

# A Strong and Competitive Economy which Benefits All

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SUPPORTING PAPER

Strategic Policy  
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# Introduction

Each policy in Local Plan 2033 is supported by text which explains the Council’s chosen policy position and also provides additional information necessary to understand how the policy will be implemented. Where it has been considered necessary to do so, the supporting papers provide additional justification and explanation for some of the planning policies included in Local Plan 2033, drawing on various studies and evidence the Council used when drafting the policies. This supporting paper provides further justification behind the following policies contained in the chapter “A strong and competitive economy which benefits all” of Local Plan 2033:

- Policy 23: New Employment Floorspace
- Policy 24: Protecting and Promoting Office Floorspace in the Borough
- Policy 25: Protecting and Promoting Industrial Land and Floorspace in the Borough

Hackney has a limited reservoir of designated employment land. Together, the existing designated Priority Employment Areas (including the Central Activities Zone) and Locally Significant Industrial Sites as set out on the adopted Proposals Map account for 6.4% of the borough’s total land area. Notwithstanding this modest land area, they resemble the core portfolio of existing employment land assets comprising of 719,858m<sup>2</sup> of employment floorspace (715,018sqm in PEAs and 4,840sqm in LSIS). These areas are coming under increasing pressure from other commercial development e.g. hotels and also residential development despite increasing values for commercial floorspace primarily in the south of the Borough.

The Council’s current adopted policy approach requires employment-led development within designated Priority Employment Areas (PEAs). This leaves the market to influence what type of B use class floorspace is delivered within new development. Over time this has meant a gradual decline in industrial land/floorspace within some PEAs, particularly in the south and mid Hackney, and the replacement of this floorspace with higher value office floorspace within new development. Figure 1 below shows the net B Use Class Floorspace change in the borough over the past 15 years. This trend is likely to continue due to market forces unless an appropriate planning response is introduced within the new Local Plan.

Figure 1. Net B Use Floorspace Change in Hackney 2002 - 2016<sup>1</sup>

	B1a	B1b	B1c	B2	B8
2002	5,377	0	-2,762	0	0
2003	77,615	1,649	0	0	0
2004	32,468	1,140	3,099	3,641	1,550
2005	9,872	17	-6,692	-3,683	-168
2006	8,177	70	1,009	-2,786	-13,402
2007	5,279	52	-2,844	-13,460	-6,296

<sup>1</sup> LB Hackney/GLA Monitoring. Note – this table includes permissions in the Hackney Wick area up until 2012 when the LLDC became responsible for planning decisions in this area.

	B1a	B1b	B1c	B2	B8
2008	26,412	120	-14,198	-2,432	139
2009	6,497	610	-9,180	-4,889	-7,447
2010	1,774	267	-1,722	-2,188	-6,361
2011	8,512	-115	57,560	-2,911	-65,281
2012	-11,108	2,367	-2,262	-6,901	-4,310
2013	-1,203	50	311	-2,880	-9,889
2014	-1,483	2	-2,407	-202	-2,740
2015	24	77	-1,613	-129	-6,895
2016	5,393	19	147	-1,578	-1,315
<b>Total</b>	<b>173,953</b>	<b>8,093</b>	<b>25,781</b>	<b>-38,912</b>	<b>-123,254</b>

Annual Average (last 5 years)	-1,675	503	-1,165	-2,338	-5,030
Annual Average (last 10 years)	4,010	345	2,379	-3,757	-11,040
Annual Average (last 15 years)	11,574	422	1,230	-2,693	-8,161

In order to help retain vital industrial land and floorspace within Hackney and ensure that sufficient office floorspace is delivered to meet Hackney's economic needs, it is considered that a more refined approach to the Council's employment policy is needed.

Hackney's Employment Land Study suggest a strong need for B1a office (a minimum of 117,000sqm). The findings of this study also stress the need to ensure the retention of an adequate stock of industrial capacity to support a diverse, adaptable and more sustainable economy. In response to this evidence on employment needs, the borough's designations have been redefined to comprise of Priority Office Areas (POAs), Priority Industrial Areas (PIAs) and Locally Significant Industrial Sites (LSIS). The proposed policy approach sets out the most sustainable approach to growth and also responds to Hackney's property market indicators.

These proposed designations have been informed by evidence from the Employment Land Study taking into consideration the existing character and nature of the employment land and floorspace within the existing Priority Employment Area designations, and recognition of what needs to be retained / promoted in order to meet overall employment needs in the borough up to 2033. Consideration has also been given to existing London Plan policies and designations which affect some of Hackney's designated areas including the Central Activities Zone and City Fringe Opportunity Area, along with the evidence base informing the emerging new London Plan.

## Priority Office Areas

In order to meet projected employment needs, the new policy approach will direct office to the most sustainable locations with the strongest office markets, within proposed Priority Office Areas and designated town centres. The Plan will seek a higher proportion of employment floorspace (+60%) and more affordable workspace within Dalston, Shoreditch and Wenlock POAs as part of new employment-led development, subject to viability. The Plan will also seek to deliver office floorspace within designated town centres to support sustainable economic growth and to enhance the vitality and viability of these centres. In particular, the potential arrival of Crossrail 2 in Dalston would create significant opportunities to accommodate growth including employment.

## Priority Industrial Areas

There is increasing pressure on Hackney's industrial land. Rents are increasing, supply is reducing and businesses are being pushed further out. The findings of the Employment Land Study also highlight the need protect and intensify existing industrial land in the Borough to support a diverse and dynamic economy. This position is supported by the GLA in their emerging evidence for the new London Plan<sup>2</sup>. Policies will therefore seek to protect and intensify industrial land, within Priority Industrial Areas which are characterised as being more industrial in nature.

Where sites are redeveloped, any new development within PIAs will need to maintain, re-provide the same quantum or intensify existing industrial uses (B1c, B2, B8). Policy 25 supports the potential for co-location of industrial with other uses including residential as part of mixed use development. Guidance on how industrial areas can be used more intensively, and how industry can be integrated in residential areas is detailed in the Mayor of London's Industrial Intensification Primer.

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<sup>2</sup> [https://www.london.gov.uk/sites/default/files/ilds\\_final\\_report\\_june\\_2017.pdf](https://www.london.gov.uk/sites/default/files/ilds_final_report_june_2017.pdf)