

# Proposed New Employment Land Designation and Boundary Amendments (Regulation 19)

July 2024

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## **Introduction:**

The London Plan (2021) together with the adopted Local Plan sets out an employment land hierarchy comprising of Strategic Industrial Locations (SILs), Local Industrial Locations (LILs) the equivalent of Locally Significant Industrial Sites (LSIS) in the London Plan (2021), Local Mixed Use Areas (LMUAs) and Micro Business Opportunity Areas (MBOAs).

The purpose of this employment land audit is to assess the suitability of new employment sites, for the Regulation 19 Local Plan consultation. This paper also sets out the justification for changes in designations and boundary amendments, as well on retaining the employment designation and boundary for specific site, following feedback received during the Regulation 18 consultation. The assessment builds on the recommendations set out in the London Borough of Newham's Employment Land Review (ELR) Update (2022).

The structure of this site audit pro forma is in line with those set out in Appendix E of Newham's ELR<sup>1</sup>. The site assessment and selection criteria are in accordance with national and regional planning guidance. It assesses the quality, size, context and opportunities for future employment designations. A summary of recommended changes to employment designations proposed as part of the emerging Local Plan are set out in the ELR.

This paper aims to:

- a) Review the quality and suitability of new employment designations in response to the recommendations in the Employment Land Review.
- b) Set out the justification and illustrate the proposed boundary amendments or retention to employment land.
- c) Set out the re-classification of employment designations as highlighted in the Employment Land Review.

## **Employment Land Review Recommendations:**

### **New Employment Designations:**

The ELR recommended that the following non-designated employment sites should be assessed as potential locations to be designated as LMUAs, due to the high demand for light industrial uses set out in the ELR. These were sites identified with site areas over 0.1ha and which benefit from either their own site access and/or are located close to town centres and are therefore able to support light industrial and workspaces to support the local economy.

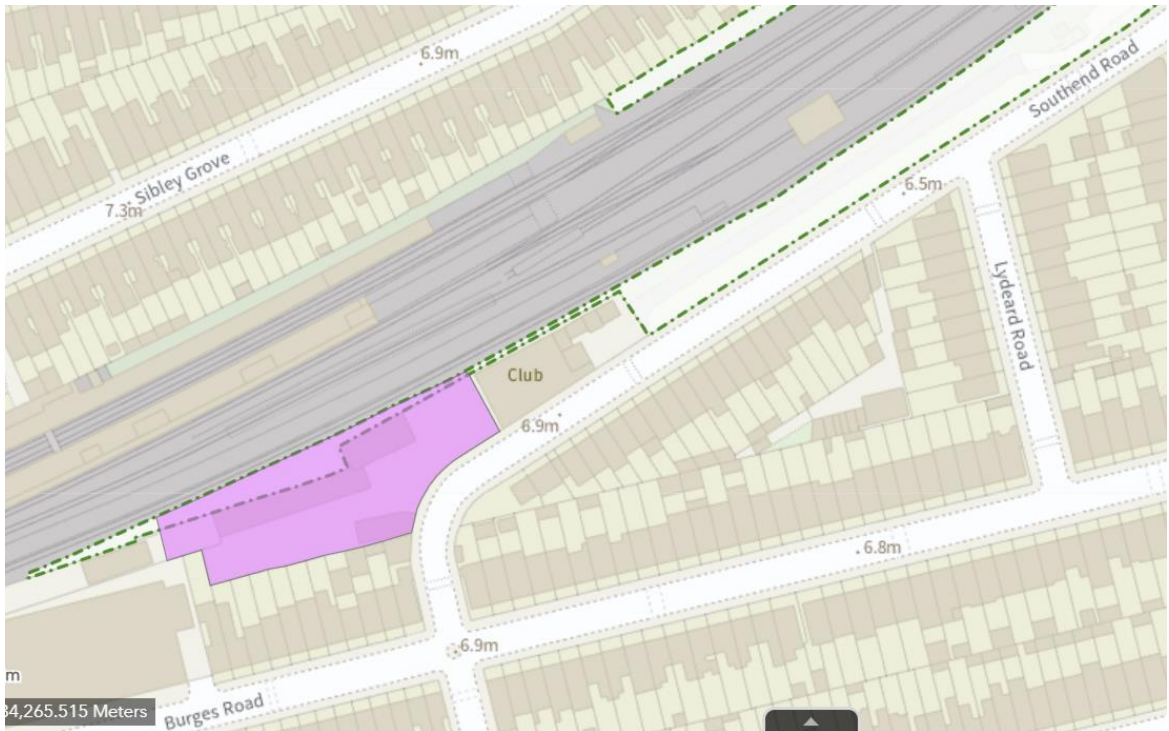
- Builders Merchants Southend Road
- Rear of 30-34 Plashet Grove
- Glory House Tabernacle Avenue

The Bingo Hall in Stratford High Road was also recommended as a new LMUA in the ELR, given its good access and surrounding employment uses. However, these objectives are instead being met in the emerging Local Plan by designating this site as a new site allocation with employment uses and housing.

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<sup>1</sup> [Newham Local Plan Refresh: Employment Land review 2022](#)

The following maps and explanations provided provide a detailed assessment of the proposed new LMUA designations and boundaries taken forward in the emerging Local Plan as per the recommendations in the ELR.

<b>EMPLOYMENT LAND REVIEW 2022</b>			
<b>Builders Merchants, Southend Rd</b>			
			
<b>Area Composition</b>	<b>Roads</b>	<b>Estates</b>	
The site has rail lines and green space to the north and low density residential to the south. To the west is a large convenience store within the town centre.	Southend Road & Burges Road	n/a	
<b>Size</b>	0.3ha	Number of Businesses	1
<b>Quality and nature of offer</b>			
Builder's merchants with small sheds and open storage adjacent to the railway tracks. The site has locational advantages close to the town centre and East Ham station. The builder's merchants serves a localised catchment for buildings materials and supplies. Access to the site is via Southend Road off Burges Road, at the South Eastern end of the site.			
<b>Worker facilities</b>			
Within East Ham Town Centre with good access to a range of shops and convenience shopping. The site is also a 5-minute walk to East Ham station.			
<b>PTAL</b>		6	
<b>Freight Access</b>		Road	

**Development activity, ownership and management**

No recent development activity. In 2017 retrospective permission was granted for the sales and storage of building supplies reflective of the current uses.

The land is under single ownership.

**Industrial land management considerations going forward**


Site benefits from good access to the town centre, supporting localised employment uses and open storage. The sites context between the town centre and residential, may benefit from designation for a LMUA which may also have improved place-making benefits noting the partially residential context. Any future designation must be cognisant of the amenity impacts of the rail lines to the north and the residential context in which this site sits.

Should existing uses depart, and given sites public access and locational advantages close to the town centre and current industrial/storage functions, this site would be attractive to light industrial workshops supporting future potential access to local labour and local employment opportunities.

The Employment Land Review 2022 recommended this site be proposed as a LMUA.

**Concluding points**

- Given the locational advantages and existing employment functions this site would be attractive to light industries seeking workshops in accessible locations. This includes open storage to support light industrial uses.
- Site has potential good access to local labour and can support future employment opportunities in this area.
- Designating this site as a LMUA would protect and support the continued local economic functions of this site, while recognising the residential context in which this site is located.
- The map above proposes a boundary that reflects the existing builder’s merchants and incorporating access off Southend Rd.

<b>EMPLOYMENT LAND REVIEW 2022</b>			
<b>Rear of 34-40 Plashet Grove</b>			
<b>Area Composition</b>	<b>Roads</b>	<b>Estates</b>	
Low density residential, located on the fringe of Green Street District Centre	Plashet Grove	n/a	
<b>Size</b>	0.16ha	Number of Businesses	6
			
<b>Quality and nature of offer</b>			
<p>A modest 'backland' cluster of old warehouses with open storage currently storing metal and materials.</p> <p>Access to the site is via a narrow road off Plashet Grove. The site is sub-divided with the western side comprising of a warehousing for metal work and materials and the eastern side predominantly open storage. Businesses include printing (unit D), metal and material supplies, café/lounge, takeaway (unit 6) and small businesses i.e. money transfer (Unit B) to the rear of the retail units along Plashet Grove.</p>			
<b>Worker facilities</b>			
<p>The site benefits from good access to Green Street District Centre for retail and local convenience. The site is also a short walk to Priory Park.</p> <p>To the south/east of the site and a 10-minute walk is Upton Park station.</p>			
<b>PTAL</b>		4	
<b>Freight Access</b>		Road	
<b>Development activity, ownership and management</b>			

No recent development activity on site.

In 2019, a development for 8 units and retail completed (ref 15/00910/FUL) adjacent to the site at 38-46 Plashet Grove.

The site is in single ownership.

**Industrial land management considerations going forward**

Noting the edge of town centre location and proximity to Upton Park station workshop or light industrial in the longer term is a possibility for this site.

The Employment Land Review 2022 recommended this site to be proposed as a LMUA.

**Concluding Points**

- The site has good locational advantages adjacent to a district centre and good access to public transport.
- Designating it as a LMUA would regularise this boundary, recognising its local economic function that would be attractive to for future workshops or light industrial space in the longer term.
- The map above proposes a boundary which reflects the employment uses on site including open storage.

<b>EMPLOYMENT LAND REVIEW 2022</b>			
<b>Glory House, Tabernacle Avenue</b>			
<b>Area Composition</b>	<b>Roads</b>	<b>Estates</b>	
The site is rectangular in shape and surrounded by low density residential units with commercial units to the south west of the site.	Tabernacle Avenue off Barking Road	n/a	
<b>Size</b>	0.29ha	Number of Businesses	>4
			
<b>Quality and nature of offer</b>			
<p>The site is located on the northern side of Barking Road, and consists of 3 large warehouses all occupied by a religious facility, one of which is a 19<sup>th</sup> Century three story former warehouse. The site benefits from a small surface car park to the north of the site and its own access road.</p> <p>The site is adjacent to Fairburn Hall, a Grade II listed building.</p> <p>To the south west of the site is an MOT testing centre within a similar rectangular warehouse facility.</p>			
<b>Worker facilities</b>			
<p>Abbey Arms Local Centre is located within a 5-minute walk to the east of the site, which has numerous local shops including a post office and supermarket.</p> <p>The wider area is limited in terms of a variety of employment designations, however Canning Town Micro Business Opportunity Area lies 100m to the west of the site along Barking Rd.</p>			



The Red House pub is located at the south west of the site.	
<b>PTAL</b>	4
<b>Freight Access</b>	Road
<b>Development activity, ownership and management</b>	
<p>The main component of the site is under single ownership with the site to the west (MOT garage) under a separate ownership.</p> <p>The neighbouring the site to the south west a development was approved for 17 residential units (ref 18/03475/FUL) in 2017. The site is presently cleared for development.</p> <p>A planning application (ref 21/00830/FUL) was approved for the wholesale demolition and redevelopment of the site for a new mixed use development comprising of 80 units, community use and amenity space in 2023. After that, a new application (ref 24/00192/FUL) was submitted and refused in 2024. The refused scheme only differed from the permitted scheme through the removal of affordable housing.</p>	
<b>Industrial land management considerations going forward</b>	
<p>Given the current light industrial characteristics of the site, the collection of three buildings would be an attractive location for light industrial uses. There is scope to potentially incorporate within the boundary the adjacent MOT testing site (1 Tabernacle Ave) to the south west to create an economic cluster of warehouses to support future economic functions at this location.</p>	

### Concluding points

- The site has a permission for redevelopment for residential and a community facility. However, the permission has been subject to a revised, rejected application.
- Given the limited range of employment designations in the area, designation as a LMUA would support increased economic opportunities for small businesses in this location.
- The boundary should reflect the three core warehouses, with the potential to include the MOT site to create a larger economic cluster at this location.
- The option to designate this site follows the recommendation in the ELR highlighting that this site would be an attractive location for light industrial uses and subsequently benefit from designation as a LMUA.
- Designation of this site, would enable us to ensure future re-provision of suitable employment floorspace. It is noted that both residential development and community facility development (if in compliance with relevant policies in the Local Plan) are suitable on a LUMA, as long as the scheme is employment-led.

## Employment Boundary Amendments:

As part of the ELR the Council reviewed all existing employment designations including boundaries to ensure they are fit for purpose, to identify any new employment opportunities and support the objectives of the Local Plan. The following maps provide an explanation of the boundary amendments recommended in the ELR and proposed approach to their designation in the emerging Local Plan.

- **Southern Section of British Gas / Cody Road Strategic Industrial Location also part of the adopted boundary of Strategic Site S12 (Canning Town Riverside):** Re-designated to a LMUA in the emerging Local Plan.
- **Northern section (above Bell Lane) of the Thameside West Strategic Industrial Location (SIL3):** The ELR recommended release of the Northern section (above Bell Lane) of the Thameside West Strategic Industrial Location. However, this recommendation has not been taken forward in the emerging Local Plan for the reasons set out below.
- **Local Mixed Use Area 12 (Bidder Street):** Northern section (above Ives Rd) to be re-designated as SIL as part of the British Gas/ Cody Road Strategic Industrial Location in the emerging Local Plan.
- **Local Mixed Use Area 1 (Silvertown Arches):** Extend north east onto triangular plot of land adjacent to City Hall building in the emerging Local Plan.
- **Local Mixed Use Area 9 (Canning Road West):** Split into two LMUA designations, Canning Road West to the south of The Greenway and Canning Road East LMUA to the north of The Greenway in the emerging Local Plan.
- **Micro Business Opportunity Areas:** Reflecting the town centre boundary review, removal of MBOA designations that are located within the proposed centre boundaries in the emerging Local Plan.

<b>Site: British Gas / Cody Rd SIL</b>	
A. Adopted SIL Boundary:	B. Area to be removed from SIL:
<b>Site: Bidder Street LMUA</b>	
A. Adopted LMUA Boundary:	B. Area to be removed from LMUA (changed to SIL):
C. Proposed New LMUA Boundary (in purple)	

**Commentary and Boundary Options:**

The Employment Land Review recommended the reconfiguration of the SIL and LMUA boundaries at the southern end of the British Gas / Cody Road Strategic Industrial Location and Bidder Street Local Mixed Use Area. The ‘swap’ of designations recognises the northern component of the LMUA above Ives Road operating more akin to SIL with existing land uses, including a safeguarded waste site as identified in the East London Joint Waste Plan while the location of the southern section of SIL (also part of Strategic Site S12) presents opportunities better provide a SIL buffer, in the form of a LMUA, between the industrial and residential mixed use to the south. This arrangement presents overall place-making benefits to comprehensively develop this location to support a range of Local Plan objectives.

The area to be removed from the SIL designation is a cleared industrial site, which presents an opportunity to re-designate this site to a LMUA designation. This would create a buffer between the SIL and the remainder of the Strategic Site (S12). As directed by draft policy, any businesses impacted by this designation change would be either integrated or relocated to a suitable location such as SIL. A planning application for a data centre (ref 24/00088/FUL) is currently in on the LMUA and pending for decision. This is considered no conflict with the LMUA designation as data centre is widely accepted as Use Class B8 (subject to wider scrutiny) which is allowed in LMUA, LIL and SIL under the Local Plan.

As a result of this designation swap (1.92ha removed and 2.18ha gained) this would result in approximately a gain of 0.26ha of SIL.



**Commentary and Boundary Options:**

As part of Newham’s adopted Local Plan (2018), a major portion of land to the north of Bell Lane was released from SIL while the south east corner remains designated as a SIL.

The released site was subject to the managed release criteria set out in policy J2. The site to the north of Bell Lane is subject to planning permission (ref. 18/03557/OUT) comprising two phases for residential, employment and retail floorspace. To manage the proposed release of the existing SIL area (1.9ha) land through the development, the scheme will deliver lighter industrial uses beneath residential uses on Bell Lane, using a co-location approach, and re-provide 15,000 sqm. of flexible employment floorspace (Use Classes B1c, B2 and B8) within a stacked industrial building as part of phase 3 and prior to occupation of 1,400 residential units as restricted by planning obligation. This would deliver a total of over 19,000 sqm of industrial floorspace within the wider Site. The proposed standalone industrial building is located between the Silvertown Tunnel portal and the elevated DLR/Dock Road which will be separated from the existing SIL. As of April 2024, the permission has not yet commenced.

The ELR, in response to this permission, recommended a revision to the SIL boundary to account for the industrial area that will be lost and re-provided through the permitted development, including the removal of 1.9ha of land from the original SIL boundary. It further recommended to designate the replacement employment area, where the proposed standalone industrial building sits, as a LIL, given its separation from the SIL land. The ELR also recommended the retention of the rest of the Thameside West SIL, with no further release in view of the industrial demand in this area and across the borough, as well as its existing extensive employment uses and scale.

The ELR recommendation on boundary revision has not been taken forward in emerging Local Plan. This is because the permitted replacement proposal is not the most preferable option for retaining SIL capacity in full and meeting our priority need for industrial land. This is because some of the floorspace will be delivered through co-location with residential uses, the proposed standalone industrial building will be isolated from the SIL land and will be delivered as flexible employment spaces. This type of industrial development does not deliver spaces which Newham's preferred or priority industrial need and was one of the reasons for refusal, when the scheme was assessed by Newham's Planning Committee in 2019.

In addition, in the circumstances that the permitted scheme is not taken forward, a formal revision in boundary within an emerging or adopted Plan, would cause a net loss in industrial land without certainty in securing the existing SIL capacity and function in any future proposals. Thus, we considered it more appropriate for the site to continue to be designated as SIL for industrial intensification to address the borough's significant need for industrial floorspace as identified in the ELR. Release of the SIL boundary would be harmful to the supply of SIL and employment land across the borough. The N2.SA4 Thameside West site allocation and capacity testing reflects this conclusion.

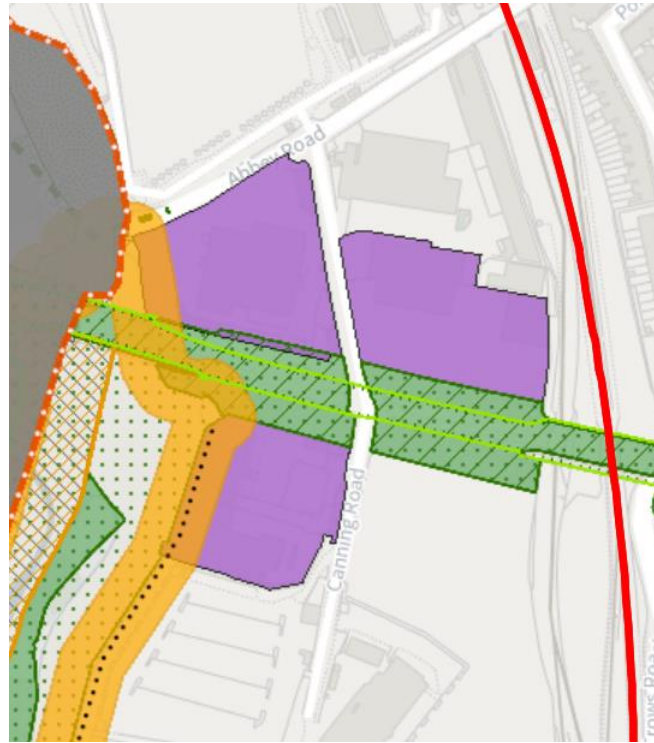
However, the implementation of the development will be monitored and the designation should keep under review as if the employment uses are being relocated/ re-provided and housing is being delivered at the site.

<b>Site: Silvertown Arches LMUA</b>	
A. Adopted Boundary:	B. Amended Boundary (extension)
<p><b>Commentary and Boundary Options:</b></p> <p>The 'triangle' site is vacant land located between Kamal Churchie Way and the adjacent to City Hall. The Royal Docks Team have identified this site for future economic uses, in particular for light industrial workspaces in the Royal Victoria West area. The logical extension would support an emerging economic cluster at this location from the development to the south at Thameside West, an existing LMUA with consent 'The Flyunder' and new City Hall which is now occupied.</p> <p>The Employment Land Review highlighted this extension as an opportunity to provide light industrial and small-scale workspaces as part of the LMUA designation. This extension would continue the employment only nature of this specific designation and provide new opportunities for light industrial and small-scale workspace to support demand.</p>	



Site: Canning Road West LMUA

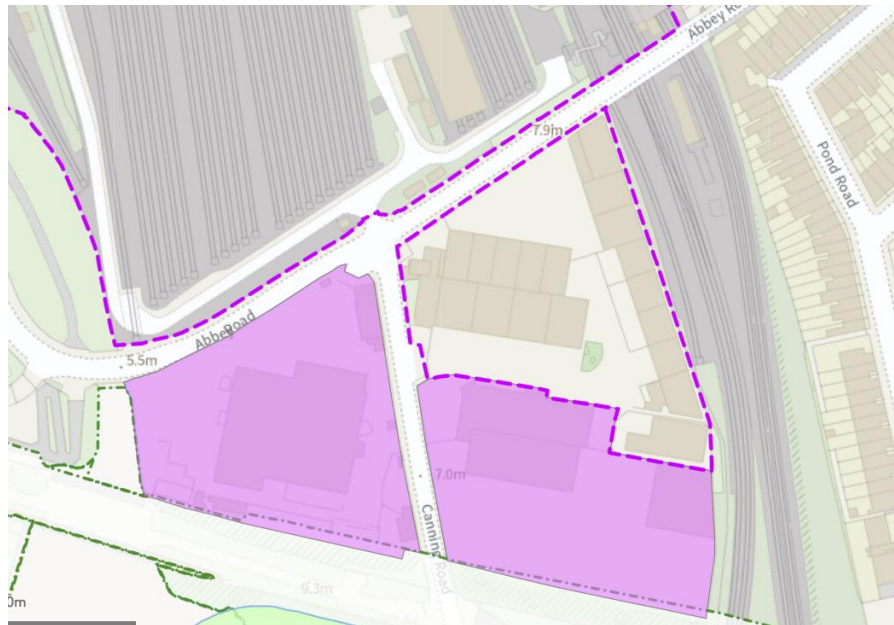
A. Adopted Boundary



B. Amended Canning Road West LMUA Boundary (area in purple)



C. Amended Canning Road East LMUA Boundary (New designation in purple fill)  
D.



Commentary and Boundary Options:

The land audit identified that the Canning Road West LMUA is functioning well and the designation should continue to be protected. The proposed boundary amendment recognises the more industrial character of Canning Road West LMUA to the north and lighter industrial character to the south, split by The Greenway. The rationale to split the current Canning Road West boundary in two, enables the southern section, which has a recent residential use delivered through Permitted Development Rights, to become its own designation: 'Canning Road West' close to Strategic Site S10 (Abbey Mills). The two components of the northern section are to be designated as a separate LMUA 'Canning Road East'. This split offers better place-making opportunities to refocus the relationships between the designations and neighbouring sites and reflect the different characteristics and future growth opportunities presented by the two locations. This includes the Strategic Site at the South and LIL to the north. This will be realised through different priority uses for each area in the emerging Local Plan.

The change would result in the creation of two LMUA designations: Canning Road West to the south of The Greenway and Canning Road East to the north.

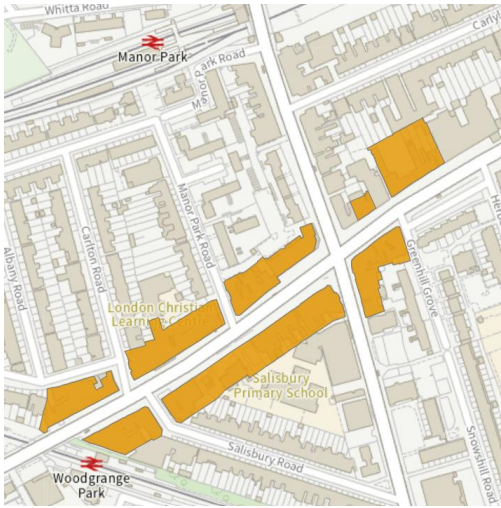
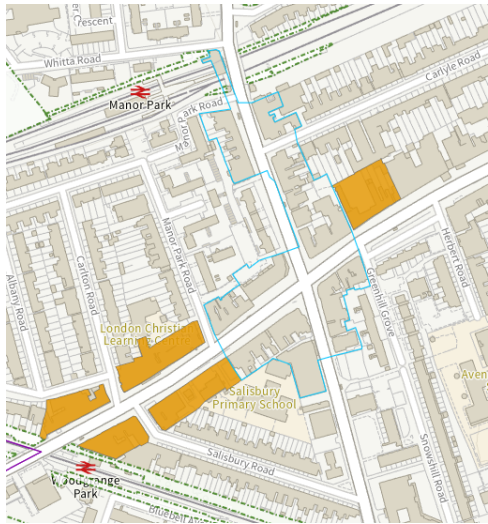
The Local Industrial Location at Canning Road Est (LIL 8) as designated will continued to be protected, recognising the industrial nature of this site and role in supporting local supply chains, open storage and general industrial functions.



**Micro Business Opportunity Areas:**

Micro Business Opportunity Areas (MBOAs) are edge of town and local centre employment designations to support opportunities for small business development in more cost effective locations. The MBOAs are defined by key locations and transport corridors where accessibility is good and which are close to a range of non-residential uses (including town and local centres). MBOAs present opportunities for local and small business development complimenting these designated centres.

The ELR recognises MBOAs as important for providing new opportunities for low-cost businesses, incubator and start up space. They also present new local employment opportunities across the borough. Following the boundary review of the Town and Local Centres, the following amendments are being proposed to the MBOA boundaries to maintain their edge of centre status while ensuring they continue to support local business spaces in accessible locations across the borough. These recommendations should be read alongside the town and local centre boundary recommendations in the Town Centre Proposed Amendments Paper.

<b>Site: Manor Park MBOA</b>	
A. Adopted Boundary (in yellow fill)	B. Revised Boundary (in yellow fill)
	

<b>Site: East Ham MBOA</b>	
A. Adopted Boundary (in yellow fill)	B. Revised Boundary (in yellow fill)

<b>Site: Forest Gate MBOA</b>	
A. Adopted Boundary (in yellow fill)	B. Revised Boundary (in yellow fill)

## Employment Designation Changes

Policy E6 of the London Plan notes that designations and detailed boundaries for Local Industrial Locations (or LSIS in the London Plan 2021) should be justified by evidence in local employment land reviews. The ELR proposed a number of re-classifications to the existing employment designations. These changes reflect the conclusions in the demand for industrial, the land audit and market overview of these sites. The proposed re-classifications of employment sites reflect that opportunities for new SILs and LILs are limited and consideration has to be made to upgrade these locally important employment sites to support future industrial uses. In some cases, the proposed re-classification aims to protect the industrial integrity of industrial sites, providing local and low cost industrial accommodation. The justification for each designation change is set out in the comment section in the below table.

Name	Current Designation	Proposed Designation (Reg 18)	Proposed Designation (Reg 19)	Comment
St Mary's Industrial Estate	LMUA 11	Local Industrial Location	Local Industrial Location	Suitable for small-scale light industrial. Re-designation to a LIL will better protect existing industrial and safeguard future industrial space, including market affordable industrial and creative space. It will also alleviate some pressure on SILs.
Bridge Road Depot	LMUA 13	Local Industrial Location	Local Industrial Location	To maintain the integrity of employment provision mainly for lower cost industrial (Council functions) uses with yard space, the recommendation is to re-designate to a LIL. This will also alleviate some pressure on SILs.
Kudhail Industrial Estate	LMUA 16	Local Industrial Location	Local Industrial Location	Suitable for market affordable industrial accommodation, which should be protected and promoted as a space servicing an important local industrial need contributing to the 15 minute network. Re-designation to LIL will also alleviate some pressure on SILs.

Rick Roberts Way (LLDC)	LSIS B1b.8	Local Industrial Location	Local Industrial Location	Provides modern purpose built secure units to support wider London market. Provides good quality units in which given ongoing suitability for industrial should be designated a LIL. Re-designation to LIL will also alleviate some pressure on SILs.
Cook's Road (LLDC)	OIL B1b.6	Local Industrial Location	LMUA 8 Cook's Road	In the Regulation 18 Local Plan, the site was considered suitable for ongoing industrial uses and re-designated to a LIL. This was under review subject to progress with an extant permission for mixed use including storage and light industrial uses. In the Regulation 19 Local Plan, Cook's Road is changing from LIL to LMUA to reflect the implementation of the permitted scheme to allow residential uses to come forward.
Sprowston Mews and Atherton Mews	LMUA 8	Remove employment designation	Remove employment designation	Poor site access and close to a number of employment designations that are better suited to meet need.
Canning Road West	LMUA 9 (Canning Road West. North of Greenway component.	LMUA 16 Canning Road East	LMUA 16 Canning Road East	Two northern sections of the current designation at Canning Road West will become own designation 'Canning Road East LMUA'. The proposed change will create two LMUA designations, one to the south of The Greenway at Canning Road West and a new LMUA north of the Greenway at Canning Road East. The LIL will remain as currently designated.