



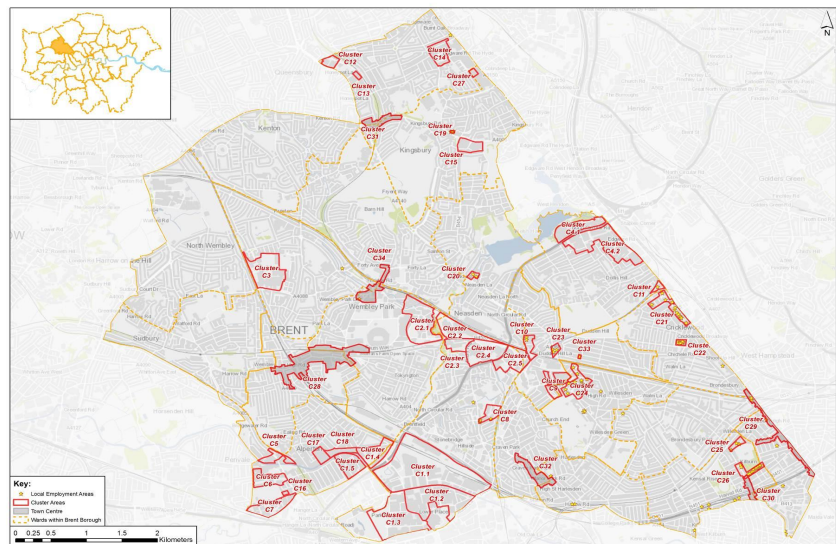
Brent Employment Land Demand Study 2015

Final Report

Prepared for:
London Borough of Brent

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TABLE OF CONTENTS	1	INTRODUCTION7
	1.1	Context and Purpose.....7
	1.2	Study Area7
	1.3	Report Structure7
	2	APPROACH9
	2.1	Introduction9
	2.2	Policy Context and Socio-Economic Profile.....9
	2.3	Survey of Employment Sites and Premises..... 10
	2.4	Employment Market Analysis..... 12
	2.5	Stakeholder Consultation 12
	2.6	Employment Land Forecast..... 12
	2.7	Gap Analysis and Policy Recommendations..... 13
	3	POLICY AND LITERATURE REVIEW 14
	3.1	Introduction 14
	3.2	National Policy 14
	3.3	Regional Policy 16
	3.4	Local Policy 23
	3.5	Other Key Docs 28
	4	SOCIO-ECONOMIC ANALYSIS 31
	4.1	Introduction 31
	4.2	Population Demographics 31
	4.3	Labour Market Structure 31
	4.4	Industrial Structure..... 33
	4.5	Workplace Economy- Business Size and Stock 36
	4.6	Summary..... 37
	5	QUALITY AND CHARACTERISTICS OF EMPLOYMENT LAND 38
	5.1	Introduction 38
	5.2	Employment Land..... 38
	5.3	Cluster Suitability for B1 Land-use..... 40
	5.4	Cluster Suitability for B2/B8 Land-use 46
	5.5	Summary..... 50
	6	PROPERTY MARKET ASSESSMENT 51
	6.1	Introduction 51
	6.2	Approach 51

6.3	Property Market Areas (PMA)	52
6.3.1	Industrial PMA.....	52
6.3.2	Office PMAs.....	53
6.4	Supply of Commercial Space	53
6.4.1	Industrial Supply.....	53
6.4.2	Office Supply.....	54
6.5	Demand for Commercial Space	54
6.5.1	Industrial Demand	54
6.5.2	Office Demand	55
6.6	Wider Demand Factors.....	56
6.6.1	Major Regeneration and Transport projects.....	56
6.6.2	Impact of Change to Permitted Development Rights	56
6.6.3	Demand for Work/live units	56
6.6.4	Growth Sectors	57
6.7	Stakeholder Consultation	57
6.7.1	Demand for Employment Land.....	57
6.7.2	Policies for developing businesses and economic inclusion	58
6.8	Conclusion – Matching supply and Demand	59
7	EMPLOYMENT LAND FORECASTING	61
7.1	Introduction.....	61
7.2	Forecast Approach	61
7.3	Property Market Area	62
7.4	Historic Floorspace Trends	63
7.5	Historic Employment Trends.....	64
7.6	Employment Forecasts	65
7.7	Top Down Synthesis Forecast	67
7.8	Bottom-up Adjustment of Synthesis Demand	68
7.8.1	Impact of Major Projects	69
7.8.2	Property Market Trends within the PMA	70
7.9	Bottom up Demand Factor Summary	70
7.10	Sensitivity Analysis	71
7.11	Industrial and Office Forecast.....	72
7.12	Development Pipeline	72
7.13	Other Users of Industrial or Office Land	73
7.13.1	Waste Management and Recycling.....	73

7.13.2	Utilities, & Land for Public Transport	73
7.14	The Forecast for Industrial Land to 2029	73
7.15	The Forecast for Office Floorspace to 2029.....	74
7.16	Summary of Employment Land Forecast.....	75
8	CONCLUSIONS AND RECOMMENDATIONS.....	76
8.1	Introduction	76
8.2	Conclusions	76
8.3	Proposed Policy Direction	78

1 INTRODUCTION

1.1 Context and Purpose

AECOM Infrastructure and Environment UK Ltd (AECOM) (formerly URS) was commissioned by London Borough of Brent to undertake an employment land demand study (ELDS) update. The ELDS will assess the quantity, quality and viability of the borough's employment land to form an evidence base to inform consideration of the employment policies within the emerging Local Plan.

The ELDS will be used by the borough to inform its future approach to the provision, protection, release or enhancement of employment land and premises. The review updates and builds on the 2009 Brent Employment Land Study and the 2013 Brent Employment Land Demand Study both carried out by AECOM (formerly as URS) and forms an integral part of the evidence base needed to support the review of policies and preparation of Brent's Local Plan.

The NPPF¹ outlines the principles that Local Planning Authorities should follow in preparing their evidence base to inform employment land policies. The GLA Land for Industry and Transport SPG provides more London specific guidance. The need for Local Planning Authorities to produce an up to date Employment Land Study and the suggested format of that study is outlined in National Planning Practice Guidance NPPG (2014). The methodology applied in this study is in line with NPPF, GLA Land for Industry and Transport SPG and the NPPG.

The Guidance also suggests that studies take account of wider employment uses such as utilities, land for transport and waste management. As noted, the study will form part of the Council's evidence base for the emerging Local Plan Policies.

1.2 Study Area

The review includes all those clusters surveyed as part of the 2013 ELDS and a number of clusters comprising non-designated employment land. Four groups of employment clusters were identified, for review:

1. Strategic Industrial Locations (SIL) comprising LB Brent's four SIL areas, as designated in the 2010 Brent Core Strategy;
2. Locally Significant Industrial Sites (LSIS) comprising LB Brent's eight LSIS areas, as designated in the 2010 Brent Core Strategy;
3. Local Employment Areas (LEA) comprising all employment sites in the borough not SIL or LSIS and protected by saved UDP (2004) policy EMP9; and
4. Certain employment sites are also Site Specific Allocations (SSA), based on LB Brent's Site Specific Allocations document (2011).

1.3 Report Structure

This report sets out our final findings and policy recommendations for employment land in LB Brent, taking into account the future economic development of the area. The report is structured as follows:

¹ NPPF, paragraphs 160 to 161

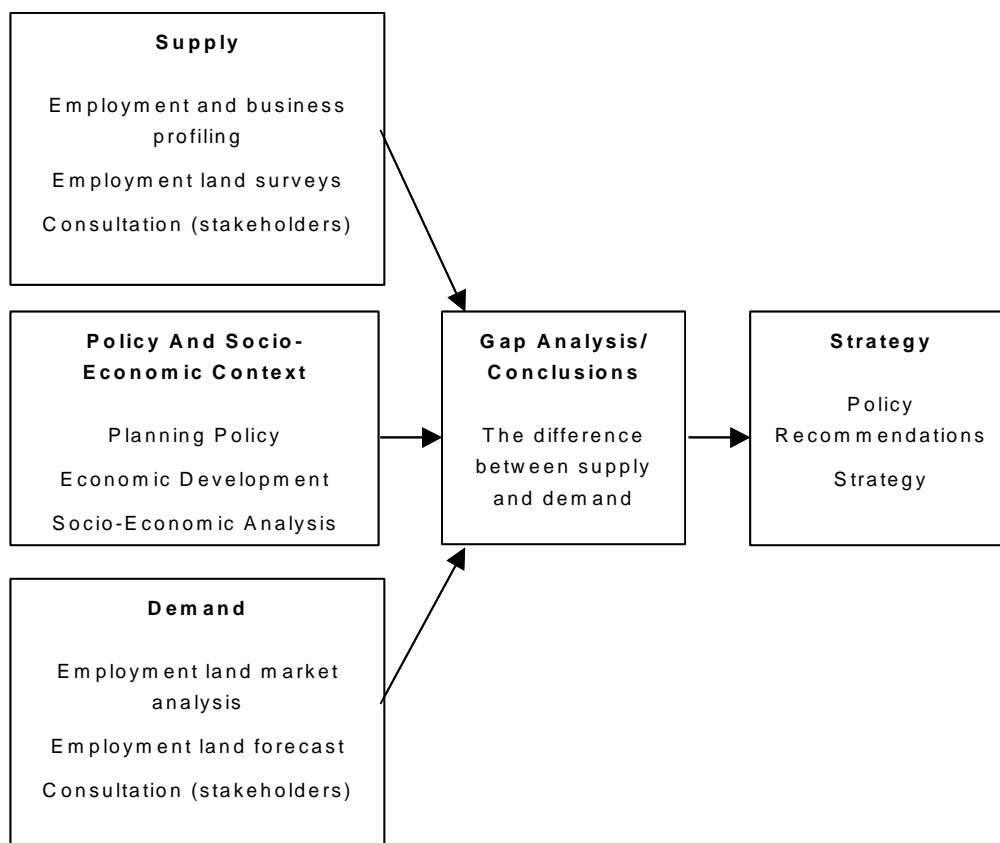
- **Section 2:** Details of our approach to the review.
- **Section 3:** A review of national, regional and local policy context of particular relevance to employment land, the economy, regeneration and related issues in LB Brent.
- **Section 4:** A comprehensive analysis of socio-economic baseline conditions, and information on key sectors, in LB Brent relative to the rest of London and Great Britain.
- **Section 5:** Key characteristics of LB Brent's employment land gained through a field survey and supplemented through desk research.
- **Section 6:** Analysis of the employment land market defining the regional and local property markets and any trends in the commercial and industrial property sectors, based on consultations with local property agents, and a summary of findings from stakeholders consultations.
- **Section 7:** Forecasts of employment land demand and floorspace over the planning period.
- **Section 8:** Conclusions and recommendations on the employment land strategy that the Council should adopt over the LDF timeframe including suggestions on retention and release of employment land and sites.

2 APPROACH

2.1 Introduction

This section sets out the main research elements of this employment land study as illustrated in Figure 2.1. Each element is summarised in the following sub-sections.

Figure 2.1 Approach to the ELDS



Source: AECOM (2015)

2.2 Policy Context and Socio-Economic Profile

In order to fully understand the drivers of demand and supply of employment sites and premises across LB Brent and the potential constraints and opportunities, it is necessary to first investigate the policy context and framework and the socio-economic context.

The policy review takes account of relevant national, regional and local policies and strategies as these have the potential to influence future supply and demand for employment land. The socio-economic analysis is undertaken for LB Brent set within the context of the West London sub-region in order to provide an in-depth understanding of the current population and socio-economic make-up of the borough. A number of information sources are reviewed including:

- Census data;
- ONS Annual Population Survey;

- Business Register and Employment Survey; and
- Local Labour Force Survey.

In addition a baseline assessment of the existing economic structure and key trends in employment related development was completed. This work involves:

- A review of historical employment information for the borough, including information on workforce characteristics, unemployment, occupation, earnings and travel to work information; and
- Relevant literature providing information on the local economy and business trends within the borough.

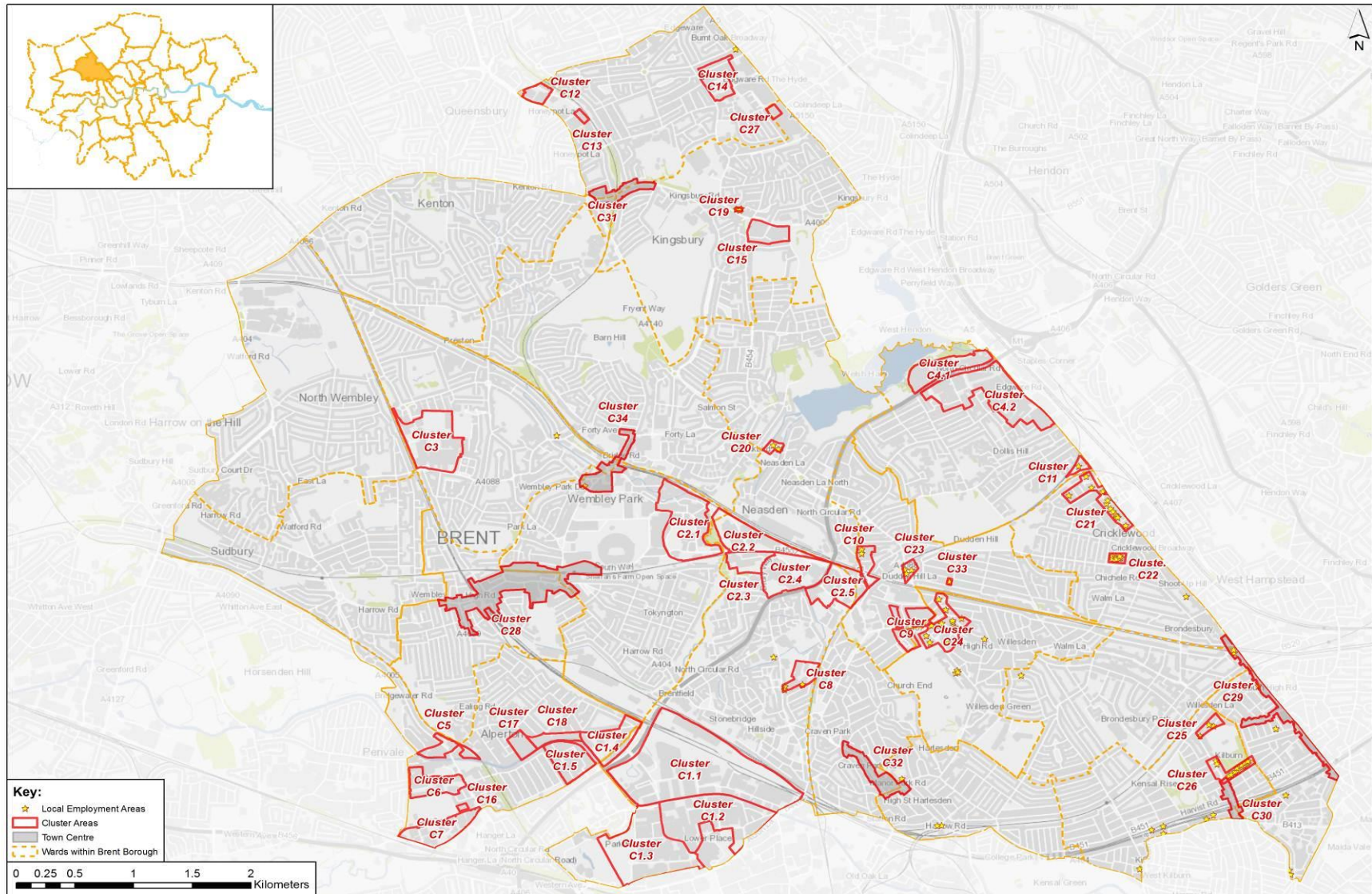
2.3 Survey of Employment Sites and Premises

A field survey of employment land in LB Brent was carried out to assess its suitability for continued employment use. The clusters are shown at **Figure 2.2** Clusters were selected and agreed in consultation with the Council. They consist of designated employment areas described in LB Brent Core Strategy (2010) and LB Brent's Site Specific Allocations document (2011), and other significant non-designated employment areas in the borough as identified from the GLA Industrial Land Baseline (2010). In total the 43 employment clusters include approximately 370.2 hectares of land (a detailed cluster map is shown in Appendix A).

The survey covered the use classes B1 (Office), B2 (General Industry), and B8 (Storage and Distribution) as per the NPPG (2014) Throughout this report employment land is referred to as land in office (B1a), or industrial which includes factories (B2, B1), warehouse (B8) use and light industry (B1c) and Research and Development type uses. Each cluster was visited and appraised against an agreed set of economic, planning and property market criteria to assess their fitness for purpose. The survey methodology and criteria are based on factors and issues set out in the NPPG, the GLA Land for Industry and Transport SPG (2012) and the NPPF.

To ensure consistency with the previous Brent Employment Land Study (2013), surveyors used a structured questionnaire, a survey manual and a map of each employment area. The questionnaire included a series of tick-box style and open-ended questions to capture qualitative and quantitative information. Once the physical inspections were complete (21st of January 2015) the survey data was entered into a database for analysis. **Appendix B** holds the Employment Cluster questionnaire.

Figure 2.2 LB Brent Employment Clusters Context Map



2.4 Employment Market Analysis

To help enhance the understanding of the supply and demand characteristics of the local employment land market, the views of local property market agents, key land owners and other key stakeholders were sought. It was considered more effective and efficient to speak to a group of commercial property agents rather than speaking only to one commercial agent in order to broaden and moderate the response compared to that which would have been received by contacting just one commercial agent. Approximately 15 local commercial agents and developers were contacted.

The exercise supplemented desk-based research and survey findings, and sought to test the emerging findings and conclusions relating to the demand and provision of office and industrial sites and premises in LB Brent. Consultation with local property agents took the form of a semi-structured interview by telephone around topics including: LB Brent employment property market area; the demand and supply of sites and premises, the characteristics of sites and their suitability for employment uses; opportunities and constraints to growth; and inward investment and regeneration. The outputs of the consultation exercise are an important piece of evidence that provides real market intelligence from professional's working day to day with commercial property in LB Brent and is a key consideration to inform the policy recommendations.

2.5 Stakeholder Consultation

A key exercise of the research programme was to consult with relevant local business groups, business support organisations, and economic and regeneration organisations active in LB Brent. The exercise supplemented desk-based research and survey findings, and sought to test the emerging findings and conclusions relating to the demand and provision of office and industrial sites and premises. Consultation took the form of a semi-structured interview by telephone around topics including: business needs; the demand and supply of sites and premises, their characteristics and their suitability; opportunities and constraints to growth; inward investment and regeneration; supporting an entrepreneurial culture; labour force structure, education and skills; and economic inclusion.

2.6 Employment Land Forecast

A number of different techniques can be used for forecasting future demand of employment land. Each has strengths and weaknesses. The decision was therefore taken after consultation with LB Brent to adopt a synthesis approach that is based on the trends of the following factors:

- Sub-regional floorspace trends;
- Historic and forecast employment based on macro-economic forecasting; and
- Assessment of other local factors not contained within existing data such as transport improvements and the effects of the recession.

For the purpose of this study we have used data from the following local authority boundaries of a defined Property Market Area (PMA), as suggested by property market agents, to measure the trends of the above three factors:

- Ealing
- Brent
- Hounslow

- Hillingdon

Valuations Office Agency (VOA) experimental commercial floorspace data released by the VOA in May 2012 and covering the period 2000 to 2012 was used to assess the changes in floorspace between 2000 and 2012 (the most up to date information) for the four boroughs within the PMA. Historic trends were then used as the basis for a linear forecast of demand to 2029.

The linear floorspace forecast was then adjusted using employment forecasts (2012 – 2029) published by the Greater London Authority. The final step, to further increase the robustness of the analysis, was to take account and adjust the employment land forecast using information on the economic, property market trends not included in the data and future policy direction in LB Brent. This is made in relation to the wider economy and helps to present the potential future growth in a series of different potential scenarios.

2.7 Gap Analysis and Policy Recommendations

The final chapter draws together all of the previous research elements and makes a comparison of the current supply of employment land in the borough of LB Brent with the projected demand for employment land up to 2029. This involves an assessment of the balance between supply and demand, and informs the position of whether there should be retention or release of employment land.

The recommendations are informed by all preceding analysis: the socio-economic profile of the borough, field surveys, the economic development and planning policy context, property market analysis, demand projections and consultations findings. The recommendations describe by use class type and spatially where land for employment uses should be provided. All recommendations are fully justified.

3 POLICY AND LITERATURE REVIEW

3.1 Introduction

This section provides an overview of the policies and strategies relevant to employment and employment land in LB Brent. The review frames the context to the research in terms of national, regional and local policy.

3.2 National Policy

National Planning Policy Framework

The NPPF condenses all planning policy statements (PPSs) into a single all-encompassing planning framework with the intention of making the planning system less complex and more accessible. The National Planning Policy Framework was published and came into effect on 27th March 2012.

The NPPF describes the Government's vision for building a strong, competitive economy. It sets out a presumption in favour of sustainable development in the absence of a local plan or where the plan is silent or indeterminate. The presumption should be reflected by the emerging local plan and be informed by robust evidence to support clearly defined allocations for land for employment. In relation to economic and employment land it states the following:

A competitive economy requires a planning system which operates to encourage (and not impede) sustainable growth, and the NPPF places weight on the need to support economic growth through the planning system. As such planning policies should recognise and seek to address potential barriers to investment.

The NPPF provides guidance for local planning authorities, when drawing up Local Plans, who should:

- Set out a clear economic vision and strategy for their area which positively and proactively encourages sustainable economic growth;
- Set criteria, or identify strategic sites, for local and inward investment to match the strategy and to meet anticipated needs over the plan period;
- Support existing business sectors, taking account of whether they are expanding or contracting and, where possible, identify and plan for new or emerging sectors likely to locate in their area. Policies should be flexible enough to accommodate needs not anticipated in the plan and to allow a rapid response to changes in economic circumstances;
- Plan positively for the location, promotion and expansion of clusters or networks of knowledge driven, creative or high technology industries; Identify priority areas for economic regeneration, infrastructure provision and environmental enhancement; and facilitate flexible working practices such as the integration of residential and commercial uses within the same unit.

National Planning Practice Guidance NPPG (March 2014)

On the 6th March 2014 the Government published new National Planning Practice Guidance (NPPG) on 'Housing and Economic Development Needs Assessments' and 'Housing and Economic Land Availability Assessments' amongst others. This guidance replaces the ODPM Employment Land Reviews: Guidance Note (2004).

In economic development terms 'need' relates to the amount of economic development floorspace required based on quantitative assessment and an understanding of the qualitative requirements market segments. The NPPG requires need assessment to be based on an objective assessment of the facts and should not be biased or influenced by constraints to the overall assessment or limitations imposed by the supply of land for new development, historic under performance, viability, infrastructure or environmental constraints. Although it is recognised that such evidence will need to be addressed when identifying specific policies within development plans.

It is recognised that there is no one methodological approach for the assessment of need. However, the NPPG advises that in understanding the current market in relation to economic uses plan makers should liaise closely with the business community to understand their current and potential future requirements.

To provide an understanding of the underlying requirements for office, general business and warehousing sites the NPPG emphasises the importance of considering projections (based on past trends) and forecasts (based on future scenarios) and identify occurrences where sites have been developed for specialist economic uses. The NPPG requires plan makers to consider sectoral and employment forecasts and projections, demographically derived assessments of future employment needs, past take-up of employment land and property and/or future property market requirements, consultation and studies of business trends and statistics.

Analysing supply and demand concurrently enables conclusions to be drawn on whether there is a mismatch between quantitative and qualitative supply of and demand for employment sites. This in turn enables an understanding of which market segments are over-supplied to be derived and those which are undersupplied. By comparing availability of stock with particular requirements 'gaps' in local employment land provision can be identified.

The NPPG identifies that when translating employment and output forecasts into land requirements there are four key relationships that need to be quantified including:

- Standard Industrial Classification sectors to use classes;
- Standard Industrial Classification sectors to type of property;
- Employment to floorspace (employment density); and
- Floorspace to site area (plot ratio based on industry proxies).

The NPPG guidance on 'Housing and Economic Land Availability Assessment' sets out a general methodology for assessing land availability but focuses primarily on the assessment of housing rather than employment land.

With relevance to this study the NPPG requires local planning authorities to work with other local authorities within the functional economic market area when assessing availability of land in line with the duty to cooperate. The NPPG also requires plan makers to be proactive in identifying as wide a range of sites as possible, including existing sites that could be improved, intensified or changed. Sites which have particular policy constraints should be included in assessments however constraints should be set out clearly and tested with conclusions drawn on whether constraints can be overcome.

The assessment of the suitability of sites for development should be guided by the development plan, emerging plan policy and national policy, as well as market and industry requirements. The NPPG notes that when assessing sites against the adopted

development plan, regard should be had to how up to date the plan policies are. Sites in existing development plans, or with planning permission, will generally be considered suitable for development although it may be necessary to assess whether circumstances have changed which would alter their suitability, in addition to the other factors identified in the NPPG.

New Permitted Development Rights

Supporting the Government's effort to increase housing supply is an amendment to permitted development rights, which allows the change of use from B1(a) office to residential (C3) without the need for planning permission. These came into force in spring 2013 and have the purpose of supporting and enabling growth. The permitted development rights will initially be time-limited for three years. Local authorities were given an opportunity to seek an exemption from office to residential uses for specific geographies where there is evidence to suggest there could be a 'loss of a nationally significant area of economic activity' or 'substantial adverse economic consequences at the local authority level which are not offset by the positive benefits the new rights would bring'. LB Brent were unsuccessful in their application for an exemption. The potential impacts of this change are explored in the Property Market Assessment (Section 6) and Policy Recommendations (Section 8).

3.3 Regional Policy

London Plan 2011

The London Plan (July 2011) is the spatial strategy for Greater London spanning the next twenty years to 2031. It replaces the previous London Plan (2004). It sets out an integrated social, economic and environmental framework for the future development of London. The relevant policies are stated below. An overall strategic policy of the Plan is contained within six detailed objectives. Those relevant to guide the Council's in the development of their employment policies within their local development plan include the following:

- Objective 1 - A city that meets the challenges of economic and population growth in ways that ensure a sustainable, good and improving quality of life and sufficient high quality homes and neighbourhoods for all Londoners, and help tackle the huge issue of deprivation and inequality among Londoners, including inequality in health outcomes;
- Objective 2 - An internationally competitive and successful city with a strong and diverse economy and an entrepreneurial spirit that benefit all Londoners and all parts of London; a city which is at the leading edge of innovation and research and which is comfortable with – and makes the most of – its rich heritage and cultural resources; and
- Objective 5 - A city that becomes a world leader in improving the environment locally and globally, taking the lead in tackling climate change, reducing pollution, developing a low carbon economy, consuming fewer resources and using them more effectively.

The London Plan identifies outer London as an area that requires specific strategic guidance to ensure that it contributes effectively to the overall prosperity of the capital. Brent is within outer London. Policy 2.6 sets out the overall vision for Outer London. It states that 'The Mayor will, and boroughs and other stakeholders should, work to realise the potential of outer London, recognising and building upon its great diversity and varied strengths by providing locally sensitive approaches through LDFs and other

development frameworks to enhance and promote its distinct existing and emerging strategic and local economic opportunities, and transport requirements’.

Policy 2.7 sets out the Economic policies for Outer London. These include:

- ‘Enabling existing sources of growth to perform more effectively, and increasing the competitive attractiveness of outer London for new sectors or those with the potential for step changes in output;
- Ensuring that appropriate weight is given to wider economic as well as more local environmental and other objectives when considering business and residential development proposals;
- Consolidating and developing the strengths of outer London’s office market through mixed use redevelopment and encouraging new provision in competitive locations, including through the use of land use ‘swaps’;
- Identifying and bringing forward capacity in and around town centres with good public transport accessibility to accommodate leisure, retail and civic needs and especially higher density housing, including use of the compulsory purchase process to assemble sites, and providing recognition and support for specialist as well as wider town centre functions. This will include mixed use redevelopment to address the challenges and consolidate the benefits of internet and multi-channel shopping as indicated in Policy 2.15;
- Identifying and addressing local pockets of deprivation, and especially the strategic priorities identified in this Plan as regeneration areas.(Policy 2.14);
- Managing and improving the stock of industrial capacity to meet both strategic and local needs, including those of small and medium sized enterprises (SMEs), start-ups and businesses requiring more affordable workspace; and
- Ensuring the availability of an adequate number and appropriate range of homes to help attract and retain employees and enable them to live closer to their place of work in outer London.

Policy 2.13 refers to Opportunity Areas and Intensification areas that will provide future economic and housing growth on brownfield regeneration sites. Colindale/ Burnt Oak, Cricklewood/ Brent Cross, Park Royal and Wembley have been identified as potential opportunity growth areas in LB of Brent.

Typically these are areas with significant capacity for brownfield regeneration that can accommodate new housing, commercial and mixed use development in close proximity to public transport. These areas have been highlighted as having the potential “to accommodate at least 5,000 jobs or 2,500 new homes or a combination of the two”².

including both Wembley and Park Royal within Brent, and states that; ‘Planning frameworks, investment plans and other spatial interventions for these areas (opportunity areas) should focus on implementation, identifying both the opportunities and challenges that need resolving such as land use, infrastructure, access, energy requirements, spatial integration, regeneration, investment, land assembly and phasing’.

Integral to Policy 2.13 is Annex 1, which outlines how broad principles of the London Plan should be applied to specific Opportunity and Intensification Areas including indicative estimates of employment capacity and minimum guidelines for new homes to 2031. Annex 1 identifies that growth within Wembley has the potential for 11,000 new

² FALP ITP (2014), Para 2.58

jobs and 11,500 new homes. The London Plan's objectives are to integrate future development with the national stadium and continue to contribute to the 'regeneration, vitality and viability of Wembley as a town centre, including its expansion eastwards'.

Park Royal is recognised as one of London's key industrial locations with the 'potential to meet modern logistics and waste management requirements as well as other industrial type functions'. The London Plan recognises that there are a number of opportunities for industrial related development within Park Royal and selected sites outside of SIL for mixed use intensification. These selected sites include 'gateway' sites identified within the Park Royal OAPF comprising of the Eastern Gateway at Willesden Junction, the Southern Gateway around North Acton station, the Western gateway around the Diageo First Central site and the Northern Gateway centred around the Northfields industrial estate.

Policy 2.15 refers to Town Centres and states that they should be; 'the main foci beyond the Central Activities Zone for commercial development and intensification'. The London Plan defines both Wembley and Kilburn as Major Town Centre's which is third in the hierarchy of four types of town centre.

Policy 2.16 encourages London boroughs to develop plans for strategic development centres in outer London. This is designed to help; 'create a distinct and attractive business offer and public realm through design and mixed use development as well as any more specialist forms of accommodation'. It suggests at Table 2.1 that Wembley offers a strategic leisure, tourism, arts, culture and sports function of greater than sub-regional importance. It also indicates that Park Royal offers a strategic media and logistics function of greater than sub-regional importance.

Policy 2.17 outlines policy towards Strategic Industrial Locations (SILs). It states that the Mayor will, and boroughs and other stakeholders should, promote, manage and, where appropriate, protect the strategic industrial locations, as London's main reservoirs of industrial and related capacity, including general and light industrial uses, logistics, waste management and environmental industries (such as renewable energy generation), utilities, wholesale markets and some transport functions.

The Strategic Industrial Location (SIL) framework as 'intended to reconcile the demand for, and supply of, productive industrial land in London'. There are two types of SILs: Industrial Business Parks IBPs and Preferred Industrial Locations (PIL). PILs are described as locations 'particularly suitable for general industrial, light industrial, storage and distribution, waste management, recycling, some transport related functions, utilities, wholesale markets and other industrial related activities', of which LB Brent has Wembley (part) and Staples Corner (with Barnet).

Paragraph 2.82 is relevant to LB Brent. It states: 'Innovations to make more effective use of land should be encouraged and there is particular need to 'develop consolidation centres and accommodate freight break bulk points more efficiently as a part of the freight hierarchy. It will be particularly important to secure and enhance strategic provision ... in west London, especially at Park Royal and near Heathrow'.

In terms of office development Policy 4.2 'Offices' states that "The Mayor will and Boroughs and other stakeholders should:

- Support the management and mixed use development and redevelopment of office provision to improve London's competitiveness and to address the wider objectives of this Plan, including enhancing its varied attractions for businesses of different types and sizes including small and medium sized enterprises;

- Recognise and address strategic as well as local differences in implementing this policy to meet the distinct needs of the Central London office market... by sustaining and developing its unique and dynamic clusters of 'world city' and other specialist functions and business environments;
- Consolidate and extend the strengths of the diverse office markets elsewhere in the capital by promoting their competitive advantages, focusing new development on viable locations with good public transport, enhancing the business environment including through mixed use redevelopment, and supporting managed conversion of surplus capacity to more viable, complementary uses; and
- Encourage renewal and modernisation of the existing office stock in viable locations to improve its quality and flexibility; and seek increases in the current stock where there is authoritative, strategic and local evidence of sustained demand for office based activities in the context of Policies 2.7, 2.9, 2.13, 2.15–2.17”.

Policy 4.4, Managing Industrial Land and Premises, states that the Mayor will work with boroughs and other partners to:

- ‘Adopt a rigorous approach to industrial land management to ensure a sufficient stock of land and premises to meet the future needs of different types of industrial and related uses in different parts of London, including for good quality and affordable space; and
- Plan, monitor and manage release of surplus industrial land where this is compatible with a) above, so that it can contribute to strategic and local planning objectives, especially those to provide more housing, and, in appropriate locations, to provide social infrastructure and to contribute to town centre renewal.’

Following this, the London Plan states that ‘LDFs should demonstrate how the borough stock of industrial land and premises in strategic industrial locations locally significant industrial sites and other industrial sites will be planned and managed in local circumstances in line with this strategic policy and the location strategy in Chapter 2, taking account of:

- The need to identify and protect locally significant industrial sites where justified by evidence of demand;
- Strategic and local criteria to manage these and other industrial sites;
- The borough level groupings for transfer of industrial land to other uses...and strategic monitoring benchmarks for industrial land release in supplementary planning guidance;
- The need for strategic and local provision for waste management, transport facilities (including inter-modal freight interchanges), logistics and wholesale markets within London and the wider city region; and to accommodate demand for workspace for small and medium sized enterprises and for new and emerging industrial sectors including the need to identify sufficient capacity for renewable energy generation quality and fitness for purpose of sites;
- Accessibility to the strategic road network and potential for transport of goods by rail and/or water transport;
- Accessibility to the local workforce by public transport, walking and cycling;

- Integrated strategic and local assessments of industrial demand to justify retention and inform release of industrial capacity in order to achieve efficient use of land; and
- The potential for surplus industrial land to help meet strategic and local requirements for a mix of other uses such as housing and, in appropriate locations, to provide social infrastructure and to contribute to town centre renewal’.

Map 4.1 refers to Brent as a ‘Limited Transfer’ Borough; that is a borough which is considered to be between managed (i.e. boroughs with a greater supply of vacant sites relative to demand) and restricted (i.e. boroughs with low levels of industrial land relative to demand).

A key evidence base document for the London Plan is the 2010 GLA London Industrial Land Baseline Study, undertaken by AECOM/DTZ.

Further Alterations to the London Plan (FALP) 2014

On 15th of December 2014, the Mayor submitted the Further Alterations to the London Plan (FALP) with his response to the EiP inspectors comments to the Secretary of State for Communities and Local Government as he intends to publish it. The FALP sets out development goals up to 2036 and has been prepared primarily to address key housing and employment issues emerging from an analysis of the 2011 Census. The census data indicates that there is to be a substantial increase in the capital’s population. London’s population is expected to increase by 87,000 per annum and by 2036 London’s total population is expected reach 10.11 million.

The most significant alteration proposed is the housing targets. The Mayor proposes increasing the overall housing target set out in the 2011 London Plan (32,210) to 42,000 net additional homes per annum, an increase of approximately 30%. Higher housing targets are also proposed for the majority of the London Boroughs. In Brent, the Mayor has estimated a population growth of 26,000 people and proposes increasing the ten year housing target to 1,525³ net additional homes per annum.

It is expected that additional homes will be provided through higher housing densities on previously developed land and on sites within and around transport hubs. In particular, the identified Opportunity Areas and Areas of Intensification are expected to make a significant contribution. To ensure that housing output is optimised the FALP states that employment capacities should, if necessary, be reviewed in the light of strategic and local employment projections.

Policy 2.17 will be updated in the FALP and it notes in paragraph 2.85 that should there be a requirement for the release of SIL, the “*release of surplus land should be focused around public transport nodes and town centres to enable higher density redevelopment, especially for housing*”. This process should be managed carefully through opportunity area planning frameworks and LDF’s, taking into account strategic and local assessments of industrial land demand and supply and monitoring benchmarks for industrial land release as referred to in policy 4.4.

Policy 4.4 relates to the ‘Management of Industrial Land and Premises’ at a strategic level. An important aspect of the policy is noted in paragraph 4.23 stating the “*Redevelopment of surplus industrial land should address strategic and local objectives*”

³ Further Alterations to the London Plan, Table 3.1, Annual Housing Supply Monitoring 2015-2025.

particularly for housing, and for social infrastructure such as education, emergency services and community activities”.

Supplementary Planning Guidance (SPG) Land for Industry and Transport 2012

The SPG was published in September 2012 and adds to the 2008 SPG's two key objectives with the aim of ensuring the provision of sufficient land, suitably located, for the development of an expanded transport system. Key policies from the London Plan that form the basis for the SPG are Policies 2.17 Strategic Industrial Locations, 4.4 Managing Industrial Land and Premises and 6.2 Providing Public Transport Capacity and Safeguarding Land for Transport.

The draft SPG has a number of relevant themes for this ELDS, including:

- Managing release in the context of demand arising from non-industry uses;
- There is increasing demand for industrial land from a range of other important industrial type functions. The distribution of release must take full account of other land use priorities and be managed carefully to ensure that a balance is struck between retaining sufficient industrial land in appropriate locations and releasing land to other uses;
- Strategic Industrial Locations and Locally Significant Industrial Sites should in general be protected, and release of industrial land through development management should generally be focussed on smaller sites outside of the SIL framework;
- The requirements for utilities also represent established uses of industrial land and their land requirement should be planned for to accommodate growth;
- Need for an integrated/partnership approach to employment land provision;
- A partnership approach and strategic perspective is required in order to keep inner London sustained and to meet the demands of the Central Activities Zone and Canary Wharf for locally accessible, industrial type activities, e.g. including food and drink preparation, printing, publishing, local distribution activities and 'just-in-time' services;
- Central and inner London boroughs face strong competition from other higher value land uses, particularly commercial offices, residential and retailing. Boroughs around the Central Activities Zone (CAZ) should consider industrial uses servicing the needs of central London; and
- In outer London boroughs should manage and improve the stock of industrial capacity to meet both strategic and local needs, including those of small and medium sized enterprises (SMEs), start-ups and businesses requiring more affordable workspace. Parts of outer London have economic functions in logistics, industry and green enterprise that are of greater than sub-regional importance.

Annex 1 of the draft SPG sets out the indicative industrial land release benchmarks for 2011-2031 for Brent is -26ha (-1.3ha pa).

Annex 2 of the draft SPG gives indicative land demand for waste management and recycling. For Brent the waste apportionment to 2031 (London Plan 2011) is 400,000 tonnes per annum (pa); however the waste transfer station capacity is 86,116 tonnes pa which is well under demand. The net additional indicative land requirement for waste apportioned to 2031 is therefore 5.8ha. This estimate is an approximate and indicative land requirement only and Boroughs, waste authorities and other partners, in

collaboration with the GLA, should determine the actual requirements of industrial land needed to manage waste apportioned in the London Plan.

London's Industrial Land Baseline 2015 update

At the time of writing this report is currently being prepared by AECOM on behalf of the GLA and the findings are interim. This report, when complete will provide a comprehensive analysis of London's supply of land in industrial and related uses such as warehousing for logistics, waste management, utilities, wholesale markets and vacant land including times series data 2001-2006-2010-2015. Backed by desk research, field surveys and Geographic Information System (GIS) mapping, the study provides a valuable input into related studies on industrial land demand and the London Plan's evidence base. The study assists the GLA, TfL, boroughs and other partners to implement a rigorous strategy for industrial land management and investment, and to plan, monitor and manage release of surplus land to contribute to strategic and local planning objectives.

The study so far has found that in 2015 in Brent:

- There was 425.8 hectares of industrial land
- Of the total, 168.5 hectares was occupied by industry
- Of the total, 139.5 hectares was occupied by warehouses
- Of the total, 117.8 hectares was occupied by wider industrial land uses (such as utilities and waste facilities)
- Of the total, 8.1 hectares was vacant

West London Waste Plan

The West London Waste Plan sets out the issues and objectives to be met in waste management within West London up to 2026. It sets out the partner boroughs' long-term vision, spatial strategy and policies for the sustainable management of waste over this time period. The West London Waste Plan is a Development Plan Document and forms part of the Local Plan for the London Borough of Brent. The WLWP was submitted to the secretary of state on 30 July 2014. Between 7 October and 10 October 2014, the inspector held hearings on aspects of the WLWP as part of the plan's public examination. It is anticipated the plan will be adopted in Spring 2015.

The West London Waste Plan (WLWP) will provide a planning framework for the management of all waste produced in the six partner boroughs over the next 15 years up to 2026. The plan will help the boroughs to meet the targets for recycling and composting for waste from households, businesses and industry as set out within the London Plan. The WLWP will outline the proposed sites for waste management development in the plan area and provide a set of policies with which waste developments must conform.

London 2036; An Agenda for Jobs and Growth, London Enterprise Panel

London 2036 is the economic development strategy for London. It is produced by London First for the London Enterprise Panel. This report identifies the agenda on which London's stakeholders should focus in order to maximise job creation and economic growth between now and 2036. It has the following three key goals for London:

- Achieve the fastest income growth among cities of its scale and type, with growth in GVA per head that is faster over the long term than New York, Paris or Tokyo's, and that delivers more benefit to the wider UK;
- Create job growth that translates into opportunity, with employment rates higher than both the UK average and the equivalent rates in New York and Paris; and
- Create diversity and resilience, with strong performance across more of the economy in order to improve the city's resilience against crises, with no single sector driving more than 40% of GVA or jobs growth.

There are no specific projects related to LB Brent although the study notes that LB Brent is a low employment area. The key core themes to achieve these goals are as follows:

- Cementing and furthering London's position as a global hub for business
- Fuelling more diverse growth by supporting London's economy role as a 'creative engine'
- Addressing weaknesses and thereby creating a city that works.

3.4 Local Policy

Brent Core Strategy 2010

The Core Strategy was adopted in July 2010 and guides development in the borough to 2026. One of its strategic objectives is "to meet employment needs and aid the regeneration of industry and business – by... ensuring that sufficient sites and premises are available in the borough's main commercial areas such as Park Royal and that industrial/warehousing floor-space is renewed." The focus of the borough's spatial development strategy is Wembley which is anticipated to deliver the majority of the borough's development and employment growth, including most of the new retail and office development, over the next 10 years and beyond.

The Core Strategy is also intended to safeguard the four Strategic Industrial Locations (SIL) and eight Locally Significant Industrial Sites (LSIS) for the protection of land for industrial employment, typically those within B1, B2 and B8 or Sui Generis uses. Policy CP 20 states that SILs and LSISs will be protected and that regeneration of these sites will be supported where proposals do not undermine the employment land hierarchy. B1 office space is considered acceptable in these locations where they are ancillary to industrial/warehousing uses but that purpose-built offices should be located in town centres or the Wembley Regeneration Area. Redevelopment will only be permitted where it:

- Maximises opportunities to move freight by water and rail and minimises the impact of industrial and employment use on the road network;

- Provides new, fit-for-purpose employment floor space for a range of B use classes including business parks, 'starter' and 'move on' units for small and medium enterprises and studios for cultural and creative industries;
- Intensifies land use, including the efficient movement and use of loading and delivery areas;
- Delivers significant environmental improvements in terms of public realm and landscaping of employment areas; and
- Minimises and mitigates any impact from development upon surrounding land uses.

Some of the surveyed sites are within designated Growth Areas in Alperton and Church End where Policy CP8 promotes the Alperton Growth Area as an enterprise hub with new modern light industrial units, studios and managed workspace for creative industries and local businesses. It also identifies the protection of 20.6 ha of LSIS for B1c, B2, B8 or closely related or appropriate sui generis uses. Policy CP10 states that affordable premises for local businesses and an educational outreach centre will help to support business start-ups and skills development in Church End, and that 6.5 ha will be protected for appropriate industrial activities in B1c, B2, B8 or closely related sui generis uses.

Brent's Core Strategy recognises the need for regeneration in Park Royal to provide new business opportunities and jobs. Policy 12 states that the Council will work with the GLA and neighbouring Boroughs to secure the 'opportunity area' objectives for Park Royal. This includes the redevelopment of 50 hectares of land for employment uses and the creation of 4,400 new jobs between 2007 and 2017, significant public transport improvements in relation to First Central and improvements to orbital public transport links to Wembley.

Brent UDP 2004

Although strategic policy within the 2004 Brent Unitary Development Plan (UDP) was superseded by the LB Brent Core Strategy, there are a number of 'saved' policies which are still relevant for consideration in Brent. All the UDP policies will be superseded when the Development Management Plan DPD is adopted.

The following 'saved' policies relevant for consideration in the context of this study:

- EMP2 'Small and medium sized enterprises', which states that proposals to expand small and medium sized enterprises will generally be permitted where development proposals would not result in loss of residential amenity or residential units.
- EMP9 'Development of local employment sites' which states developments for uses other than B1, B2 and B8 will not be permitted unless:
 - Unacceptable environmental problems are or, would be, associated with the use of the site for employment use; and
 - There is no effective demand for the premises and there is no reasonable prospect in the medium term of re-use, or redevelopment to modern standards for B1, B2 or B8 uses.
- EMP10 'The environmental impact of employment development' states that development within employment areas / sites should not have an unacceptable environmental impact on other employment uses and any nearby residential properties in terms of appearance, noise, dust, pollution, hoAECOM of use, access and servicing. Conditions may be imposed concerning such matters as

insulation etc. to minimise the environmental impact. Where development is proposed that has a sensitive boundary with residential property then buildings designed solely for Research & Development / light industrial (B1b & B1c uses) will be permitted. B1 development of a domestic scale is acceptable within residential areas - subject to satisfactory transport impact & accessibility and no loss of residential property. General industry (B2), or distribution & warehousing (B8) will not be permitted within residential areas.

- EMP13 'Bad neighbour uses' states that 'applications in Strategic and Borough Employment Areas for quasi-industrial uses such as open yard and car servicing will be considered in relation to their impact on neighbouring uses and on the functioning of the area as a general industrial area'.
- EMP17 Reuse of redundant offices
- EMP19 Warehouse developments
- EMP20 Creative industry proposals
- EMP21 Work-live development
- EMP22 Home-working

Site Specific Allocations 2011

The Site Specific Allocations (SSA) was adopted in 2011 and covers a number of sites included within this Study which are allocated for mixed use developments with residential, amenity space and workspace (including managed affordable workspace). These are:

- Woodside Avenue, SSA site A6 (AECOM identifier C17) in Alperton;
- Church End, SSA CE1- CE6
- Burnt Oak/ Colindale Growth Area B/C1-B/C4
- Woodside Avenue, SSA site A6 (AECOM identifier C17) in Alperton;
- Mount Pleasant/Beresford Avenue, SSA site A7 (AECOM identifier C18); and
- Sarena House/Grove Park/Edgware Road, SSA site B/C2 (AECOM identifier C27).

Wembley Area Action Plan, 2015

The Area Action Plan (AAP) sets out a vision and strategy for growth in Wembley for the next 15 years so that it becomes "a new place, a new home and a new destination – modern, urban, exciting and sustainable" which drives the economic regeneration of Brent as a whole. One of the key objectives of the AAP is to provide a modern, service-based economy which will:

- 'Generate 10,000 jobs across a range of sectors including retail, leisure, office and other businesses;
- Increase the supply of modern subsidised workplace developments for the arts and creative industries;
- Ensure sufficient sites and premises are available for commercial activity and that industrial/warehousing floorspace is renewed.'

Three industrial estates within the Wembley SIL are identified in the AAP: site W29 Second Way; site W30 Drury Way; and site W31 Great Central Way. Second Way is considered suitable for uses in line with Core Strategy Policy CP20, as well but is not

considered suitable for long term waste management uses (including aggregate storage and transfer) as it is adjacent to a non-industrial area of regeneration around Wembley Stadium. Drury Way and Great Central Way are also considered suitable for industrial and employment uses but not waste management use, particularly the latter given its proximity to existing residential uses.

Alperton Masterplan SPD (2011)

The Alperton Masterplan was adopted as a Supplementary Planning Document (SPD) in 2011. The aim of this document is to transform Alperton in a way which benefits existing as well as new communities and which is environmentally and socially sustainable as well as being economically viable. The SPD sets out a vision and more specific objectives and development principles for the area. It states that Alperton's Core will be a lively centre for cultural activities, community facilities and local shopping. Development will be mixed use with a supply of modern business space for economic growth.

The Waterside Residential Neighbourhood will predominantly be a place to live for families within a compact environment defined by a network of connected streets and public spaces. The Industrial Transition Zone will provide modern business space for large and small operations. A road bridge link across the River Brent will connect Northfields Industrial Estate with the North Circular Road and onwards to Park Royal. A new urban structure is established which suggests new streets and connections, improving connectivity between the new and existing communities, and access to and across the canal.

A Regeneration Strategy for Brent 2001-2021

The Regeneration Strategy for Brent covers a period of 20 years. The vision is of a Brent fully integrated into the city – a single urban Borough which makes a full and positive contribution to the London economy.

The essentials components of the strategy are:

- To 'reduce the gaps' between Brent's deprived communities and the rest of London, and in particular to focus on the neighbourhoods of South Kilburn, St Raphaels/Brentfield, Roundwood, Church End, Stonebridge and Harlesden;
- To reduce unemployment levels across the Borough to below the London average, concentrating efforts on those people most in need;
- To increase income levels across Brent to above the London average and promote measures to retain this wealth within the Brent economy;
- To promote a landmark development of regional and national significance at Wembley, creating an identity for the Borough and ensuring substantial local benefit;
- To ensure a consistently high quality of life for all residents of Brent – incorporating the provision of decent homes for all, high quality destinations and facilities, low levels of crime, healthy living and town centres which meet the needs of local people;
- To take positive preventative action in those areas most at risk of falling into decline in the future.

Cultural Strategy for Brent 2010-2015

This cultural strategy has been produced by the Brent Culture, Sport and Learning Forum, a thematic partnership of the Local Strategic Partnership ('Partners for Brent'), to ensure cultural activities and opportunities are planned and developed in an agreed and co-ordinated way within Brent. It identifies key principles that will drive the development of cultural opportunities in Brent over the five year period between 2010 and 2015. The strategy recognises the range of organisations and agencies involved in delivering a wide cultural offer in Brent, the role they will play in delivering this strategy and the benefits of working together to ensure our joint cultural vision is achieved. The strategy has highlighted the contribution that culture can play in Brent in terms of improving health, creating safe places, tackling worklessness and increasing community cohesion.

'Supporting the local economy' is one of the eight headline principles that have been identified as being key to the successful delivery of this vision. The strategy outlines that Brent is ideally placed to fully develop its cultural economy to ensure it reaches its maximum potential. Creative industries provide employment opportunities within the borough and contribute to its prosperity by encouraging investment. The continuing success of the cultural element of the local economy depends on the ongoing development of Brent's cultural vibrancy, on providing the correct mix of premises and on ensuring schools and colleges help people to develop creative skills'.

Brent Local Economic Assessment 2011

The Local Economic Assessment (LEA) is a comprehensive assessment of the borough's economy and labour market. The LEA and the Core Strategy are complementary documents that together will help shape the priorities for Brent's economic development. A key purpose of the LEA is to set out the challenges and opportunities that need to be addressed to deliver sustainable economic growth.

London's economic geography in large part determines the level and type of employment located across the 32 boroughs. Brent is not part of the London central activity zone, and the benefits of agglomeration tend to discourage employment from being evenly spread across London. Current and future development in Brent must therefore be considered in terms of relative locational advantages inherent in any particular employment site (across Outer London and other UK locations), as well as the wider economic climate. Brent does contain some unique assets and performs a number of functions within the capital.

Suggested priorities emerging from the analysis include:

- Continue to work with existing employer partnerships and emerging business support structures that emerge over the coming year, and lobby them for support to be locally appropriate and responsive to need;
- Ensure that the local planning system is streamlined for businesses seeking to develop new sites or expand existing premises within the borough;
- Continue to support a Business Improvement District in Park Royal, working collectively on projects that: enhance the area and make a difference to the trading environment; support for energy and waste management initiatives; and support workforce development;
- Explore potential to introduce incentives to attract businesses to the area through lowering initial business rates for the first year;

- Work in partnership with the GLA and national partners to promote the benefits of adaptation to Low Carbon technologies, and ensure relevant information is given regarding compliance, exemptions, and charges from the Climate Change Levy;
- Promote opportunities emerging from environmental industries through the Brent Climate Change Steering Group and Sustainability Forum, and the Brent Business Charter;
- Work closely with colleges and training providers to develop mechanisms for effective employer engagement, providing a better understanding of local employers' demand for skills;
- Continue to promote local training opportunities at Level 2 and 3, in particular those arising from pipeline developments at Wembley and housing renewal activity in Brent.
- Lobby local businesses and their networks to offer apprenticeships, peer and mentoring support for enterprise, and mentoring for young people within Brent.

3.5 Other Key Docs

Park Royal City Draft Opportunity Area Framework 2015

The Park Royal City: the Regeneration of Old Oak Common Draft Opportunity Area Framework (OAPF) was released for consultation in March 2013. A revised OAPF underwent consultation in Spring 2015. The OAPF has been produced jointly by the GLA, the London Boroughs of Hammersmith and Fulham; Ealing and Brent; the Royal Borough of Kensington and Chelsea; and TfL. It sets out the public authorities vision; objectives; land use; delivery; urban design; transport and development strategy for the Old Oak Common HS2 interchange (also referred to as Park Royal City International) and potential Portobello Crossrail Station at Kensal Canalside.

It should be noted that the document is a non-planning document which sets a high level vision for the future regeneration of Old Oak Common. As a non-planning document the Old Oak Common Vision cannot amend the SIL boundary. Any revisions to the SIL boundary proposed in the vision document will need to be taken forward by LPAs through their Local Plan, for example through amendments to Allocations DPDs.

The land use strategy comprises two principal components. Firstly the core area around the station interchanges: Kensal Canalside (centred around a potential Portobello Crossrail station); North Acton and Willesden Junction (North Park Royal City) will be largely residential with a commercial hub around the HS2 station; and secondly, the wider Park Royal industrial area which will have its existing industrial focus enhanced. It is envisaged that industrial, waste or commercial uses displaced from the core sites will be relocated to the main industrial area.

Development would be phased from 2012 – 2032, and aims to provide 19,000 homes, 100,000 jobs and serve over 250,000 passengers per day. Development of the land surrounding the interchange hub will transform an area previously cut off from the rest of London by railways and viaducts and be the catalyst for the regeneration of the wider area bringing economic benefits to local centres Harlesden, Acton, Ealing and Kensal, as well as supporting connections to the White City, Earls Court, Wembley and Brent Cross Opportunity Areas. In order to deliver this vision, the Mayor and the Boroughs are exploring the potential to establish a Mayoral Development Corporation.

The main objectives of the report are to:

- Maximise on the opportunity presented by the creation of a strategic transport interchange to regenerate 150 ha of derelict and under used land and contribute significantly to the growth and economic development of London.
- Support the major redevelopment of the Opportunity Area surrounding the proposed interchange, by maximising regional and local transport connectivity and relieving congestion at Euston.
- Maximise the development potential of Kensal Gasworks and economic benefits to north Kensington by providing a new Portobello Crossrail station.
- Develop the Strategic Industrial Land offer at Park Royal and maximise the potential to relocate businesses from Old Oak Common into the existing Park Royal industrial areas in order to free up land adjacent to the international train station.

GLA London Office Policy Review 2012

The purpose of the London Office Policy Review is to provide planning policy makers with up to date information on the supply and demand for offices in London, including a review of office-based employment projections and office floor space need estimates, and consideration of the potential for conversion of surplus office space to other uses, especially residential, in different parts of London.

The main findings of the report were that despite the difficult post-2008 period, London's future as a World City and global financial centre is secure for the reasonably foreseeable future. The employment forecasts indicate a dynamic metropolitan area. There will be demand for new space, and for new types and formats of office space and related employment space, but in terms of quantity, forecasts suggest there is little need for expansion beyond that already in the pipeline. The rate of growth in office jobs, 2011-2036, is forecast to be half that which prevailed over the past two decades. The key policy task will be to monitor both the quantity and quality of space emerging, balancing new proposals with others that fall out of the pipeline, so that the pipeline is responsive to changes in demand.

The report notes that offices in Outer London beyond Central and Inner London town centres are likely to experience growing problems. One effect of Crossrail's East-West axis is very likely to be the leaching of demand from centres to the North and South, which has particular implications for centres such as Brent Cross/Cricklewood. With notable exceptions, the changing retail landscape will further depress the viability and vitality of their high streets. Most Outer London centres lack the critical mass of office work to support more than a locally focussed office market. Some of those that have been successful will have to face up to the reality that attracting and retaining corporate office occupiers will become more challenging. The threat, and growing reality, of public sector rationalisation could further weaken Outer London's office markets. However, the LOPR 2012 also mentions that Park Royal remains the principal office centre in Brent in the short term but that Wembley could start to compete as it develops an offer based on flexible business space.

The report highlights many options beyond the obvious conversion to residential, requiring spatial planning to be more creative and responsive to local market conditions. Encouraging the supply of space in the new office economy, on high streets, for flexible work patterns and small businesses with new needs could be a key role for spatial policy.

The report indicates that Brent's gross employment floorspace in 2012 (286,241 sq.m) represents 167% of its 2009 gross employment floorspace (171,050 sq.m).

Outer London Commission: Full Report 2010

The Outer London Commission was established by the Mayor in 2008 to explore how different parts of Outer London can better realise their economic potential, especially its town centres, as well as opportunity and intensification areas and industrial locations. The Outer London Commission's Final Report is a compendium of research and analysis on the outer London economy intended to inform the London Plan's Examination in Public in 2010.

The report found that the perception that outer London was economically underperforming in relation to the outer metropolitan area between 2003 and 2007 was misleading. There was no clear pattern of economic out-performance by the outer metropolitan area but there was some evidence that it performed better on quality of environment issues, a potential lesson for outer London areas.

The report states that low-rent industrial activities have an important part to play in London's economy and that they should not be forced to relocate from metropolitan London locations because of competition from higher land values. Rather the planning system should take account not just of issues associated with economic linkages and supply chains but also indirect adverse impacts such as environmental and transport capacity costs associated with a rise in commercial vehicle traffic if they have to relocate further afield.

4 SOCIO-ECONOMIC ANALYSIS

4.1 Introduction

This section profiles the changes in Brent's socio-economic characteristics since the last ELDS in terms of:

- Population;
- Labour Market Structure;
- Company size and registration; and
- Industrial structure.

The analysis informs our understanding of some of the opportunities and constraints within the borough, which could impact upon the demand and supply for employment land. The analysis will also inform the demand forecasting section by setting out what sectors the borough specialises in, thereby what type of space will be needed.

The most up-to-date and relevant data sources have been used, including Office for National Statistics (ONS) data and Greater London Authority (GLA) data. Data for LB Brent is benchmarked against regional and national levels for direct comparison.

4.2 Population Demographics

Demand for housing, retail, community facilities and employment sites and premises will be driven in part by population. The population of LB Brent is forecast to have increased by approximately 3.6% from 311,200 in 2011⁴ to 322,400 in 2015⁵. This growth rate is broadly comparable with the increase in across England, which grew by 1,600,900 (3%), but is lower than across London, which grew by 134,500 (5.7%). Forecasts by the GLA show that Brent's population is expected to be 12% higher in 2029 than in 2015⁶. The implication is a likely growth in demand for land for housing, community facilities, infrastructure and employment land over the Local Plan period.

In 2014, 159,800 (approximately 73.3%) of the working age population of LB Brent (defined by the ONS as aged 16-64) were economically active, lower than the London (76.7%) and Great Britain (77.3%) averages⁷. Of those who were economically active, 11,500 (7.2%) were unemployed, broadly in line with the London average (7.1%) but higher than across Great Britain (6.4%). Over the past decade, unemployment peaked in 2011 with 12.1% of the economically active working age population unemployed; this has decreased significantly to 7.2% in 2014, reflecting a general uplift in employment trends over this period.

4.3 Labour Market Structure

Business investment decisions are typically based on the availability of land / sites, capital and labour. Below we consider the labour market by profiling the broad occupational breakdown, earnings and the travel to work catchment of residents.

⁴ ONS, (2012); Census 2011.

⁵ ONS, (2012); Sub-National Population Projections.

⁶ GLA, (2015); Borough Level Long Term Population Projections.

⁷ ONS, (2015); Annual Population Survey January-December 2014.

Occupational Structure

Table 4.1 sets out a comparison of the occupation structure of Brent's residents with the London averages. The following points are observed:

- Standard Classification of Occupation (SOC) 2010 major groups 1-3, includes the highest skills base, and accounts for the largest actual number of residents by occupation in Brent. The proportion of the resident workforce in these occupations is somewhat below London average (43.7% compared with 54.3%);
- SOC 2010 major groups 4-5: The proportion of Brent residents (17.5%) in employment who hold these levels of occupations is slightly below the London-wide average (18.1%). The skilled trade occupations are over-represented in the borough, accounting for 9.4% of the working population compared with 7.5% across London; and
- SOC 2010 major groups 6-9: These SOC groups represent (38%) of all occupations. Sales and customer services are better represented in Brent (8.0%) than in London (6.8%), while there are a significantly higher proportion of Brent residents in elementary occupations (16.1% compared with 9.3% across London)⁷.

Table 4.1: Employment by Occupation 2014

SOC Major Group	Occupation	Brent (number)	Brent (%)	London (%)
1	Managers and senior officials	16,600	10.9%	11.7%
2	Professional occupations	28,200	18.6%	23.7%
3	Associate professional & technical	21,500	14.2%	18.0%
4	Administrative & secretarial	12,300	8.1%	10.6%
5	Skilled trades occupations	14,300	9.4%	7.5%
6	Personal service occupations	10,200	6.7%	7.4%
7	Sales and customer service	12,200	8%	6.8%
8	Process plant & machine operatives	11,000	7.2%	4.2%
9	Elementary occupations	24,600	16.1%	9.3%

Source: ONS Annual Population Survey, 2015.

Earnings by Resident

In 2014, residents of Brent earned a gross median income of £547.50 per week; significantly lower than the overall wage for London residents (£617.80)⁸. The disparity between the two figures can be linked to the proportion of employees in professional employment as evidenced in **Table 4.1**. The average worker in Brent earns more than the average resident; in 2014, the average workforce income was £562.60 per week, comparatively £15.10 higher than for residents.

Between 2011 to 2014, comparative workplace earnings have increased by £49.20 and £50 per week for residents and workers in Brent respectively. This rate of growth is over

⁸ ONS, (2015); Annual Survey of Hours and Earnings.

four times greater than that for the London workforce, and five times greater than for London residents. **Table 4.2** provides a full breakdown.

Table 4.2: Median Gross Weekly Earnings 2014

	Average Gross Weekly Earnings: Residents (£)		Average Gross Weekly Earnings: Workplace (£)	
	2011	2014	2011	2014
LB Brent	498.30	547.50	512.60	562.60
London	608.80	617.80	648.40	660.50
Great Britain	500.20	520.80	500.00	520.20

Source: ONS Annual Survey of Hours and Earnings, 2015.

Qualifications

The ONS Annual Population Survey reveals that, in 2014, approximately 92.2% of the working age population of Brent held some form of qualification. This is in line with the London average (92.2%) and slightly higher than levels across Great Britain (91.2%). However, a lower proportion of the population (46%) are qualified to degree level or higher than across London (49.1%). This reveals the need for an improvement in professional skills with employers seeking a more highly skilled local labour pool.

Table 4.3: Resident Qualifications 2014⁹

	Brent (numbers)	Brent (%)	London (%)	Great Britain (%)
NVQ4 and above	100,000	46.0	49.1	36.0
Up to NVQ3	31,400	14.5	14.0	17.3
Up to NVQ2	25,500	11.7	11.7	16.6
Up to NVQ1	15,200	7.0	7.8	11.7
Other qualifications	45,100	13.0	9.6	9.6
No qualifications	17,000	7.8	7.8	8.8

Source: ONS Annual Population Survey 2014

4.4 Industrial Structure

The ONS Business Register and Employment Survey (BRES) shows that employment in Brent has increased from 101,100 in 2011 to 111,600 in 2013 (the latest available data), an increase of 10.4%¹⁰. **Table 4.4** below sets out the profile of the industrial structure of the Borough. The largest shares of employment are held by the health (14.6%), retail (10.3%) and education (8.2%) sectors.

⁹ NVQ 4 - HND, Degree and Higher Degree; NVQ 3 equivalent - 2 or more A levels, advanced GNVQ, NVQ 3, 2; NVQ 2 equivalent - 5 or more GCSEs at grades A-C, intermediate GNVQ, NVQ 2; NVQ 1 equivalent - fewer than 5 GCSEs at grades A-C, foundation GNVQ, NVQ 1; No qualifications - no formal qualifications held.

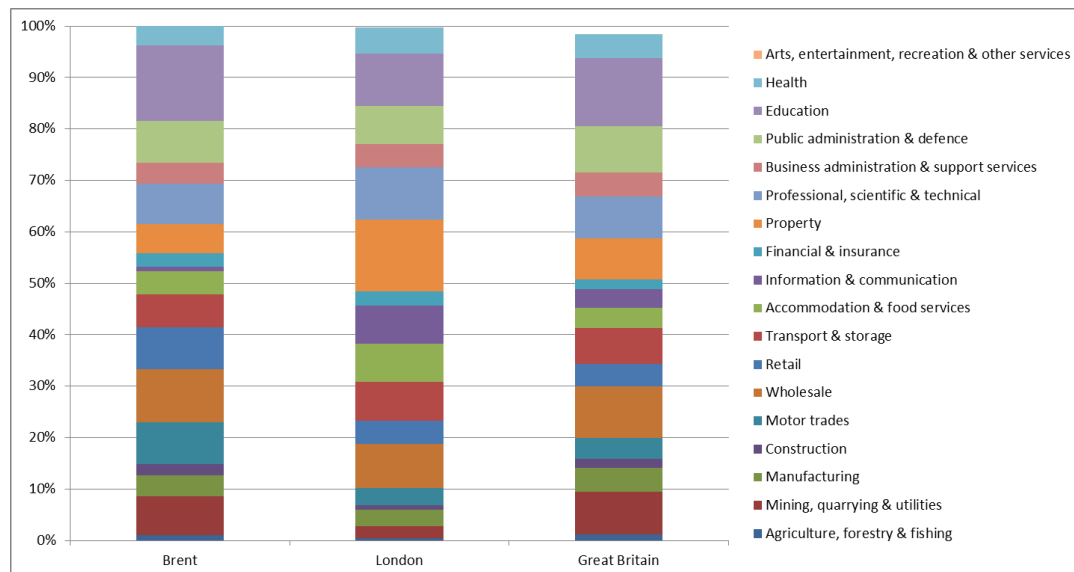
¹⁰ ONS, (2014); Business Register and Employment Survey.

Table 4.4: Employment in LB Brent by Broad Industrial Groups

Industry	2011 (%)	2013 (%)	Change (%)
Agriculture and fishing	0.0	0.0	0
Mining, quarrying and utilities	1.5	1.1	-20%
Manufacturing	7.0	7.6	20%
Construction	4.2	4.1	7%
Motor Trades	2.2	2.1	6%
Wholesale	8.2	8.2	11%
Retail	9.4	10.3	20%
Transport & storage	7.9	8.1	13%
Accommodation & food services	6.7	6.4	5%
Information & communication	4.6	4.5	7%
Financial & insurance	1.2	0.9	-11%
Property	2.8	2.6	2%
Professional, scientific/ tech	5.2	5.7	20%
Business administration	8.4	7.9	3%
Public administration	4.7	4.0	-4%
Education	9.3	8.2	-2%
Health	12.5	14.6	29%
Arts, entertainment, recreation & other services	4.3	3.8	-1%

Source: ONS, Business Register and Employment Survey. These figures do not include self-employed individuals. Note that figures do not always add up to exact sum due to rounding.

Figure 4.1 Profile of Employment at LB Brent’s Workplaces



Source: ONS 2015

Health Sector

Health is the largest sector in the Borough, accounting for 14.6% of all resident employment. Employment within this sector is comparable to the proportion employed across Great Britain as a whole (13.2%) but slightly greater than the proportion of employed within health in London (10.1%). The health sector in Brent has seen a significant increase in employee numbers with an increase of 28.7% between 2011 and 2013.

Retail Sector

The retail sector is now the second largest employment sector in LB of Brent and has increased significantly (20.5%) between 2011 and 2013. The sector now employs nearly 11,000 individuals and accounts for over 10% of all employment in the Borough. The borough is performing slightly better than the London average of 8.5% and is comparable with the average of 10% across Great Britain.

Education Sector

The education sector is the third largest in terms of employment numbers in Brent, contributing 8.2% of total employment, slightly above the London average of 7.7%. However, the sector has suffered a contraction of 2.3% of individuals employed between 2011 and 2013.

Information and Communication, Property and Business Administration and Support Services Sectors

Since 2011 the information and communication and property sectors has seen positive growth of approximately 6.6% and 2.3% respectively. Business administration and support services sector has increased by 3.4% which reflects the overall growth of 5.2% and 5.2% in London and Great Britain.

Transport and Storage and Wholesale Sectors

The LB Brent has seen substantial growth since 2011 in both the transport & storage and manufacturing sectors, equalling 12.9% and 20% respectively. This compares favourably with 10.8% and 5.1% respectively across London. This growth can be attributed to the increasing provision and availability of high quality industrial and warehouse developments within the borough.

4.5 Workplace Economy- Business Size and Stock

VAT registration and de-registration rates for LB Brent provide an indication of the entrepreneurial characteristics of the borough. Published data indicates that, in 2013, there were 2,515 registrations and 1,150 de-registrations, resulting in a net gain of 965 businesses in the Borough¹¹. This corresponds to 6.9% of the total stock (13,915 businesses), a rate of churn similar to levels across London (7.3%).

Business size provides a useful indication of the make-up of firms operating in LB Brent. Data from 2014 shows that small businesses contribute significantly to employment within the borough, with 10,975 businesses defined as 'micro' size (up to nine employees), comprising 91.3% of the stock of 12,025 companies registered within the Borough¹². This is a greater share than is observed across both the London (89.6%) and Great Britain (88.3%), although it represents a smaller share of the total stock than in 2010 (91.7%). The proportion of 'small and medium-sized enterprises' (SMEs), employing between 10 to 49 employees, is similar to that of Greater London, with SMEs accounting for 7.1% and 8.3% of businesses respectively. There are approximately 35 businesses employing more than 250 employees in the borough, which represents 0.3% of businesses. **Table 4.5** presents a size band analysis of work places in the Borough. The size band refers to the number of employees at each workplace (not the size of the parent company).

¹¹ ONS, (2015); Business Demographics.

¹² ONS, (2015); UK Business: Activity, Size and Location.

Table 4.5: Business Units by Size Band 2014

Number of employees	Brent		London	
	Number	% of total	Number	% of total
0-9	10,975	91.3%	359,155	89.6%
10-49	855	7.1%	33,435	8.3%
50-249	160	1.3%	6,500	1.6%
250+	30	0.3%	1,835	0.5%
Total	12,025	-	461,025	-

Source: ONS, UK Business: Activity, Size and Location 2014. Note: figures may not sum due to rounding.

4.6

Summary

The main points to note from the analysis are:

- Between 2011 and 2015 the population of LB Brent is estimated to have increased by 11,200 residents (an increase of 3.6%), marginally greater than the overall growth in London;
- Although the LB Brent has the same proportion of the population (92.2%) who hold some form of qualification than across London, a smaller proportion of residents (46%) are educated to degree level (compared to 49.1% across London); and
- Approximately 111,600 residents of Brent are in employment, an increase of 10.4% between 2011 and 2013. This rate of growth is significantly higher than experienced across London over the same period (6.3%). The largest employment sectors in Brent are health, retail and education, while growth is strong in the manufacturing and professional, scientific and technical sectors.

5 QUALITY AND CHARACTERISTICS OF EMPLOYMENT LAND

5.1 Introduction

This section provides a summary of the key findings of the field survey and desk research and identifies the suitability of land for B1, B2 and B8. Results are summarised to provide an overview of conditions of employment clusters. Detailed and extensive field and desk research results were collected as part of the research and analysis.

The analysis allows an assessment of whether existing employment land is 'fit for employment purpose'. The other main objective is to identify those clusters that are potentially unsuitable for office, industrial or warehousing employment uses. If the demand forecasting exercise (Section 7) uncovers a lack of demand for a particular use then those sites that score worse against the criteria could potentially be recommended for release in the conclusions and recommendations section (Section 8).

Based on the adopted Brent Core Strategy (2010), LB Brent's Site Specific Allocations document (2011), the GLA's London's Industrial Baseline (2010), and the Council's and consultancy team's knowledge of the area, 43 employment clusters throughout LB Brent were identified and mapped (see **Figure 2.2**). Our assessment also takes account of undesignated employment land. Identified undesignated employment land in **Table 5.1** below constitutes the vast majority of industrial and office employment land within the borough.

5.2 Employment Land

Table 5.1 below lists the 43 employment clusters in LB Brent that were surveyed against the site appraisal criteria set by AECOM and subsequently agreed with the Council. These clusters comprise a total area of approximately 370.2 hectares, excluding the town centres.

The survey methodology and criteria are based on factors and issues set out in the ONPPG (2014), the GLA Land for Industry and Transport SPG (2012) and guidance set out in the NPPF. These criteria have been tailored and refined based on the consultancy team's experience and the specific context within Brent.

Table 5.1: Surveyed Employment Clusters

AECOM Cluster No.	Employment Area/Name of Cluster	Policy Designation	Total Employment Cluster Area (ha)
C1.1	Park Royal sub-area	SIL	78.7
C1.2	Park Royal sub-area	SIL	30.8
C1.3	Park Royal sub-area	SIL	33.9
C1.4	Park Royal sub-area	SIL	11.0
C1.5	Park Royal sub-area	SIL	9.9
C2.1	Wembley Park sub-area	SIL	23.9
C2.2	Wembley Park sub-area	SIL	14.3
C2.3	Wembley Park sub-area	SIL	5.9
C2.4	Wembley Park sub-area	SIL	16.2
C2.5	Wembley Park sub-area	SIL	12.7
C3	East Lane	SIL	22.5
C4.1	Staples Corner (north)	SIL	11.1
C4.2	Staples Corner (south)	SIL	28.9
C5	Alperton (north)	LSIS	3.9
C6	Alperton (central)	LSIS	8.4
C7	Alperton (south)	LSIS	10.3
C8	Brentfield Road	LSIS	4.5
C9	Church End	LSIS	7.3
C10	Neasden Lane	LSIS	3.4
C11	Cricklewood	LSIS	1.3
C12	Honeypot Lane (Lowther Road)	LSIS	3.0
C13	Honeypot Lane (Westmoreland Road)	LSIS	0.7
C14	Colindale	LSIS	7.8
C15	Kingsbury	LSIS	5.9
C16	Alperton Lane (site west of Currys)	LEA	0.4
C17	Woodside Avenue	SSA A 6	2.7
C18	Mount Pleasant/Beresford Avenue	SSA Site A 7	2.7
C19	Kingsbury Road	LEA	0.0
C20	Coombe Road	LEA	0.7
C21	Hassop Road	LEA	1.9
C22	Turpins Yard, Oaklands Road	LEA	0.2
C23	Dudden Hill Lane (near Burnley Road)	LEA	0.6

AECOM Cluster No.	Employment Area/Name of Cluster	Policy Designation	Total Employment Cluster Area (ha)
C24	Church End (around Willesden Bus Garage)	LEA	2.2
C25	Kimberley Road	LEA	1.0
C26	Lonsdale Road	LEA	0.3
C27	Sarena House	SSA Site B/C2	0.9
C28	Wembley Town Centre	Major town centre	n/a
C29	Kilburn	Major town centre	n/a
C30	Queen's Park Town Centre	Local town centre	n/a
C31	Kingsbury's Town Centre	District town centre	n/a
C32	Harlesden Town Centre	District town centre	n/a
C33	76 Burnley Road	LEA	n/a
C34	Wembley Park Town Centre	District town centre	n/a
Total			370.2

Source: AECOM Brent Employment Land Field Survey

Our assessment of supply of employment land has included a review of clusters' suitability for office (B1) and industrial (B2/B8) land-uses¹³. As user demands and site-specific characteristics for the two types of employment uses differ our analysis has considered site suitability against both sets of criteria. An example of this is that B1 land users usually require better access to public transport than industrial (B2/B8) land users who require better access to A-roads. The assessment criteria used are included as **Appendices C and D**.

It is important to note that the 370.2 hectares of land contained within employment clusters includes a range of different uses. These land uses include not only office (B1), industrial (B2) and warehousing (B8), but also some residential, retail, leisure and community uses. The comparative analysis of the quality and characteristics of clusters for employment use in this section is carried out on the basis of the quantity of land contained within the lined boundaries of clusters. The surveyed employment clusters contain the vast majority of employment stock in the borough though there are smaller sites and single stand-alone units that were not surveyed that form part of the overall stock of employment land in LB Brent. This helps to explain the difference between the total areas in Tables 5.1 and 7.8 (in Section 7 later in the report).

5.3 Cluster Suitability for B1 Land-use

This section sets out a summary of the key findings of the cluster field surveys. It is useful as it assesses whether the clusters have the key characteristics necessary for B1 uses and helps to identify whether any clusters are particularly unsuited for B1 use. The town centres of the borough are predominantly an office area, and there are several other areas in the borough that contain office floorspace. Drawing upon our field survey

¹³ In this study Office generally refers to B1a) and Industrial uses B1b), B1c), B8 and B2. This is because they generally share similar characteristics and are often clustered together on industrial estates.

and desk research, we have reviewed all employment clusters for their suitability for office uses.

Some of the clusters are potentially in industrial use at present. However it is still relevant to assess all clusters suitability for office use as over the long term planning period there could be potential for change of use.

The most significant and relevant criteria are listed below:

- Access to public transport;
- Access to facilities and amenities; and
- Overall quality of environment as employment clusters.

Access to Public Transport

Public transport is an important characteristic in clusters where B1 land use predominates. In our analysis, access to public transport for employment clusters was assessed through Transport for London's PTAL (Public Transport Accessibility Levels) maps. PTAL is a simple and easily calculated approach which relates to the distance from any given point to the nearest public transport stops and the frequency of the service from those stops. The result is a grade from 1-6 where PTAL of 1 indicates a very poor access to the location by public transport, and a PTAL of 6 indicates a very good access by public transport¹⁴.

Sites that were considered to have good or very good access to public transport had PTALs ranging from 4 to 6b¹⁵. These included 19 clusters, shown in **Table 5.2**, which comprises around 13.8% of the surveyed employment land.

¹⁴ Where one cluster occupied multiple PTAL zones, an average of all the zones was used.

¹⁵ Employment clusters were allocated by the PTAL level that they predominantly fell within.

Table 5.2: Employment Clusters with Good or Very Good Public Transport Access

AECOM Cluster No.	Employment Area/Areas	Cluster Area (ha)
C1.4	Park Royal sub-area	11.0
C5	Alperton (north)	3.9
C6	Alperton (central)	8.4
C7	Alperton (south)	10.3
C9	Church End	7.3
C10	Neasden Lane	3.4
C11	Cricklewood	1.3
C21	Hassop Road	1.9
C22	Turpins Yard, Oaklands Road	0.2
C24	Church End (around Willesden Bus Garage)	2.2
C26	Lonsdale Road	0.3
C27	Sarena House	0.9
C28	Wembley Town Centre	n/a
C29	Kilburn	n/a
C30	Queen's Park Town Centre	n/a
C31	Kingsbury's Town Centre	n/a
C32	Harlesden Town Centre	n/a
C33	76 Burnley Road	n/a
C34	Wembley Park Town Centre	n/a
Total		51.1
% of surveyed employment land		13.8

Source: AECOM Brent Employment Land Field Survey

Clusters considered to have poor or very poor strategic access to public transport had PTAL levels ranging from 0 to 2. This is the case in the clusters listed in **Table 5.3** below and includes 62.7% of the surveyed employment land.

Table 5.3: Employment Clusters with Poor or Very Poor Public Transport Access

AECOM Cluster No.	Employment Area/Areas	Cluster Area (ha)
C1.1	Park Royal sub-area	78.7
C1.3	Park Royal sub-area	33.9
C1.5	Park Royal sub-area	9.9
C2.1	Wembley Park sub-area	23.9
C2.2	Wembley Park sub-area	14.3
C2.3	Wembley Park sub-area	5.9
C2.4	Wembley Park sub-area	16.2
C3	East Lane	22.5
C4.1	Staples Corner (north)	11.1
C8	Brentfield Road	4.5
C15	Kingsbury	5.9
C17	Woodside Avenue	2.7
C18	Mount Pleasant/Beresford Avenue	2.7
Total		232.2
% of surveyed employment land		62.7

Source: AECOM Brent Employment Land Field Survey

Access to Facilities and Amenities

Where B1 land-use predominates, businesses should ideally have close access to facilities and amenities so that the needs of employees and businesses are adequately served. Employment clusters access to facilities and amenities was assessed during the field survey.

The following criteria were used to assess clusters access to amenities:

Very Good	Shops, restaurants and/or cafes and personal services within the business location or accessible within a five minute walk. There is a selection of places for lunch and the possibility of doing some shopping.
Good	Shops, restaurants and/or cafes within a five to ten minute walk. There is some selection of places for lunch.
Poor	Shops, restaurants and/or cafes within a ten to fifteen minute walk. There is a limited selection of places for lunch.
Very Poor	Shops, restaurants and/or cafes/ takeaways more than a fifteen minute walk. None or very limited selection of places for lunch.

The survey found that nine clusters have very good access to facilities and amenities whilst a further thirteen had good access. These clusters are listed in Table 5.4 below. There were seven clusters that had very poor access to facilities and amenities, the majority of which were related to ‘out-of-town’ industrial estates with low PTAL ratings.

Table 5.4: Employment Clusters with Good or Very Good access to facilities and amenities

AECOM Cluster No.	Employment Area/Areas	Cluster Area (ha)
C1.1	Park Royal sub-area	78.7
C1.2	Park Royal sub-area	30.8
C1.3	Park Royal sub-area	33.9
C1.4	Park Royal sub-area	11.0
C2.4	Wembley Park sub-area	16.2
C5	Alperton (north)	3.9
C6	Alperton (central)	8.4
C9	Church End	7.3
C11	Cricklewood	1.3
C12	Honeypot Lane (Lowther Road)	3.0
C14	Colindale	7.8
C21	Hassop Road	1.9
C22	Turpins Yard, Oaklands Road	0.2
C24	Church End (around Willesden Bus Garage)	2.2
C25	Kimberley Road	1.0
C26	Lonsdale Road	0.3
C28	Wembley Town Centre	n/a
C29	Kilburn	n/a
C30	Queen’s Park Town Centre	n/a
C31	Kingsbury’s Town Centre	n/a
C32	Harlesden Town Centre	n/a
C34	Wembley Park Town Centre	n/a
Total		196.9
% of surveyed employment land		53.2

Source: AECOM Brent Employment Land Field Survey

Overall Quality of Employment Clusters

In total, 32 employment clusters were considered to be in Good or Very Good condition – the majority of the 43 clusters surveyed. To receive this designation over 50% of sites within the employment cluster had to fulfil the following criteria:

Building Condition

Very Good – buildings in immaculate state, no signs of paint coming off, windows and window frames in very good condition, immediate surrounding/grounds well kept.

Good – buildings in good condition, small areas where paint might come off, etc., grounds in reasonable state.

Quality of environment

Very Good – the streets and the public realm within and surrounding the cluster are of very good quality. There is sufficient street lighting and no perceived personal safety issues. The business area is not polluted by noise or air pollution from neighbouring uses and/or heavy street traffic.

Good – the streets and public realm within and surrounding the business cluster are of good quality but it does not reach the ‘very good’ standard (some litter, street furniture shows signs of aging, etc.) There are no perceived safety issues.

Employment Clusters with sites in Poor or Very Poor Condition

Eleven of the 43 surveyed employment clusters were recorded to have a majority (50-100%) of sites in Poor or Very Poor condition. To receive this designation clusters had to fulfil the following criteria:

Building condition

Poor – paint coming off, cracks and windows in poor state, plus surroundings are poorly kept.

Very Poor – building still in use but in very poor condition; paint coming off in large areas, some windows broken, surroundings not maintained and/or littered and/or cluttered with rubbish.

Quality of environment

Poor – the streets and the public realm within and surrounding the business area are of poor quality (potholes, litter, poorly maintained or damaged street furniture). There is not enough street lighting and some perceived safety issues. The business area might be polluted by noise or air pollution from neighbouring uses and/or heavy street traffic.

Very Poor – the streets and the public realm within and surrounding the business area are of very poor quality (potholes, litter on street, not collected rubbish, etc.) There is not enough street lighting and there are perceived safety issues. There is noise and/or air pollution from neighbouring uses and/or heavy street traffic.

Table 5.5 below lists the employment clusters with a majority (50-100%) of sites that were in Poor and Very Poor condition.

Table 5.5: Employment Clusters with Sites in Poor or Very Poor Condition

AECOM Cluster No.	Employment Area/Areas	Cluster Area
C1.4	Park Royal sub-area	11.0
C8	Brentfield Road	4.5
C9	Church End	7.3
C13	Honeypot Lane (Westmoreland Road)	0.7
C15	Kingsbury	5.9
C16	Alperton Lane (site west of Currys)	0.4
C17	Woodside Avenue	2.7
C19	Kingsbury Road	0.0
C21	Hassop Road	1.9
C24	Church End (around Willesden Bus Garage)	2.2
C27	Sarena House	0.9
Total		37.5
% of surveyed employment land		10.1

Source: AECOM Brent Employment Land Field Survey

5.4 Cluster Suitability for B2/B8 Land-use

This section is an assessment of 37 clusters suitability for B2/B8 uses based on different criteria than that used to assess cluster suitability for B1 uses. The six town centres clusters will be excluded from this assessment as they don't contain B2 and B8 uses.

Some of the clusters are potentially in office use at present. However it is still relevant to assess all clusters suitability for industrial/warehousing use as over the long term planning period there could be potential for change of use.

The most relevant and significant criteria include the following. These criteria correspond to the comprehensive criteria contained in Annex 3 of the GLA Land for Industry and Transport SPG:

- Transport accessibility;
- Impacts on surrounding amenity;
- Servicing of businesses; and
- Availability of parking.

Transport Accessibility

The strategic transport accessibility of employment clusters was determined both through desk-based research and site visits. Criteria used to assess this included:

- Strategic road access, and
- Ability of businesses to make use of other forms of transport e.g. rail, water.

Strategic Road Access

These clusters are those that can be accessed directly from, or are in close proximity to the trunk road network, are listed in **Table 5.6** below.

Table 5.6: Employment Clusters with Good/Very Good Strategic Road Access

AECOM Cluster No.	Employment Area/Areas	Cluster Area (ha)
C1.1	Park Royal sub-area	78.7
C1.2	Park Royal sub-area	30.8
C1.3	Park Royal sub-area	33.9
C1.4	Park Royal sub-area	11.0
C1.5	Park Royal sub-area	9.9
C2.1	Wembley Park sub-area	23.9
C2.2	Park Royal sub-area	14.3
C2.3	Park Royal sub-area	5.9
C2.4	Park Royal sub-area	16.2
C2.5	Park Royal sub-area	12.7
C3	East Lane	22.5
C4.1	Staples Corner (north)	11.1
C4.2	Staples Corner (south)	28.9
C5	Alperton (north)	3.9
C6	Alperton (central)	8.4
C7	Alperton (south)	10.3
C9	Church End	7.3
C10	Neasden Lane	3.4
C11	Cricklewood	1.3
C13	Honeypot Lane (Westmoreland Road)	0.7
C14	Colindale	7.8
C15	Kingsbury	5.9
C19	Kingsbury Road	0.0
C20	Coombe Road	0.7
C21	Hassop Road	1.9
C23	Dudden Hill Lane (near Burnley Road)	0.6
C24	Church End (around Willesden Bus Garage)	2.2
C27	Sarena House	0.9
Total		355.1
% of surveyed employment land		95.9

Source: AECOM Brent Employment Land Field Survey

Clusters with poor/very poor strategic road access are generally some distance from the trunk road network, or can be accessed only indirectly through local roads in residential areas. Nine clusters were assessed as having indirect strategic road access.

Access to Water Transport

Clusters 1.1, 1.2, 1.3, 1.4 and 1.5 within Park Royal have direct access to the Grand Union Canal, as well as Cluster 5 in Alperton. Cluster 4.1 (Staples Corner north) has direct access to the River Brent.

Access to Railheads

Cluster 1.1 in Park Royal was the only cluster surveyed with direct access to railheads.

Impact on Surrounding Amenity

A cluster was perceived as having a negative impact on the neighbourhood if its use was assessed as generating/ associated with at least two of the following list of; noise pollution, air pollution, smell, HGV traffic and significant car traffic.

In total, 11 out of the 37 surveyed employment clusters were identified as having at least one bad neighbourhood use. Furthermore 22 of the 37 employment clusters lie within close proximity to or have impact on surrounding/nearby residential uses. However, as some clusters were clearly identified as having a more significant impact on the neighbourhood than those with one use, we have only highlighted those which have two or more bad neighbourhood uses – eight clusters in all. These are shown in Table 5.7 below.

Table 5.7: Employment clusters (including B2/B8 uses) with Bad Neighbourhood Uses and Proximity to Residential Uses

AECOM Cluster No.	Employment Area	Cluster has 2 or more Bad Neighbourhood Uses	Proximity to Residential Areas	Cluster Area (ha)
C1.4	Park Royal sub-area	✓	✓	11.0
C2.5	Wembley Park sub-area	✓	✓	12.7
C4.2	Staples Corner (south)	✓	✓	28.9
C7	Alperton (south)	✓	✓	10.3
C9b	Church End	✓	✓	3.3
C14	Colindale	✓	✓	7.8
C17	Woodside Avenue	✓	✓	2.7
C18	Mount Pleasant/Beresford Avenue	✓	✓	2.7
C21	Hassop Road	✓	✓	1.9
Total sites with bad neighbourhood uses			8	81.3
			% of surveyed employment land	22.0

Source: AECOM Brent Employment Land Field Survey

Servicing of Businesses

For clusters where B2/B8 land-use predominates, it is important that there is designated and adequate space for the servicing of businesses. The suitability of existing servicing arrangements within each cluster was assessed during the field survey.

The field-survey identified only four clusters where servicing was deemed to be inadequate - the remainder having currently adequate servicing for business's needs. These clusters are listed in Table 5.8 and account for 6% of the surveyed employment land.

Table 5.8: Employment Clusters where Servicing of Businesses is Inadequate

AECOM Cluster No.	Employment Area/Areas	Cluster Area (ha)
C1.4	Park Royal sub-area	11.0
C14	Colindale	7.8
C17	Woodside Avenue	2.7
C21	Hassop Road	1.9
Total		23.4
% of surveyed employment land		6.3

Source: AECOM Brent Employment Land Field Survey

Availability of Parking

For clusters where B2/B8 land-use predominates, it is important that there is adequate parking space to accommodate for the needs of businesses within the cluster and the increased likelihood that employees will travel to work by car, given that public transport accessibility is likely to be lower. The availability and type of parking within each cluster was assessed during the field survey.

The field-survey identified seven clusters where parking was deemed to be inadequate. These clusters are listed in Table 5.9 and account for 15% of the surveyed employment land.

Table 5.9: Employment Clusters where parking is inadequate for B2/B8 uses

AECOM Cluster No.	Employment Area/Areas	Cluster Area (ha)
C1.4	Park Royal sub-area	11.0
C4.2	Staples Corner (south)	28.9
C12	Honeypot Lane (Lowther Road)	3.0
C14	Colindale	7.8
C16	Alperton Lane (site west of Currys)	0.4
C17	Woodside Avenue	2.7
C21	Hassop Road	1.9
Total		55.7
% of surveyed employment land		15.0

Source: AECOM Brent Employment Land Field Survey

5.5 Summary

AECOM's qualitative survey of employment land in LB Brent comprised of a field visit of 43 employment clusters combined with elements of desk research. This assessment was carried out against site appraisal criteria set by AECOM and subsequently agreed with the Council. A comparative analysis of the quality and characteristics of clusters for employment uses was then undertaken on the basis of the quantity of land contained within the lined boundaries of clusters. Owing to the different site characteristics required by office (B1) and industrial (B2/B8) users, our analysis has assessed cluster suitability for these use classes separately.

From identification and analysis of PTAL levels 18 of the 43 employment clusters were identified as having good or very good public transport accessibility – a key characteristic for B1 land-use suitability. 22 clusters were assessed as having very good or good access to facilities and amenities, based on their proximity to designated town/ local centres – again, an important characteristic for B1 land-use. There were 32 employment clusters that were identified as being in good or very good condition, based on their quality of environment and building quality. From this analysis, it can be seen that the employment clusters which are already predominantly office locations, such as the Borough's town centres, are inherently suitable for B1 use. Other areas of the borough such as Queen's Park (Clusters 25 and 26), Cricklewood (Clusters 11 and 22) and Alperton (Cluster 5b) also show strong suitability for B1a use, based on the criteria used.

Our assessment identifies that those clusters that are already designated as SILs in LB Brent's Core Strategy (2010) possess site characteristics suitable for B2/B8 employment land-use, with the exception of some parts of Park Royal (Cluster 1.4). Some clusters are situated close enough to residential areas or other sensitive receptors, that they have an impact on them. Brent is intensely urban in parts and it is thus not surprising that contrasting land-uses are found adjacent to each other.

6 PROPERTY MARKET ASSESSMENT

6.1 Introduction

This section examines LB Brent's office and industrial land market within the context of the wider property market area (PMA). The findings are based on the key conclusions of a consultation exercise with local property market agents and key stakeholders. This represents a 'bottom up' perspective on demand. Perceptions of those working within the office and industrial land market were sought to establish their impressions of the strengths and weaknesses of the commercial property available in LB Brent to potential occupiers¹⁶. This section provides the qualitative market intelligence dimension which is harder to draw out in the long-term 'top down' projections of demand in Section 7. It also helps to ensure that the recommendations of Section 8 are grounded in market reality.

6.2 Approach

This section is structured as follows:

- An assessment of what the relevant property market areas are for occupiers of industrial and office space in Brent
- An overview of the supply of industrial and office space in the borough
- Demand factors for industrial space and office space including potential impact of changes to permitted development rights allowing conversion of office to residential uses
- Key sectors with potential for growth in LB Brent and any particular commercial occupier needs
- Results of consultation with key stakeholders
- Conclusion on how supply meets current demand for commercial space and recommendations for the local employment market

As well as consultation this section reviews information from relevant property market reports and other recently published research to build an understanding of the Brent employment land market. The commercial agents, market analysts, property managers and developers that provided data for this chapter through phone conversations and written research include:

- Colliers International
- Dutch and Dutch
- Thomas Clive and Co
- Dewe Ferrari
- Jones Lang LaSalle
- Estates Gazette
- Jones Lang LaSalle
- Knight Frank
- Lambert Smith Hampton
- London Office Policy Review 2012

¹⁶ AECOM contacted the commercial property agents, developers and property management companies that are most active in Brent and asked them to contribute to this study via an informal semi-structured telephone interview.

Key stakeholders consulted include:

- West London Business;
- Place West London;
- London Borough of Brent;
- Brent Employer Partnership; and
- Federation of Small Businesses, North London.

6.3 Property Market Areas (PMA)

Although the primary focus of this study is LB Brent, the market area for commercial property is generally not limited by local authority boundaries. Factors relevant to business operations are often more of an influence, such as proximity to labour supply, transport links, site availability and consumer markets. A property market area (PMA) could typically be an area of search for a potential office or industrial occupier.

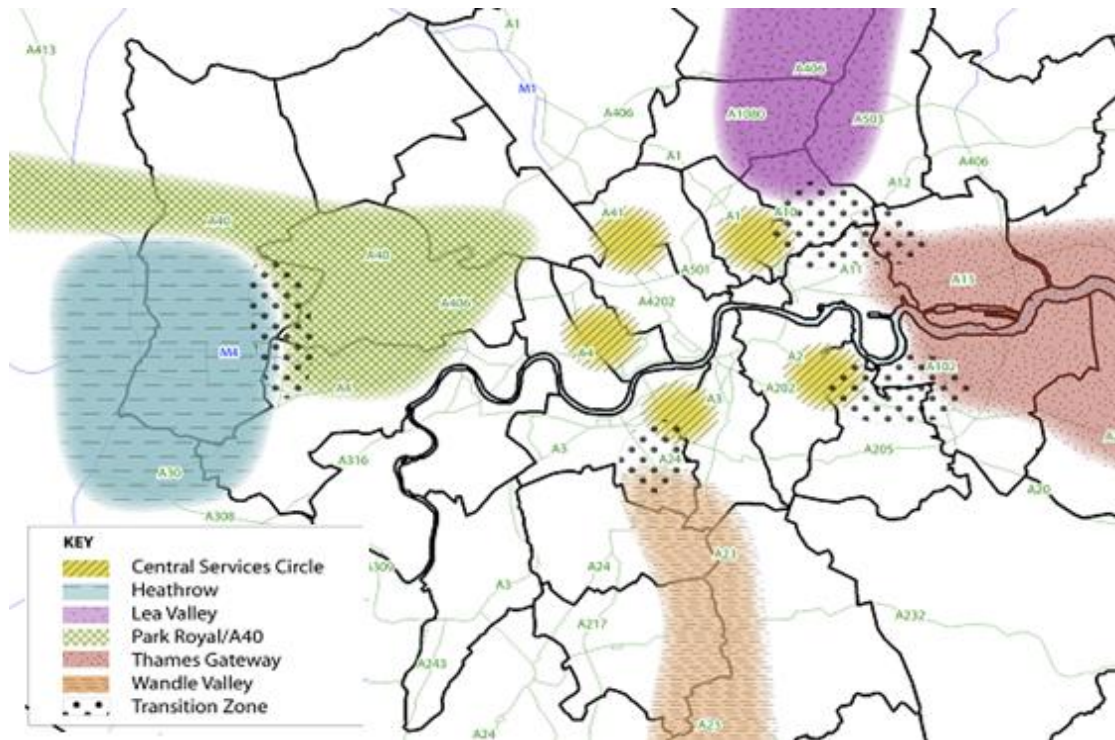
The demand forecasts in Section 7 evaluate demand trends of commercial space in Brent in the context of the wider PMA; therefore it is important to gain an understanding from commercial property agents of what they consider to be the relevant PMA for industrial and office space in Brent.

6.3.1 Industrial PMA

The commercial property agents consulted felt that LB Brent was part of the Park Royal/West London/A40 market. This also includes the boroughs of Ealing, Hounslow and Hillingdon. Most enquiries received by agents for industrial premises are driven by the desire to be in or close to Park Royal, Heathrow and links out of London to the M25. These characteristics are shared by many industrial estates in Ealing, Brent, Hounslow and Hillingdon.

The view of property agents also corresponds to AECOM's professional judgment and to the property market description in the GLA Land for Industry and Transport SPG. Property market areas are generally manifestations of the built stock that they occupy and, as the consultations of 2013 in Brent show, they are unlikely to change significantly in the short to medium term. The industrial PMA affecting LB Brent is shown in green in **Figure 6.1** below.

Figure 6.1 Key Industrial Property Market Areas in London



Source: AECOM for the GLA, 2007

Figure 6.1 provides a broad assessment of the key industrial locations in London and is intended as a guide only, with precise boundaries not specified. As indicated on the image, there are areas of transition as different PMAs expand and integrate with each other. These PMAs do spill over into local authorities outside Greater London but the four west London boroughs of Hounslow, Hillingdon, Ealing and Brent capture the large majority of both areas.

6.3.2 Office PMAs

Most agents consulted and key reports including the London Office Policy Review 2012, consider that Brent's office market functions as an easterly expression of the Thames Valley market. The LOPR 2012 suggests that regional transport accessibility improvements such as Crossrail and to a certain degree High Speed 2, will accentuate the 'east-west axis' in London and its hinterland. One implication of this is that 'out of town' office locations in town centres to the north and south of Central London could start to suffer. Wembley and other town centres in Brent are potentially close to being considered northerly 'satellite' office centres. However, with links to the A40 and its proximity to Park Royal, Brent can generally be considered to be part of the West London office market. One consultee responded that their typical office enquiries seek office accommodation in Wembley, Uxbridge or Watford.

6.4 Supply of Commercial Space

6.4.1 Industrial Supply

The supply of industrial space in LB Brent is dominated by Park Royal. At around 165 hectares, Park Royal within LB Brent constitutes over 40% of the borough's total industrial stock. Park Royal is the largest industrial park in London at around 500 hectares in total. Although it accommodates a wide range of industrial, warehousing and office occupiers it can be said to particularly specialise in food manufacturing industries. For example, consultees suggested that approximately one third of all food consumed in London is produced in Park Royal by companies such as biscuit manufacturer McVities, Greek food producer Katsouris Food and sandwich maker Greencore.

The type of premises in Park Royal vary significantly from large high quality and well planned premises and industrial estates to smaller, more dated industrial estates accommodating lower value but locally important industrial firms. In summary Park Royal appears to provide a fit for purpose supply of industrial space for a range of industrial occupiers.

The other main industrial area in the borough is in Wembley, which is over 70 hectares and contains 17.5% of total industrial stock in the borough. There are also other large industrial estates close to Wembley and Park Royal which are either SIL or LSIS at East Lane, Alperton, Staples Corner and Church End. All of these industrial estates are a mixture of older and newer industrial premises but generally they are well occupied and fit for purpose. Parts of some of these industrial estates, that are not fit for purpose or surplus to demand, are earmarked for release to enable wider regeneration goals to be achieved. These are dealt with in Chapter 8.

Finally there are numerous smaller industrial estates, sometimes single units surrounded by residential areas, dispersed across the borough. Many of these small industrial units provide automotive or machinery repair services and fulfil both a local need and provide local employment.

6.4.2 Office Supply

In the context of boroughs outside Central London LB Brent is generally not perceived as a key regional office location. The majority of the approximately 277,000m² office floorspace is in Wembley with the remaining in the centres of Kilburn, Queens Park and two district town centres of Kingsbury and Harlesden. There is also approximately 74,000 m² of office in predominantly industrial clusters (designated as SIL, LSIS and LEA).

The types of office premises within industrial areas is typically older stock and includes stand alone purpose built office buildings many built between the 1970's and early 1990's. This type of office stock is often linked to industrial firms, for example it often includes sales and administration offices for imported manufactured products that benefit from proximity to warehousing and maintenance facilities within industrial estates. It generally does not include higher quality, more recently built business park type office accommodation.

Examples of significant office developments include the following: York House in Wembley, which is a 16 storey 1970s office development with approximately 10,000 m² that has recently been renovated. Wembley Point is a similarly dated 21 storey office development next to Stonebridge Park station which received permission in 2012 to be converted to a 300 bed hotel. Alperton House in Alperton which is another 1970's five storey office development off the main road (Bridgewater Road).

Smaller office developments include Ramsey House which is a recently renovated office development next to Wembley Central with planning permission to convert to housing and hotel and Crown House, another 1970s office development in Wembley which has a pending planning application to convert to 47 bed hotel. Public sector offices are a key component of the Brent office portfolio.

The LB Brent moved into new council offices at Brent Civic Centre next to Wembley Stadium. Brent House, the former LB Brent council offices is currently being marketed although It is not exactly clear at this stage what use Council offices such and Mahatma Gandhi House in Wembley will have in the future. Air France occupy part of Brent House. Also, Brent town Hall is vacant, but permission is being sought to convert the building into a French School.

6.5 Demand for Commercial Space

6.5.1 Industrial Demand

The view of the commercial property agents consulted was that industrial premises in Park Royal are always in demand due its established position as London's largest industrial estate. Also other premises outside Park Royal with good access to the strategic road network such

as the North Circular and A40 are generally in demand from established industrial firms seeking a position with access to Central London and the wider West London market. These companies typically include firms in the food and drink industries.

Most agents felt that in general there was more demand for warehousing and logistics than traditional industry and manufacturing. The exception was small auto-related industry premises which fulfil a localised function.

Examples of pressure for release of industrial uses include the numerous enquiries agents receive for D1 (places of worship) and D2 (leisure uses) in traditional industrial estates. Examples of positive demand include inquiries for smaller yards for open storage (400 to 900 m²).

Due to the recent economic uncertainty many of the enquiries received by agents are for short term, rolling contracts. Potential occupiers seek discounted rents and rent free introductory periods. One issue raised was that business rates are not lowered correspondingly with rent discounts although it was recognised that in the current public sector funding environment this was unlikely to be a tool available to councils for increasing demand.

Typical industrial rents ranged from £4 to £5 per sq ft (£45 to £55 m²) for open storage to £7 to £8 per sq ft (£75 to £85 m²) for smaller older industrial premises with lower eaves (4metres) to around £10 to £12 per sq ft (£110 to £130 m²) for larger (6 m eaves) brick industrial units in Park Royal. One agent summarised industrial rents as being around £10 per sq ft (£108 m²).

Overall the agents felt the future medium to long term outlook for industrial employment land demand was for a modest decline.

6.5.2 Office Demand

The overall view of local commercial agents on demand for office in Brent was generally neutral to slightly negative. Most agents discussed the large amount of vacant and available office units in the borough. Examples given included; Alperton House with approximately 80,000 sq ft available (7,200 m²); 21,000 sq ft at Wembley Point (1,890 m²); and 45,000 sq ft at York House (4,050 m²). However, these views generally appeared to focus on short term demand trends because these are the enquiries agents receive from potential occupiers. The agents consulted were generally less certain about medium to long term demand trends when asked.

Short term demand for offices has been affected by the recent economic downturn and so is not necessarily a good indicator of longer term trends. Projecting long term demand is the primary purpose of this ELDS because it is important to protect existing employment land that although not necessarily in demand right now could have the ability to meet long term demand if it manifests itself in the future.

Agents varied in their view of the amount of office vacancy in the borough. Some agents felt that there was around 1million sq ft available (90,000 m² or 32% of total stock) while others felt there was approximately 750,000 sq ft (67,500 or 25%). In general however this indicates that there is a relative lack of demand at present for office space in LB Brent.

Many agents suggested that the large vacancy rates could be due to increasing trends of home working, footloose internet based firms and larger companies seeking non-traditional smaller and more flexible HQ type offices. One increasingly important requirement in this regard is the need for flexible, serviced 'plug in/plug out' office space provided by companies such as Regus and Workspace. However, others felt the short term negative office demand was more linked to the recent severe economic downturn and that in the long term West London is well placed to return to more positive demand for office accommodation as companies seek to link to the West End, City office market and the wider London economy.

Typical office rents range from £9 to £12 per sq ft (£100 to £130 m²) for smaller offices above retail units to £17 per sq foot (£180 m²) for grade A facilities with gyms etc. Another example

of negative short term demand is the fact rents have recently come down and that owners are offering incentives such as zero service charges, rolling leases and discounted rents for one year. One agent commented that this is often used as way of getting tenants in the offices and that subsequent annual rent reviews bring the rent back to more typical levels.

One of the key requirements mentioned for office occupiers was access to amenities and public transport. This was seen as an impediment to growth at Park Royal, although this was based on the current situation and did not assume regeneration as planned in the Vision for Old Oak Common/Park Royal City (See section 3).

6.6 Wider Demand Factors

6.6.1 Major Regeneration and Transport projects

Agents generally felt that the regeneration initiative at Wembley, as outlined in the Wembley AAP, would help to boost demand for office space in the medium to long term. This is mainly linked to the greater 'sense of place' that will be generated there. Key drivers for this are the public realm improvements and the 'anchor tenants' of Wembley Stadium and the Brent Civic Centre. Agents felt that transport improvements such as Crossrail and High Speed 2 could have a marginally positive effect on demand for industrial and office space in Brent. Access to the Metropolitan line was mentioned as one of the key benefits of the area. Another agent emphasised that the regeneration efforts should ensure that adequate amenities such as restaurants, shops, cafes and bars are secured as this is one of the key drivers of office demand.

It was felt that the regeneration initiatives as part of the Alperton Masterplan at Northfields Industrial Estate (Cluster C1.4) as well as regeneration at Church End (C9b) could have a positive effect on the local economy. Both are growth areas. Although these sites are likely to be redeveloped for mainly residential uses there will be public realm improvements and some business and employment uses (office, retail and light industry).

6.6.2 Impact of Change to Permitted Development Rights

The Government has made changes to permitted development rights, including provisions that will allow a change of use from B1(a) offices to C3 residential purposes. Such a change of use previously required planning permission. LB Brent applied for an exemption but was unsuccessful. Agents were consulted on what they felt was likely to be the impact of this change and whether it was likely to result in a significant degree of change of use from offices to residential in the borough.

In general most agents did not think there would be significant interest from developers in converting offices to residential. Several agents suggested that they have received enquiries and that most vacant office owners are currently 'scoping out' the possibility by looking at potential costs and benefits.

Points made by agents consulted include that the costs could be prohibitive when compared to the potential returns. The costs of converting office suites into residential units, including putting in kitchens bathrooms etc. could be significant. The rental yields from residential are generally much lower than offices although it acknowledged that demand for residential is far higher than office at present due to the restricted supply in London and the relatively depressed office market. This could be a draw for office owners in the short term but the current perceived lack of interest and take up perhaps suggests that office owners expect the office market to pick up again in the future.

6.6.3 Demand for Work/live units

Property agent consulted felt that there was not likely to be significant demand in LB Brent for work/live units to the same degree that they are popular in some parts of Central and Central/East London. Examples where work/live units are in high demand include parts of Hackney (Fish Island), Camden and Islington. The major driver for demand in these types of

units is a large underlying demand from 'knowledge economy' entrepreneurs who seek affordable space in desirable areas close to Central London. Currently consultees felt that Wembley and Brent did not generally have that kind of 'offer'. In reality agents felt that work/live applications are more likely to be used to receive residential permission.

Overall, the stakeholder respondents were unfamiliar with the demand for work/live space and considered it as a recent trend. One respondent suggested that improving provision could contribute to attracting more businesses in the borough. Several respondents assumed there was demand and under provision as developers haven't been considering this topic over the past 10 years and 'only someone really expert would know the numbers'. However one respondent indicated that in the Borough, units that have been completed for live/work units have been changed to residential recently.

6.6.4 Growth Sectors

Agents did not generally identify any new sectors (other than those already present in Brent) that had the potential to grow significantly in the future. Most agents and stakeholders felt that the existing traditional sectors of logistics, food industries and service sectors such as hospitality and tourism linked to Wembley stadium were likely to remain strong in the borough. Despite this there was some suggestion that if the regeneration of Wembley was successful and amenities improved, there could be some potential for growth in higher value 'new knowledge economy' sectors. These could include cultural and creative technologies (CCT) and pharmaceuticals and IT sectors.

The growth of these sectors in Wembley would be reliant on the successful creation of a strong sense of place and would rely on the success of proactive efforts to boost the image of the area and market it as a place for entrepreneurs to set up their businesses. The radical changes proposed for Old Oak Common/Park Royal City were also considered to be potentially positive for attracting high value business uses in the future (financial and professional services). However, given the uncertainty and speculative long term nature of the plans, less weight was given to this factor in terms of the forecast of future demand.

In general a degree of caution should be exercised and over optimism avoided in regard to the growth of high value sectors. This is because these sectors are generally sought after by most areas and promoted by most planning authorities. The reality is that there is likely to be only a finite amount of demand across London. These companies are generally smaller and footloose and Brent would be competing for this demand with other areas in London such as Hackney, Camden, Islington and Chiswick.

However, on balance it can be said that latent demand exists from these sectors across the wider West London /A40 PMA. The likelihood of this demand manifesting itself in LB Brent is partly reliant on the success of inward investment and regeneration efforts. These factors are particularly difficult to predict at this stage so the balanced approach would be to conclude that there is unlikely to be a significant divergence from the existing business base.

6.7 Stakeholder Consultation

This section reports the key responses of the consultations with stakeholders involved in the provision of business support.

6.7.1 Demand for Employment Land

There was a high level of consensus among stakeholders that one of the main areas of deficiency, in relation to type of stock, was office floorspace. On the one hand, a respondent noted a high residual demand for low quality space with low rents. Also, demand for short term, pay as you go rate such as what is offered in Wembley Point (office building by the North Circular). On the other hand, there is increasing demand for newer, flexible, smaller spaces and a lack of serviced, well located offices. Office demand has been driven in Wembley by the new Civic Centre relocation. A lack of quality space was also noted for B2/B8 uses where some of the space in the borough wasn't adapted for light engineering uses. There is also

demand for low grade industry/workshops/car mechanics near transport corridors at Kingsbury, Neasden, and Stonebridge.

Respondents agreed that there was high demand for managed workspace for start-ups, although one respondent noted that the demand was comparatively not as great in comparison to other outer London boroughs, such as Enfield (manufacturing processing) or Redbridge (services). The supply of managed workspace is generally smaller in Brent than in other boroughs. One respondent highlighted the efforts of Brent Council to encourage space for SMEs but there were limited take up rates observed for small firms and frequently the space is occupied by community and religious groups. One respondent noted that on the whole West London doesn't provide enough good quality space for SMEs; i.e. low cost, flexible, smaller space.

The main obstacle for businesses was identified by respondents as parking regulations and loading restrictions, especially for SMEs for which control parking zones are a factor considered for relocation. Traffic congestion was also raised by businesses as a 'victim of its own success' issue affecting the transport of goods and services, limiting the access to estates and creating tailbacks on the North Circular and the main roads (Harrow Road, Wembley). In addition, council related matters such as waste collection were raised.

In terms of supply, one respondent indicated that the John Lewis distribution centre in Park Royal will be relocating to Milton Keynes because of a lack of space in Park Royal. Even though this is within LB Ealing, many of the employees are LB Brent residents. Also, recently a small firm moved from Wembley because of the poor quality of serviced offices there.

6.7.2 Policies for developing businesses and economic inclusion

A few factors were identified by respondents for the Borough to attract more businesses. These included better promotion of the Borough (Wembley), parking flexibility, and business rates holidays for new businesses. Improving roads, traffic flow and keeping the public realm clean and in a reasonably good state of repair were also mentioned. One respondent acknowledged the need for better rubbish collection around commercial properties, especially as there are food processing firms. There was a wide consensus among respondents that some parts of Park Royal are in a bad state with potholes, lightning issues, and buildings in a poor condition. In Wembley Town Centre, some new developments could act as a catalyst for regeneration however more improvements are needed.

Successful developments include Wembley, with the new Civic Centre, the Hilton Hotel attracting jobs and spending and the future London Designer Outlet. Tudor Gate in Park Royal, a speculative development recently completed attracted good interest. Less successful developments quoted during the survey were Oriental City – which remained undeveloped for 5 years and the First Central site in Hanger Lane including many empty office buildings. In terms of intensification, respondents agreed that Park Royal and Wembley had some second/third grade industrial sites and scrap yards that could be properly laid out. One respondent suggested that the canal side in Alperton between Piccadilly Line & Ace Café could be intensified and could represent a good location for light industrial use.

Brent's main competitors were perceived to be similar outer London boroughs. Several respondents mentioned that the areas around Heathrow are competitive for warehouses and logistics e.g. Hayes, as the connection with airports is crucial. For instance for DHL in Park Royal – other potential locations could be Stansted or even international locations such as Amsterdam. For offices, White City, Hammersmith and Fulham, Earls Court were named, and in the future, areas like Old Oak Common in Ealing; although it was also suggested that plans for major developments in Old Oak Common may spill over into Park Royal. The future strategic areas of employment in Brent were perceived to be Park Royal and Wembley, in spite of the fact that Wembley Town Centre needs urgent regeneration to be able to compete with others centres. One respondent suggested that creative industries/post production in south of the Borough offer great potential for growth.

Better support for SMEs was deemed important, including 'hand holding' support, tax relief and active business advice. One respondent gave Hackney as an example of better 'one stop' support services for SMEs, with a single contact at the Borough.

The skills and experience levels of the workforce in Brent was perceived to be inadequate for the requirements of businesses. This was especially relevant for basic skills. Workforce supply does not generally match a growing demand for a skilled workforce e.g. high tech, advanced manufacturing skills, engineering skills. Brent population has got lower skill levels compared to the rest of West London and a lot of the business community don't restrict their recruitment to local people. Retention from qualified staff is also difficult because there is a perception of safety issues and fear of crime in Brent (especially in Park Royal).

6.8 Conclusion – Matching supply and Demand

This chapter of the study captured the views of commercial agents, property developers and local stakeholders on supply and demand from office and industrial uses in the borough. Data and trends from relevant market reports were also assessed. The analysis indicates that Brent is located within the West London/A40 market. This applies to both the office and industrial market. Park Royal is the key driver of demand for the industrial market. It is the largest industrial area in London and home to a large concentration of food manufacturing firms. The borough also benefits from good communication links into Central London and links to the wider north and west London region.

The industrial stock is generally fit for purpose and there are low levels of vacancy. This indicates there is a relative equilibrium of supply versus demand. The portfolio of industrial stock is varied with newer, high quality industrial buildings and warehouse/sheds alongside more traditional, smaller brick built industrial estates. There is a good spread of industrial estates across the borough providing local employment opportunities. There are also numerous small, sometimes single unit industrial sites often providing auto repair facilities which are required in local areas. Agents and stakeholders felt there was strong demand for small affordable start up space.

Some industrial areas abutting regeneration areas could be appropriate for release to enable wider objectives to be realised. This corresponds to the FALP (2014) which states in policies 2.17 and 4.4 that surplus industrial land should be released to enable wider regeneration goals to be achieved. In these clusters, including Northfield Industrial Estate (C1.4) and Church End (C9b), the industrial stock is either unfit for modern business occupiers or there are issues of negative impacts on surrounding residential uses. In these locations, a mixture of uses including residential and other employment uses such as retail, office or light industry may be appropriate. Cluster 9b includes a Homebase that is not performing an industrial function so should not be allocated as industrial use.

LB Brent was not considered by agents and stakeholders to be a key office location within the outer London context. The stock is varied with numerous large 1970's office developments with high vacancy rates. The majority of this is in Wembley and there is not much evidence of current or future speculative office developments. There is approximately 70,000 m² of office development within industrial clusters although this is generally linked to the industrial companies within the estates. Despite this the regeneration initiatives in Wembley and prospective improvements at Old Oak Common/Park Royal City were generally felt to present an opportunity for the borough to capture sub-regional demand for both offices and industrial uses.

One of the key issues identified was the need to improve amenities, safety, public realm, traffic flow and generally to increase the 'sense of place'. If the regeneration initiatives are successful it is likely that demand for employment land could increase. Several consultees suggested that given the fragile economic state it would be beneficial if the Council could provide relief to businesses for costs such as parking and business rates as a way of helping to boost demand and therefore local jobs.

Consultees did not feel that the change to permitted development rights allowing change of use from office to residential would have a significant effect on the supply of office stock to meet demand. There is currently around 25% office vacancy in the borough and so much of the long term vacant office buildings could be converted to residential but it is unlikely that existing occupied offices would be lost. Regarding demand for work live units consultees felt there was not likely to be significant demand from genuine occupiers.

7 EMPLOYMENT LAND FORECASTING

7.1 Introduction

This section forecasts the future demand for industrial and office land in LB Brent arising between 2015 and 2029.

7.2 Forecast Approach

The NPPG (2014) describes how different approaches can be used to project demand for employment land. Each approach has its relative strengths and weaknesses and so a tailored approach is generally recommended to capture local circumstances.

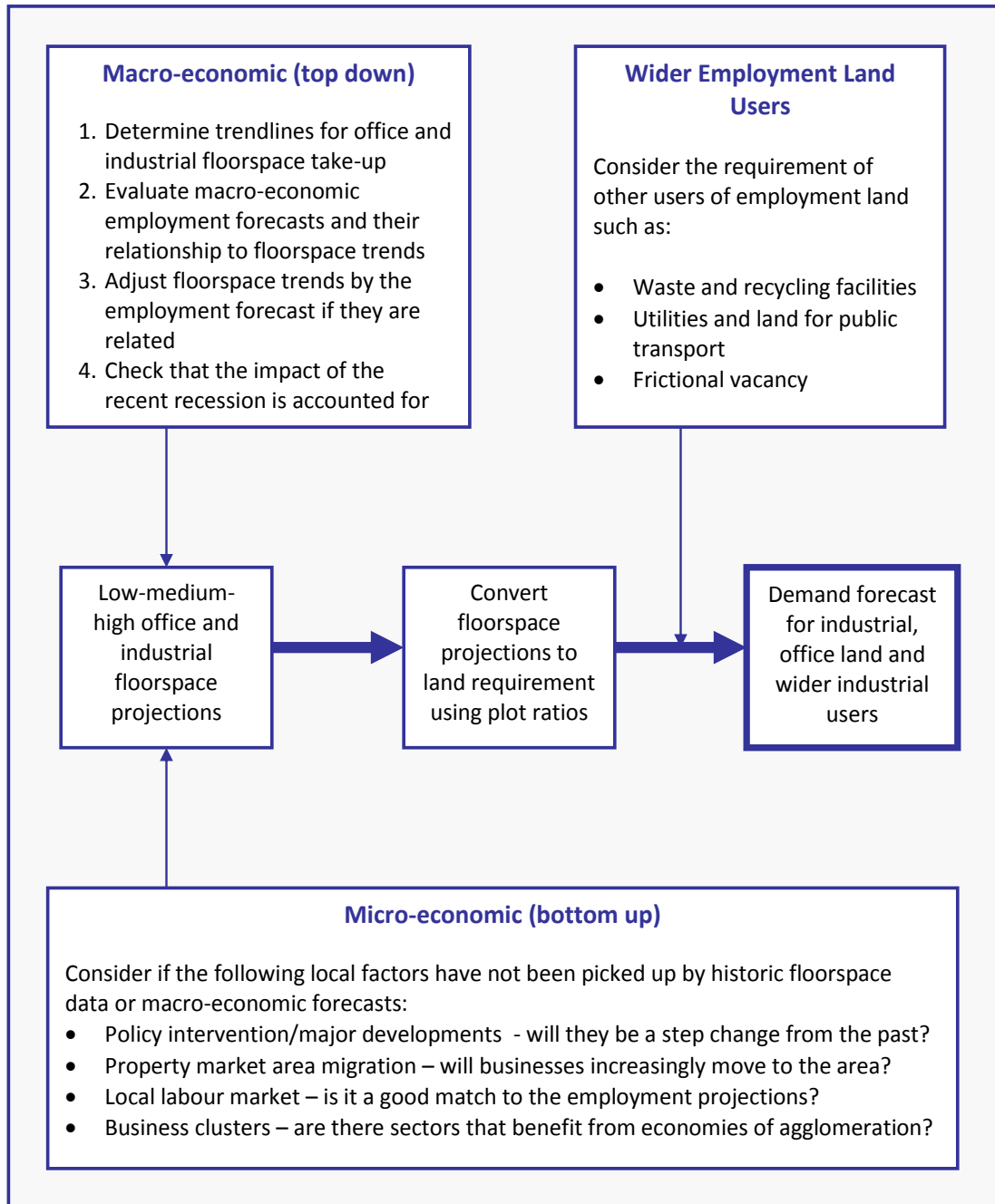
One typical approach is to take employment predictions based on macro-economic forecasts. However, applied at a local (borough) level these models do not usually take account of the specific micro economic circumstances affecting local economic development. An alternative approach is to consider historic trends in employment floorspace take-up and project those trends forward. The downside to this approach is that it does not take account of potential future changes arising from wider economic drivers. For example, while B2 floorspace might have declined rapidly over the last 20 years due to deindustrialisation, this decline may have slowed more recently and therefore the future trend is likely to be characterised by a gentler decline.

To maximise the strengths and overcome the weaknesses of these approaches we have developed a forecasting method that uses elements of both. We base our forecast of future demand for employment premises on the historic trends of employment and floorspace and make adjustments to this projection based on changes in the macroeconomic employment forecasts (top down approach) and consideration of micro-economic factors (bottom up approach).

Due to the nature of the employment market in LB Brent, as observed during the field survey and as confirmed by property market agents in the Property Market Assessment (Chapter 6), factories (B2) and warehouses (B8) are both categorised as 'industrial' in this ELDS. These uses are generally interchangeable on LB Brent industrial estates and many buildings perform dual uses that are difficult to differentiate. For example, a large industrial building may have elements of storage and distribution alongside assembly or manufacturing areas. Also, the GLA employment forecasts which form an important element of the overall demand forecast differentiate by office and industrial only.

Our approach to estimating demand for industrial land and office space is compliant with the NPPG (2014) and the GLA Land for Industry and Transport SPG (Sept 2012). The methodology is set out in more detail in **Figure 7.1** below:

Figure 7.1 Industrial and Office Land Demand Forecasting Methodology



Source: AECOM (2015)

7.3 Property Market Area

Industrial and Office property markets rarely correspond to local government administrative boundaries. Businesses searching for sites or premises will typically consider a number of similar locations. This area is termed the 'property market area' (PMA). The PMA will often have similar characteristics such as the labour market structure, access to market areas and suppliers, rental values, appropriate size and grade of stock.

The most appropriate PMA relevant to LB Brent is based on the Park Royal/A40/M4/A4 Corridor as described in the Land for Industry and Transport SPG (2012)¹⁷ with the exception of Hammersmith and Fulham which was determined to share characteristics more closely related to inner London than the other outer London boroughs¹⁸. The PMA for office and industrial uses therefore includes the following boroughs.

- Ealing
- Brent
- Hounslow
- Hillingdon

Data on historic business floorspace, historic employment and forecast employment is analysed for each of the above four PMA boroughs. The trends across the PMA for each of these factors then feeds into the overall employment land demand forecast.

7.4 Historic Floorspace Trends

The Valuation Office Agency (VOA) records the amount of floorspace in an area for tax purposes (the assessment of business rates) by building type. VOA data is considered to be a reliable source of data between 1998 and 2008. However, difficulties can occur in comparing raw VOA data due to the revaluation of properties that occurred in 2004. This causes discontinuities in the quantum of floorspace between 2004 and 2005. Also, 2008 is the latest available data which is five years old at the time of writing this report. Importantly the 2008 data does not include floorspace data collected since the current economic downturn.

To counter these issues we have used experimental commercial floorspace data released by the VOA in May 2012 and covering the period 2000 to 2012¹⁹. Although the VOA states that they are currently evaluating this data set it is considered a robust enough dataset to analyse trends in employment floorspace across the PMA for the purposes of this ELDS. 2012 is the latest data available.

The historic employment floorspace trend across the PMA and LB Brent is shown at Table 7.1. Figure 7.2 shows the trends for the PMA.

Table 7.1 Change in Industrial and Office Floorspace 2000 to 2012

<i>Area</i>	<i>Business Type</i>	<i>2000 '000m²</i>	<i>2012 '000m²</i>	<i>Diff %</i>	<i>Compound Annual Growth Rate (CAGR)</i>
<i>Brent</i>	<i>Office</i>	249	277	+11.2%	+1.0%
	<i>Industrial</i>	1,489	1,389	-6.7%	-0.6%
<i>PMA</i>	<i>Office</i>	1,971	2,139	+8.5%	+0.7%
	<i>Industrial</i>	6,124	5,647	-7.8%	-0.7%

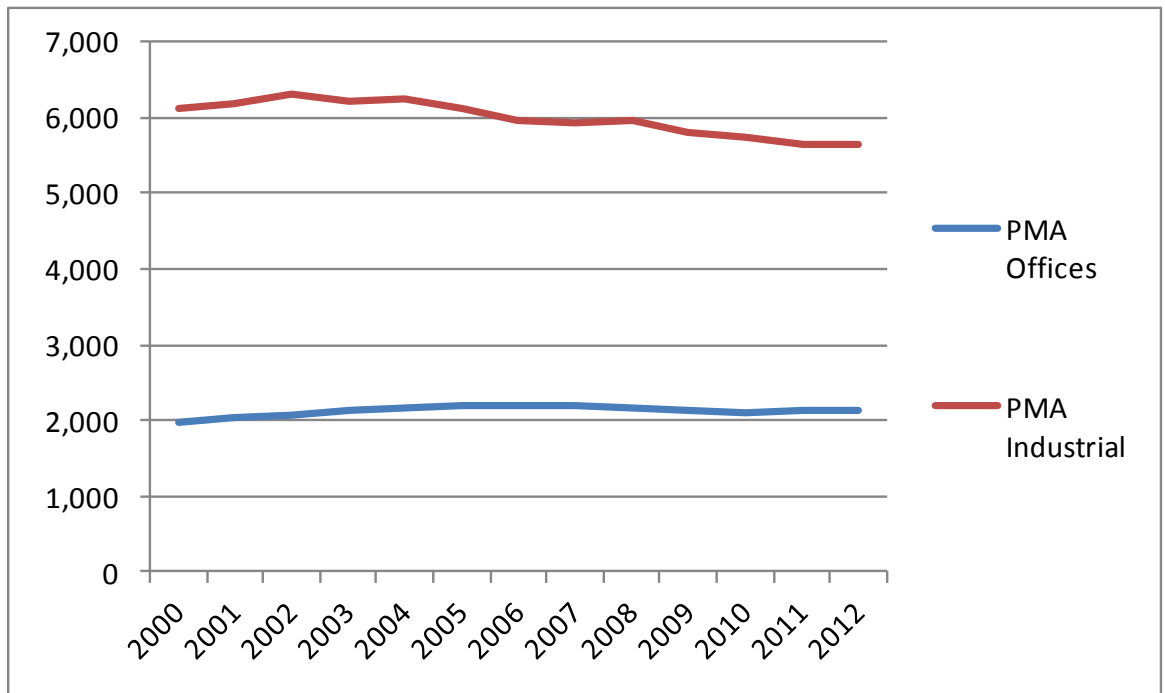
Source: AECOM; VOA 2015 (Figures may not sum due to rounding)

¹⁷ GLA, Land for Industry and transport SPG (2012), Paragraph 5.13

¹⁸ This is consistent with The Mayor’s Outer London Commission Report 2010 which defines Hammersmith and Fulham as an inner London borough

¹⁹ This is available at: http://www.voa.gov.uk/corporate/statisticalReleases/120517_CRLFloorspace.html

Figure 7.2 Changes in Industrial and Office Floorspace ('000sqm)



Source: VOA (2015). Note: The data is shown between 2000 and 2012 but the trend for 2000 to 2011 is used in the demand forecasting exercise for consistency with available employment data.

Table 7.1 and **Figure 7.2** shows that there has been a decline in industrial floorspace and an increase in office floorspace across the PMA. The industrial and office trends for the PMA feed into the synthesis demand forecast as shown at section 7.7 below. This includes the CAGR of -0.7% for industrial uses and +0.7% for offices.

7.5 Historic Employment Trends

Historic employment data is drawn from the Annual Business Inquiry (ABI) between 2000 and 2008 and the Business Register and Employment Survey between 2008 and 2013. 2013 is the latest data available. Both datasets are compiled by the Office for National Statistics (ONS). They are both expressed at a Standard Industrial Classification (SIC) level, not by use class. To estimate employment by use industrial land class (office, industry and warehousing uses, as per our ELDS definition) we have identified those sectors which typically operate from B1, B2 and B8 use classes. The linking of sector to use class draws upon our work for other London boroughs in which we have determined employment land by relevant sector²⁰. By this approach we estimate workplaces employment by use class as set out in **Table 7.2** and **Figure 7.3**.

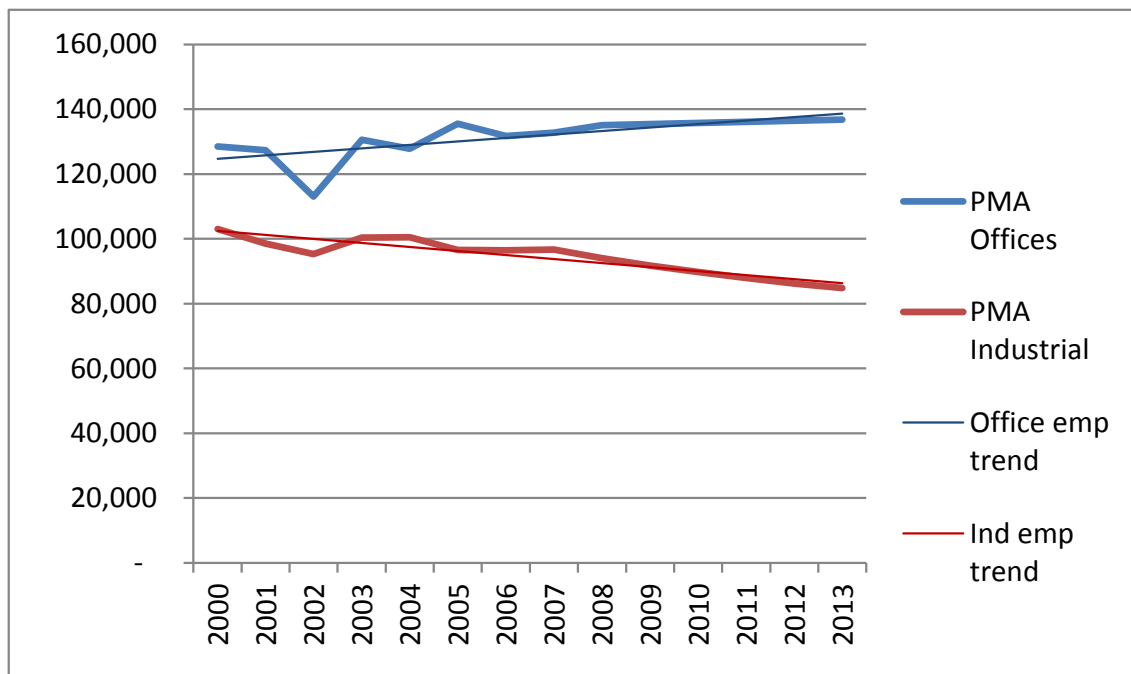
²⁰ For example see the London Industrial Land Release Benchmarks and North East and South East Baseline, URS (2007)

Table 7.2 Historic Employment 2000 to 2013

Area	Business		2000	2013	Diff %	CAGR
	Type					
Brent	Office		21,800	20,069	7.9%	-1.0%
	Industrial		26,953	21,142	21.6%	-2.6%
PMA	Office		128,533	136,826	-6.5%	+0.6%
	Industrial		103,015	84,790	17.7%	-1.6%

Source: AECOM; ONS 2015²¹. Figures may not sum due to rounding.

Figure 7.3 Historic Employment 2000 to 2013



Source: AECOM; ONS 2015

The historic employment trend CAGRs used to inform the synthesis employment land demand forecast are +0.6% for office and -1.6% for industrial uses.

7.6 Employment Forecasts

Employment forecasts for London boroughs are produced by GLA Economics and the most recent forecasts were issued in 2013. The forecasts are considered the most robust available information on future employment trends by London borough. They are based on a ‘triangulation’ process, which marries macro-economic employment forecasts on a regional level to micro-economic factors at borough level. These include:

- Trend analysis of the major employment sectors in each borough taking account of the effects of the recent recession and prospects for future growth;
- Transport improvements planned for each borough; and

²¹ Note: The BRES data SIC codes are not identical to the ABI SIC codes so to ensure consistency the actual rate of change for each year between 2008 and 2013 in the BRES data was applied to the known ABI data from 2008 onwards.

- The availability of land for the development of new office employment sites in each borough (the forecasts assume that vacant industrial sites become residential over the time period).

The 2013 GLA forecasts take account of the recent recession through the assessment of more recent employment data which has led overall to less optimistic projections of future employment growth²².

Table 7.3 presents the employment forecasts across the PMA.

Table 7.3 Employment Forecasts

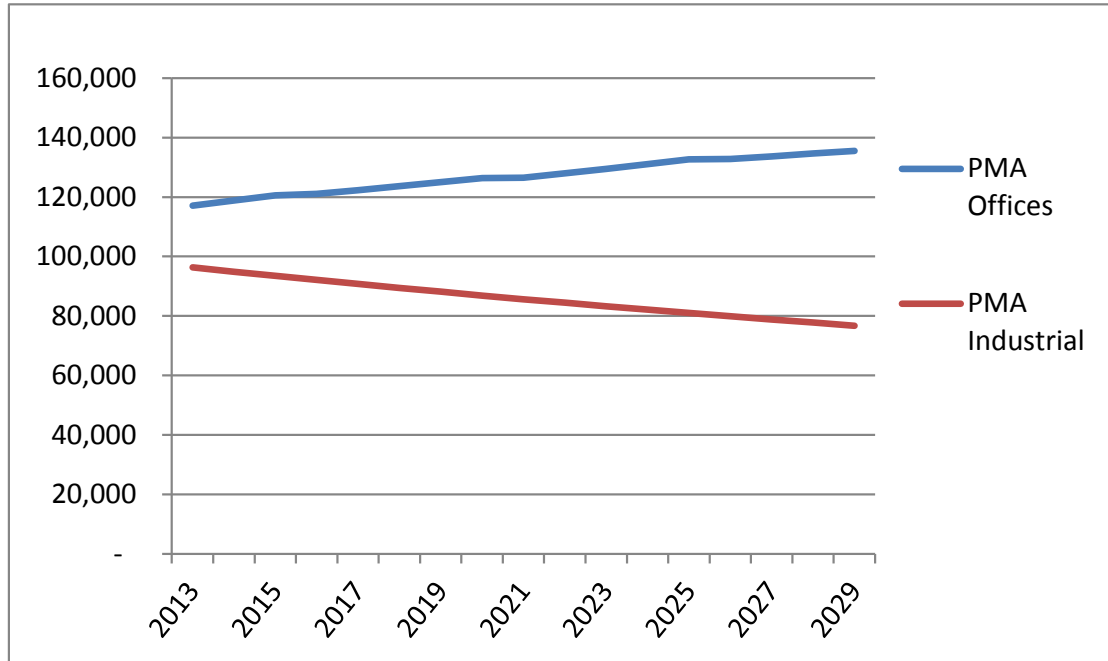
<i>Area</i>	<i>Business Type</i>	2013	2029	CAGR 2013-29
<i>Brent</i>	<i>Office</i>	17,744	16,815	-0.2%
	<i>Industrial</i>	21,982	15,595	-2.3%
<i>PMA</i>	<i>Office</i>	117,144	135,564	+1.0%
	<i>Industrial</i>	96,310	76,738	-1.5%

Source: AECOM; GLA Borough Employment Projections (2015);

Figures may not sum due to rounding. Note: The methodology GLA use to define industrial and office employment is slightly different to the ABI data as shown in Table 7.2 above. This explains the differences in employment numbers between 2011 and 2012 as shown in the two tables. However, the growth trends are what are used in the forecast and these are considered robust.

²² Working paper 51 only publishes overall borough employment forecasts and does not produce forecasts by industrial or office uses. Therefore to convert the overall employment forecasts to industrial and office land uses the relevant proportion of industrial and office employment of total forecast employment from the London Employment Time Series publication (GLA, 2010) is taken and then applied to the overall employment forecasts as shown in Working paper 51.

Figure 7.4 Employment Forecast 2013 to 2029



Source: GLA (2015)

Table 7.3 shows that office employment in LB Brent is forecast to grow at a lower rate than the PMA (-0.2% per annum compared with 1.0%, respectively) and see a relatively stronger contraction in B2/8 employment than compared with the PMA (-2.3% and -1.5% respectively). However these ‘top down’ economic trends do not build in a ‘bottom up’ understanding of likely future local circumstances. These ‘bottom up factors’ are considered at section 7.8 below.

The PMA employment forecast trend CAGRs used to inform the synthesis employment land demand forecast are +1.0% for office and -1.5% for industrial uses.

7.7

Top Down Synthesis Forecast

Our synthesis forecast approach takes trends in historic floorspace provision as a basis for forecasting future employment land demand. The historic floorspace trends are projected by a linear function and adjusted for regional economic changes by incorporating an adjustment factor. The adjustment factor is the ratio of forecast employment to historic employment.

The adjustment factor is then applied to historic change in floorspace to determine the floorspace forecast. The results are shown in Table 7.4. The table shows the historic trend based on past floorspace changes, historic and forecasted annual employment changes for B use classes, the adjustment term and the adjusted average annual floorspace demand for the period 2014 to 2029. This CAGR for historic floorspace and employment and forecast employment are taken from preceding tables.

Table 7.4 Synthesis Forecast for Employment Floorspace

<i>Business type</i>	<i>Floorspace CAGR</i>	<i>Employment CAGR</i>		<i>Adjusted average annual floorspace demand</i>
	<i>2000-2013</i>	<i>2000-2013</i>	<i>2014 - 2029</i>	
<i>Office (PMA)</i>	0.8%	0.6%	1.0%	1.4%
<i>Industrial (PMA)</i>	-0.7%	-1.6%	-1.5%	-0.7%

Source: AECOM calculations 2015. Figures may not sum due to rounding

Table 7.4 above shows the synthesised demand trend for offices and industrial uses between 2013 and 2029. The projected office trend is 1.4% per annum and the industrial trend is -0.7% per annum. These annual growth rate estimates are derived from a ‘top down’ assessment of demand. The next step in the process is to perform a ‘bottom up’ assessment of likely demand and then to consider whether the ‘top down’ estimates could be revised upwards or downwards to reflect a more localised understanding of likely future demand.

7.8 Bottom-up Adjustment of Synthesis Demand

The bottom up demand assessment is derived from market intelligence gained through the literature review, local research and consultation with local property market agents and key stakeholders. Factors considered include the following:

- The impact of any major new developments and infrastructure plans;
- Property market trends within the PMA; and
- Impact of the recession.

We summarise below the comparative advantages or disadvantages of LB Brent in relation to the wider PMA, to illustrate the degree to which Brent could compete for economic growth and the inward investment arising across the PMA.

7.8.1 Impact of Major Projects

High Speed 2 (HS2) and Crossrail Interchange Old Oak Common

Old Oak Common, on the border of LB Hammersmith and Fulham and LB Brent is the proposed location of a major new transport interchange focused on Crossrail and HS2. Although the HS2 project has not yet been confirmed, it is assumed in this study that it is likely to go ahead. Following the precautionary approach it would seem appropriate to assume HS2 will go ahead in the demand forecast. This is because if a more negative future growth scenario is followed to allocate employment land then there would potentially not be enough employment land to meet demand if HS2 occurred²³.

Crossrail will improve accessibility between West London and central London and across the Thames Valley area. Local property agents consulted generally felt that improvements to transport infrastructure in London especially affecting West London such as Crossrail and HS2, would help boost demand for employment land in LB Brent.

Wembley AAP

The major redevelopment and regeneration plans for Wembley as outlined in the Wembley AAP should have a significant effect on demand for employment land in the borough in the period to 2029. According to the Wembley AAP the proposed improvements could have the following implications:

- 10,000 new jobs across a range of sectors including retail, leisure, office and other businesses;
- Increased supply of modern subsidised workplace developments for the arts and creative industries;
- Ensure sufficient sites and premises are available for commercial activity and that industrial/warehousing floorspace is renewed.

According to the consultation with property agents the regeneration of Wembley should have some positive effect on the local employment land market. It should be noted that some agents were less positive about the prospects of employment growth resulting from the Wembley AAP. However, on balance our professional judgement is that it should have a positive effect and given that the regeneration of Wembley is not built into any of the 'top down' assumptions described above it is appropriate to increase the demand forecast for both office and industrial land accordingly.

Park Royal City Draft Opportunity Area Planning Framework (OAPF)

The vision for Old Oak Common as outlined in the Park Royal City Draft OAPF is for significant amounts of new employment development linked to the proposed new transport interchange (described above). The outline plans suggest up to 150 hectares of existing railway land could be activated for residential, transport and employment uses providing up to 100,000 new jobs by 2032. Although it is difficult at this stage to quantify likely future demand due to uncertainties and because the plans are only in the initial scoping stage, it would seem appropriate to build in an assumption of some additional positive demand for employment uses in LB Brent in the period to 2029.

²³ If HS2 is cancelled the lower growth scenario shown at 7.10 below should be used to guide planning policy.

7.8.2 Property Market Trends within the PMA

Demand for Out of Town Office

Consultation with property market agents suggests that relative to the PMA, LB Brent is currently less attractive for potential office occupiers. This is because most future office demand is likely to be for 'out of town' centre business park type developments. Within the PMA, locations such as Chiswick Park and Great West Road in Hounslow and Stockley Park in Hillingdon are more likely to fulfil this need. The types of firms looking for office accommodation in the future are likely to be mainly multinational occupiers who generally look for larger office HQ's close to Central London but also close to Heathrow and desirable suburban areas. This view corresponds to the findings of the London Office Policy Review 2012 as described further in section 3, which also states that Park Royal and Wembley are the most viable office locations within LB Brent. It is also reflected in the top down data and trends described above. For example, the historic and future trends in employment floorspace take-up and employment numbers in LB Brent are generally lower than the overall PMA.

Although LB Brent's future demand is estimated based on wider PMA trends as this is the most logical unit of measurement for market demand, it is reasonable in these circumstances to revise slightly downwards demand for office in LB Brent. This is counterbalanced by the independent expected 'step change' in demand for offices linked to regeneration initiatives in Wembley and Park Royal. In this regard the relatively negative view of some property agent consultees regarding office demand is based on the assumption that these regeneration initiatives will not happen i.e. the current situation as opposed to possible future scenario will continue. Also, it should be noted that this view does not affect demand for industrial land in LB Brent which was deemed to be relatively consistent with the projected trends in the wider PMA.

7.9 Bottom up Demand Factor Summary

Table 7.5 presents the combined effects of the bottom up local factors on the demand forecasts described above. This is presented in the form of either a positive impact on demand (↑), a negative impact on forecasts (↓) or no overall impact (↔). Each factor is given a weighting of +/-10% of the CAGR, depending on the direction of the arrow. This weighting is based on professional judgment. The result of this exercise produces an adjusted forecast.

Table 7.5 Summary of ‘Bottom up’ Factors and Impact on Synthesis Forecast

	<i>Office</i>	<i>Industrial</i>
<i>Top down CAGR Forecast</i>	+1.4%	-0.7%
<i>Transport /accessibility improvements (HS2, Crossrail)</i>	↑	↑
<i>Wembley and Park Royal Regeneration</i>	↑	↑
<i>PMA internal trends</i>	↓	↔
<i>Adjustment %</i>	+10%	+20%
<i>Adjusted CAGR Forecast (‘top down’ + ‘bottom up’)</i>	+1.5%	-0.6%

Source: AECOM (2015)

7.10 Sensitivity Analysis

To account for potential variations in our synthesis of projections based on employment, floorspace and local factors we introduce high and low growth scenarios to our demand projections +/-10% either side of our best estimates (medium growth scenario).

Our low to high growth scenarios also provide some flexibility to any potential changes in demand (up or down) arising from, for example, variations in plot ratios; variations in the impact of Crossrail and HS2 or the realisation of regeneration plans at Wembley, Alperton and Park Royal. The impact of some or a combination of these development proposals could provide changes in demand in either direction and it is therefore recommended that the council monitor employment land demand and supply to account for this. We provide a specific recommendation to the monitoring of employment land in Section 8.

The three growth scenarios, including the impact of local factors, are presented in **Table 7.6**.

Table 7.6 Growth Projections with Local Factors and Sensitivity

	<i>Adjusted CAGR</i>	
	<i>Office</i>	<i>Industrial</i>
<i>Low Growth Scenario</i>	1.4%	-0.6%
<i>Medium Growth Scenario</i>	1.5%	-0.6%
<i>High Growth Scenario</i>	1.7%	-0.5%

Source: AECOM (2015)

7.11 Industrial and Office Forecast

The net growth in demand for office and industrial floorspace over the planning period, 2012 to 2029 is set out in **Table 7.7**. The table shows that the net requirement for additional employment floorspace in LB Brent by 2029 is estimated to be between 72,200m² and 90,500m² for office space, and -114,200m² to -138,300m² for industrial. Given the stage of the current economic cycle it is likely that short-term growth will be at a lower rate than the long-term average.

Table 7.7 2029 Office and Industrial Floorspace Forecast ('000 m²)

	Additional Floorspace Requirements at 2029		
	Net Low Scenario.	Net Med Scenario.	Net High Scenario.
<i>Office</i>	72.2	81.2	90.5
<i>Industrial</i>	-138.3	-126.3	-114.2
<i>Total</i>	-66.1	-45.1	-23.7

Source: VOA; AECOM 2015

7.12 Development Pipeline

Analysis of LB Brent employment planning application data (for financial years 2010 to 2015) shows there is a negative net development pipeline for both offices and industrial uses. This generally relates to planning permissions not started and is assumed to relate to the falling demand for employment space due to the recent economic downturn. Most of these applications are for change of use from employment to residential or other mixed use. The headline development pipeline figures are as follows²⁴:

- Offices (B1a) - Circa 1,500 m²
- Industrial (B1b,c, B2 and B8) – Circa 15,000m²

The office pipeline can be left as floorspace as it is not always clear what plot ratios should be used due to offices either being high density town centre offices with multiple levels or lower density 'out of town' business park office developments. The industrial floorspace figure can be converted to land by using the plot ratio 0.45²⁵. This results in approximately -3.3 ha of

²⁴ Some of the pipeline figures did not differentiate land uses e.g. the figure sq m provided related to B1, B2 and B8 uses. In these cases the figure was divided equally by land use i.e. 1/3 for each landuse.

²⁵ NPPG (2014)

industrial land that has permission to be released from industrial use. Office and Industrial development pipeline will be factored into the policy recommendations as described in Section 8.

7.13 Other Users of Industrial or Office Land

7.13.1 Waste Management and Recycling

Based on the borough waste apportionment outputs in the London Plan and making allowance for re-use of surplus waste transfer capacity, the SPG on Land for Industry and Transport estimates the likely future land requirement for new waste facilities in each borough 2011-2031²⁶. Land requirement depends on a number of factors including, the number, type, scale and location of waste treatment and recycling facilities selected to manage the apportionment in collaboration with neighbouring boroughs where appropriate.

The draft SPG states that the net additional indicative land requirement for LB Brent to 2031 is +5.8ha. Although this is a high level estimate the annual average (2011 to 2031) is 0.3 ha per annum. Over the ELDS period (2015 to 2029) this would equate to 4.8 ha. It is known that two existing industrial sites have been earmarked for development as waste and recycling site in LB Brent at Twyford and Abbey Road. However, following a conservative approach the 4.8ha figure is factored into the demand estimate.

7.13.2 Utilities, & Land for Public Transport

The GLA London's Industrial Land Baseline (2015) measured 56.6 hectares of land for utilities and public transport. Our observations did not identify any new land allocated for utilities or public transport since the 2010 study.

7.14 The Forecast for Industrial Land to 2029

The NPPG (2014), states that where possible employment floorspace should be converted to employment land using plot ratios²⁷. Office development can vary considerably (from three to ten plus storeys) so therefore it is not suitable to convert the demand projections from floorspace into office land requirements. By comparison development density (plot ratio and storeys) tends to be static for industry and warehousing premises, and a plot ratio of 1:0.45 (land to premises, over one storey) can be applied. This ratio means that over one hectare of land one can typically expect the footprint of an industrial or warehouse building to take up 0.45 hectares. Using this ratio we calculate that the additional demand for industrial floorspace, set out in **Table 7.7** against low, medium and high growth scenarios.

The demand forecasts set out in **Table 7.8** take into account the demand for waste and recycling land and the need to retain an appropriate level of vacant or derelict land while sites are prepared for new occupiers (termed frictional vacancy²⁸).

²⁶ GLA, Land for Transport and Industry SPG (2012) Annex 2

²⁷ Page 47 of the Guidance

²⁸ See paragraph 3.7 of the Land for Industry and Transport Draft SPG (Mayor of London; February 2012) for a fuller explanation of frictional vacancy

Table 7.8 Industrial Employment Land Demand, 2015-2029

<i>Additional elements of demand for industrial land</i>	<i>Low</i>	<i>Medium</i>	<i>High</i>
		(hectares)	
A. Supply of industrial land occupied by B-use class, including land for utilities, bus and rail depots, and waste management 2015 ²⁹		417.7	
B. Current vacant industrial land 2015		8.1	
C. Total industrial land 2015 (A+B)		425.8	
D. Land demand to 2029 (at 45% plot ratio)	-30.7	-28.1	-25.4
E. Additional demand for waste recycling to 2029		4.8	
F. Normal levels of vacant land for 'friction' in 2029 at 5% ² (5% of A+D+E)	19.6	19.7	19.9
G. Excess vacant land (includes optimal levels of frictional land (F) minus existing vacant land (B))	11.5	11.6	11.8
H. Gross demand for industrial land 2015-2029 (C+D+E+G)	411.4	414.2	417.0
I. Net demand for industrial employment land 2015-31 (H-C)	-14.4	-11.6	-8.8
J. Net change per annum (ha)	-1.0	-0.83	-0.6

Source: AECOM; GLA London's Industrial Land Baseline interim findings (2015); Land for Transport SPG (2012)

Figures may not sum due to rounding

The implications of this analysis is that there is a surplus of employment land in the region of between 14.4ha and 8.8ha, depending on the demand scenario. The median scenario is for 11.6 hectares between 2015 and 2029 or -0.83p.a. This is deemed the most likely to occur and so forms the basis of the policy recommendations outlined at section 8.

7.15 The Forecast for Office Floorspace to 2029

Table 7.9 shows up to 2029 there is additional (net) demand for between approximately 32,600m² and 52,350m² of office floorspace in LB Brent.

Because of the mix of densities of office developed in Brent, and the fact that many offices are coming forward as part of mixed use development, it is not meaningful to translate floorspace (square metres) into land requirements (hectares). The stock for offices, is therefore represented in terms of floorspace (per square metre) in **Table 7.9** below. This takes account of existing vacancy rates (assumed to be approximately 67,500 as per the consultation exercise described in Section 6) and frictional vacancy rates (5%).

²⁹ Based on the supply side analysis undertaken in quarter 1 2015 and the supplementary up to date analysis of land uses provided from findings on the GLA Industrial Land Baseline Study June 2015. The same data sources are used for vacant industrial land.

Table 7.9 Office Floorspace Demand 2015-2029

	<i>Low</i>	<i>Medium</i>	<i>High</i>
Demand for office floorspace		(m ²)	
A. Actual occupied B1 Floorspace		209,500	
B. Current Estimated Vacant Floorspace*		67,500	
C. Total B1 Floorspace (A+B)		277,000	
D. Net Demand for B1 floorspace to 2031	72,174	81,204	90,455
E. Optimum frictional vacancy in 2031 (8% of C + D)	27,934	28,656	29,396
F. Oversupply of vacant floorspace (E – B)	-39,566	-38,844	-38,104
G. Gross demand for B1 floorspace 2015-2029 (C+D+F)	309,608	319,361	329,351
H. Revised Net demand for B1 floorspace 2015-2029 (G – C)	32,608	42,361	52,351

Source: AECOM (2015)

Figures may not sum due to rounding

7.16 Summary of Employment Land Forecast

The demand forecasting exercise in this chapter has considered ‘top down’ macro economic factors such as historic trends in floorspace and employment and GLA employment forecasts across the Park Royal/A40 PMA for industrial and offices uses. It has contrasted these ‘top down’ trends against ‘bottom up’ market intelligence on likely future demand based on the findings of the property market consultation exercise. Finally it has factored in land for waste and other uses, current vacancy levels and the need to retain a buffer of vacant land (frictional vacancy) so that the market can operate effectively. A sensitivity test has been performed. The conclusion of the most likely scenario to occur, the medium scenario, is that there is a surplus of approximately 11.6ha of industrial land that could potentially be released to other uses between 2015 and 2029. However, demand for offices is expected to be positive with the need for approximately 42,360 m² under the same scenario and time frame.

8 CONCLUSIONS AND RECOMMENDATIONS

8.1 Introduction

This section sets out conclusions and recommendations for the ELDS building upon findings from previous sections of the report.

8.2 Conclusions

Industrial

There is a total of approximately 418 ha of land currently in active industrial use in LB Brent (see Table 7.8). Our demand forecast shows that there is projected to be a decrease in demand for industrial land of between 14.4ha and 8.8ha in the period 2015 to 2029. This is due largely to a forecast decrease in industrial employment as projected by the GLA and a corresponding continuation of a historic declining trend in industrial floorspace take-up as shown in section 7.

It is difficult in the LB Brent context to differentiate between industrial/manufacturing land uses (B2 and B1c) and logistics/warehousing (B8) as these uses are generally mixed and to a certain extent interchangeable on industrial estates in the borough. According to the consultation with local commercial property agents there is likely to be relatively more demand for B8 land uses than B2 uses. However, overall it is projected that over the planning period there will be decreasing demand for industrial uses as a whole. This is broadly due to the long term trend of relative de-industrialisation in the UK economy.

Corresponding to this conclusion the GLA Land for Industry and Transport SPG (2012) suggests that demand for industrial land in Brent is likely to be negative in the period to 2031 (at -26 ha or -1.3ha per annum³⁰). The GLA Land for Industry and Transport SPG and London Plan puts LB Brent in the 'Limited' category of transfer of industrial land to other uses. This means that the Council should seek to release industrial land where there is proven to be a surplus of supply to meet forecast demand as per London Plan Policy 4.4.

To derive the net industrial land demand we also take into account the supply-side position. In the London context there is a relatively short supply of vacant industrial land in LB Brent. As observed in the field survey and supply assessment (chapter 5) there is only approximately 8.1ha of developable vacant land (see Table 7.8). After taking account of this vacant and developable industrial land, the need to retain an appropriate 'buffer' or vacant land to allow the market to function effectively (frictional vacancy) and demand for additional land required for waste and recycling facilities (+4.8ha, as explained in Section 7.12), it is estimated that net demand over the planning period will be between -14.4a and -8.8ha of industrial land; that is industrial land that can be released for other uses. The medium scenario is approximately -11.6 ha or -0.83ha p.a. As described at 7.12 above there is approximately 3.0ha of industrial land with permission to change to non-employment use. This is factored into the policy recommendations in section 8.3.

There are currently three levels of designation for industrial land in LB Brent. These are; Strategic Industrial Land (SIL) as outlined by the London Plan Policy 2.17, Locally Significant Industrial Sites (LSIS) both of which are also identified in policy CP20 of the LB Brent Core Strategy (2010), and all other industrial employment land is termed Local Employment Areas (LEA). Policy relating to development within LEAs is saved in the UDP 2004 (policy EMP9). The approximate relative split of these industrial land use designations in the borough are; SIL (75%), LSIS (14%) and LEA (11%).

On the supply side the field survey assessed that generally LB Brent has a good and fit for purpose industrial land supply. There are many strongly performing areas in the borough, in

³⁰ GLA , Land for Industry and Transport SPG (2012) p117

particular the four SILs. The four SILs are; Park Royal (C1.1 to C1.5), Wembley (C2.1 to C2.5), East Lane (C3) and Staples Corner (C4.1 to 4.2). Based on the findings of the field survey, as described at Chapter 4, these SILs which make up around 75% of industrial land were overall judged to have key strategic characteristics supportive of employment land activities, such as good/ very good access to the strategic road network and are in adequate condition, very good/ good or average condition. The only exception is Northfield Industrial Estate (Cluster C1.4) which has a variety of characteristics that make it unsuitable for industrial use. These include overall poor quality of cluster (see Table 5.5), adverse impacts on neighbouring residential uses (see Table 5.7), poor servicing (Table 5.8) and inadequate parking (Table 5.9). In addition to the SILs the majority of LSISs were judged to have similar positive industrial land characteristics.

Offices

There is approximately 277,000m² of gross office (B1a) floorspace in LB Brent with the majority located in Wembley (C28). The remaining in the major centres of Kilburn (C29), local town centre Queens Park (C30) and two district town centres of Kingsbury (C31) and Harlesden (C32).

There is also approximately 74,000 m²³¹ of office³² in predominantly industrial clusters (designated as SIL, LSIS and LEA). This type of office is typically older stock and includes standalone purpose built office buildings often linked to industrial firms, for example the sales office for an imported manufactured product that requires proximity to warehousing and maintenance facilities within industrial estates. It generally does not include higher quality, more recently built business park type office accommodation. The six largest office elements within industrial clusters are Staples Corner (C4.2), East Lane (C3), Alperton North (C5), Park Royal (C1.1 and C1.5), Alperton South (C6), Church End (C9b) and Honeypot Lane (C12).

Our forecasting exercise estimated that there is additional demand for between approximately 32,600 m² and 52,350 m² of office floorspace throughout the borough up to 2029 (see **Table 7.9**). Future office floorspace growth in Brent is attributed to the borough capturing some of the long term sub-regional demand for office space, as described in the GLA employment forecast. If it happens it is likely to be as a result of the regeneration initiative in Wembley.

There is also likely to be some demand for office in the Park Royal area if the Vision for Old Oak Common is realised. The property market analysis indicates that the LB Brent office market typically caters for a range of office occupiers ranging from larger sometimes multi-national companies who locate in or close to Park Royal because their business is related to manufacturing, logistics or importation and distribution of goods. There are also local office occupiers located in town centres and particularly Wembley although these are relatively small in number and have declined significantly in the recent recession. According to the consultation exercise this is partly due to competition from internet shopping.

The other main office occupiers are public sector and community groups. The LB Brent relocation of Brent Civic Centre has freed up office space in the centre although it is not clear at this stage what use these buildings will go to. There have been numerous conversions and planning permissions granted for hotels in historic office buildings.

The development pipeline for office in LB Brent appears to be negative with approximately 1,500 m² net existing office floorspace given permission to change use³³.

³¹ Estimated from the survey to be approximately 82,000 m which using a plot ratio of 0.9 equals approximately 74,000 m² of floorspace.

³² Office is considered B1a in this study. B1b and B1c within industrial clusters was considered industry as it shares characteristics with industrial land use. There was only around 2 hectares of light industry (B1c) in LB Brent according to the survey.

³³ The majority of the office floorspace with permission for change of use is currently vacant so it is not factored directly into the policy recommendations in terms of spatial recommendations.

8.3 Proposed Policy Direction

The below employment land use strategy recommendations come in the format of a recommendation and then supporting justification and rationale. These recommendations build upon our conclusions presented above. Any quantitative recommendations are based on the medium demand scenario as described in section 7 above. A summary of the recommendations are set out in **Table 8.1**.

Please note that this is one of a number of evidence base documents the Council will be considering that will feed into and inform its Local Plan evidence base. These recommendations are AECOM's independent recommendations and the Council will subsequently consider these before drafting its own Local Plan policies.

The recommendations are presented around the following themes:

- Recommended designation or release of Industrial (B2/B8) employment land
- Recommended designation of Office (B1a) employment land
- Policy recommendations for affordable start up space and work/live units
- Monitoring the development of Employment Land

8.4 Recommended Designation of Industrial Land (B2/B8)

R1: To help ensure there is sufficient capacity to meet projected demand for industrial land in LB Brent to 2029 the following existing designated employment land should continue to be protected:

- a) All existing Strategic Industrial Land (SIL) land apart from the following (see Recommendation 3 below):
 - Circa 5.81 hectares at Northfield Industrial Estate (Cluster C1.4)
- b) All existing Locally Significant Industrial Sites (LSIS)

Justification

Over the Local Plan period to 2029 there is projected to be gross demand for approximately 414 ha of Industrial employment land in LB Brent (see **Table 7.8**). There is currently approximately 426 hectares of industrial employment land. In line with the principles of the NPPF this demand should be accommodated at the most appropriate locations for these uses within the borough. The vast majority of existing SIL sites remain the most suitable location for accommodating this industrial and warehousing demand. This corresponds to the principles set out in London Plan Policy 2.17.

There is approximately 300 hectares of SIL in LB Brent covering around 75% of the borough's total industrial land portfolio. Much of this is at Park Royal with the remaining at Wembley, Staples Corner and East Lane. Assessments made during the field survey of the SIL clusters against the criteria discussed at Section 5 suggest that the vast majority of this industrial employment land is appropriate and adequate for industrial use. Positive industrial land characteristics include access to strategic roads, adequate parking, servicing, generally good quality buildings and lack of bad neighbourhood uses. On this basis we recommend continued designation of existing SIL sites apart from the following 5.81 ha of land at the Northfield Industrial Estate (Cluster C1.4) within Park Royal SIL. See recommendation 2 below for further information on the suggested redrawing of the SIL boundaries at Cluster C1.4.

Similarly the eight LSIS in LB Brent covering around 14% of industrial land in the borough at Alperton (C5 to C7), Brentfield Road (C8), Church End (C9), Colindale (C14), Cricklewood (C11), Honeypot Lane (C12 and C13), Kingsbury (C15) and Neasden Lane (C10) share

similar suitable industrial land characteristics to the SILs described above. The LSIS are spread relatively evenly over the borough providing good local employment opportunities. Given that there are issues of relative deprivation and unemployment in LB Brent as discussed in Section 4 it is therefore appropriate to retain all LSIS to help meet the overall demand for industrial employment uses over the planning period.

R2: To help retain an appropriate balance of supply and demand of industrial land over the planning period, the Council could consider a more flexible approach to changes of use away from industrial uses at the following cluster that total approximately 5.81 hectares:

- 5.81 hectares (ha) at Northfield Industrial Estate (Cluster C1.4)

Justification

According to the results of the demand forecasting exercise (Chapter 7) there is net demand of between -14.4 and -8.8 ha over the planning period. This means that, in line with the NPPF, London Plan and GLA Land of Industry and Transport SPG an equivalent amount of existing industrial land could be released to other uses over the local plan period. Based on the criteria assessed in the field survey the following cluster is considered appropriate for release to other uses to help achieve an effective balance of supply and demand of industrial land in the borough.

This existing industrial cluster could be redeveloped for residential led mixed use. This will help the borough to achieve its housing targets and may contribute to the strategic objectives of the Council to deliver fifty percent affordable housing. It is likely that the cluster could also be redeveloped to provide a re-provision of employment uses. The locations and quantum of this re-provided employment uses will be determined through the planning process. Although at this stage the quantum of re-provided employment uses on these clusters is not known it can be assumed that the total quantum of industrial land release identified in this recommendations is an overestimate and therefore effectively the worst case scenario.

Northfield Industrial Estate (C1.4) is designated SIL but has been identified for release to enable the regeneration of Alperton building on objectives within the Alperton Masterplan. The findings of the field survey and property agent consultation were that the site generated bad neighbourhood uses to neighbouring residential areas. It also has high levels of vacancy (approximately 25% as observed during the survey). Bad neighbourhood impacts include HGV traffic, noise and congestion. The cluster had relatively poor quality buildings and environment and so was deemed not fit for its current purpose. Release of the site would enable greater regeneration benefits for the surrounding area and if residential uses replaced existing industrial uses then this would help to achieve the boroughs housing targets. The release of the site, north of the canal, ensures that the adjacent residential uses on Beresford Avenue are no longer detrimentally affected by the significant HGV traffic and noise and dust associated with uses currently fronting onto this main road. Any future employment development on the existing Northfields Industrial estate (site area proposed for release) will need to be carefully designed in order to maintain the integrity of the remaining SIL land at Cluster 1.4.

The re-provided industrial employment uses could be at the eastern end of the site closest to the trunk road network and could form approximately twenty percent of the site area to allow a sufficient scale of development to make it a viable and attractive commercial investment proposition. The industrial estate to the south west of the cluster (Cluster C1.5) alongside the canal could be designated Industrial Business Park (ICP) so that it creates an appropriate buffer to the residential uses in the future when Northfields industrial estate is redeveloped. The area of the site to the south of the canal and adjacent to the north circular road would be inappropriate to be released to residential uses due to noise impacts of the road and so should be retained as employment use.

Figure 8.1 Potential area of SIL de-designation at the Northfield Industrial Estate³⁴



Source – LB Brent 2015

³⁴ The red line area totals approximately 7.26 ha but the recommendation is for re-provision of employment uses on around 20% of the site area.

R3: To help ensure there is sufficient capacity to meet projected demand for industrial land to 2029 existing LEAs should continue to be protected for industrial employment use unless they are evidenced to meet all of the criteria below.

- There is no evidence of current or future market demand for the site as evidenced through a period of at least 24 months of active marketing for industrial employment uses at realistic market rates
- poor access from the strategic road network i.e. they can be accessed only via local roads
- a lack of on-site servicing such as loading/unloading bays and/or inadequate parking provision
- The overall total quantum of industrial employment land release within the borough for the plan period (as identified within this study) has not been exceeded.

As noted in the final bullet point, the loss of employment land through change of use in LEAs should not lower the overall industrial capacity of the borough below that estimated by this study to be necessary to meet anticipated need over the planning period.

Justification

There is a proportion of industrial employment land in Brent that is not SIL and LSIS that was surveyed (C16 to C27). This land is designated as LEA, it largely fulfils local needs and provides local employment. LEAs are protected by saved UDP 2004 policy EMP9.

The LEAs were generally judged in the field survey and property market assessment to have characteristics that make them suitable for continued industrial use. These characteristics include; good access to the communications network (A40 and M1), access to markets (mainly Central London and Thames Valley), good quality industrial buildings, adequate servicing and parking and absence of negative environmental impacts on neighbouring incompatible land uses such as residential. The LEAs in Brent for the most part form an important part of the industrial land portfolio that is required to meet the gross continuing demand for industrial employment uses in the borough.

However the demand forecasting exercise (Chapter 7) estimated that to retain an appropriate balance between supply and demand in the borough over the planning period there would be a need to release approximately 14.4 ha and 8.8 ha of existing industrial land by 2029 under the low to high growth scenario range.

A specific site within C 1.4 was identified in Recommendation 2 above as suitable to meet a significant proportion of this release figure. Although, the location and quantum of this re-provided employment use is not known at this stage a reasonable assumption could be that around 20% of the released industrial land will include re-provided employment uses. The remaining targeted release figure could be released from existing LEAs according to the criteria suggested above. This would represent up to 8.6 hectares of existing industrial land.

There is also 3.3 ha of industrial land in the development pipeline that has permission to change out of employment use that could contribute to this release figure.

The monitoring and managed release of industrial land corresponds to the principles of the NPPF. Paragraph 21 of the NPPF outlines the requirement for local planning authorities in their Local Plan to; *'meet the anticipated needs of businesses over the planning period'*. 'Anticipated needs' can be assumed to be the range of demand scenarios as described in the demand forecasting exercise of this study. If too much land is released the Council might be unable to meet these anticipated needs. The NPPF also states that *'planning policies should be flexible enough to accommodate needs not anticipated in the plan and to allow a rapid response to changes in economic circumstances'*. This provides justification for monitoring the

release of industrial land and ensuring that not too much is released during the planning period. This is because the lack of developable land in London and the high price differential between industrial land and residential land means it is likely that '*once industrial land has gone, it has gone forever*'. To ensure that employment land is not protected unnecessarily as required by paragraph 22 of the NPPF, the demand forecasting exercise should be updated regularly. This could be performed every three to five years.

To demonstrate a lack of market demand the applicant should submit evidence that the site is vacant and a thorough marketing exercise at realistic prices for the area has been sustained over a 24 month period. Marketing must be through a commercial agent at a price that genuinely reflects the market value in relation to use, condition, quality and location of floorspace. It must be demonstrated that consideration has been given to alternative layouts and business uses, including smaller premises with short term flexible leases appropriate for SMEs.

8.5 Recommended Designation of Office Land (B1)

The following policy recommendations relate to the office demand forecasting exercise as described at section 7.15 and apply to demand for office floorspace across the borough.

R4: There is a net additional demand for approximately 32,600 m² to 52,350 m² of B1a floorspace in LB Brent up to 2029. This takes into account current vacancy levels, the need to retain some frictional vacancy and the expectation of take-up of permitted development rights allowing conversion of office to residential. Although specific sites have not been identified the majority of this additional demand is likely to be met in the Wembley AAP area to help boost regeneration efforts there. This corresponds to the principles of ensuring the vitality of town centres through the allocation of office space to meet projected need as set out in paragraph 23 of the NPPF.

Justification

The demand forecasting exercise estimated that there was demand for additional office development over the planning period. This positive outlook was largely related to a positive demand trend in the wider PMA. The justification for applying the positive demand trend to LB Brent, despite the currently less positive outlook for office floorspace demand in the borough itself, is the expectation that in the medium to long term LB Brent could capture some of the positive sub-regional demand due to the major regeneration initiatives in Wembley and in the long term due to the redevelopment plans at Old Oak Common/Park Royal City. Market agents and literature such as the LOPR are generally less positive about office demand in LB Brent. However these views primarily focus on the short term demand trend.

The total demand for office in LB Brent was estimated to be approximately 80,000 m² although this was revised down to take account for the relatively large amount of vacant office floorspace in the borough. Vacant office floorspace is approximately 67,500 or 25% of total floorspace. The consultation with agents, stakeholders and literature research suggested that much of this 'excess' vacant floorspace' could be converted to residential uses under the changes to the permitted development rights order (see 6.6.2 above). However consultees and research did not suggest that existing occupied offices would switch thereby lowering the overall office capacity of the borough.

According to the consultation exercise the positive future office demand is likely to be for higher quality new office developments in Wembley. This demand is linked to the regeneration efforts and builds on the presence and desire to be close to Wembley Stadium and the Brent Civic Centre. There is also likely to be demand for small affordable start up space as discussed at recommendation 7 below.

8.6 R5: To avoid the long term protection of employment sites where there is no reasonable prospect of the site being used for employment purposes, as outlined at paragraph 22 of the NPPF, poor quality office stock could be released if it is proven that there is a lack of market demand as evidenced through a period of at least 24 months of active marketing for employment uses at realistic market rates

Justification

The field survey and consultation with market agents and stakeholders revealed that there is a relatively significant stock of older office buildings in the LB Brent. This stock is often in need of renovation and is not necessarily meeting the current needs of potential office occupiers. Many current office occupiers seek more flexible, modern office space and many of the offices in the borough were developed in the 1970's to early 1990's when the needs of office occupiers were different. The NPPF at paragraph 22 outlines the need to avoid protecting employment land, including offices, where the likelihood of it being renovated and then taken up is low.

The Council could adopt a flexible approach to change of use at this office sites when the applicant demonstrates a lack of market demand. The criteria to demonstrate a lack of market demand could include evidence that the site is vacant and a thorough marketing exercise at realistic prices for the area has been sustained over a 24 month period. Marketing must be through a commercial agent at a price that genuinely reflects the market value in relation to use, condition, quality and location of floorspace. It must be demonstrated that consideration has been given to alternative layouts and business uses, including smaller premises with short term flexible leases appropriate for SMEs.

R6: The Council should adopt a more cautious approach to permitting work/live units within employment areas in the borough. This is because research suggests that in LB Brent context work/live units are more likely to be used as a 'backdoor' to obtain residential planning permissions and this could lead to the long term erosion of employment areas.

Justification

The NPPF indicates that when drawing up their local plans, councils should *'facilitate flexible working practices, such as the integration of residential and commercial uses within the same unit'*³⁵. LB Brent planning policy addresses this requirement by permitting work/live units as long as 70% is used for employment uses and only the remaining 30% of floorspace used for residential purposes.

In some parts of London work/live has been successfully implemented for use by creative industries and IT related business. Good examples are in Hackney at Fish Island. However, the research and consultation with agents and stakeholders suggests that in the LB Brent context there is not likely to be high demand for this type of use. It is more likely to be used as a means to provide residential planning permission in areas where industrial land values are low and permission would not normally be granted. Also, the effect of the 70/30 split generally deters occupiers who do not genuinely intend to use the site as a principal working location. This has the effect that potential sites are not taken up.

Another issue is one of effective enforcement. It is difficult and onerous to check that the employment element of a development is only being used for employment. If work/live policy is relaxed and then used as a means of obtaining residential in areas normally reserved for employment uses then this could lead to the long term erosion of employment uses at the site. It is therefore recommended that a cautious approach to live/work policy is followed and only genuine opportunities encouraged and enabled.

8.7 Monitoring of Employment Land

R7: The Council should monitor changes of employment land through planning permissions to ensure that sufficient land is available for economic growth over the planned period, 2015 to 2029.

Justification

It is important that appropriate and sufficient monitoring mechanisms are embedded within the plan making process in order to record the change in employment land available for economic growth.

Government guidance on undertaking and implementing employment land reviews through the planning system includes minimum recommended employment monitoring within the LDF and regular updates to ELDS's. The NPPG (2014) recommends the monitoring of employment land supply and local demand information including:

- Employment land and premises database (including the recording of B1a, B1b, B1c, B2, B8 and sui generis land)

³⁵ NPPF paragraph 21

- Employment permissions granted by use classes order
- Employment permissions developed out by use classes order
- Permissions and development of sites and premises previously in employment use for non-employment uses
- Employment land and premises available and recent transactions
- Employment premises enquiries; and
- Employment requirements and aspirations (from periodic surveys or consultation).

8.8 Summary of Report Recommendations per Cluster

Table 8.1 provides a summary of report recommendations per cluster. Indicatively, the table also shows the total quantum of industrial employment land release, based on our calculations of existing site uses, and additional office floorspace recommended to meet future forecast demand. Total land release is in line with the outcome of the employment land forecasting exercise.

As part of its annual monitoring reporting (AMR) process, the Council should carefully and regularly monitor and manage information on employment land release for industrial employment land uses as well as the total quantum of office floorspace completions within the office market.

Table 8.1 Summary of Report Recommendations per Cluster

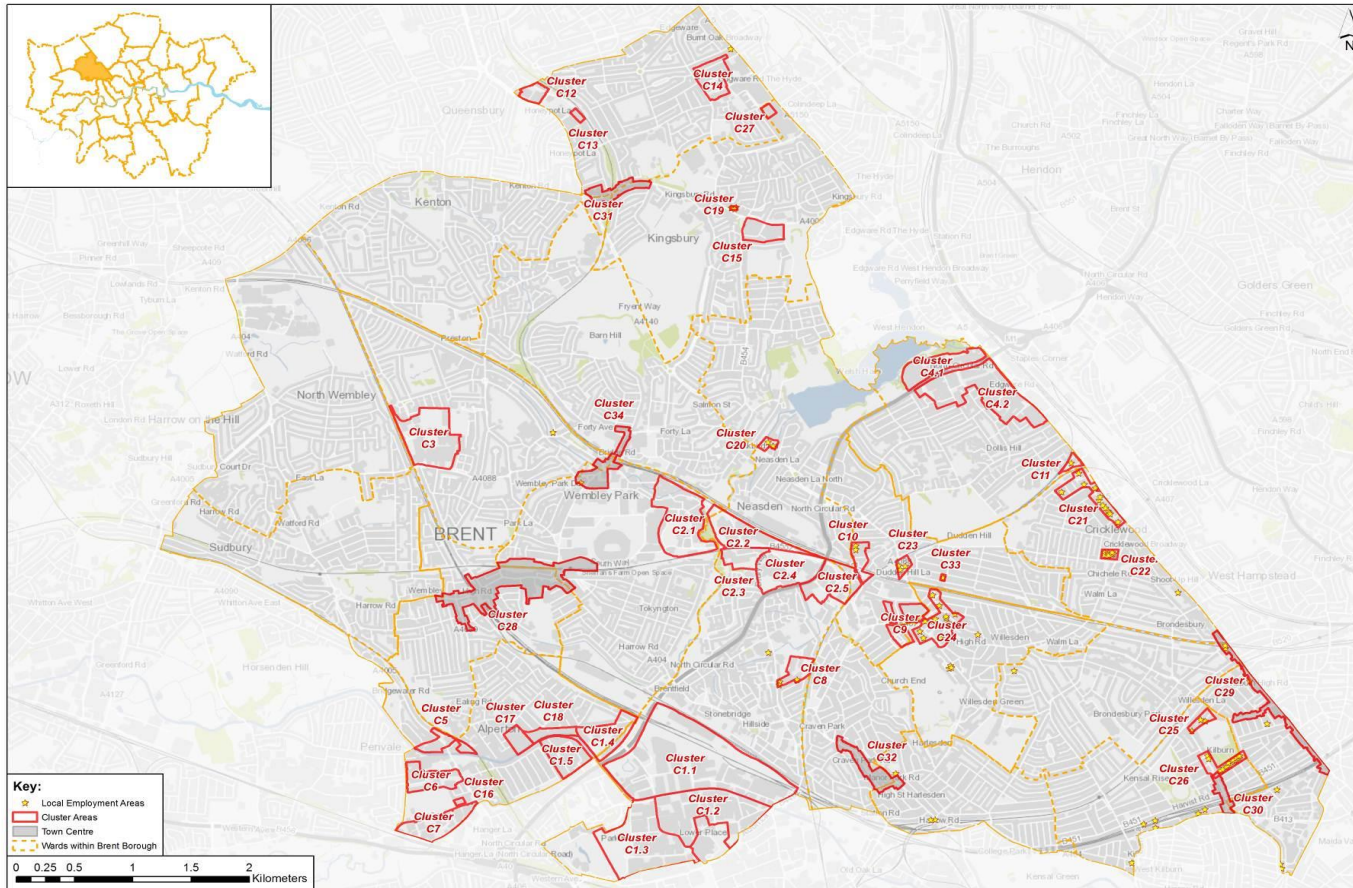
AECOM Cluster No.	Cluster	Existing Designation	ELDS Recommendation	Industrial land release (ha) (Approx.)
C1.1	Park Royal sub-area	SIL	Retain as SIL (R1)	
C1.2	Park Royal sub-area	SIL	Retain as SIL (R1)	
C1.3	Park Royal sub-area	SIL	Retain as SIL (R1)	
C1.4	Park Royal sub-area	SIL	Retain as SIL apart from Northfield Industrial Estate (See R3) – Circa 20% of the de-designation area to re-provide replacement B1c/B2/B8 floor space.	-5.81
C1.5	Park Royal sub-area	SIL	Retain as SIL (R1)	
C2.1	Wembley Park sub-area	SIL	Retain remaining area as SIL (See R1) – note that circa 2.4 ha was recently de-designated from SIL as part of the Wembley AAP adoption (Jan 2015).	
C2.2	Wembley Park sub-area	SIL	Retain as SIL (R1)	
C2.3	Wembley Park sub-area	SIL	Retain as SIL (R1)	
C2.4	Wembley Park sub-area	SIL	Retain as SIL (R1)	
C2.5	Wembley Park sub-area	SIL	Retain as SIL (R1)	
C3	East Lane	SIL	Retain as SIL (R1)	
C4.1	Staples Corner (north)	SIL	Retain as SIL (R1)	
C4.2	Staples Corner (south)	SIL	Retain as SIL (R1)	
C5	Alperton (north)	LSIS	Retain as LSIS (R1)	
C6	Alperton (central)	LSIS	Retain as LSIS (R1)	
C7	Alperton (south)	LSIS	Retain designation as LSIS (R1)	
C8	Brentfield Road	LSIS	Retain as LSIS (R1)	
C9	Church End	LSIS	Retain as LSIS (R1)	
C10	Neasden Lane	LSIS	Retain as LSIS (R1)	
C11	Cricklewood	LSIS	Retain as LSIS (R1)	
C12	Honeypot Lane (Lowther Road)	LSIS	Retain as LSIS (R1)	
C13	Honeypot Lane	LSIS	Retain as LSIS (R1)	

AECOM Cluster No.	Cluster	Existing Designation	ELDS Recommendation	Industrial land release (ha) (Approx.)
	(Westmoreland Rd			
C14	Colindale	LSIS	Retain as LSIS (R1)	
C15	Kingsbury	LSIS	Retain as LSIS (R1)	
C16	Alperton Lane (site west of Currys)	LEA	Retain as LEA unless applicants demonstrate it meets the criteria under R3	
C17	Woodside Avenue	SSA A 6	Managed affordable workspace to be brought forward as part of development mix	
C18	Mount Pleasant/Beresford Avenue	SSA Site A 7	Managed affordable workspace to be brought forward as part of development mix	
C19	Kingsbury Road	LEA	Retain as LEA unless applicants demonstrate it meets the criteria under R3	
C20	Coombe Road	LEA	Retain as LEA unless applicants demonstrate it meets the criteria under R3	
C21	Hassop Road	LEA	Retain as LEA unless applicants demonstrate it meets the criteria under R3	
C22	Turpins Yard, Oaklands Road	LEA	Retain as LEA unless applicants demonstrate it meets the criteria under R3	
C23	Dudden Hill Lane (near Burnley Road)	LEA	Retain as LEA unless applicants demonstrate it meets the criteria under R3	
C24	Church End (around Willesden Bus Garage)	LEA	Retain as LEA unless applicants demonstrate it meets the criteria under R3	
C25	Kimberley Road	LEA	Retain as LEA unless applicants demonstrate it meets the criteria under R3	
C26	Lonsdale Road	LEA	Retain as LEA unless applicants demonstrate it meets the criteria under R3	
C27	Sarena House	SSA Site B/C2	Managed affordable workspace to be brought forward as part of development mix	
C28	Wembley Town Centre	Major town centre	Retain as LEA unless applicants demonstrate it meets the criteria under R3 or R5	
C29	Kilburn	Major town centre	Retain as LEA unless applicants demonstrate it meets the criteria under R3 or R5	
C30	Queen's Park Town Centre	Local town centre	Retain as LEA unless applicants demonstrate it meets the criteria under R3 or R5	
C31	Kingsbury's Town Centre	District town centre	Retain as LEA unless applicants demonstrate it meets the criteria under R3 or R5	
C32	Harlesden Town Centre	District town centre	Retain as LEA unless applicants demonstrate it meets the criteria under R3 or R5	
C33	76 Burnley Road	LEA	Retain as LEA unless applicants demonstrate it meets the criteria under R3 or R5	
C34	Wembley Park Town Centre	District town centre	Retain as LEA unless applicants demonstrate it meets the criteria under R3 or R5	

AECOM Cluster No.	Cluster	Existing Designation	ELDS Recommendation	Industrial land release (ha) (Approx.)
LEAs			Release LEA according to criteria (R3)	-3.0 ha to -8.6 ha including any permitted but not implemented pipeline schemes involving B use class loss. These figures fall between the high growth scenario and the maximum ceiling of release under the low growth scenario.
			Total land/ floorspace release /gain	-8.8 to -14.4

Source: AECOM (2015)

APPENDIX A CLUSTER CONTEXT MAP



APPENDIX B EMPLOYMENT QUESTIONNAIRE

BUSINESS CLUSTER NUMBER (AECOM): _____ **YOUR INITIALS:**
DATE:

LDF Employment Allocation / Policy Designation (Desk based)

- SIL
- LEA
- Non-designated
- LSIS
- Other (e.g. Opportunity Area / Growth Area)

What is/are the main employment and/or other significant land-use/s? (Mark land uses on map / check existing uses are correct using key in manual e.g. B2 / B8 / Land for Waste Transport etc)

The business premises typologies in the cluster are best described as (multiple ticks possible):

- Business district
- General Industrial estate / business areas
- High Tech Manufacturing
- Green Technology
- Warehouse / distribution Park / wholesale
- Local shopping centre
- High quality Business Park.
- Media
- Arts and Creative Industries.....
- Waste mgmt / Recycling / environmental industrial sites
- Car Repairs
- Storage
- Town centre
- Incubator / SME cluster
- Local Office Centre
- Other (describe any other uses)

Main business occupiers (note taking and photos of estate signs)

Comments

The cluster lies within close proximity to / has impact on (multiple answers possible)

- Residential or Community uses
- Town centre
- Local shopping centre
- Other.....

Bad neighbourhood uses (including sensitive receptors eg residential, schools)

Businesses in the business cluster cause:

- None
- Noise pollution
- Air pollution
- Smell

Comments

- HGV traffic
- Significant car traffic

Physical site constraints in cluster? (i.e. access from local road, layout issues, incompatible land use, environmental/nature conservation) Comment and mark on map

Strategic road access (trunk roads) (Observation and desk based E.g. Direct and very good / Indirect and good / Indirect and poor/very poor. Describe)

.....

Strategic access to public transport (Observation and desk based PTAL check if possible)

.....

Access to waterways and wharves

Direct Indirect No access Comments/ describe.....

Access to railhead.....

Direct Indirect No access Comments/ describe.....

Servicing of businesses in cluster

(multiple answers possible)

- Road side loading/unloading
- Off road loading/unloading
- Loading bays

Comment on servicing of businesses

Servicing is adequate for the uses within the cluster Yes No Don't know

Parking facilities

(multiple answers possible)

- Dedicated parking within cluster
- On street parking
- Yellow / double yellow lines
- Red route
- Controlled parking zone/paid parking

Comment on parking facilities. **Give reasons** for judgment on adequacy of parking provision

Parking provision is: Adequate Too little Too much Don't know

Access to facilities and amenities

Very good Good Poor Very poor

Proximity to growth/opportunity areas

- Within Part within
- Within 1 km of
- Other

Comments

Condition of Buildings - % of buildings within Cluster:

Very Good _____% / Good _____% / Poor _____% / Very Poor _____%

Quality of environment and public realm

- Very good
- Good
- Poor
- Very poor
- Other (please comment)

Comment on quality of environment

Total vacant and available B1/B2/B8 floorspace quantum actively marketed within cluster (give approximate percentage if uncertain)

B1 B2 B8 (m² or %)

(Take note of any property market agent information on vacant and available floorspace and specification)

Are there any vacant developable sites/ Derelict buildings within cluster?

(Y/N):.....If **yes** mark clearly on map. **What % of the cluster** land area do they constitute? %

Existing and future capacity.....

.....

Additional possibilities for intensification / redevelopment (Mark clearly on the cluster map, any areas which show potential for intensification and add any additional comments below)

.....

.....

.....

Opportunities for other land use aspirations e.g. housing, retail, community uses (Mark clearly on the cluster map, any areas which show potential for other land use and add any additional comments below)

.....

.....

.....

Evidence of active marketing on site

- Yes No

Comments

Description of site (including any comments you have)

.....

.....

.....

Obvious potential to accommodate high growth employment sectors e.g. waste mgmt., logistics, utilities, land for transport (as per GLA SPG Annex 3)

.....

APPENDIX C CRITERIA FOR SUITABILITY FOR B1 EMPLOYMENT USE

Cluster Ranking Criteria	Criteria and Scoring
Access to Public Transport	<ul style="list-style-type: none"> • Poor or Very Poor = PTAL level 0-3: 0 points. • Good = PTAL level 4-5: 0.5 points • Very Good = PTAL level 6a & 6b: 1 points
Quality of Environment	<ul style="list-style-type: none"> • >75% of environment in good or very good condition: 1 point • 50-75% of environment in good or very good condition: 0.67 point • 25-49% of environment in good or very good condition: 0.33 point • 0-24% of environment in good or very good condition: 0 point
Condition of Buildings	<ul style="list-style-type: none"> • >75% of buildings in good or very good condition: 1 point • 50-75% of buildings in good or very good condition: 0.67 point • 25-49 of buildings in good or very good condition: 0.33 point • 0-24% of buildings in good or very good condition: 0 point
Physical Site Constraints	<ul style="list-style-type: none"> • 1 point if there is no site constraints • 0 points if there are at least one physical site constraint
Proximity to compatible land use	<ul style="list-style-type: none"> • 1 point if adjacent to compatible land uses (other office, residential, retail) • 0 point if adjacent to incompatible land uses (industrial, waste)
Servicing of businesses in cluster	<ul style="list-style-type: none"> • Adequate: 1 • Not adequate: 0
Parking Facilities	<ul style="list-style-type: none"> • Adequate: 1 • Not adequate: 0
Access to facilities and amenities	<ul style="list-style-type: none"> • 1 points for very good access • 0.5 point for good access • 0 points for poor/very poor access
Level of utilisation for active employment uses (B1 use class)	<ul style="list-style-type: none"> • More than 75% cluster currently actively used for employment uses: 1.5 points • 50-74% cluster currently actively used for employment uses: 1 point • 25-49% cluster currently actively used for employment uses: 0.5 points • Under 25% cluster currently actively used for employment uses: 0 points

APPENDIX D CRITERIA FOR SUITABILITY FOR B2/B8 EMPLOYMENT USE

Cluster Ranking Criteria	Criteria and Scoring
Strategic Road Access	<ul style="list-style-type: none"> • Direct: 1 point • Indirect: 0 point
Access to waterways and wharves	<ul style="list-style-type: none"> • Direct: 1 point • No access: 0 point
Access to railhead	<ul style="list-style-type: none"> • Direct: 1 point • No access: 0 point
Quality of Environment	<ul style="list-style-type: none"> • >75% of environment in good or very good condition: 1 point • 50-75% of environment in good or very good condition: 0.67 point • 25-49% of environment in good or very good condition: 0.33 point • 0-24% of environment in good or very good condition: 0 point
Condition of Buildings	<ul style="list-style-type: none"> • >75% of buildings in good or very good condition: 1 point • 50-75% of buildings in good or very good condition: 0.67 point • 25-49 of buildings in good or very good condition: 0.33 point • 0-24% of buildings in good or very good condition: 0 point
Physical site constraints	<ul style="list-style-type: none"> • 1 point if there are no physical site constraints • 0 points if there are site constraints
Bad neighbourhood issues	<ul style="list-style-type: none"> • Employment areas start with 1 point and minus 0.2 for each bad neighbourhood use (Noise pollution, air pollution, smell, HGV traffic, significant car traffic, other) To maximum of -0.2. • Additional -0.5 point if employment area in close proximity to existing or proposed residential
Servicing of businesses in cluster	<ul style="list-style-type: none"> • Adequate: 1 • Not adequate: 0
Parking Facilities	<ul style="list-style-type: none"> • Adequate: 1 • Not adequate: 0
Level of utilisation for active employment uses (B use class)	<ul style="list-style-type: none"> • More than 75% cluster currently actively used for employment uses: 1.5 points • 50-74% cluster currently actively used for employment uses: 1 point • 25-49% cluster currently actively used for employment uses: 0.5 points • Under 25% cluster currently actively used for employment uses: 0 points

