

Policy E7 Industrial intensification, co-location and substitution

- A Development Plans and development proposals should be proactive and encourage the intensification of business uses in Use Classes B1c, B2 and B8 occupying all categories of industrial land through:
- 1) introduction of small units
 - 2) development of multi-storey schemes
 - 3) addition of basements
 - 4) more efficient use of land through higher plot ratios having regard to operational yard space requirements (including servicing) and mitigating impacts on the transport network where necessary.
- B Development Plans and planning frameworks should be proactive and consider, in collaboration with the Mayor, whether certain logistics, industrial and related functions in selected parts of SIL or LSIS could be intensified to provide additional industrial capacity. Intensification can also be used to facilitate the consolidation of an identified SIL or LSIS to support the delivery of residential and other uses, such as social infrastructure, or to contribute to town centre renewal. This process must meet the criteria set out in Part D below. This approach should only be considered as part of a plan-led process of SIL or LSIS intensification and consolidation (and the areas affected clearly defined in Development Plan policies maps) or as part of a co-ordinated masterplanning process in collaboration with the GLA and relevant borough, and not through ad hoc planning applications. In LSIS (but not in SIL) the scope for co-locating industrial uses with residential and other uses may be considered. This should also be part of a plan-led or masterplanning process.
- C Mixed-use or residential development proposals on Non-Designated Industrial Sites should only be supported where:
- 1) there is no reasonable prospect of the site being used for the industrial and related purposes set out in Part A of [Policy E4 Land for industry, logistics and services to support London's economic function](#); or
 - 2) it has been allocated in an adopted local Development Plan Document for residential or mixed-use development; or
 - 3) industrial, storage or distribution floorspace is provided as part of mixed-use intensification (see also Part C of [Policy E2 Providing suitable business space](#)).

Mixed-use development proposals on Non-Designated Industrial Sites which co-locate industrial, storage or distribution floorspace with residential and/or other uses should also meet the criteria set out in Part D below.

- D The processes set out in Parts B and C above must ensure that:
- 1) the industrial and related activities on-site and in surrounding parts of the SIL, LSIS or Non-Designated Industrial Site are not compromised in terms of their continued efficient function, access, service arrangements and days/hours of operation noting that many businesses have 7-day/24-hour access and operational requirements
 - 2) the intensified industrial, storage and distribution uses are completed in advance of any residential component being occupied
 - 3) appropriate design mitigation is provided in any residential element to ensure compliance with 1 above with particular consideration given to:
 - a) safety and security
 - b) the layout, orientation, access, servicing and delivery arrangements of the uses in order to minimise conflict
 - c) design quality, public realm, visual impact and amenity for residents
 - d) agent of change principles
 - e) vibration and noise
 - f) air quality, including dust, odour and emissions and potential contamination.
- E Development Plans and planning frameworks should consider, in collaboration with the GLA and neighbouring authorities within and outside London, the scope to facilitate the substitution of some of London's industrial capacity to related property markets elsewhere in London and beyond London's boundary where:
- 1) this results in mutual advantage to collaboration partners inside and outside London and supports a more efficient use of land
 - 2) full regard is given to both the positive and negative impacts of substitution including impacts on servicing the economy inside and outside London, businesses and customers, labour markets and commuting, supply-chains and logistics, congestion, pollution and vehicle miles

- 3) a clearly-defined strategy for the substitution of future demand capacity and/or relocation arrangements, where relevant, is in place to support this process.

This approach should only be considered as part of a plan-led process of consolidation and intensification (and clearly defined in Development Plan policies maps) and not through ad hoc planning applications.

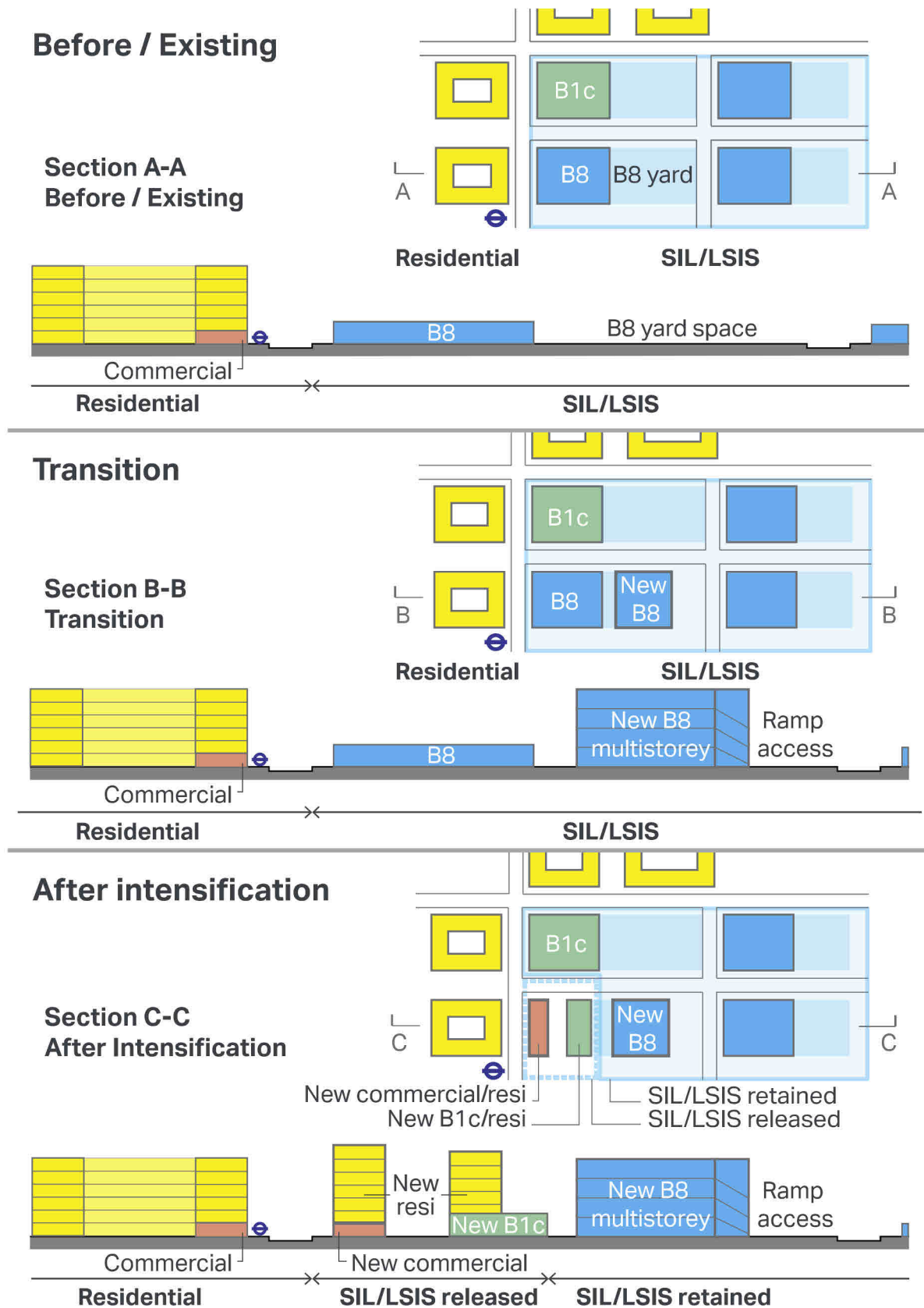
- 6.7.1 In collaboration with the Mayor, all boroughs are encouraged to explore the potential to **intensify industrial activities**¹⁰⁸ on industrial land to deliver additional capacity and to consider whether some types of industrial activities (particularly light industrial) could be co-located or mixed with residential and other uses. Through Local Plans, boroughs should also take a proactive approach to the **management of vacancy rates** to reach a level appropriate to the efficient functioning of the industrial market (considered to be five per cent for land and eight per cent for floorspace).¹⁰⁹
- 6.7.2 There may be scope for selected parts of SILs or LSISs to be consolidated or appropriately substituted. This should be done through a carefully co-ordinated plan-led approach to deliver an intensification of industrial and related uses in the consolidated SIL or LSIS and facilitate the **release of some land** for a mix of uses including residential. Local Plan policies' maps and/or OAPFs and masterplans (as relevant) should indicate clearly:
 - i. the area to be retained, substituted and/or intensified as SIL or LSIS (and to provide future capacity for the uses set out in Policy E5 Strategic Industrial Locations (SIL) and Policy E6 Locally Significant Industrial Sites) and
 - ii. the area to be released from SIL or LSIS (see illustrative examples in Figure 6.2). Masterplans should cover the whole of the SIL or LSIS, and should be informed by the operational requirements of existing and potential future businesses.

¹⁰⁸ Industrial Intensification Primer, GLA, 2017; London Industrial Land Demand Study, CAG Consultants, 2017

¹⁰⁹ London Industrial Land Demand Study, CAG Consultants, 2017; Land for Industry and Transport SPG, GLA, 2012



Figure 6.2 - Simplified illustrations of approaches to SIL/LSIS



- 6.7.3 These approaches may be supported by **land swaps** within the SIL or LSIS, within the borough or in collaboration with neighbouring authorities. To ensure that such development works effectively, there should be a development agreement in place between the industrial developer and associated (non-industrial) developers.
- 6.7.4 Outside of areas designated as SIL or LSIS there may be opportunities to deliver co-location involving a **mix of industrial and residential** and/or other uses on the same site either side-by-side or through vertical stacking.
- 6.7.5 Evidence to demonstrate '**no reasonable prospect**' of Non-Designated Industrial Sites being used for industrial and related purposes should include:
- strategic and local assessments of demand
 - evidence of vacancy and marketing with appropriate lease terms and at market rates suitable for the type, use and size (for at least 12 months, or greater if required by a local Development Plan Document), and where the premises are derelict or obsolete, offered with the potential for redevelopment to meet the needs of modern industrial users
 - evidence that the scope for mixed-use intensification with industrial uses has been explored fully.
- 6.7.6 There is a significant amount of industrial and logistics capacity serving London that is located outside of the capital.¹¹⁰ There may be scope for some **substitution**¹¹¹ of London's industrial capacity to locations in the wider region where this results in mutual advantage, such as complementary business opportunities and transport infrastructure improvements. This will require close collaboration between planning authorities inside and outside London and must ensure that any substitution does not give rise to cumulative negative impacts including, for example, on business supply chains, labour markets, pollution and congestion.¹¹²
- 6.7.7 **Collaborative working** between the Mayor, boroughs and other stakeholders on Development Plan reviews, planning frameworks and masterplans provides useful mechanisms to co-ordinate these processes. This should ensure that the need to maintain sufficient capacity for industry to service London's economy and residents is considered alongside other planning objectives including

¹¹⁰ AECOM 2016, op. cit.

¹¹¹ The term 'substitution' refers here to making provision of land and floorspace to accommodate business uses in alternative locations outside London to meet projected future demand.

¹¹² London Industrial Land Demand Study, CAG Consultants, 2017; Industrial Land and Transport Study, Peter Brett Associates, 2017



delivery of strategic infrastructure, housing, social infrastructure and other uses. Further advice on the implementation of Policy E7 Industrial intensification, co-location and substitution will be provided in Supplementary Planning Guidance.