

Ealing LPA Local Plan (Regulation 24) 2025

Matter 5: Economic Development

Issue [Focus – Policies SP4, E3, E4, E6]:

Whether the Plan is justified, effective and consistent with national policy and in general conformity with the London Plan in relation to economic development.

Written Statement on Behalf of Ealing Council

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Questions:

Employment Growth

1. What is the identified need in terms of economic development and does the Plan provide a robust approach to identifying and bringing forward developments to meet the identified need?

LPA Response: Ealing's industrial need and capacity is identified in the 2019 West London Employment Land Evidence [EB56] and 2022 ELR [EB49]. These identify a net uplift of industrial need of 1ha within Ealing's political boundary, Ealing LPA's industrial needs (excluding OPDC) are somewhat lower than this, but there is no specific apportionment set through the London Plan. This uplift is expected to be met through intensification of existing industrial sites in line with the London Plan.

This demand in Ealing is projected in (ha) based upon the 0.65 plot ratio used in the London Plan:

Logistics	Manufacturing	Building trades	Transport	Other	Total
15.2	-19.1	2.9	-1.6	3.6	1

These figures are calculated from a combination of employment and GVA projections, in line with government guidance.

2. Does the Spatial Strategy and the development plan as a whole:

a. manage Strategic Industrial Land exclusively for conforming use? Is any necessary consolidation proposed through the plan making process and, if so, is the nature and effect clear?

LPA Response: The spatial strategy and development plan as a whole do not include formal industrial consolidation in the sense that it is set out in the London Plan, that is to say that there is no trimming of SIL boundaries to remove non-conforming uses.

b. set out a specific strategy for Locally Significant Industrial Sites? Is the strategy in line with the London Plan?

LPA Response: Locally Significant Industrial Sites (LSIS) have a distinctive role in the plan, following on from the prompt in London Plan Policy E6. In policy terms these are deemed potentially suitable for mixed in intensification, subject to masterplanning. Policy E6 sets out the distinctive local strategy for LSIS as a designation, and additional details are set out in town plans particularly in Acton.

3. Paying regard to the Council's response to Initial Questions dated 10 January 2025 [EX3]), is removal of a SIL designation from part of the existing Greenford Quay development a matter to be addressed through modification to the Plan? If so, is the modification necessary for soundness and would it be in general conformity with the London Plan?

LPA Response: The removal of SIL designation at Greenford Quay is a factual rather than a planning or policy decision as the development of this land for housing uses has already

occurred. This took place under the framework set by the 2016 London Plan and was approved by the Borough and the GLA on the balance of its merits even though it formed a departure from the industrial designation of the site. The recommended modification is therefore neither a net loss in current industrial capacity nor a departure from the strategic industrial policies of the current London Plan. The modification is supported by the Council because continuing to manage the site using SIL policies would potentially undermine these policies and give rise to anomalies in the development management process.

4. How will industrial capacity against the expectations of the Plan be monitored?

LPA Response: A monitoring framework is appended to the Plan (see Appendix A), which will be used to assess the effectiveness of the plan and policies over time. A number of indicators identified in this framework are relevant in understanding our position regarding the management of industrial capacity as follows:

Indicator/Performance Measure	Target(s) (if applicable)	Key Policies Monitored
Net additional industrial floorspace provided in Strategic Industrial Land (SIL) and Locally Significant Industrial Site (LSIS) by intensification or co-location.	Increase or decrease of floorspace of each scheme, in each SIL/LSIS site, and in total across the LPA.	Policy E4 Policy E6 Policy SP.4
Provision of affordable workspace.	Measure as a proportion of all new workspaces provided.	Policy E3 Policy SP.4
Change in employment floorspace completed.	Change in employment space on non-designated sites.	Policy E3 Policy SP.4

Performance against these indicators/measures will be reported in Ealing's Authority Monitoring Report (AMR). The GLA also reports against similar indicators in their respective AMR. It should be noted that new or additional measures may be identified over-time, which will be reported in future AMRs reflecting the availability of data which may evolve overtime.

Presently Ealing monitors planning permissions and tracks their progress to completion. This information is collated within the GLA's Planning London Datahub. All development activity including permissions involving a gain or loss of industrial floorspace is captured and tracked as part of this process.

5. How have the locational needs of different sectors been considered in arriving at the preferred Spatial Strategy and is the approach justified?

LPA Response: Locational needs for economic uses are also predominantly sectoral needs and so these are well reflected in the Plan's evidence base and policies. The vast bulk of projected net growth is in logistics and related sectors such as construction, and these uses prefer the

open access to the national highway network and to Central London particularly that which is provided by the A40 corridor. The plan prioritises these sites for Strategic Industrial Land, which in turn is managed primarily for large-scale conforming uses such as B8. Intensification in these locations is more likely to take the form of consolidation of land into the larger facilities needed for efficient warehouse operations.

Higher employment density uses such as light manufacturing, catering and R&D uses etc prefer locations that are accessible to public transport nodes, local markets and the broader workforce. These uses are prioritised on LSIS sites. Intensification in these locations is more likely to take the form of vertical or horizontal mixing which is provided for in the policies concerning industrial masterplanning.

It should be emphasised, however, that these policies are not restrictive, that the locational requirements of business are peculiar to each, and that the Borough as a whole functions as a single industrial market. Nevertheless, the plan sets out spatial provision for different sectors according to their needs and the projected demand over the plan period.

Affordable Workspace

6. In terms of the local variation to Policy E3 of the London Plan:

a. what is the background to the varied Policy E3, why is variation from the London Plan proposed?

LPA Response: The variation from the London Plan {EB13} is necessary in order to implement an effective affordable workspace policy in Ealing. It responds specifically to London Plan Policy E3 C which states; ‘Boroughs, in their Development Plans, should consider detailed affordable workspace policies in light of local evidence of need and viability.’

b. what is the evidence justifying it, including specific detailed thresholds?

LPA Response: The Affordable Workspace policy is subject to a comprehensive, dedicated evidence base in the form of the Affordable Workspace Study (AWS) {EB52}. This examined the need for affordable workspace holistically, starting with the types of space that are needed and size of premises that they could sustainably occupy. The thresholds are less for charging purposes than to assess the scope for onsite provision, but the proposed charging levels were also tested by the AWS and by the full plan viability assessment.

c. how does the varied policy relate to Policy E3(A) to (C) of the London Plan, which sets out the defined circumstances where planning obligations may be used to secure affordable workspace?

LPA Response: The varied policy follows on directly from E3 (A) whose stipulations as to social cultural and economic development purposes continue to apply, and relates to the circumstances identified in B 2) & 3), where Ealing has significant pressure arising across the borough in relation to all existing affordable workspace, and in which mixed business space will be essential to sustain economic and jobs growth.

d. does the variation proposed in (F) to (H) alter the defined circumstances approach in favour of a blanket levy and, if so, is that a sound approach?

LPA Response: The Affordable Workspace Study {EB52} found that the extent of areas in which cost pressures could lead to the loss of affordable or low-cost workspace for micro, small and medium-sized enterprises extended to the entire borough. This was reinforced by the findings of the Employment Land Review {EB 49 and EB56} that the borough functions as a single industrial market, and also that industrial needs would be met by means of significant turnover and consolidation within existing industrial sites.

e. is the policy consistent with Paragraph 85 of the NPPF in terms of helping to create the conditions in which businesses can invest, expand and adapt and allowing the area to build on its strengths, counter weaknesses, and address future challenges?

LPA Response: The policy is wholly consistent with Paragraph 85, particularly in respect of building upon the strengths of the area, countering weaknesses, and addressing future challenges. Ealing, and West London's industrial market, are victims of their own success in that the strength of business demand within the Borough is pushing out smaller businesses, necessary local services, and start-ups that will power future economic growth. These are all uses that make use of the Borough's existing affordable provision which takes the form of older and lower spec industrial space. This is the same space that will be most affected by the churn and redevelopment of industrial premises that is anticipated by the Employment Land Review [EB49 and EB56].

f. are the requirements based on evidence of demand in the area including drawing on the experience of local workspace providers, paying regard to paragraph 6.3.5 of the London Plan?

LPA Response: As above, the Affordable Workspace Study {EB52} took a holistic view on affordable needs and included extensive engagement with local workspace providers and those across London who may choose to operate in Ealing in future. This particularly informed the thresholds set out in the policy which were based upon levels of provision that could be shown to be viable on site.

g. are the requirements sufficiently flexible and appropriate to the diverse range of circumstances where they might apply?

LPA Response: The policy is wholly flexible with the only firm stipulations related to the level of contribution and the point at which it should be provided onsite. Where onsite provision is to be made, applicants are expected to provide a business plan that will set out how the policy is met and provide the detail necessary for planning conditions. In practice, analysis of the planning pipeline has also suggested that the bulk of provision will be made offsite, in which case the only constraint is one of viability.

h. is the reference to 'mixed use schemes' in Policy E3(F) precise and clear in terms of identifying which proposed developments will be subject to the requirement? To be effective, is modification needed to define a 'mixed use scheme'?

LPA Response: This could be clarified as 'commercial floorspace in mixed use schemes'.

i. would the higher 10% levy for mixed use schemes in Policy E3(F) incentivise applicants to bring forward proposals for office and industrial schemes at the lower 5% and, if so, would that have implications for the effectiveness of the policy and/or the Spatial Strategy.

LPA Response: No, the mixed-use schemes include higher development value, such as residential, and according to the evidence set out in the Affordable Workspace Strategy the loss of this element would reduce the profitability of schemes overall. It is therefore unlikely that applicants will fall back on office or industrial schemes simply in order to secure the lower affordable workspace levy.

j. what would the implications be if, following consideration of the business plan required under Policy E3(G), onsite provision was not shown by an applicant to be viable and/or suitable? Would the ability to fall back on the levy be a disincentive for applicants to find onsite provision to be suitable and viable? Does that have any implications for the effectiveness of the policy? Is modification required to clarify the expectations in terms of onsite and offsite provision?

LPA Response: There should be no difference in the cost of onsite versus offsite provision. In fact, the study found, and it has been reflected in pilot affordable workspace schemes, that there is a significant advantage to onsite provision because the discount is spread out over the lifetime of the tenancy. Legal agreements have addressed this by spreading the payments for offsite provision over several years to make sure of that developments are not impeded by a large upfront charge for affordable workspace provision.

Where genuine viability constraints for onsite provision do exist then they are a material consideration. If, for example, an industrial development is predicated upon achieving a certain minimum floor area in order to function or address its intended market then this would be a valid reason for offsite provision instead.

It is also worth emphasising that the affordable workspace to be provided will not necessarily be of the same type as that of a given development itself. Data centres, for example, are high value, land hungry and increasingly prolific uses which displace many smaller industrial uses and creates significant demand for affordable workspace, but there is no requirement for affordable data centres and so provision need not necessarily be on site if there are material reasons otherwise.

As with all other policy requirements, affordable workspace is subject to viability, and so if genuine viability constraints are identified, they would be a basis for reducing the affordable workspace liability.

k. is modification required to clarify whether contributions will be based on a gross or net uplift?

LPA Response: Yes, it may be clearer to divide the policy requirement into the three different categories of development by replacing the current clause F:

F. Affordable workspace in Ealing will be provided on the basis of:

- 10% of all gross commercial floorspace in mixed use schemes, which should be delivered onsite where this would result in the delivery of at least 1000 sqm of affordable workspace.
- 5% of all net office space, which should be delivered onsite where this would result in the delivery of at least 2000 sqm of affordable workspace.
- 5% of all net industrial space, which should be delivered onsite where this would result in the delivery of at least 3000 sqm of affordable workspace.

l. are any other modifications needed to Policy E3 for soundness?

LPA Response: No.

Industrial Land

7. In terms of the local variation to Policy E4 of the London Plan:

a. what is the background to the varied Policy E4, why is variation from the London Plan proposed and what is the evidence justifying it?

LPA Response: The variation is proposed to create a clear policy for the management of industrial land in Ealing, the provisions for which are otherwise divided across several, lengthy London Plan policies. The policy sets out a clear management framework for SIL and LSIS as required by E5 (B) and E6 and also sets out the approach to non-designated sites which are otherwise generally not covered by London.

b. for consistency with Policy E4(A) of the London Plan, is modification required to Policy E4(H) to refer to a 'sufficient supply of land and premises'?

LPA Response: Yes, this modification would add to clarity.

c. is the identification of 'industry, logistics and economic services' in Policy E4(H) aligned with Policy E4 more widely in terms of its identification of applicable land uses? Is the term 'economic services' sufficiently clear and understood?

LPA Response: The policy as written does not vary from the list of conforming uses set out in the London Plan. It is therefore probably clearer to amend 'economic services' as 'conforming uses'.

d. is the term 'industrial intensification and reuse' sufficiently understood? For effectiveness, is modification needed to provide additional clarity?

LPA Response: This could also be amended ...'for conforming uses'.

e. what would the implications of industrial intensification and reuse being the primary consideration on the site of any existing employment use in Ealing be for other employment uses and development in the Borough? Are the potential impacts on competing land uses sufficiently understood?

LPA Response: This approach is already enforced as part of Ealing's current local plan, so its impact upon net windfalls should be zero. Where broader regeneration objectives make desirable the change of use of allocated sites this is addressed in specific allocations with that stipulation that these should or should not be subject to the sequential test set out in policy.

f. paying regard to Policy E5(A) and the detailed criteria at (B) of the London Plan, how does the varied E4 and the wider plan amount to the proactive management of SIL?

LPA Response: Proactive management of SIL in Ealing is predominantly in relation to the intensification of conforming uses within its existing boundaries. This is necessary because identified industrial needs require intensification upon existing resources of land. There has, however, been a full review of existing SIL and this has led to proposals for the designation of

some additional sites, and also for the repurposing or redesignation of existing SIL sites that do not perform as such these changes are recorded in the answer to Initial Question 13.

g. is the sequential approach to non-designated sites in industrial use consistent with national policy when regard is paid to paragraph 127 of the NPPF?

LPA Response: The sequential approach is considered to directly fulfil the requirements of paragraph 127 by providing a strategic evaluation that this type of site may have reached the end of its current use. The test provides a development management process to ensure that functional industrial land, which is in heavy demand within the borough and across London, is not lost to competing uses.

h. are any other modifications needed to Policy E4 for soundness?

LPA Response: No.

8. In terms of the local variation to Policy E6 of the London Plan:

a. what is the background to the varied Policy E6, why is variation from the London Plan proposed and what is the evidence justifying it?

LPA Response: Ealing's evidence of local industrial need set out in the answer to Question 1 above predicts a distinctive role for LSIS which is implemented through this local variation. Overwhelming need for large, consolidated warehouse and logistics spaces, and their locational preference for the A40 corridor will see these uses largely consolidate upon, where they will displace smaller and older industrial space, much of which is affordable. LSIS offers the opportunity for different forms of intensification (including industrial space that is stacked but does not have ramped vehicular access), higher employment densities reflecting better access to public transport and town centres, and under defined circumstances set out in the policy, for mixed intensification. The variation also serves to constrain mixed intensification where there is a lack of evidence that it fulfils demonstrated local needs.

b. paying regard to Policy E6(A)(1) of the London Plan is the variation (and other related policies in the Plan) justified by evidence in local employment land reviews considering the scope for intensification, co-location and substitution?

LPA Response: Yes, the variation exists specifically to deliver Policy E6 (A) (1) as set out above. In summary, Ealing will see very substantial churn in industrial provision caused both by the loss of some existing uses, principally manufacturing, and a growth of others, primarily logistics. This produces a net demand for industrial land that is around 1ha within Ealing's political boundary and somewhat less than that in Ealing LPA. The types of space in demand, particularly increasingly large warehouses are likely to create displacement, and loss of existing affordable workspaces from designated SIL and the A40 corridor in particular, and a need to relocate these uses elsewhere, and the economics of replacing these units is unclear at this point and may require cross-subsidy in the form of some enabling use, particularly residential.

LV Policy E6 safeguards the fundamental industrial nature of LSIS land, clarifies that the character of economic uses will likely vary from SIL and should in particular take advantage of the generally greater accessibility to public transport and town centres that LSIS enjoys. At the same time, and subject to rigorous tests of local need, the policy introduces greater flexibility on

LSIS and the scope for enabling uses where these can meet the main, industrial purposes of the designation.

c. paying regard to Policy E6(A)(2) of the London Plan, do the varied Policies E4 and E6 make clear the range of industrial and related uses that are acceptable in the Borough's LSIS?

LPA Response: Yes, Ealing proposes no variation from the list of conforming uses set out in E4 (A), so this requirement is considered to have been met.

d. is the stipulation in Policy E6(B) that applications on LSIS sites will be determined according to the same principles SIL sufficiently clear? Does the differential treatment of SIL and LSIS in the hierarchy in Policy E4(ii)(a) and (b) contradict Policy E6(B)?

LPA Response: The differential treatment of SIL and LSIS applies only in the case of masterplans so the E6 (B) stipulation is considered clear in referring to 'individual applications.'

e. how will whether proposals have a high employment density and economic value be judged? Is the requirement clear, so it is evident how a decision maker should react to development proposals?

LPA Response: This clause of the policy is recommended for removal as part of the Statement of Common Ground agreed between the council and the GLA {S22d}. Evaluation of high employment density and economic value was to have been made against a baseline of the local area and in relation to the economic development priorities identified in the Inclusive Economy Baseline {EB50}.

f. is Policy E6(D)(ii) a list of 'principles' or 'requirements? If it is the latter, is modification required for clarity?

LPA Response: This is a list of requirements, and a modification will add clarity to the policy.

g. is the need for a masterplan extending to the full boundary justified and will it be effective? Is modification needed to provide more clarity about master planning expectations?

LPA Response: A master plan that extends to the full boundary of the site is a functional necessity for any mixed intensification proposal, because otherwise there is a risk of monopolising enabling development on those parts of the site that have come forward, leaving industrial provision up to the area is not currently under consideration, and failing to provide for common infrastructure needs between these.

This was seen in miniature in the case of Ealing's current local plan site allocation SOU10 Johnson Street which remains unimplemented because proposals only ever came forward for part of the site and these displaced the retained industrial uses to those areas of the site not proposed for development. Similarly, initial mixed intensification masterplanning work at South Acton LSIS post no problems in addressing the whole of the designated boundary, and the final plan benefited from the engagement that was necessary between landlords and with all interested parties.

h. is the term 'mixed intensification' clear?

LPA Response: Clarification can be added to the supporting wording, note that this follows the revised supporting wording set out in Ealing's Statement of Common Ground with GLA:

“5.33 Mixed intensification, which permits the inclusion of non-conforming uses where these can support intensification of industrial uses, has potential...”

i. are the objectively assessed industrial needs of the Borough over the plan period known and, if not, will Policy E6(D)(ii) be effective?

LPA Response: Objectively assessed industrial needs of the Borough are set out in the ELR {EB56 & EB49} and are also described in the answer to Question 1 above. This evidence sets out a substantial predicted industrial churn caused by the decline of manufacturing uses and continuing growth of logistics uses, and this evidence and the local plan spatial strategy set out a distinctive role for LSIS in supporting this growth.

j. Is modification needed to clarify the aim of the policy in relation to the need for increasing industrial capacity?

LPA Response: The Statement of Common Ground agreed with GLA further clarifies the need for an increase in industrial capacity which is considered to meet this point, see 5.3 of the Statement.

k. are any other modifications needed to Policy E6 for soundness?

LPA Response: No.

{END}