

London Borough of Hammersmith and Fulham
Local Development framework

**Background paper: Employment Land Assessment –
Updating Statement**

May 2009

For further information please contact:

Development Plans Team
Planning Division
Environment Services Department
London Borough of Hammersmith and Fulham
Town Hall Extension
King Street
London
W6 9JU

Telephone 020 8753 3044
Email ldf@lbhf.gov.uk
Website www.lbhf.gov.uk

1. Introduction

Purpose and context

1.1 This background paper has been prepared to provide updated evidence on employment and economic activity. It is intended to be additional to the main evidence base on this topic published in September 2005 as the Hammersmith and Fulham Employment Land and Premises Study. This report followed an extensive study of employment land and premises in 2004 undertaken by Atkins Consultancy Ltd. It was prepared in accordance with the Employment Land Reviews: Guidance note published in 2004. This update is considered necessary because of:-

- significant changes in policy at all levels since the time the previous study was prepared;
- the need to provide up to date information on development and major sites.

1.2 The report has been prepared in the context of draft Planning Policy Statement 4 Planning for Prosperous Economies which was published in May 2009. This consultation PPS provides the most up to date published statement of the approach and information requirements expected by Central Government to guide the formulation of LDFs with regard to this topic area.

1.3 Further employment studies and Supplementary Planning Guidance has been published at the regional level by the GLA. These provide more up-to-date information and guidance that will help to shape the LDF. Additionally the GLA is currently undertaking an update of its Housing Land Availability Assessment and Employment Projections/Sites database across London. This work is being undertaken as part of the evidence base for the forthcoming new London Plan which will replace the existing London Plan consolidated with Alterations since 2004. This research work provides the opportunity to assess the most appropriate allocation of housing and employment land within Hammersmith and Fulham at the same time. The new London Plan will include a review of Strategic Industrial Locations currently subject to consultation with the boroughs.

2. Policy context

National Policy context – draft PPS4

2.1 The emphasis of local economic policy as set out in consultation draft PPS4 should be to provide the basis for sustainable economic growth and a prosperous economy. Planning policies should be underpinned by a robust evidence base. However, a flexible approach to the use of land is important in view of the limits of this type of approach and so that policies can be responsive to new and unpredicted economic challenges. In particular Local Planning Authorities are encouraged to ensure that there is a good range of

sites for economic development and to plan positively and proactively for economic growth taking account of the need to support existing business and to have regard to the needs of businesses to locate together. There should be an appropriate supply of land for all types and sizes of business. However, unrealistic land holdings are discouraged and local authorities are encouraged to thoroughly review all existing employment allocations and release unnecessary sites so that the potential for additional housing is maximised. This assessment of sites is encouraged to be undertaken as part of the identification of the housing land supply.

2.2 PPS6 is now merged with PPS4 and specifies that the evidence base should assess the need for additional floorspace for all main town centre uses including retail, leisure and entertainment, offices and arts, culture and tourism. The LPA should assess the physical capacity of town centres to accommodate new office development. There is a need to consider floorspace requirements in five year periods. This background paper therefore is complementary to that produced for Shopping uses.

2.3 Informal advice received from GoL and PINS as part of the development of our LDF has been that there is a need to provide greater emphasis within the Core Strategy on the spatial presentation of the implementation of the council's vision. This requires more detailed assessment of individual sites and their development potential than has previously been undertaken. Greater regard is required of economic viability considerations in site proposals. There is also a need to specify as far as possible where the quantum of economic development required will be provided and have regard to the programming of this development over the plan period.

Regional policy – London Plan Spatial Development Strategy for Greater London Consolidated with Alterations since 2004

2.4 The London Plan has been the subject of consolidation (February 2008) following the processing of Further Alterations. This continues to identify two areas within Hammersmith and Fulham for the provision of strategically important industrial and business premises. These are the northern industrial area around Hythe Road and the area of Wood Lane around the BBC.

2.5 London Plan policy 3B.4 encourages the promotion and protection of these areas whilst allowing for local policies to manage industrial sites outside of these areas. The research undertaken on industrial release benchmarks (URS April 2007) indicates that there will be a continuing decline in the manufacturing sector but that the demand for waste activities and distribution will partially compensate for this loss. The Mayor's Industrial Capacity SPG adopted March 2008 continues to identify Hammersmith and Fulham as an area where there should be a 'restrictive' transfer of industrial land to other uses (Industrial Capacity SPG, Table 2). Boroughs are encouraged to manage Locally Significant and other smaller sites and to release sites outside the Strategic locations having regard to a criteria based approach and having regard to the benchmarks for release of land set out in the SPG. These are broadly set out by sub-region rather than on a borough basis in this

part of London. During the period 2006-2026 west London boroughs altogether are expected to release 52 hectares of industrial land.

2.6 The SPG identifies criteria to guide the release of sites outside the Strategic locations. These relate to both economic and land use criterion including the quality of sites and the fitness for purpose to meet a range of business needs as well as locational criteria relating to sustainability considerations.

2.7 With regard to offices Hammersmith and Fulham is not within the designated Central Activities Zone in the London Plan. However, the annual Office Policy Review (latest 2007) considers that there continues to be a significant need for additional office floorspace to 2026 of 270,000 sq.m. (or approximately 17,000 office jobs) within Hammersmith and Fulham. It states that the existing pipeline including under construction (as at end 2006) is insufficient beyond 2011 and would represent only about 39% of anticipated demand to 2026. London Plan policy 3B.2 seeks the consolidation and renewal of existing floorspace as well as the focus for additional office floorspace in the town centres and other areas such as Opportunity Areas. Little qualitative guidance is given on the nature of demand in terms of size of units although the SME sector continues to be actively encouraged. The Review specifies that the exact nature of demand should be identified through local assessments.

2.8 GLA Economics have published employment projections by sector and borough to 2026 (Working paper 20, 2007). These indicate that employment in Hammersmith and Fulham will increase by 52,000 2005-2026 from all sources based on previous job growth. Further borough level projections will be issued as part of the employment sites database work currently being undertaken by Roger Tym and Partners for the GLA. This will include employment from all types of uses including new retail (such as at the White City centre estimated to provide about 7,000 jobs) leisure, tourism and the public sector. It is likely that within this borough new Class B employment opportunities particularly finance and business services will contribute an important but declining proportion of the overall increase in employment growth in the future as new forms of employment generating activity expand.

Proposals for a new London Plan

2.9 The Mayor of London published in April 2009 his proposals for A New Plan for London. This document sets out the future direction of policies to be contained in the new London Plan. Work has commenced and it is expected to be adopted towards the end of 2011. This will include an emphasis on economic growth in established growth sectors such as finance and business services as well as emerging growth sectors such as retail and leisure. There is likely to be a more rigorous managed approach to the release of surplus industrial capacity outside east London and a review of safeguarded wharves. The waste apportionment model will not be altered but new waste projections to 2031 will be included to accommodate growth in all waste streams within London as a result of housing and business growth.

Local Policy and Strategies

Hammersmith and Fulham UDP

2.10 The UDP has been significantly changed with regard to employment policy since the production of the Employment Land and Premises Study in 2005. At that time the UDP included 10 employment zones and other policies were strongly protective of all Class B sites outside the designated zones. These policies aimed to safeguard sites from displacement by higher value uses, such as housing. The loss of sites was subject to a criteria based approach and residential use was not permitted within the designated employment zones. However, as part of the review of all policies undertaken in September 2007 this framework has now changed to take account of more up to date national policy guidance.

2.11 During 2007 each policy in the UDP was examined to decide on the merits of saving it under the regulations issued under the 2004 Planning and Compulsory Purchase Act. This exercise looked at the existing policy framework to determine whether there was merit in retaining the policy or whether it should be allowed to expire. Policies were allowed to expire when they were contrary to national policy or strategic policy or where they were considered to duplicate policies at the strategic level.

2.12 With regard to the employment policies it was considered that the existing framework was too inflexible and inconsistent with national policy guidance and could be detrimental to the provision of new housing in the borough. Consequently except for policies that seek the provision of small business units (E5) and for major offices to be located in Hammersmith Centre (HTC1) the existing local policy framework within the UDP was allowed to expire. Development Management decisions are now made in the context of policies contained within the London Plan for this topic area. All the designated employment zones were allowed to expire but town centres continue to be identified. This means that there is currently no local definition of the two Strategic Industrial Locations identified in the London Plan and no Locally Significant Areas.

2.13 The current local policy framework based on the London Plan allows for change of use on sites which are considered to be “surplus” to industrial and commercial requirements in line with London Plan policy 3A.2 and 3B.4 . In addition and perhaps more fundamentally London Plan policy 3A.3 seeks significantly increased densities and for the development potential of sites to be maximised where greater intensity would not give rise to an adverse environmental impact. The possibility of this considerable increase in density was not taken account of at the time of the original Employment Study which had regard to existing densities in an area. This means that there is significantly more scope for development in the borough on well located sites and scope for the release of poorly located, poorer quality employment sites whilst retaining sufficient provision to accommodate economic growth and for waste activities where there are sites of the necessary size.

Economic Development Strategy

2.14 The council's Economic Development Strategy published in 2007 provides further background information on the local economy, its strengths and weaknesses and sets out the council's short term strategy over the period 2007-2012. The vision includes three broad themes

- Seeking to reduce worklessness and enabling more people to gain employment
- Improving learning and skills so that local people can benefit from new employment opportunities
- Encouraging economic regeneration and job creation

The LDF will need to complement these themes which have evolved through extensive survey work and local consultation. It should provide further spatial expression particularly to encouraging inward investment and job creation.

2.15 The Economic Development Strategy highlighted the continuing strength of the Hammersmith and Fulham economy. One of the key strengths identified in 2007 continued to be the financial services sector that includes a large proportion of SME and microbusinesses. The manufacturing sector although small also continued to flourish. The identified key growth sectors include the creative and media sector, leisure and tourism, fresh foods, retail and leisure and hospitality. Much of this growth is attributed to the borough's favourable location in west London accessible to both Heathrow and central London and to population growth.

3. Key Findings of ELR 2005 – summary

3.1 The study undertaken during 2004/5 considered Class B uses only in line with the Guidance Note issued in 2004. It identified the need for between 250,000 and 350,000 sq.m. of additional Class B floorspace until 2016. It concluded that this should be provided by a combination of bringing back into use vacant floorspace, intensification of use of employment sites and refurbishment. It was estimated that from all sources that there was the potential to provide 286,083 sq.m. within the borough (Table 5.3 p.5-9). However, it was concluded that this may not be sufficient to meet all the borough's needs to 2016 and that further intensification may be appropriate and the restrictive approach to loss of employment sites should be continued. (It should be noted that this figure is higher than that projected by the London Office Policy Review (2007) of 190,000 sq.m. by 2016 although the latter did not include industrial and warehousing demand. Distribution is anticipated to be a growth area in terms of demand for land in west London (see Industrial Capacity SPG, 2008 para. 5.8)).

3.2 Almost all the former employment zones were identified as having the potential for intensification of employment uses with the exception of Putney Bridge, Hammersmith Road/Olympia and Richford Street. Three former zones

were also identified for employment led mixed use including Wood Lane, Townmead Road/Imperial Road and Carnwath Road. Townmead Road/Imperial Road North was also identified as having the potential for housing or mixed use. In addition sites were identified in Shepherd's Bush and Hammersmith town centres for employment intensification and for employment led mixed use. Parts of Shepherd's Bush were identified for mixed use in recognition of the major retail scheme that was under construction at the time of the review.

3.3 The key vacant or under-utilised land identified in each of the areas include:

Hythe Road – the area to the north west of Old Oak Common Sidings including the former hostel.

Wood Lane – sites awaiting development within the White City Opportunity Area including parts of the BBC site and former Unigate depot site.

Hammersmith Embankment – site awaiting development for Phase 3 of the mixed use office led scheme.

Townmead Road/Imperial Road

- extensive under-utilised employment area to the north west of the Imperial Wharf mixed use scheme.
- area including Fulham Wharf.

Carnwath Road – Vacant safeguarded wharf

Hammersmith town centre

- Remaining phase of the Central Island site redevelopment
- Metropolitan Station car park site

3.4 Few employment areas surveyed as part of the ELR were considered inappropriate for continued employment use although some areas surveyed were considered to have more marginal value as employment use. This included areas within Shepherd's Bush town centre and some areas to the east of the borough and in central Fulham including the Seagrave Road/Rickett Street area which was a former employment zone. Generally a criteria based approach towards the release of poorer quality sites was encouraged outside of the designated areas.

3.5 The survey recommended that a number of smaller employment areas should be designated as additional employment zones. This was suggested to provide these areas with protection from piecemeal redevelopment that might erode the employment area.

3.6 The overall conclusions of the study were supportive of the approach contained in the UDP (2003 version). However, important modifications to the approach were recommended. This included the provision of a locational focus to the employment policies and a clear typology of employment sites to reflect the future economic role of Hammersmith and Fulham. There was considered to be the need to provide for an employment type that promoted employment led mixed use. Specific policies should seek the provision of affordable workspace and there needed to be clear mechanisms for the implementation of the plan.

3.7 In the context of more recent national and regional changes to the policy framework it is considered that the overall direction that was suggested in the conclusions to the ELR should be taken further and greater flexibility introduced as well as a clear spatial direction for major increases in economic activity.

4. Employment land and property demand and supply update

Demand

Demand for Class B

4.1 GLA studies indicate that there is a continuing requirement in the borough to provide for up to 270,000 sq.m. of office floorspace to 2026 (Office Policy Review, 2007). This follows some revision downwards of the required office floorspace in London as a whole. It is estimated that there will be some demand for new industrial and warehousing activities mainly due to the growth activities identified of logistics and waste. However, the ELPS indicated that growth in industrial and warehousing represents only about 20% of the required Class B floorspace in Hammersmith and Fulham.

4.2 The ELPS did not take account of any requirement for new waste activities in the borough which is a new requirement that post dates this original study. It is likely that the revised requirement for Class B floorspace in the borough to 2026 would be within the range 300,000-350,000 sq.m. (excluding waste requirements). The ELPS indicated that there is a need for between 250,000-350,000 sq.m. for all Class B up to 2016. The higher proportion is considered valid for the extended period to 2026 having regard to the projection for this borough in the Office policy review (2007). The remaining analysis of the nature of demand identified in the ELPS is still considered appropriate to carry forward.

Market indicators

4.3 Analysis of development activity carried out as part of the preparation of the council's Annual Monitoring Report for 2008 indicates that the processes involved in the borough are dynamic and complex. However, it shows that over the monitoring period March 2007 – March 2008 there was an overall growth in floorspace due to net growth in self-storage space and in B1a) office

space. There were net losses of B1b) B1c) and B2 and some significant loss of B1a) which reduced the net increase in this type of floorspace.

Extract from Table 7 - Total amount of additional employment floorspace by type and planning designations 2007/08

		B1a	B1b	B1c	B2	B8	Total
Total for SIL and EZs	gross	501	0	0	0	21413	21914
	net	-847	0	- 2282	- 7642	21413	10642
Total outside of TCs, SILs snf EZs	gross	6029	0	0	0	0	6029
	net	883	-57	0	-160	-1580	-914
Total Borough	gross	7210	0	0	0	21413	28623
	net	716	-57	- 2282	- 7802	19833	10408

Source: AMR, 2008

4.4 During approximately half of this period many of the UDP employment policies were allowed to expire as part of the “saved” policies exercise. The relaxation in local policy may have contributed to some of the loss of floorspace, although the council has been using London Plan policy 3A.2 as a relevant policy for Development Management purposes and this requires that change of use may be permitted only where industrial and commercial sites and premises are shown to be “surplus” to requirements. Where a loss of floorspace was approved this was considered to be adequately justified. It resulted in sites being made available for other uses including housing whilst allowing for a growth in employment floorspace primarily B1 a) and B8.

4.5 The current economic recession will have an effect on the take-up of premises and implementation of planning permissions during the early part of the Plan period. Some permissions are likely to expire not able to attract finance during the 3 year period for implementation of a permission. The effect is likely to be more marked than for other downturns in the post war period because of the particular nature of this recession which is finance led. In addition the recession may necessitate further revised projections for both population, housing and land required for economic development which will be prepared as part of the preparation of the new London Plan. This information will be input into further reiterations of this background report.

Demand for sites for Waste Activities

4.6 An additional growth area will be waste activities and boroughs are required to make adequate provision to manage 85% of the waste generated in London within the Greater London boundary. These will be primarily industrial sites and London Plan policy 4A.27 says that the broad locations for these facilities should be Strategic Industrial Locations, local employment areas and existing waste management sites. The allocation for each borough

is based on a model that takes into consideration a number of variables including proximity to source of waste and industrial land availability. Each borough has been given an apportionment tonnage that determines the number of sites that each borough will need to allocate for waste management activities up to 2020. This apportionment exercise does not include any sites required for construction or hazardous waste management.

4.7 The combined figure for Hammersmith and Fulham for Commercial and Industrial waste streams and Municipal Solid Waste is provision for 385,000 tonnes to be processed per annum by 2020. This includes both existing and new sites that are required to fulfil this obligation. The industrial land release benchmarks for sub-regions set out in the Industrial Capacity SPG have been adjusted to take account of the increased land requirement needed for waste activities in the future estimated to be 59 hectares across the west sub-region.

4.8 The background report on Waste sets out how Hammersmith and Fulham will fulfil its obligation with regard to waste management in the borough. This will be primarily on two waste management sites in the Hythe Road SIL and where appropriate as part of major redevelopment schemes. No further major site provision will be required although this may change as a result of the new London Plan. It is understood that this will involve the input of revised projections to 2031 into the existing waste apportionment model. If overall arisings are projected to increase then each borough's waste apportionment target will increase in line with the percentage of London's waste that the model has apportioned to them. Hammersmith and Fulham and Kensington and Chelsea are also investigating the implications of combining waste apportionment targets.

Supply - Meeting the need

Existing stock/Vacant floorspace

4.9 A Land Use Survey was undertaken by the borough in 2007. This provides updated information on the non-residential land uses in the borough. This report forms part of the evidence base for the LDF. The trends noted in the ELR for offices and industrial floorspace have not altered significantly from that based on the 2002/3 Land Use survey. Updated information from the 2007 LUS is as follows:

- The total office stock in the borough has increased from 1,154 sq. m. to 1,263 million sq.m. with 45% of establishments occupying less than 100 sq.m. 29% of total supply is now provided in units over 10,000 sq.m. Vacancy rates had declined to 10.4% in 2007 a figure that includes the Ark and other offices in Hammersmith centre that were undergoing refurbishment at the time of the survey. These premises account for 30% of the vacancy rate. The LUS report notes that vacancy rates are highest in large volume office blocks built since 1990.

- Similarly the decline in industrial floorspace continues with stock having further declined from 192,000 sq.m. to 155,746 sq.m.. This fall is largely attributed to the loss of 23,500 sq.m. of floorspace through the mixed use redevelopment of the former Presolite factory in Larden Road. Vacancy levels in the ELR were reported at 9%. The 2007 LUS found a vacancy rate of 19.4%, however, this needs to be adjusted for significant buildings awaiting redevelopment for alternative uses mainly the former Dairy Crest factory in Wood Lane. Excluding this property the vacancy rate would be 13.4%. Apart from larger industrial buildings awaiting development including the Dairy Crest building and some riverside sites, the vacant industrial sites continue to be small in nature and often integrated within mixed use or residential areas.
- Many of the industrial sites comprise older style buildings not appropriate for more modern users without adaptation. In addition as sites become vacated they may not be appropriately located for some of the newer kinds of activities identified by the GLA research as the growth areas (see Industrial Capacity SPG, 2008) including waste and logistics. In these circumstances a more liberal release of land may be warranted than the 'restricted' transfer identified for this borough in the Industrial Capacity SPG (Table 2 p.23) especially if more modern floorspace can be located in a more accessible area at an increased density.

4.10 The ELR noted that there was very little scope for further decline in industrial premises because of the very low base and because of the continued health of this sector in this part of London. However, the LUS analysis of the former employment zones indicates that many of these are no longer predominantly industrial and office uses have become the predominant use in many of the former zones e.g. Fulham Reach, Putney Bridge. Other former zones are essentially mixed in nature including other employment generating uses e.g. Townmead Road/Imperial Road and Carnwath Road. The exception being Hythe Road where industrial floorspace has been stable despite the expansion of Car Giant, a major car retailer, in the area. Outside the employment zones the ELR noted there are a significant number of smaller premises that provide a valuable contribution to the provision of premises for local businesses.

4.11 The more flexible approach to the future use of sites throughout the borough since the UDP was amended in September 2007 has meant increased pressure on viable premises to be developed for mixed use. This can mean displacement of businesses providing local services and provision of a different type of business unit often at greater cost.

Pipeline of permissions

4.12 The work undertaken for the Annual Monitoring report noted that the pipeline for new B1a) and B1b) permissions including under construction at March 2008 was 128,312 sq.m. and approximately 50,000 sq.m. on allocated sites. This represents approximately 66% of the required office floorspace to

2026 (London Office Policy review, 2007). Not all of the approved schemes will be implemented and some approvals in mixed use schemes may be subject to variation. However, this is a significant proportion of the total requirement bearing in mind that it takes no account of substantial floorspace anticipated as part of the White City Opportunity Area development and of further floorspace that could be forthcoming in Hammersmith Centre in addition to the 3 major schemes with planning permission. Other areas where significant new office floorspace could be added are the area around Earl's Court where there is scope for significant increases in office floorspace in conjunction with an International Convention Centre and hotel development. Other longer term growth could occur at the Old Oak Common Sidings site subject to improvements in accessibility. The pipeline information is summarised in Table 1

Table 1: Planning pipeline for Class B development as at March 2009 including under construction (allocated and non-allocated sites)

Class B use	Floorspace (Square metres)
B1 (a) Offices	153,379
B1 (b)	25,021
B1 (c)	4,159
B8	624
Total pipeline	188,183

4.13 In recent years non office Class B development has mainly taken the form of two substantial self-storage developments one in the north and one in the south of the borough and the development of a substantial waste processing plant in the Strategic Industrial Location in the north of the borough. Apart from these developments most of the activity has been small scale extension/refurbishment on existing established sites. There is currently no pipeline for any major new industrial and warehousing development within the borough. The approved schemes are small scale extensions or re-build.

Vacant sites update including new opportunities

4.14 Tables S1 9 (p. xi) of ELR (Atkins) identified the main areas of vacant employment land as being within the former employment zones of Hythe Road, Wood Lane, Fulham Reach and Townmead Road/Imperial Road as well as Hammersmith Town Centre.

4.15 Hythe Road – the land identified here is primarily the site of the vacant hostel to the north-west of the Old Oak Common Sidings site and the underutilised land to the rear currently the subject of safeguarding for Crossrail and likely to be the site of the new Crossrail depot. Other sites in the area are small. Subsequent to the ELR the Eurostar depot has become vacant and subject to rail freight requirements it may be possible to provide for new uses on this site.

4.16 Both the Old Oak Common sidings site and the former Eurostar/North Pole depot could potentially add to employment provision in the area as part of consideration of the wider longer term development potential of the area and subject to retention for rail freight purposes as the first priority. The ELR recommended intensification for this area but development potential might be constrained without the introduction of other uses to make the scheme viable.

4.17 These sites are within the Strategic Industrial Location where the preferred approach is for protection of employment land. This priority continues to be expressed in the draft Opportunity Area Planning Framework for Park Royal prepared by the Mayor of London (February, 2008). However, these are significant sites that could provide for additional development without affecting their continued freight function. This may require a mixed use approach to the development of land on these two sites to lever additional development for economic generating activity.

Estimated jobs: over 5,000

4.18 Wood Lane – the land identified here includes vacant land within the White City Opportunity Area masterplan area and remaining land awaiting development as part of the BBC media village with outstanding permission for 19534 sq.m. for an office building and music centre.

4.19 This whole area could potentially deliver significant employment opportunities in addition to those already created as part of the new Westfield London retail centre estimated to be 7,000 and as part of the BBC's media village redevelopment. This would be in line with its designation as an Opportunity area in the London Plan currently expected to yield around 11,000 new jobs as well as new homes. The full capacity of this area is will be assessed as part of the current preparation of an area planning framework.

4.20 Since the ELR was undertaken the BBC has announced plans to relocate part of its operations to Manchester in 2011. This will result in a reduction in jobs at the BBC within the area. However, there are plans to develop the BBC TV studios and surrounding area to provide a new creative industries hub. This could involve additional employment opportunities in this area. The ELR recommended that the area should provide the opportunity for both intensification for employment purposes and for employment led mixed use.

Estimated jobs: 10,000 subject to the findings of capacity modelling

4.21 Fulham Reach - The ELR identified the site awaiting redevelopment for the final phase of the Hammersmith Embankment office scheme as a vacant site suitable for intensification for office purposes. This site has subsequently received planning permission for a revised scheme of 48370 sq.m. of office floorspace and other uses.

4.22 This scheme has not yet commenced but could yield significant additional office floorspace in the borough to contribute towards future needs should the current permission be implemented.

Estimated jobs: Remaining site has planning permission and capacity is included in Table 1

4.23 Townmead Road/Imperial Road – The ELR identified this as the area with the largest quantity of vacant land largely due to the land awaiting development as part of the Imperial Wharf major housing led mixed use scheme. However, it also identified other sites within the zone including Fulham Wharf and Gas board land to the north of the Imperial Wharf site where there is the potential for better utilisation of the land.

4.24 Much of this zone especially on the riverside has fairly poor accessibility by public transport especially those areas away from the new station under construction at Imperial Wharf and may be inappropriate for more intensive office based development. This area would be better suited to providing for a mix of uses possibly including some smaller scale or river based economic activity.

Estimated jobs: Principally replacement other than implementation of existing planning approvals

4.25 Carnwath Road Employment Zone – The ELR identified the safeguarded Hurlingham wharf and adjoining land as having the potential for further employment and employment led mixed use development.

4.26 The safeguarded wharf has been vacant for over ten years and the lack of development on this and adjoining Whiffin Wharf contribute to the poor utilisation of land within this area. However, the safeguarding is currently retained unless viability assessments show that it is no longer feasible to make use of the site for the transhipment of freight. The GLA are currently re-visiting the strategy for the safeguarding of wharves and the future safeguarding of individual wharves. Should redevelopment for non wharf related uses become feasible the area is inappropriate for major new employment activity in view of the low level of public transport accessibility. Mixed use development incorporating lower intensity employment activity would be more appropriate. There have been a number of development enquiries in this area for mixed use schemes.

Estimated jobs: Principally replacement

4.27 Hammersmith Town Centre – The ELR identified the Metropolitan station car park site as the main development opportunity within the 3 town centres. In view of its town centre location this site was considered appropriate for employment led mixed use. Subsequent to the ELR being published this site has received planning permission for a mixed use scheme including 39,141 sq.m. of office floorspace.

4.28 The implementation of this scheme has been delayed due to funding difficulties but could add substantially to the increase in office floorspace in an accessible location to meet future needs. In addition other potential sites have been identified within the town centre since the ELR. Two sites including the town hall extension site and the Kings Mall retail/housing development have the potential for redevelopment to include new office development within the town centre.

Estimated jobs: 5,500-6,000 (including Metropolitan Station Car park Site)

Other areas

4.29 The ELR identified other areas where there is scope for intensification for new employment uses although there was little actual vacant land. These areas were the former employment zones of Kensington Village/Lillie Bridge depot and Seagrave road/Rickett Street.

4.30 Kensington Village/Lillie Bridge depot – This area contains the LUL training depot as well as the former MOD office building recently refurbished and part of the Earl's Court exhibition complex (the main Earl's Court building is situated within the Royal Borough of Kensington and Chelsea). The current owners of Earl's Court are seeking a redevelopment of the site. The scheme could include the significant area of land under-utilised by the LUL to provide major offices, hotel and other complementary uses. The whole area has the potential to provide for a significant increase in office floorspace, depending on the improvement to transport capacity in the area.

Estimated jobs: 4,500-5,500

4.31 Seagrave Road/Rickett Street – This area is dominated by the car park used by the Earl's Court complex. There are other local employment uses to the north. Seagrave Road car and van park represents an under-utilised site that could be put to much more beneficial use if no longer required by Earl's Court. It is a significant area of land that is considered to be more beneficially used to provide for additional housing in the borough than for new employment activity especially if this type of activity is provided as part of the development to the north.

Estimated jobs: Principally replacement

4.32 Hammersmith Hospital – This area was not identified as having scope for significant intensification in earlier studies but recent approvals will mean that the hospital is able to provide significant expansion of its bio-medical research facilities.

Estimated floorspace: included in Table 1

Conclusions

4.33 The ELR indicated that about 160,000 sq.m. of potential new floorspace could be provided on the opportunity sites (Table 5.3). However, It is considered that the intensive development that is possible for some of these sites particularly the WCOA, the Earl's court area, Hammersmith centre and the Hammersmith Embankment schemes would provide in excess of this figure. Some of these areas now have planning permission for significant new floorspace notably sites in Hammersmith centre totalling 54,888 sq.m. and Phase 3 of Hammersmith Embankment totalling 48,496 sq.m. These permissions would provide nearly 110,000 sq.m. of B1a) if implemented. Additional floorspace currently without planning permission on sites identified above namely WCOA, the Earl's Court area and elsewhere in Hammersmith Centre have the potential to provide the additional net increase in Class B floorspace as part of mixed use schemes.

4.34 However, the more flexible council policy towards change of use on sites where housing or mixed use is considered more appropriate will reduce the potential from bringing back vacant floorspace and the potential of some vacant sites e.g. Fulham riverside identified in Table 5.3 of the Atkins report. This source of floorspace was estimated to provide 127,000 sq.m. Based on information for the year 2007/8 included in the AMR it is likely that this loss could be at the rate of about 4,000 sq.m. per annum or about 80,000 sq.m. during the plan period. It is likely to be on small sites which are assessed as being more appropriate for housing or mixed use. The only substantial loss of floorspace identified in the 5 year housing supply has been the former Prestolite factory that involved the loss of 23,000 sq.m. of industrial floorspace and its replacement with 3,500 sq.m. of B1. Reduction in potential employment land supply through the loss of vacant floorspace will mean that further significant increases beyond the 160,000 sq.m. will need to be identified if this floorspace is to be replaced. This is estimated to be in the order of 100,000 sq.m.

Type of accommodation

4.35 These schemes are likely to provide significant new accommodation to meet strategic as well as the local needs emphasised in the ELR through the provision of a range of types of accommodation including small units. In addition to growth needs within the borough the emerging policy should seek to retain appropriately located premises for a range of local businesses and services. This latter aspect was a key concern identified in the ELR.

4.36 The ELR indicates that about 80% of the floorspace need is for office accommodation, 15% for industrial and Sui generis and 5% for warehousing. There is no outstanding pipeline for significant industrial or warehousing development. The last significant development activity for these uses was in the Hythe Road area for the substantial waste processing facility at the Powerday site. Two Self storage schemes one in Hythe Road area (Scrubs Lane) the other in Townmead Road have been completed in recent years and since the completion of the ELR. It is likely that significant additional

floorspace for these uses will not be provided in this borough outside of the SIL areas. Additional capacity will need to be provided by the upgrading of sites within these areas as part of the intensification of the Old Oak Common Sidings site.

4.37 Outside the identified SIL there are a number of railway arches which provide a valuable source of premises for a range of local service activities

4.38 In order to expand the level of floorspace in the borough to meet the projected need identified the ELR recommended that the level of existing floorspace should be protected and a rigorous assessment made before change of use is permitted. However, the more pro-active approach towards development activity for some of the opportunity sites enables other sites that offer poorer quality accommodation or are inappropriately located to change use to provide for more housing. However, to avoid unjustified loss of floorspace sites should not be allowed to reduce through development activity where this cannot be justified. Where the loss of premises is proposed suitable replacement accommodation should be sought where appropriate.

Other employment generating activity

4.39 Employment Land Reviews are aimed specifically at demand and supply for Class B accommodation. The consultation PPS4 (May, 2009) covers a much wider range of employment generating uses including town centre uses such as retail, leisure, arts and culture and tourism. Hammersmith and Fulham's location within inner west London means that significant opportunities will exist for these other kinds of economic development. This will add significantly to the development and employment opportunities within the local area and serve to strengthen the economic base of the local economy. The opening of the Westfield Retail Centre in Shepherd's Bush has added about 7,000 jobs within the borough and further jobs in the leisure and tourism sectors could add to more traditional sources of employment in Class B uses. The expansion of house building within the borough to meet the increased housing target will increase employment in the construction industries.

5. Conclusions

5.1 Since the amendments that have been made to the UDP, following the saved policies exercise in September 2007, a more flexible approach towards the change of use of sites that have a Class B use has been applied. A number of under-used or poorly located sites now have permission for residential use and play a valuable contribution toward the council's housing supply trajectory and towards meeting housing targets. Other sites have a mixed use permission that enables some economic activity to be retained whilst at the same time providing for new housing.

5.2 In general the policy approach adopted by the council has been to ensure that sites released to meet the need for new housing have been inappropriate for continued employment use and that they would meet the criteria of

“surplus” as set out in London Plan policy 3A.2. This has not generally applied in the area formerly known as the Hythe Road employment zone. The approach has enabled an increased supply of housing in the borough whilst at the same time increased density on appropriate sites will ensure that the borough continues to be able to expand its economic base and facilitate economic growth in line with projected need.

5.3 Some sites that have provided a valuable contribution to economic activity in the past are no longer in the most appropriate location to provide for intensive use for the type of economic activity needed e.g. offices. Mainly because of the relatively poor accessibility of some of the former employment areas. Neither are the sites of a scale or location suitable for the other growth activities of logistics or waste. Release of some of these sites coupled with the more intensive employment development of others will ensure that the borough is able to achieve the right balance of housing and economic activity and that this is achieved in a sustainable manner.

Proposed Strategy

5.4 The ELR recommended a clear typology of employment sites should be promoted in the LDF and that every effort should be made to ensure that adequate provision is made for anticipated need in the borough. It noted that there was a danger that Hammersmith and Fulham might not be able to make provision for all of the identified need within existing sites and vacant floorspace.

5.5 This background paper has taken forward the approach identified in the ELR through the more intensive use of sites. It shows that the borough is anticipated to be able to meet the projected need for economic activity to 2026 through

- a more flexible approach to site development that enables the loss of underused sites for housing or mixed use,
- protecting viable appropriately located floorspace and
- directing substantial growth to well located areas of the borough.

5.6 Following the updated information set out in this background document the following is considered to be the most appropriate for this borough.

Strategic Industrial Locations

5.7 Two areas are currently identified in the London Plan. These include the Hythe road area as a Preferred Industrial Location and the Wood lane area as an Industrial Business Park. Both areas require local definition in the LDF or justification for not continuing to designate.

5.8 Hythe Road continues to be the focus for industrial activity in the borough despite some decline of this type of activity in recent years. It is part of the wider Park Royal industrial area and continues to provide for new types of industrial activity including waste. Some loss of industrial and warehousing activity has resulted from the continued expansion of car sales which is a

cause for concern (LUS 2007). The area includes substantial rail freight sites at Old Oak Common Sidings and the former Eurostar depot site. These sites may need to be retained, at least in part, for rail uses but may also be able to provide for new mixed use development, subject to increased density being made possible by improved public transport accessibility through the provision of new stations.

5.9 This area has the Grand Union Canal running through it and this is an under-utilised resource that could be more fully utilised to provide for freight movement. The new waste management facility at Old Oak Sidings currently uses the canal for the transhipment of waste. Other sites adjoining the canal could make better use of this important resource in this area.

5.10 The area previously designated in the UDP is considered to continue to provide the most appropriate boundary. However, should the possibility of more intensive development of the Old Oak Common Sidings site be possible, as part of the development of Old Oak Common Sidings, then there may be merit in excluding this part of the area from the SIL and a more mixed use approach adopted.

5.11 Wood Lane has been subject to substantial change due to the departure of Dairy Crest a significant previous manufacturer in the area. The area is now dominated by the BBC and there are small business units to the north of the new Westfield retail centre. The former Dairy Crest land is occupied by a number of temporary uses pending redevelopment. The area is designated as an Opportunity Area in the London Plan with the potential for new jobs and homes. It is no longer appropriate to designate the White City East area as SIL, for an industrial business park. The area is highly accessible by public transport and the Opportunity Area Planning Framework is likely to propose a mixed use development with significantly more intensive development than would be appropriate in an industrial business park. H&F is able to meet its waste apportionment target without the need to safeguard this area for waste management activities.

Locally Significant Employment Sites

5.12 Other significant employment areas in the borough could potentially include the 8 remaining former employment zones. However, designation of these as separate areas was reviewed as part of the exercise to save policies in the UDP. It was concluded that separate designation of these areas would generally not accord with the aspiration for providing a flexible framework for development in the borough that enabled employment as well as new housing. The former employment zones are no longer predominantly industrial in nature and designation of these areas would prevent the upgrading of sites to provide for a more appropriate form of development that enabled additional housing provision in the borough. The areas of former economic activity are not always the most appropriate for the more intensive type of development needed in the borough - principally office based. In addition they do not generally provide a location or size of site suitable for major new logistics or waste activities. Intensification would be better directed

to a smaller number of key accessible areas whilst seeking to retain existing activities that provide for more local provision and established office centres. New provision for waste and logistics should generally be provided in the SIL.

5.13 Notwithstanding the above, the important employment function of some significant activities in the borough should be acknowledged and protected from displacement. There are also many small business complexes that have developed in response to demand for a downsizing of accommodation in the borough. These complexes provide invaluable reasonably priced accommodation for this important sector in the local economy and every effort should be made to prevent the loss of this type of facility.

Town Centres

5.14 The varied role of the three town centres in the provision of office based activities, noted in the Employment Land and Premises Study, should continue to be acknowledged particularly the need to focus continued major office development in Hammersmith Centre. This role should be promoted and enhanced through development activity. Major areas for new office based activity include planning permission for the Metropolitan Station car park site, new civic office accommodation as part of the regeneration of the western end of Hammersmith Town Centre and scope for further provision as part of the improvement of the Kings Mall shopping and residential complex.

5.15 The other town centres of Fulham and Shepherd's Bush are not major providers of office accommodation but have a role to play in the provision of more local facilities. Major office schemes are not proposed for these town centres although B1 a) floorspace may be provided as part of specific development schemes.

Other employment sites

5.16 The GLA's SPG on Industrial Capacity (2008) suggests a criteria based approach to the release of sites outside of the designated hierarchy. In view of the de-designation of a number of employment areas in the borough following the saved policies exercise, the criteria should take account of the considerable number of important employment areas that will be considered under its guidance. Whilst encouraging replacement and renewal of stock the direction of policy should be to enable other uses to be accommodated on sites where this is appropriate and where valuable economic activity will not be displaced. However, the conclusions of the ELR that the borough should adopt a fairly restrictive approach to the loss of sites should be retained where sites remain viable and actively used.

Site Specific Proposals

5.17 The Core Strategy now only includes key strategic sites.

Redesignation of non-allocated employment areas

5.18 The redesignation of further employment areas for specific protection was promoted as a recommendation of the employment land and premises study. However, this approach would not provide the degree of flexibility for employment sites currently being promoted and has not been progressed.

Baseline Information

Consultation Paper on new Planning Policy Statement 4: Planning for Prosperous Economies, Communities and Local Government, May 2009

Hammersmith and Fulham Employment Land and Premises Study, Atkins, 2005

Employment Land Reviews: Guidance note, Office of the Deputy Prime Minister, December, 2004

Mayor of London, Office Policy Review, 2007

Mayor of London, The London Plan, Spatial Development Strategy for Greater London Consolidated with Alterations since 2004, 2008

Mayor of London, Planning for a Better London, 2008

Mayor of London, A new Plan for London, Proposals for the Mayor's London Plan, April 2009

Mayor of London, Industrial Capacity SPG, 2008

GLA Economics, Working paper 20 Employment projections for London by sector and borough, February 2007

Hammersmith and Fulham Unitary Development Plan adopted August 2003

Hammersmith and Fulham Unitary Development Plan as amended September 2007

Hammersmith and Fulham Economic Development Strategy 2007

Hammersmith and Fulham, Land Use Survey 2007 Report

Hammersmith and Fulham Annual Monitoring Report December, 2008