

## 8 Employment and business support

- 8.1 Local businesses can provide employment for local people and new business development can benefit the local economy and existing businesses through the use of local shops, facilities and services. Core Strategy Policy CS8 – *Promoting a successful and inclusive Camden economy* and Development Policy DP13 – *Employment premises and sites* aims to ensure that the borough’s economy will be strong and diverse and that Camden’s residents can play a role in this by supporting training and employment opportunities.
- 8.2 There is an identified skills gap between Camden residents and the jobs on offer in the Borough. Currently, only 23% of the workforce in Camden is resident in the Borough. Local employment and training initiatives can open up job opportunities for people from many sectors of the community, who may otherwise find it difficult to access employment offered by existing and new businesses, helping to bridge the identified skills gap.
- 8.3 The Council may require developers to assist with training and employment initiatives via section 106 Agreements where the development impacts on the availability of jobs for Camden residents, including the following types of development:
- Any commercial land use where the proposed development could offer local employment opportunities, or would have the potential to provide it on account of its floorspace (i.e. greater than 1000 square metres or 50 jobs);
  - A development in a location where there are identified employment and training issues (e.g. higher than Borough-average levels of unemployment, lower than Borough-average levels of skills/education attainment);
  - Where major developments result in the loss or displacement of existing employment opportunities; and
  - Major infrastructure or development projects involving significant construction contracts (e.g. over £3 million).
- 8.4 A financial contribution to assist local residents to receive training in the skills that would enable them to access the types of job created by new development may be sought. These monies will be held by the Council and used in suitable partnership projects with recognised training and employment organisations and partnerships.
- 8.5 The contributions would be paid to the Council and then allocated by the Council’s Economic Development Team to a recognised local and/or specialist training provider. Alternatively, developers and/or occupiers of development may, in conjunction with the Council’s Economic Development Team, be able to develop and offer tailored in-house training or work experience schemes for local residents (this could be offered through local schools and colleges).

- 8.6 Developers may need to provide a financial contribution to support the employment and training elements of local regeneration initiatives or partnerships. This could extend to funding or providing construction training opportunities for local residents related to a development, either through recognised local initiatives or partnerships (e.g. Kings Cross Construction Skills Centre), or through in-house training schemes operated by their contractors and agreed with the Council's Economic Development Team.
- 8.7 Measures will also be sought to maximise the opportunities offered by new major developments for local residents and local businesses that might be affected. Developers and occupiers of new development will be strongly encouraged to put in place measures to seek to recruit widely from Camden's resident population, for example by registering all vacancies with the local Job Centre, by advertising in the local press and running local recruitment events.

### **Developments which result in a loss of employment space**

- 8.8 Policies CS8 and DP13 aim to protect employment sites which provide employment opportunities. However, in exceptional circumstances we may agree that change of use is acceptable. In these circumstances, where the loss of employment use can be expected to result in a reduction of job opportunities for Camden residents, developers may be required to contribute towards training and employment measures to enable Camden residents to access alternative employment.
- 8.9 In line with paragraph 13.11 of Policy DP13, the term 'business' and 'employment' refer to B1, B2, B8 uses and other sui generis uses of a similar nature.
- 8.10 A contribution will only be sought in cases where:
- the net loss of employment space is 500sq m or more;
  - where the building is occupied by a commercial tenant or has only recently been vacated; and
  - the building has design features which make it suitable for continued employment use.
- 8.11 The calculation will take account of the proposed alternative use of the floorspace, such as for education or training use, and whether this use can be expected to create employment or training opportunities for Camden residents.
- 8.12 The planning obligation for loss of employment floorspace will be based on the following formula:

Gross employment floorspace lost / 19sqm (space requirement per full time employee) = full time jobs lost.  
 Full time jobs lost x 23% [% of Camden residents in the workforce] x £2,750 [cost to provide training per employee] = contribution

These figures will be subject to review and may be updated to reflect the latest information.

#### **Worked example 1: Change of use from employment to residential**

- 8.13 If the existing building provides 1,000sqm of employment floorspace and a change of use to residential is proposed, we will expect a contribution of £33,000 to cover training and employment support measures.

Net fulltime jobs lost, in this case the no. of full time jobs expected if use continues:

$1000\text{sqm} / 19\text{sqm} = 53$  FT jobs lost (floorspace / avg space per worker):

No. of jobs lost which would be expected to be filled by Camden residents:  
 $53 \times 23\% = 12$  jobs (FT jobs lost  $\times$  23%)

Cost of retraining and supporting number of Camden residents who would be expected to be employed in former use:

$12 \times \text{£}2,750 = \text{£}33,000$  (No. of jobs lost which would be expected to be filled by Camden residents multiplied by retraining costs)

#### **Worked example 2: Change of use from employment to hotel**

- 8.14 If the existing building provides 4,000sqm of employment floorspace and a change of use to hotel is proposed we will expect a contribution of £101,750 to cover employment training. This takes account of the hotel use providing 50 FTE jobs.

The contribution required would recognise that the hotel would generate some employment opportunities for Camden residents but the number of full time jobs created would be less than if the building remained in its former use. The contribution is based on the difference between the number of jobs expected to be supported if a building remained in its existing employment generating use and the number of jobs expected to be generated by the hotel use.

No. of full time jobs expected in an employment generating use (floorspace / avg space per worker):  
 $4,000 / 19 = 211$  FT jobs

Net job lost (FT jobs expected in employment use minus FT jobs in new (hotel) use):  
 $211 - 50 = 161$  FT jobs

No. of net jobs lost expected to be filled by Camden residents (net loss of FT jobs  $\times$  23% [% of Camden residents in the workforce]):  $161 \times 23\% = 37$  jobs

Cost of retraining and supporting number of Camden residents who would be expected to be employed in former use:  $37 \times \text{£}2,750 = \text{£}101,750$  (No. of jobs expected to be filled by Camden residents multiplied by retraining costs)

#### **Employment and local procurement during construction**

- 8.15 In line with Core Strategy Policy CS8, large schemes are expected to produce an Employment and Training Strategy which will be secured through a S106 agreement. This applies to all major developments

which will result in an increase of 1,000 sq m or more employment space, including office, hotel and retail developments.

- 8.16 The strategy will involve the developer/point of contact meeting with Camden Council and their nominated partner at pre-tender stage/pre-implementation to discuss an Employment and Skills Plan for every phase of the development and liaising with local employment providers to fill vacancies.
- 8.17 Developments over £3 million will be required to recruit one construction apprentice through Camden Council, or its nominated partner, for every £3million of build where the length of the project allows (generally, where the contract is 52 weeks or more) A support fee of £1,500 per apprentice placement will also be payable in order to cover:
- pre-employment;
  - recruitment process;
  - training provider brokerage; and
  - post-employment mentoring and support.
- 8.18 Where the length of the project/build does not allow for an apprenticeship placement, a £7,000 fee per apprentice will be payable to allow for the creation of training opportunities elsewhere in the borough.
- 8.19 Developers will also be required through a legal agreement to sign up to the Camden Local Procurement Code where the value of the scheme exceeds £1,000,000. This will involve the developer/point of contact meeting with Camden Council and their nominated partner prior to the implementation of their scheme to discuss potential for local businesses becoming part of the supply chain and to draw up a Local Procurement plan in line with the Local Procurement Code.

### **Employment in development after completion**

- 8.20 Camden Council encourages the creation of apprenticeships and training placements to help to close the skills gaps between the jobs on offer in the borough and the skills of the local workforce, allowing companies to recruit and retain local people into work. This approach is supported through policy CS8 of the LDF and applies to major commercial developments which will result in a NET increase of 1,000sq m or more of employment space including office, hotel and leisure developments.
- 8.21 The Council will seek to negotiate a s106 contribution to be used by the Council's Economic Development service to support training and provide employment advice to help local residents access local jobs and to support local procurement initiatives in Camden. The contribution is lower than for developments involving a loss of employment space. To reflect the fact these developments are providing new employment opportunities will be calculated as follows:

**Employment space**

Net increase in floorspace / 19sqm [space requirement per full time employee]  
= full time jobs created

Full time jobs created x 23% [%of Camden residents in the workforce] x 35 [%  
of employees requiring training] x £1,500 [£ per employee requiring training]

**Hospitality**

No of bedrooms / 0.5 [number of employees per bedroom] = full time jobs  
created

Full time jobs created x 23% [%of Camden residents in the workforce] x 35 [%  
of employees requiring training] x £1,500 [£ per employee requiring training]

Note: The cost of employment and recruitment training and support per employee is based on the amount asked for by KX construction centre (£1,500)

- 8.22 Where the end use occupier is known, as part of the s106 we will seek an agreement with the developer to provide a specified number of apprentice or trainee places within the development. Where the end use occupier is not known, the Council will seek an agreement to ensure that its aims and objectives, in respect of employment and skills, are promoted by brokering a meeting between the new occupier and the Economic Development team.

