



UKWA (3111)

These representations are submitted on behalf of UKWA Britain's leading trade organisation for the logistics sector, with more than 650 members. UKWA members include warehousing and logistics providers as well as manufacturers, retailers, wholesalers and suppliers to the logistics industry.

Special research commissioned in 2016 - Feeding London 2030 – Facing the logistical challenge
Commissioned by UKWA and delivered by research specialists Global 78, Feeding London 2030 has been hailed by industry leaders as a timely and valuable source of data for all stakeholders in the food & beverage and food service supply chains. Challenges it examines in detail include:

- Increasingly congested urban environment.
- New consumer demands for food and drink.
- Demand for delivery frequencies, times and volumes.
- Changing Grocery Retail sector including convenience stores and home delivery.
- Hospitality and Food Service (Catering) sector scale, locations and unique demands.
- High dependency on vans in delivery vehicle fleets.
- Maintaining food hygiene and food safety.
- Handling food waste and other waste streams.

We cannot stress enough the importance to recognise the changing nature of the personal and businesses deliveries and the impact on the logistics sector within London and the sheer diversity of the types, scale, nature and needs of these bring.

The policies of the London Plan should reflect the diverse nature of the logistics sector and freight requirements in it and recognise that these are constantly changing and therefore affect the locational and spatial needs including geographies and scale.

The London Plan should also recognised the changes that have occurred within the sector in recent years, particularly the major impact that e-commerce has had and the ever-increasing demand for last-mile delivery to service the ever expanding and growing population across London. Such changes has resulted in a specific market response in respect of the physical infrastructure and warehousing requirements, with factors such as cubic capacity, efficient yard space and servicing becoming ever more important.

The overwhelming loss of industrial land within London experienced over the past years is of grave concern to our members. The London Plan should seek to re-address and halt this, protecting warehousing and industrial land all levels, sizes and spatial scales and positively foster and promote new industrial land and floorspace to make sure that London can easily and sustainably meet the needs of its people and businesses today and in the future.

M62. Are policies E4, E5, E6 and E7 consistent with national policy and would they be effective in helping to ensure that sufficient suitable land and premises are available to meet the quantitative and qualitative needs for all foreseeable types of industrial activity over the plan period? In particular:

- A) Are the industrial job growth projections and associated estimates of land and floorspace requirements justified?*

The 2014 demographic projections published by the GLA show there will be an increase in the population of London by 1.9 million people (from 2011 to 2031), representing 95,000



residents per annum¹. The increased demand placed on domestic freight and last mile delivery services needs to be planned for with regard to increasing capacity rather than focusing merely on no net loss. Freight demand is not just driven by population growth, but also by the change in consumer buying habits. Today, the UK already has the largest e-commerce sector in Europe. This is estimated to be equivalent to £60 billion and 17% of total retail trade in 2016. This sector grew by 16% in 2015 and is projected to continue growing as the country becomes more digitally enabled.

It is estimated that households spend an average of £5,000 on furnishing and decorating supplies to 'make a house feel like a home' when they move. So as London continues to deliver new homes to provide places to live for the growing population, so too will it need to provide a logistics response to furnishing those homes – moving products from warehouses and distribution centres to housing developments across the capital.

As discussed in our opening statement and above, mean that change within the warehousing and logistics sectors is rapidly occurring to meet customer demands. Within this context it is essential that the needs of sector are closely monitored and acted upon throughout the lifetime of the plan.

This is evident with the GLA's most recent Amr (2016/2017) which states that the rate of loss for industrial land was 35 (ha) above the monitoring benchmark.² This evidence base shows that targets have already been exceeded and too much land has been released therefore no net loss isn't significant policy to address this shortfall. This is further evidence by CAG (2017) on behalf of the GLA which states the vast majority of London Boroughs are well below the threshold set within the Land for Industry and Transport SPG which states that vacant industrial land should be at around 5% and floorspace 8% for efficient market operation³.

The significant and accelerated losses of warehouse space within London experienced over the past years are of grave concern to our members and in particular within central locations. The London Plan should seek to address and stop this, by protecting warehousing land at all levels especially at the micro and small ends (last mile deliveries). We are keen for the Plan to positively promote new warehousing land linking to last mile delivery solutions, to ensure London can sustainably meet the needs of its people and businesses in the future.

a) Is the aim of ensuring no overall net loss of (i) industrial floorspace capacity and (ii) operational yard space capacity across London in designated Strategic Industrial Locations (SIL) and Locally Significant Industrial Sites (LSIS) justified and realistic, and would

¹ Keep London Working, SEGRO (2017) - http://www.segro.com/~media/Files/S/Segro/documents/Keep_London_Working/SEGRO-Keep-London-Working_Report.pdf

² GLA AMR 2016-2017
https://www.london.gov.uk/sites/default/files/amr_14_final_20180927.pdf

³ CAG (2017)
https://www.london.gov.uk/sites/default/files/ilds_revised_final_report_october_2017.pdf



achieving that objective ensure the availability of a sufficient quantity of land and premises for industrial uses?

In one word, no, operational yard and realistic warehousing space is vital to the logistics and warehousing sectors. Mixed used developments are not the answer to everything and should be evaluated on a case by case base. The policy is not clear in respect of defining 'no net loss', and whether this relates to floorspace or land and we seek clear clarification.

b) Are the borough-level capacity categorisations (“retain”, “provide”, or “limited release”) set out in Table 6.2 justified, and would the proposed approach ensure a sufficient quantity of land and premises in different industrial property market areas?

The London Plan evidence base⁴ is clear that, once the established pipeline of residential development on industrial land is accounted, demand for industrial land capacity across London will vastly outstrip supply by in excess of circa 605ha. Additional industrial land is therefore needed at the strategic level.

Consequently, the 'limited release' classification would not ensure sufficient quantity of land and premises to meet the future growth needs of London. UKWA asks for the removal of 'limited release'.

c) Are there parts of London where significant amounts of additional industrial land are likely to be needed in addition to that which is currently in use and/or designated?

In direct response, it is considered that yes, there are parts of London where significant amounts of additional industrial land is likely to be required. This includes on arterial routes within London and Opportunity Areas where an increase in employment and population will place significant demand for logistics services.

As Opportunity Areas are the key growth areas in London, significant planned population will exert specific pressures for logistics activities including last mile delivery and need to be planned for accordingly. UKWA would like to see that a freight and servicing plan is submitted as part of any activities in Opportunity Areas.

Central London is a challenging location which has experienced huge decline in industrial land over the years, and given competing market pressures is a very difficult area to find and provide new industrial floorspace. Consequently, Local Planning Authorities should look to designate redundant land (such as underused car parks and surplus transport infrastructure – e.g. depots) for new logistics hubs to maximise implementation of the Mayor's Transport Strategy (and Draft London Plan Policy E7) which seeks to reduce the number of freight vehicles on the road and utilise more sustainable modes of transport – such as cycles and electric vehicles – which rely on short journeys. If such facilities are to be considered, they would need security of tenure by way of policy protection given the significant levels of infrastructure investment required to repurposing/redeveloping the building, for example to

⁴ London Industrial Land Demand Final Report, CAG Consultants et al. (2017)
https://www.london.gov.uk/sites/default/files/ilds_revised_final_report_october_2017.pdf



include electric charging points, but could specifically meet and deliver for much needed industrial land within Central London.

d) Is the approach to assessing floorspace and yard space capacity set out in paragraph 6.4.5 – 6.4.5B based on existing floorspace or floorspace assuming a 65% plot ratio (whichever is greater) justified and would it be effective?

UKWA have grave concerns about the proposed 65% plot ratio for managing and monitoring industrial capacity and the type and extent of new industrial development that this might deliver for London.

This approach to capacity as set out in paragraph 6.4.5 – 6.4.5B is too heavy handed to be used at a strategic level and creates a significant bias towards high density uses such as self-storage, to the exclusion and detriment of many logistic operations which, as previously mentioned, is vital to the prosperity of London and is also a significant area of growth within London.

The requirement to re-provide existing floorspace or 65% plot ratio in new industrial development would, in the most part, create inappropriately designed premises for logistics space with insufficient yard capacity to cater for logistics vehicles and operational needs. In addition, imposing such a requirement would further impact upon the ability to meet transport policy and objectives of the Mayors Transport Strategy through an increased requirement for off street parking and constrained site layout which impact upon the safe turning and movement of vehicles.

A floorspace-based approach will not achieve the amount and mix of industrial activity needed to meet London's needs. Multi-level logistics / warehousing are untested in the London market and its delivery in years ahead is likely to be limited.

UKWA considers that a more appropriate measure for "no net loss" would be a ratio of 40% which would ensure that redevelopment and mixed-use schemes could provide for a more varied range of industrial needs and would allow redevelopment to respond to market needs and demands such as the provision of space for those uses which require yard space including logistics and distribution uses.

e) Is the approach set out in Policy E7D towards "non-designated industrial sites" (36% of total amount of industrial land) justified and consistent with national policy?

f) Would policies E4-E7 provide an effective strategic context for the preparation of local plans and neighbourhood plans?

g) Are policies E4-E7 clear about how they would be implemented through the determination of planning applications, particularly in terms of the role of "planning frameworks" and "a co-ordinated masterplanning process in collaboration with the GLA", and the relationship between policies E5D and E7B?



h) Is Policy E7F, along with Policy SD2, likely to be effective in terms of facilitating the substitution of some of London's industrial capacity to related property markets beyond London's boundary, and would achieving such an objective contribute to the achievement of sustainable development?

The London Plan is not clear how loss and re-provision of industrial stock is managed, monitored or controlled in such circumstances.

UKWA would also highlight there is very little in regard to the spatial component, a key element for the successful operation of many logistics occupiers.

The approach suggested is therefore thought in our minds unsustainable due to the need for logistic uses being integral to the successful functioning of London, especially last mile deliveries.

If industrial capacity continues to be forced further and further outside of London, this will have dire consequences for The Mayors Transport Strategy and not deliver its objectives.

i) What evidence is there about the feasibility of delivering schemes on industrial land that would lead to the provision of net additional industrial floorspace along with the provision of significant numbers of new homes on the same site?

Mixed used developments are not the answer to everything and should be evaluated on a case by case base. See answer below

j) How would policies E4-E7 affect the implementation of Policy GG4 "delivering the homes Londoners need"?

Mixed schemes are largely untested forms of development within London. Housing numbers generated through this type of development should be treated as windfall and not part of a borough's housing land supply due to current uncertainty in respect of deliverability and achievability. We are concerned that if these fail to maintain the industrial element then to get back the loss space will almost be impossible.