

London Borough Camden Statement on Matter 5: Delivering an Inclusive Economy

Please note that where document references are included below, these relate to documents in the Council's examination library which is available to view on the [Council's website](#).

Issue:

Whether the Plan has been positively prepared, is justified, effective, consistent with national policy and in general conformity with the London Plan in addressing the economy and employment needs of the Borough.

Questions:

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?**
 - 1.1 The London Borough of Camden Economic Needs Assessment (ENA) (EB23) carried out by Aecom as part of the Local Plan evidence base, identifies the future need for office and industrial floorspace in the borough over the plan period (providing information for the period from 2023 to 2041).
 - 1.2 The Study identified a net office floorspace requirement of 406,359sqm. This was considered to be "realistic given... consideration of employment space utilisation post-COVID" and "...accounts for the potential downsizing of offices as a result of increased home working." Further detail on how this requirement was identified is set out in paragraphs 5.2 to 5.5 of the Inclusive Economy Topic Paper (TPO5).
 - 1.3 Chapter 2 of the Plan sets out the Council's overarching development strategy. This sets out that the Council will meet the need for office floorspace through:
 - Existing planning permissions - the Economic Needs Assessment has identified that existing approvals of major schemes total approximately 211,000 sqm (net internal area) of office floorspace, of which the vast majority of schemes are under construction or expected to be delivered in the first five years of the Plan period. The latest position is set out in the Council's Authority Monitoring Report for 2023/24 (SD13);
 - Site allocations – suitable sites have been allocated for development to deliver new employment floorspace in the borough as part of wider mixed use developments. Further information on the process undertaken to identify suitable sites for development is set out in the Site Selection and Allocation Topic Paper TP03. The site allocation policies in the Plan also provide further guidance to support the delivery of these sites;
 - Windfall development – this is expected to deliver increases in employment floorspace on sites that are not allocated or do not have planning permission,

both in the Central Activities Zone and in other centres commensurate with their individual size and role, in line with Policy IE2 Offices.

- 1.4 Taking the different sources of supply together, the Council considers that the anticipated supply will meet the identified need for new office floorspace over the plan period. Further detail is then set out in the Chapter 9 Delivering and Inclusive Economy to support the delivery of employment development in Camden.
 - 1.5 The ENA also considered the need for industrial floorspace in Camden. Here the ENA concluded that there was likely to be a negative requirement for industrial land based on the consultants' analysis of the existing supply and past take up rates of industrial land in the borough. It considered that "there is limited to no evidence to assume... that additional land requirements will be positive to 2041" given "... the constraints posed by Camden being an inner London borough with no vacant development land and limited development opportunity such that it can provide additional floorspace at scale."
 - 1.6 Given this, the Plan focusses on safeguarding and intensifying existing industrial sites rather than identifying new sites (see Policy IE3 Industry).
- 2. Should the Plan include a strategic policy setting out an overall employment requirement for the Borough during the Plan period?**
- 2.1 Policy IE2 Offices (Part B.1) identifies the floorspace target for office and research and development uses over the Plan period. The Plan does not however set an overall floorspace target for all types of commercial uses.
 - 2.2 The Council considers that based on local circumstances, it is only appropriate to include a floorspace target for office and research and development (R&D) uses within the Inclusive Economy chapter. This is due to the fact that the overwhelming majority of schemes coming forward in Camden that include commercial uses relate to these types of employment space and this is not something that is anticipated to materially change over the plan period. Reference to R&D also acknowledges the fact that there are an increasing number of 'hybrid' schemes: i.e. flexible permissions enabling occupation of a building (or individual floors) by laboratories or conventional offices. This is particularly relevant to the Knowledge Quarter; an area loosely defined as a one mile radius from King's Cross station.
 - 2.3 The Economic Needs Assessment (ENA) (EB23) considered the need for and supply of industrial uses (former B1c light industrial uses now within Class E as well as B2 General Industry and B8 Storage and Distribution uses). The supply of land/sites for these uses in Camden is very limited. Whilst premises have been modernised, there have been no significant additions to the supply of industrial land in the borough this century. Overall, capacity has declined due to competition from other land uses and the impact of permitted development rights.
 - 2.4 The main opportunities to provide industrial floorspace in the future are on the key employment locations identified as site allocations in the Local Plan, as part of the intensification of these sites. However, whilst proposals for these sites could deliver

either additional or qualitatively better space – it is not considered possible to provide a definitive number/target for this, as new and existing businesses will have a variety of different needs (which may differ from the premises they currently occupy). In some instances, provision of higher quality space, especially where this supports greater job densities and growth sectors, may outweigh the loss of floorspace (especially if this is low quality). The Plan therefore focusses upon safeguarding and intensifying existing industrial sites rather than identifying new industrial land. The Council therefore considers that it is not reasonable or practical to set a target for industrial space given the highly constrained nature of the borough, the lack of sites to provide additional capacity, and the critical need for housing to meet identified needs.

3. The Council’s Economic Needs Assessment 2023 forecasts demand for 406,359sqm of net additional floorspace up to 2041. Is the Council approach to meeting this requirement positively prepared, justified and effective?

3.1 Chapter 2 of the Plan sets out the Council’s overarching development strategy. This sets out that the Council will meet the need for office floorspace through:

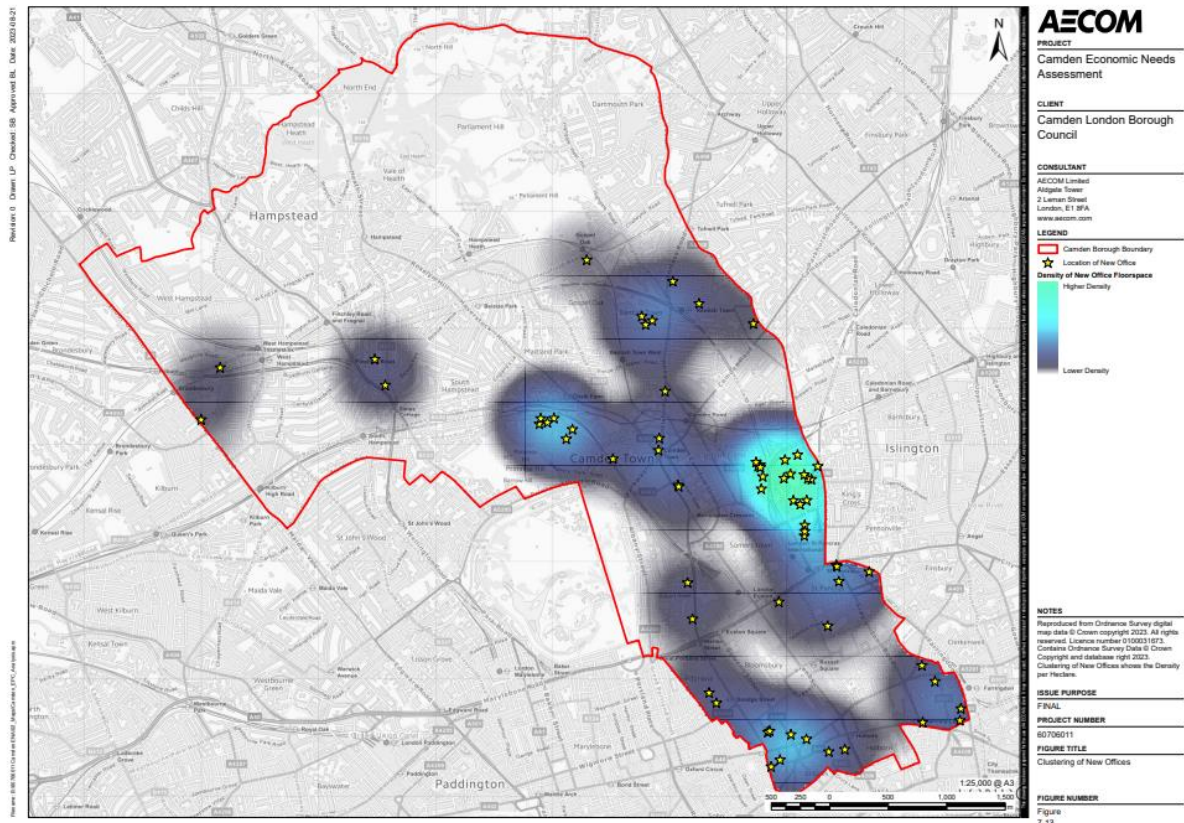
- Existing planning permissions - the Economic Needs Assessment has identified that existing approvals of major schemes total approximately 211,000 sqm (net internal area) of office floorspace, of which the vast majority of schemes are under construction or expected to be delivered in the first five years of the Plan period. The latest position is set out in the Council’s Authority Monitoring Report for 2023/24 (SD13);
- Site allocations – suitable sites have been allocated for development to deliver new employment floorspace in the borough as part of wider mixed use developments. Further information on the process undertaken to identify suitable sites for development is set out in the Site Selection and Allocation Topic Paper TP03. The site allocation policies in the Plan also provide further guidance to support the delivery of these sites;
- Windfall development – this is expected to deliver increases in employment floorspace on sites that are not allocated or do not have planning permission, both in the Central Activities Zone and in other centres commensurate with their individual size and role, in line with Policy IE2 Offices.

3.2 Further detail is then set out in the Chapter 9 Delivering and Inclusive Economy to support the delivery of employment development in Camden.

3.3 Aecom’s Economic Needs Assessment (ENA) (EB23) noted that over the last ten years, the vast majority of completions in Camden (including many large major schemes) have come forward in the King’s Cross Opportunity Area (linked to the delivery of the King’s Cross Central scheme of which most elements have been completed). The concentration of major office development in LB Camden over the period 2014-22 is shown in the figure below.

3.4 The Plan does not identify any locations where development at the scale of King’s Cross Central is likely to come forward in the next ten years. However, the south of the Borough, incorporating part of the Central Activities Zone, has a number of locations with large and dynamic office markets. These will continue to be a focus for office development schemes.

3.5 There is also significant developer interest in the Knowledge Quarter. Further investment in space for life sciences, tech and innovation is expected, a recent example being planning consent for the repurposing of obsolete office space at Euston Tower. Major health and academic institutions have been expanding collaborative and research activities in this area.



3.6 Taking all the various factors together, Aecom forecast “a moderate increased demand for office floorspace within the Borough, and a minimal decrease for industrial space over the 18 year plan period to 2041” (paragraph 12.12 of the ENA). They go on to note: “...while it is important to protect employment land, there is also strong evidence of competition for space...such as housing; employment land policies will therefore need to accommodate the Council’s ambitions and objections in these areas. This will require a flexible approach that considers the merits of each individual site and which use they are best suited for... the selective protection of employment land and premises is recommended to ensure that the sites that are unlikely to come forward for employment use during the next Local Plan period are not left vacant... the Council should follow a balanced approach such that the employment activities of all business sizes, from start ups to large headquarters are supported and encouraged”.

3.7 The draft Local Plan policies address the recommendations in the ENA. The policies are intended to be flexible and pragmatic and support a diverse range and types of economic activity, ensuring that companies of all sizes can grow and prosper. They also recognise the need to balance employment growth with

delivering housing, with the Council's mixed-use policy (H2) to be applied to major schemes involving employment floorspace.

3.8 It is therefore considered that the Council's approach to meeting the need for additional office floorspace is positively prepared, justified and effective. As set out in our response to Question 1 above, we consider there is a sufficient supply of sites to give confidence that the target in draft Policy IE2 can be met.

4. Is the Council's approach to industrial land provision by intensifying employment uses on designated and non-designated sites positively prepared, justified and effective?

4.1 Policy IE3 Industry sets out the Council's approach to industrial land provision in Camden. The policy seeks to manage and protect the supply of industrial and warehousing land in the borough, recognising its value for a variety of business types, and the opportunity for some sites to be used more efficiently to deliver economic and wider Local Plan objectives.

4.2 The Economic Needs Assessment (ENA) (EB23) found that the "Net demand for industrial floorspace is projected to decline by 0.8ha up to 2041... This decline is reflective of the constraints on industrial land supply within Camden, as an inner London Borough with a large proportion of its area within the CAZ... Our site appraisal and property market analysis indicate that the current supply of premises is largely fit-for-purpose for existing occupiers, and vacancy rates are generally very low in % terms and in absolute terms given the size of the market. The potential to provide additional supply within the Borough is extremely limited given that there is no suitable developable vacant land. Given that the forecast need for industrial land in 2041 is only slightly less than the existing estimated stock, it is considered appropriate generally to safeguard industrial employment space as much as possible, especially where it is of good quality and in appropriate locations" (paragraphs 12.2.13-12.2.14).

4.3 In line with the ENA, the Plan focusses on safeguarding and intensifying existing industrial sites rather than identifying new sites. This is supported by paragraph 12.1.2 of the ENA which states that... "Safeguarding existing industrial sites to ensure there is a ready supply of premises and that intensification opportunities can potentially be realised is considered important for LB Camden."

4.4 To this end the Plan allocates a number of underutilised sites (namely S5 120 – 136 Camley Street, S6 104 – 114 Camley Street and Cedar Way Industrial Site, C2 Regis Road and Holmes Road Depot, and C3 Murphy Site) which the Council considers provide opportunities to intensify employment use as part of a comprehensive planned approach to development while delivering other Local Plan priorities, particularly permanent self-contained housing.

4.5 Detailed policy requirements for each site are set out in the site allocation policies. To ensure the effective regeneration of key sites, the Council has also been convening discussions with landowners as part of a comprehensive planned approach that considers the most effective approach of bringing different land uses

together. One of the site allocations, Murphy's Yard, forms part of the designated Industry Area and therefore proposals will be expected to intensify industrial provision to increase, or at least maintain, industrial, storage and warehousing capacity, and provide for other high density employment uses in line with Policy C3 (Murphy Site).

- 4.6 The approach taken in Policy IE3 is further justified by the fact that there have been only very limited additions to the supply of industrial premises in Camden in recent decades and the age and condition of the stock, demonstrates the need for enabling uses, such as housing, to facilitate the modernisation of premises and growth. The ENA also found evidence of flat or even declining rents. Comprehensive planned development provides an opportunity to deliver modern industrial space that better meets contemporary needs. It is not however appropriate to prescribe a definitive amount of particular B use classes on individual sites as new and existing businesses have a variety of different needs (which may differ from the premises they currently occupy) and setting quantum could unnecessarily stifle the design and development of future schemes. This is consistent with Policy E7 (Industrial intensification, co-location and substitution) of the adopted London Plan.
- 4.7 The Council therefore considers that the policy approach to industrial land provision by intensifying employment uses on designated and non-designated sites is positively prepared, justified and effective.

5. To what extent are the employment growth proposals of the Plan consistent with national policy and in general conformity with the London Plan?

- 5.1 The Council considers that the employment growth proposals in the Plan are consistent with the National Planning Policy Framework (NPPF) and in general conformity with the London Plan 2021.
- 5.2 In line with paragraph 85 of the NPPF, the Council considers that the Plans policies will "help create the conditions in which businesses can invest, expand and adapt." The policies will also "positively and proactively encourage sustainable economic growth..." and "...be flexible enough to accommodate needs not anticipated in the plan" (paragraph 86). We have considered the role of important growth areas and sectors including the knowledge economy, creative industries and the jewellery sector centred on Hatton Garden. Our policies also support the vitality and viability of centres, recognising the "role they play at the heart of their communities" and "support their growth, management and adaption." (paragraph 90). Strategic sites for investment have also been identified, and policies will help to protect and support the unique agglomeration of uses and clusters in the Central Activities Zone.
- 5.3 The Council considers that the employment growth proposals are in general conformity with the London Plan as set out in Appendix R of the Council's letter to the Inspector dated the 12 December 2025 (ED03r).
- 5.4 The Mayor of London / GLA's representation (Responder ID 13, Comment ID 20) to the Proposed Submission Local Plan at Regulation 19 stage suggested the Plan should identify the amount of industrial capacity required to be delivered over the Plan period so the need for Class B uses is clear – although this was not raised as a

conformity issue. The Council consider that it is not reasonable or practical to set a target for industrial space given the highly constrained nature of the borough, the lack of sites to provide additional capacity, and the critical need for housing to meet identified needs. This position was agreed with the GLA through the Statement of Common Ground between the GLA and the Council (SD19). The GLA confirmed that Parts B and C of Policy IE3 are considered sufficient to appropriately safeguard industrial land and maximise opportunities for intensification.

Policy IE1

With reference to Policy IE1:

6. Are the requirements of Policy IE1 in relation to the provision of facilities such as childcare facilities (criterion 11) justified?

- 6.1 Childcare provision is an appropriate matter for planning policy and the approach in the Local Plan is considered to be consistent with national and regional policy.
- 6.2 Paragraph 98 of the National Planning Policy Framework states: “To provide the social, recreational and cultural facilities and services the country needs, planning policies should: a) plan positively for the provision and use of shared spaces, community facilities...and other local services to enhance the sustainability of communities and residential environments” and “e) ensure an integrated approach to considering the location of housing, economic uses and community facilities and services”.
- 6.3 Furthermore, London Plan Policy S3 Education and childcare facilities, A(3) states: “To ensure there is a sufficient supply of... good quality childcare facilities to meet demand..., boroughs should ensure that development proposals for housing and commercial facilities incorporate suitable childcare provision..., where there is a need.”
- 6.4 The Council’s intention is to encourage developers to provide supporting facilities, including on-site childcare facilities, as part of new commercial development, where this is linked to barriers in being able to access good work, to support working families. This is aligned with the ambition in the Council’s Corporate Strategy We Make Camden (LD54) to ensure that Camden’s local economy is “strong, sustainable, and inclusive”.
- 6.5 Furthermore, it is considered that the criterion is worded with appropriate flexibility to enable judgements to be made in individual cases as to the nature and extent of any provision.
- 6.6 The requirements of Policy IE1 in relation to the provision of facilities such as childcare facilities (criterion 11) are therefore considered to be justified.

7. Is the requirement to provide high-speed, reliable digital connectivity in criterion 12 justified?

- 7.1 Ensuring schemes include adequate digital connectivity is considered consistent with national policy and the London Plan. Paragraph 119 of the NPPF states “Policies should set out how high quality digital infrastructure...is expected to be delivered and upgraded...” Paragraph 86 also states that planning policies should facilitate development of digital infrastructure and paragraph 35 acknowledges that digital infrastructure is potentially a legitimate use of developer contributions.
- 7.2 The London Plan 2021 also has a dedicated policy SI 6 on Digital connectivity infrastructure. Here, part B states that “Development Plans should support the delivery of full-fibre or equivalent digital infrastructure, with particular focus on areas with gaps in connectivity and barriers to digital access”.
- 7.3 Furthermore, access to high quality broadband is considered to be essential for the majority of business types. Given this, it is considered that the requirement to provide high-speed, reliable digital connectivity in criterion 12 is justified.

Policy IE2

With reference to Policy IE2:

8. Is the requirement in criterion C to market offices using a variety of agents for at least 12 months justified?

- 8.1 As set out in its responses to the consultation on the Submission Draft Local Plan (SD31), the Council considers the use of two agents to be a robust approach, as sometimes agents may have significantly different expectations around the ability to let a premises, and the rents that might be charged.
- 8.2 However, while the Council considers this approach may be beneficial for properties that are harder to value, we also consider that this may not be necessary for every scheme and will not necessarily guarantee a better outcome. We are therefore proposing the following modifications to provide flexibility:
- Policy IE2 Part C - The loss of offices in the borough will only be considered acceptable where a comprehensive and sustained marketing campaign has been undertaken for at least 12 months, ~~which uses a variety of agents~~ which uses at least one recognised agent with appropriate and relevant expertise and is based on a realistic rent. The marketing evidence should demonstrate that suitable economic uses have been fully explored and evidenced to the Council’s satisfaction, with consideration given to the feasibility and viability of the following:
 - Paragraph 9.36 - The Council has an established process for dealing with situations where offices become obsolete. In such cases, we will expect the provision of marketing evidence to show that there is no potential interest from occupiers and that marketing has been undertaken based on a realistic rent (guided by average local market values for similar space). As a minimum, the marketing should be conducted over a 12-month period ~~and by at least two agents with knowledge of local property markets~~ by at least one agent with knowledge of local property markets and a track record in the sale and letting of offices.

- 8.3 The Council has updated the schedule of main modifications (SD51) to the Camden Local Plan Proposed Submission Draft accordingly (see MM79 and MM80).
- 9. Is the requirement in criterion C (part 2) of the Policy to consider discounted rents, incentives and flexible leasing arrangements justified?**
- 9.1 The Council considers that the approach in Policy IE2 Part C.2 is justified. Discounts and incentives are commonly used in the leasing of office space in order to attract new lessees, as they have a bearing on the overall affordability and attraction of a property. They are offered because they are likely to influence whether a property can be successfully let. This criterion ensures that those involved in marketing know that they need to ensure that appropriate flexibility is employed in the marketing of the relevant floorspace in order to demonstrate that the market interest has been genuinely tested. The policy also includes consideration of feasibility and viability to enable 'on balance' judgements to be made.
- 10. Is the requirement in criterion C (part 3) of the Policy to consider reconfiguration of the premises justified?**
- 10.1 The Council considers that Policy IE2 Part C.3 is justified as it is appropriate for reconfiguration to be explored as a means of attracting tenants, and before demand can be assessed. Marketing exercises in Camden have often shown that prospective lessees have a strong preference for open plan floorplates. Conversely, traditional office layouts with cellular spaces can be harder to let. While the scope for reconfiguring heritage assets may be limited, this is likely to be easier to realise for purpose-built offices. As set out in the policy, consideration is also given to feasibility and viability.
- 11. Should railway arches be excluded from the requirements of criterion C of the policy?**
- 11.1 The Council does not consider that there is a need for railway arches to be excluded from the requirements of Policy IE2 Part C. Alternative uses are provided for in Part C.3. We have, however, proposed a minor modification (see Schedule of Minor Modifications SD50 reference NMM21) to paragraph 9.37 of the supporting text to provide recognition of the benefits of alternative employment uses in improving access to affordable/low cost workspace and waiving the need for marketing in such cases. This should provide flexibility by allowing landowners to respond quickly to changing demands and ensure that marketing exercises are only sought where they are necessary.
- 12. Is the preference for housing in circumstances where an office use of a building is no longer feasible in Policy IE2 justified?**
- 12.1 Housing is the priority land use in both the adopted and Proposed Submission Draft Local Plan. It is vital for the Council to take every available opportunity to deliver additional self-contained housing due to the acute need for housing in the borough (particularly affordable housing). Conversion and/or redevelopment of offices can provide additional housing capacity in highly accessible locations. This is not however an unqualified preference for housing in all instances. For example, the

successful conversion of existing office floorspace to housing depends on matters such as the layout and energy efficiency of a building and whether future occupants would enjoy an acceptable standard of amenity. It should also be noted that the draft policy continues the approach in the adopted local plan (LD01) (where Policy H1 on Maximising housing supply states in “We will seek to exceed the target for additional homes, particularly self-contained housing by: regarding self-contained housing as the priority land-use) and previous iterations of the plan found sound at examination”. London’s need for more housing has not lessened since the earlier plans were found sound.

13. In criterion D of the Policy, is the requirement to retain a proportion of floorspace as affordable workspace in losses over 4,000sqm (GIA) justified and effective?

- 13.1 The policy approach recognises that while there may no longer be a demand for larger, outdated office premises, there may still be an unmet need for affordable workspace in an area, which a mixed-use scheme may be able to help establish. This approach is in line with the aims of the Council’s Affordable Workspace Strategy (LD60), which was developed to address the insufficient supply of affordable workspace that start-up businesses and entrepreneurs are able to afford in Camden.
- 13.2 The threshold of 4,000sqm (GIA) in the policy was set having regard to planning application data relating to changes in office floorspace. Over a ten year period (1st April 2012 to 31st March 2022), there were 37 major schemes involving the loss of office floorspace over a range of minus 1,000sqm to minus 27,516sqm. Of these, there were eight schemes involving a loss of 4,000sqm+. The Council considers that these larger schemes are likely to have the most scope to re-provide affordable workspace given the size of the development and potentially greater viability. Paragraph 9.39 of the Plan also explains that the provision of affordable workspace should be at ground floor level, and would be subject to the impact on scheme viability and local need.
- 13.3 It is therefore considered that the requirement to retain a proportion of floorspace as affordable workspace in losses over 4,000sqm (GIA) is justified and effective.

Policy IE3

With reference to Policy IE3:

14. Should the Plan identify the amount of industrial capacity that is required to be delivered over the Plan period?

- 14.1 The Council does not consider it is reasonable or practical to set a target for industrial floorspace given the highly constrained nature of the borough, lack of sites to provide additional capacity and the critical need for the Local Plan to demonstrate that the borough is able to meet its housing target. The Economic Needs Assessment (ENA) (EB23) by Aecom considered that the supply of industrial space is likely to decrease (albeit modestly) over the plan period. This position was agreed with the GLA through the Statement of Common Ground between the GLA and the Council (SD19). The GLA confirmed that Parts B and C of Policy IE3 are considered

sufficient to appropriately safeguard industrial land and maximise opportunities for intensification.

15. What is the purpose of the Policy and how does it support the strategic objectives of the Plan?

- 15.1 Camden has a small but important stock of industrial land (just under 35 ha). This supports general and light industrial premises as well as other uses such as logistics, utilities and waste management.
- 15.2 The purpose of Policy IE3 is to clarify how proposals involving industrial and warehousing land in the borough will be managed.
- 15.3 The Policy supports comprehensive planned developments on under-utilised industrial sites that provide a mix of uses, including the intensification of employment space, as identified in the Plan's site allocations (see Part C of Policy IE3). A significant component of Camden's housing land supply is planned to come forward through such development.
- 15.4 The policy also sets out the circumstances in which industrial land may be released (see Part B of Policy IE3). Here the Policy seeks to retain adequate protections for industrial land that is good quality and in appropriate locations, as recommended by the ENA (EB23).
- 15.5 Given this, it is considered that the Policy supports the strategic objectives of the Plan set out in Table 1 of Chapter 1 that relate to increasing the supply of homes to meet existing and future needs; and strengthening Camden's nationally important economy and maximising opportunities for Camden's residents, businesses and voluntary sector to contribute to, and share in, the success of Camden's economy, through local procurement, business support, education, training and skills.

16. Are the circumstances in which the loss of industrial and warehousing land identified in criterion B of the Policy justified, effective and comprehensive?

- 16.1 The circumstances in which the loss of industrial and warehousing land would be acceptable, identified in criterion B of Policy IE3, are considered to be justified, effective and comprehensive. The ENA (EB23) found that it is "appropriate to safeguard industrial employment space as much as possible, especially where it is of good quality and in appropriate locations" (paragraph 12.2.14) and "Safeguarding existing industrial sites to ensure there is a ready supply of premises and that intensification opportunities can potentially be realised is considered important for LB Camden" (paragraph 12.1.2). The policy therefore resists the loss of industrial and warehousing land unless it can be demonstrated to the Council's satisfaction that the site is no longer able to support such a use and there is no demand.
- 16.2 The Council has an established and effective process of using marketing exercises where schemes are proposing the loss of employment uses. We consider this something with which landowners and developers are familiar, and reflects similar practice elsewhere in London. The Council intends to continue using marketing exercises via the new Local Plan. To ensure applicants have a clear understanding

of the scope and objectives of marketing exercises and the associated reporting arrangements, the Council has adopted Camden Planning Guidance on Employment Sites and Business Premises (LD27).

- 16.3 Part B (1) and (3) also recognise that there are differing ways in which industrial land and premises can be used and occupied. The Council will therefore expect applicants, in appropriate circumstances, to explore options for re-using and retaining industrial activities on the site, before other commercial uses or non-commercial uses are considered. This will help to safeguard the limited stock of industrial sites in the borough. Part B.3 is also subject to viability.

17. Is criterion B.2 of the Policy justified?

- 17.1 The Council considers that Part B.2 of Policy IE3 is justified. The use of marketing exercises is reasonable, as these help to ensure that there is adequate protection for industrial land, in line with the findings of the Camden Economic Needs Assessment (EB23). A marketing exercise establishes the demand, or lack of demand, for a continuing industrial or warehousing use, which is needed to ensure there is no unnecessary loss of viable industrial land that remains fit for purpose (or could be improved to support other industrial activities). The approach also protects viable businesses and jobs.

18. How does the Plan balance priorities regarding industrial retention and housing delivery?

- 18.1 The Plan seeks to maintain a diverse stock of industrial premises suitable for a range of different users and activities whilst supporting housing delivery to meet identified need.
- 18.2 The Economic Needs Assessment (ENA) (EB23) found that the “Net demand for industrial floorspace is projected to decline by 0.8ha up to 2041... This decline is reflective of the constraints on industrial land supply within Camden, as an inner London Borough with a large proportion of its area within the CAZ... Our site appraisal and property market analysis indicate that the current supply of premises is largely fit-for-purpose for existing occupiers, and vacancy rates are generally very low in % terms and in absolute terms given the size of the market. The potential to provide additional supply within the Borough is extremely limited on the basis that there is no suitable developable vacant land. Given that the forecast need for industrial land in 2041 is only slightly less than the existing estimated stock, it is considered appropriate generally to safeguard industrial employment space as much as possible, especially where it is of good quality and in appropriate locations” (paragraphs 12.2.13-12.2.14).
- 18.3 In line with the ENA, the Plan therefore seeks to safeguard existing industrial sites, whilst supporting the intensification of existing underutilised industrial sites which the Council considers provide opportunities to intensify employment use, as part of a comprehensive planned approach to development, while delivering other Local Plan priorities, particularly permanent self-contained housing.

- 18.4 This is supported by paragraph 12.1.2 of the ENA which states that... “Safeguarding existing industrial sites to ensure there is a ready supply of premises and that intensification opportunities can potentially be realised is considered important for LB Camden.”
- 18.5 To this end the Plan allocates a number of sites (namely S5 120 – 136 Camley Street, S6 104 – 114 Camley Street and Cedar Way Industrial Site, C2 Regis Road and Holmes Road Depot, and C3 Murphy Site) to facilitate the comprehensive re-development of these areas.
- 18.6 Part C of Policy IE3 makes clear that proposals for these sites must have regard to the “priority given to intensifying employment uses”, that “reprovision of a range of premises” should “take into account the varied operational requirements of industrial businesses” and “the retention of existing businesses” should be prioritised as far as possible. The Council, therefore, expects mixed-use proposals on these sites to enhance their employment role and function (recognising that they vary in terms of their existing role and their future potential for new employment uses), while giving particular consideration to the needs of industrial businesses and their requirements.
- 18.7 The Local Plan site allocations provide further detail. Policy C2 on Regis Road seeks to “intensify industrial and other employment uses through efficient design that enables co-location with housing...”. Policy S5 on 120-136 Camley Street and Policy S6 on 104-114 Camley Street and Cedar Way Industrial Estate state that the employment space should be intensified with no net loss, with the latter site considered to offer the most potential for delivering a variety of employment spaces and facilities, including light industrial. Policy C3 which will apply to part of the designated Kentish Town Industry Area aims “to intensify industrial provision to increase, or at least maintain, industrial, storage and warehousing capacity...” The indicative housing capacity for these site allocations are based on design analysis that has considered how housing and employment uses might be integrated, including reprovision of industrial space.

Policy IE4

With reference to Policy IE4:

- 19. What evidence supports the requirement in A.2 of the Policy which seeks a working benchmark of 20% of the net additional floorspace to be provided at 50% of the market rent?**
- 19.1 BNPP Real Estate has undertaken a Viability Study (EB01) that assesses the cumulative impacts of policies in the Plan, including the affordable workspace benchmark. The findings of the Viability Study in relation to affordable workspace are set out in Chapter 7 Conclusions and recommendations of the Viability Study (EB01) and summarised in the Inclusive Economy Topic Paper (TP05) at paragraphs 5.5, 5.7 and 6.8.
- 19.2 The working benchmark is intended to formalise the Council’s existing approach to delivering affordable workspace whilst securing a supply in line with the aims of the adopted Affordable Workspace Strategy (LD60). Having a target/benchmark in

policy will provide greater certainty for applicants and increase the quantum and quality of affordable workspace being delivered in Camden compared to the current situation. What is ultimately secured on individual schemes will be subject to negotiation as made clear in paragraph 9.65 of the Plan which states...“The Council will negotiate with developers on a case-by-case basis having regard to all relevant circumstances, including scheme viability. For example, we might accept less than 20% of the space as affordable workspace if it is offered at a peppercorn rent, which is significantly less than 50% of market rents, or where schemes involve an exceptionally large amount of additional floorspace.”

- 19.3 The Council considers that sufficient flexibility has been built into Policy IE4 to acknowledge the diversity of schemes and locations in which employment uses are expected to come forward. There are certain types of specialist and lab-focused space being delivered in Camden, such as life sciences and some health uses where upfront capital expenditure costs can have a significant impact on viability, and occupation. In such cases, wider factors such as fit-out, provision of equipment, access to support networks and flexible lease terms are examples of potential matters that will need to be considered, alongside headline rents, as paragraph 9.64 acknowledges.
- 19.4 The option of a payment-in-lieu (PIL) means that major schemes contribute towards the provision of affordable workspace on a more consistent basis and in ways that are likely to deliver most impact. This will also recognise particular circumstances that mean on-site delivery would not be viable. A mix of on site provision and a PIL may be appropriate in certain cases, as acknowledged by paragraph 9.61 of the Plan, such as highly constrained sites.

20. Is the minimum period of 15 years justified given that the Viability Study has established that term length is a viability variable?

- 20.1 The Council considers the approach is pragmatic, reasonable and justified. The term of 15 years forms part of the working benchmark. What is ultimately secured on individual schemes will be subject to negotiation as made clear in paragraph 9.65 of the Plan which states that... “The Council will negotiate with developers on a case-by-case basis having regard to all relevant circumstances, including scheme viability. For example, we might accept less than 20% of the space as affordable workspace if it is offered at a peppercorn rent, which is significantly less than 50% of market rents, or where schemes involve an exceptionally large amount of additional floorspace.”
- 20.2 Affordable workspace will generally be occupied by small and/or start-up businesses which as they grow, may be able to secure rents at market/ closer to market levels. The length of period that is required will depend on the nature of the proposed end occupier and will be subject to negotiation. The Viability Study (EB01) states “We consider that the Council has appropriately opted for a balanced requirement of a minimum 15-year term in draft Policy IE4 as this reduces the impact on viability, but it will assist in delivering affordable workspace for a meaningful period of time to meet the identified need in the Borough.” Paragraph 9.56 clarifies how the policy is to be applied: “The nature of the intended/target occupier is also likely to be relevant

to the specification of the affordable workspace and length of discount period required.”

21. Should there be any exemptions from the requirements of the Policy?

- 21.1 The policy already exempts schemes of under 1000sqm and uses that are not within use classes E(g)(i), E(g)(ii), E(g)(iii). The Council does not consider that there is a need for any other specific exemptions because the policy is sufficiently flexible as made clear in paragraph 9.65 of the Plan which states... “The Council will negotiate with developers on a case-by-case basis having regard to all relevant circumstances, including scheme viability...”
- 21.2 Where the policy would result in affordable workspace of less than 300sqm being provided on-site, then a financial payment would be sought as per paragraph 9.61 of the Plan. This recognises that start-ups and small businesses will often seek to be part of a cluster of similar businesses, which a very small space may be unable to provide.

22. What are the viability implications of the Policy requirements?

- 22.1 The Viability Study (EB01) of the Local Plan assesses the cumulative impacts of policies, including the affordable workspace benchmark. The findings of the Viability Study in relation to affordable workspace are set out in Chapter 7 Conclusions and recommendations of the Viability Study (EB01) and summarised in the Inclusive Economy Topic Paper (TP05) at paragraphs 5.5, 5.7 and 6.8.
- 22.2 Overall, the Viability Study (EB01) concluded that “the flexibility provided in Policy IE4 will ensure that development is able to come forward, whilst still making meaningful contributions towards affordable workspace across the borough”.
- 22.3 The policy makes clear that different schemes may provide different amounts of affordable workspace having considered all of the relevant circumstances, e.g. type of space being provided and location. Part A.2 also makes clear that the target is intended to be used as a “working benchmark”, not a requirement, which should allow flexibility in the consideration of individual schemes. The Council will negotiate with developers on a case-by-case basis having regard to all relevant circumstances, including scheme viability, as made clear in Paragraph 9.65 of the Plan.

Policy IE5

23. Criterion B.2 of Policy IE5 refers to smaller and medium-sized hotels. How are these defined?

- 23.1 Part B.2 of Policy IE5 states that large-scale hotels are those of 2,500sqm or more. Medium and small hotels are those smaller than this.
- 23.2 To aid the application of the policy, we propose a modification to Policy IE5 Part B.2 to read –

- support smaller and medium-sized hotels (less than 2,500sqm GIA) and visitor accommodation in the town centres of Camden Town, Kilburn, West Hampstead, Kentish Town and Finchley Road / Swiss Cottage and in locations with an established commercial or mixed-use character in the Central Activities Zone;

23.3 The Council proposes to update the schedule of main modifications (SD51) to the Camden Local Plan Proposed Submission Draft accordingly (see MM81). Two additional modifications are also proposed to the supporting text of Policy IE5 to clarify the relationship between this policy and Policy H1 Maximising housing supply in relation to short terms lets (see SD501 Schedule of minor modifications NMM34 and NMM35).

Policy IE6

With reference to Policy IE6:

24. Criterion A.6 of the Policy requires there to be evidence that a centre is in decline and struggling relative to other similar centres in Camden. What evidence would this include and is the requirement justified?

24.1 As referenced in paragraph 9.101 of the Plan, the Council monitors changes in, and the health of, designated centres through periodic retail surveys, which are published on Camden's [Open Data webpages](#) (LD88). These include collecting data on the mix of uses and overall number of vacancies within centres. It also provides a mechanism for comparing the health of centres (and across different types of centre) and changes over time. Key findings are also reported in the Council's Authority Monitoring Report.

24.2 It is envisaged that this evidence could be used to evidence that a centre is in decline and struggling relative to other similar centres in Camden. Other sources of evidence which may also be appropriate include, if there have been significant changes to a centre since the last retail survey was published. Applicants would also be able to refer to data regarding town centres collected by other parties as part of a planning application, and this would be considered by the Council on its merits.

24.3 Given this, the Council considers that the requirement in Policy IE6 Part A.6 is justified.

25. Criterion A.9 of the Policy resists proposals involving the formation of larger units in certain circumstances. Is this justified and effective?

25.1 Part A.9 of Policy IE6 is considered to be justified and effective. Many existing centres in Camden have concentrations of independent and niche businesses occupying smaller premises, which contribute to the uniqueness and diversity of the centres in which they are located. In some cases, the amalgamation of units may reduce the choice and variety of premises and result in the loss of premises that are relatively affordable. Part A.9 is intended to support the general principle in Part A.1 of the Policy that the Council will "seek to protect and enhance the role and distinctive character of each of Camden's centres, ensuring that new development is of an appropriate type, scale and character..." The policy reflects current policy in

the adopted Local Plan (LD01) Policy TC5 Small and independent shops and will only be applied where there would be material harm to a centre.

- 25.2 It should also be noted that we have proposed a minor modification the supporting text of Policy IE6 (paragraph 9.108) to recognise that wider regulatory requirements (such as fire safety and access) may mean this is not feasible (see SD50 Schedule of minor modifications reference NMM23).
- 26. In criterion A.10 of the Policy, what evidence is there to support the requirement for developments providing 2,500 sqm or more of retail floorspace to include a proportion of smaller units, including floorspace available at a discount to market rents?**
- 26.1 The approach is in line with the London Plan Policy E9. B. 3 which states that development plans “should give particular consideration to the contribution large-scale commercial development proposals (containing over 2,500 sq.m. gross A Use Class floorspace) can make to the provision of small shops and other commercial units” and “set out policies and site allocations to secure an appropriate mix of shops and other commercial units of different sizes”. It also states that “where justified by evidence of local need, policies should secure affordable commercial and shop units.”
- 26.2 Part A. 10 of Policy IE6 is a continuation of the approach set out in Policy TC5 of the adopted Camden Local Plan (LD01) which states that “The Council will promote the provision of small shop premises suitable for small and independent businesses. We will: a. expect large retail developments to include a proportion of smaller units”. The supporting text at paragraph 9.51 of the adopted Plan then defines “large retail developments” as being those over 1,000sqm. The Council has operated this policy for nearly ten years and now proposes that this threshold should be raised to 2,500sqm based on our experience of securing such space in other schemes. Examples of developments that have provided smaller retail units as part of the retail ‘offer’ include 21-31 New Oxford Street (‘The Post Building’), St Giles’ Circus, Coal Drops Yard (part of the King’s Cross Central development) and Hawley Wharf, which are all larger schemes. It is therefore considered that the approach taken is supported by and consistent with the London Plan 2021.
- 26.3 Part A.10 of Policy IE6 will also help to deliver Part A.1 of the policy and continues the approach taken in the current local plan, although the size threshold has been amended for consistency with the London Plan and the definition of large development used in a number of other local plan policies.

Policy IE7

With reference to Policy IE7:

- 27. What evidence supports the proposals in criterion A.1 and A.2 of the policy to resist new hot food takeaways in certain locations within the Borough?**

- 27.1 The Council's Inclusive Economy Topic Paper (TP05) sets out the background and evidence to the Local Plan's approach to hot food takeaways at paragraphs 6.39 to 6.44.
- 27.2 To inform the preparation of the draft Camden Local Plan, Camden public health officers prepared a paper entitled 'Fast food takeaways and health & wellbeing in Camden: a review of availability and health impacts' (EB27), which considered the local 'food environment', the links between public health (especially the health of children and young people) and where there are concentrations of hot food takeaways. The paper then set out policy recommendations as part of a 'whole systems' approach (that is, that acknowledges possible interventions outside of planning).
- 27.3 Since the current Local Plan was adopted, both national and London Plan policies have been strengthened to give planning authorities greater support for resisting uses that may lead to harms to public health. The NPPF states in paragraph 97 that "local planning authorities should refuse applications for hot food takeaways and fast food outlets "in locations where there is evidence that a concentration of such uses is having an adverse impact on local health..." and paragraph 98 states "planning policies should take into account and support the delivery of local strategies to improve health".
- 27.4 The Council considers our approach will also help to support Policy E9(D) of the adopted London Plan which states proposals for hot food takeaway uses should not be permitted within a 400 metre walking distance of a primary or secondary school. It also advises boroughs to manage over-concentrations of these uses through setting thresholds in Development Plans. This is addressed in Part A.2. of Policy IE7 which seeks to resist additional hot food takeaways above the current baseline (using the Camden Retail Survey hosted on [open data](#) LD88).

28. Is the requirement for hot food takeaways to undertake a Health Impact Assessment in line with criterion A.3 of Policy IE7 justified?

- 28.1 The Council considers that the requirement for proposals for hot food takeaways to undertake a Health Impact Assessments (HIA) is justified. A HIA provides the evidence necessary to assess the impact of proposals on existing health needs and levels of overweight and obesity in the local area, and is appropriate given the nature of the use and the potential for harms to public health. The use of HIAs is one of the key recommendations of the Council's 'Fast food takeaways and health & wellbeing in Camden: a review of availability and health impacts' evidence document (EB27). The approach is also consistent with London Plan paragraph 6.9, which promotes the use of Health Impact Assessments for relevant uses including hot food takeaways.

Policy IE8

With reference to Policy IE8:

- 29. How does the Plan define "gambling uses" and is it consistent with national policy?**

- 29.1 Gambling-related uses are defined in paragraph 9.125 of the Plan. They include betting shops/bookmakers, adult gaming centres and casinos. These are uses that the Council considers are most likely to result in gambling-related harms. The National Planning Policy Framework does not specifically mention gambling and does not define gambling uses. The approach in the Local Plan is considered consistent with the NPPF's aim that planning policies and decisions should seek to achieve healthy, inclusive and safe places (paragraph 98).
- 29.2 The Local Plan's approach is supported by the paper Gambling-related harm and vulnerability to harm in Camden (EB28) prepared by Camden public health officers. This assesses the risks arising from further proliferation of such uses and recommends how these risks might be managed. Further detail is set out in examination document EB28 and the Inclusive Economy Topic Paper (TP05), paragraphs 6.45-6.47.
- 29.3 The London Plan identifies the potential issues arising from "over concentrations of some uses" including betting shops and amusement centres relating to their impacts on mental and physical health and wellbeing and advises that the proliferation and concentration of these uses should be carefully managed through Development Plans (paragraph 6.9.5.).
- 29.4 The Council also notes that other London Boroughs have brought forward policies to manage the proliferation and impacts of gambling-related uses, e.g. Policy BE5 of the adopted [Brent Local Plan 2019 – 2041](#) (LD86) and Policy SP9 of the adopted [Newham Local Plan 2018](#) (LD87).

30. What is the policy objective behind restricting gambling uses and how does this relate to the Plan's strategic aims for the economy?

- 30.1 The objective behind restricting gambling uses is addressed in the evidence paper Gambling-related harm and vulnerability to harm in Camden (EB28) prepared by Camden public health officers. Camden's Health and Wellbeing Strategy 2022-2030 (LD56) prioritises prevention as a guiding principle, committing the Council and health and care partners to "tackle the causes of health-related problems and focussing on the social determinants of health, promoting health choices and transforming the environmental factors that influence health and wellbeing". It also states the need to tackle "health inequalities and break the link between deprivation and poor health". EB28 clearly evidences the impacts of betting on vulnerable populations in Camden and the concentrations of gambling-related uses in locations experiencing multiple deprivation.
- 30.2 The approach taken is consistent with supporting healthy and successful town centres. It helps ensure that the Plan's aims to grow a successful and inclusive economy occur in a way that is consistent with the Plan's aim to improve the physical and mental health and well-being of all people who live, work in, study in and visit Camden, and reduce health inequalities, as set out by draft Policy SC1- Improving health and wellbeing.

Policy IE10

With reference to Policy IE10:

31. How does the Policy align with national policy objectives for supporting economic growth and town centre vitality?

- 31.1 The draft policy seeks to support markets and their contribution to economic growth and town centre vitality and is consistent with NPPF paragraph 90 (c) which states that planning policies should retain and enhance existing markets and, where appropriate, re-introduce or create new ones.
- 31.2 Given the strategic significance of markets to Camden's economy and designated centres, the Council considers it is appropriate for the Local Plan policy to support their future growth and development. Policy IE10 will help town centres (including markets) to "grow and diversify" and "respond to rapid changes in retail and leisure industries" in line with paragraph 90 of the National Planning Policy Framework. The policy will also support the retention and enhancement of existing markets and provide a framework for proposals involving any new markets consistent with criterion (c) of paragraph 90.

32. What evidence is there to support the position that specifying rent variety in the policy is necessary and effective for supporting start-ups and affordability in Camden markets?

- 32.1 The Council's Affordable Workspace Strategy (LD60) defines affordable workspace as "commercial space for small businesses and entrepreneurs that creates access to locations and markets that otherwise would be inaccessible." This responds to a commitment in We Make Camden (LD54) to "Provide affordable workspace and market space in Camden and use this to support new and diverse entrepreneurship".
- 32.2 The Council considers that the approach is necessary and will be effective in securing affordable space for local entrepreneurs and start-ups in appropriate schemes. Furthermore, many markets in Camden are part of the character, and contribute to the wider vitality and viability of centres, support local supply chains and positively contribute to public health. It is therefore important that they continue to perform their important roles in providing for local people and businesses.
- 32.3 In 2025, the Council consulted on a Market and Street Trading Strategy 2026-31 (LD75). This views markets as places supporting social enterprise and acting as "thriving hubs for local communities, culture and enterprise". Here, successful markets are seen as "thriving hubs for local communities, culture, and enterprise" and places where entrepreneurs can develop and test new products.
- 32.4 The Council considers that applying the affordable workspace benchmarks in draft policy IE4 to markets would not be appropriate given their unique characteristics and wide range of functions. However, the principle of seeking a proportion of space at a discount to the rents (normally charged) is a reasonable approach and will ensure there is availability of 'low threshold' and low risk space. The Council will also take into account the availability of existing affordable space within a market and the

overall package of employment and training benefits an applicant is proposing. Here, Part A.3 of Policy IE10 states that space at a variety of rents is something the Council “will seek”: this acknowledges that larger, major schemes are more likely to be able to viably offer space across a variety of rents.

- 32.5 The approach is consistent with the adopted London Plan policy E9 which supports the “full variety” of markets, enhancements to their offer and building their contribution to local identity. Paragraph 6.9.4 of the London Plan also acknowledges the role of markets in providing opportunities for new businesses to start-up.

33. Do the policy requirements have any impact on viability?

- 33.1 The approach to securing affordable market space would be focussed on large, major developments involving the redevelopment of a market (or part of a market) or schemes involving the provision of substantial new market space.
- 33.2 The policy does not include a specific mix or level of discount, and provision will be considered at the planning application stage taking account of all relevant matters including viability.
- 33.3 The Council considered it would be difficult to identify, and viability test a specific market typology as markets are a unique type of use and major schemes involving markets in Camden have differed significantly in terms of the mix of uses being proposed.

Monitoring

34. What indicators, baselines and targets will be used to monitor economy outcomes and what triggers would prompt an early review or policy adjustment?

- 34.1 The Local Plan Monitoring Indicators document (SD15) sets out the indicators that the Council will use to monitor the delivery of the Plan.
- 34.2 The Council has sought to ensure that the policies in the Plan contain appropriate flexibility and are worded to enable 'on balance' judgements. This will help ensure that the Plan’s policies remain relevant notwithstanding any changing future circumstances.
- 34.3 The Council will monitor the delivery of economic outcomes as per the indicators in SD15. Where monitoring demonstrates that there are significant issues with the delivery of economic floorspace to meet identified needs the Council will consider whether any policy adjustments or an early review is appropriate.

Modifications

35. Overall, are any modifications required to economic policies in the Plan required for soundness?

- 35.1 The Council has proposed a schedule of main modifications (SD51) and a schedule of minor modifications (SD50) to the Camden Local Plan Proposed Submission Draft.
- 35.2 The Council has proposed modifications to Policy IE2 Offices and IE5 Hotels and visitor accommodation. These modifications are set out in SD51 Schedule of main modifications reference MM79 – MM81.
- 35.3 Minor modifications (not relating to soundness) are also required to Policy IE2 Offices, Policy IE5 Hotels and visitor accommodation and Policy IE6 Supporting designated centres and essential services and these are set out in SD50 Schedule of minor modifications reference NMM21 – NMM23 and NMM34 - NMM35).