Station name, number of bus stops within a 400 m radius	7 bus stops
Score	Reasonable
Quality of Existing Stock	The building is of good external quality.
Score	Good

Other market intelligence e.g. market history, competing supply nearby, occupiers known to be moving in/out,	Part of Astra House has already been converted from office to residential through permitted development.
Vacancy	No apparent vacancy
Score	Nil
If the site retains its current use, will it be occupied?	Hard to tell
Are there opportunities for redevelopment / intensification / extension?	The unit should be protected for employment use but should it become vacant the site can be should be re-assessed against the strength of the market at that point in the property cycle and possibly released for residential purposes.
Are there any constraints on redevelopment / intensification / extension?	The area is in a fully built up area and therefore cannot be expanded.
When are these constraint(s) likely to be resolved?	N/A
Recommendation	Strategic mixed-use employment for MEL



C29 Plough Way	
Market area	Deptford
AECOM Cluster Reference	C29 - Plough Way
Site Description	Mixed use location in Deptford which comprises office units and Cannon Wharf, a purpose built office building.
Site area (ha)	8.3
Site Designation	MEL
Primary type of employment	Office (B1a)
Site's sequential location	Within the built up area
Prominence of site	Low - Site is not visible from any major/strategic road
Compatibility with surrounding uses	High - The site is bounded by residential areas on all sides, however, the office and workshop units on site are compatible with residential areas.
Access to amenities (nearest centre Km/miles)	Good - Lower Road which is 0.5 Km (0.3 miles) from the site offers limited amenities but Surrey Quays Shopping Centre is 1.3 Km (0.8 miles) from the site and offers a wider range of amenities.
Score	Good
Layout, parking, servicing, landscaping etc.	Yard space is generally good across the site and there are sufficient parking spaces for the office and workshop units. Access is suitable for cars/small vans which are the type of vehicles most likely to frequent the site. There is little landscaping around the site but this is not a concern as the buildings on the site are of residential design.
Score	Good
Proximity to principal roads/Mway [Km/miles]	The A2 is located 2.1 Km (1.3 miles) to the south of the site.
Score	Good
Quality of access to the principal road network	Access to A2 partly via Evelyn Way (A200), onto the Abinger Grove then Arklow Road (built up residential area).
Score	Reasonable
Is the site close to a railway station (within 400m)?	No
Station name, number of bus stops within a 400 m radius	17 bus stops
Score	Good

Quality of Existing Stock	The current stock is of high quality, having mostly been built in the last five years
Score	Excellent
Other market intelligence e.g. market history, competing supply nearby, occupiers known to be moving in/out,	
Vacancy	Some vacant units at Cannon Wharf
Score	Low
If the site retains its current use, will it be occupied?	Yes
Are there opportunities for redevelopment / intensification / extension?	The office units are of good specification and seem to be well occupied.
Are there any constraints on redevelopment / intensification / extension?	The area is in a fully built up area and therefore cannot be expanded.
When are these constraint(s) likely to be resolved?	N/A
Recommendation	Strategic mixed-use employment for MEL



Appendix 2

Employment Profiles on Employment Sites

Table A2.1 Employment Profile on Designated Employment Sites

Name	Type	Area	Jobs	Jobs/Ha	Industrial	Office	Public	Consumer
Bromley Road	SIL	8.3	770	93	88%	12%	0%	0%
Surrey Canal Road	SIL	28.6	1,550	54	67%	17%	0%	16%
Clyde Vale	LEL	0.4	30	67	66%	7%	0%	28%
Perry Vale	LEL	0.5	150	318	63%	15%	6%	16%
Molesworth Street	LEL	1.4	10	4	0%	100%	0%	0%
Evelyn Street	LEL	1.2	0	0	0%	0%	0%	0%
Endwell Road	LEL	1.4	770	560	5%	46%	46%	3%
Blackheath Hill	LEL	0.3	60	180	13%	59%	27%	2%
Manor Lane	LEL	2.7	180	64	83%	1%	0%	16%
Stanton Square	LEL	1.0	50	50	77%	23%	0%	0%
Willow Way	LEL	1.2	80	66	14%	72%	0%	15%
Worsley Bridge Road	LEL	1.2	250	209	7%	54%	38%	2%
Malham Road	LEL	3.6	860	240	20%	34%	2%	44%
Creekside	LEL	2.4	70	30	47%	8%	19%	25%
Lewisham Way	LEL	0.5	30	64	63%	13%	0%	25%
Convoys Wharf	MEL	16.1	0	0	0%	0%	0%	0%
Surrey Canal Triangle	MEL	10.9	420	39	20%	24%	0%	56%
Plough Way	MEL	8.2	650	79	14%	39%	31%	16%
Oxestalls Road	MEL	4.6	120	26	0%	0%	90%	10%
Childers Street	MEL	0.7	0	0	0%	0%	0%	0%
Arklow Road	MEL	2.2	140	63	0%	98%	1%	1%
Grinstead Road	MEL	0.8	0	0	0%	0%	0%	0%
Sun and Kent Wharf	MEL	1.4	330	233	1%	43%	54%	2%
Thanet Wharf	MEL	0.6	0	0	0%	0%	0%	0%

The profile is by broadly defined categories of employment:

Industrial is defined by SIC categories of Manufacturing, Wholesale, Transport and Storage, Construction, Primary, Utilities

Office is defined by SIC categories of Information & Communications, Financial Services, Professional Scientific and Technical Services, Real Estate, Administrative & Support Service activities

Public is defined by SIC categories of Public Administration & Defence, Health & Social Services, Education

Consumer is defined by SIC categories Retail, Accommodation & Food, Arts, Leisure, Recreation & Other



CAG CONSULTANTS

Founded in 1983, CAG Consultants is an independent, employee-owned co-operative. We provide support, research and analysis, policy advice and training in a wide range of fields relating to sustainable development and climate change. We have practitioners in stakeholder & community involvement, regeneration, evaluation, economics and regulatory affairs. We deliver high quality, innovative and thoughtful work for our clients, who include government departments, local authorities, public agencies, the NHS and regeneration and community planning partnerships across the UK. We pride ourselves on our strong ethical approach and our commitment to social justice and improving and protecting the environment.

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