

Statement on behalf of the London Legacy Development Corporation (9th February 2015)

Examination - London Legacy Development Corporation Local Plan 2015 to 2031

Inspector's Matters, Issues and Questions

Matter 2: Business Growth, Jobs and Lifelong Learning

Issues: With particular reference to its section 4, whether the Local Plan supports sustainable economic growth in line with paragraphs 18-22 of the National Planning Policy Framework; and whether it conforms with the London Plan's aims for economic growth in changing times, securing the legacy of the 2012 Olympic and Paralympic Games, and tackling the persistent problems of deprivation and exclusion in the East of London.

Questions:

- 1. Do the opening paragraphs 4.1 & 4.2 and Objective 1 provide a credible and appropriate starting-point for sustainable economic growth planning for the LLDC area? If not, precisely why not?**

Yes they do. These paragraphs set out the role of the organisation and the success already being seen, and the Objective sets out the overall aim in relation to the economy which is translated into the policies within this section.

- 2. Should the Local Plan give more in-depth information about the economic impact of the Games, including the effect on local communities and businesses? In addition to benefits, should perceived, recent difficulties associated with the Games - disruption to some businesses and loss of local jobs - be acknowledged?**

No. Further information on the history and background of the organisation is provided within the Spatial Portrait Topic Paper [TBP/7] which forms part of the evidence base. The Local Plan is a forward-looking document so should not dwell on matters in the past, prior to the establishment of the organisation.

- 3. The Employment Land Review, Examination Document LEB/06, considers it best to regard Stratford City and Here East as part of the Central London office market. Although the supply of such office space currently proposed across London exceeds the projected demand, the Review concludes that the Stratford area has good credentials compared with some other possible areas of supply. Is there good evidence to support a different conclusion?**

No, the Employment Land Review (ELR) evidence [LEB/6] is appropriate in its conclusions with regard to these new developments being able to draw from the Central London office market.

- 4. The London Plan, Document RP1, gives an "indicative employment capacity" for the Lower Lee Valley including Stratford of 50,000 to 2031. Over 30,000 predominantly office jobs are included in this figure. Is the Local Plan (Table 1) in general conformity, and is there any substantive evidence to dispute its figures?**

Table 1 of the Local Plan [LD/1] shows estimated job numbers from large schemes within the area. Other smaller schemes will also contribute. The International Quarter will contribute a significant amount of office employment towards the 30,000 Lower Lee Valley total.

- 5. The emerging Further Alterations to the London Plan [RP/03] shows Stratford as a Metropolitan town centre with potential to become an international centre. The London Plan 2011 showed it as a major town centre with potential to be a Metropolitan centre. Are the Local Plan's aspirations for office and business development consistent with these strategic plans?**

Yes, the Plan's aspirations include the provision of a significant proportion of office development, consistent with the GLA's London Office Policy Review [S/42], new retail floorspace across the wider Stratford Centre and cultural and community facilities. Existing retail floorspace already exceeds that classified in the FALP Annex 2 [RP/3] of over 100,000sqm. The planned cultural and educational facilities will contribute to the area's national and international draw.

- 6. Does Policy SP1 strike an appropriate balance between promoting national and international business on the one hand and strengthening the local economy on the other? If not, how exactly might the plan be amended to give added prominence to local matters? Suggestions have included :**

- re-ordering the priorities in Policy SP1¹,
- making additional references to existing economic assets,
- making additional references to encouraging social enterprise,
- requiring the use of local supply chains to connect major developments to the organic growth of existing businesses,
- acknowledging the importance of local employment sites for delivering lifetime neighbourhoods and reducing the need to travel to work, and
- adding references to material from the Local Economy Study [LEB/5,6&7].

Yes, the Local Plan strikes an appropriate balance seeking to diversify the employment base, and protect existing businesses. The priorities in SP.1 are not in order of importance, so it is not necessary to re-order these. Given the protection of economic assets provided by the policies it is not necessary to specifically mention particular existing assets. The supporting text to the policy includes reference to promoting social enterprise and bullet (3) encourages flourishing business sectors, which includes social enterprise, alongside cultural and creative industries. Accordingly, it is not necessary to add so much detail into what is a strategic policy. A requirement for use of local supply chains is considered to be too onerous and difficult to enforce, however building on Policy 4.12 of the London Plan [RP/1] and through Policy B.5 the Legacy Corporation will maximise use of local labour agreements and participation in local skills and employment training initiatives which will have similar outcomes in terms of access to the opportunities sought by respondents. The importance of local employment sites is acknowledged and protected by the policies within the business chapter, striking an appropriate balance between employment protection and provision, housing development, infrastructure provision and

¹ See table of minor amendments and corrections, LD/26, no. 4 to Policy SP1

environmental protection. This, alongside specific housing design requirements will deliver lifetime neighbourhoods. References to the Economy Study [LEB/5/6/7] are included within the Chapter but, more importantly, the conclusions and outcomes were drawn upon and influenced the policy approach throughout the Local Plan.

7. Is Policy B1 overly concerned with directing new and expanding businesses to the Employment Clusters, Table 2, to maintain their local character, instead of recognising that market forces should prevail? Is there a case for more flexibility over the location and maintenance of employment uses? Is there strong evidence to relax the requirements of Policy B1 5?

The approach to directing new and expanding businesses to within the Employment Clusters is correct and supported by evidence within the ELR [LEB/6]. The clusters are long-standing designations, continuing the approaches within the Borough Plans [BPP/1-6]. The clusters also include Strategic Industrial Locations (SIL) which have a high level of protection at the local and strategic level through the London Plan [RP/1]. Varying the approach to clusters would not be in accordance within these strategic and local plans.

There is an appropriate degree of flexibility within the policy within Table 2 in terms of the uses allowed within each of these designated clusters, but also through B.1 (5), setting out how proposals on employment land and new uses within the OIL shall be considered. Extension of this flexibility would not accord with the evidence or deliver the employment floorspace or jobs which are central to the purpose of the Legacy Corporation, and could potentially hinder the achievement of the sustainable balance between different uses proposed through the Local Plan.

8. Is Policy B1 5b) encouraging higher densities outside the clusters and within Other Industrial Locations likely to be detrimental to locally important cultural, artistic, manufacturing and food industries? Could it restrict the growth of activities around new technology more likely to occur in workshops and yards than in B1 office space?

Policy B.1 (5b) encourages re-provision of existing B1 floorspace, and only allows re-provision of a smaller quantum if employment densities are significantly greater. This will not be detrimental to cultural, artistic, manufacturing and food industries, because, as evidenced within the Business Survey [LEB/5] manufacturing industries are more likely to be located within warehousing-type premises, which are specifically protected by Policy B.1 (5a) and arts and cultural businesses are more likely to be within workshop spaces which, through applying this policy and the town centres first principle will ensure workshops are re-provided. Additionally, the ELR [LEB/6] at para 2.4 identifies that a majority of workshop-type space is industrial in character, within B2 or B8 use classes, which would mean that under a redevelopment proposal B.1 (5a) would be triggered requiring equivalent floorspace to be re-provided. This combined policy approach will enable these particular industries cited above to remain and expand within the area.

The Business Survey also cites that Sub Area 1 accounts for a majority of the businesses within the Legacy Corporation area, where the policy approach for the sub-area, particularly Policy 1.2, requires that the existing character of the area be maintained, including enhancing existing yardspace and creating new

open spaces which complement the identity of the area. This will also help to support the needs of existing businesses by ensuring the presence of yardspace.

- 9. It is suggested that local employment land releases have been three times higher than the London Plan foresaw. There is also concern that low value uses providing jobs for vulnerable workers with low skill levels and pay are most at risk in the changing market. Does Policy B1 provide appropriate protection for employment sites in the area?**

The suggestion that employment land releases have been greater than envisaged within the London Plan does not reflect the particular circumstances of the local area in the context of the 2012 Games and the changes associated within this.

Policy B.1 provides appropriate protection by seeking the re-provision of B2 and B8 floorspace in the first instance, with an emphasis on maximising employment provision; creating the circumstances where existing businesses can remain in the area; and ensuring provision meets the requirements of businesses seeking to expand identified within the Business Survey [LEB/5]. Other measures also combine to assist low-skilled and low-paid workers such as Policy B.5 in relation to employment and skills training and local labour agreements.

- 10. Should Policy B1 and/or Table 2 refer to the Carpenters District?**

No, as set out above the employment clusters are long-standing designations and do not encompass all groups of employment activities within the area. The employment clusters include strategically significant employment land at the SIL, and are a continuation of the approach within the adopted borough plans. In relation to the employment floorspace present within Carpenters District, it is considered that adequate protection is provided by Policy B.1, and the introduction of more stringent protection is not appropriate in the context of Site Allocation SA.3.4.

- 11. Should Cooks Road be excluded from Table 2, having regard for paragraph 22 of the NPPF?**

No, Cooks Road should remain as OIL, which is a continuation of the protection afforded within the Newham Core Strategy [BPP/2]. Paragraph 22 of the NPPF refers to land within an employment designation that has no reasonable prospect of the site being used for the allocated employment use. The site is currently has relevant uses as highlighted in the ELR [LEB/06] and the OIL designation allows for change while retaining the established employment function. See also responses to Matter 7 (Sub Area 4) Questions 6 and 9.

- 12. With the amendments nos. 7 & 8 proposed in LD/26, is Policy B2 consistent with the NPPF's paragraphs 23-27?**

Yes, amendments 7 and 8 are proposed purely to provide further clarity. They do not change the approach within the Local Plan which is consistent with the NPPF.

13. Is Policy B2 consistent with town centre policy in the NPPF? Is the threshold for a retail and leisure assessment for a development of more than 200sqm too rigorous, or is it justified for this area?

The retail threshold is justified for this area. The five Centres will be the focus of future retail and leisure floorspace, and some of the site allocations specify where some limited retail floorspace would be appropriate as part of mixed use schemes. Therefore, outside these locations it is appropriate to be particularly stringent about the amount of retail floorspace coming forward. For these reasons this threshold was proposed within the Retail and Leisure Study [LEB/18].

14. Is the promotion of the Stratford Town Centre Extension with approximately 55,000 sqm additional comparison retail floorspace by 2030 justified by up-to-date retail evidence? (See Retail & Leisure Requirements Review 2014, Peter Brett Associates, LEB/18)

Yes, the retail floorspace provision is justified by up-to-date evidence within the Retail and Leisure Study [LEB/18] conducted by Peter Brett Associates.

15. Have the potential impacts on other town centres of growth at the Extension been assessed adequately? Are all the Local Authorities which make up the LLDC area supportive of the growth of Stratford Town Centre Extension?

Yes, the impacts have been assessed within the Retail and Leisure Study [LEB/18]. Para 6.8.8 confirms that around 42% of the additional floorspace required across the whole of the area arises due to the population expansion occurring across the area rather than increasing in the Centre's draw. Therefore the study identifies that the remainder may well draw from outside the area, with potential locations identified being East Ham town centre and Beckton retail parks (para 9.2.12), but as Stratford will draw from a wide area, breaking this down, significant impacts upon other large centres are likely to be limited. Additionally, the amount of additional provision only becomes significant after 2021 when the capacity figures are less certain, so will not significantly impact on the expansion plans of other large centres.

Furthermore, much of the floorspace at Stratford which had any potential to significantly impact upon other town centres has already been built, and the impacts of this were extensively assessed through the planning applications for Stratford City. Any future application for a substantial amount of retail floorspace proposed in the future will likewise be required to consider impacts on other centres.

The London Borough of Newham have shown their support for and role in the growth of Stratford town centre, and particularly, the proposed direction of additional retail floorspace to the east of the centre which lies within their planning boundary, where substantial redevelopment proposals are planned. This has been located to the centre-east to assist in creating a cohesive and compact centre, aided by the availability of sites within the vicinity. Excluding the site formally known as Chobham Farm South, which has potential to provide a small amount of retail in support of other town centre uses, there are no other available sites within the town centre within the Legacy Corporation boundary. Directing the retail floorspace entirely within the Legacy Corporation area therefore would result in the expansion of the centre into edge of centre sites,

contrary to the NPPF town centres first principle, and would infringe on the delivery of site allocations, disproportionately focussing on retail provision opposed to employment diversity and wider growth.

The provision of the retail floorspace to the centre-east has been discussed with the London Borough of Newham in dedicated meetings and the outcomes and conclusions of the evidence base and policy response with all the boroughs through the monthly Planning Policy Forum, with further details provided within the Duty to Cooperate Background Paper [TBP/3]. No objections to this approach have been received during or post plan-preparation.

16. Should the Local Plan address the problems around the likelihood that Stratford will have its own independent existence from the LLDC residential and business community, with its own supply chain? How might future integration be secured?

It is not considered that either part of the Metropolitan Centre would have an independent existence. The wider Stratford Metropolitan centre, within the planning control of the Legacy Corporation and London Borough of Newham, combines to provide a consistent and harmonised centre, with a variety of town centre offers catering for a wide variety of requirements from the local business and residential communities as well as serving a wider area as part of its Metropolitan Centre function.

It is considered that the remaining development sites within the Metropolitan Centre as a whole will continue to improve physical integration and diversify the range and type of offer provided by the centre. A policy requiring use of local supply chains in new development schemes would be difficult to apply in practice and effectively unenforceable. However, local labour agreements were enshrined within the Stratford City permissions, and this approach will continue to be applied and promoted, where possible, through policy B.5.

17. Should Policy B2 with paragraph 4.22 do more to resist the growth of betting shops in high streets, and if so, how?

The policy does seek to resist the growth of betting shops, applying a flexible approach to consider local circumstances and impacts, rather than a strict maximum proportion. This is considered more appropriate to the circumstances within the centres, such as the comprehensively managed centre at Westfield Stratford City and the fact that many of these centres have yet to be developed so it would be inappropriate to set an arbitrary proportion of non-A1 uses. Instead this approach allows each application to be considered on its merits against the wider aims of the policy. The supporting text specifically acknowledges that betting shops, within the A2 use class, can present particular issues which will be a strong consideration for any application proposing such a use.

18. Is there a case for more community engagement in the design and implementation of interim uses than in the past, to provide benefit to local businesses and community groups, and to avoid unacceptable adverse impacts? If so, how should Policy B3 be changed?

Community engagement through the development of all proposals is encouraged, and this includes temporary use applications; however it would not be appropriate to single out interim uses as specifically requiring community

engagement in their development, as they are by their very nature temporary. The policy stipulates that interim uses should have no unacceptable adverse impacts on amenity, function, business or residential communities so these matters will be considered.

19. Are all the criteria in Policy B4 justified including the figure of “75 per cent of historic market rent” as achieved at Neptune Wharf? And does the Glossary include a satisfactory definition of low cost workspace?

All the criteria are justified. The Artistic Practices Study [LEB/17] identifies a number of circumstances where provision would be considered low cost. Criteria 5 to 7 bring into policy these considerations, combined with real-life evidence from planning applications and approaches within the boroughs, particularly London Borough of Hackney. Criteria 4, in relation to the 75% provision has been developed from this evidence, using real-life evidence from the Neptune Wharf permission where 75% of historic market rate for the area was considered appropriate. The 75% level is only one of four circumstances where provision would be considered low-cost, so the policy enables schemes with borderline viability to still bring forward workspace at a proportion below market rate by using one or more of the other types of low cost provision. The Glossary definition can be amended to clarify that "historic market rent" means market rent for the previous year, and to include reference to paragraph 7 of Policy B.4 (see LD/29).

20. Should Policy B5 be strengthened in the interests of generating more jobs locally and enhancing skill levels? For example, should targets for job creation (20% was suggested) be set, and should use of a local supply chain be sought for some developments? Should some minor as well as major developments be subject to s106 obligations? Are firmer monitoring arrangements required?

Policy B.5 is sufficiently strong to maximise participation in local skills and employment training and the use of local labour agreements, thereby securing benefits for local communities. Setting a target may not actually strengthen the policy, but could actually result in limiting the amount secured through negotiations of specific applications. The Legacy Corporation found through experience of applying a percentage-led proportion on the Legacy Communities Scheme that on some occasions this target could have been exceeded. It is therefore considered that setting a target could actually hinder what is achieved.

As set out above, the use of local supply chains would be very difficult to monitor and enforce, making the policy ineffective.

As proposed within minor modification 11 [LD/26], the policy will specify that S106 agreements may also be necessary for minor applications to secure commitments to employment skills, training and to opportunities for local residents. The Planning Obligations SPD will provide further detail for this and other planning contributions to be sought.

As proposed within minor amendment 127 of LD/26 the number of local jobs and opportunities within employment training initiatives were added to the monitoring table at Table 10. This will mean the Legacy Corporation will identify the overall amount being secured and highlight trends. The forthcoming Planning Obligations SPD will also set out how applicants are to report on compliance with S106 obligations which will cover local jobs and employment training

opportunities secured. Therefore it is considered that monitoring arrangements are adequate.

21. The supporting text to Policy B6 refers to convergence and the contribution that enhanced higher education can make to eliminating deprivation. How in practice might local people and schools be affected? Should the policy say more about achieving local connections?

The supporting text to Policy B.6 refers to the contribution higher education, research and development activity can make towards the aims of convergence. In practice this will mean the creation of job opportunities, access to education, and the impacts of investment and spend within the local economy.

The introduction of additional higher education, research and development facilities into the area will contribute to the local economy by providing thousands of direct jobs opportunities for the high-skilled workforce but also lower-skilled jobs within ancillary uses and servicing functions supporting the higher education, research and development activities. Through the application of Policy B.5 there will be high potential for securing job opportunities for local residents. It will also be a catalyst for further growth within the area enabling other supporting businesses to locate and expand. Other benefits will include infrastructure provision, investment channelled into the area and other indirect benefits such as the money spent within the local economy. In combination the introduction of these uses will enable the diversification of the local economy, key to the convergence agenda and the Vision and Objectives of the Local Plan.

The introduction of higher education facilities will be a benefit to the local community in terms of local access to facilities and education opportunities as well as providing opportunities for graduates to remain in the area. Other benefits to the local communities will be through the outreach works conducted by universities which can take the form of supporting those from most disadvantaged backgrounds to gain access to education, running specific short courses aimed at local people and access courses to enable local people without the traditional entry qualifications gain access to the opportunities available. This is also being demonstrated by the outreach work being conducted by University of East London (UEL) which includes access courses, community learning outposts and short-term courses aimed at up-skilling local people.

Being only the local planning authority and not the local education authority, the Legacy Corporation is unable to introduce education policies via its Local Plan. Therefore it is unable to determine or suggest the particular linkages to be made between schools and universities, nor with specific local businesses. However what it can do is ensure that the community benefits of the development are considered through the detail of the planning application, including potential for S106 agreements. Therefore it is not appropriate to include reference to local connections which would be difficult for the Legacy Corporation to apply.

TOTAL WORDS IN THIS STATEMENT: 2,856