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Employment Land Study

Final Report

August 2019

Contents

Appendices

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For and on behalf of GVA Grimley Limited t/a Avison Young

Executive Summary

- The London Borough of Waltham Forest (LBWF) is a dynamic borough which has experienced a phenomenal pace of change in recent years. Underpinned by excellent (and improved) accessibility key locations in the borough have been the focus for high housing demand which has spurred major new developments and a significant shift in the borough's population.
- In tandem with these shifts the borough's economy has also been changing, with an ongoing shift away from the traditional industrial and manufacturing base towards a more diverse range of activities driven by creative and digital businesses and entrepreneurs. The shift has been driven by a significant increase in the number of micro and small businesses locating and growing within the borough.
- Looking forward the borough's success shows no signs of slowing down, which will place significant pressure on the borough's finite land resources, leading to a requirement for the borough to promote innovation in terms of how growth needs can be met – ultimately the borough will be at the cutting edge of innovation in development delivery, a role it is already playing in London.
- In employment terms the GLA forecasts that the borough will need to accommodate over 8,100 jobs of the Plan Period to 2035 across all sectors, around a third of which would require new B class employment space – predominantly within office and light industrial typologies.
- This scale and nature of projected growth within the borough, if delivered at a high density utilisation of floorspace, would result in the need for an additional 52,000sqm of B class floorspace, split as follows:
  - 18,848sqm of office space;
  - 36,604sqm of distribution space
  - -4,215sqm of industrial space
- Whilst there is a clear need to reflect these forecasts in the Local Plan they do not necessarily reflect the trends of economic growth the borough has experienced in recent years in terms of the 'definitions' of employment space that is likely to be required. Our assessment is that, whilst the quantum of space seems reasonable, the way it is delivered may be different with a number of new and more 'mixed' typologies required including:
  - Distribution space that can accommodate a range of small to medium sized urban servicing activities. As the market matures this could include some forms of multi-storey development.
  - Industrious space that can accommodate businesses looking for a mix of light industrial, studio office, storage or even 'shopfront' space. This could take the form of the New London Mix typology where space is vertically co-located with residential.
  - High Density space that provides a range of space types, from small studio spaces, flexible co-working spaces through to larger office 'suites' in multi-occupier buildings.
- Each of these space types will have different locational requirements and therefore different parts of the borough will be attractive to developers and occupiers. This will require a different development approach in each broad location and within individual sites that responds to both the current context and how wider development trends will impact the place in the future.

- Looking ahead there are limited opportunities to create additional capacity within the designated employment sites without a strong focus on intensification of the existing floorspace provided, across the borough we recommend the following approaches are deployed:
  - The continuation of activity in its current form – this applies to locations where there appear to be limited opportunities to increase or intensify floorspace provision, or low potential to introduce new types of space. This requires no direct intervention beyond the continued protection of the site for employment purposes. Development proposals for these sites should be supported where then enhance the quality of the built stock and the environment within which buildings sit;
  - Intensification of floorspace provision – this applies to locations which will remain in solely employment use but offer opportunities (through a range of approaches) to increase the overall floorspace provision within specific sites. This intensification could take the form of increased activity of the same type or create opportunities to deliver new types of space and accommodate new activities;
  - Intensification and follow on co-location – a number of sites are currently underutilised and have the potential to be used more efficiently. Through this intensification process it may be possible to increase utilisation to the point where other parts of the existing site can be used for a wider mix of activity. This process of delivering intensified 'employment only' locations and then seeking co-location on the balance of land will be the necessary approach for SIL designation land in order to align with GLA Practice Note.
  - Enhanced space provision through co-location – residential/workspace co-location in single buildings is a relatively new proposition in London (albeit more established in other countries) however it is likely to become a vital component of the supply portfolio if future needs are going to be met. 'Side by side' co-location is more established and will also provide opportunities to retain/enhance provision and deliver new housing. There are a number of locations and sites within the borough where this approach is likely to be appropriate and attractive to occupiers, however it may require direct intervention (beyond policy) to demonstrate the market and unlock wider delivery.
- These approaches would affect the designated sites as follows:

Continued Employment Use	Industrial intensification	Intensification with Follow On Co-location	Co-Location
BEA12 Justin Road	BEA11 Waltham Park Way	SIL3 Blackhorse Lane	BEA9 Sutherland Road
SIL1 Hall Lane	BEA16 Cabinet Way	SIL4 Argall Avenue	BEA13 Highams Park
SIL2 North Circular Road	BEA18 Hainault Road	SIL5 Rigg Approach	LBWF11 Shaftesbury Court
BEA5 Etloe Road/ Simonds Road		SIL6 Lammas Road	BEA7 Heybridge Way
BEA15 Temple Mills Lane		SIL7 Former Town Gas Works	LBWF 36
BEA14 Montague Rd		BEA6 Church Road	BEA20 Lancaster Road Arches
BEA19 Hatherley Mews		LBWF20A New Triangle	BEA10 Clifford Road
LBWF22 Ravenswood Industrial Estate		BEA6 Church Road	LBWF7 Norlington Road
		BEA2 Sherrin Road	LBWF9 Skeltons Lane
		BEA17 Joseph Ray Road	BEA22 Barrat Road
		BEA1 Howard Road	BEA21 East London Office Centre
			LBWF14 Lea Bridge Gas Works

- Beyond these designated sites the borough should seek to encourage developers to deliver workspace in mixed use develop where viable elsewhere in the borough. This should include the network of town centres, where employment uses can help underpin their vitality in the future. this approach would help meet the need for a wider range of affordable and accessible space for small and start-up businesses and continue the ability of people to live and work in the same place.
- This would help address some of the challenges created in the economy by permitted development rights. Whilst individual sites are small, cumulatively the loss of office space has had a significant impact on total supply, affecting the ability of entrepreneurs and small businesses to start and grow locally. By encouraging workspace within new mixed use developments some of this capacity could be ‘replaced’.

1. Introduction

1.1 Avison Young has been commissioned by the London Borough of Waltham Forest (LBWF) to undertake the Waltham Forest Employment Land Study Update, building on the study completed in 2016.

1.2 This study provides a robust, guidance compliant employment evidence base to inform the spatial strategy promoted within the Council's emerging new Local Plan, establishing the strategic needs of the borough economy and a clear direction of travel for how best to utilise the available land assets in a viable and deliverable manner.

1.3 It goes beyond providing a standard evidence base, to explore opportunities for industrial intensification and co-location, and establish the nature of spaces and typologies that could be well suited to different parts of the borough. This investigates the evolution in thinking about the 'new London mix'[1] in the Waltham Forest context, and considers employment growth in balance with the increasing residential growth pressures exhibited throughout the borough.

Growth context

1.4 Waltham Forest is a dynamic and exciting borough. In recent years it has seen change on an unprecedented scale, both physically and in terms of the mix of people and businesses seeking to locate here. Driven by its excellent connectivity, range of property, high quality of life and vibrant town centre the borough continues to be a focus for development and regeneration, further adding to its attractiveness as a business location.

1.5 This success has, inevitably, brought a range of challenges to the borough. The demand for housing in particular places significant pressure on the borough's finite land resources and, in many places, has led to a significant loss in employment space. At the same time the borough is experiencing increased demand for a greater range commercial floorspace, meaning new types of space need to be accommodated alongside updating of the existing stock.

1.6 The Council has taken a positive stance in managing these challenges, promoting innovative mixed use development and protecting employment land in key locations for business needs. Through policy and direct intervention the borough has in many ways led the way in thinking about new ways to secure space, pre-empting the approach advocated in the new London Plan.

1.7 However, going forward it is clear further thinking is needed and, to ensure a sound approach is included in the new Local Plan, further analysis and evidence is required to understand how future needs are best met given likely growth trajectories. Critically further consideration of how the borough can respond to the direction set by new London Plan in relation to industrial intensification and how a plan led approach to its execution can secure maximum benefits for economic growth locally.

[1] *'Places that Work' report:* https://www2.avisonyoung.co.uk/media/38522/places-that-work-summer-2018-web.pdf

Study Approach

1.8 As explained in the Baseline Report, our approach to the Study is split into three key stages, undertaking quantitative analysis (Stage 1), interpretation of analysis (Stage 2) and establishing strategy (Stage 3).

1.9 The majority of the Stage 1 quantitative analysis is presented in the preceding Baseline Report focusing on; reviewing relevant existing evidence base, policy and strategy documents; and updating existing socio-economic and property market data.

1.10 This Employment Land Study Report builds on the robust baseline analysis to deliver the analysis and recommendations required to inform the borough's spatial strategy and support the emerging New London Plan. This presents the remaining Stage 1 quantitative analysis, alongside the Stage 2 interpretation and Stage 3 strategy development, and is structured as follows:

- **Section 2: Demand Analysis**

  The employment land demand position is established in this Section through demand projections using the latest economic forecasts, updated since the 2016 Study. This first establishes past economic performance in the borough to gain an initial insight into how the market may drive demand in the future. Baseline demand projections are then established followed by sensitivity testing to account for different types of growth within the borough. This sensitivity testing has been undertaken as an iterative process throughout the study to test how different forms and locations of growth and development can result in different land and site utilisation, and establish the physical delivery of different mixes of employment activity (through variations in employment densities).

- **Section 3: Supply Analysis**

  This section presents our updated understanding of the borough's employment site portfolio. Give the depth of the previous site survey work undertaken; there has been no requirement to re-visit the detailed site surveys from 2016 where site character, location context, accessibility etc. is concerned. However we have updated the understanding of vacancy levels and the nature of business activity and mix on sites, through analysis of planning data, property database sources, information provided by the Council, and further informed by the recent Industrial Area Audit completed for the borough in November 2017.

- **Section 4: Future Employment Land Strategy**

  This section draws together the interpretation of all analysis undertaken as part of the study to establish the employment land strategy for the borough. This starts by determining the supply-demand balance and subsequent employment land requirements for the borough, before establishing the nature of employment space requirements (in relation to typology, size and other requirements), and the spatial options for accommodating employment growth (reflecting key employment clusters, area-specific typology opportunities, and the employment role of town centres). The section then sets out a series of recommendations for site-specific employment opportunities involving continued employment use, industrial intensification and co-location, as well as opportunities to deliver employment floorspace in new locations, and where there is the potential for redevelopment and relocation to facilitate intensification and co-location.

- **Section 5 – Recommendations**

  This final section sets out the recommendations of the Study, confirming the form and quantum of future land requirements and the core approach to meeting these needs on a site by site basis. Section 5 also sets out an understanding of the most appropriate locations to consider proactively seeking to achieve development that secures an intensification of employment activity. Finally the section reviews the employment land evidence in light of the GLA's Industrial Intensification Practice Note as a 'checklist' to allow any future studies and strategies to move forward from.

1.11 The overall strategy will advise on locations for different types of economic growth as part of the borough's major planned regeneration, drawing on the Industrial Intensification Guidance Note underpinning New London Plan policy E7 to provide strategic advice on intensification and co-location opportunities, delivery of new floorspace outside designated sites, protection of employment only designations to maintain economic capacity, and site redevelopment opportunities accompanied by the relocation of activities to other locations.

1.12 This provides the Council with clear guidance on the future employment land strategy for the borough (and the spatial implications this may have for residential development), providing the base information required by GLA policy and guidance to pursue a masterplan approach to change within employment areas.

2. Demand Analysis

Baseline Analysis

2.1 Demand analysis is informed by key findings of the initial baseline report, produced by Avison Young in March 2019.

2.2 This baseline establishes the socio-economic context in Waltham Forest and aim to highlights relevant changes that have happened since the last employment land review, produced in 2016. The baseline analysis also provides an overview of the current state of the property market in the borough.

2.3 Waltham Forest is a dynamic and exciting borough. In recent years it has seen change on an unprecedented scale, both physically and in terms of the mix of people and businesses seeking to locate here. Driven by its excellent connectivity, range of property, high quality of life and vibrant town centre the borough continues to be a focus for development and regeneration, further adding to its attractiveness as a business location.

2.4 This success has, inevitably, brought a range of challenges to the borough. The demand for housing in particular places significant pressure on the borough's finite land resources and, in many places, has led to a significant loss in employment space. At the same time the borough is experiencing increased demand for a greater range commercial floorspace, meaning new types of space need to be accommodated alongside updating of the existing stock.

2.5 It is clear that an understanding of how future needs can be best met given likely growth trajectories is needed to ensure a sound approach is included in the new Local Plan.

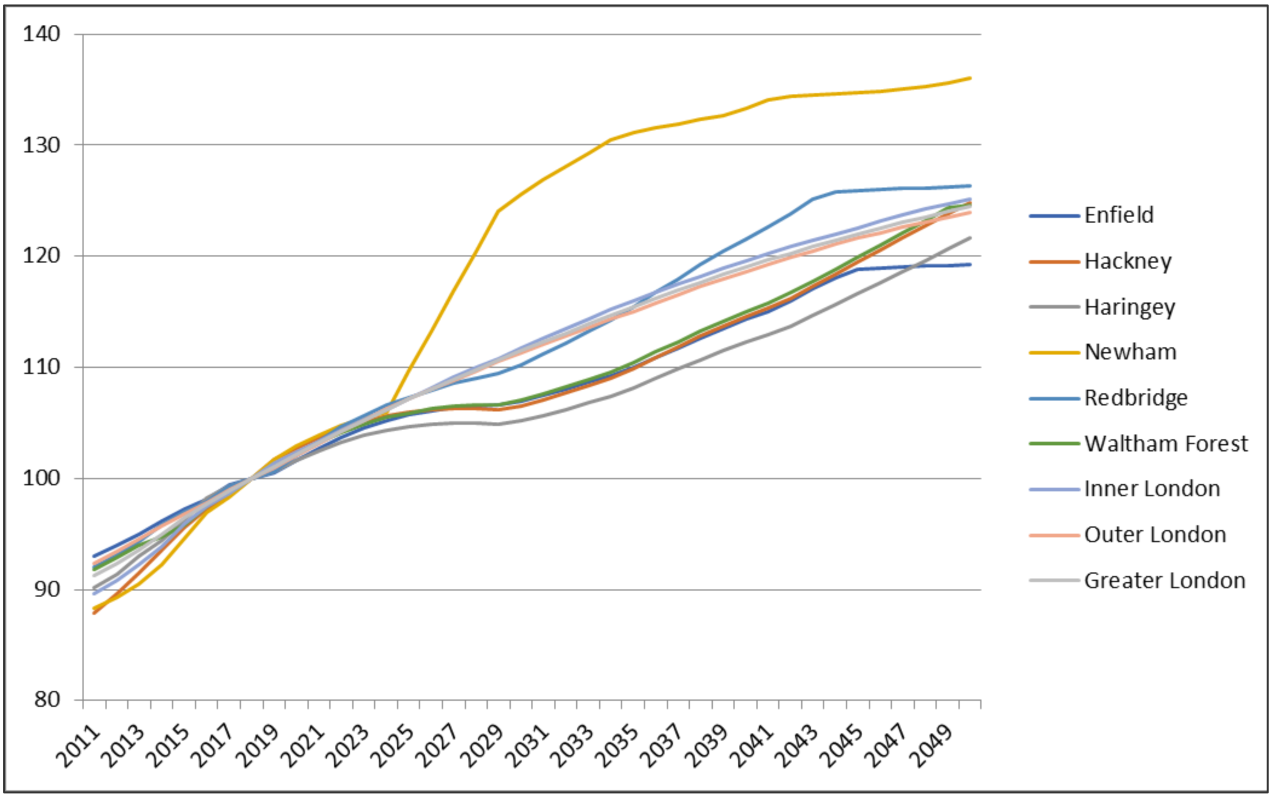
2.6 Waltham Forest is characterised by a diverse and growing population. The latest estimate published by the ONS gives a total population of 275,500 in 2017 and growing annually by 1.4% in average since 2001. This makes of Waltham Forest one of the fastest growing boroughs in the wider area (Waltham Forest and neighbouring boroughs) and indicates a faster growth rate than observed in Greater London (1.2% annually) or Outer London (1.1% annually).

2.7 The population in Waltham Forest is also young in comparison with the average observed in London, with circa 22.1% of residents aged 16 or below (20.5% in Greater London and 21.6% in Outer London) and this trend has been amplifying over time.

2.8 We have observed a small shift in its demography, with an increasing number of people on both ends of the population pyramid (persons under 16 and the elderly). Since 2011, the proportion of working age persons has decreased by 1.3% (proportionally to the total population) to the profit of the share of residents aged 16 or less mainly (+0.8%).

2.9 Population is forecasted to grow at a steady pace, with an estimated additional 23,000 people living in the borough by 2035 as shown in Figure 1.

Figure 1: Population Projection Index (2018 = 100)



Source: GLA DataStore

2.10 The borough is an important destination for international migration in London, with a net increase of 4,000 international migrants living in Waltham Forest in 2016/17. This compared to a net increase of 2,285 in 2003/02. Meanwhile, the net migration in Greater London was established at 92,320 persons in 2003/04 and reduced to 83,490 in 2016/17.

2.11 These figures show the increase in interest for Waltham Forest as a destination and place to settle for international migrant arriving in the capital.

2.12 The 2011 Census indicates that 24.7% of the population in the borough was made of foreigners, slightly above the London average of 22.4%. This rate varies hugely from one borough to the other (with just 5.1% in Havering and 37.7% in Kensington and Chelsea). The origin of foreign residents also varies hugely from a borough to another.

2.13 Employment figures have significantly improved over the past years, as the economy recovered from the 2008 financial crisis. The employment rate for Waltham Forest established at 79.2% in 2018, the highest rate in the wider area. The rest of the population is either in unemployment (2.8%) or inactive (18%).

2.14 Waltham Forest had one of the higher increases of the proportion of persons in employment between 2011 and 2018 amongst other boroughs in the wider area, with Newham being the only borough outperforming Waltham Forest (which benefited from the 2012 Olympic Games).

2.15 Between 2011 and 2018, the share of 16-64 years old in employment has increased by 7.3%, whilst the proportion of self-employed increased by 3.3%. On the other side, the share of persons in unemployment decreased by 5.1% and the share of people economically inactive decreased by 5.5% (see Table 1).

2.16 Unemployment rate of the 16-64 fell between 2011 and 2018 from 10.4% to 3.4%, the lowest rate

Table 1: Economic Status and Employment, % change in share of total population 16-64 between 2011 and 2018

	% aged 16-64 who are employees	% aged 16-64 who are self employed	% aged 16-64 who are unemployed	% who are economically inactive - aged 16-64
Enfield	4.2%	1.4%	-4.0%	-1.6%
Hackney	1.6%	2.0%	-2.0%	-1.6%
Haringey	4.2%	9.5%	-5.0%	-8.7%
Newham	10.2%	6.4%	-6.6%	-10.0%
Redbridge	4.9%	1.2%	-3.1%	-3.0%
Waltham Forest	7.3%	3.3%	-5.1%	-5.5%
Inner London	4.3%	2.7%	-2.8%	-4.1%
Outer London	4.1%	3.4%	-3.3%	-4.2%
Greater London	4.2%	3.1%	-3.1%	-4.2%

Source: ONS Annual Population Survey

2.17 However, the level of qualification achieved by the population remains low. The borough has a polarised skill base with 30% of the working age (aged 16-65) having Level 4 qualifications and 25% of the population with Level 2 qualifications. It has a significantly high proportion of population with no qualifications at 21%, which is second highest among the benchmark areas after Enfield.

2.18 This is reflected somehow by the relatively high proportion of residents employed in elementary occupations (12.5% compared to 9% London average) and lower than average (London average) income. Table 2 provides a breakdown of the distribution of residents by level of occupation.

Table 2: Distribution of Residents Occupations, 2011

	managers, directors and senior officials	professional occupations	associate prof & tech	administrative and secretarial	skilled trades	caring, leisure and other service	sales and customer service	process, plant and machine operatives	elementary occupations
Enfield	8.1%	24.6%	15.2%	10.3%	11.9%	8.5%	5.7%	5.2%	9.4%
Hackney	11.4%	27.9%	22.3%	10.3%	4.3%	5.6%	5.4%	3.2%	8.2%
Haringey	10.1%	25.9%	16.8%	7.8%	8.1%	7.2%	5.9%	2.3%	14.6%
Newham	7.7%	14.0%	9.7%	8.2%	12.6%	8.9%	12.8%	7.8%	17.5%
Redbridge	12.7%	21.5%	16.5%	14.9%	6.8%	5.9%	7.6%	6.3%	7.0%
Waltham Forest	9.8%	19.2%	11.7%	11.3%	10.6%	9.0%	9.8%	6.1%	12.5%
Inner London	11.8%	27.7%	21.8%	8.9%	5.0%	7.0%	6.2%	2.6%	8.1%
Outer London	11.1%	21.6%	15.3%	11.9%	9.1%	7.8%	7.6%	5.2%	9.8%
Greater London	11.4%	24.1%	18.0%	10.6%	7.4%	7.5%	7.0%	4.1%	9.1%

Source: ONS Census 2011

2.19 The average gross weekly earnings in Waltham Forest was £622.90 in 2018; this is along the lower end of the comparative trend and is significantly below London's average of £670.80 (weekly gross pay).

2.20 However, the average gross weekly earnings grew at the fastest rate (2.8% annually) within the wider area between 2012 and 2018 and outperformed the London average growth (1.5%). This could show a shift of employment towards more qualified occupations (and higher paid jobs) since 2011.

2.21 As a consequence, the borough remains one of the most deprived boroughs in England. Waltham Forest is the 15th most deprived boroughs in England in 2015 (IMD 2015), a position that hasn't changed since the previous IMD ranking of 2010 and worsen from 2007 (when the borough was ranked 27th).

2.22 Job density, defined as the number of jobs in the area divided by the number of residents is the same area, is increasing but remains low compared to some other boroughs and employment is still heavily reliant on public sector jobs, which represented 21.2% of all jobs in the borough in 2017 (compared to 14.4% in Greater London).

2.23 With a job density of 0.47 in 2017, it is not surprising to observed a net deficit in the commuting pattern for Waltham Forest, with an estimated 30,419 persons commuting to the borough (from outside the borough) for work and 72,226 commuting from the borough to elsewhere for work. This net deficit has increase between 2001 and 2011 by circa 14%, an increase comparable to the population growth.

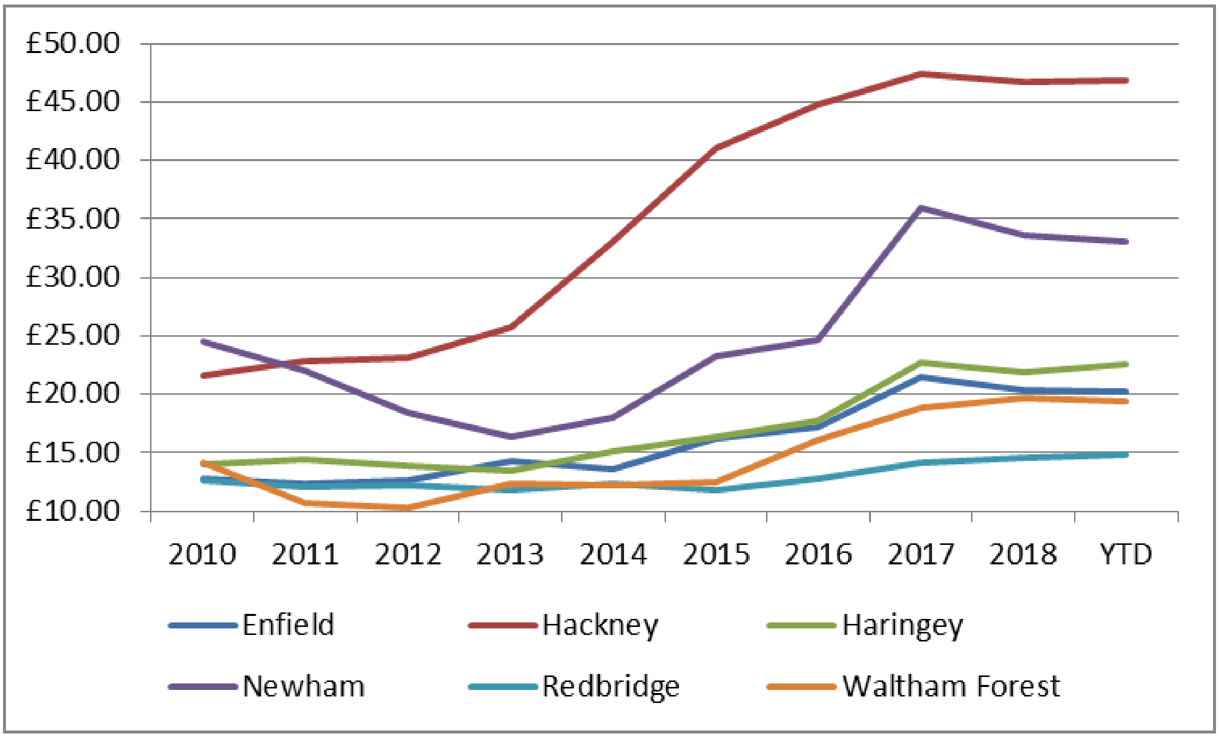
2.24 Important sectors to support employment in Waltham Forest include retail trade, human health and social work activities, administrative activities, education, construction, transportation and storage, accommodation and food service activities, professional, scientific and technical activities, industrial and manufacturing activities, and professional, scientific and technical activities. Together, these activities provide 85.9% of all employment in the borough.

2.25 We however see a contraction in the number of jobs in manufacturing activities in recent years, whilst activities such as storage and warehousing have increased. Retail activities are also declining in the recent years.

2.26 The Location Quotient analysis shows the high concentration and clustering of manufacturing activities in the borough as well as other types of activities often related or within the light industrial range of activities.

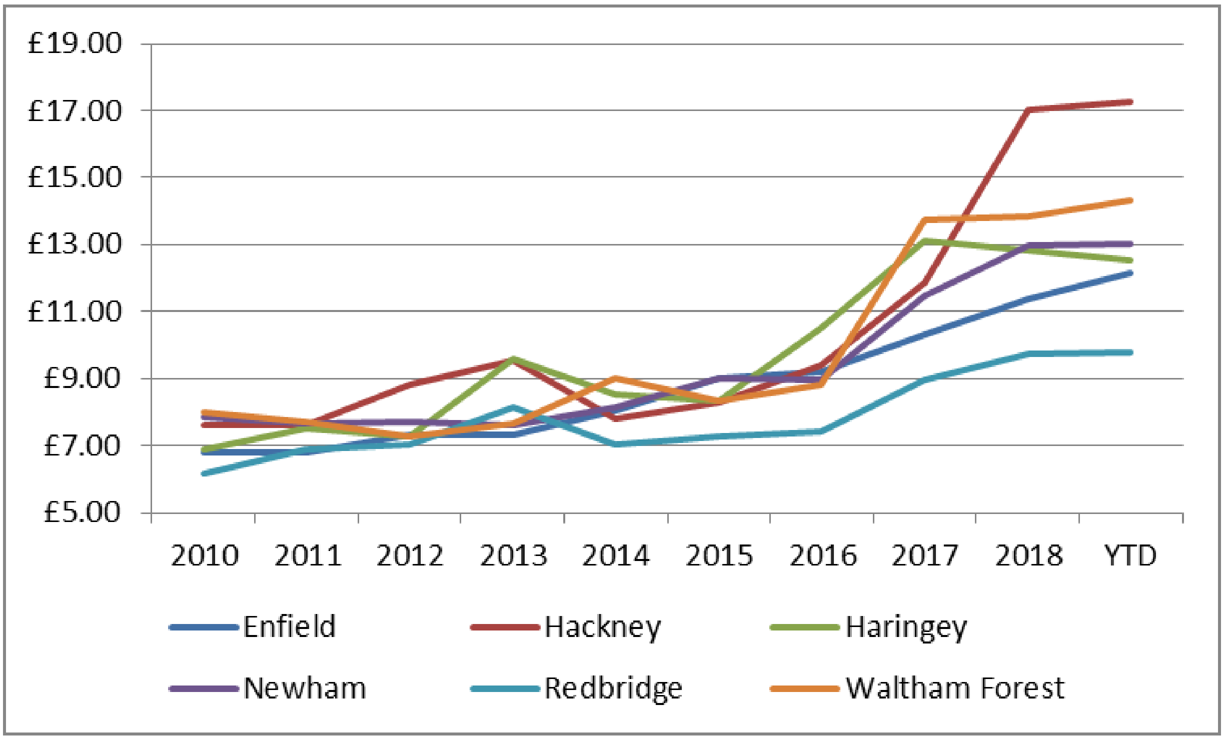
2.27 This is reflected in the market analysis, and comparison between office and industrial space in the borough. Whilst price of office space are kept relatively low despite low level of vacancy, cost of industrial space is relatively high despite low but higher vacancy rate than for office space and very low quality of the stock.

Figure 2: Office Space Average Rent per SF per Year



Source: CoStar, February 2019

Figure 3: Industrial Space Average Rent per SF per Year



Source: CoStar, February 2019

2.28 Additionally, the low level of leasing activities, low floorspace delivery and low net take-up of office space are indicators that reinforce the industrial character of the borough and the role of industrial activities to support the local economy.

2.29 Economic activity in the borough has been driven by micro and small businesses, which represent the majority of businesses and employment in Waltham Forest.

2.30 Again, this is reflected in property market analysis, which has noted a slight decrease in average space leased out over time.

2.31 The key external influences on the borough's employment growth and floorspace requirements in the 2016 study broadly hold true, as identified below:

- the increasing and improving connections of Waltham Forest economic activity to London growth poles (Kings Cross, Knowledge Quarter, Mid Town, Here East, iCity, QE Olympic Park, City / Liverpool Street / Broadgate)
- the location transition of the tech and creative sectors which are facing significant price and space pressure in the City Fringe and Hackney, driving the emergence of new makers, crafts and art businesses in the Upper Lea Valley
- the residential market shift which is seeing rapid growth in values resulting in the trend of households growing up and out from Inner London bringing a new cohort of economically active and ambitious skilled residents to the borough.
- the advantageous logistics position of the borough (particularly in relation to the M11, the North Circular and the canals) which is likely to see a new role and requirements of its employment land for servicing the growing local and London-wide population.
- The emerging policy steer established through the Draft New London Plan position on no net loss of employment floorspace for designated sites, and its emphasis on industrial intensification and co-location through Policy E7

2.32 To understand the potential nature of employment growth in Waltham Forest we need to draw together the understanding of the borough's current economic and property market dynamics with these wider influences which reflect the changing nature of the London economy.

2.33 The potential scale and nature of employment growth within the borough over the plan period is the other key element required to understand the range and portfolio of future employment land and floorspace, and inform policy development to ensure sufficient spatial provision of land and sites to accommodate expected growth.

2.34 The following growth forecasting establishes the 'reasonable alternatives' for potential future growth, setting out the borough's most likely growth expectations in terms of total quantum and the likely mix of activity that makes up this total.

Forecasting approach

2.35 To update the economic forecasting undertaken in the 2016 study, the same approach towards employment growth forecasts is followed using two different bases to understand the potential impacts of different perspectives of growth.

2.36 A 15 year forecasting period of 2018 – 2035 is used to align with the emerging New Local Plan period for the borough.

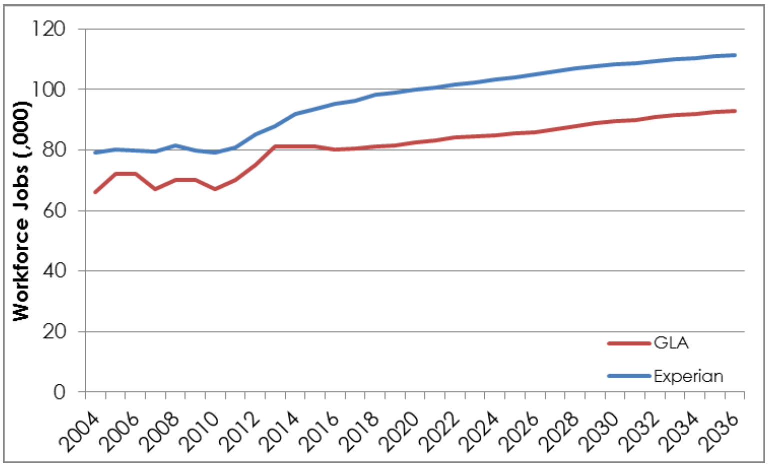
Base forecasts

2.37 The first base forecast is drawn from the GLA Employment Projections (2017) as set out in the London Labour Market Projections 2017[2] published by GLA Economics. As stated in the accompanying report; "Borough employee projections combine trend projections and an assessment of employment site capacity of individual boroughs". These projections reveal the updated considerations from the GLA on future economic growth, which underpin the Draft New London Plan. However, this base forecast also has significant limitations as it does not provide an understanding of future growth by activity or sector at the borough level, which means it cannot be directly translated into floorspace requirements.

2.38 To overcome this issue, we have also used a second base forecast drawn from Experian's latest December 2018 Local Market Forecasts, which provide borough level projections across 38 categories representing B and non-B class sectors. This is consistent with the approach used in the previous 2016 study. The Experian forecasts factor in demographic trends and future expectations and changes, therefore reflecting expected shifts in age profiles and economic activity rates. The model uses a base population projection that is consistent with those used by DCLG and interprets their outputs to forecast the influence the complete basket of demographic factors have on employment rates in any location.

2.39 As shown in Figure 4, there is variation in the level of employment growth expected in the borough over the period to 2036 between the GLA and Experian total growth forecasts, largely as a result of the differing 'starting point' in terms of current jobs considered to be in the borough. This difference will have implications for the scale of floorspace needs generated, which we are addressing through our forecasting approach.

Figure 4: GLA and Experian base forecast jobs growth (2004-2036)



Source: GLA Economics & Experian, 2019

Sector-specific growth distribution

2.40 The use of two forecasts also helps to understand the potential sectoral distribution of employment growth. The Experian forecast provides estimates for 38 economic sectors across the full range of activity types which align to Standard Industry Classification (SIC) codes, allowing them to be translated into floorspace

[2] https://www.london.gov.uk/sites/default/files/llmp-2017-final.pdf

requirements and aligned with planning use classes. The GLA Borough-level forecasts only provide a total level of employment, with no sectoral breakdown available beyond that provided for London as a whole, which is clearly not relevant for individual boroughs. Whilst the total level is helpful to understand the scale of growth it is not able to be translated directly into employment activities and therefore space types and requirements.

2.41 To enable a consistent understanding of floorspace requirements to be developed we have translated the total employment figure provided by the GLA into the 38 sectors used by Experian. To do this we have calculated the share of employment within each sector for each year of the forecast within the Experian model and applied these to the GLA jobs figure. This allows employment to then be translated into floorspace types.

2.42 The employment land requirement forecast uses this detailed sector breakdown as the basis for aggregating groups of activity into land use types. This approach provides a land and floorspace requirement for office (B1a/b), industrial (B1c/B2) and warehousing (B8) activity. Whilst this approach aligns with the guidance provided by the NPPF and NPPG and provides a robust basis for planning purposes, future demand and delivery is not always as neatly categorised, as explored through the qualitative consideration of floorspace typologies and the nature of activity they support in Section 4.

Calculating floorspace and land requirements

2.43 Again similarly to the 2016 study, a number of assumptions are applied throughout the forecasting exercise in order to determine future employment land requirements.

2.44 The job creation forecasts are translated into additional floorspace requirements using employment density assumptions in line with the latest HCA Density Guide (Third Edition 2015), also reflecting our understanding of the nature of current and likely future economic activity in the borough and the subsequent occupier requirements within these activities:

- B1a/b (office) – 12 sqm per employee (NIA). This reflects a potential mix of professional services, TMT and other corporate activities – albeit all at a relatively small scale.
- B1c/B2 (light industrial) - 36sqm per employee (GIA). This reflects the on-going demand for industrial space and also provides a reasonable mid-point estimate for future studio and creative workshop requirements (such as the planned density for Maker Spaces)
- B8 (industrial) – 70sqm per employee (GEA). This reflects the likely distribution role as a location for final mile activities rather than strategic distribution.

2.45 GEA figures are used when translating floorspace into land requirements, so for B1a/b (NIA) and B1c/B2 (GIA) floorspace which do not constitute GEA figures, these are increased by 20% and 5% respectively. To translate the GEA floorspace estimates into land requirements plot ratio assumptions are then used, which reflect the standard site coverage of development with allowance for parking, access, servicing etc.:

- B1a/b – 1.5
- B1c/B2 – 0.4
- B8 – 0.4

2.46 The assessment of employment land requirements usually makes allowances for windfall losses (employment floorspace lost to other activities) and churn (accepted level of 'healthy' vacancy required to enable the movement of businesses within current stock), however this is not the case in this assessment.

2.47 As was the case in the 2016 study, based on our understanding of the employment supply and losses within Waltham Forest we do not believe it is appropriate to plan to replace all floorspace that has been, or is planned to be, lost across the borough. Losses have occurred where stock was under-utilised or did not met occupier requirements, which means it was not making a significant positive contribution to the economy, and would not cause displacement from other sites. The policy approach to meeting future growth should therefore seek to identify and allocate new provision rather than attempting to reinstate space that is not fit for purpose, or is surplus to requirement due to the loss of specific businesses from the borough. As such no allowance for windfall has been made in this assessment.

2.48 Whilst an allowance for churn was made in the 2016 study, this is not the case here. Instead it is assumed that a naturally occurring level of vacancy in stock will continue in the future, without the need for identifying a specific amount of floorspace to enable movement of businesses between stock.

Experian baseline forecast

2.49 This first base forecast used to understand the nature of potential growth within Waltham Forest is drawn from Experian and their borough-specific sector forecasts.

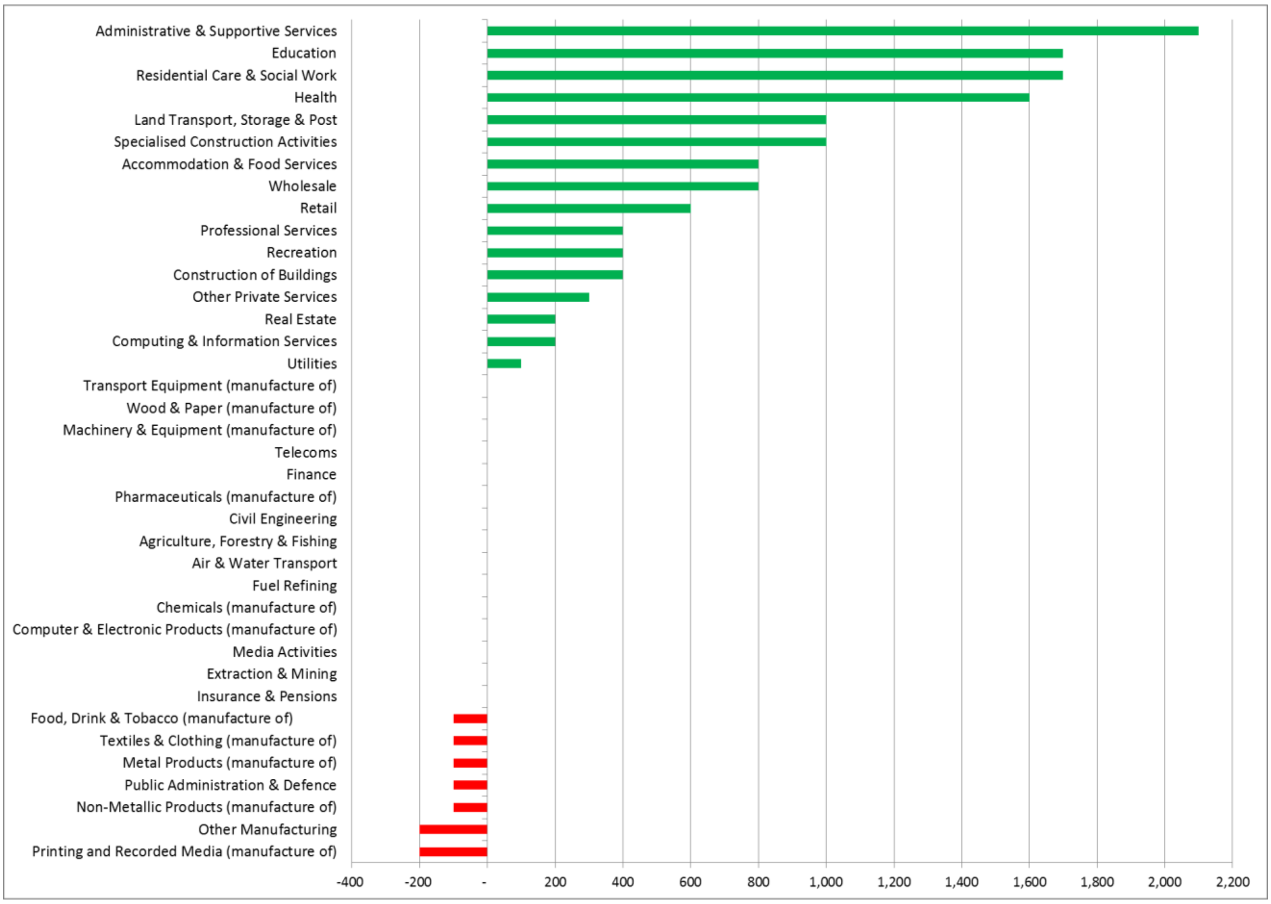
Employment sector growth

2.50 As shown in Figure 5, there is an uneven distribution of jobs growth across the 38 Experian sectors for Waltham Forest, over the 2018 – 2035 projection period.

2.51 The sectors which show the greatest levels of positive growth are; administrative & supportive services (2,100 jobs); education (1,700 jobs); residential care & social work (1,700 jobs); and health services (1,600 jobs). Sectors which relate particularly to B class employment activity such as specialised construction activities, construction of buildings, professional services and computing & information services, are also showing growth over the period. However, a number of sectors accommodating B class employment activity such as a range of manufacturing activities and media activities show zero growth levels over the period.

2.52 In contrast the sectors showing the greatest projected decline in job numbers over the period are printing & recorded media (-200 jobs); other manufacturing (-200 jobs); manufacture of non-metal products (-100 jobs); manufacture of metal products (-100 jobs); manufacture of textile and clothing (-100 jobs); manufacture of food, drinks and tobacco (-100 jobs); public administration and defence (-100 jobs).

Figure 5: Experian based sector jobs growth (2018 - 2035)



Source: Experian, December 2018

2.53 The growing and shrinking sectors show the dominance of sectors linked to the ongoing expansion of the borough population in driving economic growth, those services that are required to serve a resident population (Residential Care, Health, Education) are amongst the most significant growth areas. To an extent the growth in construction employment reflects the same drivers as a result of the large building programme that is occurring in the borough.

2.54 Despite its character and context sector forecasts also suggest that the borough will be subject to similar influences as the national economy, with an anticipated growth in distribution activities and the professional services in particular.

2.55 The borough's industrial activity will see some contraction however many sectors are expected to be stable over the plan period, suggesting the borough will retain an industrial economy. Some services will grow, including professional services and elements of the 'tech sector' (as represented by Computing and Information Services).

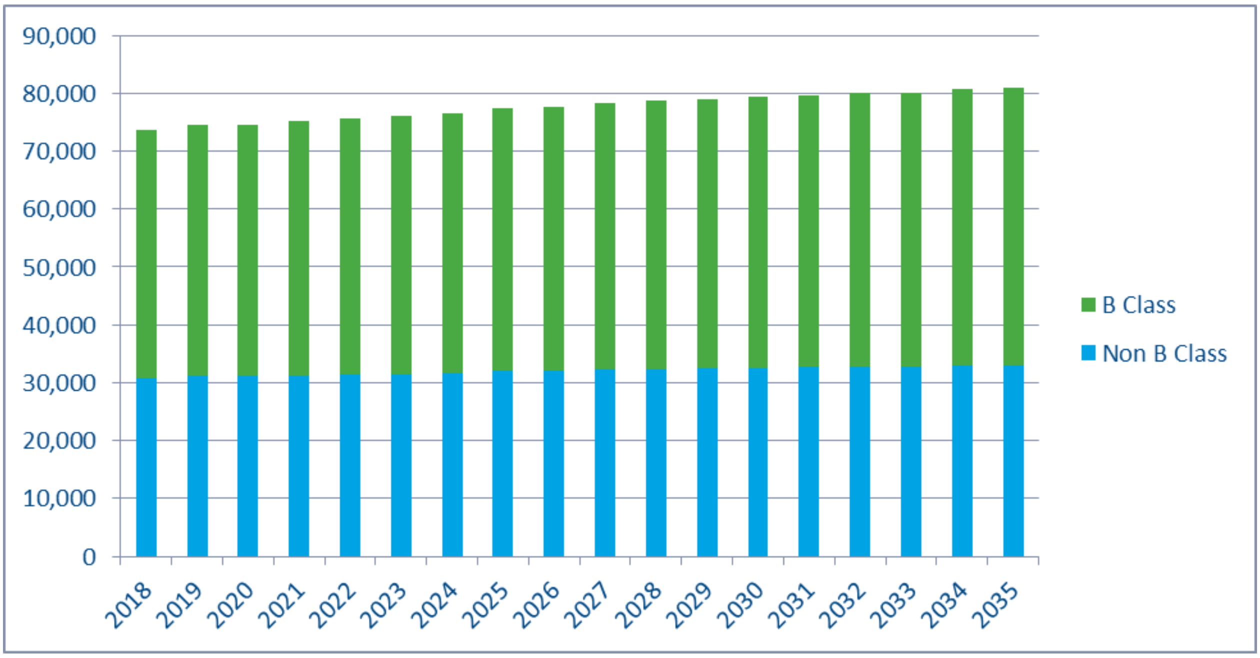
2.56 Overall it is likely that the borough's economy will change in terms of the balance of jobs between service and production based activity although this is unlikely to as significant as the shifts that have occurred elsewhere in London, suggesting the borough will require a range of employment spaces.

Employment, floorspace and land requirements[3]

2.57 The Experian base forecast suggests employment growth of 7,200 FTE jobs delivered within Waltham Forest between 2018 and 2035, an increase of 9.8%. Of this total growth approximately 70% of employment will be within non-B class sectors and, in theory at least, not accommodated within designated employment land.

2.58 In B class terms approximately 2,196 new FTE jobs will be created within Waltham Forest, a total increase of 7%. The forecast indicates that 72% of these jobs would occur within B1a/b, with a further 27% in B8 space, whilst employment in B1c/B2 space would contract.

Figure 6: Experian base forecast jobs by non-B and B class

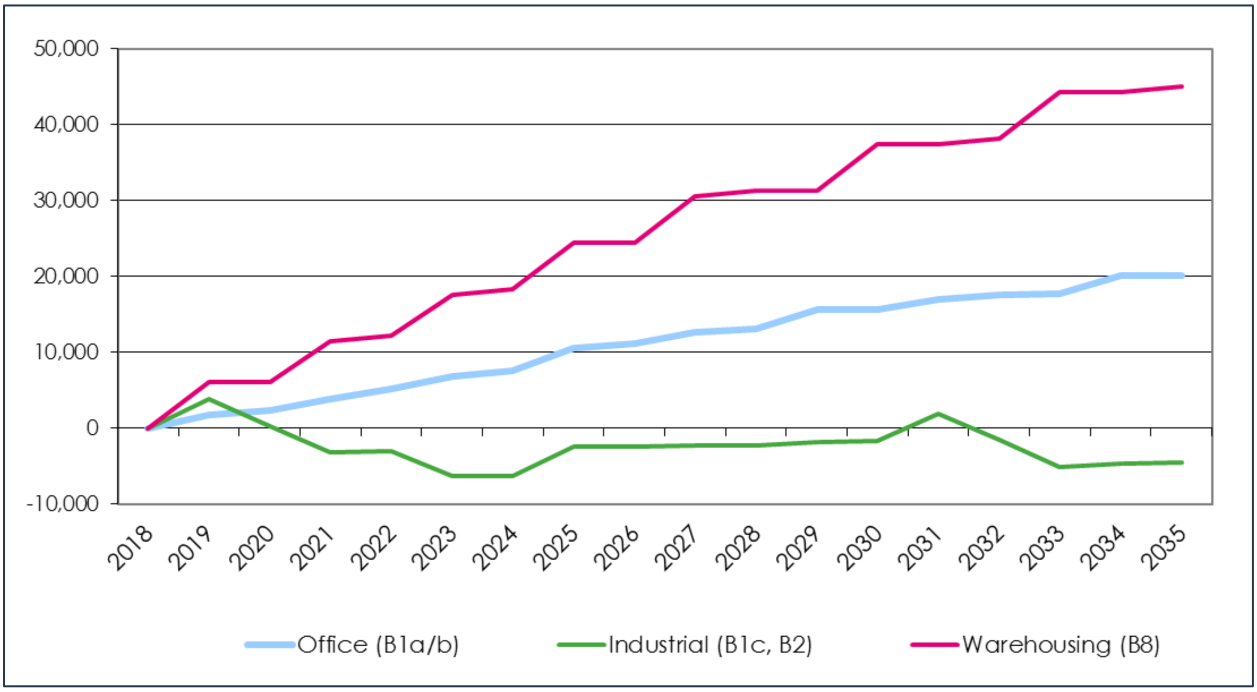


Source: Experian, 2019

2.59 Translating this into floorspace requirements would result in the borough needing to provide a total floorspace requirement of 60,600sqm to 2035 of B-Class space, driven by a significant requirement for 'office' small business space 20,150sqm, and a requirement for warehouse floorspace 45,000sqm.

[3] *Note: All floorspace figures rounded to the nearest 50sqm*

Figure 7: Experian base forecast B class floorspace requirement by type (additional sqm from 2018)



Source: Experian, 2019

GLA baseline forecast

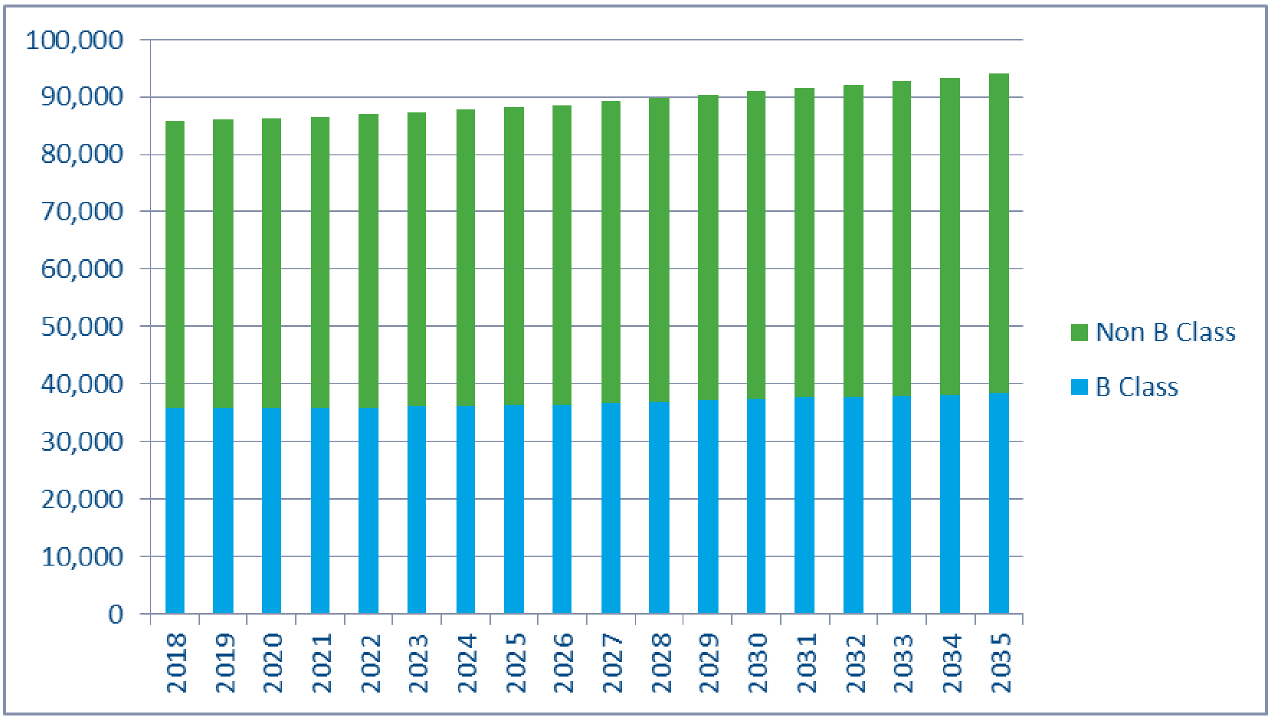
2.60 This second base forecast used to understand the nature of potential growth within Waltham Forest is drawn from the GLA's borough-specific total employment forecasts, translated into sectors based on Experian's estimate of sector-based employment shares.

Employment, floorspace and land requirements

2.61 Having made the required translations using Experian data in order to achieve forecasting consistency (as already explained), the GLA base forecast suggests employment growth of 8,118 FTE jobs delivered within Waltham Forest between 2018 and 2035, an increase of 9.5%. As shown in Figure 8, of this total growth approximately 68% of employment will be within non-B class sectors and, in theory at least, not accommodated within designated employment land.

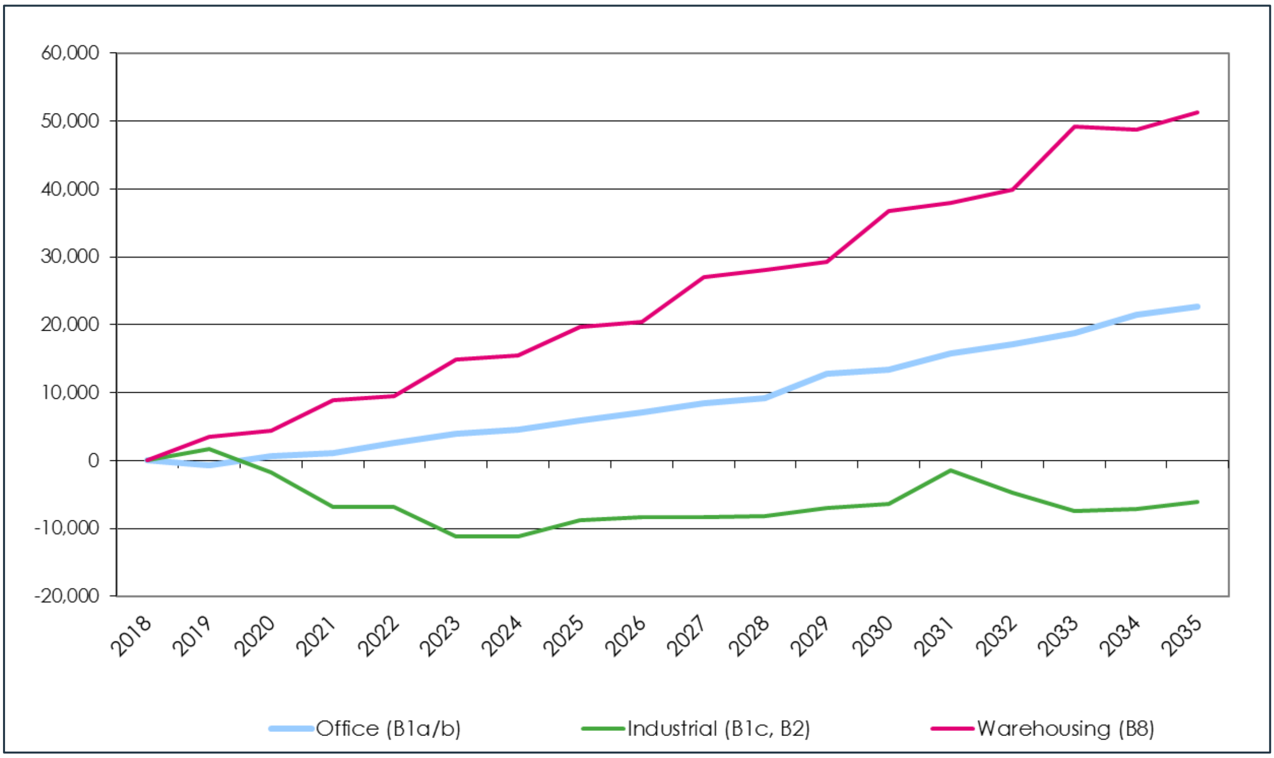
2.62 In B class terms approximately 2,448 new FTE jobs will be created within Waltham Forest, a total increase of 6.8%. As is evident from Figure 9, the forecast indicates that 72% of these jobs would occur within B1a/b, with a further 28% in B8 space, a small decline in employment within B1c/B2 space.

Figure 8: GLA base forecast jobs by non-B and B class



Source: GLA Economics & Experian 2019

Figure 9: GLA base forecast B class floorspace requirement by type (additional sqm from 2018)



Source: GLA Economics & Experian 2019

2.63 This equates to a total floorspace requirement of 67,800sqm to 2035 of B-class use, driven by a significant requirement for 'office' small business space (22,500sqm), and a requirement for warehouse floorspace (51,250sqm).

Baseline floorspace requirements

2.64 Table 3 compares the job, floorspace and land outputs between the Experian and GLA baseline forecasts, set against the constants established to inform all base forecasting.

2.65 There is close similarity between the outputs for jobs, floorspace and land overall, and considering the split between office, industrial and warehouse requirements. The GLA baseline forecast shows a slightly higher requirement for office and warehouse space than the Experian data, but this is somewhat offset be a more significant forecast decrease in industrial space requirements.

Table 3: Base Floorspace Projection Results (2018-2035)

	Constant		Experian			GLAE		
	Employment Density (sqm per job)	Plot Ratio	Jobs	Floorspace	Land	Jobs	Floorspace	Land
Office (B1a/b)	12	1.5	1,680	20,154	2	1,885	22,618	2
Industrial (B1c, B2)	36	0.5	-127	-4,570	-1	-169	-6,070	-1
Warehousing (B8)	70	0.4	643	45,031	11	732	51,245	13
Total			**2,196**	**60,615**	**12**	**2,448**	**67,793**	**13**

Source: Experian, GLA Economics & Avison Young analysis, 2019

Sensitivity Testing

2.66 The figures presented above represent a base understanding of employment growth. However, these are very much based on a series of national assumptions in terms of how jobs are translated into floorspace and do not take into account London or Waltham Forest specific dynamics in terms of how businesses utilise space or the particular sub-types of activity that the market is likely to deliver in the borough specifically.

2.67 To understand these more localised elements and their impact on floorspace requirements better we have prepared a series of sensitivity tests that seek to better reflect the local circumstances that have been unveiled through the course of this study or through other evidence made available by the Council.

2.68 The sensitivity tests do not seek to change the base employment projections or sector shares as these broadly align with market trends and local expectations in terms of mix, and also reflect the London-wide dynamics in terms of overall scale.

Sensitivity 1

2.69 The first sensitivity test seeks to adjust the base GLA forecast to better reflect the nature of warehousing activity that is likely to occur within the borough. As recognised within the HCA Density Guide warehousing represents a whole range of activities, from self-storage through to National Distribution Centres, depending on which part of the sector operates in an area employment densities can vary significantly.

2.70 Direct distribution has seen phenomenal growth in the last decade within the UK and London specifically as people shift to online shopping (and hence place increased demand on direct delivery services) and shops carry less stock and rely on more frequent replenishment. In London this has driven growth in the logistics sector, however growth has not been identical in all locations.

2.71 Outer London, where land is in more plentiful supply (and therefore cheaper) and there is direct access to the motorway network a series of large distributions centres operated by the likes of Amazon, DPD, Tesco etc have been developed to service the city. However, closer in where land is more scare (and hence expensive) but provides greater density of population (and therefore customers), smaller 'final 'mile' centres have been delivered.

2.72 Waltham Forest falls into the latter of these two London markets, particularly to the south and east of the borough where operators have proximity and access to east, north and central London, it is this type of development we would expect to come forward in the future.

2.73 Employment densities in this offer tend to be higher, partly as a result of lower automation and partly as a result of the presence of more delivery drivers. In some areas these densities can be almost equal to a studio or lower density office, but generally they tend to remain lower, at around 50sqm per employee.

2.74 To model this we have changed the Warehouse assumption in the model, the results are presented below.

	Constant		Experian			GLAE		
	Employment Density (sqm per job)	Plot Ratio	Jobs	Floorspace	Land	Jobs	Floorspace	Land
Office (B1a/b)	12	1.5	1,680	20,154	2	1,885	22,618	2
Industrial (B1c, B2)	36	0.5	-127	-4,570	-1	-169	-6,070	-1
Warehousing (B8)	50	0.5	643	32,165	6	732	36,604	7
Total			**2,196**	**47,749**	**7**	**2,448**	**53,152**	**8**

Sensitivity 2

2.75 The second sensitivity builds on the first but also recognises that the assumption that any future industrial employment will operate at the same density as historic manufacturing. Our experience suggests this is unlikely to happen given the historic industries were much more focused on the production of consumer goods or raw materials and as such included a significant amount of automated production.

2.76 The industrial sector in London in recent years has seen a resurgence, with cheaper technology allowing it to be competitive to design, prototype and manufacture within London for small batches of high quality (and high value) goods and products.

2.77 This more artisanal and skilled production activity has seen the balance of such businesses shift away from 'machinists' to employing increasing levels of design, digital and creative skilled people to develop the product before mass production is undertaken overseas.

2.78 At the same time, the cost of industrial premises has increased significantly, as such businesses are seeking to use space more efficiently and effectively to ensure value for money. Shrinking component sizes has also meant machines take up less space so operational buildings can also be made smaller for this reason. This has led to a new generation of industrious workspaces that blend traditional light industrial and studio type spaces.

2.79 Ultimately, this has served to increase employment density within the industrial sector, a trend we have observed and is also identified by the GLA in their Upper Lee Valley Atlas and the Regeneris/We Made That Industrial Land Audit.

2.80 To model this impact, we have reduced the industrial employment density to 25sqm per employee, the impacts of this are shown below.

	Constant		Experian			GLAE		
	Employment Density (sqm per job)	Plot Ratio	Jobs	Floorspace	Land	Jobs	Floorspace	Land
Office (B1a/b)	12	1.5	1,680	20,154	2	1,885	22,618	2
Industrial (B1c, B2)	25	0.65	-127	-3,174	-1	-169	-4,215	-1
Warehousing (B8)	50	0.5	643	32,165	6	732	36,604	7
Total			**2,196**	**49,146**	**8**	**2,448**	**55,006**	**9**

Sensitivity 3

2.81 The final sensitivity turns its attention to the office sector and reflects recent trends within the London economy and development within Waltham Forest itself.

2.82 The density assumption used in the Base Forecast reflected a fairly generic corporate office offer, which would provide standalone accommodation for a single business and therefore need to provide all the communal, meeting and other spaces required.

2.83 Out assessment of the market in Waltham Forest suggests that this form of development is unlikely to be forthcoming in the borough. As shown by recent developments such as Crate St James, Central Parade, The Tramworks, indycube or Switchboard studios development is likely to be more focussed on smaller units in multi-let buildings which provide shared amenities, or in the form of co-working, where desks are shared through the working week.

2.84 Ultimately, as noted in the Density Guide, these forms of development achieve higher employment densities as they are able to deliver more efficient spaces and do not require the same facilities as a large corporate office. To model this trend we have reduced the employment density in the model to 10sqm per employee, with the results shown below.

	Constant		Experian			GLAE		
	Employment Density (sqm per job)	Plot Ratio	Jobs	Floorspace	Land	Jobs	Floorspace	Land
Office (B1a/b)	10	2	1,680	16,795	1	1,885	18,848	1
Industrial (B1c, B2)	25	0.65	-127	-3,174	-1	-169	-4,215	-1
Warehousing (B8)	50	0.5	643	32,165	6	732	36,604	7
Total			**2,196**	**45,787**	**7**	**2,448**	**51,237**	**8**

Recommendation

2.85 Based on the analysis of the local economy and the dynamics of space delivery, couple with our understanding of wider market trends in terms of space requirements in London we recommend the borough seeks to deliver additional floorspace in line with Sensitivity 3 and provides c. 52,000sqm of additional floorspace by 2035.

3. Supply Analysis

3.1 This section presents the analysis of the existing employment land and site portfolio within the borough. This provides a robust update to the analysis undertaken in the 2016 study, identifying the characteristics of key employment clusters, individual sites and their suitability for employment activities over the plan period (2018-2033).

Overview of supply

3.2 The list of sites that currently accommodate B class employment activity has been compiled based on the list from the 2016 study, which has subsequently been reviewed by the Council as well as being updated in line with the Waltham Forest Industrial Area Audit Evidence Report (Regeneris, 2017). As a result of this review and update, any sites that no longer accommodate B class employment activity have been removed, and any additional active employment sites have been added.

3.3 In line with NPPG guidance, analysis has focused only on sites greater than 0.25ha. Smaller sites play an important role in meeting business needs outside of the main designated sites; however it is important for this study to focus on the sites that make a significant contribution to the borough's employment floorspace provision and the ability to accommodate future employment growth. As advised in the 2016 study, the Council should seek to retain smaller sites below the threshold where they remain active and provide suitable floorspace typologies to meet small business needs. The town centres will play a crucial role in accommodating this small floorspace outside of employment designations, support their diversification in challenging retail sector conditions. As such their employment role is discussed in detail later in the report.

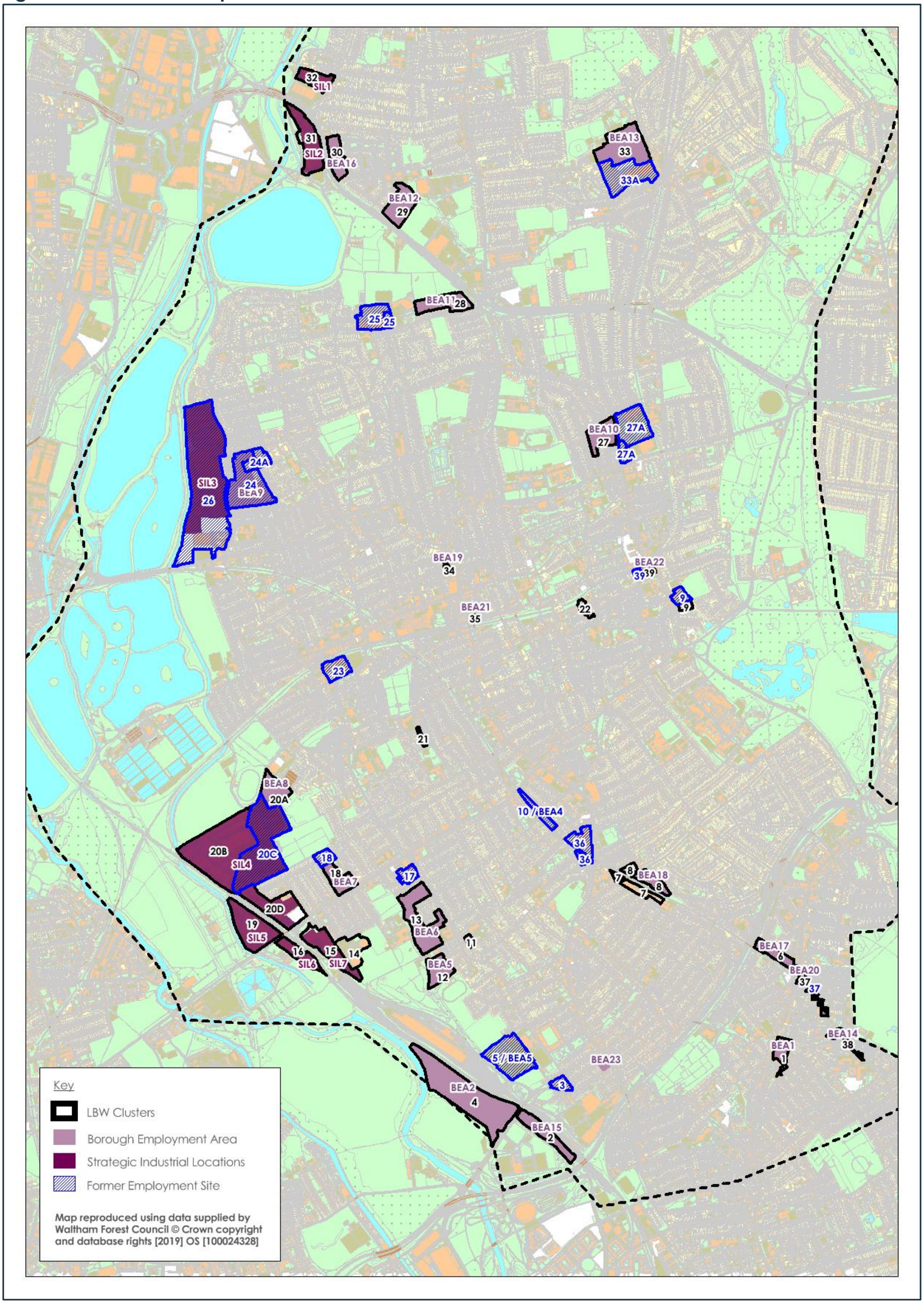
3.4 32 active employment sites were identified in the borough, totalling 124.3ha of employment land. An additional site is identified as being currently vacant (Lea Bridge Gas Works), providing 2.5ha of employment land. As shown in Table 4, this includes only designated sites and those accommodating significant employment floorspace, above the 0.25ha threshold. Sites below this threshold are excluded from the assessment, as are those which must be excluded to avoid double counting. Former employment sites which are now in residential use are excluded, but included within the table below to show how the balance between employment and residential use has already changed in the borough since the 2016 study.

Table 4: Active employment site categories

Site category	Number of sites	Total area (ha)
Active employment sites: B class	20	88.2
Active employment sites: some non-B class uses	12	35.1
Vacant employment sites	1	2.5
Former employment sites (now residential)	10	42.0
All sites (excl. former employment)	**33**	**126.8**

3.5 The spatial distribution of active employment sites are identified in three key categories (shown in Figure 10); Strategic Industrial Land (SIL), Borough Employment Areas (BEA) which reflect local designations, and LBWF clusters which are identified non-designated employment sites. Former employment sites now in residential use are also shown to demonstrate recent employment floorspace loss due to increasing residential pressures.

Figure 10: Overview map of all sites



3.6 A significant amount of employment land has been lost to residential in the recent years, as we estimate that, looking to employment sites above the 0.25ha threshold, circa 25% of employment space has been lost to residential (10 sites for a total of 42ha).

3.7 Our approach to assessing the borough's supply portfolio builds on the robust site assessment work undertaken as part of the 2016 Study, using this as the basis for updated predominantly desk based analysis of the existing sites and their role in accommodating future employment growth. This relies on the continuing nature of the fundamental site characteristics identified in 2016 (accessibility, environmental considerations, overall stock proposition, proximity to amenities and services etc.), supplemented by up new analysis of on-site activities, physical condition, vacancy and recent development activity to reveal any changes to the offer and opportunity the site presents to accommodate employment growth over the new Local Plan period (2018 – 2033).

Employment area clusters

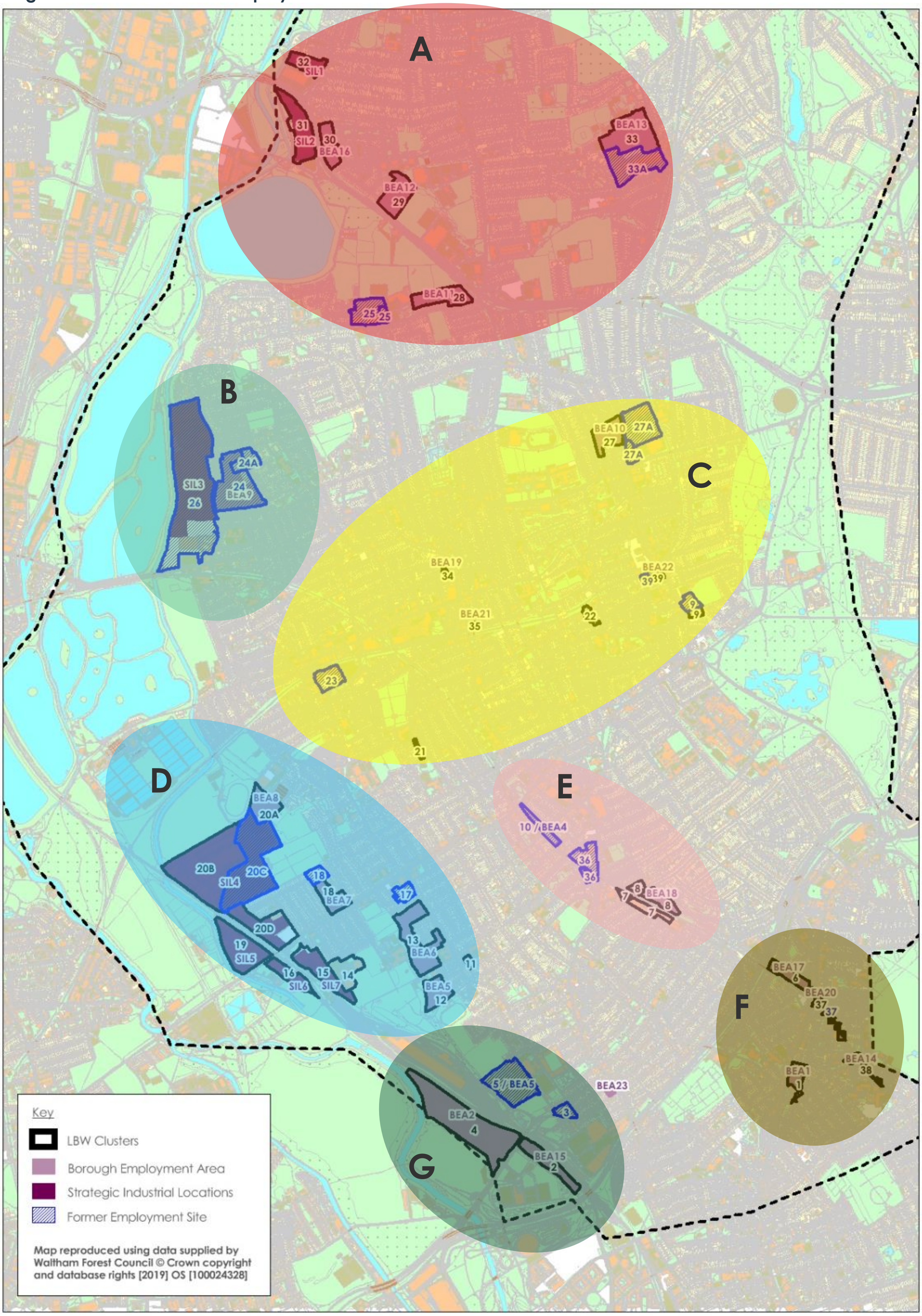
3.8 In order to update the supply assessment, the sites are categorised into key seven clusters. These are similar to those defined in the 2016 Study, with some slight alterations to reflect minor changes in supply and location dynamics. This helps to determine the overarching characteristics and opportunities of sites grouped together in different parts of the borough, before more specific site specific assessment is undertaken. The seven key categories are defined as follows:

- A – Chingford & Highams Park
- B – Blakchorse Lane
- C – Walthamstow
- D – Lea Bridge
- E – Leyton (North)
- F - Leytonstone
- G – Leyton (South)

3.9 These clusters draw together a borough wide consideration of employment land supply and the conditions which shape the attractiveness of locations for different types of employment activity, and show the simple geographic clustering of the nature of different employment activities within the borough, as evident in Figure 11. Whilst there may be site specific exceptions to the general characteristics identified for each cluster, these groupings provide a useful way to consider the nature of employment opportunities for different parts of the borough which broadly hold true despite any minor variations.

3.10 This establishes the first step of spatial thinking about the future of existing employment areas in the borough and their role in accommodating future employment growth, balanced with an understanding of the competing needs for residential development across the borough to meet the c.27,000 homes growth target. Careful consideration of the alignment of these clusters with the residential growth locations identified by the Council as part of the emerging Local Plan process is also undertaken as far as possible.

Figure 11: Waltham Forest employment area clusters



3.11 The following sections establish the character of each cluster, on a site by site analysis, which was used to derive the quality of sites as employment sites.

3.12 Each site was assessed, qualitatively, on a series of criteria, including the location character, average age of buildings, average quality of buildings, access to amenities in the neighbourhood, character of the neighbourhood, suitability of site for current use, access and parking provision, vacancy of land, vacancy of buildings, proximity to a station (rail or underground), proximity to major road.

3.13 Each criteria, scored from 1 to 5 (converting the qualitative analysis into a subjective) for the purpose of this analysis determines the overall quality of the site for employment (ranging from 0 to 5, where 0 refers to extremely poor quality and 5 to extremely good quality).

3.14 Each site is marked, qualitatively, on a series of criteria relative to the employment role of the land. These criteria are:

- Location character, ranging from red for highly residential sites to green for highly industrial sites (intermediate colours indicating either a mixed of activities or light industrial / retail and wholesale activities).
- Building age and quality, assessing the current condition of the property stock (with red indicating older building, in poor condition). The quality and age of the current stock will play a role in determining whether an area can be expected to attract new investments and/or go through its redevelopment (with newer, better quality buildings unlikely to be replaced in the period covered by the new plan).
- Neighbouring amenities, which assess the presence of local amenities. Proximity to local amenities (such as bars, restaurants, local supermarket or corner shop, gym…) will usually be valued by office based businesses and professional services more than by manufacturing/industrial businesses.
- Adequate access & Parking reflect the accessibility of the site through the road network (width of road, junction...) and the existence of parking area or yard.
- Vacancy of land and building, similarly to the quality and age of the stock, will play a role in determining the potential of a site to go through change and redevelopment or considering their suitability, in their current context as employment space, where vacant land will provide opportunities for intensification, vacant buildings for redevelopment and change of use for instance.
- Proximity to the station, similarly to the proximity to local amenities will be privileged by office-based businesses and professional services.
- Proximity to the road network, on the other hand, will be an important criterion for heavier industrial and businesses operating in the transportation and distribution activities.

3.15 This analysis is presented in the first table (“Employment Quality Score”), for each cluster.

3.16 This scoring exercise is subjective and therefore, the final score should not be used to rank sites against one another but rather to give an indicative idea of the potential of each site as employment space and is a starting point for the formulation of final recommendations for these sites.

3.17 A second table ("Suitable Employment Use") identifies, for each site within the cluster, the suitability of several employment activities for the site. The assessment considers results of the previous analysis on employment quality score and the individual character of each site.

3.18 Finally, the third table ("Recommendations") summarises the analysis carried out for each site (including their character, suitability for employment and different activities…) and provide a recommendation, based on this analysis, for the future use of the site, from one of the following options:

- **Retain**

  Sites to be retained in their current use will predominantly be characterised by a high occupancy of the site and low vacancy rates as well as good quality of buildings. Retention is focussed on maintaining the existing capacity of the site for similar employment uses and space typologies, redevelopment and improvements to the sites should be supported, but focus on retaining the existing character of employment activity.

- **Intensification**

  Sites identified for intensification would generally provide low density employment, high vacancy of space or inefficient use of the space by the current employment. Access to the transport network, particularly to the road network for industrial employment uses, will increase the potential of sites to be intensified.

  Site earmarked for intensification can either re-provide space for the existing employment use, making a better use of the land, use vacant land to provide additional employment or replace the existing employment use by a dense use where the current activity is either in decline (and space will become available for redevelopment) or can be relocated.

  In areas of SIL intensification will potentially create an opportunity to provide increased floorspace on a smaller site, which in turn may facilitate re-designation of some parts of the site to allow for co-location - however the additional SIL capacity will be required 'first' if approaches are to confirm with GLA policy and the Industrial Intensification Practice Note.

- **Co-location**

  Co-location (or mixed-use) will generally be recommended on sites close to public transport and amenities (i.e. town centres). The London Plan defined mixed-use development as "Development for a variety of activities on single sites or across wider areas such as town centres". The ICSS (International Council of Shopping Centers, USA) provides further details: "A mixed-use development is a real estate project with planned integration of some combination of retail, office, residential, hotel, recreation or other functions. It is pedestrian-oriented and contains elements of a live-work-play environment. It maximizes space usage, has amenities and architectural expression and tends to mitigate traffic and sprawl".

- **Residential**

  A handful of sites, usually showing low potential for intensification, issues around their use as employment sites (i.e. problem of accessibility or conflicting use with the character of the neighbouring area) or a high potential for residential use (and may be considered to support the Borough's housing targets), have been recommended for residential use. Those sites could however be retained in their current use, with some providing potential for co-location (principally in and nearby town centres).

Cluster A – Chingford & Highams Park

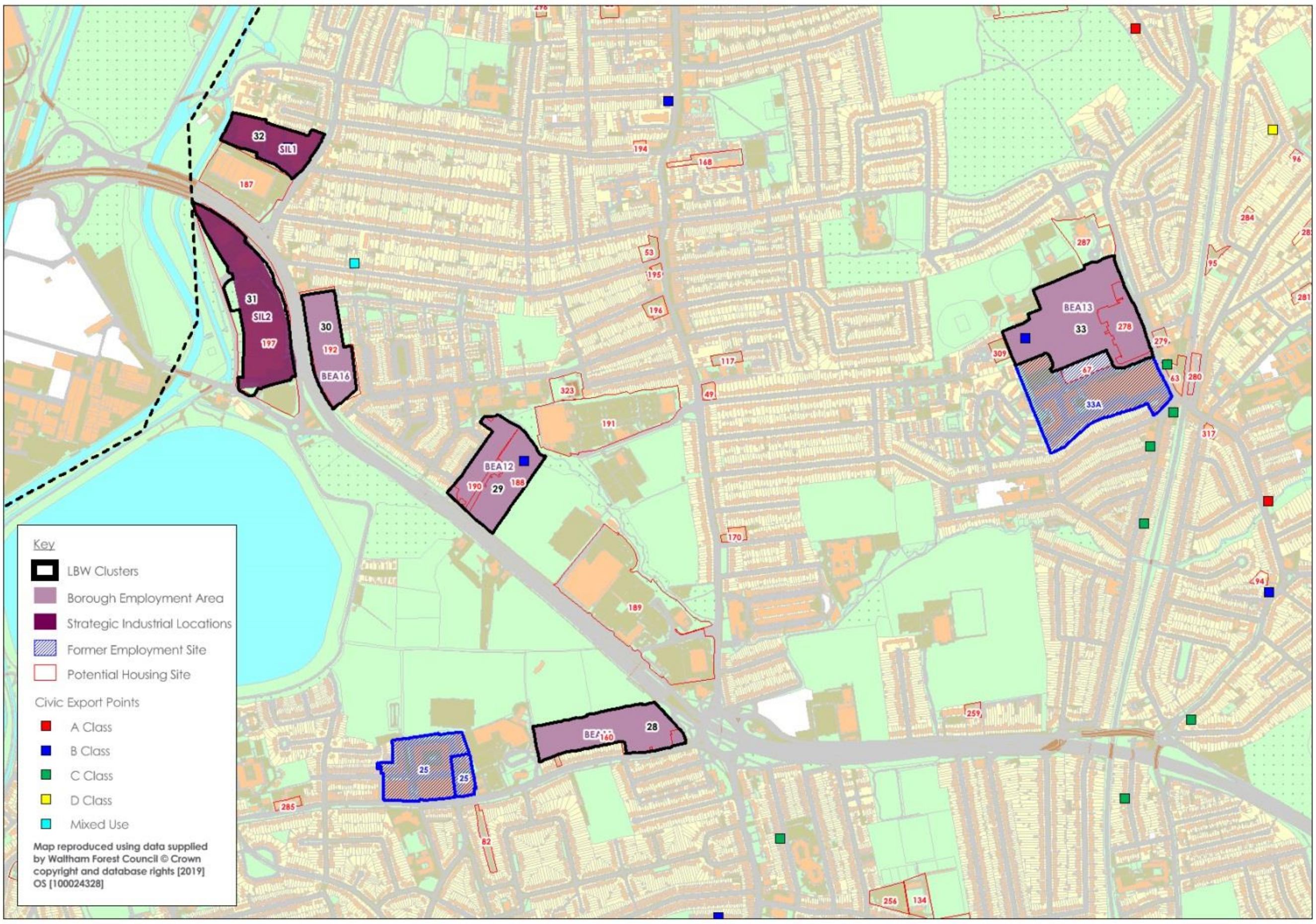
3.19 The map below provides a detailed overview of data forming several layers of information. Data received from Waltham Forest Council allowed us to identified sites for potential residential use (red boundaries), former employment sites, generally lost to residential (blue boundaries) and the sites relevant for this employment land study, which are marked with black boundaries.

3.20 Data provided by Waltham Council, from Civic Export Points, also provides information on the current use of sites around the cluster.

3.21 In the case of the Chingford & Highams Park cluster, current employment sites to be considered are principally located along the A406, at the exception of Highams Park.

3.22 This cluster currently offers up to 20.3ha of employment space, of which 14.6ha are directly adjacent to the A406 or located within close proximity.

3.23 All sites are of medium size, ranging from 2.2ha to 5.7ha.



3.24 The table below, "Employment Quality Score", provides an overview of the quality of each site, in its current configuration, as employment site.

3.25 This table also provides an overall employment quality score. It is to be noted that this score is not derived through a formal and scientific method and rather is a subjective score which aims to provide an easy way to understand the capacity of each site rather than a score allowing for a strict classification of the sites considered.

Employment Quality Score														
Site	Size (ha)	Dominant Use		Location Character	Building Age	Building Quality	Neighbouring Amenities	Neighbouring Uses	Adequate Access & Parking?	Vacant Land	Vacant Buildings	Proximity to Station	Proximity to major road	Overall Employment Quality Score
BE13 Highams Park	5.7	B8												3.2
BEA12 Justin Road	3.2	A1 B1c												3.3
BEA11 Waltham Park Way	2.9	A1												2.9
SIL1 Hall Lane	1.9	A1 B1 B2												2.8
BEA16 Cabinet Way	2.2	A1												3.1
SIL2 North Circular Road	4.4	A1 B8												3.3
Billet Works	2.5	Resi												
LBWF 33a	4.8.	Resi												

3.26 Highams Park sites all score relative high, which demonstrate the importance of this cluster in supporting employment in the borough.

3.27 Overall, sites in the cluster are very similar, of medium size and host to some stock in medium condition but however showing a low rate of vacancy (both in term of vacancy of buildings and use of land).

3.28 The area is generally industrial, with boundaries shared with residential areas and is serviced by a major road running through the area (A406). At the exception of Highams Park, all sites are serviced by this road and are distant from a rail station.

3.29 The following table ("Suitable Employment Use) provides some indicative use that we believe the most suitable for these sites.

3.30 These proposals are directly informed by the above analysis and the importance given to different criteria by the different sectors of activity proposed in the table.

3.31 Similarly to the above analysis, the suitability of employment use is relatively consistent across the cluster, at the exception of Highams Park, located in a local town centre, close to local amenities and a rail station and therefore could offer some potential for leisure activities, F&B businesses and professional services.

Suitable Employment Use									
Sites	Offices	Light Industrial	Industrial	Storage & Distribution	Workspace	Wholesale	Professional Services	Restaurants & cafes	Leisure
BEA13 Highams Park	N	Y	N	Y	Y	Y	Y	Y	Y
BEA12 Justin Road	N	Y	Y	Y	Y	Y	N	N	N
BEA11 Waltham Park Way	Y	Y	N	Y	Y	Y	N	N	N
SIL1 Hall Lane	N	Y	N	Y	Y	Y	N	N	N
BEA16 Cabinet Way	N	Y	N	Y	Y	Y	N	N	N
SIL2 North Circular Road	N	Y	Y	Y	Y	Y	N	N	N

3.32 Finally, the next table provides a summary of our recommendations for each site.

3.33 Although there is not always a clear-cut and some sites have potential for more than one of the options proposed (between retain, co-location, intensification, residential), we believe the recommended option is the most appropriate and likely to be achieved over the period covered by the new Plan.

3.34 Unsurprisingly, we propose to aim for the intensification or the retention in their current use of the majority of the sites in this cluster. Intensification is proposed where the current context of the site allows us to think that a redevelopment or partial redevelopment of the site can be reasonably expected in the next 10 to 15 years, whilst the retention of sites in the current use will be proposed where this is not realistic or when the redevelopment of the site could be a concern for the current employment provided on this site (i.e. this could lead to a permanent loss of employment which is assumed to be important for the borough).

3.35 Highams Park is the only site in this cluster to be recommended for co-location.

Recommendations			
Sites	Size (ha)	Summary	**Recommendation**
BEA13 Highams Park	5.7	Majority of the site is composed of modern properties which should be retained. Potential for minor infill development at the north of the site (most suitable for light industrial or storage activities). Buildings on the eastern boundaries of the site tend to be older and could provide some potential for either intensification (light industrial, workspace, retail and wholesale activities) with an option for mixed-used development (providing residential units along B160 and south part of Jubilee Avenue). Proximity to a rail station increases the potential of this site for co-location with some residential above employment. Eastern area of the site is marked as potential for housing.	Co-location
BEA12 Justin Road	3.2	Minor opportunities for intensification with the vast majority of the site to be retained in current use – however over time the quality of space could be enhanced.	Retain
BEA11 Waltham Park Way	2.9	Large employment site for wholesale trade which would need to be re-provided elsewhere if converted to residential. Western half of the site has potential for conversion to residential, whilst eastern should be retained as employment land with potential for intensification. Direct access to A406 makes it relevant for industrial use/storage and distribution/wholesale.	Intensification
SIL1 Hall Lane	1.9	Relatively dense employment site with small potential for intensification (principally in the middle of the site which is composed of old and lower density stock). The site is close to the A406 but access to internal sections of the site is restricted (narrow road).	Retain
BEA16 Cabinet Way	2.2	Good road access and currently low density provide potential for intensification of the site. Residential use on the eastern border of the site might restrict the type of use to light industrial, storage, distribution or wholesale, with some industrial activities on the western area, along the A406.	Intensification
SIL2 North Circular Road	4.4	Well-connected site, currently occupied by large and modern buildings (wholesale and storage activity). Potential for intensification is limited. In the long term, as Meridan Water is delivered, there may be potential to consider alternate forms of development as the market shifts.	Retain

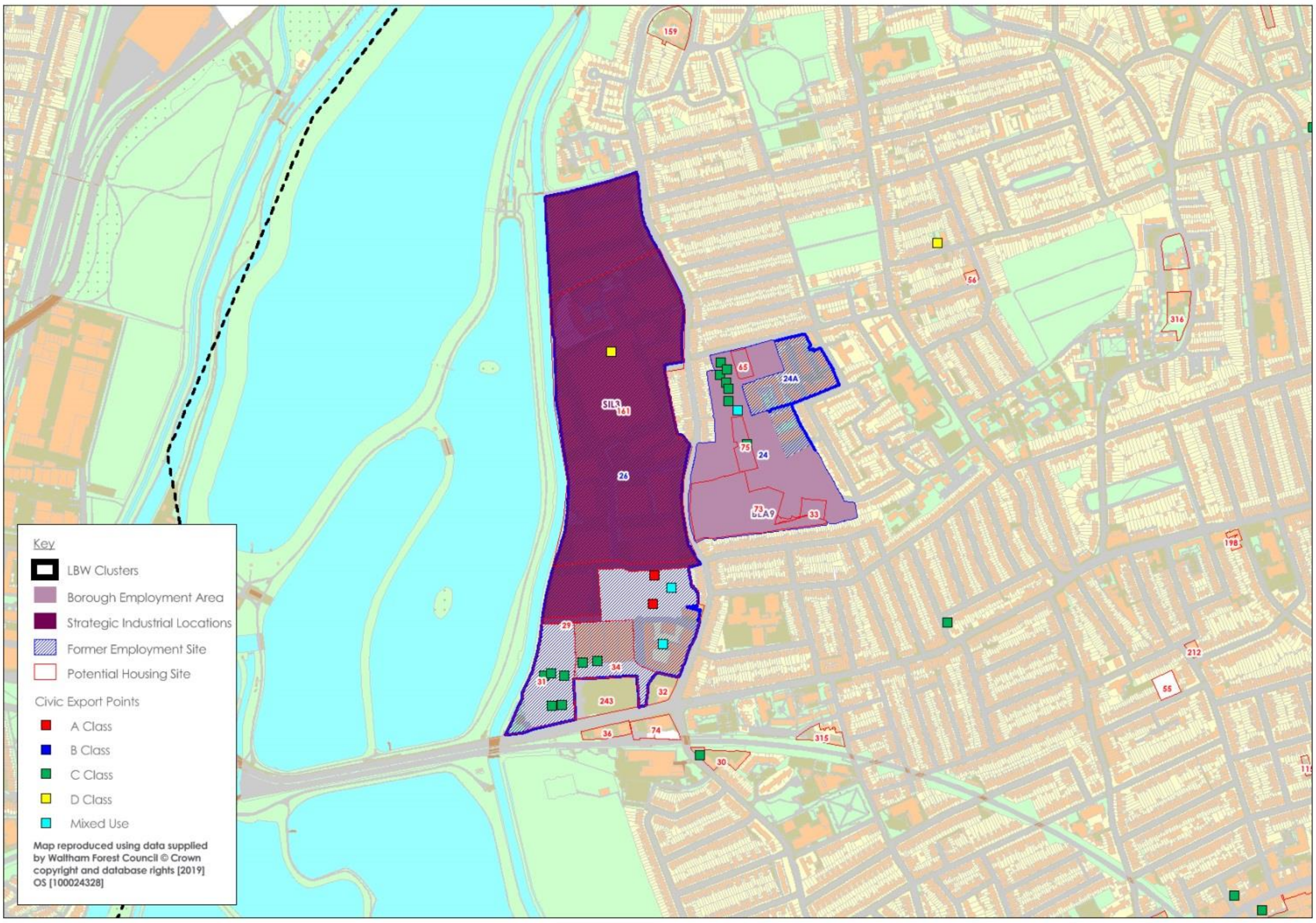
3.36 An important remark for this cluster is the long term impact the Ultra-Low Emission Zone will have on existing businesses affected by the charge and their consideration for relocation outside of the zone as they get hit by this charge. This could increase the pressure for employment space to the north of the borough and therefore a long term vision for this cluster should be carefully considered as employment space might become needed to accommodate small and medium businesses wishing to move out of the ULEZ area.

Cluster B – Blackhorse Lane

3.37 Similarly to Cluster A, the map below provides data formed of several layers of information on sites located within the Blackhorse Lane Cluster.

3.38 There are only two sites for consideration in Blackhorse lane, of medium size (3.5ha – following substantial loss of land to residential in the past few years) and of large size (21.6ha).

3.39 Despite being adjacent, the two sites currently cater for different employment space. Whilst the eastern, surrounded by residential developments, offer space for workspace and studios, the western site operates almost fully independently and provides space for light industrial (with some office space), small distribution and warehousing sheds and workshops.



3.40 The quality and age of the stock on these sites is mixed and whilst access to the site via the road network is good, traffic within the site is assessed as relatively poor, limiting the capacity of the site in supporting large manufacturing, transportation or distribution activities.

Site	Size (ha)	Dominant Use		Location Character	Building Age	Building Quality	Neighbouring Amenities	Neighbouring Uses	Adequate Access & Parking?	Vacant Land	Vacant Buildings	Proximity to Station	Proximity to major road	Overall Employment Quality Score
BEA9 Sutherland Road	3.5	Mixed B												2.8
SIL3 Blackhorse Lane	21.6	B2												3.3
LBWF 24a	1.40													

3.41 The lack of accessibility within the site is an element which limits the range of employment use suitable for these sites. Moreover, with the residential character surrounding the eastern site, the presence of industrial of light industrial will not be suitable.

3.42 The current provision of workspace on the western site should be protected (or re-provided in case of redevelopment of the site).

	Suitable Employment Use								
Sites	Offices	Light Industrial	Industrial	Storage & Distribution	Workspace	Wholesale	Professional Services	Restaurants & cafes	Leisure
BEA9 Sutherland Road	Y	N	N	N	Y	N	Y	Y	Y
SIL3 Blackhorse Lane	Y	Y	N	N	Y	N	Y	Y	Y

3.43 The recommendation for these two sites is similar. Co-location may bes suitable for both sites, with however a differentiation in the way co-location could be applied to both sites.

3.44 On the eastern site (BEA9), mixed-used developments would be recommended, with the re-provision of workspace within the developments and residential above. On the other hand, the western site (SIL3) could accommodate co-location by intensifying the 'employment only' uses of the north half of the site to create additional capacity for decant and then a series of co-location approaches could be deployed.

Sites	Size (ha)	Summary	**Recommendation**
BEA9 Sutherland Road	3.5	Retention or re-provision of existing studios and workshops will be important on this site. The site is surrounded by a number of modern residential developments and is close by a rail station. Potential for mixed-used developments, with re-provision of studio and workshop spaces at ground floor level could be achieved on this site. Some standalone provision may still be required in order to accommodate more industrial activities that remain in the area and can't be co-located.	Co-location
SIL3 Blackhorse Lane	21.6	Intensification is the primary focus for this site, which in turn could unlock the capacity for mixed use development that includes residential, however this would require the delivery of additional employment floorspace first. For example intensification to the north could create capacity to relocate businesses from the south (where there is closer proximity to Blackhorse Road station and hence greater residential opportunity) and then enable those southern plots to come forward. The approach should maximise B class employment space across intensified and co-located plots, rather than increase other ground floor uses such as retail. There will be some limitation to how far the site can be intensified using ground floor capacity alone, given an average site coverage of c.61% - consideration of how upper floors are utilised would be important.	Intensification (which could create an opportunity for Co-location)

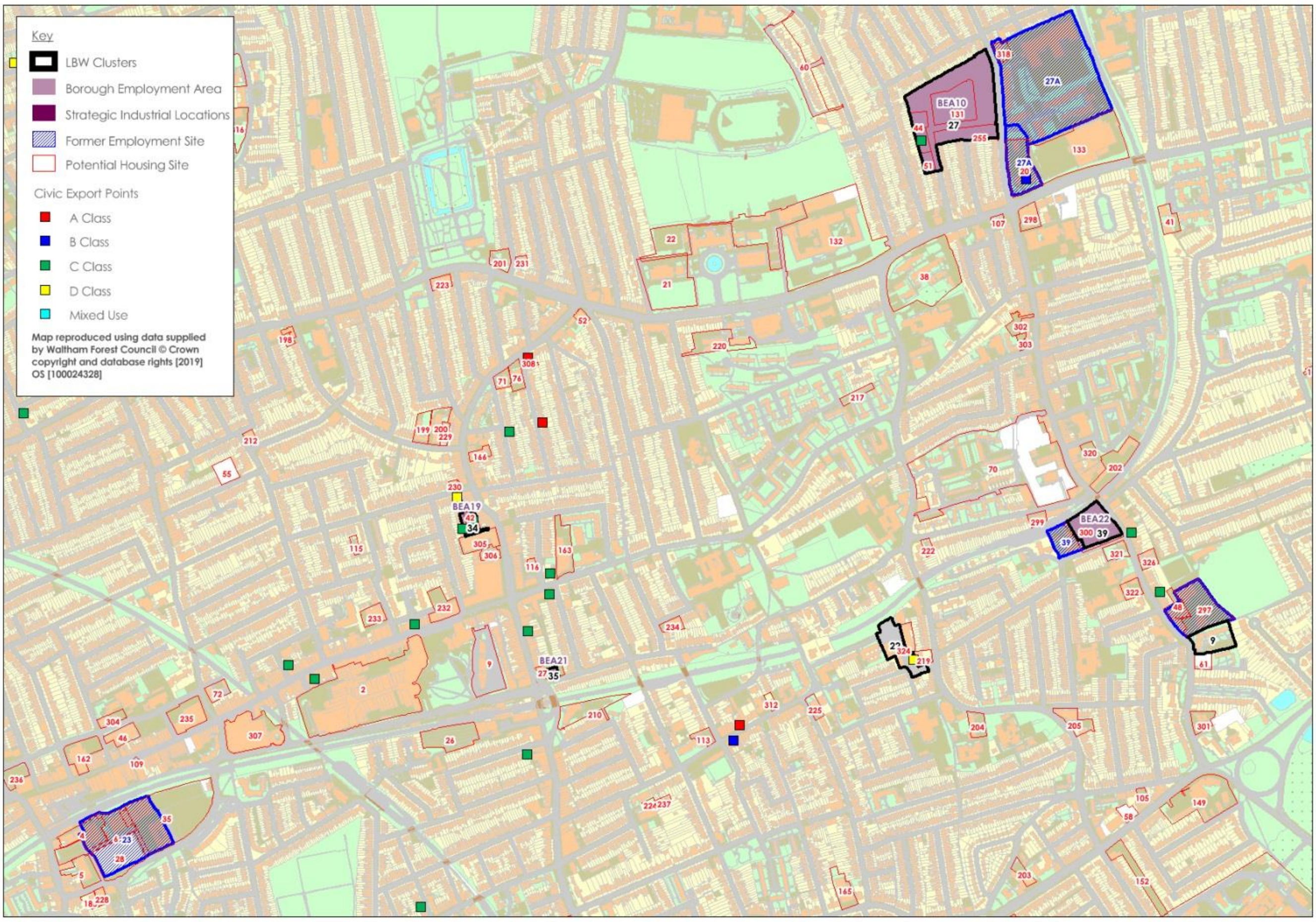
Cluster C – Walthamstow

3.45 Walthamstow Cluster provides a series of small sites, ranging from 0.04ha to 2.6ha, which have the typical characteristics of town centre sites.

3.46 Sites generally offer a weaker strategic road network connectivity than other parts of the borough, which is compensated by stronger public transport connectivity (Overground links between St James St and Wood St, and with Walthamstow Central underground station)

3.47 A total of 6.44ha of employment land is included in this cluster, across7 sites.

3.48 The quality and age of the stock tend to be average to poor, providing good opportunities for redevelopment in the near future.



Site	Size (ha)	Dominant Use		Location Character	Building Age	Building Quality	Neighbouring Amenities	Neighbouring Uses	Adequate Access & Parking?	Vacant Land	Vacant Buildings	Proximity to Station	Proximity to major road	Overall Employment Quality Score
BEA10 Clifford Road	2.6	B1c A1												2.3
Brunner Road	1.7	B1c												
BEA19 Hatherley Mews	0.2	B1c												3.1
LBWF22 Ravenswood Industrial Estate	0.5	B1c												2.2
LBWF9 Skeltons Lane	0.8	B8												2.6
BEA22 Barrat Road	0.6	A2												3.1
BEA21 East London Office Centre	0.04	B1a												3.8
LBWF27a Clifford Road	0.6													

3.49 Walthamstow town centre is a good location for production based creative activity and associated professional services. Employment space most likely to be created in the area are F&B activities, professional services, office-based activities and workshop and light industrial for the creative industry.

Suitable Employment Use									
Sites	Offices	Light Industrial	Industrial	Storage & Distribution	Workspace	Wholesale	Professional Services	Restaurants & cafes	Leisure
BEA10 Clifford Road	Y	Y	N	N	Y	N	Y	Y	N
BEA19 Hatherley Mews	Y	N	N	N	Y	N	Y	Y	N
LBWF22 Ravenswood Industrial Estate	Y	Y	N	N	Y	N	Y	Y	N
LBWF9 Skeltons Lane	Y	Y	N	N	Y	N	Y	Y	N
BEA22 Barrat Road	Y	N	N	N	N	N	Y	Y	N
BEA21 East London Office Centre	Y	N	N	N	Y	N	Y	Y	N

3.50 As previously recommended the area is suitable for 'industrious space' with production based creative activity and associated professional services, with opportunities for mixed use intensification with residential development where appropriate. Office floorspace is suitable here as part of the mix, considering the strong public transport connectivity.

3.51 There is also significant opportunity for the role of Town Centres like Walthamstow and Wood Street to accommodate employment space as part of the new London mix.

3.52 Co-location is the recommendation for most sites in this cluster.

Sites	Size (ha)		
BEA10 Clifford Road	2.6	Site currently cater for low density employment space (mainly warehousing and distribution, with some light industrial use) and has potential to be converted to mixed use developments, re-providing the employment space at ground floor of residential buildings, on parts of the site. Alternatively, site could be converted to pure residential, but employment space would have to be re-provided elsewhere.	Co-location
BEA19 Hatherley Mews	1.7	Proximity to tube station makes the site suitable for continued, higher density, employment activity. Lack of accessibility and constraints around the site (surrounded by residential units) makes it unsuitable for larger industrial/light industrial use so the focus should be office, studio and co-working space.	Retain
LBWF22 Ravenswood Industrial Estate	0.2	Limited potential for intensification of the site due to its location and residential character of the area. Potential for mixed-used may also be limited due to the low density in the neighbourhood. The site could be retained (although providing low density employment) or converted to residential.	Residential/Retain
LBWF9 Skeltons Lane	0.5	Potential of the site for mixed-used development, providing retail space/leisure space and/or office space for professional services at ground floor with residential units above due to proximity to the station and location along a locally important road (local high street)	Co-location
BEA22 Barrat Road	0.8	Currently mainly occupied by builders yard. Located opposite the station, the site as potential for mixed-use development, similarly to site LBWF9 (Skeltons Lane) to accommodate retail/office/leisure space at ground floor with residential above.	Co-location
BEA21 East London Office Centre	0.6	Currently used as office space. Potential to either intensify current use or for mixed-use development as located just off the high street, in close proximity to public transport (underground).	Co-location

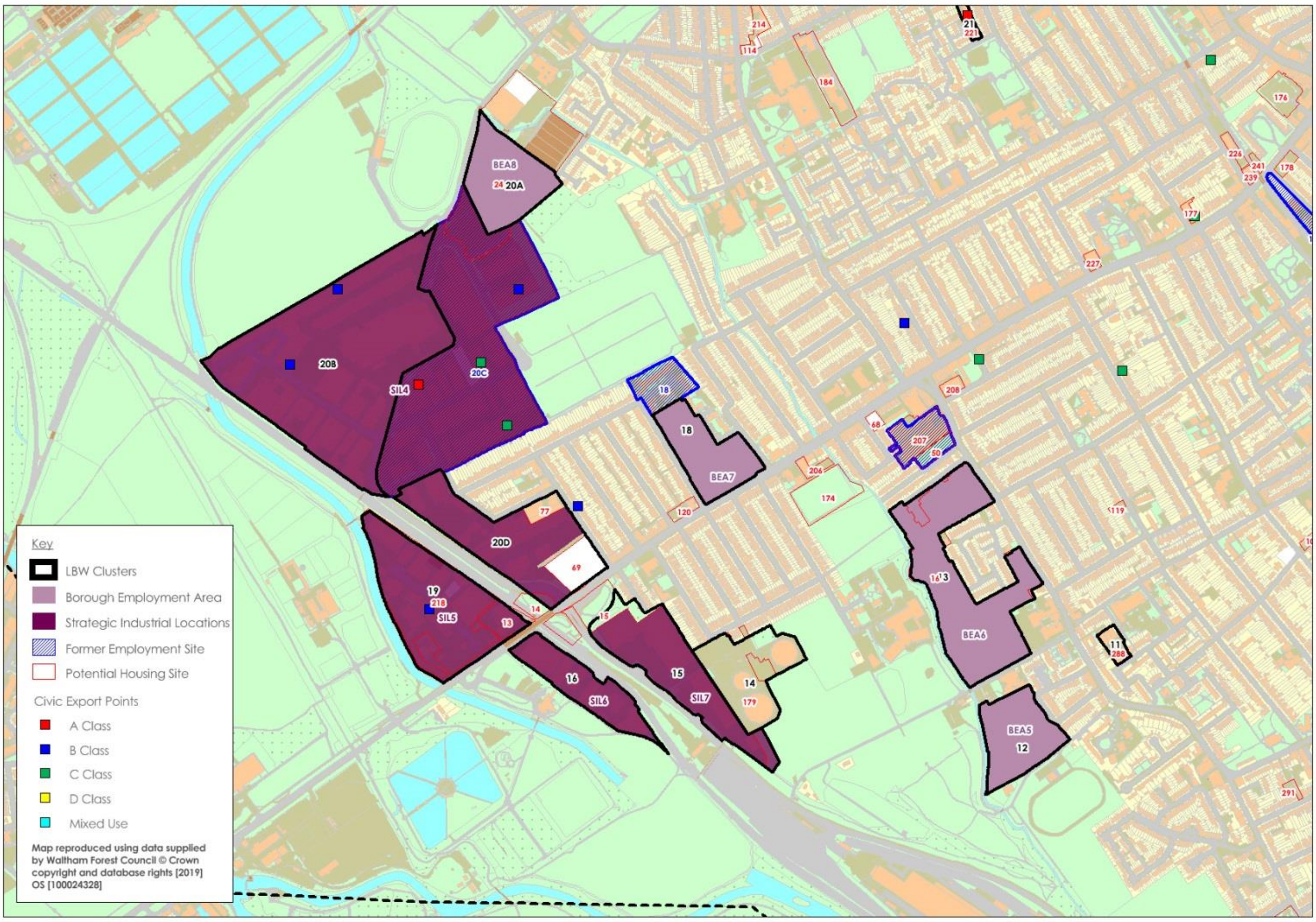
Cluster D – Lea Bridge

3.53 Lea Bridge Cluster is predominantly industrial, providing a range of space to cater for a wide arrow of activities.

3.54 Located on the cross-road between Orient Way and the A104, and serviced by Lea Bridge rail station, the area enjoys a high connectivity both via the road network and public transport.

3.55 This cluster has a high potential for employment space, and for intensification, due to this connectivity and its geographical location. Indeed, Lea Bridge is connected to major employment centre in East London and North East London such as Tottenham, Blackhorse Road or the Olympic Park.

3.56 The cluster is also characterised by the quantity and diversity of the land, with 10 sites ranging from 0.3ha to 28ha in size, for a total of 53.8ha.



3.57 The cluster includes a diversity of buildings in both character and condition, predominantly located within an industrial area. However, it is to be noted that a handful of sites, located towards the east of the cluster are located within residential neighbourhoods and suffer from a lack of accessibility, which will reduce their suitability for heavy employment use and will restrict the types of activities to be recommended for those sites.

3.58 The intensification of the western sites, located within the industrial zone, could provide additional employment space, sufficient to release some of the eastern site for residential use.

Site	Size (ha)	Dominant Use		Location Character	Building Age	Building Quality	Neighbouring Amenities	Neighbouring Uses	Adequate Access & Parking?	Vacant Land	Vacant Buildings	Proximity to Station	Proximity to major road	Overall Employment Quality Score
BEA6 Church Road	1.0													
BEA5 Etloe Road/Simonds Road	2.2	B1c												2.8
BEA6 Church Road	5.4	B1c B2												2.7
LBWF11 Shaftesbury Court	0.3	A1												2.7
SIL5 Rigg Approach	5.1	B1c B8												3.6
SIL6 Lammas Road	2.0	B1c B8												3.2
BEA8 Argall Avenue	27.9													
SIL7 Former Town Gas Works	3.7	B2												3.2
LBWF14 Lea Bridge Gas Works	2.5	N/A												1.9
LBWF 20A New Triangle	2.5	B2 B8												2.8
BEA7 Heybridge Way	2.1	A1 B8												2.7
SIL4 Argall Avenue	28.0	B1c B8												3.7

3.59 Western sites could be considered for the provision of local amenities and cater for a potential increase in the local population. Other employment use recommended for these sites are office space for small professional services or light industrial use/workspace depending on the proximity of the employment to residential dwellings.

3.60 Sites on the eastern part of the cluster, and particularly on the north of the A104, are suitable to provide space for industrial activities, taking the full advantage of the rail connection (freight) and the good connection to the road network.

Suitable Employment Use									
Sites	Offices	Light Industrial	Industrial	Storage & Distribution	Workspace	Wholesale	Professional Services	Restaurants & cafes	Leisure
BEA6 Church Road									
BEA5 Etloe Road/Simonds Road	Y	Y	N	N	Y	Y	Y	Y	Y
BEA6 Church Road	Y	Y	N	N	Y	Y	Y	Y	Y
LBWF11 Shaftesbury Court	Y	N	N	N	N	N	Y	Y	Y
SIL5 Rigg Approach	Y	Y	Y	Y	Y	Y	N	N	N
SIL6 Lammas Road	Y	Y	Y	N	Y	N	N	N	N
SIL7 Former Town Gas Works	Y	Y	N	Y	Y	Y	Y	Y	Y
LBWF14 Lea Bridge Gas Works	Y	N	N	N	N	N	Y	Y	Y
LBWF20A New Triangle	Y	Y	Y	N	Y	N	N	N	N
BEA7 Heybridge Way	Y	N	N	N	N	N	Y	Y	Y
SIL4 Argall Avenue	Y	Y	Y	N	Y	N	N	N	N
BEA8 Church Road	Y	Y	Y	N	Y	N	N	N	N

3.61 The individual recommendations for Lea Bridge's sites are mixed and reflect the diversity of this cluster.

3.62 A certain emphasis should be placed on industrial intensification where possible, to help meet the future needs of the borough as many employment sites have been lost to residential in the last few years and other existing employment sites are increasingly under pressure to fit with the increasing residential character of the borough (where heavy industrial activities become unsuitable to operate next to new residential developments).

3.63 A site, currently designated as SIL (SIL6) has been recommended to be re-provided for residential use due to the constraints of the site, the lack of accessibility and its location directly next to a natural reserve, which would be ideal for residential use. However, this may be complicated due to the designation of the site.

Sites	Size (ha)		
BEA5 Etloe Road/ Simonds Road	2.2	Light industrial estate of relatively good quality located within a residential neighbourhood and not within direct proximity to the station.	Retain
BEA6 Church Road	5.4	Mixed industrial estate composed of mainly old properties and offering limited road access. Intensification of the southern part of the site could allow for the release of land to residential in the north part of the site.	Intensification – with potential to unlock Co-location
LBWF11 Shaftesbury Court	0.3	Current employment on this site could be shifted to alternative sites in order to release it for residential use. The site has some potential for mixed-use, re-providing the employment on site, with residential above. However, density achieved is likely to be limited due to the character of the area and distance to public transport.	Co-location
SIL5 Rigg Approach	5.1	Intensification of the use on this site could be considered to accommodate employment currently on site SIL6 which has limited accessibility as site is not currently used efficiently and is composed of old properties and poor quality structures.	Intensification – with potential to unlock Co-location
SIL6 Lammas Road	2.0	This site has limited accessibility, which will constraint employment density. Currently used for low density employment, this could be shifted to alternative site. The site, located by a natural reserve and by Lea Bridge Station is suitable for residential use.	Intensification – with potential to unlock Co-location
SIL7 Former Town Gas Works	3.7	Currently distribution and builders' yard with good access to Orient Way and A104. Potential for intensification, although part of current stock is of relatively good quality and likely valuable assets.	Intensification – with potential to unlock Co-location
LBWF14 Lea Bridge Gas Works	2.5	Access to major road network is limited and would need right of access through site SIL7. Northern half of the site is at the back of residential area; rest of the site is surrounded by open green space. This may limit the use of the site for industrial activities. Site could be partly provided with mixed use development (including workshops at ground floor) or for light industrial/workspace units.	Co-location
LBWF20A New Triangle	2.5	Site is currently under-used and has high potential for industrial intensification particularly on the southern side (away from residential neighbourhood).	Intensification – with potential to unlock Co-location
BEA7 Heybridge Way	2.1	Retail/wholesale units, located within residential neighbourhood and in close proximity to Lea Bridge station. Mixed-use developments could be considered for this site, retaining the retail offer whilst providing residential units in a location close to public transport and local amenities.	Co-location
SIL4 Argall Avenue	28.0	Intensification of the site, similarly to what is currently happening on its northern edge, would allow for a more efficient use of the site and should be used to improve the accessibility of the site (currently narrow roads, often blocked by traffic and parked vehicles).	Intensification – with potential to unlock Co-location

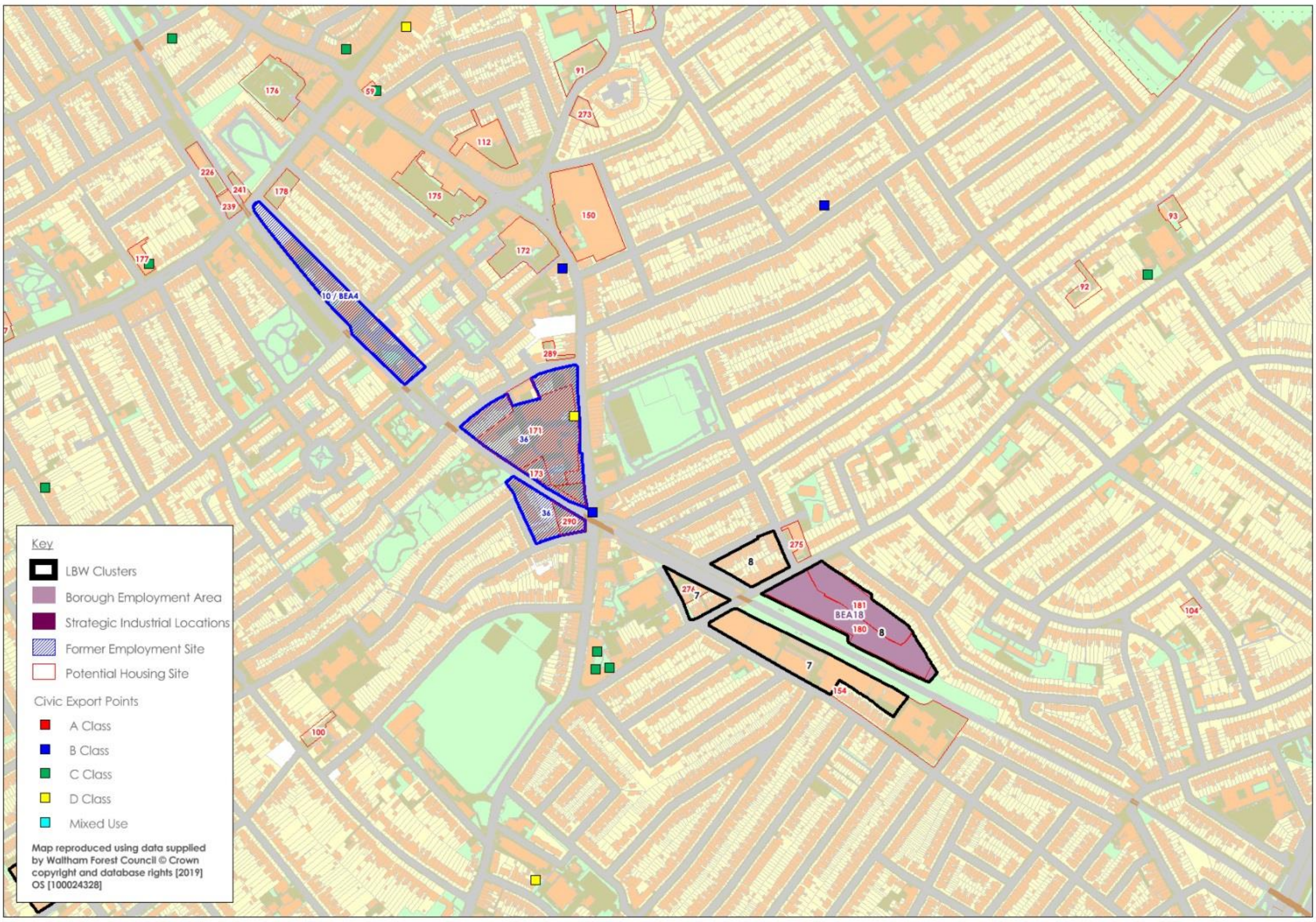
Cluster E – Leyton (North)

3.64 Cluster F is characterised by a series of smaller, historic, light industrial spaces integrated into the wider residential offering. The area includes a mix of repurposed factory buildings, purpose built industrial units and railway arches.

3.65 Sites are access via the residential streets and are therefore not well located for the strategic road network, however there is public transport access to the area via Leyton Midland Road station to the south or Walthamstow Queens Road to the north.

3.66 As shown below many of the employment locations within this cluster have already been lost to residential development, with others identified (in whole or part) as providing the potential to accommodate residential development in the future. This places the cluster at significant risk in the future and, therefore, calls into question the role the area can play in the future in delivering employment opportunities in locations close to where people live.

3.67 The nature of the sites and their accessibility limit the potential to intensify the scale of floorspace provision within this location on sites not already lost (or identified as proposed to be lost) to residential development.



3.68 Currently only two sites remain in active employment use, Hainault Road and Wood Street Goods Yard. Hainault Road is a purpose built light industrial estate formed of small-medium sized units arranged around a central courtyard which is used for servicing and parking, a number of 'temporary' containers are also located here, providing additional floorspace for occupiers. Wood Street Goods Yard accommodates a range of individual, larger, industrial buildings of varying ages and types, some fronting Norlington Road with other space to the rear of the residential properties further south along Norlington Road.

3.69 In general both sites are relatively intensively with limited servicing space and vacant land. Despite dating from different eras neither site is particularly good quality in terms of its stock quality or environment.

Site	Size (ha)	Dominant Use		Location Character	Building Age	Building Quality	Neighbouring Amenities	Neighbouring Uses	Adequate Access & Parking?	Vacant Land	Vacant Buildings	Proximity to Station	Proximity to major road	Overall Employment Quality Score
BEA4 Dunton Road	0.95													
BEA18 Hainault Road	1.45	B1c B8												3.0
LBWF 36	1.76													
LBWF7 Norlington Road (Wood St Goods Yard)	1.08	B1c												2.7

3.70 Looking forward both sites offer opportunities to retain and enhance the employment offer within this cluster, albeit with limited opportunities to significantly increase the overall level of floorspace provided within the area.

3.71 Importantly the proximity to residential development and the public transport accessibility that both sites benefit from could help support a diversification of the employment offer. Already some industrial spaces are being used for a greater range of activities and, in the future, this could be formalised through the provision of different space types. Redevelopment could, in particular, reprovide light industrial space in the area but also introduce elements of office and studio space. Other non-B class uses may also be appropriate in this setting.

Suitable Employment Uses									
Site	**Offices**	**Light Industrial**	Industrial	Storage & Distribution	**Workspace**	Wholesale	**Professional Services**	**Restaurants & cafes**	Leisure
BEA18 Hainault Road	Y	Y	Y	Y	Y	Y	Y	Y	Y
LBWF7 Norlington Road (Wood St Goods Yard)	Y	Y	N	N	Y	N	Y	Y	N

3.72 The future form of development should seek to reprovide as much employment space as possible within the two sites, however are likely to differ in approach.

3.73 For Hainault Road there may be opportunities to seek to deliver additional floorspace via multi-storey employment development. Given the access issues into the site and its dimensions vertical extension for more industrial space may prove too difficult in servicing terms, however it may be possible to deliver a form of development that provides good quality light industrial space at ground floor with lighter uses such as studio and office above.

3.74 At Wood Street Goods Yard, given the residential potential, seeking to deliver some form of co-location between workspace and residential may be possible. Utilising the ground floors for employment use could help address issues of proximity to the rail line which borders the site. new forms of development that deliver small light industrial space, studios or co-work facilities could be integrated into the development.

Sites	Size (ha)		
BEA18 Hainault Road	1.45	Industrial estate, with private road access located between rail and residential units. This site could be either retained or considered for intensification - reproviding some of the employment capacity lost on nearby sites.	Intensification
LBWF 7 Norlington Road (Wood Street Goods Yard)	1.08	Limited accessibility to parts of the site, with some existing residential units (north section). Some artists studios/workshops on site could be reprovided within mixed-use developments	Co-location

Cluster F – Leytonstone

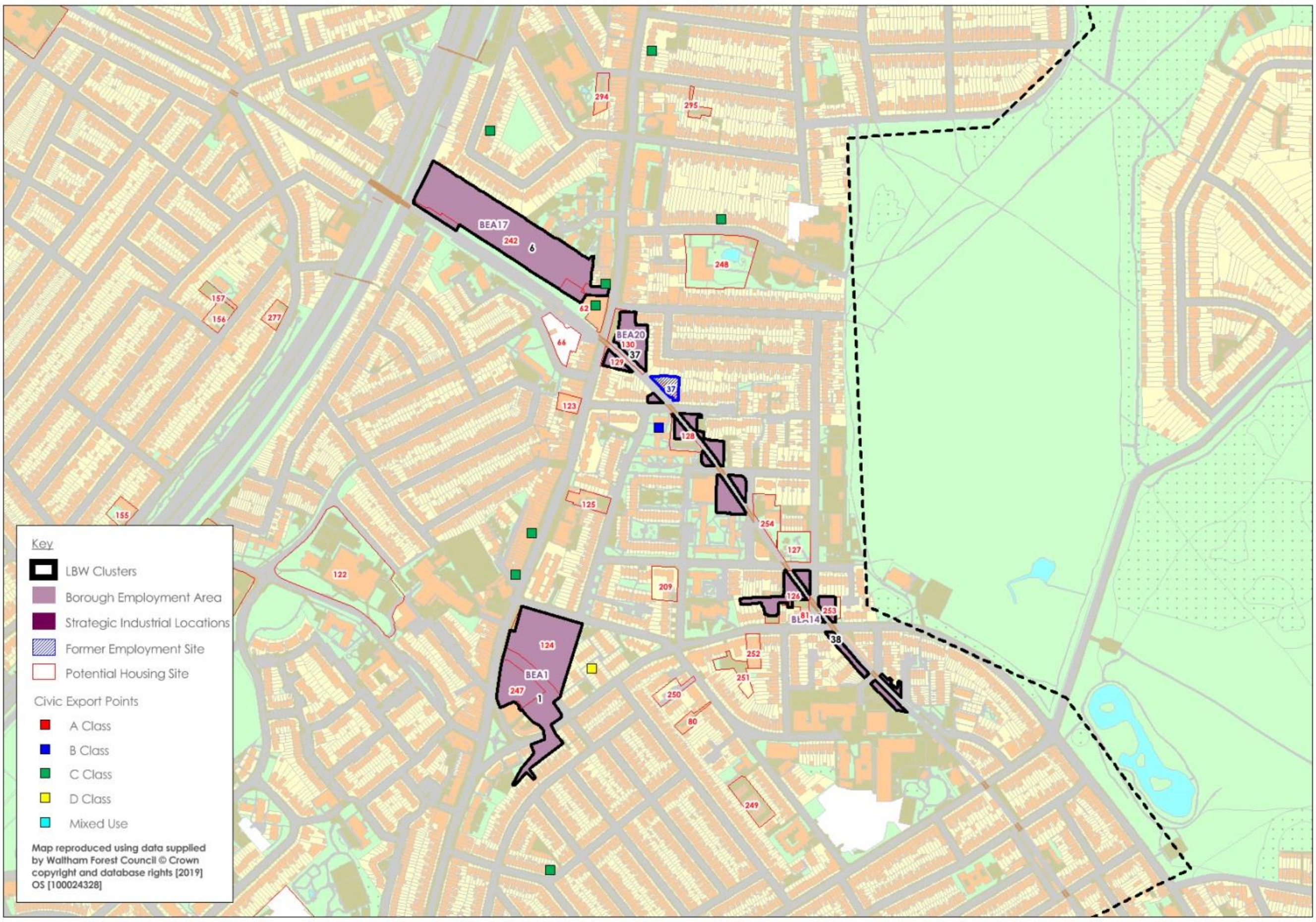
3.75 The Leytonstone cluster lies to the south and east of the A12 and is formed largely of sites grouped along the rail line, incorporating a number of arches and small-medium sized industrial estates. Together the sites provide just over 4ha of employment land, largely in industrial uses, however a number of retail and trade counter uses also occupy the sites.

3.76 Sites to the north of the cluster benefit from close proximity to Leytonstone High Road Overground station however most businesses do not appear particularly reliant on it.

3.77 Whilst sites have close proximity to the A12 they do not benefit from direct access, with sites served from largely residential streets and Leytonstone High Road.

3.78 As shown on the following map, a small number of sites close to the arches have been lost to non-employment uses already. Further sites are identified as having the potential for residential conversion, including the larger Howard Road (BEA 1) and Joseph Ray Road (BEA 17) sites – loss of these sites would remove the majority of the area's employment capacity if co-location were not pursued.

3.79 It is also worth noting a number of sites that abut the rail line (mostly the larger plots) are also identified for a potential change of use, this would adversely impact the provision of smaller space for businesses within the railway arches, further eroding employment stock in this area.



3.80 All sites within this cluster are considered to be average quality. Stock type does vary between sites but tends to be either purpose built light industrial units (BEA1, BEA17 and the front of BEA14) or converted railway arches.

3.81 Key issues for the sites are their accessibility and their proximity to more sensitive neighbouring uses (largely residential), however sites are well utilised with little or no vacant stock or land. BEA17 does have a significant amount of potentially under-utilised space with over half the site used for low intensity open storage. Changes to building supplies operations may present opportunities to intensify this area, particularl as the rest of the site has a high proportion of yard space than most industrial estates.

3.82 As noted above (in part) this high level of occupancy reflects a significant proportion of the space that is occupied by a range of quasi-retail activities such as car sales (albeit with repair functions), trade counter and building supplies all prominent.

Site	Size (ha)	Dominant Use		Location Character	Building Age	Building Quality	Neighbouring Amenities	Neighbouring Uses	Adequate Access & Parking?	Vacant Land	Vacant Buildings	Proximity to Station	Proximity to major road	Overall Employment Quality Score
BEA17 Joseph Ray Road	1.60	A1 B8												3.1
BEA1 Howard Road	1.40	A1 B1c												3.2
BEA14 Montague Rd	0.40	B1c												2.9
BEA20 Lancaster Road Arches	0.63	B1c												3.0

3.83 In the main, despite some limitations, these sites could continue to provide viable locations for business operation, particularly given they offer the only opportunities for businesses to locate in and around Leytonstone itself and serve markets in this location.

3.84 The A12 and Overground servicing (whilst not always immediate) will also support demand from a wider set of uses seeking to serve wider (sub-regional) markets, which may offer opportunities to diversify the commercial space provision in this area.

3.85 As shown below, our assessment suggests that a range of spaces may be suitable in the cluster, ranging from small office spaces through to non-B class retail and leisure amenities. Within the B class uses, given side and access constraints it is likely that the offer will remain at the smaller end of the size range, continuing to cater for smaller production based activities.

Suitable Employment Uses									
Site	Offices	**Light Industrial**	Industrial	Storage & Distribution	**Workspace**	Wholesale	Professional Services	**Restaurants & cafes**	**Leisure**
BEA17	Y	Y	N	Y	Y	Y	Y	Y	Y

Joseph Ray Road									
BEA1 Howard Road	Y	Y	N	Y	Y	Y	Y	Y	Y
BEA14 Montague Rd	N	Y	N	Y	Y	N	N	Y	Y
BEA20 Lancaster Road Arches	N	Y	N	Y	Y	N	N	Y	Y

3.86 It is important to recognise that the amenities that attract businesses are also making the area popular for residential development, as such these competing demands will need to be managed in order to ensure the area retains a mix of work and housing opportunities.

3.87 The two larger sites (BEA1 and BEA17) present some significant challenges for residential development, given their proximity and relationship with surrounding infrastructure. They may, therefore, offer opportunities to integrate employment uses into the mix. This could take on different forms in each location, with the proximity to the OVerground offering opportunities for more intensive employment workspace at BEA17, with perhaps more light industrial character to the rear. BEA1 may also offer light industrial opportunities.

3.88 Other sites should consider how best to retain employment functions, particularly in the arches themselves which are unlikely to lend themselves to residential use or significant amounts of leisure/dining/café activity. Providing some workspace that works with a residential development on current yards would support the enlivenment of the area.

Sites	Size (ha)		
BEA17 Joseph Ray Road	1.6	Under-used wholesale yard and units and distribution units. This site is bordered on its north and west sides by the rail and is located opposite Leytonstone High Road station. Whilst the north edge of the site might have limited attractiveness for residential development, the southern part has more potential and could provide mixed-use developments.	Industrial intensification with potential follow on Co-location
BEA1 Howard Road	1.4	Potential for some co-location on site, reproviding employment space lost, particularly where the smaller units are located.	Industrial intensification with potential follow on Co-location
BEA14 Montague Rd	0.4	Arches with limited land and limited road access currently used as light industrial units. Current use should be retained.	Retain
BEA20 Lancaster Road Arches	0.63	Arches with some land used for service industry and light industrial. Site is located outside Leytonstone Station, close to all local amenities. The site could be redeveloped for mixed-used development, providing light industrial space, in connection with activities in rail arches.	Co-location

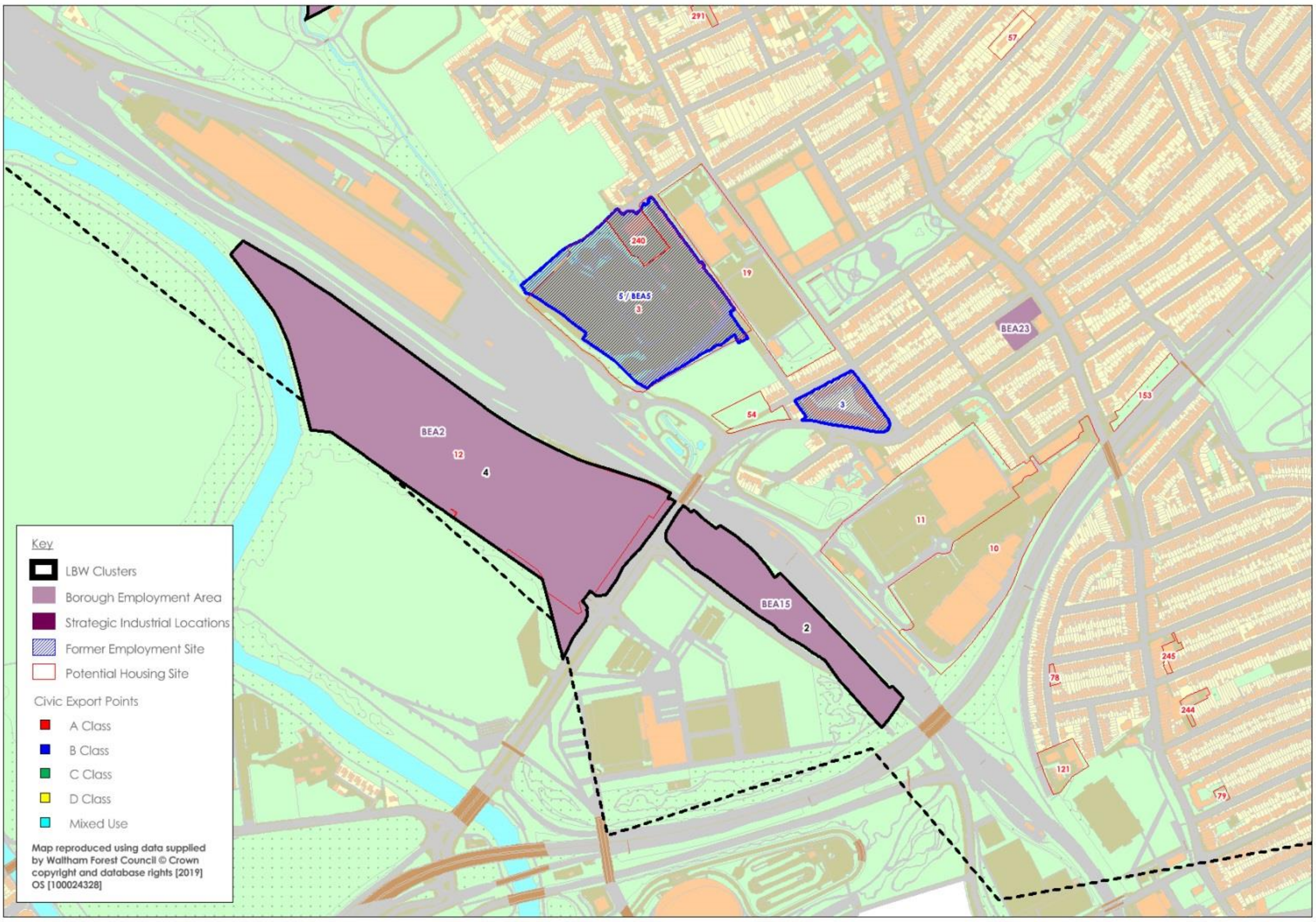
Cluster G – Leyton (S)

3.89 This cluster is now formed of two remaining employment sites following the loss of Ruckholt Road and Auckland Road sites to non-employment or mixed use development, such as the workspace provided in the former Ruckholt Road site (Leyton Central), where it joins Oliver Road.

3.90 Despite offering over 14.5ha of employment land in theory the two sites, in reality, provide limited benefit to the borough as they are used for specific occupiers and therefore not currently part of the general employment land supply.

3.91 Sherrin Road accommodates New Spitalfields market, operated by the City of London it is a wholesale market for fruit, vegetables and flowers. Whilst generally in very good condition the City has taken the decision to consolidate its three wholesale markets into a new single site in Barking and Dagenham. The timeframe for this move is unclear at present, however it is now clear that over the plan period the Sherrin Road site will become vacant and available for development, which is a significant change from the previous study.

3.92 Temple Mills Lane is an operational bus depot, operated by Tower Transit on behalf of TfL. Much of the site is used for bus standing and car parking for staff, although some servicing facilities are also on the site.



3.93 As noted, both sites accommodate purpose built premises for their occupiers. Sherrin Road in particular accommodates specialist premises for food wholesale and food preparation, some of which is occupied by businesses with strong links to the borough. In general it is unlikely that the existing premises would be particularly attractive to other occupiers if sites became available, despite being in good order.

3.94 Both sites benefit from good, direct access to the A106, which provides immediate access to the A12 and therefore a good connection to a range of market and supply chains. Neither sites is particularly well located for public transport, with Leyton providing the nearest station, c. 0.5 miles to the south east.

Site	Size (ha)	Dominant Use		Location Character	Building Age	Building Quality	Neighbouring Amenities	Neighbouring Uses	Adequate Access & Parking?	Vacant Land	Vacant Buildings	Proximity to Station	Proximity to major road	Overall Employment Quality Score
Auckland Raod	5.16													
Ruckholt Road	0.78													
BEA2 Sherrin Road	11.90	A1 B8												3.7
BEA15 Temple Mills Lane	2.70	B8												3.7

3.95 Ultimately the scale, location and connectivity of the sites in this cluster suggest they may provide opportunities to accommodate additional light industrial, storage and distribution and other similar activities which would require larger volume space, good access and limited adjacencies to more sensitive uses.

Suitable Employment Sites									
Site	Offices	**Light Industrial**	**Industrial**	**Storage & Distribution**	Workspace	**Wholesale**	Professional Services	Restaurants & cafes	Leisure
BEA2 Sherrin Road	N	Y	Y	Y	N	Y	N	N	N
BEA15 Temple Mills Lane	N	Y	Y	Y	N	Y	N	N	N

3.96 Looking to the future the two sites are likely to present two different opportunities. Temple Mills Lane is likely, based on information today, to remain in its current form given the strategic importance of the facility to the wider bus network.

3.97 Given the impending vacating of the Sherrin Road site there is an opportunity to positively plan for its future role as part of the borough's employment land supply. Given its current nature, focussed on specific occupiers, any new space will be an uplift to the general supply and it will therefore provide one of the few opportunities to increase the employment land supply within the borough beyond the intensification of other designated sites.

3.98 As a designated employment site, the borough should seek to achieve a significant level of employment space on the site in the future, which would create a range of options to both meet future needs and also offset some of the losses experienced elsewhere in the borough. It may also provide an opportunity to act as a decant site for other locations as more intensely used sites are redeveloped.

Sites	Size (ha)		
BEA2 Sherrin Road	11.9	The site will become vacant in the next 10 years. It is likely that the owners will push for a residential/mixed use development given other priorities. However, its attributes suggest it should play a greater employment role which could, in part, be through co-location.	Intensify with potential for Co-Location and standalone development
BEA15 Temple Mills Lane	2.7	Currently low density use of the site. However, site is an important infrastructure asset for the bus network and a draft allocation in the North London Waste Plan. Reprovision of the space for existing activities would be necessary prior to any redevelopment. With no evidence to suggest a change in occupier needs the site should be retained as an employment location.	Retain

Future Employment Supply

3.99 Data sourced from Costar identified the available premises within the borough, which provide vacant space and are currently being actively marketed. These premises in theory could therefore be occupied by new employers.

3.100 To summarise, as of April 2019 the following stock was vacant and being actively marketed:

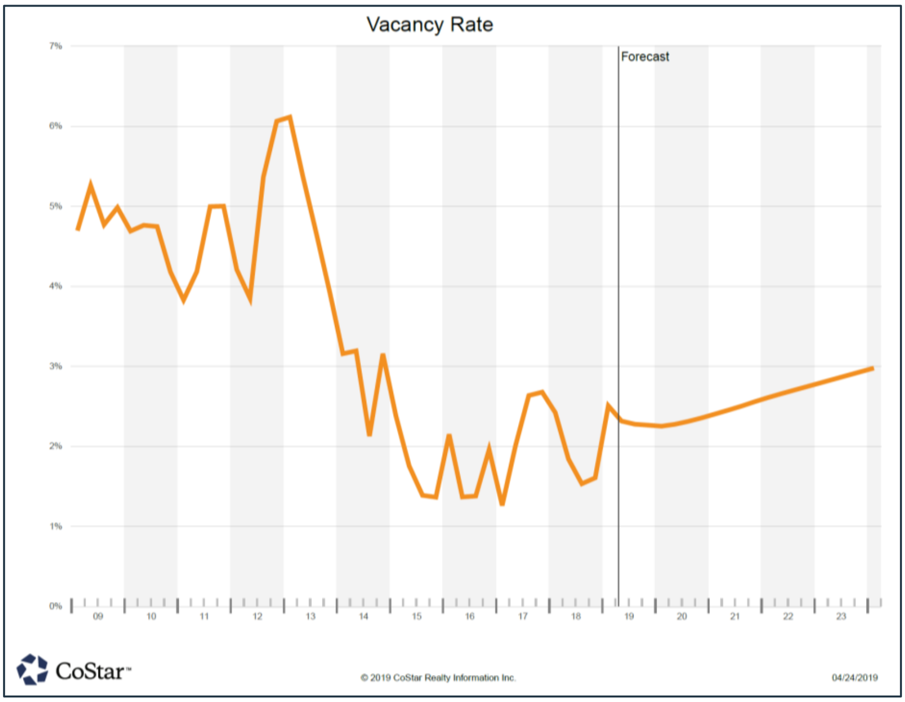
- 3 office properties, totalling c.1,115sqm of available office floorspace
- 2 light industrial properties, totalling 985sqm of available light industrial florospace
- 11 industrial properties, totalling 12,077sqm of available light industrial floorspace

3.101 This suggests that currently available floorspace is unlikely to have any significant impact on the overall future employment supply in Waltham Forest, particularly considering that vacant stock may not be attractive to occupiers in its current form and is therefore unlikely to be re-used in its current form without some form of investment and reconfiguration.

3.102 Our assessment of current employment land supply supports this assertion. There is limited evidence of any significant vacancy on active employment sites, and where there is a notable level of low vacancy this tends to be where there are redevelopment proposals being implemented.

3.103 Figure 12 shows the fluctuating vacancy rate for the borough over the period from 2009 – 2019, and projected to forward to 2023. This shows a current vacancy rate of only 2.5%, with the level having stayed below 3% since the start of 2015, and reinforces the minimal impact vacant floorspace is likely to have in accommodating growth in the borough.

Figure 12: Waltham Forest Vacancy Rate Trend (2009 - 2023)



Source: CoStar, 2019

3.104 In alignment with the conclusion reached in the 2016 study, meeting the future employment growth requirements within the borough will therefore rely on the redevelopment and intensification of existing employment sites. This is particularly true considering the increasing residential growth pressures which are adding to the scarcity of available land to accommodate the borough's growth. In the face of constrained supply, the borough needs to meet a 27,000 homes growth target over the new Local Plan period to 2033, as well as the employment growth target confirmed in the 'supply-demand balance' at the end of this section.

3.105 The suitability of current employment sites to accommodate both industrial intensification and co-location has been identified throughout this section, which demonstrates the ability to accommodate this employment growth within the existing portfolio in combination with the role of town centres in accommodating new employment floorspace outside of employment designations.

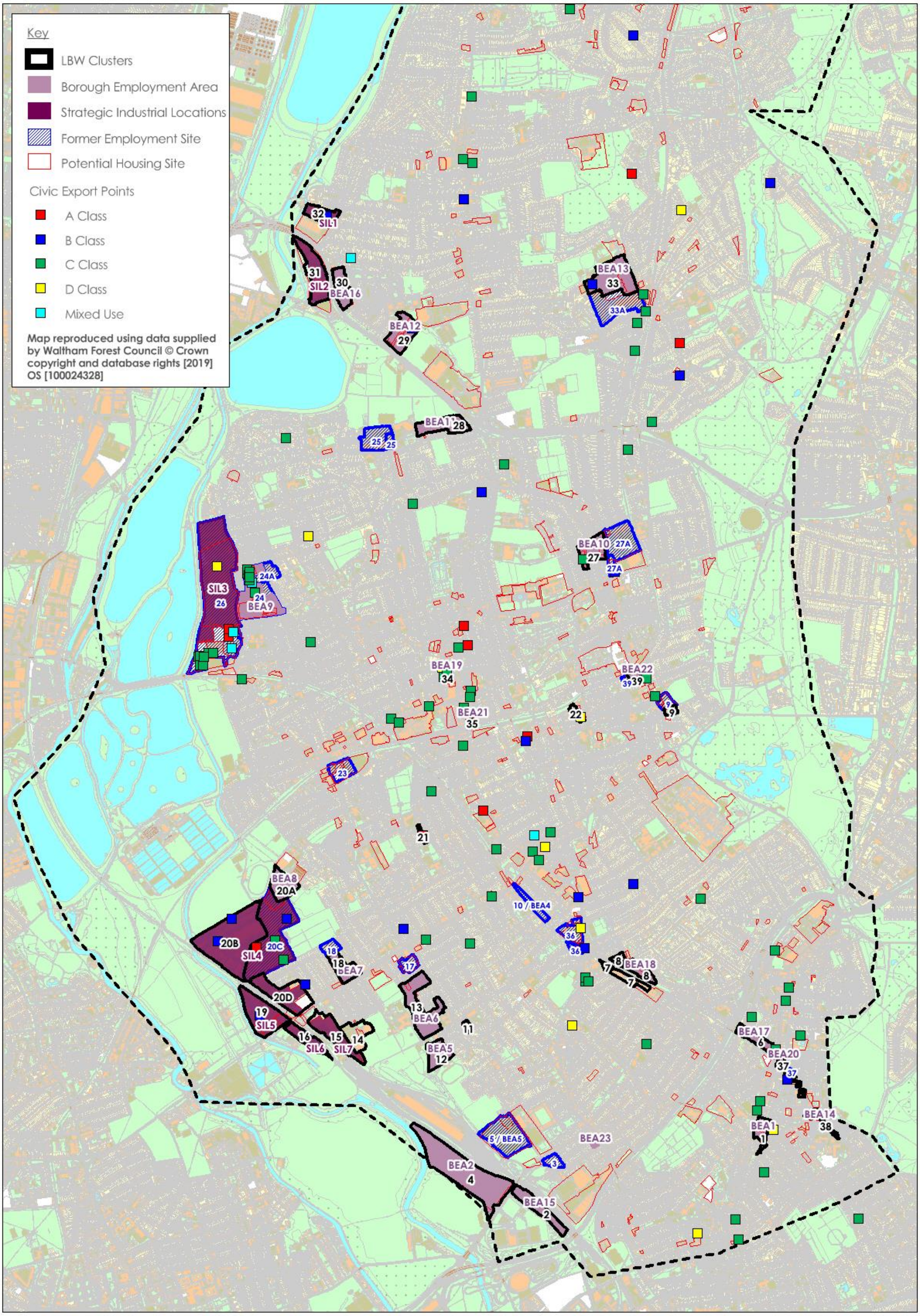
3.106 However, to demonstrate the scale of the challenge in competition with residential growth pressures, Table 5 the sites identified as wholly or partly active employment sites in the 2016 study, which have since been lost to residential use.

3.107 The 9 sites identified here, equate to 22.4ha of employment land that has now been lost from the supply portfolio, however this is unlikely to capture the full extent of losses as it does not include those on non-designated sites or sites of less than 0.25ha.

Table 5 - Employment Sites Lost Since 2016

Site Reference	Site Name	Ha	Cluster
BEA4	Dunton Road	0.95	Leyton & Leytonstone
36	High Road Leyton	1.76	Leyton & Leytonstone
8	Midland Road Railway Arches & Residential Area	1.45	Leyton & Leytonstone
GVA 1	Larkshall Business Centre	0.37	Chingford & Highams Park
1331079 (33A)	Former C&A Warehouse	4.22	Chingford & Highams Park
1331074	Ferry Lane Industrial Estate/Station Hub	5.94	Lee Valley OA
1331014	Alpha Business Centre & Car Park (WTC Site 15)	1.56	Lee Valley OA
17	Church Road (Lea Park Trading Estate)	0.96	Lee Valley OA
BEA3 (5)	Auckland Road	5.14	Lee Valley OA

3.108 As shown, development resulting in the loss of employment land has been focussed in two areas, the north and east of the borough, with all space being located in these two parts of the borough. Looking forward this suggests that remaining land within these locations will need to be a particular focus for protection and enhancement if they are to retain an employment offer and provide a balance between homes and jobs.


Key
LBW Clusters
Borough Employment Area
Strategic Industrial Locations
Former Employment Site
Potential Housing Site
Civic Export Points
A Class
B Class
C Class
D Class
Mixed Use
Map reproduced using data supplied by Waltham Forest Council © Crown copyright and database rights [2019] OS [100024328]
SIL1
SIL2
SIL3
SIL4
SIL5
SIL6
SIL7
BEA2
BEA4
BEA5
BEA6
BEA7
BEA8
BEA9
BEA10
BEA12
BEA13
BEA14
BEA15
BEA16
BEA17
BEA18
BEA19
BEA20
BEA21
BEA22
BEA23
20A
20B
20C
20D
24A
27A
33A

4. Future Employment Land Strategy

4.1 The employment forecasts set out in Section 2 of this report highlight the broad nature of floorspace requirements in terms of the planning use classes required going forward, however these are not particularly helpful in understanding how to realise the delivery of appropriate space to meet future business needs.

4.2 To assist in this process we have sought to provide further guidance on the nature of space that is likely to be required in the future. We draw on a range of examples to hep articulate to illustrate to the scale and type of offer that is likely to be appropriate, none are considered to be prescriptive as local design and space solutions will need to be developed appropriate to their context and prevailing demand.

4.3 Based on both the projected needs, wider development and space trends in London and the geographic context we believe the borough will need to accommodate three core floorspace types.

Distribution and Urban Servicing

4.4 The forecasts clearly identify a need to provide B8 floorspace, reflecting wider trends in the economy as people and businesses rely more on direct delivery of goods or stock. Locations with good proximity to a dense urban population (residential and business) as well as good access to the strategic road network have been a focus for both direct operators and third party logistics companies.

4.5 With good connections provided by the A12, A406 and M11 in the borough there will be strong demand for such activity. However, the nature of employment sites available will limit the scale and nature of demand, focussing on smaller parcel hub facilities more than larger distribution centres.

4.6 It is therefore likely that demand would be focussed at the lower end of the distribution size spectrum, with units between 1,000sqm and 5,000sqm most likely to be prevalent. The cost of space in much of the borough is likely to prevent larger activity locating there.

4.7 Over the plan period, as the development and occupier sector matures, there are likely to be opportunities to intensify the level of activity in this sector through multi-storey development. At present it is unclear whether multi-storey development will be appropriate in terms of stacking distribution uses, or whether ‘lighter’ uses will need to be co-located on upper floors. Much will depend on the cost and efficiency of access solutions to the upper floors, which are still largely unproven in the UK context.

4.8 There are a variety of proposed schemes in London, including the Generator in West London which will provide a mix of larger industrial space and lighter workspace within the building. In Europe Belartza Donostia in San Sebastian provides another potential form of development, with medium sized units arranged over two storeys. Similarly Gewerbehof Laim in Munich provides a range of spaces over multiple floors with internal goods lifts, with a total of 11,000sqm of floorspace.

The Generator

Belartza Donostia

Gewerbehof Laim

Industrious space

4.9 The forecasts for future growth in the borough suggest that there will be an overall small reduction in the future supply of industrial space (i.e. B1c and B2) in the borough, however this masks a more nuanced pattern of need in sectoral terms. Whilst the heavier industrial sectors are forecast to continue to decline the forecasts suggest a range of activities which will require some light industrial space (potential mixed with office, storage or even 'shopfront' space).

4.10 We refer to this type of product as 'industrious' rather than industrial given the range of applications it has, however common to all is a need for space for the production of goods and, ultimately, their distribution to end users. Such activities range from everyday local services through to high value creative endeavours and would, for example, include printers, micro-breweries, car repairs, clothing production, fabrication, bakers or creative/artisanal production.

4.11 Much of this activity already occurs within the borough, re-using existing industrial stock or occupying new space such as that at the Leyton Industrial Village, typically in smaller units or sub-divided space in larger premises. However a new generation of purpose built stock is being brought forward both in London and beyond, often co-locating larger and smaller activities within the same building.

4.12 Within London the Generator will provide an example of this type of space once delivered, in Sheffield the AMP Building also provides a range of 'industrious' spaces over multiple floors served by goods lifts. SOAR Works, another project in Sheffield, co-locates light industrial space with a range of studios and even a community facility in a residential setting. In Europe schemes such as St Jakob Foundation in Zurich are examples of how production based activity (in this case a bakery) can be co-located with other forms of workspace including offices and space for third sector organisations.

AMP Sheffield

SOAR Works

St Jakob's Foundation

4.13 Many of the activities that will occupy this type of space will also offer opportunities for the co-location of activity with residential development – reflecting the ***New London Mix*** typology identified in *"Places that Work"* - offering opportunities to create new space outside of strategic industrial designations and areas of change within the borough, allowing employment opportunities to be provided across the borough.

4.14 A growing number of examples of this type of development now exist, or are in the pipeline, in London including the Peabody/Workspace Group Bow Enterprise Park, Empyrean/Projekt's Bernard Works in South Tottenham or the Travis Perkins development in King's Cross. Outside of the UK Vancouver is pioneering this mixed use development with schemes such as the Ironworks and Strathcona Village being delivered in former industrial locations in the north of the city.

Bow Enterprise Park

Bernard Works

Travis Perkins

Strathcona Village

Ironworks

Higher Density Space

4.15 The borough will also experience a need for additional higher density employment space, which will require new forms of development to accommodate activities that will occupy a range of office and studio type spaces.

4.16 This is likely to require a range of space types, from small studio spaces, flexible co-working spaces through to larger office 'suites'. However, based on our analysis it is unlikely that the market would seek large scale 'corporate' office spaces, which provide large floorplates for single occupiers.

4.17 Instead, reflecting the broad pattern and scale of business operation within Waltham Forest and London more generally, space is likely to be needed as a range of shared spaces that support start-up and grow on of businesses locally. A range of examples exist for this type of space within London both as new build and conversion premises, however given the existing built stock in the borough new build is likely to be the most likely route to realisation.

4.18 Within Walthamstow itself the new Crate St James development is an example of where this higher density, multi-occupier space is being well received, with all spaces fully let and a high proportion of resident businesses occupying space. There is no clear sector or 'type' of occupier (ranging from agents through to dog groomers) which shows the breadth of unmet need in the borough.

4.19 More widely the Light Bulb, a Workspace Group development in Wandsworth, has attracted a range of occupiers to its mix of co-working, studio and individual office units whilst PlusX, a new innovation centre in Brighton will provide a similar mix of spaces outside of the city core.

Crate St James

The Light Bulb

Plus X Brighton

4.20 What is clear from each of these examples is that the supporting offer is critical to the success of this type of space, with businesses seeking vibrant locations where they have access to a wider range of amenities and services. Equally, the ability to network and interact with other similar businesses in a like-minded ecosystem is critical – which will influence both location and building design.

4.21 Again this type of space lends itself to being co-located with other employment uses as shown in some of the 'industrious' space typologies where they occupy upper floors above lower density activities. Across London they have also been integrated into more residential developments, including Leyton Central within the borough and developments such as Work.Life in London Fields.

4.22 Alongside these 'office' type spaces a range of developments are also including more 'studio' type spaces that still create a higher employment density but are closer to a light industrial unit in form. Both Caxton works and RAW Labs, both within the Royal Docks, are examples where this form of higher density employment space has been delivered.

Work.Life

Caxton Works

RAW Labs

4.23 These spaces are likely to meet the majority of employment needs within the borough, based on current projects and market dynamics. However, commercial development is changing significantly as a response to occupier needs, technology, sustainability principles and land availability/cost, as such it is quite likely other typologies will evolve in the coming years to meet these changing needs. However, regardless of how these specific buildings come forward we would expect them to still provide the same types of space described above.

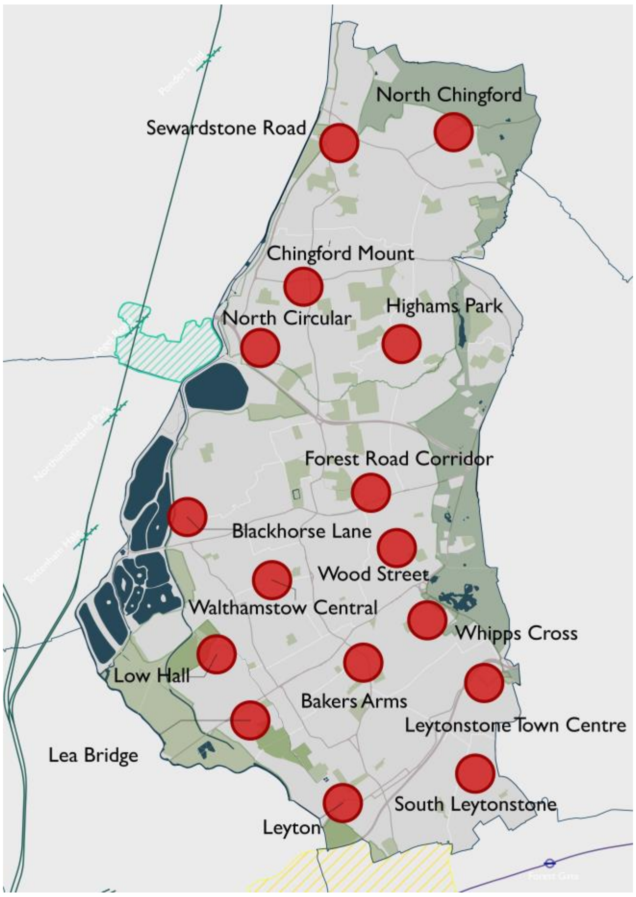
The Spatial Approach to Employment Land

4.24 As has been considered elsewhere in this Study the nature of employment growth in the future will be varied, requiring a range of different types of space. Critically they will also have different locational requirements, which will lead to some spatial differences for how growth can be planned for and directed across the borough.

4.25 Planning in this way will ensure land is optimised both in terms of its employment role and also in terms of its ability to support the wider growth needs and aspirations for the borough, ultimately it should make a significant contribution to the continued success and evolution of the borough as a place to live and work.

4.26 A key consideration in planning for employment growth in this way is understanding not only the character of the cluster today, but also what it may be later in the plan period in order to ensure allocations remain fit for purpose throughout the whole period. A key starting point for this has been to understand the wider spatial strategy for the borough and where particular areas align with key areas of growth and change.

Figure 13 - Waltham Forest Proposed Growth Areas



4.27 As shown in Figure 13 a number of individual locations where growth will be focussed have been identified, many of which overlap with key areas of existing employment activity and designated employment sites, we consider how this relationship can evolve and support Council objectives to balance housing with jobs growth.

Chingford & Highams Park

4.28 Relevant Growth Locations

- North Circular, Chingford Mount and Highams Park

4.29 Key Location Characteristics

- Good strategic road network connectivity provided by North Circular.
- Generally medium sized employment sites and premises within the cluster.
- More residential nature in some parts of cluster (particularly to the north and east) however not as dense as elsewhere in the borough. Some sui generis / trade counter uses creeping into the area.
- Mixed nature of new employment, residential and some A class development coming forward throughout the cluster.
- Decent public transport accessibility in Highams Park area and heading north towards Chingford, but more car dominated close to North Circular, and much weaker connectivity than the south of the borough.

4.30 Core Employment Suitability

- B2 / B8

4.31 Residential Proposition

- Capacity for 626 homes based on currently identified potential sites, sites closest to A406 may be significantly challenged

4.32 Recommended Strategy

- The connectivity and access provided to this area lends itself to a focus on larger industrial and distribution activities. The scale and nature of sites could lend themselves to intensification over time, however proximity to residential may limit the opportunity.
- A mix of 'final mile' and industrious spaces are most likely to maximise the opportunity to increase employment activity within the cluster, particularly along the North Circular.
- There are likely to be limited opportunities for co-location of employment and residential space given overall accessibility, however there may be an opportunity to incorporate residential and industrious or higher density employment space around Highams Park station, to maximise this area's accessibility strengths.
- Over the full plan period, as the retail sector restructures, there may be opportunities to consolidate these uses and create additional capacity for B class development, particularly within the SIL which are present is dominated by non-B class activity and self-storage.

Blackhorse Road

4.33 Relevant Growth Locations

- Blackhorse Lane

4.34 Key Location Characteristics

- Good road connectivity from A503 but also very good public transport accessibility with Blackhorse Road station.
- Large employment sites. Creative industries focus of current employment activity, however increasing pressures being exerted on employment activity by new residential development activity.
- Changing dynamic of residential nature of area through new high density schemes.

4.35 Core Employment Suitability

- B1 / B2

4.36 Residential Proposition

- Capacity for 2,098 homes based on currently identified potential sites, however this requires a significant shift from employment to primarily residential uses.

4.37 Recommended Strategy

- Blackhorse Road has been at the forefront of the borough's shift from significant industrial employment towards a more creative (still larely production based) economy. It has also been a point of focus for repurposing employment land for residential and mixed use development. Significant capacity has already been lost in the area (as noted in the 2016 study) with significant plans still being developed that could further challenge the employment function of the area.
- In the future, the remaining designated employment land will need to be carefully managed, to allow the maximisation of the accessibility provided by Blackhorse Road station but still retain a mix of industrial and other workspace.
- The character of the area offers opportunities for employment intensification through the delivery of a range of industrious typologies, which perhaps include lighter uses on upper floors and could even include some higher density employment.
- Co-location should also be a key component of the cluster, allowing for a mix of industrious and higher density employment uses to come forward at ground (and potentially 1st/2nd floor) level, with residential above.
- Critically for this cluster the creation of additional employment capacity prior to any further (major) redevelopment of sites is needed to ensure businesses are not displaced by redevelopment, or required to move twice in short succession, which would place businesses at significant risk. This may require a shared upfront investment to unlock an existing site and support businesses to locate to it to then allow a phased process of development.

Walthamstow

4.38 Relevant Growth Locations

- Forest Road Corridor, Wood Street and Walthamstow Central

4.39 Key Location Characteristics

- Weaker strategic road network connectivity than other parts of the borough, with stronger public transport connectivity (Overground links between St James St and Wood St, and with Walthamstow Central underground station)
- Generally small to medium sized employment sites.
- Largely mixed B1c and B2 activity, with some non-employment activity evident.
- Residential nature in much of the area, with significant new residential development proposals coming forward.

4.40 Core Employment Suitability

- B1 / B2

4.41 Residential Proposition

- Capacity for 4,562 homes based on currently identified potential sites.
- This will reduce considering need for mixed use rather than residential redevelopment, but this should cluster should still be the main focus for new residential development

4.42 Recommended Strategy

- Opportunity for mixed use intensification, particularly in town centres and urban sites with good public transport connections and access to amenities
- Walthamstow in particular offers the prime opportunity to deliver new, higher density office/studio space at a larger scale given the range of amenities and transport accessibility. Crate St James provides a good example of how small space can attract a range of business types within B1 use classes where a wider environment is created and curated.
- A number of spaces such as the small units at Crate St James or co-working provision have been delivered (or are proposed) in and around the town centre which will provide space for small, start-up and freelance businesses. However there is little current provision for ‘grow on’ space as businesses mature, larger (albeit most likely still managed and flexible) space – something that should be addressed in future development to allow businesses to remain in the area.
- In a similar vein Wood Street also offers opportunities for increased high density employment opportunities given its direct connections to the City.
- Outside of the town centre smaller designated and undesignated sites should be considered as opportunities to promote new/replacement supply of small 'industrious' spaces for production based creative activity and associated professional services, with opportunities for mixed use intensification with residential development.

Lea Bridge

4.43 Relevant Growth Locations

- Lea Bridge, Low Hall

4.44 Key Location Characteristics

- Public transport accessibility provided by Lea Bridge station, and road network connectivity provided by Orient Way (to A12) and A104.
- Large scale employment sites with broadly mixed B1c/B2 activity
- Recent investment in new stock which performs well
- Significant presence of older stock and under-utilised sites

4.45 Core Employment Suitability

- B1 / B2 / B8

4.46 Residential Proposition

- Capacity for 2,456 homes based on currently identified potential sites, however this requires significant realignment of the current commercial floorspace provision to unlock land for residential development

4.47 Recommended Strategy

- Lea Bridge is the borough's largest cluster of employment land, accommodating a significant supply of SIL designated land, as such it is vital that any future development or change in the area protects and enhances the functionality of this important economic hub. In line with London-wide policy and guidance any change should take a 'business first' approach, replacing and where possible enhancing the supply of floorspace in the area to help meet the identified need for more employment floorspace.
- The scale, range and nature of this cluster means it has the opportunity to provide a mix of all of the 'required' typologies identified within this Study. However, principally it should seek to deliver intensified industrious activity first within the SIL, both improving current built stock and adding additional floorspace either through better utilisation of sites or multi-storey development.
- This approach may ultimately allow some land to be considered for more mixed use developments, which would allow the residential development aspirations to be delivered. Even mixed use elements should seek to maximise the provision of B class space through co-location. Sites around Lea Bridge station in particular may provide opportunities to deliver higher density employment activity without displacing activity within the core area.
- The BEAs that are also located in this area may present opportunities to also deliver more co-located activity, both through mixed employment provision (i.e. industrious and higher density space) and also with residential.
- Similar to the Blackhorse Road cluster it will be critical to find truly additional capacity in the area prior to seeking to redevelop currently active sites in order to minimise disruption to businesses and allow them to continue trading successfully.

Leyton (N)

4.48 Relevant Growth Locations

- Bakers Arms

4.49 Key Location Characteristics

- Public transport accessibility provided mainly by Leyton Midland Road station.
- Small nature of employment sites with mixed B1c/B2 activity,
- Substantial recent / emerging residential development undermining the employment nature of the cluster

4.50 Core Employment Suitability

- B1 / B2

4.51 Residential Proposition

- Capacity for 1,914 homes based on currently identified potential sites, which seems to be mainly to the north of the cluster away from remaining employment activity

4.52 Recommended Strategy

- The cluster offers limited opportunities to increase the quantum of employment floorspace provided, however over time it will require reinvestment to ensure it remains an attractive and viable location for businesses to operate.
- As with the current offer the cluster is likely to remain a mixed 'general' employment area, accommodating a range of local service orientated businesses alongside locally run businesses serving a wider catchment. The nature of the area suggests these will remain smaller scale businesses at the lighter end of the industrious spectrum.
- The connectivity offered in the area presents an opportunity to introduce some higher density employment, albeit most likely at more orientated to 'studio' type spaces rather than pure office provision.
- Given the small and lighter nature of likely activity here there are clearly opportunities to seek to integrate industrious space into residential developments, in particular where sites have a close relationship to the rail line.
- However the opportunity to significantly increase the stock of space in this area is extremely limited within the designated sites given existing site coverage. Some vertical extensions may be possible within the Wood Street Goods Yard or Hainault Road sites, however any gains may well be offset by a need to provide increased access and servicing space at ground floor.

Leytonstone

4.53 Relevant Growth Locations

- South Leytonstone

4.54 Key Location Characteristics

- Public transport accessibility provided mainly by Leytonstone High Road station.
- Close proximity but limited direct access to the strategic road network via A12
- Small fine grained nature of current employment activity reflecting railway arch typologies
- Employment activity is in close proximity with residential and does not provide high quality space
- Significant presence of non-B class or quasi retail uses within larger sites

4.55 Core Employment Suitability

- B1

4.56 Residential Proposition

- Capacity for 424 homes based on currently identified potential sites, which could fit well with an evolving creative small business employment character in this cluster

4.57 Recommended Strategy

- The cluster's supply is significantly weighted towards the use of railways arches and yards associated with the rail line, which therefore limits the opportunity to increase the overall supply of floorspace in these areas. The largest of these sites (BEA14 and 20) have also been identified for residential development which may further limit the supply of space.
- In these rail line/arch conditions the co-location of residential with either higher density or industrious employment space will be vital if this area is to retain a balance of homes and jobs, this may push thinking on new typologies in tight urban settings beyond current examples.
- BEA17(Joseph Ray Road) and BEA1 (Howard Road) are larger employment sites which again have been identified as opportunities to deliver residential development. BEA17 in particular presents the best opportunity to increase employment space provision given much of the site is used for low intensity storage or yard space – albeit with some of this ancillary space for businesses based in the railway arches. The current Jewson's facility is a clear opportunity, particular as the builders merchant sector changes with more direct delivery and less stock held on site.
- BEA17's proximity to Leytonstone High Road station presents opportunities for higher density employment activity to complement more intensified industrious provision. Subject to capacity and design there may also be opportunities to deliver co-location with residential given the surrounding context.
- Within BEA1 the area north of Howard Road is currently a B&M store, as such it makes limited contribution to the overall employment space supply. To the south the industrious space accommodates more B class activity and there may be opportunities to intensify this with vertical extensions. An alternate approach could be to retain the capacity via co-location of residential above new commercial space.

Leyton (S)

4.58 Relevant Growth Locations

- Leyton

4.59 Key Location Characteristics

- Good strategic road network connectivity provided by A12. Decent public accessibility with Leyton station.
- Cluster is characterised by large low density employment sites supporting B8 activity.
- Proximity to Central London, road network and scale of sites make this cluster well suited to final mile distribution activity.
- Some new residential development and more residential nature is to east of cluster, but separated from employment activity largely by road infrastructure

4.60 Core Employment Suitability

- B1, B2, B8

4.61 Residential Proposition

- Capacity for 2,082 homes based on currently identified potential sites, including the remodelling of the Leyton Mills Retail Park

4.62 Recommended Strategy

- The key opportunity within this cluster will be the future re-use of BEA2 (Sherrin Road) once New Spitalfields Market has been relocated to Barking and Dagenham. At present there is no specific timeframe for that move, which presents an opportunity for the Local Plan to establish a proactive position that balances potentially competing objectives for the site.
- BEA2 offers one of the few opportunities to create additional employment capacity in the borough that is available to all businesses, with the location being particularly appropriate for final mile distribution and industrious floorspace typologies. Looking at the Leyton-Lea Bridge area in totality the relationship between BEA2 and the Lea Bridge Gateway SIL cluster is important to help with any decanting and displacement of businesses through redevelopment.
- BEA2 has the potential to deliver significant (and mixed) employment capacity alongside a number of other uses, however the functionality of the employment space should be central to the vision for the site, ensuring conditions are optimised for its long term operation.
- Outside of BEA2 any further opportunities for the delivery of employment floorspace should be maximised through any intensification of BEA15 (should it become available) or through the inclusion of industrious workspace typologies in particular within mixed use developments such as Leyton Mills.

Emission zone influence

4.63 The Ultra-Low Emission Zone (ULEZ) is in constant operation in the same central London area as the Congestion Charge. This does not affect Waltham Forest businesses directly, as the borough falls beyond this central area. However, from 26th October 2020 there will be a tightening of the Low Emission Zone (LEZ) standards across the Greater London area, which will affect businesses using pre-2014 vehicles of 3.5tonnes+ in gross vehicle weight, and from 25th October 2021 the ULEZ will be expanded from central London out to the north and south circular boundaries, as shown in Figure 14.

Figure 14: ULEZ boundary changes

Source: ITV website, 2017 (https://www.itv.com/news/london/2019-01-07/how-much-will-londons-ultra-low-emission-zone-cost-you/)

4.64 This means that the southern part of Waltham Forest borough (including the majority of the borough's SIL and BEA designations) will be included within the ULEZ extension from 2021 as well as the LEZ from 2020, and the northern part of the borough will be included within the LEZ from 2020.

4.65 For most businesses serving customers within the borough or more widely within inner and outer London, there is no way to avoid the charges imposed by these changes, so they will not have any clear impact on businesses' location choices. However, the exclusion of the most northerly part of the borough from both the ULEZ and LEZ boundaries is an interesting quirk. Whilst there are currently no employment allocations of significant business operations undertaken in this area (north of Chingford Overground station) this could change the perception of North Chingford as a location for locally focused businesses who do serve customers beyond Greater London and for whom a location within one of the charging zones is an unjustified disadvantage.

4.66 At this point the scale and nature of implications for the borough's businesses in light of LEZ and ULEZ changes is not clear. However, in the short term there may be a tendency to locate closer to urban centres in order to limit vehicle fleet movements where possible.

4.67 In the longer-term there may be a more significant spatial impact on business locations and the nature of activity within these locations. The pressure to run a 'cleaner' vehicle fleet to avoid the charges imposed in the LEZ and ULEZ areas could support more meaningful opportunities for co-location as a result of the 'cleaner' nature of vehicle reliant industrial activities. Whilst the specifics of this are currently unclear, this could contribute to underpinning the co-location aspiration for parts of the borough and provide future steer on the location suitability of this approach, further to the recommendations set out at the end of this report. The Council should therefore monitor progress in relation to the LEZ and ULEZ changes / expansion, and may find it helpful to undertake some form of business surveys to understand the local perspective on business impact.

5. Recommendations

5.1 The Employment Land Study Update has been prepared to provide an evidence-based understanding of the existing employment land proposition within the borough of Waltham Forest and also set out a future direction of travel, based on an analysis of economic, market and land supply trends. Whilst it cannot predict the future, the Study is intended to provide an evidence based assessment of the likely future dynamics and needs of the borough's economy and recommend how, through the Local Plan in particular, the borough can create the conditions to encourage continued economic success.

5.2 In this section we set out a summary a series of recommendations that are intended to both inform the Local Plan approach to employment land and also inform wider strategy and intervention decisions with regard to the development and delivery of employment space.

5.3 We recognise that these recommendations can only go so far in defining the future employment space offer in the borough and that, to some degree, a degree of flexibility will be needed within the future strategy in order for the land and floorspace supply to be able to respond to fast changing requirements or the specific needs of individual operators.

Area and site specific opportunities

5.4 This Study has reinforced the challenges facing the borough in accommodating additional employment growth, there is little employment land available within the borough that does not already accommodate a number of active businesses. As such, delivering the additional requirements set out within this study within the same land supply will require the borough to be at the cutting edge of employment space delivery – both through the intensification of designated sites and the integration of B class employment space within new mixed use development.

5.5 As set out in the previous section, the approach taken to each site will depend on both the characteristics of existing sites, and the surrounding context – each will influence both the nature of space required and the form of development that accommodates it. Our assessment suggests that there are four broad approaches that apply to sites within the borough:

- ***The continuation of activity in its current form*** – this applies to locations where there appear to be limited opportunities to increase or intensify floorspace provision, or low potential to introduce new types of space. This requires no direct intervention beyond the continued protection of the site for employment purposes. Development proposals for these sites should be supported where then enhance the quality of the built stock and the environment within which buildings sit;
- ***Intensification of floorspace provision*** – this applies to locations which will remain in solely employment use but offer opportunities (through a range of approaches) to increase the overall floorspace provision within specific sites. This intensification could take the form of increased activity of the same type or create opportunities to deliver new types of space and accommodate new activities;
- ***Intensification and follow on co-location*** – a number of sites are currently underutilised and have the potential to be used more efficiently. Through this intensification process it may be possible to increase

utilisation to the point where other parts of the existing site can be used for a wider mix of activity. This process of delivering intensified 'employment only' locations and then seeking co-location on the balance of land will be the necessary approach for SIL designation land in order to align with GLA Practice Note.

- ***Enhanced space provision through co-location*** – residential/workspace co-location in single buildings is a relatively new proposition in London (albeit more established in other countries) however it is likely to become a vital component of the supply portfolio if future needs are going to be met. 'Side by side' co-location is more established and will also provide opportunities to retain/enhance provision and deliver new housing. There are a number of locations and sites within the borough where this approach is likely to be appropriate and attractive to occupiers, however it may require direct intervention (beyond policy) to demonstrate the market and unlock wider delivery.

5.6 The following tables set out our recommendations in terms of the most appropriate approach to future floorspace delivery in each of the remaining employment sites in the borough. Clearly it is not intended as a prescriptive list and more than one approach is likely to be appropriate in any one location, particularly where sites are large and have the capacity for significant change.

5.7 The purpose of these tables is therefore to guide the Council's thinking in terms of where certain approaches are most appropriate and it may seek to intervene and set policy in order to encourage certain outcomes. However the basic principle across all approaches is that, as a minimum, any future development should seek to reprovide the same quantum of employment space as currently exists and then deliver additional space in line with the needs identified in this study.

Continued employment use

Site	Size (ha)	Area cluster	Comments
BEA12 Justin Road	3.2	Highams Park	
SIL1 Hall Lane	1.9	Highams Park	
SIL2 North Circular Road	4.4	Highams Park	Should this site come forward for development it should provide an opportunity to increase B Class utilisation given much of the site is used from non-B class use at present. Changes at Meridian Water in the longer term may drive opportunities to deliver different types of space.
BEA5 Etloe Road/ Simonds Road	2.2	Lea Bridge	
BEA15 Temple Mills Lane	2.7	Leyton (South)	The site currently lies within the LLDC area. The current London Bus facilities are an important part of the strategic transport network and, as part of this Study, we have not unearthed any concrete proposals for activity to cease. As such it should remain designation for employment use. However, should this situation change (either through complete or partial vacation of activity) the site would present an opportunity to intensify floorspace supply. Subject to capacity its location on the edge of the Queen Elizabeth Olympic Park may make an appropriate setting for co-location.
BEA14 Montague Rd	0.4	Leytonstone	
BEA19 Hatherley Mews	1.7	Walthamstow	
LBWF22 Ravenswood Industrial Estate	0.2	Walthamstow	

Industrial intensification

Site	Size (ha)	Area cluster	Comments
BEA11 Waltham Park Way	2.9	Highams Park	
BEA16 Cabinet Way	2.2	Highams Park	
BEA18 Hainault Road	1.45	Leyton (North)	

Intensification with Follow On Co-location

Site	Size (ha)	Area cluster	Comments
SIL3 Blackhorse Lane	21.6	Blackhorse Lane	The primary focus for this site should be the intensification of employment floorspace given the previous loss of capacity experienced in the area. This may then unlock opportunities to co-locate residential in the area, but only once increased employment floorspace has been delivered. The site is already relatively densely utilised (as shown below with c.61% site coverage) therefore the ability to increase floorspace may be limited even through intensification
SIL4 Argall Avenue	28	Lea Bridge	The SIL designations at Lea Bridge need coordinated consideration to identify how intensified use can be achieved across the area. The scale and nature of these sites in terms of their current use shows both a strong existing demand for space and a future opportunity to used land more efficiently. The new connectivity and wider changes to the context within which the SIL sites site suggests that, should areas be able to be intensified and deliver more space there would be an opportunity and demand for residential development
SIL5 Rigg Approach	5.1	Lea Bridge	
SIL6 Lammas Road	2	Lea Bridge	
SIL7 Former Town Gas Works	3.7	Lea Bridge	
BEA6 Church Road	1	Lea Bridge	These sites will be another critical contributor to the delivery of intensification at Lea Bridge as they offer opportunities to deliver additional floorspace to allow business relocations. The Council's Low Hall Depot in particular presents opportunities given its low rate of utilisation and potential to reorganise and redevelop parts of the site.
LBWF20A New Triangle	2.5	Lea Bridge	
BEA6 Church Road	5.4	Lea Bridge	
BEA2 Sherrin Road	11.9	Leyton (South)	As discussed, this site is a key opportunity for the borough going forward and any future redevelopment will need to make a significant contribution to delivering future floorspace requirements. It is likely that there is the capacity on site to deliver significant employment and residential development – however securing new employment space should be a primary focus. The should seek to broaden the range and type of employment opportunities and activities beyond the current wholesale and distribution activity.
BEA17 Joseph Ray Road	1.6	Leytonstone	This site has low intensity of use and therefore could make a more significant contribution to the overall floorspace supply in the borough. There may be some opportunities for co-location if sufficient employment space can be provided.
BEA1 Howard Road	1.4	Leytonstone	

Co-location

Site	Size (ha)	Area cluster	Comments
BEA9 Sutherland Road	3.5	Blackhorse Lane	
BEA13 Highams Park	5.7	Highams Park	
LBWF11 Shaftesbury Court	0.3	Lea Bridge	
BEA7 Heybridge Way	2.1	Lea Bridge	
LBWF 36	1.08	Leyton (North)	
BEA20 Lancaster Road Arches	0.63	Leytonstone	
BEA10 Clifford Road	2.6	Walthamstow	
LBWF7 Norlington Road	1.08	Leyton (N)	This site is part owned by Galliard Homes and is also subject to an SPF to guide its redevelopment – it is likely that an extension to the school will come forward in this location.
LBWF9 Skeltons Lane	0.5	Walthamstow	
BEA22 Barrat Road	0.8	Walthamstow	
BEA21 East London Office Centre	0.6	Walthamstow	
LBWF14 Lea Bridge Gas Works	2.5	Lea Bridge	This site is earmarked for residential, however any remaining opportunities for co-located workspace and residential should be pursued. This would reflect the approach being taken at Clarendon Works (Wood Green), where workspace is a fundamental component of the proposals by St William

Other employment opportunities

5.8 Understandably the focus of this Employment Land Study has been on those sites that are designated for employment use. However, this does not necessarily mean that they are the only parts of the borough that will contribute to the overall supply of employment space in the borough in the future.

5.9 Increasingly, as other sectors such as retail and leisure, restructure the provision of workspace as part of mixed use development is becoming common. Many developers are recognising the value that such space can bring to their developments in terms of rental income, placemaking and ultimately helping to support demand (and values) of residential units.

5.10 Through the development management process the borough should seek to encourage developers to deliver workspace in mixed use develop where viable. Not all areas of the borough are likely to be suitable, however locations that offer good accessibility and a range of other amenities are likely to be attractive to occupiers. This may also support the borough in continuing to provide a diverse range affordable and accessible space to small and start-up businesses and continue the ability of people to live and work in the same place.

5.11 This distributed approach may help address some of the other challenges that policy changes have created for the provision of small (and often affordable) workspace in the borough. Through permitted development a significant scale of office floorspace capacity has been lost to residential uses, affecting the ability of entrepreneurs and small businesses to start and grow locally. By encouraging workspace within new mixed use developments some of this capacity could be 'replaced'.

5.12 The borough's town centres are another important source of opportunities to deliver new workspace to support the economy,

5.13 Within this study a number of 'town centre' employment sites have been considered and recommendations made for their future use, however opportunities will not be limited to these, as demonstrated by the inclusion of workspace within the Town Hall Campus and the St James Quarter.

5.14 Each town centre in the borough (including the Leyton Mills Retail Park) contains a number of identified development sites which are intended to deliver new residential space and it is likely many of these will be required to have active ground floors. With the contraction in the retail sector this may present a new source of supply for local business space that would prove attractive to occupiers.

5.15 As noted in the parallel Retail Needs Study the borough's town centres tend to accommodate a mix of B Class activities and provide c.10,000 jobs across all sectors based on IDBR data. Across the centres, there were three main recurring B class sectors:

- Wholesale And Retail Trade; Repair Of Motor Vehicles And Motorcycles
- Professional, Scientific And Technical Activities
- Administrative And Support Service Activities

5.16 The businesses in these sectors will have different spatial requirements but will tend to require two core space types - small, light industrial space and small office space.

5.17 Across all centres, there is an opportunity to encourage and provide small, flexible business space (workspace). This could comprise a variety of forms but from assessing the businesses present in the centres and the projections of future growth this would mainly focus on office space, particularly for small professional service or creative industries. This could take the form of co-working space, small serviced office suites or small standalone units.

5.18 In the case of Walthamstow (which has a growing creative sector) businesses within creative, tech and even small production activities will require less 'professionalised' office space that can also provide small batch light manufacturing/machining space or studio facilities. This type of space could cater for a wide range of businesses such as graphic designers, architects, sound engineering. This type of space can exist on upper floors of units with a retail, food and beverage or within industrious ground floors.

5.19 In terms of the light industrial spaces, there is an opportunity to consider new mixed use industrial development. Within Walthamstow and Leytonstone co-location (new London mix) could be supported, specifically on the periphery/edge of the high street locations.

5.20 Whilst not a B Class employment designation within the Local Plan Whipps Cross Hospital plays a major role in the local economy as one of the borough's largest employers, as such it should be afforded equal attention in terms of protecting its use and enabling future development to come forward that supports its core function. Ultimately, as health technology and new forms of care develop the hospital could be a key driver of future business activity

Achieving the Supply of Land Required

5.21 The core requirement arising from this study is borough, via the Local Plan, to provide an additional c.52,000sqm of additional B class floorspace over the plan period. As set out this will most likely require a significant intensification of activity within existing employment sites given there is little or no vacant land currently within the borough, limited vacant stock and few under-utilised sites.

5.22 To put this in context, using information provided by CoStar, we estimated there is at least 470,000sqm of B class floorspace currently located within the designated sites (excluding operational yards, open storage areas etc) suggesting overall floorspace would need to be increased by 10% to meet future needs even before any space was delivered to offset any losses of space either within or outside of the sites.

5.23 Each Cluster has differing relationships between floorspace provision, site coverage and employment capacity[4] as shown in the following table.

[4] *Note, employment capacity is not the same as actual employment. Employment capacity relates to the number of jobs that could be accommodated within each site based on the scale and character of floorspace provision. It is calculated using the HCA Density Guide density ranges appropriate to the type of space. This approach allows a consistent and comparable analysis, removing any distortive impacts of particular business operations.*

Table 6- Cluster Utilisation

Cluster	Total Floorspace (sqm)	% of Total Floorspace (sqm)	% of Overall Employment Capacity	Average Site Coverage
A - Chingford & Highams Park	69,000	15%	18%	33%
B - Blackhorse Lane	136,000	29%	33%	61%
C - Walthamstow	19,000	4%	5%	76%
D - Lea Bridge	189,000	40%	33%	40%
E - Leyton (N)	13,000	3%	2%	56%
F - Leytonstone	8,000	2%	2%	25%
G - Leyton (S)	36,000	8%	7%	19%

5.24 Unsurprisingly, Lea Bridge and Blackhorse Road are the most significant employment locations containing 40% and 29% of the floorspace stock and accommodating 33% of total employment capacity each, Chingford and Highams Park is the next biggest contributor with all other clusters contributing less than 10% of space and employment capacity. It should be noted that Walthamstow may be slightly under-represented given not all employment space lies within designated employment sites.

5.25 Despite providing equal shares of employment capacity Lea Bridge and Blackhorse Road perform considerably differently in terms of land utilisation. Blackhorse Road appears to use land more efficiently, with c.61% site coverage compared to Lea Bridge at 40%, unsurprisingly Walthamstow appears to be the most efficient (75%), all other clusters have relatively low utilisation (with the exception of Leyton N). The low utilisation rates show the effect of the low intensity employment activities within key sites that have been highlighted through this study and reinforce their importance to the borough in accommodating future growth.

5.26 In terms of utilisation and in relation to scale of provision in each cluster this analysis would appear to suggest that Lea Bridge, Leyton S and Chingford/Highams Park provide the most significant opportunity for intensification of employment floorspace. Walthamstow also seems to provide an opportunity to deliver additional space given it is the borough's major town centre and appears to be underperforming in floorspace terms. Leytonstone, whilst appearing to have low utilisation, is unlikely to offer significant intensification opportunities given the nature of sites, which tend to be small and linked to railway arches, however it may provide some potential to broaden the offer by incorporating workspace into the 'town centre'.

5.27 The new draft London Plan and accompanying Industrial Intensification Practice Note[5] suggests that the minimum utilisation for industrial land should be c.65%, which is clearly much higher than most sites within these key clusters currently achieve. Based on our assessment if all sites within the Chingford & Highams Park, Lea Bridge and Leyton (S) cluster that we have identified as having intensification potential were to be redeveloped at this intensity (for a mix of uses that we have identified as suitable in this Study) then the borough could see the delivery of c.166,000sqm of additional B Class employment space.

[5] https://www.london.gov.uk/sites/default/files/practice_note_-_industrial_intensification.pdf

5.28 It is unlikely that all of this would come forward within the Plan Period given the nature of sites and occupiers, many of whom may be unlikely to require new premises or seek to relocate, and also the need for them to retain some low intensity sites for their operation. However, if this hypothetical intensification were delivered the borough would see a shift in the balance of activity, with a much greater focus on Lea Bridge in the future.

Table 7 - Potential Future Cluster Utilisation

Cluster	Total Floorspace (sqm)	% of Total Floorspace	% of Overall Employment Capacity
A - Chingford & Highams Park	80,000	13%	14%
B - Blackhorse Lane	136,000	21%	24%
C - Walthamstow	19,000	3%	7%
D - Lea Bridge	344,000	54%	45%
E - Leyton (N)	13,000	2%	2%
F - Leytonstone	8,000	1%	4%
G - Leyton (S)	36,000	6%	4%

5.29 These figures do not include any allowance for the delivery of co-location development. On existing employment sites we would anticipate this would deliver a 'no net loss' position given the intensity with which sites are already used and therefore not add to the overall supply position. Some additional space may be achievable through the inclusion of workspace within mixed use development on non-designated sites or within town centres, however this is unlikely to offer the scale or nature of space required to meet all identified needs.

Distribution of Employment

5.30 In order to help the development of the spatial policies for the borough in the new Local Plan we have prepared an estimate of how employment growth could be distributed across Waltham Forest. Given the nature of the Employment Land Study this should be considered an indicative exercise, and is based on a quantitative approach only, no assessment of site or area capacity has been undertaken.

5.31 To provide a guide to the distribution of employment we have used the following approach:

- Started with the GLAE forecast of 6,800 additional jobs in LBWF (note these are all jobs, not just B class)
- Estimated the current employment distribution by strategic area (estimating how the MSOAs in BRES aligned with strategic areas provided by the Council) – for MSOAs which were not part of any strategic area, we created a "rest of LBWF" category.
- Calculated the split by Experian job categories in each of our strategic areas by mapping Experian categories with BRES SIC codes, it should be noted these are not a perfect alignment.
- Estimated the current distribution of jobs by Experian job category in each strategic area
- Applied this distribution to the GLAE forecast growth level.
- Adjusted the figures, to take into account the recommended development approach for key employment sites, reflecting where intensification would enable a higher proportion of future

employment to be accommodated in an area than their current contribution would suggest (i.e. they would eventually play a more important employment role in the borough).

5.32 The outcome of this estimate suggests the following growth in each area:

- South Waltham Forest: Up to 12,000 new homes and c.3,250 additional jobs in the strategic locations of Lea Bridge, Leyton, South Leytonstone, , Leytonstone District Centre, Whipps Cross and Bakers Arms. An increase in jobs of 9.4%.
- Central Waltham Forest : c.1,620 new homes and 3,000 additional jobs in the strategic locations of Blackhorse Lane, Walthamstow Town Centre, Forest Road Corridor and Wood Street District Centre. An increase in jobs of 7.1%.
- North Waltham Forest: 2,600 new homes and 1,944 additional jobs in the strategic locations of North Chingford District Centre, Sewardstone Road Neighbourhood Centre, South Chingford District Centre, Highams Park District Centre) and the North Circular Corridor. An increase in jobs of 8.1%; and
- Elsewhere in the Borough: 2,000 homes outside the identified strategic locations and within the Borough generally with minimal employment.

Draft new London Plan requirements for Industrial Intensification

5.33 Alongside an evidence based analysis of future employment land needs and supply options this borough wide study is also intended to provide initial information and evidence to support the Council in bringing forward industrial intensification in order to both meet future economic needs but also identify whether there is capacity to in time release some land to provide the capacity to meet the borough's other growth needs.

5.34 The GLA Industrial Intensification Practice Note identifies two mechanisms for delivering the policy and intervention framework for industrial intensification. A the Local Plan level it requires an assessment of floorspace requirements that takes the London Plan evidence base as its starting point then develops a more locally specific understanding of future demand, market dynamics, supply and development trends.

5.35 This study, in addition to other assessments already prepared on behalf of the Council, provide that local assessment and therefore deliver the first set of requirements in the Practice Note as follows:

- Supply Side Dynamics
  - This study considers the stock of existing employment space and land, providing an updated quantitative and qualitative assessment of provision at a site specific and cluster level in Section 3, including SIL, BEAs and non-designated sites (where information was available). It highlights the lack of available land to deliver additional space on as a result of high demand and low vacancy rates. It also highlights areas where land is under-utilised;
  - This study, using wider evidence held by the Council, has identified the scale of designated employment land that has been lost to non-employment uses in recent years (Table 5), noting a loss at least 22ha of land;
  - The accompanying Baseline Report provides analysis of the business stock and sits alongside the borough's wider evidence base and draws out the continuing presence and importance of

industrial/production based businesses to the borough economy. However it also notes the significant shift in the economy to a broader set of activities that capture more creative, tech-based and professional service activities.

- Demand Side Dynamics
    - The Baseline report provides an analysis of the borough's commercial property market across all B Class sectors and compares this to local, regional and national benchmarks. It highlights particular dynamics that need to be considered in the future, including the ongoing strength of the industrial market for both general and creative/tech-based activity.
    - This report, in Section 4, considers the qualitative nature of space that will be required in the future beyond simple planning use classes. It identifies a clear need for small-medium sized distribution space to support the ongoing growth in 'final mile' distribution as well as needs for smaller light industrial/production units suitable for a range of businesses. Beyond this 'industrial' typologies there is also an identified need for additional office and studio spaces.
    - Section 3 considers the quantitative nature of demand, providing forecast space requirements for the next 15 years. This confirms a need for c.52,000sqm of floorspace, the majority of which would be 'industrial'.
- The Demand – Supply Relationship
    - The study identifies the lack of vacant supply in the borough and therefore the constraints placed on developing meaningful spatial options for accommodating growth. ultimately, the study identified a requirement to deliver growth mainly through industrial intensification, albeit with some wider contribution for co-location on non-designated sites and an increase in provision within town centres;
- Potential for industrial intensification and co-location
    - The study considers each site individually in terms of its current performance and the opportunity for future development – taking into account its current context and any future scope for that to change. Ultimately each site is then identified in terms of the core approach to its future use in terms of remaining 'as is' (albeit with the potential to enhance the quality of stock), intensified for employment use (both industrial and other supporting B class activity), or co-located (with residential). This is set out in Section 3 and summarised in the tables earlier in this Section.
    - By considering these characteristics and contexts the study has then used a combination of factors to identify where intensification could be achievable within the borough, this is summarised in the Section, but draws on the more specific site analysis in Section 3 and the typology requirements set out for each cluster in Section 4.
    - Overall the analysis identifies that the prime locations for intensification would be Lea Bridge, Chingford and Highams Park and Leyton S given the scale of space, some key under-utilised sites, a fast changing employment and residential context and a desire for land owners to see development come forward.
    - Co-location is considered to be an opportunity in some locations where particular conditions exist, however this is mainly on smaller sites within a residential context and as a 'no net loss' strategy. The

areas identified primarily for intensification may also be appropriate if sufficient additional employment space can be provided first.

5.36 Overall, there is a clear and evidenced need for the borough to actively pursue the intensification of key employment locations to meet the needs of a growing economy. Given its scale (which offers opportunities to manage the decant process without requiring large business moves) it would appear that Lea Bridge offers the most immediate opportunity.

5.37 Areas along the North Circular for provide intensification opportunities, however these are likely to be longer term given current market conditions and the stability of the current occupier base (at the time of writing). The successful delivery of the Meridian Water area (within LB Enfield) may play a key role in driving change in this location as it will set a new residential and economic context.

5.38 Leyton S is wholly contingent on the vacation of sites by their current occupiers. Sherrin Road will become vacant albeit the timeframe is unknown and it is clear that the site owners have aspirations to deliver housing on the site once it is vacant. It therefore may not offer intensification per se, but can provide an uplift of floorspace available for general occupiers given current provision is restricted to food wholesale and related services. Temple Mills Lane is still operational as a bus depot and therefore is similarly unavailable to general use. At present no information has been provided to suggest this would change in the future.

5.39 As such, in line with the Practice Note, we would recommend that based on the evidence presented, the borough actively develop a strategy to intensify the Lea Bridge Cluster. This should be done in tandem with seeking (as a minimum) a no net loss position on all other sites, as well as working with developers to achieve intensification on other sites where possible and new provision on mixed use non-designated sites given Lea Bridge cannot be relied upon to provide all of the additional space required in the borough.

Appendix I
Appendix 1

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