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Employment and Skills Strategy / Uchaux Ltd

A report by Volterra Partners, July 2019

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# 1 Executive Summary

## Introduction

- 1.1 Volterra Partners were commissioned by Uchaux Ltd ('the Applicant') to provide both an economic impact assessment, and an employment and skills strategy for the development of a hotel-led development in the London Borough of Camden (LBC). The Proposed Development would include 70 hotel rooms, with supporting ground floor retail space, and would bring significant opportunities for the development of employment and skills to the local area.
- 1.2 According to LBC's Planning Guidance on employment sites and business premises<sup>1</sup>, LBC expects employment and skills initiatives to be delivered for developments that are expected to impact the availability of jobs for LBC residents, for the following types of development:
- Any development with floorspace greater than 1,000m<sup>2</sup> Gross Internal Area (GIA);
  - Where developments result in the loss or displacement of existing employment opportunities; and
  - Major development projects involving significant construction contracts (e.g. over £3 million build costs).
- 1.3 The Applicant is committed to ensuring that the socio-economic benefits arising from the Proposed Development are available to all local residents. As the Proposed Development falls within the description of the developments required to submit a standalone Employment and Skills strategy, this strategy specifically sets out the approach through which the local employment and skills benefits would be maximised by the Proposed Development. More detail on the economic impacts of the Proposed Development can be found in the Economic Impact Assessment also authored by Volterra and submitted with the application.

## Key issues identified in the local area

- 1.4 Volterra examined the local context, through analysis of baseline economic indicators and employment and skills objectives identified in local and regional authorities' policies in order to identify the key issues in the local area.

## Unemployment

- 1.5 The unemployment rate of residents in LBC has fallen in recent years, decreasing from 10% in 2010 to 4% in 2018. The reduction in the unemployment rate has also occurred at a national level, although LBC has seen a reduction beyond those achieved at the national and regional level. LBC now contains a smaller proportion of residents on the Claimant Count than both the London and Great Britain average levels.
- 1.6 There is, however, a mismatch between the employment opportunities sought by LBC residents who remain unemployed, and those offered within the borough. Although the majority of unemployed LBC residents are searching for employment within sales and customer service roles, professional occupations are the roles with the largest vacancies.

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<sup>1</sup> LBC, March 2018. Camden Planning Guidance: Employment sites and business premises.

- 1.7 The need to improve employment and skills levels for particular groups within the borough is additionally highlighted within the recent LBC Business and Employment Bulletin (May 2019).<sup>2</sup> For example, our baseline analysis found that the 2018 unemployment rate for ethnically white LBC residents is significantly below that of minority ethnic residents (2% compared to 7%).

#### Earnings

- 1.8 LBC residents earn more on average than residents in the whole of Inner London and the wider London area. In 2018 LBC residents had the 5<sup>th</sup> highest average earnings of all boroughs within Inner London. However, the gap between the average earnings of LBC residents and that for the rest of London is narrowing. Although median earnings for LBC residents was 14% higher than the Inner London average in 2008, this gap had reduced to 10% by 2018.

#### Skills

- 1.9 On average LBC residents are relatively more skilled than in other areas of London and Inner London. For example, 64% of LBC residents have achieved a national vocational qualification level four or higher, compared to 60% for Inner London and 60% for the whole of London. Over the last ten years, the skills levels of local residents have also significantly increased within the borough, with the proportion of residents achieving a national vocational level one or higher rising from 78% to 89%. The key objective of LBC policy now remains to reduce the inequalities in the skills of local residents.

#### Deprivation

- 1.10 The analysis of the deprivation indicator showed there to be wide variation in the levels of deprivation experienced across LBC. Although the north-west of the borough tends to experience relatively low levels of deprivation, the south and east of the borough contain many areas performing poorly. The Proposed Development lies in an area of very high deprivation, ranking within the 5% most deprived areas in the country by the index of multiple deprivation 2015 rankings.

### Impacts of the Proposed Development

#### Construction phase

- 1.11 During the 18-month construction phase, it is estimated that there would be an average of 55 workers on-site. The additional employment generated presents a significant opportunity for local residents, and the wider supply chain impacts will benefit businesses in the local area.

#### Operational phase

- 1.12 Once completed it is estimated that the Proposed Development will support 45 direct jobs on-site, and 70 additional jobs across London after accounting for displacement and indirect employment benefits. The jobs created by the Proposed Development are likely to be more in line with those sought by unemployed LBC residents than vacancies that currently exist in the borough, providing further opportunities for local residents.

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<sup>2</sup> Camden Borough Council, 2019. Business and Employment Bulletin.

## Key stakeholders

### Uchaux Ltd

- 1.13 Uchaux Ltd will naturally play a key role in ensuring the successful delivery of this Employment and Skills Strategy. Uchaux Ltd's main responsibility, due to the nature of the Proposed Development meaning that they are not the main end-use employer, will be to act as an intermediary between its tenants and the local authority (LBC). The intermediary role will involve ensuring there is a sufficient provision of information to local authorities that allows local employment and skills benefits to be maximised and ensuring that employment and skills pledges and commitments are passed on to the end-use occupier.

### Economic Development Team (Camden Council)

- 1.14 LBC will play an important role working alongside Uchaux Ltd to ensure the successful achievement of the employment and skills aims outlined in this strategy, by providing the link between local residents and businesses with Uchaux Ltd and its end-use tenants. LBC will provide support and guidance through mechanisms such as:
- Assisting local residents into employment by providing them with the opportunity to apply for vacant job positions arising at the Proposed Development;
  - Providing information to Uchaux Ltd and eventually its end-use tenants on groups of local residents that are considered most disadvantaged and hence will benefit most from employment and skills opportunities.
- 1.15 The Economic Development Team is Camden Council's primary vehicle through which the council ensure residents have access to skills development and employment opportunities. The Economic Development Team manages the King's Cross Construction Skills Centre, the local employment vehicle offering training, apprenticeships, and employment advice to residents looking to develop their career in the construction industry. The Economic Development Team also offers job search support for local residents and access to training provision for jobseekers.

## Employment and skills aims

### Provision of information

- 1.16 As soon as information becomes available (likely prior to determination of the application), the Applicant will provide notice on the quantum and range of local labour and apprenticeship opportunities that will arise during the construction phase to King's Cross Construction Skills Centre.
- 1.17 The Applicant will commit to providing sufficient information on available job opportunities to ensure that the Construction Industry Training Board (CITB) benchmark regarding the number of construction roles advertised through local employment vehicles (the King's Cross Construction Skills Centre) is met.

### Local jobs

- 1.18 The Applicant is aiming to achieve a proportion of total employment positions going to LBC residents during the construction phase, based on targets that have been set in previous LBC planning applications and targets outlined in employment & skills policies

for other Central London Forward boroughs.<sup>3</sup> Based on this, the Applicant will use reasonable endeavours to achieve a minimum of 20% of construction employees to go to local LBC residents. This would equate to 16 construction jobs over the course of the entire construction period. This represents a fourfold increase over what might naturally be expected given commuting patterns in this sector.

- 1.19 If this local labour target is not fulfilled wholly by Camden residents, the Applicant will undertake reasonable endeavours to ensure that the target is met by residents of the Central London Forward boroughs, in line with LBC policy presented in the Employment Sites and Business Premises (March 2018) Camden planning Guidance.<sup>4</sup>

### Apprenticeships

- 1.20 In order to further develop the skills of local residents, the Applicant will commit to providing a number of apprenticeship positions through the demolition and construction phase. In line with LBC policy, the Applicant will commit to the recruitment of one construction apprenticeship for every £3 million in construction build cost. Under the anticipated build cost this would correspond to the recruitment of 3 apprenticeships over the demolition and construction phase.
- 1.21 According to LBC policy outlined within the Employment Sites and Business Premises (March 2018) Camden Planning Guidance,<sup>5</sup> these three apprentices must meet the following criteria:<sup>6</sup>
- be recruited through Camden Council, or their nominated partner;
  - be aged 18 and above; and
  - be paid the rate specified as the rate the National Minimum Wage for apprentices between 21 and 24 years.

### Supply chain opportunities

- 1.22 The Applicant will seek to work with local businesses through both the construction and operational phases to ensure local economic benefits are maximised. Specifically, the Applicant will use reasonable endeavours to adhere to LBC's Local Procurement Code, outlined within Employment Sites and Business Premises (March 2018) Camden Planning Guidance,<sup>7</sup> whereby a target is set for 10% of total procurement value to come from within the local area supply chain.

### Other aims

- 1.23 The Applicant has committed to a partnership with the Roundhouse Trust, located in the Roundhouse arts and entertainment venue nearby. The partnership will aim to build on the successes achieved by the Roundhouse Trust in encouraging diversity by providing young people experiencing social or economic disadvantage with employment skills and personal development experience. The Applicant will promote apprenticeships offered through the Roundhouse Trust to ensure disadvantaged local residents are best placed to access the opportunities offered by the charity.

<sup>3</sup> Central London Forward Boroughs for Employment & Skills: Camden, City of London, Hackney, Islington, Kensington & Chelsea, Lambeth, Southwark, Tower Hamlets, Wandsworth and Westminster with two associated boroughs – Haringey and Lewisham.

<sup>4</sup> LBC, March 2018. Camden Planning Guidance – Employment sites and business premises.

<sup>5</sup> Ibid.

<sup>6</sup> Note that LBC policy does not mention the expected duration of an apprenticeship. For the purposes of this commitment to the employment of three apprentices through LBC, it has been assumed that an apprenticeship will last c. 12 months in duration.

<sup>7</sup> Ibid.

- 1.24 The Applicant will additionally commit to paying at least the London Living Wage (LLW) to all directly employed full and part-time employees. They will use reasonable endeavours to promote not less than the LLW for construction employment occurring through sub-contractors at the Proposed Development, and also encourage the end use occupier to maintain this LLW commitment throughout the operational phase.
- 1.25 Seeking financial contributions that allow LBC to fund initiatives that maximise the potential for LBC residents to compete for jobs being created at the Proposed Development, through improving their employability and skills levels, is a crucial part of ensuring that the Proposed Development is economically and socially sustainable in the local context. As part of their overall S106 obligations, Uchaux Ltd will therefore make a financial contribution towards employment and training initiatives aimed at reducing worklessness in the LBC where applicable, based on formulas outlined in LBC policy.
- 1.26 In addition to employment and skills commitments, the Applicant will provide a c. £500,000 contribution to affordable workspace within LBC.<sup>8</sup> This contribution could be provided through several initiatives, potentially including engagement with the Roundhouse and One Housing Group's 'social economy partners' at Arlington. This contribution will aim to benefit local businesses, encouraging further development of small businesses across LBC.

#### Delivery timeline and monitoring

- 1.27 Uchaux Ltd will nominate a member of staff – the site manager during construction and a dedicated liaison person once operational – that will act as a point of contact between the development, its end-use occupiers, LBC and the local community.
- 1.28 The dedicated liaison staff member will perform a number of key functions to ensure the successful implementation of the Employment and Skills Strategy, including:
- Acting as an intermediary between representatives from the LBC's Economic Development Team and both construction contractors and end-use occupiers operating at the Proposed Development. Meetings will be set up to ensure that employment and skills aims are put across to these contractors and occupiers and that the commitment to local objectives is passed on to tenants.
  - Arrange quarterly monitoring meetings throughout the 18-month construction and demolition phase with a representative from the Economic Development Team, with monitoring reports providing an update on progress submitted in advance of the meeting. The indicators to be monitored would be agreed between the dedicated liaison officer and the Economic Development Team representative prior to commencement.
  - Brokering a meeting between the end use occupier and LBC's Economic Development Team to ensure that employment and skills initiatives are promoted through the operational phase.

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<sup>8</sup> The amount is to be confirmed following negotiations with LBC.

## Meeting policy requirements

- 1.29 The table below outlines the basis behind each proposed employment & skills commitment in this strategy, whether based on LBC policy<sup>9</sup> or examples of best practice.

Commitment	<i>Camden SPD Policy or Best Practice Basis</i>
<p>The Applicant will commit to providing sufficient information on available job opportunities to ensure that the Construction Industry Training Board (CITB) benchmark regarding the number of construction roles advertised through local employment vehicles (the King's Cross Construction Skills Centre) is met.</p>	<p><i>(Para 68): "The Council will expect developers to work toward the Construction Industry Training Board (CITB) benchmark which specifies the number of jobs advertised through local employment vehicles. The local employment vehicles will be King's Cross Construction Skills Centre or other agency recommended by the Council."</i></p>
<p>Based on this, the Applicant will use reasonable endeavours to achieve a minimum of 20% of construction employees to go to local LBC residents.</p>	<p><i>This 20% figure has been set based on previous s106 agreements between LBC and developers, such as the January 2018 agreement for the proposed development at 17 Charterhouse Street<sup>10</sup>.</i></p>
<p>If this local labour target is not fulfilled wholly by Camden residents, the Applicant will undertake reasonable endeavours to ensure that the target is met by residents of the Central London Forward boroughs, in line with LBC policy.</p>	<p><i>(Para 76): "When local labour targets cannot be met by residents of Camden, the Council will expect that developers seek to meet these obligations with residents of the Central London Forward boroughs."</i></p>
<p>Applicant will commit to the recruitment of one construction apprenticeship for every £3 million in construction build cost. Under the anticipated build cost this would correspond to the recruitment of 3 apprenticeships over the demolition and construction phase.</p>	<p><i>(Para 65): "Developments of over £3 million build costs will be required to recruit one construction apprentice through Camden Council, or its nominated partner, for every £3 million of build cost where the length of the project allows."</i></p>
<p>These three apprentices must meet the following criteria:</p> <ul style="list-style-type: none"> <li>• be recruited through Camden Council, or their nominated partner;</li> <li>• be aged 18 and above; and</li> <li>• be paid the rate specified as the rate the National Minimum Wage for apprentices between 21 and 24 years.</li> </ul>	<p><i>(Para 65): "All construction apprentices aged 18 and above must be paid the rate specified as the National Minimum Wage for apprentices between 21 and 24 years."</i></p>

<sup>9</sup> LBC, March 2018. Camden Planning Guidance – Employment sites and business premises.

<sup>10</sup> S106 agreement, dated 24<sup>th</sup> January 2018, between (i) De Beers UK Limited; (ii) Anglo American Services (UK) Ltd; and (iii) The Mayor and Burgesses of the London Borough of Camden.



Commitment	Camden SPD Policy or Best Practice Basis
<p>Specifically, the Applicant will use reasonable endeavours to adhere to LBC's Local Procurement Code, outlined within Employment Sites and Business Premises (March 2018) Camden Planning Guidance, whereby a target is set for 10% of total procurement value to come from within the local area supply chain.</p>	<p><i>(Para 71): "The Council expects that developers work towards a local procurement target of 10% of total procurement value."</i></p>
<p>They will use reasonable endeavours to promote not less than the LLW for construction employment occurring through sub-contractors at the Proposed Development, and also encourage the end use occupier to maintain this LLW commitment throughout the operational phase</p>	<p><i>This is based on examples of best practice for previous employment and skills strategies agreed across London.</i></p>
<p>As part of their overall S106 obligations, Uchaux Ltd will therefore make a financial contribution towards employment and training initiatives aimed at reducing worklessness in the LBC where applicable</p>	<p><i>(Net) Full-time jobs created x 21% (% of LBC residents that work in the borough) x 35% (% of employees requiring training) x £3,995 (£ per employee requiring training).</i></p>
<p>In addition to employment and skills commitments, the Applicant will provide a c. £500,000 contribution to affordable workspace within LBC</p>	<p><i>(Para 78): "In order to encourage flexibility of provision, vitality and diversity in town centres and other employment areas in the borough the Council will use planning obligations to secure the provision of flexible business space."</i></p>

## 2 Introduction

- 2.1 This Employment and Skills Strategy has been prepared by Volterra Partners LLP ('Volterra') on behalf of Uchaux Ltd ('the Applicant') for the proposed scheme at 155-157 Regents Park Road, NW1 8BB, Camden ('the Proposed Development'). It accompanies the application for planning permission.
- 2.2 The Proposed Development would include 70 upscale hotel rooms, with supporting amenity retail space, high-quality design and public frontages. Additionally, a single residential unit is included in the proposals, accounting for the re-provision of existing residential unit situated on site. The site is highly accessible by public transport. It is judged to have a public transport accessibility rating (PTAL) rating of 6a, which is the 2nd most accessible rating (out of nine) that can be achieved. Chalk Farm underground station is located less than 50 metres away from the site, providing access to the Northern underground line.
- 2.3 The Proposed Development's description is as follows:
- "Redevelopment to provide a basement (2 levels), ground plus 7-storey building comprising a retail unit at ground, a hotel and single residential unit on the upper floors, with associated works."*
- 2.4 According to LBC's Planning Guidance on employment sites and business premises<sup>11</sup>, LBC expects employment and skills initiatives to be delivered for development that are expected to impact the availability of jobs for LBC residents, for the following types of development:
- Any development with floorspace greater than 1,000m<sup>2</sup> Gross Internal Area (GIA);
  - Where developments result in the loss or displacement of existing employment opportunities; and
  - Major development projects involving significant construction contracts (e.g. over £3 million build costs).
- 2.5 The Applicant is committed to ensuring the benefits of the Proposed Development are maximised and retained within the local area to the extent that this is possible. As the Proposed Development falls within the description of the developments required to submit a standalone Employment and Skills strategy, this strategy specifically sets out the approach through which the local employment and skills benefits would be maximised by the Proposed Development. The Applicant is committed to providing employment, training and education to local residents, including disadvantaged residents with lower qualifications or who are previously unemployed, helping them have access to opportunities during both the construction and the operational phase of the Proposed Development.
- 2.6 By examining the local context, through analysis of baseline indicators and employment and skills objectives identified in LBC and Greater London Authority (GLA) policies, Volterra has identified the most pressing socio-economic issues in the local area that employment and skills objectives could help to positively impact upon. Targets and objectives have then been set to try to ensure that the Proposed Development helps to combat these employment and skills issues.

<sup>11</sup> LBC, March 2018. Camden Planning Guidance: Employment sites and business premises.

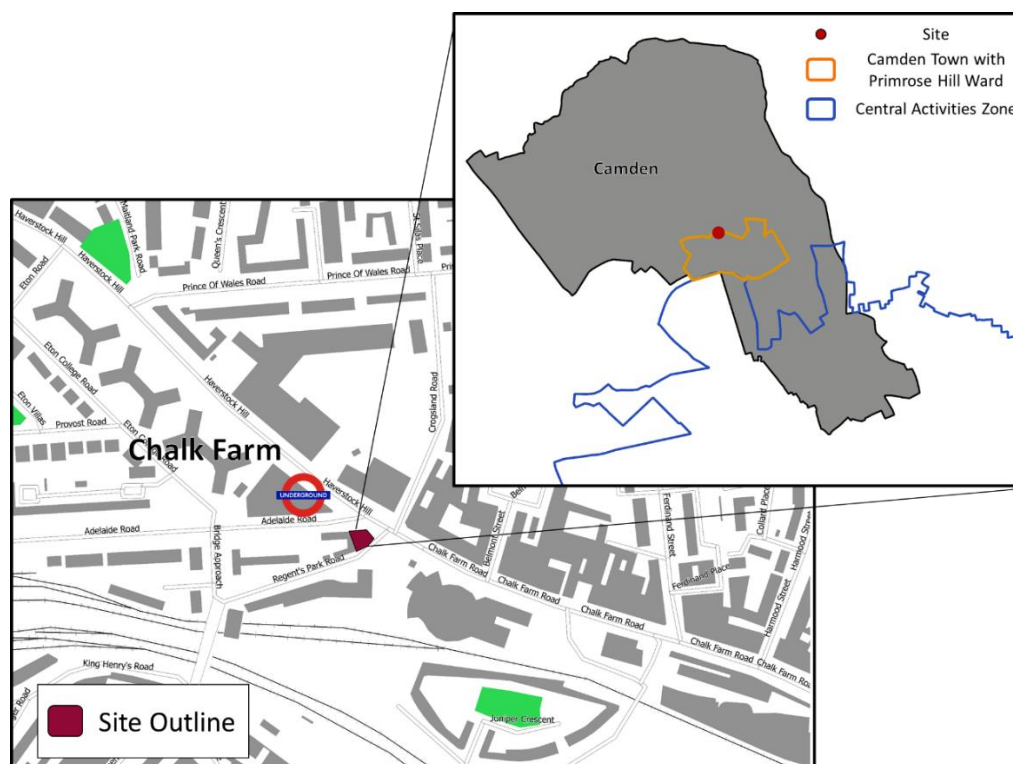
### 3 Local Context

- 3.1 This section summarises the baseline economic characteristics, focussing on employment and skills-based indicators, of the local area surrounding the site of the Proposed Development. This baseline then provides guidance for the design of the Employment and Skills Strategy, by highlighting outstanding issues in the local area and ensuring policies are specifically tailored to these issues to maximise socio-economics for the local community.

#### Geographical areas

- 3.2 The site of the Proposed Development is located in the LBC, in the Camden Town and Primrose Hill ward. The Employment and Skills Strategy considers the contribution of the Proposed Development to employment and skills within LBC, and more generally across the Greater London area.

Figure 1: Local context for the Proposed Development



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What has been achieved so far?

#### Population

- 3.3 Over the period 2010-2017 LBC experienced a significant increase in its total population, which grew by 38,600 (18%) to 253,400 residents.<sup>12</sup> This growth in

<sup>12</sup> ONS, 2018. Annual Population Survey: mid-year population estimates.

population within LBC is above that of London, which experienced a total growth of 9.5%.<sup>13</sup>

- 3.4 The working-age population (aged 16-64) within LBC grew at a slower rate over the period (14%) than both the number of residents aged 0-15 (26%) and those aged 64 and above (29%), however this trend is in line with London as a whole.<sup>14</sup> Population in each of these three age categories grew faster in LBC than London over the 2010-2017 period.<sup>15</sup>
- 3.5 In 2017 71% of LBC residents were working age, which has decreased from 73% in 2010, but still remains above the London average of 68%.<sup>16</sup>

### Total employment

- 3.6 Between 2010 and 2018 LBC experienced significant changes to its employment profile, with a larger proportion of the working-age population becoming economically active, and the unemployment rate falling. Table 1 shows that over the period the total proportion of the population that were economically active increased from 74% to 76%. Over the same period, the proportion of economically active residents in employment increased from 66% to 73%, with the unemployment rate falling 6 percentage points to 4%.

Table 1: LBC economic activity rates, 2010 and 2018

Variable	2010	2018
Economically active: Total	74%	76%
Economically active: In employment	66%	73%
Economically active: unemployed	10%	4%

Source: ONS, 2011 and 2018 Annual Population Survey

- 3.7 Table 2 provides a comparison of economic activity and employment rates for LBC, London, and Great Britain in 2018. It can be seen that the economic activity and unemployment rates in LBC are both below that of both London and Great Britain.

Table 2: Economic activity, 2018

Variable	LBC	London	Great Britain
Total population aged 16-64	182,500	6,024,100	40,082,600
Number economically active	138,000	4,713,200	31,458,500
Proportion economically active	76%	78%	78%
Number in employment	132,600	4,475,000	30,116,600
Employment rate	73%	74%	75%

<sup>13</sup> Ibid.

<sup>14</sup> ONS, 2018. Population estimates - local authority based by single year of age.

<sup>15</sup> Ibid.

<sup>16</sup> Ibid.

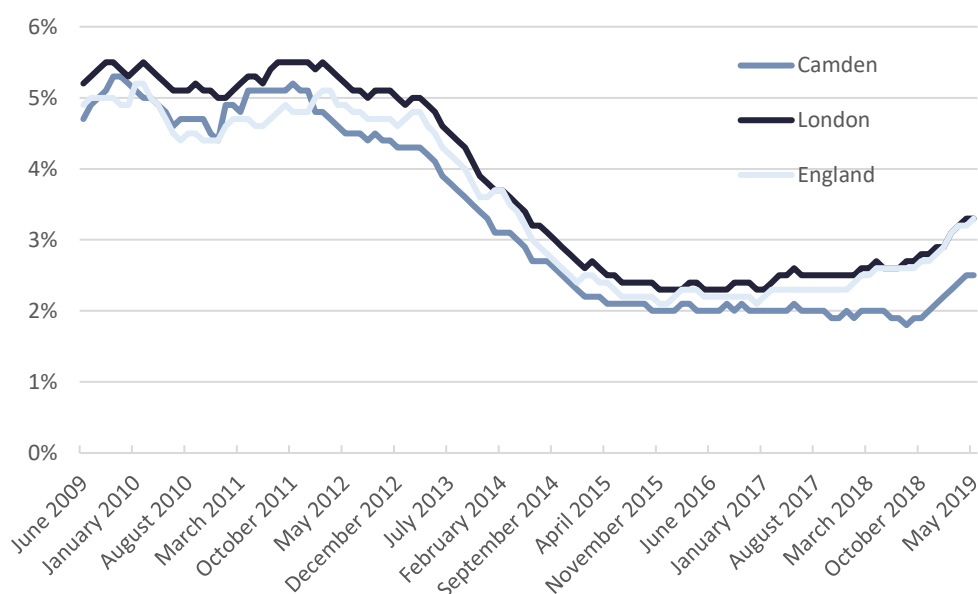
Variable	LBC	London	Great Britain
Number in unemployment	5,400	238,200	1,341,900
Unemployment rate	3.9%	5.1%	4.3%

Source: ONS, 2018. Annual Population Survey 2018.

## Unemployment

- 3.8 Figure 2 outlines the proportion of economically active residents on the Claimant Count within LBC, as well as within Greater London and England, over the period June 2009 to May 2019. As of May 2019, 2.5% of LBC's economically active residents rely on the Claimant Count.<sup>17</sup> The Figure shows that since January 2012 a lower proportion of LBC's residents rely on the Claimant Count than at the London and national level.

Figure 2: Proportion of economically active population on the Claimant Count



Source: ONS, 2019. Claimant Count by Sex and Age.

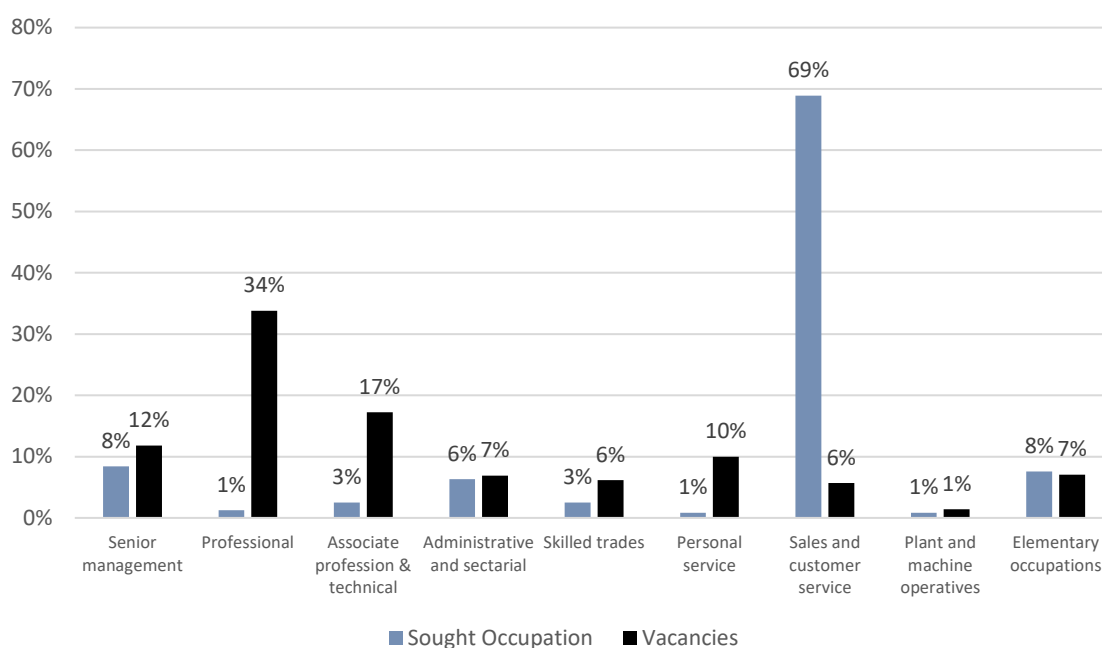
- 3.9 Whilst the proportion of residents on the Claimant Count in LBC is below the London and national level, there remains a significant mismatch between the types of jobs unemployed residents are searching for and vacancies available within the borough. Although 69% of unemployed residents within LBC are seeking work within sales and customer service roles, only 6% of vacancies in the borough correspond to these occupations.<sup>18</sup> Figure 3 presents the occupations sought by unemployed LBC residents and the vacancies offered within the borough. It can be seen that there are more vacancies for high skilled occupations and relatively fewer for low skilled occupations, despite unemployed LBC residents more commonly seeking lower-skilled occupations.<sup>19</sup>

<sup>17</sup> ONS, 2019. Claimant Count by Sex and Age.

<sup>18</sup> ONS, 2019. Jobseeker's Allowance by occupation; GLA, 2019, London job Postings Data.

<sup>19</sup> Ibid.

Figure 3: Sought occupations and vacancies in LBC, 2019



Source: ONS, 2019. Jobseeker's Allowance by occupation; GLA, 2019. London job Postings Data.

### Employment by industry

- 3.10 Table 3 presents the proportion of LBC employment within different industry sectors, and the comparison between this and the Inner London and London levels. In line with the vacancies reported in Figure 3, the largest employment sector is the professional, scientific, and technical sector, which employs 20% of the LBC workforce. The borough contains a relatively greater proportion of professional, scientific and technical, education, health, and arts, entertainment and leisure employment than the Inner London and London averages.<sup>20</sup>

Table 3: Employment by industry, 2017

Sector (SIC 07 Code)	LBC		Inner London	London
	Employment	% of employment		
Agriculture, forestry & fishing (A)	0	0%	0%	0%
Mining, quarrying & utilities (B,D and E)	2,100	1%	0%	1%
Manufacturing (C)	3,800	1%	1%	2%
Construction (F)	8,000	2%	3%	4%
Motor trades (Part G)	800	0%	0%	1%
Wholesale (Part G)	7,500	2%	2%	3%
Retail (Part G)	20,000	5%	7%	8%
Transport & storage (H)	10,000	3%	3%	5%

<sup>20</sup> ONS, 2018. Business Register and Employment Survey.

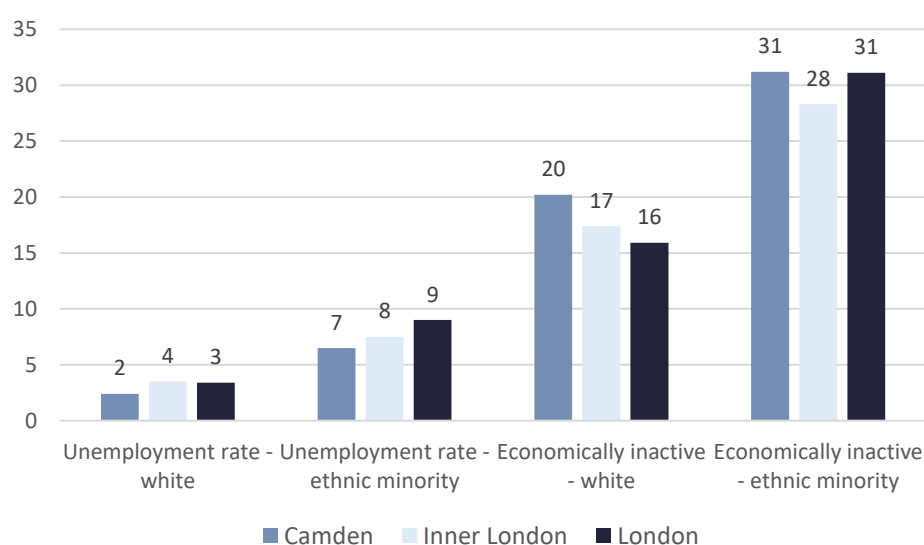
Sector (SIC 07 Code)	LBC		Inner London	London
	Employment	% of employment		
Accommodation & food services (I)	30,000	8%	8%	7%
Information & communication (J)	42,000	11%	10%	8%
Financial & insurance (K)	12,000	3%	10%	7%
Property (L)	7,500	2%	3%	2%
Professional, scientific & technical (M)	76,000	20%	17%	14%
Business administration & support (N)	38,000	10%	11%	11%
Public administration & defence (O)	13,000	3%	4%	4%
Education (P)	36,000	10%	6%	8%
Health (Q)	46,000	12%	9%	11%
Arts, entertainment & leisure (R,S,T and U)	23,000	6%	5%	5%
Total	373,000		3,294,000	5,268,000

Source: ONS, 2018. Business Register and Employment Survey (BRES). NB figures are rounded.

### Inequalities in employment

- 3.11 Although overall unemployment within LBC remains below that of its comparator areas, there still remain significant differences in the employment levels of different groups within the borough. Figure 4 presents the 2018 unemployment and economic activity rates for LBC residents in the white and ethnic minority groups. It can be seen that the unemployment rate for ethnically white LBC residents is significantly below that of minority ethnic residents (2% compared to 7%). When comparing to Inner London the gap between unemployment rates for white and ethnic minority residents is larger within LBC.

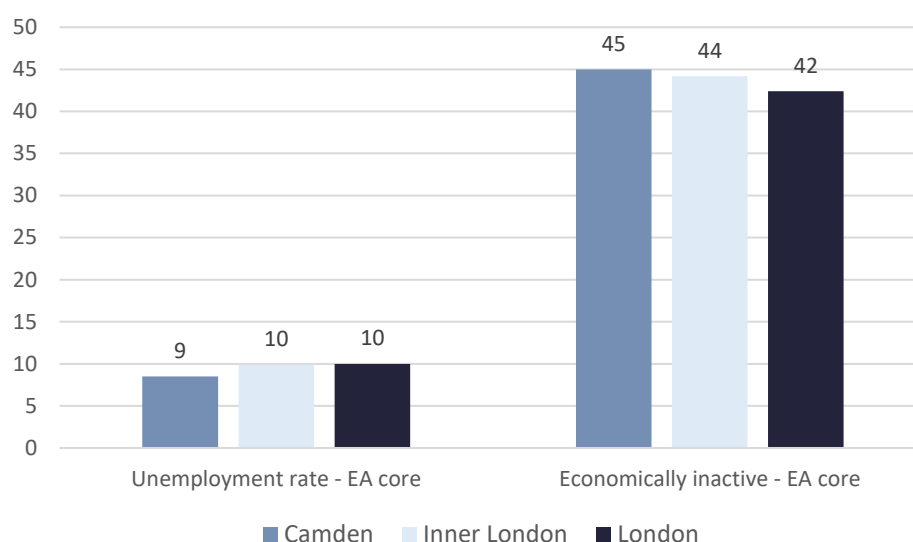
Figure 4: Unemployment and economic activity by ethnic group, 2018 (%)



Source: ONS, 2019. Annual Population Survey.

- 3.12 People living with disabilities represent another under-represented group that experiences significant disparity in their average employment rates within LBC. In 2018, LBC residents falling within the Equality Act's work-limiting disabled definition (Equality Act core or work-limiting disabled) had an unemployment rate of 9%, marginally below that of Inner London and London as a whole (both 10%).<sup>21</sup> The unemployment rate for people living with disabilities in LBC (9%) remains significantly above the overall rate for the whole of LBC (2%). In addition, of the LBC residents living with work-limiting disabilities, 45% are economically inactive, more than 20% above the average for all LBC residents.<sup>22</sup>

Figure 5: Unemployment and economic activity for disabled residents, 2018 (%)



Source: ONS, 2019. Annual Population Survey.

### Resident earnings

- 3.13 Table 4 presents the average annual earnings for residents within Inner London boroughs, for full-time workers. It can be seen that in 2018 average full-time employed resident earnings within LDC are 10% higher than the Inner London level and 16% higher than the whole of London level.<sup>23</sup> However, although median earnings are currently larger in LBC than these comparator areas, the growth in average earnings for the borough in the last ten years is below that of the wider areas.<sup>24</sup>

Table 4: Average resident earnings (£), 2008-2018

	2008 Median pay (£)	2018 Median pay (£)	Total growth (%)
Inner London	32,200	37,600	17%
Camden	36,800	41,200	12%
Hackney	30,100	33,700	12%
Hammersmith	36,100	39,400	9%

<sup>21</sup> ONS, 2019. Annual Population Survey.

<sup>22</sup> Ibid.

<sup>23</sup> ONS, 2018. Annual Survey of Hours and Earnings.

<sup>24</sup> Ibid.



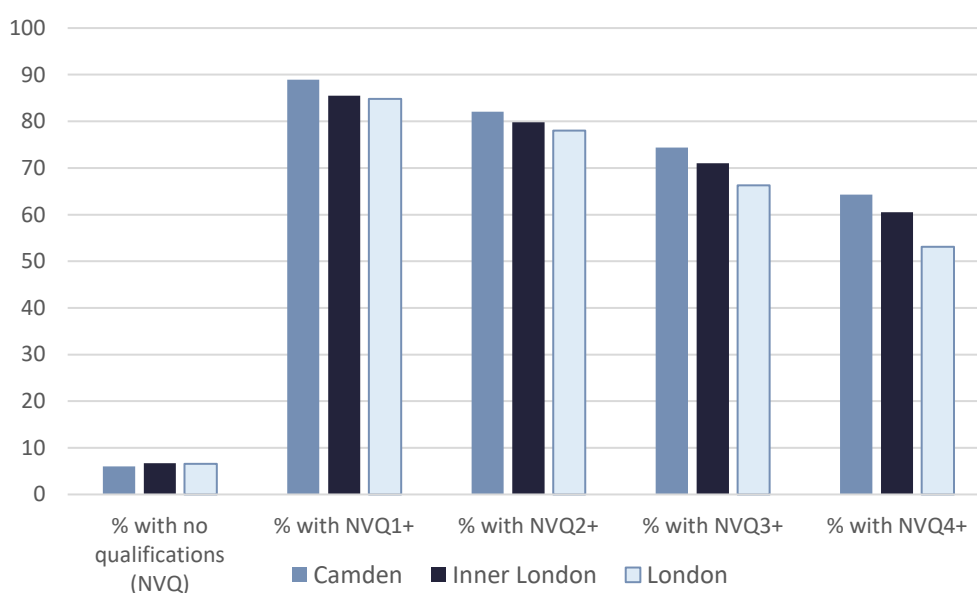
	2008 Median pay (£)	2018 Median pay (£)	Total growth (%)
Haringey	29,900	33,300	11%
Islington	32,700	45,000	37%
Kensington & Chelsea	43,800	49,600	17%
Lambeth	29,500	38,000	29%
Lewisham	28,600	33,500	17%
Newham	25,500	31,000	22%
Southwark	31,700	36,400	15%
Tower Hamlets	32,900	38,300	16%
Wandsworth	34,800	41,700	20%
Westminster	38,700	44,700	16%
London	31,100	35,700	15%

Source: ONS, 2018. Annual Survey of Hours and Earnings.

### Qualifications

- 3.14 LBC residents on average tend to be more qualified than both the Inner London and London levels.<sup>25</sup> Figure 6 presents the comparison between the proportion of residents that have achieved each national vocational qualification (NVQ) level within LBC, Inner London, and the whole of London. LBC has a smaller proportion of residents with no NVQ qualifications (6%), and a larger proportion of its population achieving each NVQ level than both Inner London and the whole of London.<sup>26</sup>

Figure 6: Qualification levels within LBC and comparators, 2018



Source: ONS, 2018. Annual Population Survey.

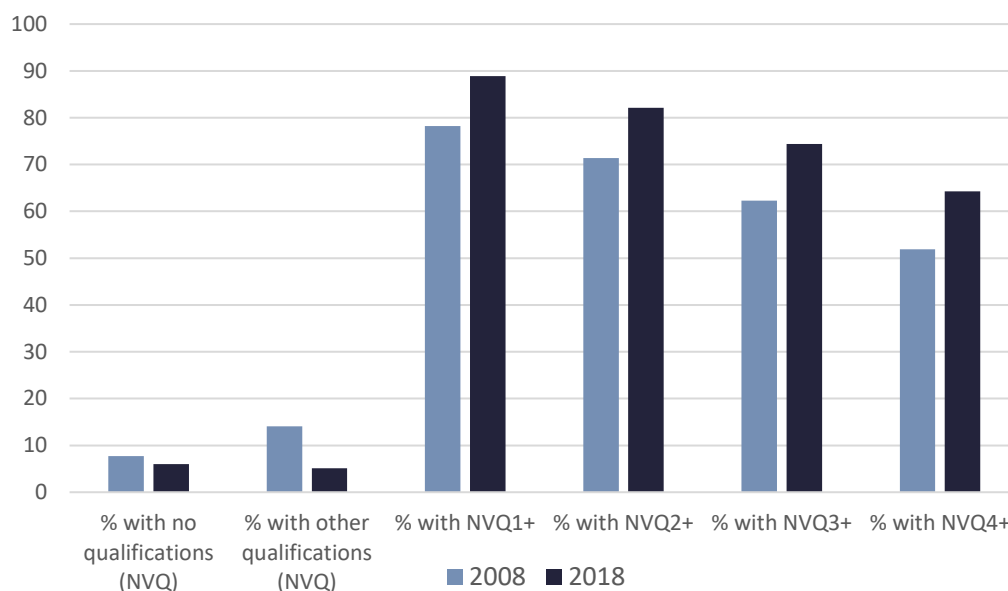
- 3.15 Additionally, Figure 7 shows that in the last ten years, the qualification levels of LBC residents have increased significantly. Between 2008 and 2018, the proportion of LBC residents achieving a minimum of an NVQ level 1 qualification has increased from 78%

<sup>25</sup> ONS, 2018. Annual Population Survey.

<sup>26</sup> Ibid.

to 89%.<sup>27</sup> The proportion of residents in the borough achieving a minimum of an NVQ level 4 qualification (equivalent to degree level) has increased by the largest amount over the period, rising 12% over ten years.<sup>28</sup>

Figure 7: Qualification levels within LBC, 2008 and 2018



Source: ONS, 2008 and 2018, Annual Population Survey.

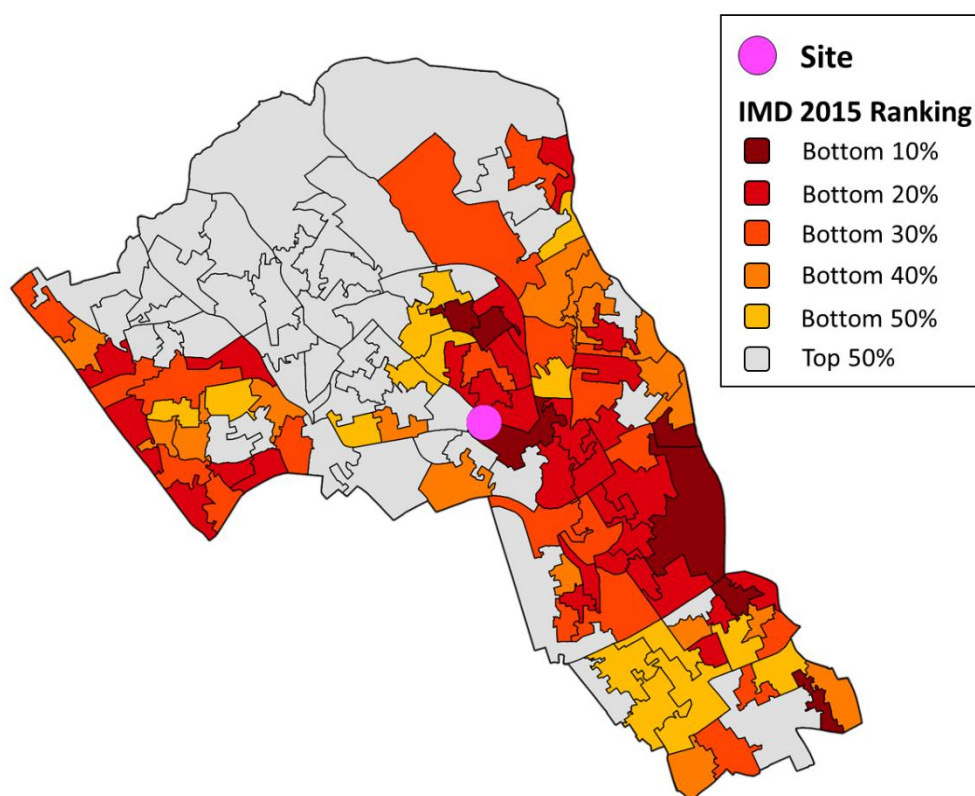
## Deprivation

- 3.16 The 2015 Index of Multiple Deprivation ranks small areas within England on their relative level of deprivation. Figure 8 presents these rankings for lower super output areas (LSOAs) within LBC. It can be seen from this that there is wide variation in deprivation levels across the borough. Although a large proportion of LBC remains in the 50% least deprived areas in the UK, there are a significant number of areas ranking within the 10% most deprived. The LSOA in which the Proposed Development is located is ranked within the top 5% most deprived areas in England.

<sup>27</sup> ONS, 2008 and 2018, Annual Population Survey.

<sup>28</sup> ONS, 2008 and 2018, Annual Population Survey.

Figure 8: Index of Multiple Deprivation Ranking (2015) for LSOAs in LBC



Source: DCLG, 2015. Index of Multiple Deprivation – Overall ranking.

## Planned growth & future priorities

### Employment and unemployment

- 3.17 LBC has been relatively successful in maintaining a low level of unemployment in recent years, with the unemployment level in the borough staying below the London and England average levels since December 2011. As of May 2019, the proportion of economically active residents in LBC on the claimant count was 2.5%, below the rate for London and the whole of England (both 3.3%).<sup>29</sup>
- 3.18 Employment opportunities within LBC are additionally forecast to further increase in coming years. The Greater London Authority's (GLA) economic forecasts estimate that the total number in employment within LBC is set to increase by 0.8% each year over the 30-year period 2016-2046, from 376,000 to 484,000.<sup>30</sup> This growth of the number of people in employment within the borough corresponds to the 5<sup>th</sup> largest of all London boroughs (behind the boroughs of Newham, Tower Hamlets, Hammersmith and Fulham, and Hackney respectively).<sup>31</sup>

<sup>29</sup> ONS, 2019. Annual Population Survey.

<sup>30</sup> GLA Economics, 2017. London Labour Market Projections.

<sup>31</sup> Ibid.

## Summary of baseline indicators

- 3.19 Table 5 presents a summary of the baseline indicators considered within this Employment and Skills strategy. Areas with the greatest need are highlighted in red, with a brief summary of the need to address the given indicator.

Table 5: Summary of baseline indicators

Indicator	LBC
Employment	Whilst the proportion of economically active residents remains below that of London and Great Britain, total employment within LBC has seen large growth in recent years.
Unemployment	Unemployment rates remain below the average levels seen across London and England, however, there remains a significant mismatch in the types of jobs sought by unemployed LBC residents and vacancies available in the borough, and there are identified subgroups who experience significantly higher rates of unemployment than the average.
Earnings	Although recent earnings growth has been lower than surrounding areas, average earnings within LBC are still larger than the average earnings for Inner London and London.
Qualifications	A larger proportion of LBC residents have achieved each NVQ stage than the Inner London or the whole of London averages. LBC has seen significant growth in the proportion of residents achieving each NVQ stage in the last 10 years.
Deprivation	Large areas of the borough remain highly deprived, including the area surrounding the Proposed Development in particular. There remain large inequalities in the level of deprivation across the borough.

## 4 Issues and Objectives Identified in Policy

- 4.1 Issues and objectives related to employment and skills are first identified through the examination of LBC local policy, and then by considering regional (London-wide) issues and objectives with reference to GLA policy.

### LBC issues and objectives

- 4.2 LBC's Local Plan (2017) provides an initial outline of the challenges faced by the borough in the coming years. The Local Plan categorises the key challenges faced by the borough into eight categories:

- Adapting to Camden's growing population and to social change;
- The supply and cost of housing in the borough;
- Maintaining a successful economy and improving opportunities;
- Inequalities;
- Health and wellbeing;
- Improving transport;
- Quality of the environment; and
- Crime and safety.<sup>32</sup>

- 4.3 Although these issues are not all related to employment and skills within the borough, some of the issues raised within the Local Plan are in line with the baseline indicators presented in the previous section. It can be seen that overall the LBC economy has performed relatively well in recent years, however there are large socio-economic inequalities across the borough.

- 4.4 The inequality in employment and skills across the borough is specifically highlighted in the LBC Local Plan Policy E1. It is stated that "[t]here is often a mismatch in the skills needed by the borough's employers and the skills of some members of the community. Improving access to training will increase employment opportunities for Camden residents by giving them the skills needed to fill jobs both locally and further afield."<sup>33</sup>

- 4.5 The need to improve skills levels for particular groups within the borough is additionally highlighted within the recent LBC Business and Employment Bulletin (May 2019).<sup>34</sup> The bulletin states that "[a] sizeable proportion of residents have the lowest level or no qualification and are significantly disadvantaged in the labour market" and underlines the importance of increasing skills for these residents in the relatively high-skilled LBC labour market.

### LBC policy requirements

- 4.6 Policy E2 in the LCB Local Plan<sup>35</sup> provides further guidance on the Council's approach to maintaining and securing a range of premises for businesses to support Camden's economy and provide employment opportunities for the borough's residents. The key aim of the policy is to encourage the provision of employment premises and sites in the borough.

<sup>32</sup> Camden Borough Council, 2017. Camden Local Plan.

<sup>33</sup> Ibid.

<sup>34</sup> Camden Borough Council, 2019. Business and Employment Bulletin.

<sup>35</sup> Camden Borough Council, 2017. Camden Local Plan.

4.7 In order to support policies E1 and E2 of the Local Plan, LBC has produced the Employment Sites and Business Premises (March 2018) Camden Planning Guidance (CPG), which is a formal Supplementary Planning Document (SPD). The Planning Obligations section of the SPD outlines relevant employment and skills requirements to be met by schemes with total build costs over £3 million, such as the Proposed Development.

4.8 With regards to the Proposed Development, the relevant policies outlined in the CPG<sup>36</sup> are:

- (Para 54): “Developers and occupiers of new development may also be required to put in place measures to seek to recruit widely from Camden’s resident population. For example by registering all construction vacancies within the KXCSC and end use jobs via the local Job Centre and other local brokerages in liaison with Camden’s Economic Development service.”
- (Para 65): “Developments of over £3 million build costs will be required to recruit one construction apprentice through Camden Council, or its nominated partner, for every £3 million of build cost where the length of the project allows. All construction apprentices aged 18 and above must be paid the rate specified as the National Minimum Wage for apprentices between 21 and 24 years.”
- (Para 68): “The Council will expect developers to work toward the Construction Industry Training Board (CITB) benchmark which specifies the number of jobs advertised through local employment vehicles. The local employment vehicles will be King’s Cross Construction Skills Centre or other agency recommended by the Council.”
- (Para 71): “The Council expects that developers work towards a local procurement target of 10% of total procurement value.”
- An s106 contribution from the developer to Camden Council per additional full-time job created once the scheme is operational, to allow the Council to provide employment and training opportunities enabling LBC residents to access the employment positions. The formula used to calculate this contribution is:

*(Net) Full-time jobs created x 21% (% of LBC residents that work in the borough) x 35% (% of employees requiring training) x £3,995 (£ per employee requiring training).*

- (Para 76): “When local labour targets cannot be met by residents of Camden, the Council will expect that developers seek to meet these obligations with residents of the Central London Forward boroughs.”
- (Para 78): “In order to encourage flexibility of provision, vitality and diversity in town centres and other employment areas in the borough the Council will use planning obligations to secure the provision of flexible business space.”<sup>37</sup>

### London issues and objectives

4.9 London’s population is set to grow from 8.9 million today to around 10.8 million by 2041.<sup>38</sup> As it does so, employment is expected to increase on average by 49,000 jobs

<sup>36</sup> LBC, March 2018. Camden Planning Guidance – Employment sites and business premises.

<sup>37</sup> Ibid

<sup>38</sup> Greater London Authority, 2019. Housing-led Population Projections.

each year, reaching 6.9 million over the same period.<sup>39</sup> However, there is a need to ensure that this growth is shared equitably. London's employment rate has lagged behind the national average for decades.<sup>40</sup> Employment rates across London are consistently lower for those without any formal qualifications, further emphasising the inequalities within the region.<sup>41</sup>

4.10 The Draft New London Plan highlights 'Skills and Opportunities for All' as a key strategic priority (Policy E11).<sup>42</sup> Policy E11 states that employment and skills policy will include:

- The Mayor working with strategic partners to address low pay and, supported by his Skills for Londoners Taskforce, co-ordinate national, regional and local initiatives to promote inclusive access to training, skills and employment opportunities for all Londoners.
- Development proposals that seek to support employment, skills development, apprenticeships, and other education and training opportunities in both the construction and end-use phases, including through Section 106 obligations where appropriate. Boroughs should ensure these are implemented in ways that (a) enable trainees to complete their training and apprenticeships, (b) ensure the greatest level of take-up possible by Londoners of the training, apprenticeship and employment opportunities created and (c) increase the proportion of underrepresented groups within the construction industry workforce. Boroughs are also encouraged to consider cross-borough working to open up opportunities, including those created via Section 106 obligations, on a reciprocal basis, to residents from adjacent boroughs and across London.<sup>43</sup>

4.11 Additionally, the GLA provides the following relevant skills challenges for London residents within the Skills for Londoners: A Skills and Adult Education Strategy for London publication:

- Unemployment rates above the national average, with young people, disabled adults, black, Asian, and minority ethnic (BAME) groups and women disproportionately under-represented in the labour market, especially in higher-skilled, better-paid jobs.
- Continued and persistent gender, race and disability pay disparities.
- Wages struggling to keep pace with the rising costs of living, leaving one in five workers paid below the LLW and the highest proportion of people living in poverty of any UK region.
- Substantial variation in employment rates and incomes across London, meaning the capital is the most unequal region in the country.
- Low levels of qualifications and skills holding many Londoners back, particularly in literacy, English language, numeracy and digital capabilities.
- A lack of an effective careers information, advice and guidance offer, limiting Londoners' ability to upskill/reskill and progress in work.
- The changing nature of work due to technological advancements and the increasing need for digital skills to find work and access public services.

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<sup>39</sup> Greater London Authority, 2019. Draft New London Plan consolidated suggested changes.

<sup>40</sup> Ibid.

<sup>41</sup> Ibid.

<sup>42</sup> Ibid.

<sup>43</sup> Ibid.

- The soaring cost of childcare posing a significant obstacle to parents.<sup>44</sup>

4.12 In order to overcome the Londoners’ skills challenges outlined in the Skills for Londoners report, the Mayor has identified three key priorities and collaborative actions:

- Priority 1: Empower all Londoners to access the education and skills to participate in society and progress in education and work;
- Priority 2: Meet the needs of London’s economy and employers, now and in the future; and
- Priority 3: Deliver a strategic city-wide technical skills and adult education offer.<sup>45</sup>

Summary of key issues and objectives

4.13 Reconciling both the baseline information obtained within this review and the issues outlined within the analysis of local policy that has been released across the different geographies, the relevant issues and objectives for the Proposed Development have been established. These key issues and objectives are summarised in Figure 9.

Figure 9: Employment and Skills issues and objectives



<sup>44</sup> GLA, 2018. Skills for Londoners: A Skills and Adult Education Strategy for London.

<sup>45</sup> Ibid.



## 5 The Impact of the Proposed Development

- 5.1 The Proposed Development will generate a significant number of employment opportunities throughout both the demolition & construction and operational phases. The employment generated will offer local residents job opportunities at various skill levels. This section provides an overview of the employment impacts that will occur as a result of the Proposed Development.

### The impact of the Proposed Development during construction

- 5.2 Employment generated during the demolition and construction phase is calculated using industry standard methodology.<sup>46</sup> Applying this methodology, it is expected that the construction phase of the Proposed Development will support approximately 80 gross job years' worth of employment directly on site. As the construction period is estimated to be 18 months, this, therefore, translates to an average of 55 construction workers situated on-site throughout the construction period.
- 5.3 2011 commuting patterns suggest that 5.6% of the total construction workforce in LBC are also resident in the borough.<sup>47</sup> Therefore, based on commuting patterns alone it would be expected that an average of c. 5 LBC residents would be employed on-site throughout the demolition and construction phase. The applicant's implementation of approaches set out in this strategy aims to ensure that the rate of access to and therefore take-up of construction opportunities by local residents is maximised.
- 5.4 The creation of employment during the construction phase presents a significant opportunity for local residents to increase their prospects and earnings. The median yearly earnings of a full-time construction worker in London is estimated to be c. £51,000, which is 24% higher than the median pay of LBC residents who were in full-time employment during 2018 (£41,000).<sup>48</sup>

### The impact of the Proposed Development during operation

- 5.5 This strategy draws on the estimated employment impacts outlined in the headline economic impact assessment produced by Volterra for the Proposed Development. In the assessment, the HCA Employment Densities Guide has been employed to determine the employment supported. For an 'upscale hotel', the type deemed most relevant for the Proposed Development, the Densities Guide provides an estimate of 1 full-time equivalent (FTE) employee generated per 2 bedrooms. Based on this it is estimated that the Proposed Development will support 35 FTEs.<sup>49</sup>
- 5.6 Table 6 outlines the estimated employment supported by the Proposed Development when operational. In total the Proposed Development will support 35 FTEs when operational, equivalent to 45 jobs when taking into account part-time working patterns.

<sup>46</sup> Gross jobs years are calculated by dividing the total construction cost by the average GVA per head of construction workers within LBC.

<sup>47</sup> ONS, 2011. Location of Usual Residence and Place of Work by Industry (Safeguarded). ONS VML agrees that the figures and descriptions of results in the attached document may be published. This does not imply ONS' acceptance of the validity of methods used to obtain these figures, or of any of the analysis of the results.

<sup>48</sup> ONS, 2018. Annual Survey of Hours and Earnings: By Region and Industry.

<sup>49</sup> Additionally, a small quantum of retail floorspace is accounted for within the employment estimates.

Table 6: Gross direct employment at the Proposed Development

Use class	Floorspace (NIA, m <sup>2</sup> )/Hotel Beds	Employment density	FTEs	Jobs
Hotel (C1)	70 (beds)	0.5 FTE per bed <sup>50</sup>	35	40
Retail (A1-A3)	41 <sup>51</sup>	17.5m <sup>2</sup> NIA per FTE	5	5
<b>Total</b>	-	-	<b>35</b>	<b>45</b>

Source: Volterra Calculations, 2019.

NB: Figures may not sum due to rounding.

- 5.7 2011 commuting patterns suggest that 12% of LBC employees in the accommodation and food sector are also resident in the borough.<sup>52</sup> Therefore, based on commuting patterns alone it would be expected that, when operational, approximately 5 jobs at the Proposed Development will go to LBC residents.
- 5.8 As shown in Table 7, occupations within the accommodation and food sector are relatively lower skilled than the all-sector average<sup>53</sup>. The employment supported by the Proposed Development would therefore provide the types of job opportunities sought by the vast majority of LBC residents looking for employment. The top three occupation categories within the accommodation and food sector, highlighted in red in the table, are also the top three occupations sought by LBC residents (as shown in Figure 3).

Table 7: Occupational distribution in the accommodation and food sector

Occupation	Accommodation and food sector (2017)	All sectors (2017)	Accommodation and food sector (2022)
Managers, Directors & Senior Officials	12%	13%	13%
Professional Occupations	2%	27%	3%
Associate Professional/Technical Occupations	4%	20%	4%
Administrative and Secretarial Occupations	4%	8%	4%
Skilled Trades	18%	7%	15%
Caring, Leisure and Other Service Occupations	4%	6%	5%
Sales and Customer Service Occupations	5%	7%	5%
Process, Plant and Machine Operatives	2%	4%	2%
Elementary Occupations	49%	8%	49%

Source: UK Commission for Employment and Skills, 2015. Working Futures – London.

<sup>50</sup> Volterra has used the employment density that is described for 'upscale' hotels, which are usually 4-5 star hotels that provide a range of services for leisure and business travellers. This category of hotel is considered appropriate given advice from the Applicant.

<sup>51</sup> Converted from GIA to NIA terms on the assumption that 1m<sup>2</sup> GIA = 0.8m<sup>2</sup> NIA.

<sup>52</sup> ONS, 2011. Location of Usual Residence and Place of Work by Industry (Safeguarded). ONS VML agrees that the figures and descriptions of results in the attached document may be published. This does not imply ONS' acceptance of the validity of methods used to obtain these figures, or of any of the analysis of the results.

<sup>53</sup> <https://data.gov.uk/dataset/9c021290-48bd-482f-af88-9432f66bcb457/working-futures> - Data is taken from 'Data for 22 industries – London'.

- 5.9 Based on the overall occupational distribution in the accommodation and food sector, it is estimated that 36% of jobs at the Proposed Development would be within high-skilled occupations, and 64% of jobs would be within low-skilled occupations.<sup>54</sup> This would correspond to approximately 16 high-skilled jobs and 29 low-skilled jobs.
- 5.10 The mix of high and low-skilled opportunities at the Proposed Development would enable local residents to have access to the types of jobs suitable for them. The majority of unemployed LBC residents seeking work are looking for employment opportunities in low-skilled occupations, so these 29 roles will be likely to suit them. Yet the 16 high-skilled jobs would be complementary in the sense that they will allow LBC residents to have access to opportunities to increase their skills levels.
- 5.11 Given that the Proposed Development will support additional job opportunities for local LBC residents in the employment occupations they are seeking, the Proposed Development is likely to contribute positively towards reducing wealth and employment inequalities present across the borough.

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<sup>54</sup> The skill levels of occupations are estimated using SOC 2010 codes and a study by the UK Commission for Employment and Skills (2012) titled *'Developing Occupational Skills Profiles for the UK: A feasibility study'*. In the report skill levels based on SOC groups are ranked 1-4. We define 'high-skilled' as those occupations with a score of 3-4, which includes: managers, director & senior official; professional occupations; associate professional and technical occupations; and skilled trades occupations. All other SOC groups are defined as low-skilled.

## 6 The Applicant's Employment and Skills Aims

- 6.1 The proposed employment and skills commitments outlined in this section have been designed to align with the policy contained within LBC's Local Plan and Supplementary Planning Guidance.

### Key stakeholders

#### Uchaux Ltd

- 6.2 Uchaux Ltd will naturally play a key role in ensuring the successful delivery of this Employment and Skills Strategy. Uchaux Ltd's main responsibility, due to the nature of the Proposed Development meaning that they are not the main end-use employer, will be to act as an intermediary between its tenants and local authorities. The intermediary role will involve ensuring there is a sufficient provision of information to local authorities that allows local employment and skills benefits to be maximised. Uchaux Ltd will also be responsible for passing all employment and skills commitments outlined in this strategy on to the end-use occupiers at the Proposed Development.

#### LBC (Economic development team)

- 6.3 LBC will play an important role working alongside Uchaux Ltd to ensure the successful achievement of the employment and skills aims outlined in this strategy, by providing the link between local residents and businesses with Uchaux Ltd and its end-use tenants. LBC will provide support and guidance through mechanisms such as:
- Assisting local residents into employment by providing them with the opportunity to apply for vacant job positions arising at the Proposed Development;
  - Providing information to Uchaux Ltd and its end-use tenants on groups of local residents that are considered most disadvantaged and hence will benefit most from employment and skills opportunities.
- 6.4 The Economic Development Team is Camden Council's primary vehicle through which the council ensure residents have access to skills and employment development. The Economic Development Team manages the King's Cross Construction Skills Centre, the local employment vehicle offering training, apprenticeships, and employment advice to residents looking to develop their career in the construction industry. The Economic Development Team also offers job search support for local residents, access to training provision for jobseekers and business support services, as well as supporting local firms' recruitment needs.
- 6.5 This Employment and Skills Strategy is designed to incorporate The Economic Development Team's key aims, by establishing a clear channel for communications between them and the Applicant. This will ensure early notification of employment vacancies, as well as identifying skill gaps and training requirements in the local population.

### Employment and skills aims

#### Provision of information

- 6.6 As soon as information becomes available (likely prior to determination of the application), the Applicant will provide notice on the quantum and range of local

labour and apprenticeship opportunities that will arise during the construction phase to King's Cross Construction Skills Centre.

- 6.7 The Applicant will commit to providing sufficient information on available job opportunities to ensure that the Construction Industry Training Board (CITB) benchmark regarding the number of construction roles advertised through local employment vehicles (the King's Cross Construction Skills Centre) is met.

#### Local jobs

- 6.8 The Applicant is aiming to achieve a proportion of total employment positions going to LBC residents during the construction phase, based on targets that have been set in previous LBC planning applications and targets outlined in employment & skills policies for other Central London Forward boroughs<sup>55</sup>. Based on this, the Applicant will use reasonable endeavours to achieve a minimum of 20% of construction employees to go to local LBC residents. This would equate to 16 construction jobs over the course of the entire construction period. This represents a fourfold increase over what might naturally be expected given commuting patterns in this sector.
- 6.9 If this local labour target is not fulfilled wholly by Camden residents, the Applicant will undertake reasonable endeavours to ensure that the target is met by residents of the Central London Forward boroughs, in line with LBC policy.

#### Apprenticeships

- 6.10 In order to further develop the skills of local residents, the Applicant will commit to providing a number of apprenticeship positions through the demolition and construction phase. In line with LBC policy, the Applicant will commit to the recruitment of one construction apprenticeship for every £3 million in construction build cost. Under the anticipated build cost this would correspond to the recruitment of 3 apprenticeships over the demolition and construction phase.
- 6.11 According to LBC policy<sup>56</sup>, these three apprentices must meet the following criteria<sup>57</sup>:
- be recruited through Camden Council, or their nominated partner;
  - be aged 18 and above; and
  - be paid the rate specified as the rate the National Minimum Wage for apprentices between 21 and 24 years.

#### Supply chain opportunities

- 6.12 The Applicant will seek to work with local businesses through both the construction and operational phases to ensure local economic benefits are maximised. Specifically, the Applicant will use reasonable endeavours to adhere to LBC's Local Procurement Code, outlined within Employment Sites and Business Premises (March 2018) Camden Planning Guidance,<sup>58</sup> whereby a target is set for 10% of total procurement value to come from within the local area supply chain.

#### Other aims

<sup>55</sup> Central London Forward Boroughs for Employment & Skills: Camden, City of London, Hackney, Islington, Kensington & Chelsea, Lambeth, Southwark, Tower Hamlets, Wandsworth and Westminster with two associated boroughs – Haringey and Lewisham.

<sup>56</sup> LBC, March 2018. Camden Planning Guidance – Employment sites and business premises.

<sup>57</sup> Note that LBC policy does not mention the expected duration of an apprenticeship. The duration of these three apprenticeships will be decided following discussions between the Applicant and LBC at a later date.

<sup>58</sup> LBC, March 2018. Camden Planning Guidance – Employment sites and business premises.

- 6.13 The Applicant has committed to a partnership with the Roundhouse Trust, located in the Roundhouse arts and entertainment venue nearby. The partnership will aim to build on the successes achieved by the Roundhouse Trust in encouraging diversity by providing young people experiencing social or economic disadvantage with employment skills and personal development experience. The Applicant will promote apprenticeships offered through the Roundhouse Trust to ensure disadvantaged local residents are best placed to access the opportunities offered by the charity.
- 6.14 The Applicant will additionally commit to paying at least the London Living Wage (LLW) to all directly employed full and part-time employees. They will use reasonable endeavours to promote not less than the LLW for construction employment occurring through sub-contractors at the Proposed Development, and also encourage the end use occupier to maintain this LLW commitment throughout the operational phase.
- 6.15 Seeking financial contributions that allow LBC to fund initiatives that maximise the potential for LBC residents to compete for jobs being created at the Proposed Development, through improving their employability and skills levels, is a crucial part of ensuring that the Proposed Development is economically and socially sustainable in the local context. As part of their overall S106 obligations, Uchaux Ltd will therefore make a financial contribution towards employment and training initiatives aimed at reducing worklessness in the LBC where applicable, based on formulas outlined in the Employment in development after completion section of the Employment Sites and Business Premises (March 2018) Camden planning Guidance.<sup>59</sup>
- 6.16 In addition to employment and skills commitments, the Applicant will provide a c. £500,000 contribution to affordable workspace within LBC.<sup>60</sup> This contribution could be provided through several initiatives, potentially including engagement with the Roundhouse and One Housing Group's 'social economy partners' at Arlington. This contribution will aim to benefit local businesses, encouraging further development of small businesses across LBC.

#### Delivery timeline and monitoring

- 6.17 Uchaux Ltd will nominate a member of staff – the site manager during construction and a dedicated liaison person once operational – that will act as a point of contact between the development, its end-use occupiers, LBC and the local community.
- 6.18 The dedicated liaison staff member will perform a number of key functions to ensure the successful implementation of the Employment and Skills Strategy, including:
- Acting as an intermediary between representatives from the LBC's Economic Development Team and both construction contractors and end-use occupiers operating at the Proposed Development. Meetings will be set up to ensure that employment and skills aims are put across to these contractors and occupiers and that the commitment to local objectives is passed on to tenants.
  - Arrange quarterly monitoring meetings throughout the 18-month construction and demolition phase with a representative from the Economic Development Team, with monitoring reports providing an update on progress submitted in advance of the meeting. The indicators to be monitored would be agreed between the

<sup>59</sup> LBC, March 2018. Camden Planning Guidance – Employment sites and business premises. p. 15

<sup>60</sup> The amount is to be confirmed following negotiations with LBC.

dedicated liaison officer and the Economic Development Team representative prior to commencement.

- Brokering a meeting between the end use occupier and LBC’s Economic Development Team to ensure that employment and skills initiatives are promoted through the operational phase.

How do the Proposed Development’s aims address identified issues and objectives?

- 6.19 The approaches that have been proposed by Volterra on behalf of Uchaux Ltd have been designed with the previously highlighted key issues and objectives in mind. Whilst the Proposed Development will not be capable of solving the outstanding employment and skills issues in the local area alone, it can make a positive contribution towards achieving certain objectives; these are outlined below.

#### Meeting policy requirements

- 6.20 The table below outlines the basis behind each proposed employment & skills commitment in this strategy, whether based on LBC policy<sup>61</sup> or examples of best practice.

Table 8: Meeting policy requirements

Commitment	Camden SPD Policy or Best Practice Basis
The Applicant will commit to providing sufficient information on available job opportunities to ensure that the Construction Industry Training Board (CITB) benchmark regarding the number of construction roles advertised through local employment vehicles (the King’s Cross Construction Skills Centre) is met.	<i>(Para 68): “The Council will expect developers to work toward the Construction Industry Training Board (CITB) benchmark which specifies the number of jobs advertised through local employment vehicles. The local employment vehicles will be King’s Cross Construction Skills Centre or other agency recommended by the Council.”</i>
Based on this, the Applicant will use reasonable endeavours to achieve a minimum of 20% of construction employees to go to local LBC residents.	<i>This 20% figure has been set based on previous s106 agreements between LBC and developers, such as the January 2018 agreement for the proposed development at 17 Charterhouse Street<sup>62</sup>.</i>
If this local labour target is not fulfilled wholly by Camden residents, the Applicant will undertake reasonable endeavours to ensure that the target is met by residents of the Central London Forward boroughs, in line with LBC policy.	<i>(Para 76): “When local labour targets cannot be met by residents of Camden, the Council will expect that developers seek to meet these obligations with residents of the Central London Forward boroughs.”</i>

<sup>61</sup> LBC, March 2018. Camden Planning Guidance – Employment sites and business premises.

<sup>62</sup> S106 agreement, dated 24<sup>th</sup> January 2018, between (i) De Beers UK Limited; (ii) Anglo American Services (UK) Ltd; and (iii) The Mayor and Burgesses of the London Borough of Camden.

Commitment	<i>Camden SPD Policy or Best Practice Basis</i>
<p>Applicant will commit to the recruitment of one construction apprenticeship for every £3 million in construction build cost. Under the anticipated build cost this would correspond to the recruitment of 3 apprenticeships over the demolition and construction phase.</p>	<p><i>(Para 65): “Developments of over £3 million build costs will be required to recruit one construction apprentice through Camden Council, or its nominated partner, for every £3 million of build cost where the length of the project allows.”</i></p>
<p>These three apprentices must meet the following criteria:</p> <ul style="list-style-type: none"> <li>• be recruited through Camden Council, or their nominated partner;</li> <li>• be aged 18 and above; and</li> <li>• be paid the rate specified as the rate the National Minimum Wage for apprentices between 21 and 24 years.</li> </ul>	<p><i>(Para 65): “All construction apprentices aged 18 and above must be paid the rate specified as the National Minimum Wage for apprentices between 21 and 24 years.”</i></p>
<p>Specifically, the Applicant will use reasonable endeavours to adhere to LBC’s Local Procurement Code, outlined within Employment Sites and Business Premises (March 2018) Camden Planning Guidance, whereby a target is set for 10% of total procurement value to come from within the local area supply chain.</p>	<p><i>(Para 71): “The Council expects that developers work towards a local procurement target of 10% of total procurement value.”</i></p>
<p>They will use reasonable endeavours to promote not less than the LLW for construction employment occurring through sub-contractors at the Proposed Development, and also encourage the end use occupier to maintain this LLW commitment throughout the operational phase</p>	<p><i>This is based on examples of best practice for previous employment and skills strategies agreed across London.</i></p>
<p>As part of their overall S106 obligations, Uchaux Ltd will therefore make a financial contribution towards employment and training initiatives aimed at reducing worklessness in the LBC where applicable</p>	<p><i>(Net) Full-time jobs created x 21% (% of LBC residents that work in the borough) x 35% (% of employees requiring training) x £3,995 (£ per employee requiring training).</i></p>
<p>In addition to employment and skills commitments, the Applicant will provide a c. £500,000 contribution to affordable workspace within LBC</p>	<p><i>(Para 78): “In order to encourage flexibility of provision, vitality and diversity in town centres and other employment areas in the borough the Council will use planning obligations to secure the provision of flexible business space.”</i></p>



### Unemployment

- 6.21 The baseline analysis outlined that LBC has recently performed relatively better than the London and national level on measures related to unemployment. However, the analysis showed that whilst the overall rate of unemployment is low, there is still a significant mismatch between the types of jobs sought by LBC residents and those offered within the borough. The Proposed Development will ensure job opportunities go to local residents, and that they are available specifically to those residents with less access to the LBC labour market through the following aims:
- A 20% target for local employment within the demolition and construction phase workforce;
  - Compliance with the Construction Industry Training Board guidelines for the advertising of construction roles with local employment vehicles, which, in the case of the Proposed Development, will be the King's Cross Construction Skills Centre;
  - The encouragement of a relationship between the LBC's Economic Development Team and end use occupier of the Proposed Development; and
  - A contribution to affordable workspace within LBC in the realm of c.£500,000.

### Earnings

- 6.22 Although the median wage for LBC residents is above the London average, some LBC residents remain left behind and face increasing living costs to live in the borough. The types of employment supported by the Proposed Development will ensure that those left-behind LBC will have access to opportunities to increase earnings levels. Furthermore, the 10% local procurement target will seek to benefit local businesses, generating supply chain benefits for the local area and increasing resident incomes. Additionally, the LLW commitment ensures that reasonable endeavours will be undertaken to see that all employees at the Proposed Development will be fairly compensated for their employment.

### Skills

- 6.23 Similarly to the unemployment and earnings analysis, it was identified in the baseline and policy analysis that, on average, LBC residents are relatively more skilled than in other areas of London and Inner London. The key objective of LBC policy was to reduce the inequalities in the skills of residents within the borough. Some of the aims of this strategy that have been designed to improve the skills levels of the local population include:
- The provision of three construction apprenticeships; and
  - Partnership with the Roundhouse Trust to promote apprenticeships for disadvantaged local residents, developing employment skills.

### Deprivation

- 6.24 The Proposed Development lies in an area of very high deprivation, both relative to the rest of LBC and when compared to the rest of the country. The investment generated by the Proposed Development will, therefore, entail significant socio-economic benefits for the surrounding area, through the improvement of the public realm and through bringing additional revenue to the local area itself and to the LBC residents that live there.

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