

Planning Committee Report

London Thames Gateway Development Corporation

Newham Core Strategy Issues and Options Paper: Observation Report

Report of the Director of Planning

1. Purpose of this report

- 1.1 Newham have released their Core Strategy Issues and Options paper for public consultation. This report summarises the 3 options set out in the paper, considers the merits of the different options from the point of view of the LTGDC and suggests some further considerations that should be taken into account in development of the preferred option.
- 1.2 The LTGDC Planning Committee has responsibility for considering policy documents and formally providing comments. The report was presented to the Board Meeting on 6 May 2008 to provide the opportunity for comment. Any comments arising from that meeting will be passed on to the planning committee when they consider this matter on 8 May 2008.

2. Background

- 2.1 London Borough of Newham has published a short 'Issues and Options' paper for public consultation, as part of the first stage in preparing its Core Strategy. The Core Strategy will set out the over arching vision and policy framework for Newham. This will contain the strategy for the regeneration of the Borough and the promotion and management of development for the period to 2026.
- 2.2 It is imperative that the Core Strategy is appropriate and provides a coherent and robust framework to plan effectively for the anticipated growth in Newham up to the end of the plan period in 2026.
- 2.3 The Newham Local Development Scheme identifies the various LDF documents that will in due course appertain to the policies and spatial portrait of the Core Strategy. These documents will have substantial weight in planning decision making.

2.4 The proposed LDF documents are:

- Development Control Manual (DPD)
- Site Specific Allocations Document (DPD)
- Canning Town and Custom House Development Framework (SPD)
- Stratford Island Development Framework (SPD)
- Sugar House Lane and Three Mills Development Framework (SPD)
- Royal Docks and Thameside West Area Action Plan (DPD)
- Stratford and Lower Lea Valley Area Action Plan (DPD)
- Housing (SPD)
- Sustainable Buildings (SPD)
- Access (SPD)
- S106 Contributions (SPD)
- Joint Waste Development Plan Document (DPD)

2.5 The Board will be updated as the core strategy preferred option evolves, and will be similarly updated and asked to provide any comments to the planning committee on the documents listed above as and when they come forward for public consultation.

3. Summary

3.1 The consultation paper sets out three options for the broad vision and strategy for development and regeneration activity in Newham for the period ending in 2026.

Spatial Option One:

3.2 Prioritising Employment, with potential to deliver 39,000 new homes and 162,000 new jobs.

Summary: 'Making the Lower Lea Valley and Royal Docks/Thames riverside areas into major business locations with a range of businesses and jobs, promoting local job creation'.

3.3 This option identifies Stratford as a key commercial centre and the rest of Newham would become "London's industrial 'powerhouse'" - providing crucial employment land for businesses squeezed out of other parts of London. Newham would accommodate green industries, creative industries and storage and warehousing, together with more traditional employment sectors. In addition some limited mixed use and housing led development areas would also be pursued.

Spatial Option Two:

3.4 Prioritising Mixed Use, with potential to deliver 49,300 new homes and 110,000 new jobs.

- 3.5 *Summary:* 'Creating mixed use neighbourhoods in the west and south of the borough, shifting business parks to the south-east, and creating higher density hubs around major transport interchanges'.
- 3.6 This option identifies growth in three crucial sectors: Office development focussed around Stratford; and retention and development of protected business parks and heavier industry (including green industry) along the Lower Lea Valley, Thames Riverside and East Beckton; retail sector growth focussed in Stratford and to a lesser extent in Canning Town. With smaller established centres also identified for intensification and development.

Spatial Option Three:

- 3.7 Prioritising Housing, with the potential to deliver 55,700 new homes and 37,500 new jobs.
- 3.8 *Summary:* 'Extending existing neighbourhoods into the Lower Lea Valley and the south of the borough, focusing on lower density and family housing'.
- 3.9 This option assumes a significant shift away from employment as the vision for Newham. Although it would retain some industrial areas, and have a robust retail and mixed use base, much of the land currently in employment use or allocated for that purpose would be redeveloped for housing. This option suggests family housing would also be a priority compared to the other options.

4. Assessment of the Spatial Options:

- 4.1 This assessment has been made against the needs of Newham as identified in relevant policy documents, the London Plan consolidated with alterations (2008) and the relevant projects and corporate objectives of the LTGDC.

Spatial Option One:

- 4.2 This option seeks to retain significant land for employment uses. Whilst it is essential employment land is retained in the borough, many areas of employment use are in increasing isolated locations juxtaposed against housing and mixed use development. Other areas due to poor access or infrastructure issues are not necessarily attractive to potential occupiers.
- 4.3 Recent research suggests that large scale retention of employment land may not be necessary. The Mayor's Industrial Capacity SPG (March 2008) anticipates a managed release of industrial land focussed on four boroughs, including Newham. The SPG notes that Newham could successfully release 135ha during the period 2006-2026, by far the highest amount of industrial land of any London Borough, without necessarily adversely affecting market supply. Furthermore the Industrial

Land Study (Atkins 2006) commissioned by the Borough Council identified that 49% of current industrial land in Newham has the potential for alternative uses.

- 4.4 The SPG did note however that the Thames Gateway and Lea Valley are identified as two of six principal market areas for logistic type industrial uses. As such, officers consider that targeted retention and managed disposal should be pursued and the general retention approach outlined in Option One is not necessary.
- 4.5 The SPG notes that even after release of employment land as suggested there would still be significant capacity to still meet local and regional needs within the Borough. The Borough could continue to accommodate a significant number of Strategic Industrial Locations many of which are identified as Preferred Industrial Locations (PIL's), which includes heavy industry.
- 4.6 Option One's reliance on employment land retention as a generator of jobs is optimistic given the scope identified in the SPG to consolidate and still have sufficient capacity to meet forecast demand. As the options paper notes, retaining large amounts of employment land might mean significant amounts could remain vacant due to low demand. It is possible this option could result in excess employment space which increases the risk of remaining occupied.
- 4.7 It is noted that Option One suggests 39,000 homes by 2026. This appears to be a cautious estimate of what could be delivered; the London Plan (2008) target is 35,100 by 2016/17, a full decade earlier. Spatial Option One is focussed primarily on employment land use and somewhat neglects to sufficiently address the spatial direction of other land uses and how these could develop.

Spatial Option Two:

- 4.8 Option Two is the most appropriate 'best fit' with LTGDC's vision and would be more effective in integrating the Olympic Park with the disparate locations and land uses of the surrounding area. A mixed use approach is likely to provide greater flexibility in reducing severance caused by the various infrastructure and historic patch work of different land uses.
- 4.9 Housing and employment figures of 49,000 homes and 110,000 new jobs seem reasonable, based on housing trajectories and plan targets, although the employment forecast seems somewhat low compared to Option One.
- 4.10 Stratford would continue to expand as a major commercial centre, including significant office, residential and retail development and provide a substantial anchor to the mixed use Lower Lea Valley. Within the Stratford City and the Olympic Park in legacy, significant office space could be accommodated.

- 4.11 The mixed use areas would include some industrial uses; these would run along the LLV linking in Canary Wharf and the Royal Docks.
- 4.12 New development would also be focused on established neighbourhood centres, capitalising on transport links and social infrastructure. Two key industrial areas are suggested including parts of the LLV and London Riverside including around Beckton, but the option does not go into geographic detail. Smaller localised industrial areas are retained and consolidated whilst new mixed use areas are developed on released employment land as part of a managed release.

Spatial Option Three:

- 4.13 This option is predicated upon a focus on housing led regeneration and family housing in particular. Stratford along with Canning Town and Custom House would be the focus for mixed use development echoing the other two other options, however the LLV and Royal Docks would be focussed on residential led regeneration and family homes in particular.
- 4.14 This option does not seem to suggest intensification of existing centres and actually suggests 'lower density housing especially for families in existing employment areas'. Given the ambitious housing target (53,700) the ability or indeed desire in planning terms to reconcile an increase in housing numbers with lower densities could be difficult and is not something the LTGDC would normally support. However no figures for density are provided in the document.
- 4.15 The outputs for this option suggest limited benefit. Given Option Two anticipates providing 49,300 homes and 110,000 new jobs, Option Three suggests 53,700 homes (+4400 extra) but only 37,500 jobs (72,500 fewer jobs than option two). Whether space to accommodate 4,400 additional homes would reduce local capacity to accommodate new jobs to that extent seems unlikely.
- 4.16 This option provides little flexibility to accommodate various land uses in a dynamic urban environment. With dramatic changes taking place in Newham, the core strategy will need to provide strategic direction and anticipate the likely spatial needs of the borough based on known drivers of change. Option 3 focuses on residential land use with limited consideration of potential areas of intensification or alternative uses.
- 4.17 There needs to be a balance between new commercial/local centres and intensifying development by expanding existing centres, such as the Stratford City and the Olympic Park. This should be complemented with a focus on retention and improvement of existing stock of homes and already established local facilities.

5. Conclusion

- 5.1 It is considered that the LTGDC should express support for Option Two, for the reasons set out above. In addition the following points should be made:
- 5.2 Newham should retain a balanced range of land uses across the borough that meet the day to day needs of the majority of residents, businesses and visitors. This will help reduce the need to travel and facilitate sustainable growth through a more efficient use of land.
- 5.3 There is the opportunity to have a managed reduction in excess employment space, as identified in the London Plan - Industrial Capacity SPG March 2008. Of priority would be those uses/locations that are land intensive or their operation undermines the ability to develop mixed use or residential schemes nearby (i.e. heavy industry).
- 5.4 Business benefits of consolidation include relocation usually to modern facilities and enjoy closer peer to peer trade and support. New premises are likely to offer lower carbon emission and energy savings. Furthermore dedicated businesses parks have the flexibility to ensure longer term retention.
- 5.5 LTGDC supports a managed consolidation of industrial uses to more appropriate locations both within and outside the borough. East Beckton and further into London Riverside are areas where such uses are appropriate. Environmentally benign industries and emerging green technologies could be acceptable as part of the Sustainable Industries Park.
- 5.6 Consolidation would release land for redevelopment, leading to increased potential sites for mixed use development. New development should be focussed around existing and emerging centres, in particular those with good PTAL levels or where public transport improvements are to be delivered during the plan period.
- 5.7 Significant commercial, residential and Olympic infrastructure related development is already coming forward in the west of the borough. The preferred option for the Core Strategy needs to reflect the long term potential of this and ensure the integration of the LLV development and Olympic Park back into the wider urban fabric. The benefits of this regeneration to existing communities should be maximised.
- 5.8 In developing the preferred option following consultation the existing research and planning work already undertaken should be utilised. The LTGDC has undertaken a number of studies which would be of particular use. These include the various masterplans in the LLV, Connections Study and Lea River Park Conceptual Study.
- 5.9 A Workspace Study jointly commissioned by the LTGDC with the London Development Agency (LDA), to improve the understanding of employment

space economics in the Lower Lea Valley and London Riverside, is currently at final draft stage. This could be useful in identifying in later LDF documents areas where employment land could be released.

6. Next Steps

- 6.1 That the response to Newham is drafted to take into account any comments arising from this report to Planning Committee.

7. Recommendations

- 7.1 That the Planning Committee **AGREE** the contents of this report, especially sections 4 and 5 and that these form the basis of comments made to Newham as LTGDC's response to consultation on this document.

Date: 30 April 2008