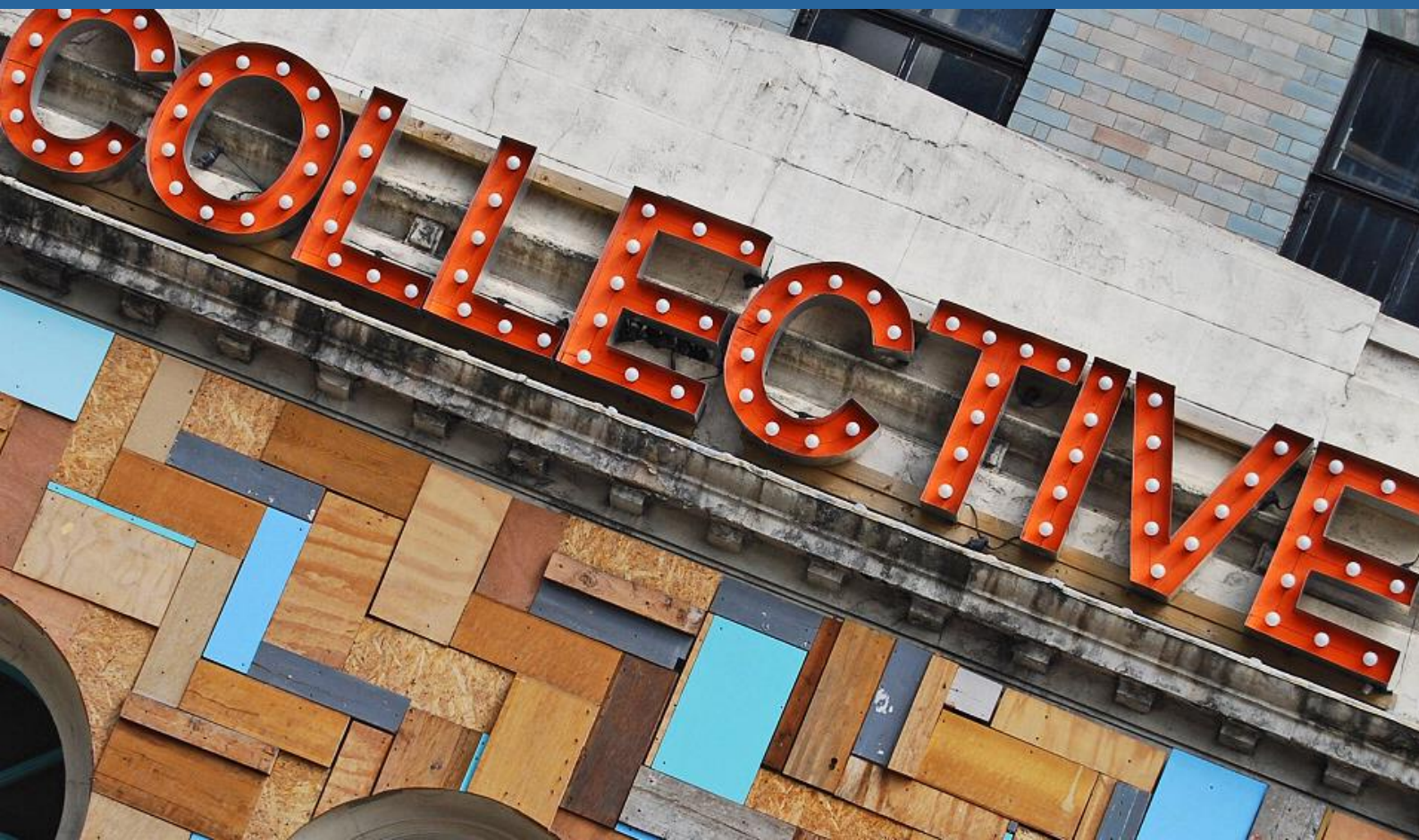


.Camden Planning Guidance

Employment Sites & Business Premises

January 2021



CONTENTS

What is Camden Planning Guidance?	3
Key Messages	3
Proposals involving loss of business premises and sites.....	4
Offices	4
Hatton Garden	6
Light industrial, industrial, storage and distribution.....	7
Kentish Town Industry Area.....	8
Kentish Town Regis Road Growth Area	8
Industrial kitchens for deliveries.....	8
Affordability	9
Relocation of business uses	9
Marketing.....	10
Planning obligations	11
Employment and training support.....	11
Developments which result in a loss of employment space.....	12
Employment and local procurement during construction.....	14
Employment in development after completion	16
Central London Forward	17
Provision of flexible business space.....	17
Affordable business space (outside Hatton Garden)	17
Appendix 1: Employment density guide	18

Employment Sites and business premises

KEY MESSAGES

- The Council seeks to protect existing employment sites and premises that meet the needs of businesses and employers and seeks to ensure Camden offers a range of types and sizes of employment space.
- We will require marketing evidence for schemes involving the loss of business use to a non-business use.
- The Council will use section 106 planning agreements to secure local employment and training initiatives, and an element of affordable workspace from large scale employment developments
- We will seek to secure and retain workspace that is suitable and affordable for the jewellery sector in Hatton Garden.

What is Camden Planning Guidance?

1. The Council has prepared this guidance to support the policies in the Camden Local Plan 2017. It is a formal Supplementary Planning Document (SPD), which is therefore a “material consideration” in planning decisions.
2. This document should be read in conjunction with, and within the context of, the relevant policies of the Camden Local Plan 2017.

This document was adopted 15 January 2021 following statutory consultation and replaces the Employment sites and business premises CPG (March 2018), which replaced sections of CPG 5 Town Centres and employment (September 2013).

3. This guidance supports Camden Local Plan policies E1 Economic development and E2 Employment premises and sites. These policies work together to provide the Council's approach to the provision and protection of employment sites and business premises. We will protect existing employment sites and premises that meet the needs of businesses and employers.
4. This document provides guidance on the circumstances when the Council will consider alternative uses for an employment site. It also provides information on:
 - marketing requirements
 - Hatton Garden, the Kentish Town Industry Area, Kentish Town Regis Road Growth Area and mixed use developments
 - the affordability of workspaces
 - planning obligations.
5. In line with paragraph 5.5 of Local Plan policy E1, throughout this guidance the terms ‘business’ and ‘employment’ are used to refer to the following uses:
 - offices, research and development and light industry (Use Class B1);
 - general industrial uses (Use Class B2);

- storage and distribution (warehousing) (Use Class B8); and
 - other unclassified uses of similar nature to those above, such as depots or building merchants (classified as Sui Generis).
6. Where the Council produces area-specific guidance for employment areas or premises (for example, planning frameworks, site briefs), these should be referred to for specific guidance on the Council's approach to implementing its planning policies for employment and other matters at these locations.

Proposals involving loss of business premises and sites

7. When assessing proposals that involve the loss of a business use the Council will consider whether there is potential for that use to continue. We will take into account various factors including:
- whether the premises are in a reasonable condition to allow the use to continue;
 - the range of unit sizes it provides, particularly suitability for small businesses;
 - the suitability of the location for any business use;
 - how the business use is related to other neighbouring/nearby land uses;
 - whether a lower quantum of replacement employment space is proposed as part of the development, and if so whether the nature of this space is considered to have the potential to offer equal or greater benefits to local people or businesses than the existing space.
8. The Council recognises that not all existing employment premises will be able to offer the same standards of accommodation as new build premises. However, we also recognise that premises that are in need of modernisation may attract smaller businesses as the condition of the premises may produce lower rents compared to newly built schemes in the same area. The Council may therefore consider that there is potential for business use to continue in existing employment premises which are in reasonable but not perfect condition.
9. When a loss of employment floorspace is proposed, we will seek evidence that applicants have fully explored alternative ways to retain business use of the space (e.g. re-provision, refurbishment), and fully outline why the alternative schemes were deemed inappropriate.
10. In order to aid diversity of businesses types and secure suitable premises for future businesses, the Council will take into account whether existing premises provide a range of unit sizes particularly suitability for smaller businesses. The Council will look less favourably on the loss of premises that provide a range of unit sizes (unless a range of unit sizes is reprovided).
11. The borough includes a mixture of use classes in high and low density areas. When determining the suitability of a location for a business use we will take into account the relationship of the existing business use with its surroundings. The Council may also rely on evidence of any complaints about that use and any enforcement cases involving nuisance in relation to the use.

Offices

12. Camden's Local Plan sets out the projected demand and planned supply of office floorspace (use class B1a) in the borough. The Council will expect the supply of offices to meet the projected demand over the plan period but acknowledge that a substantial proportion of the projected supply is likely to consist of larger floorplate, corporate office space in the Kings Cross and Euston areas which are generally out of reach of micro, small and medium-sized

enterprises (SMEs)¹. We will support the retention and/or re-provision of employment space in other parts of the borough, particularly where this consists of space that is suitable and affordable for micro and small businesses and particularly where this space is suitable for our growth and other important sectors and business clusters.

13. Camden's growth sectors are identified as a;
 - **Professional, Technical and Business Administration** (9,390 businesses 99% SMEs, 92% employ < 20 people)
 - **Creative Industries** (4,800 businesses 99% SMEs, 94% employ < 20 people.)
 - **Science and Technology** (125 businesses 96% SMEs, 76% employ < 20 people)²
14. A number of other non-employment uses have been identified as important in Camden because they support these growth sectors or because of the kind of jobs that they offer. These sectors include retail, the visitor economy, education, health/hospitality, and construction.
15. The considerations that the Council will take into account when assessing applications for a change of use from office to a non-business use are listed in paragraph 7 above and in Local Plan policy E2.

Office to residential permitted development rights

16. Permitted development rights allow certain building works and changes of use to be carried out without the need for planning permission. Permitted development rights³ allow, subject to specific land designations and prior notification to the local planning authority, the change of use of a building and any land within its curtilage from an office (Class B1a) to a dwelling (use class C3).
17. Since the Government introduced changes to planning legislation in May 2013 allowing change of use from offices to residential without planning permission there has been concerns about their impacts on Camden – in terms of the loss of small business space, jobs, loss of opportunity to secure affordable housing and the quality of new residential units and their impact on the amenity of surrounding communities. The permitted development rights reduce the ability of the Council and local communities to influence development in the borough and strategically plan to meet Camden's housing and employment needs.
18. Therefore, the Council has used its planning powers to restrict these rights through the use of 'Article 4 directions'. These remove the permitted development rights, which means a planning application will be required to change the use of an office floorspace into housing in the identified areas and the Council can therefore apply its planning policies.
19. The Council is also introducing an article 4 direction to remove the permitted development right to change light industrial uses (use class B1c) into housing without planning permission. This is due to come into force at the start of June 2018.

¹ Small and medium-sized enterprises (SMEs) include micro businesses with less than 10 employees, small enterprises employing between 10 and 49 employees and medium-sized enterprises employing between 50 and 249 employees.

² Source: Camden Business Register and Employment Survey; UK Business Counts - Local units 2015, Employment Size Band: Total, Private Sector, Public Sector LB Camden; ONS

³ Under Class O, Schedule 2 Part 1 of the Town and Country Planning (General Permitted Development) (Amendment) (England) Order 2015 ("the Order")

20. For the areas covered by the Article 4 directions please visit our website (www.camden.gov.uk) and search 'Article 4 directions'.

Hatton Garden

21. As set out in Local Plan policy E2, the Council takes a specific approach to development in Hatton Garden reflecting its unique character. The applicants are also encouraged to refer to the [Hatton Garden Conservation Area Appraisal and Management Plan 2017](#) in order to understand the significance of the area. The Council will apply the following principles to any development in Hatton Garden:
- In Hatton Garden, jewellery workshop space is the priority use.
 - Loss of jewellery workshop space will be resisted
 - The Council's aim is to protect and increase the provision of jewellery workshops in Hatton Garden, securing no net loss.
 - Redevelopment of premises or sites that include jewellery workspace will be considered where the amount of jewellery workspace is increased (where the proposal is for an increase in the overall floorspace of the building) or at least maintained (where the proposal involves overall net loss in the floorspace of the building), and existing businesses are retained as far as possible.
 - For premises in Hatton Garden any scheme involving an increase of 200 sqm or more (gross internal area) of any use must provide 50% of the uplift in floorspace as affordable B1c jewellery sector workspace. This increase in affordable B1c jewellery sector workspace will be in addition to any existing jewellery workshops already situated in the building.
 - Where B1c jewellery workspace is required as part of a planning application involving an increase of 200 sqm or more (gross internal area) the B1c jewellery workspace can be located elsewhere in the same building and does not necessarily have to be in the extension itself. This arrangement however should form part of the same planning application.
 - The Council will seek to secure new and existing jewellery workspace through a section 106 agreement.
22. The Council will require the proposed jewellery workshop space to consist of cellular spaces of a range of sizes, including those of no more than approximately 30sqm each and marketed at rents that are demonstrably affordable for jewellery sector workshop occupiers. Small premises are necessary to ensure spaces are affordable to jewellery businesses.
- In determining the affordability of the jewellery workspace secured, this will be calculated, at a minimum, as a discount of 20% on the average rental rates for B1c workspace in the area. We will expect a marketing plan to be developed for the affordable jewellery workspace, setting out how the space will be marketed to jewellery sector businesses. The marketing plan should also set out measures to ensure that service charges and other associated fees are affordable.
- In cases where the above measures have been implemented and it has not been possible to secure a jewellery sector tenant for the space during a two year period, we would be willing to consider accepting the reversion of the space to another employment use.
23. Where it is argued that developments cannot support the inclusion of jewellery workspace on site, applicants will be expected to demonstrate that they have fully considered the options for its inclusion on site or on another site within the Hatton Garden specialist area and clearly evidence the reasons why this has been deemed inappropriate. In exceptional

circumstances where it has been accepted by the Council that the provision of jewellery workshop space is not possible, mainly in cases where the floorspace is too small to provide viable workshop/ business space, we will require a financial contribution towards the support of the jewellery industry. This will be based upon the equivalent cost of providing alternative workshop floorspace and will be used for related measures to support this business sector. The level of contribution will be related to the floorspace area of workspace that would otherwise have been expected and based on a calculation of £498 per sq m (calculated as the average cost of refurbishing light industrial space).

Light industrial, industrial, storage and distribution

24. Camden has a very restricted supply of sites and premises suitable for light industrial, storage and distribution uses. This means that there is a high level of demand for the remaining sites and that the majority of sites are well occupied and able to secure relatively high rents as long as they have good access and separation from conflicting uses. Therefore, we will continue to seek to protect industrial and warehousing sites and premises that are suitable and viable for continued use. When determining the suitability of premises for continued use, we will take into account the considerations listed in paragraph 7 above.

Refurbishment and improvements

25. Many industrial buildings only require a small amount of investment to maintain them or to bring them back into a reasonable condition. As long as a site has good access, other factors, such as the age of a building, are less relevant for most occupiers

New industrial premises

26. Ideally, new light industrial, industrial, and storage and distribution space should have the following features:
- good access or servicing and delivery;
 - clear, high floor to ceiling heights (at least 3 to 5 metres);
 - lots of natural light;
 - level access – normally ground floor; and
 - ability to function at all times to meet its operational needs.
27. Where mixed use development is planned, the Council expects schemes to include a range of types and sizes of employment space wherever possible and appropriate. The mix of employment space in new developments could include:
- a. General offices
 - b. Flexible or managed co-working space which should usually include a mixture of open hot-desking provision and cellular offices of a range of sizes, allowing businesses to grow and progress through the facility. These spaces will usually be offered on flexible, easy in-easy out leases and membership arrangements.
 - c. Light industrial workshops and artist studios, maker spaces and co-making spaces, sometimes with shared access to equipment and resources.
28. Where a development proposal includes b or c above, the Council will usually seek to secure this floorspace, its characteristics, marketing arrangements and an element of affordability

through a section 106 agreement. Where schemes involve a sizable amount of general office space the Council will seek an element of this to be specifically designed for SMEs and secure its characteristics, marketing arrangements and an element of affordability through a section 106 agreement.

Kentish Town Industry Area

29. Camden's Industry Area is one of the few areas where there is a concentration of industrial, storage and distribution uses (within classes B1, B2, B8 or related Sui Generis) where no other uses prejudice the operation of business in the area.
30. As stated in Local Plan policy E1 and in paragraph 5.46 the Kentish Town Industry Area will be safeguarded by resisting any proposals which jeopardise the continued use of sites for B1(b) research and development of products or processes, B1(c) light industrial, B2 industrial, B8 storage and distribution purposes, and sui generis uses of similar nature. The Council will consider higher intensity redevelopment proposals for employment uses for the use classes identified within this paragraph as part of a comprehensive scheme. The inclusion of other priority uses such as housing, affordable housing and open space could form part of the comprehensive scheme provided that they would not prejudice the successful operation of businesses in the Industry Area. Further detail of the Council's aspirations regarding this location can be found in the emerging Site Allocations Local Plan. Redevelopment proposals for the Industry Area will be assessed in accordance with Local Plan Policy E2.

Kentish Town Regis Road Growth Area

31. Local Plan policy G1 Delivery and Location of Growth identifies the Kentish Town Regis Road Growth area as a significant opportunity to deliver an employment-led redevelopment scheme that will also deliver a substantial increase in homes and jobs, as well as improve movement around the area, reconnecting communities.
32. The Local Plan states redevelopment will only be considered where this is employment-led and part of a comprehensive scheme. The Council expects the comprehensive redevelopment of the Kentish Town Regis Road Growth Area to be transformative, coordinated and strategically planned. We are seeking to work with local landowners and stakeholders to ensure a holistic and considered approach.
33. The Council will not support proposals for individual sites, piecemeal developments and schemes which would prejudice the comprehensive strategic approach to the Regis Road Growth Area. No uses outside of B1(b), B1(c), B2, B8 and sui generis uses should be introduced into the area unless they form part of a comprehensive-employment led scheme.
34. The Council adopted the Kentish Town Planning Framework in July 2020 that sets out its approach to the comprehensive redevelopment of the Kentish Town Regis Road Growth Area and gives further detail of how we will apply our planning policies in the area.

Industrial kitchens for deliveries

35. In response to the popularity of takeaway delivery apps there has been a growth in industrial scale kitchens to cook food off site on behalf of restaurants. The food is then delivered locally, usually by scooter. The Council considers that existing industrial areas are the most appropriate location for such uses. However their impact in terms of noise, odour, fumes and dust generation need to be carefully considered and managed and they should not have a detrimental impact on nearby uses and / or residents. When considering proposals involving kitchens to prepare food for home delivery, the Council will consider their impact based on the criteria set out in Local Plan policy A1 Managing the impact of development and other relevant policies.

Affordability

36. Where provision of workspace for small and medium sized enterprises (SME) has been agreed as part of a development, the Council will seek to secure this through the use of planning obligations. We will also seek to use planning obligations to secure an element of affordable SME workspace from large scale employment developments with a floorspace of 1,000sqm (GIA or gross internal area) or more. The cost per square foot or per workstation that would be considered affordable will vary according to a range of factors such as location, type, quality, etc..
37. Where workspace has been specified as affordable, the Council's Inclusive Economy Team will work with developers to agree appropriate terms of affordability on a case by case basis. The following list gives examples of ways in which affordability has been defined on recent schemes in the borough:
 - 20% of the workspace to be provided at 50% of comparable market values
 - an element of the floorspace to be offered to an affordable workspace provider (to be approved by the Council) at a peppercorn rent (i.e. a very small or token rent).
 - 20% of the desks in the open workspace (hot-desking) area to be offered at 50% of market value
 - an average of market rents paid by tenants in the area occupying an equivalent type and quality of space. This should relate to average market rates in the relevant sector in particular to light industrial and maker space.
38. The Council will also consider alternative suggestions for providing affordable workspaces.
39. Where affordable workspace is to be delivered through a scheme, the Council will resist provision of shell and core space and instead seek to ensure that the space has been fitted out to category A. There is no standard definition but a Category A fit-out typically includes raised floors and suspended ceilings; installation of mechanical and electrical services; basic fire detection systems; internal surface finishes; toilets; and blinds. Alternatively, an appropriate rent-free period could be offered to occupiers to cover fit-out costs. This is to ensure that fit out costs are not a barrier to the occupation of affordable workspace.
40. Where affordable workspace is to be delivered through a scheme, the Council will require applicants to submit a 'statement' as part of the planning application on how it proposes to implement affordable workspace also demonstrating that any service charges are reasonable and proportionate, to ensure that these do not undermine affordability. The statement would provide a brief summary of parameters, such as the model of affordable workspace (membership for free-floating 'desk' space or annual lease, etc.), sectors to be targeted, lengths of tenancy, possible management arrangements and how the space is 'affordable'. This information would inform the case officer's report and any relevant s106 agreement.

Relocation of business uses

41. Local Plan Policy E2 aims to protect premises or sites that are suitable for continued business use, in particular premises for small businesses, businesses and services that provide employment for Camden residents and those that support the functioning of the Central Activities Zone (CAZ) or the local economy.
42. The loss of a business supporting the CAZ or the local economy as part of a redevelopment scheme will only be permitted if it is demonstrated that it is possible for the existing business to be relocated to a sustainable location and that this would not cause harm to CAZ functions or Camden's local economy. A sustainable location in this regard is considered to

be one that allows for continued successful operation of the business and does not lead to an excessive increase in motor vehicle trips. The Council will expect applicants to provide evidence on this in support of their proposals. The evidence could explore the availability and suitability of existing vacant premises in the Borough and other locations suitable for the particular type of relocating business. or in surrounding areas for the relocating business.

CAZ Functions

43. An indicative list of some of the key CAZ strategic functions is included in Table 1 of the Mayor of London's Central Activities Zone Supplementary Planning Guidance. These are replicated below:
- Functions associated with State, Government and Monarchy
 - Diplomatic organisations (such as embassies and High Commissions)
 - Agglomerations of nationally and internationally significant offices and company headquarters connected with finance, business, professional bodies, associations and institutions
 - Uses connected with science, technology, media, communications and cultural sectors of regional, national and international importance
 - Centres of excellence for higher and further education and research
 - Medical and legal establishments of regional, national and international importance
 - Arts, culture, leisure and entertainment uses/clusters of regional, national and international importance
 - Retailing, including specialist outlets, of regional, national and international importance
 - Tourism facilities including hotels and conference centres
 - Specialist creative clusters associated with other central activities including for example clothing, fashion, jewellery, printing, antiques, art and culture
 - Transport facilities, especially for public transport of regional, national and international importance
 - Places of worship and places of assembly of regional, national and international importance
 - Use and enjoyment of the River Thames
 - Heritage, built environment, the Royal Parks and other green and open spaces (public and private).

Marketing

44. The Council will require evidence of a marketing exercise to support an application involving the loss of employment uses, in line with Local Plan policy E2. As a minimum, we will expect marketing exercises to include the following:
- Use of a reputable local or national agent with a track record of letting employment space in the borough;
 - A visible letting board on the property (constant throughout the marketing period);
 - Marketing material should be published on the internet, including popular online property databases such as Focus and should include local or specialist channels where appropriate – e.g. jewellery-specific press in Hatton Garden, through Business Improvement Districts, the GLA's Open Workspace Group or other workspace providers;

- Existing lawful use of the advertised premises should be included in the marketing materials;
 - Continuous marketing over at least 2 years from when the letting board is erected and the property is advertised online (i.e. not simply from when agents were appointed) to the date of the submission of the planning application;
 - Advertised rents should be reasonable, reflecting market rents in the local area and the condition of the property;
 - Lease terms should be attractive to the market:
 - be for at least three years, with longer terms, up to five years or longer, if the occupier needs to undertake some works
 - and/or include short term flexible leases for smaller premises which are appropriate for SMEs;
 - appropriate rent-free periods should be offered to cover necessary fit out or refurbishment costs.
 - A commentary on the number and details of enquiries received, such as the number of viewings and the advertised rent at the time, including any details of why the interest was not pursued; and
 - Where there is an existing employment use then we will require evidence that the tenant intends to move out.
45. The Council will consider shorter marketing periods in the following circumstances:
- where the premises have been actively marketed for sale for at least 12 months up to the date of the submission of the planning application; or
 - where the premises have been completely vacant for at least three continuous years up to the date of the submission of the planning application; or
 - where the premises have the benefit of a valid planning permission involving demolition and or redevelopment of the premises.

Planning obligations

Employment and training support

46. Businesses bring a number of benefits to their local area. They can provide employment for local people and new business development can benefit the local economy and existing businesses as employees use local shops, facilities and services. Through their support for training and employment opportunities Local Plan policy E1 – Economic development and Policy E2 – Employment premises and sites aim to ensure that the borough's economy will be strong and diverse and that Camden's residents can play a role in this.
47. The 2011 Census shows that, the proportion of Camden residents who work in the borough is 21%. Local employment and training initiatives can open up job opportunities to people from many sectors of the community who may otherwise find it difficult to access employment offered by the borough's existing and new businesses, helping to bridge the identified skills gap.
48. The Council will expect 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 for 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 1,000sq m (GIA or gross internal area) or 50 jobs);
 - A development with floorspace greater than 1,000sq m (GIA or gross internal area)
 - Where 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 build costs or 1,000sq m (GIA) or more net additional floorspace).
49. Schemes that provide 1,000sq m (GIA) or more of net additional floorspace could potentially have build costs exceeding £3 million. The Council will therefore expect schemes of 1,000sqm (GIA) or larger to provide employment or training initiatives secured through a section 106 agreement with the Council, unless evidence is provided to demonstrate that the scheme is below the £3m build cost trigger.
50. A financial contribution to assist local residents to receive training in the skills that would enable them to access the jobs created by the new development may be sought. This will be held by the Council and used to support activities that create or promote opportunities for employment or training.
51. Developers may need to fund or provide construction training opportunities for local residents related to a development, help create work experience placement opportunities and career education opportunities across different roles and specialisms, either through recognised local initiatives or partnerships (e.g. Kings Cross Construction Skills Centre (KXCSC)), or Camden STEAM, or through in-house training schemes operated by their contractors and agreed with the Council's Inclusive Economy Team.
52. 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 with the KXCSC and end use jobs via the local Job Centre and other local brokerages in liaison with Camden's Economic Development service.
53. Contributions to employment and business support will be primarily secured through section 106 agreements where legally justified rather than CIL because they do not constitute infrastructure as defined by the CIL regulations. They are also currently subject to pooling restrictions.

Developments which result in a loss of employment space

54. Local Plan Policy E2 aims to protect employment sites which provide employment opportunities. However, in exceptional circumstances the Council 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 potential job opportunities for Camden residents, the Council will seek a contribution from developers towards measures which create or promote opportunities for employment or training of local people. A contribution will only be sought in cases where the net loss of employment space is 500sq m (GIA) or more. These monies will be held by the Council and used to support activities that create or promote opportunities for employment or training, which could include supporting the provision of affordable employment space in the borough. (In line with Local Plan paragraph 5.5, the term 'business' and 'employment' refer to B1, B2, B8 uses and other sui generis uses of a similar nature.)

55. The calculation of the appropriate contribution 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.
56. The planning obligation for loss of employment floorspace will be based on the following formula:

Employment floorspace lost (sq m) / space requirement per full time employee⁴ = full time jobs lost.

Full time jobs lost x 21% [% of Camden residents who work in Camden]
x £3,995 [cost to provide training per employee] = contribution

57. These figures will be subject to review and may be updated to reflect the latest information. For a detailed breakdown of average employment densities please see Appendix 1. This sets out guideline employment densities for different use classes and the type of floorspace measurement used, whether net internal area (NIA), gross internal area (GIA) or gross external area (GEA). If a sub-sector of B1a office use is not known the Council will assume the density of the lost office floorspace to be 12sqm (NIA) per full time employee.
58. The applicant will be expected to provide the relevant measurements in the required format for the Council to be able to calculate the contribution. When calculating floorspace measurements the Council recommends the use of latest [RICS Property Measurement](#) guidance document.

Worked example 1: Change of use from employment to residential

59. If the existing building provides 1,000sq m (NIA or net internal area) of B1a employment floorspace and a change of use to residential is proposed, the Council will expect a contribution of £63,920 to cover training and employment support measures, as shown below.

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

1000sqm (NIA) / 12sqm = 83 FT jobs lost (floorspace / average space per worker):

No. of jobs lost which would be expected to be filled by Camden residents:

83 x 21% = 17 jobs (FT jobs lost x 21%)

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

17 x £3,995 = £67,915 (No. of jobs lost which would be expected to be filled by Camden residents multiplied by retraining costs)

⁴ Employment density estimates provided by the Homes and Communities Agency, Employment Density Guide 3rd Edition (2015) for B1a professional services use. Alternative figures may be used for other B1a, B1b, B1c, B2 and B8 uses.

Worked example 2: Change of use from employment to hotel

60. If the existing building provides 4,000sq m (NIA) of B1a employment floorspace and a change of use to hotel is proposed we will expect a contribution of £235,705 to cover employment training, as shown below. 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 fewer 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 / average space per worker):

$$4,000 / 12 = 333 \text{ FT jobs}$$

Net jobs lost (FT jobs expected in employment use minus FT jobs in new (hotel) use):

$$333 - 50 = 283 \text{ FT jobs}$$

No. of net jobs lost expected to be filled by Camden residents (net loss of FT jobs x % of Camden residents who work in Camden):

$$283 \times 21\% = 59 \text{ jobs}$$

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

$$59 \times £3,995 = £235,705$$

Employment and local procurement during construction

61. In line with Camden Local Plan policy E1, large schemes which have significant job creation potential will be expected to submit an Employment and Training Strategy which will be secured through a Section 106 agreement. This applies to all major developments which will result in an increase of 1,000sq m (GIA) or more of floorspace or a net increase of 10 or more homes.
62. 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 Training Strategy for every phase of the development and liaising with local employment providers to fill vacancies.

Construction apprenticeships

63. Developments of over £3 million in 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 (generally, where the contract is 52 weeks or more). All construction apprentices must be paid the London Living Wage
64. A support fee of £1,700 per apprentice placement will also be payable to the Council in order to cover:
- pre-employment;

- recruitment process;
 - training provider brokerage; and
 - post-employment mentoring and support.
65. Where the length of the project/build does not allow for an apprenticeship placement or where a developer fails to provide the apprenticeship placement agreed, a £20,000 fee per apprentice will be payable to facilitate access to training and employment opportunities elsewhere in the borough.
66. Where significant elements of off-site manufacture and modern methods of construction can clearly be demonstrated as part of the construction programme, the Council will review the level of on-site construction activity on a case by case basis to determine the extent to which apprenticeship commitments can be delivered within the construction programme. Where there is a net reduction in the number of construction apprenticeship opportunities on site, alternative placement opportunities should be identified elsewhere in the supply chain on condition that Camden residents are prioritised for employment in those positions wherever practicable.

Local recruitment for construction related jobs

67. The Council expects developers to recruit from Camden's resident population for construction related jobs. 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 vehicle will be King's Cross Construction Skills Centre or another agency recommended by the Council. The benchmark should be used as a minimum requirement for developers to meet or ideally exceed and has been created to provide proportionality against the size and type of projects on which they are to be used.
68. Where local recruitment targets as set out in the S106 agreement are not met, a payment in lieu of £3995 per job target will be payable to allow for the promotion of employment opportunities elsewhere in the borough.

Construction work experience placements

69. In addition to construction apprenticeships the Council also expects large schemes to provide construction work experience placements for local residents. As a guide the Council will seek to secure one, two-week work experience placement per 20 net additional housing units or 500sq m of net additional employment floorspace. However the Council will also take into consideration other scheme specific factors when agreeing the appropriate number of placements. Work experience placements are to be recruited through King's Cross Construction Skills Centre. The Council will expect provision for work experience placements to be undertaken by the developer to be form part of the Employment and Training Strategy and secured by section 106 agreement. If these work experience opportunities are not delivered there will be a default payment for non delivery of £804.00 per placement.

Local Procurement Code

70. Developers will also be expected, 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. The Council expects that developers work towards a local procurement target of 10% of total procurement value.

71. On large schemes involving an increase of 1000 sq ft of floorspace or more, the applicant will be required to deliver at least 1 supplier capacity building workshop/Meet the Buyer event to support Camden SMEs to tender for construction contracts in relation to the development.

Employment in development after completion

72. The 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 E2 of the Local Plan and applies to major commercial developments which will result in a net increase of 1,000sq m (GIA) or more of employment space including office, hotel and leisure developments.
73. The Council will seek to negotiate a section 106 contribution to be used by the Council's Economic Development service to support initiatives which create and promote employment and training opportunities 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. Contributions will be calculated as follows:

Employment space

Net increase in floorspace (sq m GIA) / 12sqm [space requirement per full time employee] = full time jobs created

Full time jobs created x 21% [% of Camden residents who work in Camden] x 35% [% of employees requiring training] x £3,995 [£ per employee requiring training]

Hospitality

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

Full time jobs created x 21% [% of Camden residents who work in Camden] x 35% [% of employees requiring training] x £3,995 [£ per employee requiring training]

74. As part of the s106 agreement, the Council will seek an agreement to provide a specified number of apprentice or work experience places within the development. Where the end use occupier is not known at application stage, the Council will seek an agreement to ensure that its aims and obligations in respect of employment and skills are transferred to the end use occupier/s as part of their subsequent lease negotiations.
75. Apprenticeships secured for the end use stage of the development, will be expected to be paid at a minimum of the London Living Wage rate. On larger developments, the Council may also secure commitment to support a wider range of initiatives aimed at creating a more inclusive economy, and helping to provide people with the skills and opportunities to find meaningful work. Examples include support for people with disabilities and long-term health conditions, joining the Inclusive Business network or working with Camden's STEAM Programme.

Central London Forward

76. The Council cooperates with the Central London Forward boroughs on local training initiatives. Central London Forward is a sub-regional strategic organisation representing the eight central London local authorities. The member local authorities of Central London Forward are Camden, City of London, Islington, Kensington and Chelsea, Lambeth, Southwark, Westminster, and Wandsworth.
77. 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. This requirement will be negotiated on a case by case basis and the details will be secured through s106 agreement.

Provision of flexible business space

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 .

Affordable business space (outside Hatton Garden)

79. On major development sites outside of Hatton Garden the Council may require the inclusion of affordable workspace to help support small businesses and provide a range of employment opportunities. Please see Affordability section above.

Appendix 1: Employment density guide

Use Class	Sub-Category	Sub-Sector	Average Employment Floorspace per Worker (sqm)	Notes
B1a Offices	General Office (NIA)	Corporate	13	NIA
		Professional Services	12	NIA
		Public Sector	12	NIA
		Tech	11	NIA
		Finance & Insurance	10	NIA
	Call Centres (NIA)		8	NIA
B1b	R&D Space (NIA)		40-60	NIA lower densities will be achieved in units with higher provision of shared or communal spaces
B1c	Light Industrial (NIA)		47	NIA
B2	Industrial & Manufacturing (GIA)		36	GIA
B8	Storage & Distribution (GEA)	National Distribution Centre	96	GEA
		Regional Distribution Centre	77	GEA
		'Final Mile' Distribution Centre	70	GEA
Mixed B Class	Small Business Workspace	Incubator	30-60	B1a, B1b – the density will relate to balance between spaces, as the share of B1a increases so too will employment densities.
		Maker Spaces	15-40	B1c, B2, B8 - Difference between 'planned space' density and utilisation due to membership model
		Studio	20-40	B1c, B8
		Co-working	10-15	B1a - Difference between 'planned space' density and utilisation due to membership model
		Managed Workspace	12-47	B1a, b, c
	Data Centres	Wholesale	200-950	

B8/Sui Generis		Wholesale Dark Site	440-1,400	
		Co-location Facility	180-540	

The table above is based on the Homes and Communities Agency, Employment Density Guide 3rd Edition (2015). For further information regarding the above please visit the following government webpage:

<https://www.gov.uk/government/publications/employment-densities-guide-3rd-edition>