



CHARLTON RIVERSIDE

PHASE 1

EMPLOYMENT STUDY



Land Use and Employment Study

65 Gresham Street
London
EC2V 7NQ
T: +44 (0)20 7911 24 68
F: +44 (0)20 7911 25 60

Anchor and Hope Lane Sites, Royal Borough of Greenwich

Leopard Guernsey Anchor Propco Ltd.

November 2016

Contents

1.	Introduction.....	1
2.	The Site	2
3.	Industrial Policy Context and Property Market Review	12
4.	Alternate Supply.....	24
5.	The Benefits of Redevelopment.....	31
6.	Conclusions	34
7.	Appendices	36

Prepared By: Martyn Saunders, Richa Joshi and Lara Boyd
Status: Final
Draft Date: November 2016

For and on behalf of GVA Grimley Ltd

1. Introduction

- 1.1 This document has been prepared by GVA on behalf of the applicant Leopard Guernsey Anchor Propco Ltd. to form part of the evidence base to support the outline planning application process for the proposed development of the Anchor and Hope Lane sites. The provision of a robust employment evidence base will also aid the applicant in their discussions with RB Greenwich regarding the merits of the scheme.
- 1.2 This Land Use and Employment Study aims to address the following points:
- Confirm the existing businesses on site, the nature of their activity, number of employees and accommodation needs
 - Develop a more detailed picture of the current building stock in terms of its scale, condition and occupancy
 - Set out alternative locations to which existing businesses could relocate and consider the findings of the Greenwich Employment Land Review (2012) in terms of alternate suitable accommodation within the borough
 - Set out the suitability of the planned re-provision for the changing nature of businesses within the borough
 - Provide a high level assessment of potential employment change within the redeveloped site
- 1.3 The main objective of the study is to demonstrate that businesses on the proposed development site can be relocated with minimal disruption. This has been achieved through an investigation of the industrial landscape within the borough and/or the inner east London market area and the identification of suitable alternate commercial space based upon their merits. Through this study we will establish the suitability of both relocation space and new floorspace for the type and nature of businesses that are seeking to locate (or are already locating) within the Charlton Riverside area.

2. The Site

- 2.1 In this section we set out the site and policy context in relation to the area within which it sits. The London Plan, Land for Industry and Transport SPG, Royal Greenwich Local Plan and the supporting evidence base is drawn upon.

The Site

- 2.2 The site is located in the wider Charlton Riverside area of South-East London, stretching between Woolwich to the east, and Greenwich Peninsula to the west, in the Royal Borough of Greenwich.
- 2.3 The site measures a total area of 2.53 hectare, and lies in a predominantly industrial area which has been designated by the London Plan for significant residential growth and regeneration. The Site comprises of two parcels of land referred to as 'Plot A' and 'Plot B'.
- 2.4 Plot A is the northern-most plot. It is bound by commercial/industrial units to the north, east and south and residential properties at Atlas Gardens and Derrick Gardens and Anchor and Hope Lane to the west. Plot A currently comprises three large buildings of approximately three storeys in height with surrounding hard standing. A number of businesses occupy the site and operate across a variety of use classes (predominantly B2, B8 and Sui Generis).
- 2.5 Plot B is bound by Atlas Gardens to the north; commercial/industrial units to the south and east; and Anchor and Hope Lane to the west. Plot B comprises a single building circa two storeys in height with surrounding hard standing that is currently occupied by a van hire company (Sui Generis).
- 2.6 More widely within this area there are a number of other industrial estates and sites which provide a scale and nature of stock similar to the application site and sit along the Thames riverfront. These are located within RB Greenwich and neighbouring boroughs and benefit from similar infrastructure and access conditions.
- 2.7 It is to be noted that in this report we have referred to the site as either 'the proposed development site' or 'Anchor & Hope Lane sites'.

Figure 1: Charlton Riverside



Source: Promaps, 2016

Figure 2: Detail Site Plan ¹



Source: Promap, 2016

¹ Please note that Figure 2 is not the Red Line Boundary; it is an indicative line drawing which shows the general site area.

2.8 The existing stock within the site comprises a range of single/ double storey, semi-brick clad workshop/warehouse structures. Despite being in ‘fair’ condition, the site is relatively unattractive to occupiers as operational activity is constrained by its circulation, parking and access provision. The proximity to the existing residential neighbourhood fronting Anchor and Hope Lane is also a challenge for operators, particularly those industrial activities that need to operate outside of general business hours. Examples of the current provision are shown below.

Figure 3: Units at VIP Trading Estate/ Anchor and Hope Lane Sites



2.9 Below is a schedule of existing units that provides a more detailed understanding of the nature of each property unit and the activity that is undertaken within it:

Table 1: Primary Use Schedule by Unit- VIP Trading Estate (Existing Site Boundary)

Floor	Use	Areas (Sqm)	Description
Units A&B	Vehicular maintenance	1252.04	Vehicle repair workshop and Premises + Warehouse and Premises
Unit 1	Plant hire	760.03	Workshop and Premises
Unit 2	Not known	100.98	Vehicle repair workshop and premises
Unit 3&4	Vehicular maintenance	202.71	Vehicle repair workshop and premises
Unit 5	Vehicular maintenance	101.08	Workshop, Warehouse And Premises
Unit 6	Vehicular maintenance	102.75	Workshop, Warehouse And Premises
7/14/15/19/20/23	Manufacturing	583.43	Workshop, Warehouse And Premises
Unit 8	Not known	376.9	Workshop, Warehouse And Premises
Unit 9	Taxi garage	166.3	Workshop, Warehouse And Premises
Unit 10	Engineering	136.85	Workshop, Warehouse And Premises
Unit 11	Plant hire	159.05	Workshop, Warehouse And Premises
Unit 12	Engineering	106.56	Workshop, Warehouse And Premises

Floor	Use	Areas (Sqm)	Description
Unit 13	Not known	106.56	Workshop, Warehouse And Premises
Unit 16	Storage	174.84	Workshop, Warehouse And Premises
Units 17 & 18	Plant hire	311.22	Workshop, Warehouse And Premises
Unit 21	Not known	174.1	Workshop, Warehouse And Premises
Unit 22	Vehicular maintenance	163.04	Vehicle Repair Workshop, Offices And Premises
Unit 24	Vehicular maintenance	110	vehicle repair workshop and premise
Unit 25	Plant hire	90.3	Store and premises
Unit 26		6,269	Workshop and Premises
Building + Yard	folding Scaf	129.69	Store and premises

Source: VOA, 2016

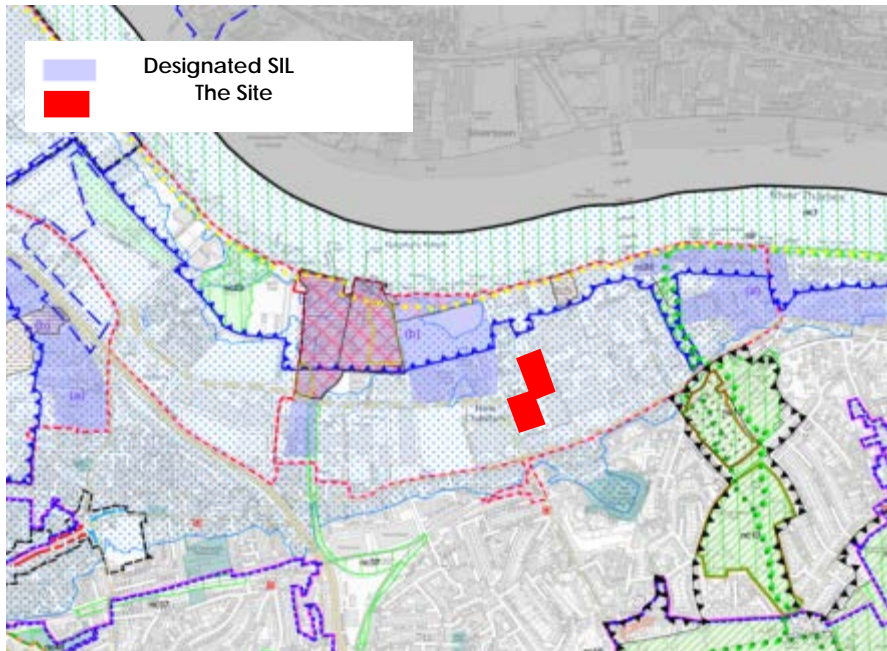
- 2.10 As shown it is clear that the majority of the activity within the proposed development site lies within what would typically be an industrial classification. Given the noted constraints of the site for these activities it is clear that, whilst active at present, there are likely to be challenges for the businesses operating from the site, which will be heightened as the wider aspirations for Charlton Riverside are delivered. Even without the proposed redevelopment this may place pressures on the existing businesses which could cause them to relocate.

Policy Context

- 2.11 The policy base that influences the current and future use of the site is set out in a suite of documents that range from London-wide policy through to site specific supplementary guidance, including:
- The London Plan 2016
 - Core Strategy, Adopted July 2014
 - Policies Map, Adopted 2014
- 2.12 **The London Plan (2011)** identifies Charlton Riverside as an Opportunity Area. Opportunity Areas are designated by the London Plan as areas capable of accommodating substantial new jobs or homes. These areas generally include major brownfield sites with capacity for new development and places with potential for significant increases in density. Development potential in these areas should be maximised.
- 2.13 The **Charlton Riverside Opportunity Area** is identified in the London Plan for the provision of a minimum of 1,000 new jobs and 3,500 new homes between 2012 and 2027. The London Plan sets a clear direction that any development within the OA should be integrated with the wider development of the south bank of the Thames to complement similar opportunities at Deptford/ Greenwich, Greenwich Peninsula and Woolwich.

- 2.14 **Greenwich Local Plan (2014):** It is clear from the Borough's Local Plan that whilst the proposed site is close to two Strategic Industrial Land (SIL) designations it does not fall within either (Figure 4) and as such the existing employment uses are not protected by specific industrial land policies at the strategic or local level.

Figure 4: Greenwich Proposal Map ²



Source: Proposal Maps, 2014

- 2.15 Indeed, as part of the wider Charlton Riverside area that is designated within **Policy EA2 of the RBG Core Strategy (2014)** the Anchor & Hope Lane sites form part of a Strategic Development Location that is identified as having the potential to provide the borough with a new mixed use urban quarter. It is considered to offer the opportunity for up to 5,000 new homes that would be unlocked by the consolidation of industrial activity within a high quality, mixed use setting.
- 2.16 **The Charlton Riverside Masterplan (SPD) (2012)** was prepared by Allies and Morrison to help guide development in the Charlton Riverside Opportunity Area. The SPD seeks to unlock Charlton's development potential to help support the regeneration of the surrounding areas by offering new homes, including affordable housing, new/enhanced transport links and high quality open spaces. The SPDs key strategic objectives include (but are not limited to):
- Integrating Charlton Riverside with the existing Charlton community;
 - Transforming the image of Charlton and introducing a sustainable mix of uses in a high quality environment focussed around an enhanced and expanded Barrier Park;

² http://www.royalgreenwich.gov.uk/site/custom_scripts/rbg-core-strategy-proposals-map/rbg-core-strategy-proposals-map.pdf

- Connecting into the transport network;
- Creating a thriving new neighbourhood set within its landscape; and
- Stitching together the retail and residential neighbourhoods within Charlton Riverside.

2.17 The SPD envisages that the eastern portion of the masterplan area (including the Site) will become a mixed use quarter, with a mix of creative and cultural industries and introducing new residential uses. This is shown below:

Figure 5: Charlton Riverside Development Framework



Source: Charlton Riverside Masterplan, 2012

Business Activity & Sector Orientation

- 2.18 The Anchor and Hope Lane Sites, at the time of writing, include 16 units³, some of which have been combined for use by a single occupier. These units are of a variety of sizes and types including light industrial and warehouse units⁴ ranging from 100 sqm to over 1,000 sqm available on a short or long term basis.
- 2.19 The average size of unit occupied within the combined centre is 165 sqm. On the face of it, there is a high level of occupancy; however, in the context of the proposed use at the site and the wider Charlton Riverside area, it is important to consider the nature of activities undertaken by the occupiers to understand the site's future role within the wider employment context.
- 2.20 To understand the future potential for relocation (or re-accommodation within the site) it is important to develop an understanding of the nature of activity undertaken within the existing

³ VOA

⁴ Please note that these are sizes of the individual units, and does not reflect the floorspace or rentable building area of the whole property.

buildings. In order to establish this level of understanding, we have undertaken a detailed analysis of the current occupiers to ascertain the extent to which their activity is industrial in nature. The steps taken in this analysis are summarised below:

- **Step 1: SIC Code matching:** We looked at the nature of activity being undertaken by each occupier, based on our research using CoStar and other available research⁵. These activities were then referenced back to the 2007 Standard Industrial Classification (SIC) divisions.
- **Step 2: Matching property type with land use:** Using VOA data for each property type within the trading estate we identified the primary land use for each property type.

2.21 The following table summarises Step 1 as described above, with the matching of businesses with 2007 SIC divisions.

Table 2: Businesses on Site

Company Name	Units Nos.	Line of Businesses	SIC Classification	SIC Description
KPT Solutions	Unit 1	Plant hire	77	Rental and leasing activities
Frankis Engineering/Fastline	Unit 2	Lift Manufacturer	28	Manufacture of machinery and equipment n.e.c.
Delmark Engineering	Units 3&4	Lifting Equipment	77	Rental and leasing activities
GVA Autos (now VBRA)	Unit 5	Vehicle Repair	45	Wholesale and retail trade and repair of motor vehicles and motorcycles
Pipe Services (Fabrication) Limited	Unit 7/14/15/19/20/23	Fabrication	43	Specialised Construction Activities
Compak Ramps Ltd	Unit 8	Machine Supply	28	Manufacture of machinery and equipment n.e.c.
Mushers Garage (Taxi garage)	Unit 9	Taxi operation	49; 28	Land transport and transport via pipelines; Manufacture of machinery and equipment n.e.c.
Ideal Elevators	Unit 10	Elevators	28	Manufacture of machinery and equipment n.e.c.
KPT Solutions	Unit 11	Plant hire	77	Rental and leasing activities
Extreme Lift Services Limited	Unit 12	Lift maintenance and repairs	33	Repair and installation of machinery and equipment
Page Pipeline Services	Unit 13	Plumbers	46	Wholesale trade, except of motor vehicles and motorcycles
Star Beers	Unit 16	Alcohol	46	Wholesale trade, except of motor vehicles and motorcycles
KPT Solutions	Unit 17&18	Plant hire	77	Rental and leasing activities
Steven John Taylor t/a Charton Car Centre	Unit 22	Garage Services	45	Wholesale and retail trade and repair of motor vehicles and motorcycles
KPT Solutions	Unit 25	Plant hire	77	Rental and leasing activities
Fastline Equipment Limited	Unit 26	Lift Manufacturer	28	Manufacture of machinery and equipment n.e.c.
Truck Align London	Units A &	Van Repairs	45	Wholesale and retail trade and

⁵ http://www.royalgreenwich.gov.uk/site/custom_scripts/core-strategy-examination-library/examination-documents/Issue-05/Appendices-Just Spaces/Issue_05_Just Spaces Appendix 1 Charlton riverside an alternative plan Jan 2013.pdf

Company Name	Units Nos.	Line of Businesses	SIC Classification	SIC Description
	B			repair of motor vehicles and motorcycles
Access Solutions Scaffolding	Building + Yard	Scaffolding	43	Specialised Construction Activities
Northgate Vehicle Hire	Workshop + Yard	vehicle Hire	77	Rental and leasing activities
Joint Scaffolding (London) Ltd	Unit 2	Scaffolding	43	Specialised Construction Activities
Penhall Cars (Derek Morris)	Unit 4	Vehicle Car	45	Wholesale and retail trade and repair of motor vehicles and motorcycles
LRR Range Rovers	Unit 6	Garage Services	45	Wholesale and retail trade and repair of motor vehicles and motorcycles

Source: CoStar, Core Strategy Examination doc., GVA research, NOMIS

- 2.22 From this analysis it is clear that there is a spread of business activities within the Anchor & Hope Lane sites, ranging from trade counter, building materials/ contractor related businesses and fabrication to print and media companies.
- 2.23 It is notable that there is a significant presence of activities that are principally focussed on retail activity. Based on the occupier data it would appear that a small proportion (approximately 20%) of the businesses within the site have some sort of office function ancillary to their industrial/primary use.
- 2.24 In considering the future of the site it is also important to understand the types of spaces that the occupiers would choose to be in. Where supply is limited often businesses will occupy whatever space is available in order to secure a presence in an area regardless of what type of property they would ideally choose. Therefore in identifying what type of space is likely to be appropriate for businesses located at Anchor & Hope Lane Sites, it is important to understand general occupier preferences of the particular business types present.
- 2.25 The following table summarises the primary business activities by land use / B use classes to demonstrate further the nature of existing activity within the site. This is in line with Step 2 as described previously, and is based on our professional experience advising a range of developers, occupiers, land owners and local authorities on development needs.

Table 3: Existing site units' land-use classification

Floor	Use	Areas (Sqm)	Description	Primary Land Use Classification
Units A&B	Vehicular maintenance	1252.04	Vehicle repair workshop and Premises + Warehouse and Premises	B1c
Unit 1	Plant hire	760.03	Workshop and Premises	B1c
Unit 2	Not known	100.98	Vehicle repair workshop and premises	B1c
Unit 3&4	Vehicular	202.71	Vehicle repair workshop and premises	B1c

Floor	Use	Areas (Sqm)	Description	Primary Land Use Classification
	maintenance			
Unit 5	Vehicular maintenance	101.08	Workshop, Warehouse And Premises	B1c
Unit 6	Vehicular maintenance	102.75	Workshop, Warehouse And Premises	B1c
7/14/15/19/20/23	Manufacturing	583.43	Workshop, Warehouse And Premises	B1c
Unit 8	Not known	376.9	Workshop, Warehouse And Premises	B1c
Unit 9	Taxi garage	166.3	Workshop, Warehouse And Premises	B1c
Unit 10	Engineering	136.85	Workshop, Warehouse And Premises	B1c
Unit 11	Plant hire	159.05	Workshop, Warehouse And Premises	B1c
Unit 12	Engineering	106.56	Workshop, Warehouse And Premises	B1c
Unit 13	Not known	106.56	Workshop, Warehouse And Premises	B1c
Unit 16	Storage	174.84	Workshop, Warehouse And Premises	B1c
Units 17 & 18	Plant hire	311.22	Workshop, Warehouse And Premises	B1c
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Unit 22	Vehicular maintenance	163.04	Vehicle Repair Workshop, Offices And Premises	B1c
Unit 24	Vehicular maintenance	110	vehicle repair workshop and premise	B1c
Unit 25	Plant hire	90.3	Store and premises	B8
Unit 26		6,269	Workshop and Premises	B1c
Building + Yard	Scaf folding	129.69	Store and premises	B8

Source: CoStar, Core Strategy Examination doc., GVA research, NOMIS

2.26 The above analysis shows that the existing employment site activities are mainly focussed towards building construction, trade counter services, warehouse and wholesale related activities. As such the activities tend to co-exist within light industrial clusters with a certain rental character.

Development Proposal for the Site

2.27 The development proposals seek to provide a residential-led development with auxiliary uses that optimises the ability of the site to meet the increasing demand for housing within RBG and London. The proposal aims to deliver high quality public realm with a series of open spaces and significantly enhanced connectivity, and to act as a benchmark and catalyst for future development within the wider area. The proposal includes:

- 975 residential units provided within 9 buildings ranging in height from 2 to 28 storeys, including extensive private gardens and roof terraces.
- 1,560 sqm (GIA) of office space

- Ancillary residential facilities including gym, swimming pool, changing rooms totalling 864 sqm (GIA);
- 690 sqm (GIA) of flexible retail/restaurant/café/leisure use;
- 407 sqm (GIA) of community uses;
- Extensive external public realm improvements and landscaping;
- Parking, services, plant and circulation.

2.28 The proposed Description of Development as follows:

'Demolition of existing buildings and erection of nine buildings ranging from 2 to 28 storeys in height for Class C3 (Residential Use), with Class B1 (Employment Floorspace) and flexible uses comprising A1 (Retail), Class A3 (Café/ Restaurant), Class D1 (Community Use) and Class D2 (Leisure) at ground floor and first floor level, alterations to existing vehicular access and creation of new pedestrian access from Hope and Anchor Lane and the riverside, creation of new areas of open space and landscaping together with the provision of associated car parking, cycle space, refuse and recycling storage, plant and all other associated works'

3. Industrial Policy Context and Property Market Review

3.1 To understand the existing employment context of the site, the following section presents two key components:

- Wider Industrial Policy Context
- Property Market Context

Wider Industrial Policy Context

3.2 As mentioned in the previous section, the site sits within the wider context of the Charlton Riverside Employment area and currently hosts employment uses but it does not fall under any employment use designations. However, to understand the existing employment use, occupancy profile and area context of the site, it is important to capture the wider industrial market context of London and Greenwich Borough industrial employment land policies.

London Context

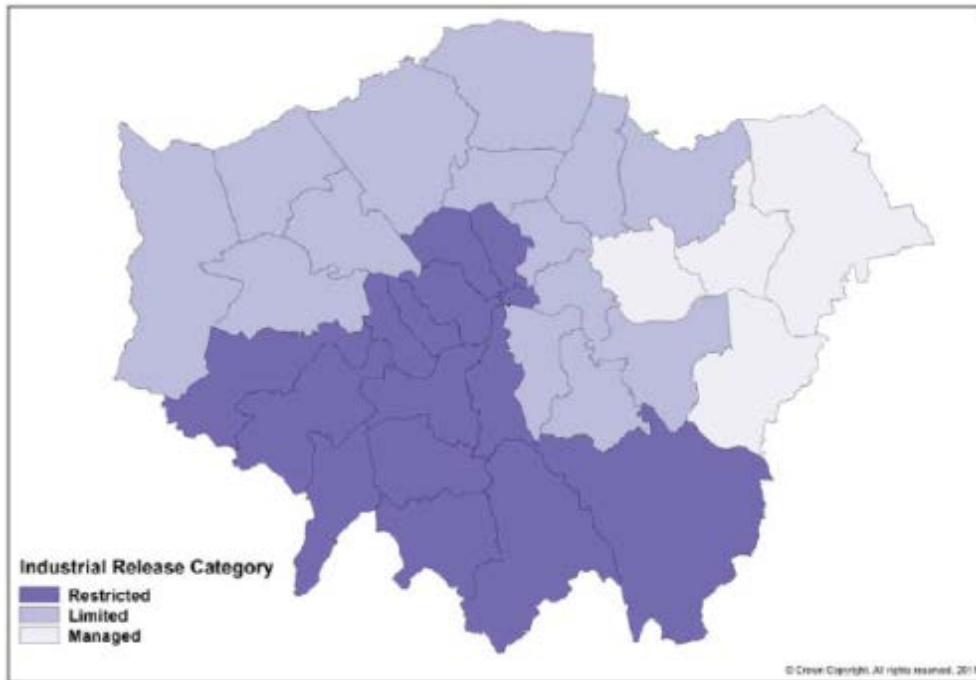
3.3 A significant proportion of the employment land reservoir in London is provided by Strategic Industrial Land (SIL) comprising approximately 50 per cent of London's total supply. SILs are given strategic protection because their scale and relatively homogenous character means they can accommodate activities which elsewhere might raise tensions with other land uses. They have been identified following an assessment of future need.

3.4 A sub-category of SIL is Preferred Industrial Location (PIL), (London Plan Policy 2.17 and Annex 3). 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"* (Industrial Land Demand Benchmark Release Study, 2011). The Land for Industry and Transport SPG (2012) further states that *"PILs will not normally be suitable locations for large scale B1(a) office development."*

3.5 The second sub-category of SIL is Industrial Business Parks (IBP) which is described by (London Plan Policy 2.17 and Annex 3) as *"particularly suitable for activities that need better quality surroundings including research and development, light industrial and higher value general industrial, some waste management, utility and transport functions, wholesale markets and small scale distribution."*

3.6 For release of the SIL land the London boroughs are categorised into three groups to reflect the pressure of demand for industrial uses and the recommended approach to land release.

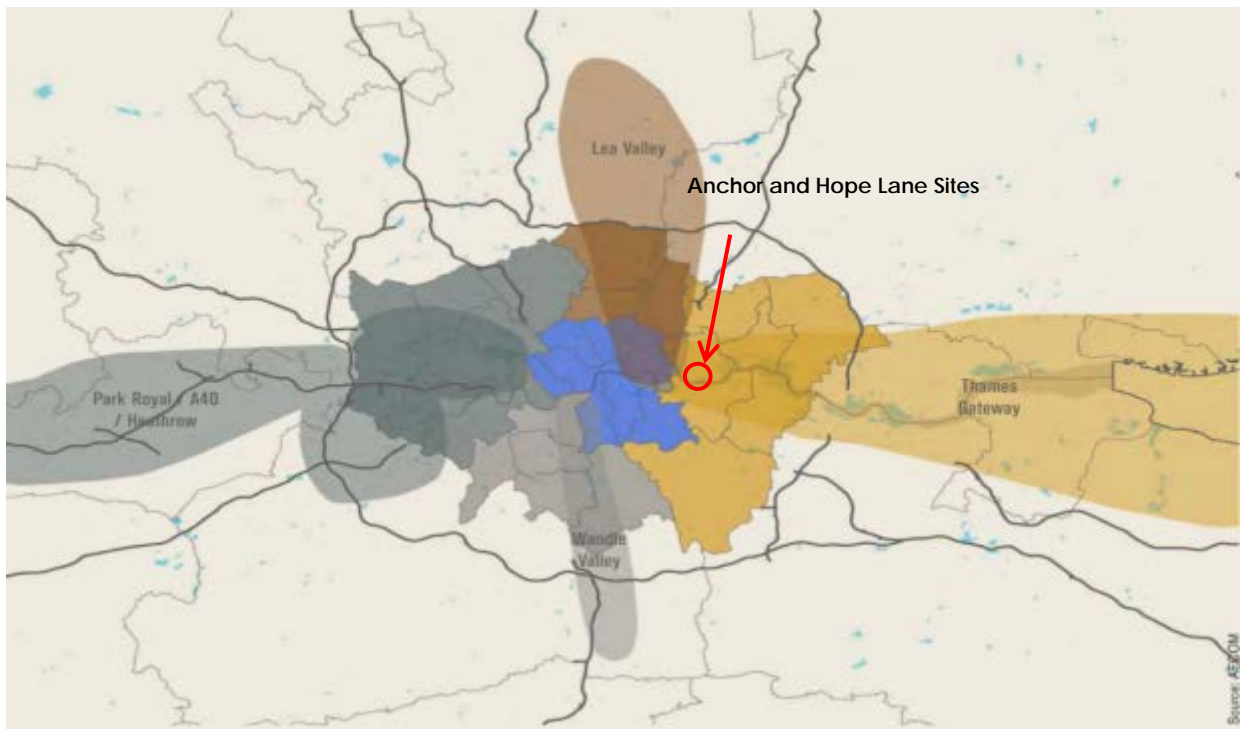
Figure 6: London Boroughs' 2011 Industrial Land Release Designations



Source: The London Plan, 2011

- 3.7 The figure above shows that Greenwich within the 'Limited Release' borough category, which is the intermediate category under which *"boroughs are encouraged to manage and where possible, reconfigure their portfolios of industrial land, safeguarding the best quality sites and phasing release to reduce vacancy rates for land and premises."*
- 3.8 The Industrial Land Demand Benchmark Release Study (2012) further states that based on the general level of local differences in the demand and supply of industrial space, it will be for boroughs to justify and address these local departures from general market conditions prevailing in their areas.
- 3.9 In terms of London-wide industrial market area, Figure 7 shows GLA's Industrial and Economy report 2015 also recognises the differing markets within London. The industrial market in Greenwich is strongly related to the East and Thames Gateway Property Market Area.

Figure 7: Key Industrial Property Market Areas in London



Source: *Industrial Land Demand Benchmark Release Study, 2011*

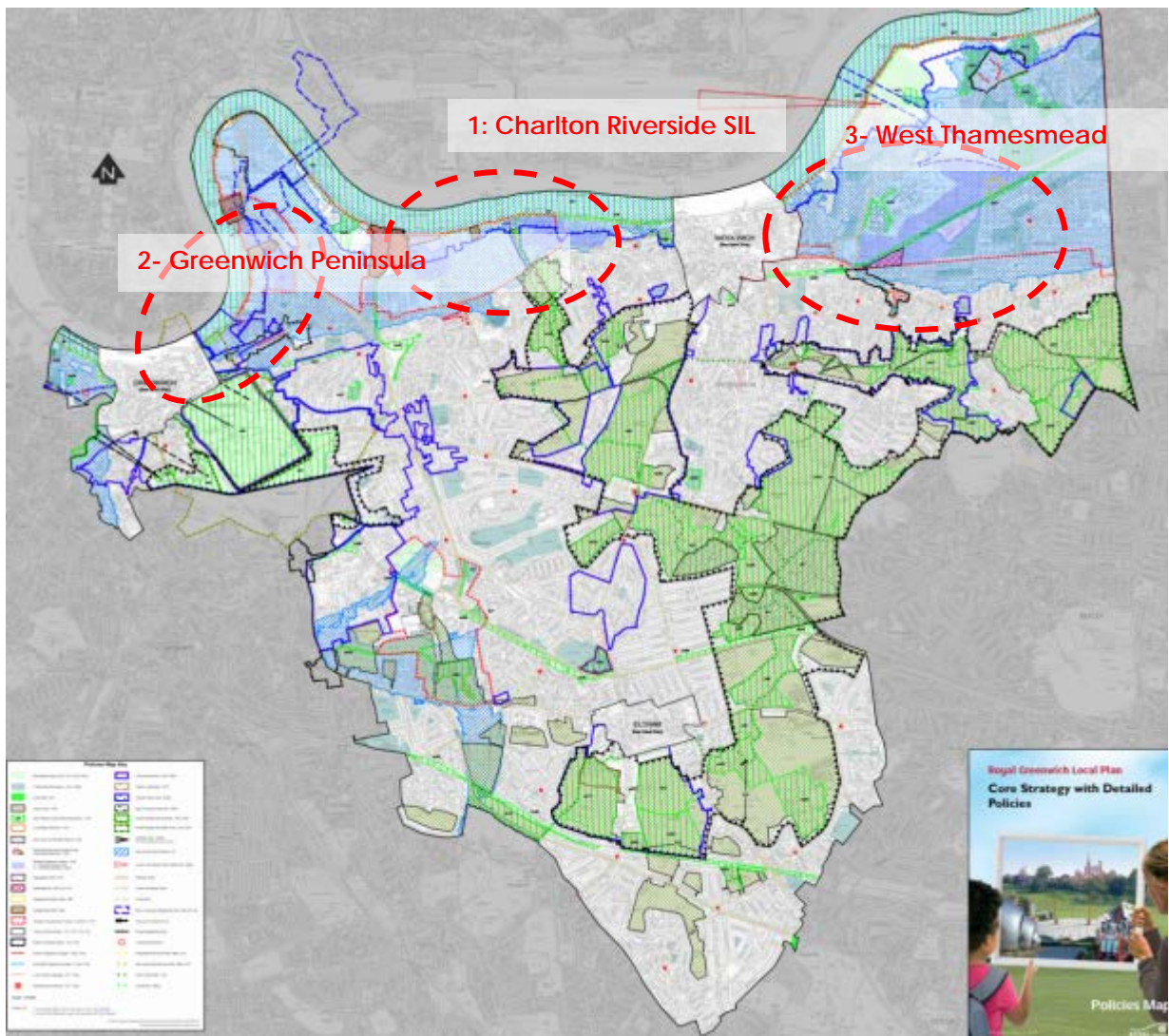
Greenwich Policy Context

- 3.10 Whilst the previous section presents an overview of relevant London Industrial policies for Greenwich, the following section presents an overview of relevant industrial policies within the borough.
- 3.11 **Greenwich Local Plan Policy EA4:** Strategic Industrial Location notes that there are four areas designated as Strategic Industrial Locations (SIL) which are protected for continued industrial use. These are:
- Charlton Riverside East, an Industrial Business Park (IBP)
 - Charlton Riverside West (including Aggregates Zone), a Preferred Industrial Location (PIL);
 - Greenwich Peninsula West, part Industrial Business Park (IBP), part Preferred Industrial Location (PIL).
 - The West Thamesmead / Plumstead Industrial Area, including the White Hart Triangle;
- 3.12 According to the Greenwich Local Plan (2014) policy, the following areas are designated on the Proposals Map as Strategic Industrial Locations. It is to be noted that for the purpose of our analysis in later sections of this report, we have considered Charlton Riverside East and West SIL sites under one sub-area as Charlton Riverside SIL.

Figure 8: Greenwich Major Industrial Sites

Ref No.	Major Industrial Employment Area in Greenwich	Designation
1	Charlton Riverside East	IBP
	Charlton Riverside West	PIL
2	Greenwich peninsula West	PIL
3	West Thamesmead/Plumstead Industrial Area	PIL

Figure 9: Map showing SIL Area Locations in Greenwich



Source: Future Employment Land Demand within Greenwich (Employment Land Study Review 2012)

Future Employment Needs

- 3.13 The Greenwich Local Plan (2014) states that by 2028, Royal Greenwich will have a prosperous and sustainable economy that will play a leading role in the economic regeneration of the Thames Gateway. It states the aspirations to have 21,000 new jobs by 2028.
- 3.14 The borough’s Employment Land Study (2012) states that there is a total of 221 ha of land currently in industrial employment use in RB Greenwich. The forecasts show that there is projected to be a net decrease in demand for industrial land of between around -45 ha and -

48 ha in the period 2012 to 2028. This is due largely to a forecast decrease in land for industrial uses (B1c/B2 use classes) and to a lesser extent lower demand for warehousing facilities (B8). This suggests that in the future there is likely to be less need for such sites as demand shifts and concentrates into the core industrial sites (largely the SIL designated land).

Figure 10: Greenwich industrial Employment Land Demand 2012-2028

Demand for industrial employment land use		Growth Scenario		
		Low	Medium	High
		(Hectares)		
A	Built on/developed supply of industrial land occupied by B-use class + including land for utilities, bus and rail depots, waste management and docks (1)		220.6	
B	Current vacant industrial land and land with vacant buildings (derelict) (2)		13.6	
C	Total occupied industrial land & vacant industrial land (A+B)		234.2	
D	Land demand 2012 to 2028	-34.3	-32.8	-31.3
E	Frictional vacant land 2012 to 2028 (5% of D) (3)	-1.7	-1.6	-1.6
F	Additional demand for waste and recycling facilities 2012 to 2028 (4)		3.2	
G	Gross demand for industrial land 2012-2028 (A+D+E+F)	187.7	189.3	190.8
H	Net demand for industrial employment land (Ha) 2012-28 (G-C)	-47.9	-46.4	-44.8

Source: Industrial land Study 2012

- 3.15 This future decline is mirrored by recent historic trends, with the employment land study observing that in the past ten to fifteen years there has been a steady decline in the demand for industrial floorspace. This trend is set to continue up to 2028. As a result of this declining demand the study recommends the de-allocation of sites around North Charlton Employment Areas because of congestion problems and neighbourhood issues and a focus on 'stronger' locations such as Plumstead/West Thamesmead.

Property Market Context

- 3.16 The policy context is helpful in understanding the future need for the site to provide industrial employment in the future, however market activity is also a key indicator as it reveals (regardless of designation) where occupiers actually seek to locate.
- 3.17 To understand this 'market need' for the proposed development site to remain in employment use it is important to consider a range of market indicators both for the site itself and the wider market within which it sits. This also helps to identify the areas where any displaced businesses may seek to relocate to. Therefore, within this section we consider the performance of industrial use of the site, against the wider market context (the three SIL areas and the borough as a whole). This will provide a review of the supply of industrial floorspace, the levels of demand and take-up and the relationship between the two.

Total Supply

- 3.18 Table 4 shows the total existing, vacant and available floorspace for the proposed development site and its wider context. It shows the summary of five year averages from 2011-2016 (Q3).

Table 4: Supply Analysis Summary-(2011-2016)

	Existing buildings	Existing sqm	Rent per sqm £	Vacant sqm	Available sqm	Months on market	12 month absorption sqm	% Vacant	% Occupied
Greenwich Borough	295	629,771	£67.92	24,110	45,692	12.6	7,220	3.80%	96.20%
Charlton Riverside SIL	49	141,318	£82.88	3,714	9,742	11	5,242	2.60%	97.40%
Thamesmead SIL	153	105,991	£52.74	9,511	12,526	15.1	1,542	9.00%	91.00%
Greenwich Peninsula SIL	17	57,510	£100.64	174	367	14.5	12	0.30%	99.70%
The Site	16	16,894	£82.67	436	579	6.5	82	2.60%	97.40%

Source: CoStar, 2016

- 3.19 It shows that the proposed development site has 16,894 sqm of existing floorspace⁶, which is only 2.7% of the total industrial floorspace in the borough. More widely, there is significant floorspace provided in the designated SIL area of Charlton Riverside and Thamesmead which together contributes to c 39% of the total floorspace in the borough. Greenwich Peninsula provides c 9% of the total floorspace.

⁶ It is to be noted that this existing floorspace is all the current floorspace in the area that exists regardless of availability, size, state of repair or any other characteristics.

3.20 Looking at the dispersal of Industrial activity in the Borough, the majority of the existing Industrial floorspace appears to be concentrated along the Thames for historic reasons, and it is clear that there is significant industrial land across the three SIL areas in Greenwich.

Existing Floorspace by Size

3.21 Table 5 shows a further breakdown of existing stock (or rentable building area) by size bands. It shows that the proposed development site has high proportion of buildings with rentable area between 466 to 1,850 sqm. This is similar to the wider trends in Charlton Riverside SIL and Greenwich, where relatively large proportion of properties fall within the similar range, as the Charlton Riverside SIL shows the second highest (35%) and Greenwich, the highest (41%) proportion of stock falling under this category.

Table 5: Existing Stock (Rentable Building Areas⁷) by Size

	<185 sqm	185-465 sqm	466-1850 sqm	1850+ sqm	Existing sqm
Greenwich	30	40	121	104	629,771
Charlton Riverside SIL	4	3	17	25	141,318
Thamesmead SIL	49	50	29	25	105,991
Greenwich Peninsula	1	5	5	6	57,510
The Site	1	3	10	2	16,894

Source: CoStar, 2016

Available Floorspace⁸

3.22 In terms of available floorspace, which is the total amount of space that is currently being marketed as available for lease or sale in a given time period; the proposed site has c. 580 sqm of available floorspace. This is approximately 1% of the borough and 6% of the Charlton Riverside designated SIL area.

3.23 In terms of availability rate, which is the percentage of the total amount of available space divided by the total amount of existing inventory, the site has an availability rate of c 3.4%, compared to Charlton Riverside and Thamesmead which have an availability rate of 6.9% and 11.8% respectively. By comparison, Greenwich Peninsula shows an availability rate of c 0.6% which implies that the industrial space is already well occupied. Following the point

⁷ This equates to internal area (NIA) or net lettable area, may include common areas.

⁸ The total amount of space that is currently being marketed as available for lease or sale in a given time period. It includes any space that is available, regardless of whether the space is vacant, occupied, available for sublease, or available at a future date. (CoStar)

made earlier, this implies that Thamesmead and Charlton Riverside exhibit a strong capacity in quantitative (total floorspace) terms to accommodate new industrial employment.

3.24 Table 6 shows the floorspace by type in the proposed development site in comparison to the wider market. It shows that in comparison with the other areas studied, the proposed development site does not have any floorspace which is currently demolished, proposed, under construction, or under renovation between 2009 and 2016. This may suggest that there has been a limited development interest, with no new stock being brought forward on the existing site.

Table 6: Floorspace by Type, 2009-2016

		Demolished	Existing	Proposed	Under Construction	Under Renovation	Grand Total
Greenwich Borough	Rentable Building Area (sqm)	0	6,869,389	320,000	2,000	0	7,191,389
	Count of Property Type	0	289	6	1	0	296
Charlton Riverside SIL	Rentable Building Area (sqm)	413,807	1,603,814	0	0	0	2,017,621
	Count of Property Type	2	47	0	0	0	49
Thamesmead SIL	Rentable Building Area (sqm)	0	1,148,195	320,000	0	0	1,468,195
	Count of Property Type	0	45	6	0	0	51
Greenwich Peninsula SIL	Rentable Building Area (sqm)	4,630	615,563	0	0	0	620,193
	Count of Property Type	1	16	0	0	0	17
The proposed development site	Rentable Building Area (sqm)	0	181,847	0	0	0	181,847
	Count of Property Type	0	16	0	0	0	16

Source: CoStar, 2016

Vacancy⁹

3.25 The following section looks at the vacancy rates¹⁰ for the site in comparison to the wider area. It is to be noted that vacancy rate is separate from availability rate. Vacancy rate here refers to the amount of new/ relet/ sublet space that is vacant against the existing Rentable Building Area.

⁹ Expressed as a percentage - it identifies the amount of New/Relet/Sublet space vacant divided by the existing Rentable Building Area. Can be used for buildings or markets. (CoStar)

¹⁰ A measurement expressed as a percentage of the total amount of physically vacant space divided by the total amount of existing inventory. Vacant space is defined as space that is not currently occupied by a tenant, regardless of any lease obligation that may be on the space. Vacant space could be space that is either available or not available.

- 3.26 The site has 436 sqm of vacant space, which amounts to approximately 1.8% of Greenwich Borough's vacant space.
- 3.27 The site's vacancy rate is 2.6% which is in line with the wider area and Charlton Riverside SIL, which is lower than Borough average. However, it is relatively higher than that of Greenwich Peninsula SIL and significantly lower than Thamesmead.
- 3.28 The proposed development site has the lowest months on the market, at 6.5 months on average. This is half of the average months on the market than that of Greenwich Borough. Yet, the proposed development site has one of the lowest 12 month absorption, at 82 sqm which suggest there is little occupier activity, and the existing businesses are on long leases.

Table 7: Vacancy Rates 5-year average (2011-2016)

	Vacant sqm	% Vacant	% Occupied
Greenwich Borough	259,521	3.80%	96.20%
Charlton Riverside SIL	39,973	2.60%	97.40%
Thamesmead SIL	102,379	9.00%	91.00%
Greenwich Peninsula SIL	1,877	0.30%	99.70%
The proposed development site	4,694	2.60%	97.40%

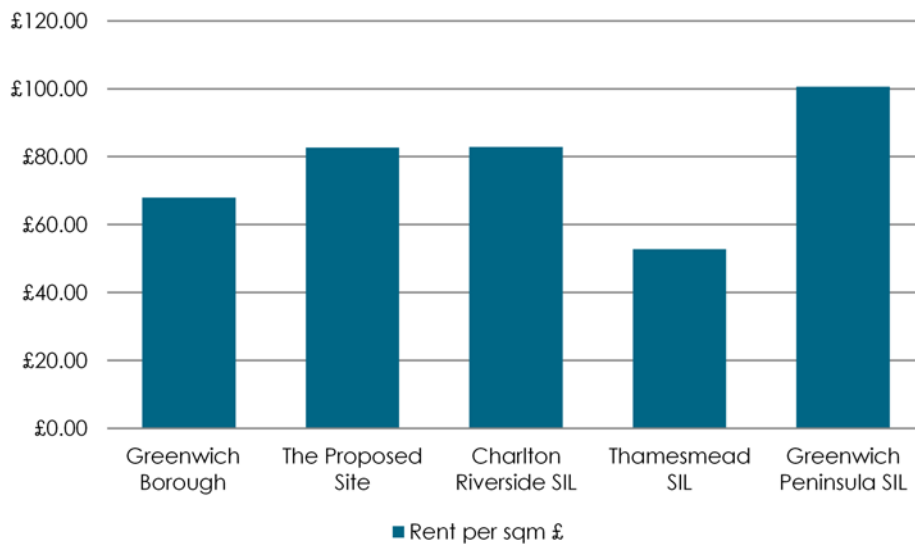
Source: CoStar, 2016

Rental Levels¹¹

- 3.29 The rent per sqm (£) in the proposed development site is similar to that of Charlton Riverside, but significantly higher than Greenwich borough as a whole as shown in Figure 11. The five year average rental levels show that the highest achieved rents are in Greenwich Peninsula SIL at £100 per sqm, which is 18% higher than rents being achieved at Charlton Riverside. Thamesmead SIL shows the lowest rents at £52, which implies slightly lower industrial rents.

¹¹ The analysis is based on asking rents category.

Figure 11: Average Rent per sqm (£)



Source: CoStar, 2016

Demand Take-up

- 3.30 Having considered the current supply portfolio we now turn to demand, and review recent market transactions to identify trends that may or may not continue to apply to industrial activities in Charlton Riverside and its wider context.
- 3.31 Table 8 shows the total take-up of floorspace between 2009 and 2016 on site compared to the wider area. It shows that the proposed development site has seen 4 lease deals in these years and a total floorspace of 1,520 sqm leased, which is 8% of its existing floorspace.
- 3.32 The table also shows that a significant amount of industrial floorspace was leased in the three SIL areas, approximately 55% of the total borough. This is reflection of an active industrial market in the in the existing SIL areas of Greenwich.

Table 8: Take-up 2008-2015

	Total SQM Leased	Total Deals	Average Size of the deal (sqm)	Rent /Yr/ Sqm (£)
Greenwich	110,020	162	618	80
Charlton Riverside SIL	27,110	43	602	76
Thamesmead SIL	22,500	29	776	73
Greenwich Peninsula SIL	11,080	4	2,770	90
The proposed development site	1,520	4	380	73

Source: CoStar, 2016

Take-Up by Size¹² and Type¹³

- 3.33 In terms of breakdown of take-up floorspace, we have reviewed the total amount of space that was leased between 2008 and 2016 (Q3). The proposed development site shows 4 properties that have undergone a change of lease/ re-lease in the last eight years. Table 9 indicates that three out of four units lie in the band between 466 and 1,850 sqm.
- 3.34 When looking through the existing availability data, it is evident that Charlton Riverside SIL has the greatest leasing transactions of units within the 185-465 sqm band, which is in line with the lease data for the site.

Table 9: Take-up Size, 2009-2015

	<185 sqm (No. of properties available)	185-465 sqm (No. of properties available)	466-1,850 sqm (No. of properties available)	1,850 sqm+ (No. of properties available)	Total Properties	Total Floorspace (Sqm)
Greenwich Borough	46	47	58	11	162	110,020
Charlton Riverside SIL	7	17	17	2	43	27,110
Thamesmead SIL	9	6	11	3	29	22,500
Greenwich Peninsula SIL	0	0	2	2	4	11,080
The Site	0	3	1	0	4	1,520

Source: CoStar, 2016

Key Findings

- 3.35 Overall it can be seen that, whilst the Anchor & Hope Lane sites are well occupied at present they do not demonstrate significantly stronger characteristics than any of the comparator areas and their performance is broadly in line with the wider Charlton Riverside area.
- 3.36 Given the limited scale of the sites it is unsurprising that occupancy has remained high as, in general, established firms tend to 'turnover' less within such locations.
- 3.37 Critically a number of other indicators such as sizes, rental values and take-up rates suggest that there is nothing 'unique' about the offer within the sites, suggesting that business are likely to be able to find premises elsewhere that meet their needs. This particularly relates to the stock sizes which are in line with the borough as a whole and the wider Charlton Riverside SIL area.

¹² The total area of a property in terms of its floorspace. Under this definition, properties are categorized into size bands of <185sqm, 185-465 sqm, 466-1850 sqm, and 1850sqm+. (CoStar)

¹³ The current state of repair of a property. Under this definition, property can be defined as demolished, existing, proposed, under construction, or under renovation. (CoStar)

- 3.38 Greater focus has, in recent years, been within the SIL, where a significant (55%) of the total borough's floorspace leased in the last eight years has been located, highlighting the comparative strength in these areas compared to non-designated sites such as Anchor & Hope Lane. These locations have significant capacity both in terms of the existing stock and potential for additional development.
- 3.39 Critically businesses displaced from the proposed development sites could access cheaper stock elsewhere. On average rents in Greenwich are significantly lower than that of Charlton Riverside SIL which could be a benefit to a business as it relocates.

4. Alternate Supply

4.1 In this section we have presented an overview of the availability of industrial properties within the wider context of Greenwich and its neighbouring boroughs. Understanding the supply portfolio is critical to provide reassurance that the businesses within the Anchor & Hope Lane sites can be relocated with minimal disruption to their operation.

4.2 In this section we consider the range of opportunities, focussing first on the ability to accommodate activity in the immediate vicinity of the proposed development sites, then considering the opportunities to accommodate businesses within the borough and, finally, within neighbouring boroughs which would enable businesses to continue to service their existing markets relatively easily.

Existing Capacity within Greenwich

4.3 The following table records the properties that were available on the market for letting purpose in early November 2016. According to CoStar data over 24,600 sqm of industrial floorspace was available to be let within Greenwich. Of this, approximately 94% of the advertised floorspace within Greenwich was in Charlton Riverside SIL and the wider Thamesmead industrial area, highlighting the opportunity for businesses to remain 'local' to their current location.

Table 10: Available industrial floorspace in Greenwich

	Available Floorspace, Lettings Data (Sqm)	<185 sqm (No. of properties available)	185-465 sqm (No. of properties available)	466-1,850 sqm (No. of properties available)	1,850 sqm+ (No. of properties available)
The Site	-	-	-	-	-
Charlton Riverside SIL	9,780	0	1	3	4
Thamesmead (Greenwich)	13,001	0	1	3	4
Thamesmead (Greenwich + Bexley)	36,158	1	3	8	12
Greenwich	24,605	3	4	7	14

Source: CoStar

Figure 12: Location of Available Industrial/ Light Industrial Floorspace in Greenwich



Source: CoStar, 2016

4.4 CoStar data also suggests that in general, there is a range of unit sizes available across the two SIL areas, with significant available supply of medium to large units. Further review of the property data suggests that these spaces are generally flexible, with some premises currently offering larger floorplates but being advertised as having the potential for sub-division in order to meet business needs. This indicates that larger occupiers within the proposed development site would be able to find new accommodation within the north of the borough.

Charlton Riverside SIL

4.5 Table 11 shows there is significant availability of floorspace within the neighbouring Charlton Riverside SIL area, providing an estimated 42% of the available (or to let) floorspace in the borough. In terms of pure quantum of floorspace, Charlton Riverside SIL area alone can accommodate 60% of the displaced employment floorspace from the proposed development site.

Table 11: Existing employment floorspace at site against the availability at Charlton Riverside SIL

Existing Floorspace Data- Anchor and Hope Sites					
	<185 sqm	185-465 sqm	466-1850 sqm	1850+ sqm	Existing sqm
Anchor and Hope Sites- Existing employment area	1	3	10	2	16,894
Lettings Data- Charlton Riverside SIL					
	<185 sqm	185-465 sqm	466-1850 sqm	1850+ sqm	Existing sqm
Charlton Riverside SIL Floorspace to let (Sqm)	0	1	3	4	10,374

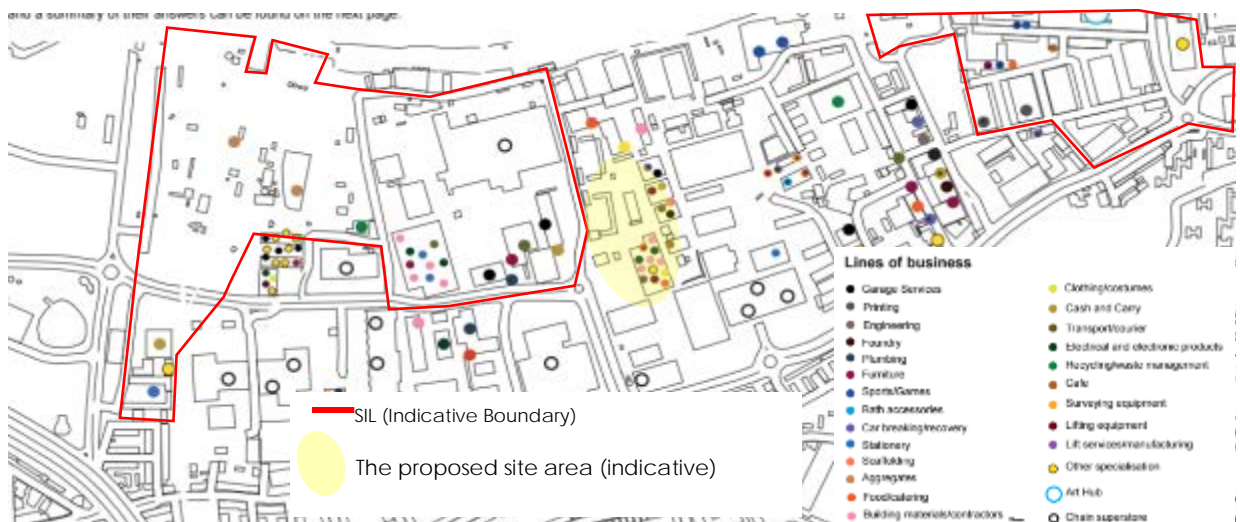
4.6 The existing SIL area at Charlton Riverside also provides an appropriate environment as it hosts a number of businesses that are of similar character to those on the proposed development site.. The SIL area hosts several businesses such as building materials/ contractors and fabrication businesses, bath accessories, trade counters, furniture and other specialisation businesses that align with the existing businesses at the proposed development site (Figure 14).

Figure 13: Charlton Riverside SIL area (Indicative)



Source: CoStar, 2016

Figure 14: Charlton Riverside, Business Survey¹⁴



Availability in Thamesmead

4.7 As shown in Table 12 Thamesmead as a wider area has availability of over 36,000 sqm of floorspace. This shows a significant quantum of industrial space capacity although it should be noted that some of this capacity (towards the east at Veridion Park and Hailey Road) lies within the London Borough of Bexley.

¹⁴ http://www.royalgreenwich.gov.uk/site/custom_scripts/core-strategy-examination-library/examination-documents/Issue-05/Appendices-Just-Spaces/Issue_05_Just_Spaces_Appendix_1_Charlton_riverside_an_alternative_plan_Jan_2013.pdf

Table 12: Existing employment floorspace at site against the availability at Thamesmead

Existing Floorspace Data- Anchor and Hope Sites					
	<185 sqm	185-465 sqm	466-1850 sqm	1850+ sqm	Existing sqm
Anchor and Hope Sites- Existing employment area	1	3	10	2	16,894
Lettings Data- Charlton Riverside SIL					
	<185 sqm	185-465 sqm	466-1850 sqm	1850+ sqm	Existing sqm
Thamesmead (Greenwich and Bexley) Floorspace to let (Sqm)	1	3	8	12	36,185

4.8 Similar to the Charlton Riverside SIL Thamesmead would offer an appropriate location for occupiers of the Anchor & Hope sites given it is established as a location for industry, manufacturing, warehousing, distribution, and waste/utilities.

Figure 15: Location of Available Industrial/ Light Industrial Floorspace in Thamesmead (Including Greenwich and Bexley)



Source: CoStar, 2016

4.9 Thamesmead also provides a wide spectrum of premises opportunities. At one end of the spectrum the wider area provides opportunities for large scale city-serving activity (such as Iron Mountain or the Asda Fulfilment Centre), whereas at the other end of the spectrum there is a focus on small, locally serving activities such as vehicle repairs, aligning closely with the mix of activities within the Anchor & Hope Lane sites.

4.10 Focusing specifically on the West Thamesmead cluster within Greenwich, such as West Thamesmead Business Park (Figure 16), the focus is on light industrial use alongside significant local service providers such as car repairs. With cheaper rents than Charlton Riverside there is the potential for a number of occupiers to cost-effectively relocate here.

Figure 16: West Thamesmead Business Park (Nathan Way)



Source: GVA, (base-Google Maps, 2016)

Permitted Development within Greenwich

4.11 The previous sections considered availability in terms of the current built stock, however businesses may also seek new bespoke premises and it is therefore important to also understand the opportunities for new development to accommodate displaced activity. Clearly this is indicative as some new developments may be being provided for a particular occupier and not truly be available; however it provides a benchmark estimate to understand the potential capacity.

4.12 As shown in Table 13 there has been a significant quantum of new industrial floorspace permitted within Greenwich, with over 78,000 sqm of industrial floorspace currently consented and not yet delivered.

Table 13: Supply pipeline for industrial properties in Greenwich (2009-2016)

Type	2009	2010	2011	2012	2013	2014	2016	Grand Total (Sqm)
Business (B1c) (Sqm)		928			1,270		204	2,402
Industrial (B1/2) (Sqm)				7,471		1,403		8,874
Industrial (B1/2/8) (Sqm)	5,285		5,714					10,999
Industrial (B2) (Sqm)		529			8,083	4,968		13,580
Industrial (B8) (Sqm)			27,157	55	1,746	11,852	1,428	42,238
Grand Total	5,285	1,457	32,871	7,526	11,099	18,223	1,632	78,000

Source: Egi

- 4.13 Of this, planning permission was granted post 2012 for a significant amount (29,300 sqm or 37% of the floorspace), indicating a notable quantum of new industrial development coming forward which would potentially be available to occupiers of the Hope & Anchor Lane sites.

Availability in the Neighbouring Boroughs

- 4.14 Clearly, occupiers within the proposed development sites are not limited to remaining within the borough and could locate anywhere that provides appropriate property and similar levels of accessibility.
- 4.15 These conditions are most likely to be met within the immediately neighbouring boroughs of Bexley and Bromley, both of which have established industrial markets and are seeking to retain and grow these in the future.
- 4.16 In solely quantum terms, Bexley and Bromley provide a combined availability of over 284,700 sqm of floorspace, which is over 18 times the existing let capacity of the Anchor & Hope sites. This shows that the wider industrial market area into which occupiers could relocate offers significant immediately available capacity to accommodate displaced activity.

Table 14: Available industrial floorspace in Greenwich and its neighbouring boroughs

	Available Floorspace, Lettings Data (Sqm)
Greenwich	24,605
Bexley	268,089
Bromley	16,702

Source: CoStar, Nov 2016

Key Findings

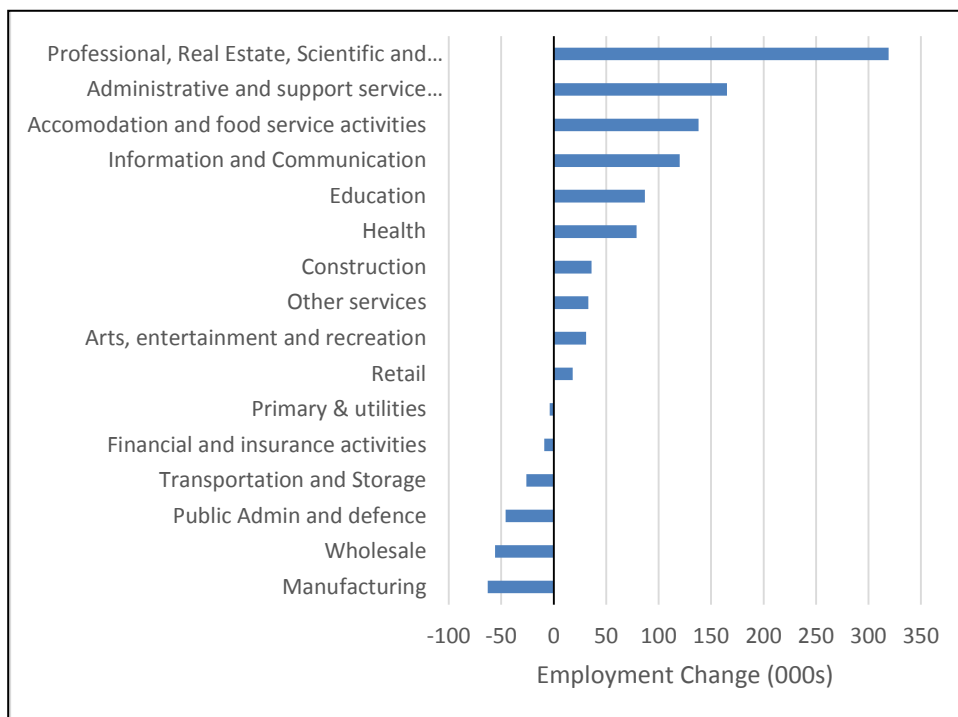
- 4.17 Analysis of the supply data shows that there is a strong supply of available industrial property in Greenwich that would be suitable for businesses occupying the proposed development sites; this is both in terms of quantum and the nature/character of the areas it is located within.
- 4.18 Critically the majority of this capacity is located in close proximity to the Anchor & Hope Lane sites within the Charlton Riverside or West Thamesmead SILs. This means there are strong opportunities for businesses to relocate over a short distance, minimising disruption to their operation.
- 4.19 The supply is spread across the size spectrum with significant available supply of medium to large units that are generally flexible, with the potential for sub-division in order to meet business needs. These could provide a direct replacement for premises lost through redevelopment.

- 4.20 In terms of types of business occupiers, the two SIL areas present a broad range of economic options that align with the existing business activities within Anchor and Hope Lane Sites, embracing multiple sectors and use.
- 4.21 There have been over 78,000 sqm of industrial floorspace granted planning permission in Greenwich between 2009 and 2016. Of this, a significant 37% of planning permission by floorspace was granted post 2012. Between the pipeline and existing stock there are, therefore, excellent opportunities to retain the displaced businesses within the borough.
- 4.22 Should businesses not be able to find local accommodation there is a significant scale of available space within the same market area which, although a loss to the borough, would allow businesses to continue to serve their existing markets.

5. The Benefits of Redevelopment

- 5.1 Our analysis has shown that the redevelopment of the Anchor and Hope Lane sites, whilst displacing the existing employment activity, will not necessarily result in the loss of business activity from the borough as a whole. Sufficient floorspace exists elsewhere of a suitable type to, potentially, allow businesses to relocate locally.
- 5.2 In considering the redevelopment of the site it is critical to balance the business displacement against the role new employment floorspace that will be delivered can play in meeting economic growth needs and also helping to create the integrated mixed use centre envisaged within the Charlton Riverside SPD.
- 5.3 It is clear that the London economy has changed significantly over the past decade, with a major diversification of sector activity occurring that has increased the focus within inner London on office-based activity and away from industrial premises.
- 5.4 This shift focus is expected to continue into the future, with GLA Economics forecasting the strongest growth levels across London within office occupying sectors by 2036, as shown below.

Figure 17: Growth levels across London (2016-2036)



Source: GLA Economics

- 5.5 Clearly not all locations will change in the same way, with some areas experiencing a different nature of growth than the 'London average', particularly within sectors which are dominant within the Central Activities Zone.
- 5.6 This growth projection reflects recent trends in employment growth within the East London Thames Corridor and East London Boroughs more generally. Between 2009 and 2014 growth has been led in both areas by Administration and Support Services, Computer Programming, Health and Social Work and Education (Source: ONS), suggesting a refocusing of the economic area within which Charlton Riverside sits is well underway.
- 5.7 Drawing on projections provided by Experian Business Strategies (September 2016) it is clear that employment growth within Greenwich will continue to be driven by a range of sectors, which predominantly occupy a mix of office or non-B class (retail, leisure, 'community') floorspace.
- 5.8 A breakdown of the biggest positive contributors to employment growth between 2016 and 2036 is shown below (shaded rows represent predominantly office based activities).

Table 15: Employment growth between 2016 and 2036

	Change 2016-2036	
	Percent	Jobs
Residential Care & Social Work	44%	2800
Accommodation & Food Services	44%	2700
Health	28%	2200
Specialised Construction Activities	23%	1000
Recreation	23%	1100
Education	23%	3100
Construction of Buildings	21%	300
Wholesale	21%	600
Media Activities	20%	100
Real Estate	20%	200
Land Transport, Storage & Post	18%	900
Professional Services	18%	800
Computing & Information Services	17%	400
Finance	17%	100
Civil Engineering	14%	100
Retail	12%	1100
Administrative & Supportive Services	11%	700
Utilities	8%	100
Other Private Services	5%	100

- 5.9 Accommodating this growth will require a range of property to be provided, including a high proportion of office space, approximately 2,400 additional jobs based on Experian's estimates. Given the nature of the Greenwich economy this is unlikely to be in the form of large floorplate

buildings, as confirmed by the refocusing of the Greenwich Peninsula proposals away from major office development.

- 5.10 Smaller, more locally orientated office stock is likely to be required to provide a base for a range of professional services, ICT and administrative services that will serve the Greenwich market, the wider East London market and, potentially, act as a location to service the CAZ.
- 5.11 The proposals for the redevelopment sites could therefore make a significant contribution to providing good quality accommodation to meet these needs. Similar approaches within the Woolwich Arsenal development have proved there is a market for good quality, small offices as part of a high quality mixed use development approach that establishes a new 'destination'.
- 5.12 The success of the Charlton Riverside offer will be underpinned by a proactive marketing and promotion approach that is being developed by the scheme promoter in partnership with the Ethical Property Company. Together they are actively seeking occupiers with a focus on providing 'affordable' workspace that can be utilised by a range of small, start up or not for profit occupiers.
- 5.13 This approach will help to ensure that the commercial proposition, once delivered, will be successful in attracting occupiers, enabling the development to tap into both the local growth dynamics and also, potentially, to attract strategic growth sectors to the area that otherwise may locate elsewhere. The mix of uses and potential occupier types will make a significant contribution to the provision of local jobs and also the creation of the vibrant, integrated and mixed use 'heart' of the Charlton Riverside area identified within the SPD.

6. Conclusions

- 6.1 The application site lies within the Charlton Riverside masterplan boundary, an area that has been identified for mixed use residential-led development including some education related use. Whilst much of the proposed development site is currently occupied for employment uses, the application site lies outside of the SIL designation.
- 6.2 The application site currently hosts a range of employment uses in purpose built light industrial and warehouse properties. The businesses include activities such as trade counters, building/construction and fabrication companies, and some specialist companies. Most of the physical properties and character of businesses within the sites are in line with the wider Charlton Riverside SIL area.
- 6.3 Whilst the stock is of average condition, its context makes it sub-optimal in operational terms for modern industrial activity given its constrained access and proximity to residential neighbourhoods. Its performance in market terms, whilst not negative, suggests it offers no strategic advantages over other parts of the local industrial portfolio.
- 6.4 This comparative performance suggests that business could relocate to other parts of the borough without detriment to their performance and may indeed benefit from improved access, better quality premises and (potentially) lower rent.
- 6.5 Relocation is achievable within the borough given the proximity of both the Charlton Riverside and West Thamesmead SILs, both of which provide sufficient capacity to absorb the space lost within the proposed redevelopment sites. These locations provide a complementary set of activities that would reduce the level of 'bad neighbour' impacts businesses experience, with a number of similar business activities already within the sites.
- 6.6 Critically these locations also provide a suitable scale and type of premises, with significant available supply of medium to large units that are generally flexible, with the potential for sub-division in order to meet business needs.
- 6.7 Should businesses not be able to find suitable premises within the borough there are also considerable opportunities within neighbouring authority areas that will allow businesses to relocate and still service their markets with minimal disruption.
- 6.8 Overall, this report demonstrates that whilst the displacement of businesses from the proposed redevelopment sites is inevitable if development goes ahead it can be undertaken without creating material risks to the operational viability of the businesses relocated.

- 6.9 Importantly the development proposals also provide an opportunity for the borough to provide space to help meet new types of employment growth and property demands. It is clear the borough's economy continues to evolve alongside the wider London economy, this requires a different mix of premises and in particular smaller office and other supporting uses to accommodate this growth.
- 6.10 The redevelopment of the Anchor & Hope Lane sites therefore offers the opportunity for Greenwich to begin to deliver on its vision for Charlton Riverside as a truly integrated, mixed use location that helps to support the growth and diversification of the borough. Whilst some businesses will be relocated, the provision of a new and different type of capacity, supported by a proven operator will provide a new generation of businesses to start and grow within the borough.

7. Appendices

Figure 18: Recommended Redrawn Boundary for the North Charlton Employment Area (ELR, 2012)

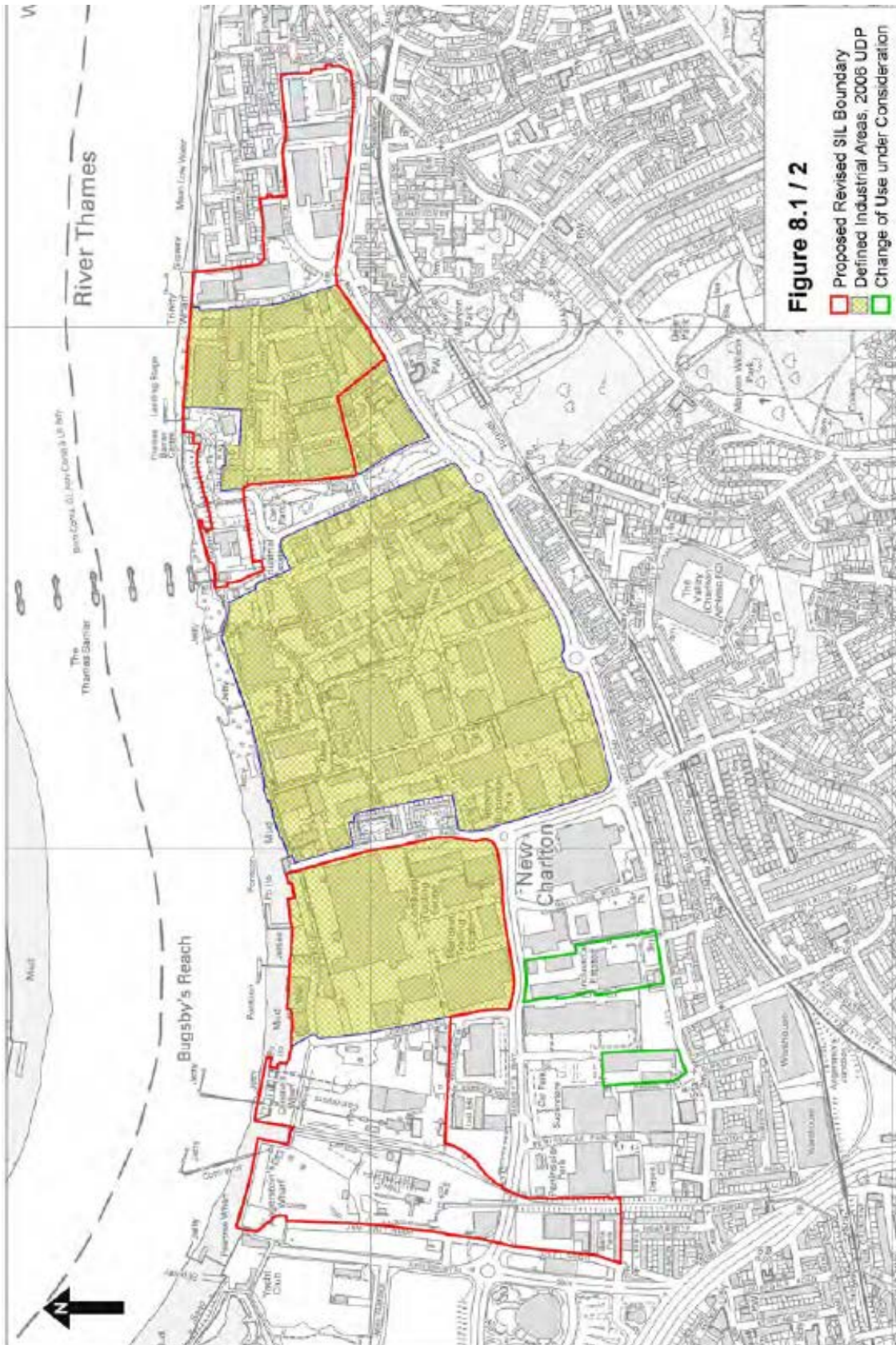


Figure 19: Recommended Redrawn Boundary for Greenwich Peninsula West (ELR, 2012)

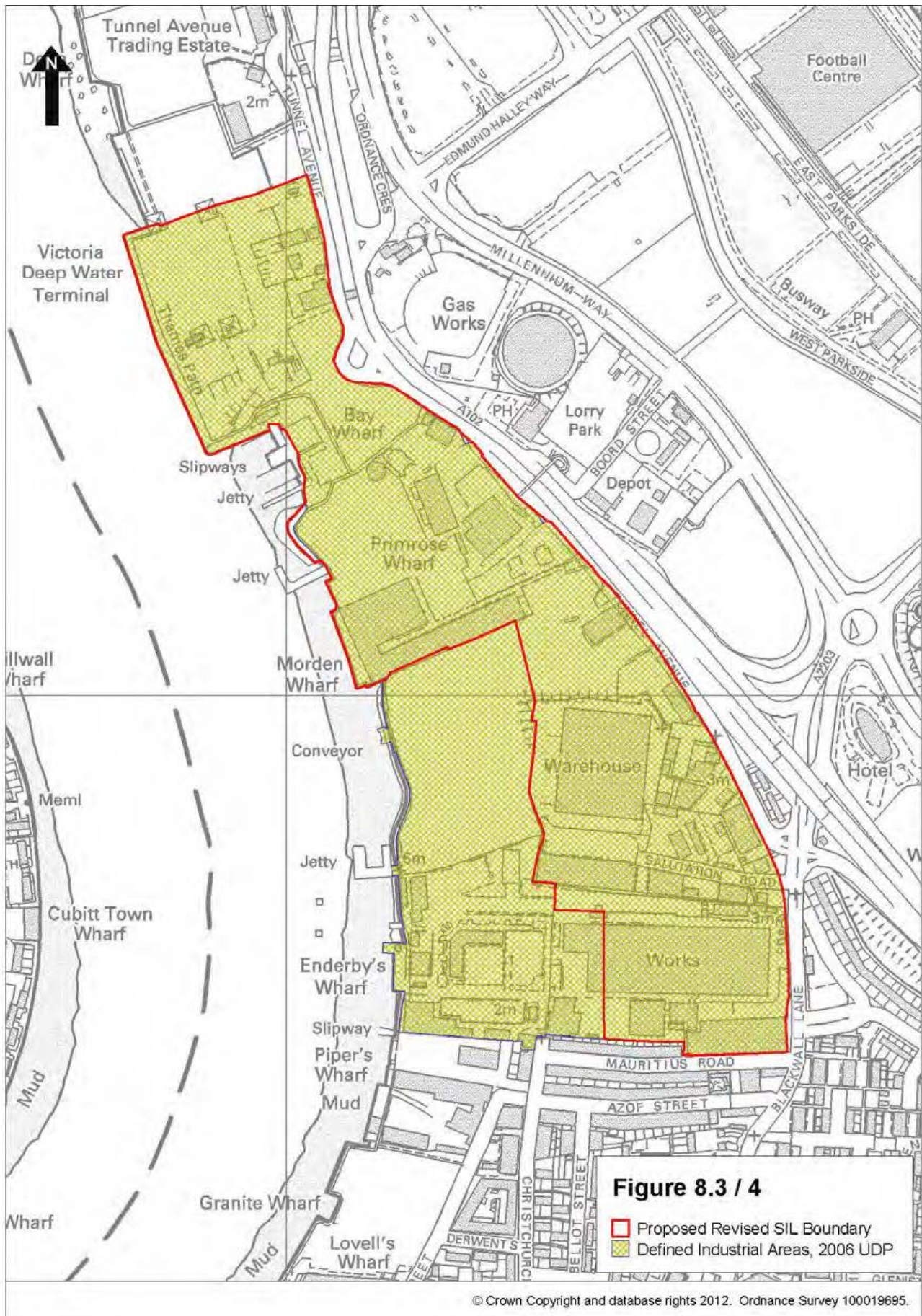


Figure 20: Recommended Redrawn Boundary for Plumstead Industrial Area (ELR, 2012)

