



Transformation of the Ugly Brown Building: Regeneration Statement

A Report by Hatch
April 2021

Reef Group

Transformation of the Ugly Brown Building

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www.hatch.co.uk

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1. Introduction

Preamble

- 1.1 This Regeneration Statement has been prepared by Hatch (formerly Hatch Regeneris) to accompany the application for planning permission submitted on behalf of Reef Group Limited (hereafter referred to as the 'Applicant') for the proposed development:
- 1.2 'Demolition of existing building, and redevelopment to provide a nine-storey building with two basement levels for flexible Class E and Sui Generis Use, a two-storey Pavilion for flexible Class E and Sui Generis Use, along with associated cycle parking, servicing, hard and soft landscaping, public realm, and other ancillary works'(hereafter referred to as the 'Proposed Development').
- 1.3 Application 2017/5497/P was granted full planning permission on the 17th March 2020 for the following development:
- 1.4 Demolition of the existing building (Class B1 and B8) and erection of 6 new buildings ranging in height from 2 storeys to 12 storeys in height above ground and 2 basement levels comprising a mixed use development of business floorspace (B1), 73 residential units (C3) (10 x studio, 29 x 1 bed, 27 x 2 bed 7 x 3 bed), hotel (C1), gym (D2), flexible retail (A1 - A4) and storage space (B8) development with associated landscaping work. A Regeneration Statement was prepared in support of this application in March 2018.
- 1.5 This permission grants consent for the use of Plot B as a nine-storey building with a single basement, which would be used as a hotel at lower levels, with office use above. The entire building was to be occupied by Ted Baker, who would operate the hotel and occupy the office space.
- 1.6 In the time since the permission was granted, changing economic circumstances and the Covid-19 pandemic mean that a hotel no longer represents the optimal use of the site. Furthermore, Ted Baker will no longer be retained as occupiers of the proposed building.
- 1.7 As a result, the applicant is now proposing a single application for the following works:
 - A new proposal for the Plot B and Plot C4 element of the site, which will remove the hotel, and create a building comprising flexible commercial space, offices, and ancillary storage, along with design and landscaping revisions.
 - Amendments to the Plot C element of the site, comprising changes to the design, to align with the revised Plot B proposal, and changes to the affordable housing provision on Plot C2, increasing the provision of affordable housing to 50.8%.
- 1.8 This application, should it be approved, will supersede permission 2017/5497/P for the Plot B & C elements of the site only. This Regeneration Statement is provided in support of this application, to summarise how the revised proposal will contribute to the regeneration of the surrounding area.
- 1.9 A separate application was submitted in March 2021 for amendments to the Plot A element of the Site. Documents for this application have been prepared based on a scenario in which these amendments have been implemented.
- 1.10 This **Regeneration Statement** summarises the broad benefits of the development, demonstrating how it will provide a catalyst for the wider regeneration of the area.

The Site

- 1.11 The site covers 1.14 ha of land located within London Borough of Camden and on the edge of the Kings Cross – St. Pancras Opportunity Area. It currently incorporates the Ted Baker Headquarters and Verizon data centre.
- 1.12 The Proposed Development is located on the periphery of the Kings Cross – St. Pancras Opportunity Area, which is an area that has experienced significant regeneration over the past 15 years; in particular, St. Pancras International and Granary Square.
- 1.13 The Proposed Development aims to complement the new development at Kings Cross, whilst creating linkages with Camden Town and providing a vibrant route between both destinations.

Proposed Development

- 1.14 The Proposed Development will comprise:
- Plot B: A nine-storey building, plus two basement levels, which will be occupied as flexible Class E and B8 Use at sub-basement level, flexible Class E and Sui Generis Use at basement and ground floor level, and Class E use at upper levels. This building will be located at the centre of the site and will be bound by Plot A to the north, St Pancras Way and the Regents Canal to the west and east, and Plot C and public realm to the south.
 - Plot C4: A two-storey pavilion building, which will be occupied as Class E/Sui Generis Use. The building will be located to the south of Plot B, adjacent to St Pancras Way. The changes from the consented scheme to this application can be summarised as follows:
 - Plot B will now be used as flexible commercial space, offices, and ancillary storage, as opposed to the hotel use in the consented scheme.
 - The Plot C4 pavilion building has been redesigned.
 - The affordable housing in Plot C2 will be increased by 12 units, from 21 to 33 affordable units in total

Figure 1.1 Vision for Proposed Development



Source: Bennetts Associates

Figure 1.2 Current Scheme



Source: Bennetts Associates

2. Socio-Economic Context

- 2.1 This section establishes a baseline for considering the impacts of the Proposed Development by examining current economic conditions and recent trends in the local impact area (LIA - ward of St Pancras and Somers Town¹) and within the London Borough of Camden. The key points are summarised below.

Policy Background

- 2.2 The area in which the Proposed Development is situated is of notable significance in policy terms. Whilst St. Pancras and Somers Town is recognised as being one of the most deprived wards within the London Borough of Camden (LBC), St Pancras itself is identified as an opportunity area within the **New Publication London Plan (December 2020)** with the potential to support a minimum of **25,000 new jobs** and **1,000 new homes**. In close proximity, Euston is also identified as an Opportunity Area.
- 2.3 St Pancras is also identified as a Growth Area within the **LBC Site Allocations (2013)** with a focus on community life and activity as well as providing retail, leisure and employment services.
- 2.4 The **LBC Draft Site Allocations (2019)** which is currently out for consultation, also identifies the site being located within the Camley Street & St Pancras Way Area. Policy CSP1 within the Draft Site Allocations (2019) states that the Camley Street and St Pancras Way Area has the potential to strengthen its role as an employment location and deliver a significant increase in the number, mix and affordability of homes in the area, with an aspiration for the the area to fully realise its potential and become a more distinctive, vibrant and mixed urban neighbourhood.
- 2.5 The **Local Plan** identifies a number of priorities for Somers Town itself, recognising its position at the centre of several growth and opportunity areas. These priorities include the delivery of additional housing as well as jobs and training opportunities.
- 2.6 The relevant policy is explored in more detail in **Section 4** of this document.

Statistical Baseline

Working age population

- 2.7 The resident population of the LIA in 2019 was just under 18,800² which is an increase of 36% since 2011. The percentage increase is greater than the wider borough (23%) and significantly greater than the regional increase (9%) and national (6%) growth over the same period. This is mirrored by the proportional increase of the LIA's population in regard to the wider borough, growing from 6% to 7%³.
- 2.8 The proportion of the working age population (16-64 years old) of the LIA is 73%, which is higher than the borough's average (71%), London average (67%) and the national average (62%). This is due to the LIA experiencing rapid growth in working age population since 2011, with a growth of 40% which is over double that of the wider borough (19%). The LIA has a smaller proportion

¹ Containing the Lower Super Output Areas: Camden 019C, Camden 019D, Camden 019E, Camden 022A, Camden 022B, Camden 022C, Camden 022D, Camden 022E

² Office for National Statistics, 2019; Small Area Statistics,

³ Office for National Statistics 2011

of the population aged 65+ (8%) compared to the wider borough (12%), London (12%) and national average (18%). In turn the proportion of those aged 0-15 in the LIA is slightly higher than the wider borough (18% and 17% respectively) although that is lower than both London and England rates (21% and 19% respectively).

- 2.9 The latest population projections are not yet available at ward level. For Camden as a whole the population was projected to be 271,800 in 2020 and is forecast to increase by 9% by 2030, which is greater than the projected growth for London (4%) over the same period. Despite strong growth across Camden in the working age population to date, it is forecast to slow down increasing by 7% by 2030, while the resident population aged 65 and over is estimated to increase by 35% over the same period; their proportional share of the population will increase from 12% to 15% in 2030.

Table 2.1 Population and Demographics, 2019

		Local Impact Area	Camden	London	England
Overall Population	2019	18,760	270,030	8,961,990	56,286,960
	% Change 2011-2019	36%	23%	9%	6%
	% Working Age (16-64)	71%	71%	67%	62%
Age	% 0-15	20%	17%	21%	19%
	% 65+	10%	12%	12%	18%

Source: Census 2011 and ONS Small Area Statistics 2019.

Levels of Unemployment and Incomes

- 2.10 Headline labour market data for Camden, London and England is set out in **Table 2.2**. Data from the ONS Annual Population Survey⁴ (APS) is not available at the ward level. The data indicates Camden's performance is mixed when compared to the London and national average, on a number of indicators including; economic activity rates and skills levels.

Table 2.2 Labour Market Profile, 2020

		Camden	London	England
Economic Activity	Economic Activity Rates	74%	78%	79%
	Unemployment Rates	5%	5%	4%
	Management or Professional Services	72%	58%	48%
Occupations (% employed in...)	Admin or Skilled Trades	10%	16%	19%
	Care, Leisure, or Sales	8%	13%	16%
	Process or Elementary Occupations	10%	13%	16%
Qualifications*	% Level 4+	61%	54%	40%
	% No Qualifications	7%	7%	8%

Source: ONS Annual Population Survey, 2020 (data is not available below local authority level)

- 2.11 Economic activity rates in Camden are around 74%, according to data from the APS, which is below the average for London (78%) and England (79%). However, the unemployment rate of 5% is in line with the London's average (5%) but just above the national rate (4%). Claimant count shows that over the period 2010 to 2019 the number of those claiming fell by -26%, which was a greater proportional fall than both London and England (-18% and -16%, respectively). However, during 2020 and the Covid-19 pandemic the number of those claiming has increased by 165% in Camden which is a smaller increase to London (169%) but greater than the national average (120%).

⁴ Office for National Statistics, 2020; Annual Population Survey

- 2.12 Based on data from the Annual Survey of Hours and Earnings⁵ (ASHE), average gross weekly earnings in Camden is £767, above the average for London (£716) and the national average (£590). Over the last five years, the borough has experienced an increase in earnings of around 6% which is below the increase in rates seen in London (15%) and at the national (11%) level.

Demand for housing

- 2.13 The proportion of home ownership in the LIA is 14% which is significantly below the borough (32%), London (48%) and national average (63%)⁶. In contrast, the LIA has a much higher private rented sector with 61% compared to 33% for the Borough, 24% for London, and 18% nationally.
- 2.14 In terms of dwelling type, the LIA is dominated by flats with 92% compared to 50% for London and 21% nationally. The trend is, however, similar to Camden's share of flats, 82%. It follows that there is a much lower proportion of detached and semi-detached houses in the LIA with 7% compared to London (42%) and England (55%).
- 2.15 In 2019, the number of dwellings in Camden was 105,598⁷, the borough has seen its housing stock increase by 7% over the last decade which was slightly lower than the increase seen both across London and nationally (9% and 8% respectively). In 2020 the median house price in Camden is £788,000⁸ which is significantly greater than both the London and national average (£477,000 and £246,000 respectively). Camden has seen an uplift of 79% in terms of house prices over the last decade, which is a greater increase than both London (74%) and almost double the rate of growth seen nationally (41%).
- 2.16 Local Policy⁹ identifies the need to accommodate 16,800 additional dwellings by 2031, or 1,120 per annum over the period 2016-2031.

Employment Trends

- 2.17 Headline data for the economic conditions within the LIA are set out in **Table 2.3**. According to the most recent Business Register and Employment Survey¹⁰ (BRES), the number of jobs in the LIA was around 33,000. Since 2015 the number of jobs in the LIA has increased by nearly 38% (9,000) which surpasses the employment growth rate experienced by Camden (9%), London (7%) and in England (5%).

Table 2.3 Employment Growth					
		LIA	Camden	London	England
No. of Jobs		33,000	371,000	5,253,000	26,307,000
Change	No.	9,000	30,000	329,000	1,263,000
Between 2015-19	%	+38%	+9%	+7%	+5%

Source: BRES 2015 and 2019

- 2.18 Figure 1.3 below summarises the LIA's employment profile. In summary:

⁵ Office for National Statistics, 2020; Annual Survey of Hours and Earnings

⁶ Office for National Statistics, Census 2011

⁷ MHCLG, 2020; Table 100 Dwelling stock: Number of Dwellings by Tenure and district: England; 2019

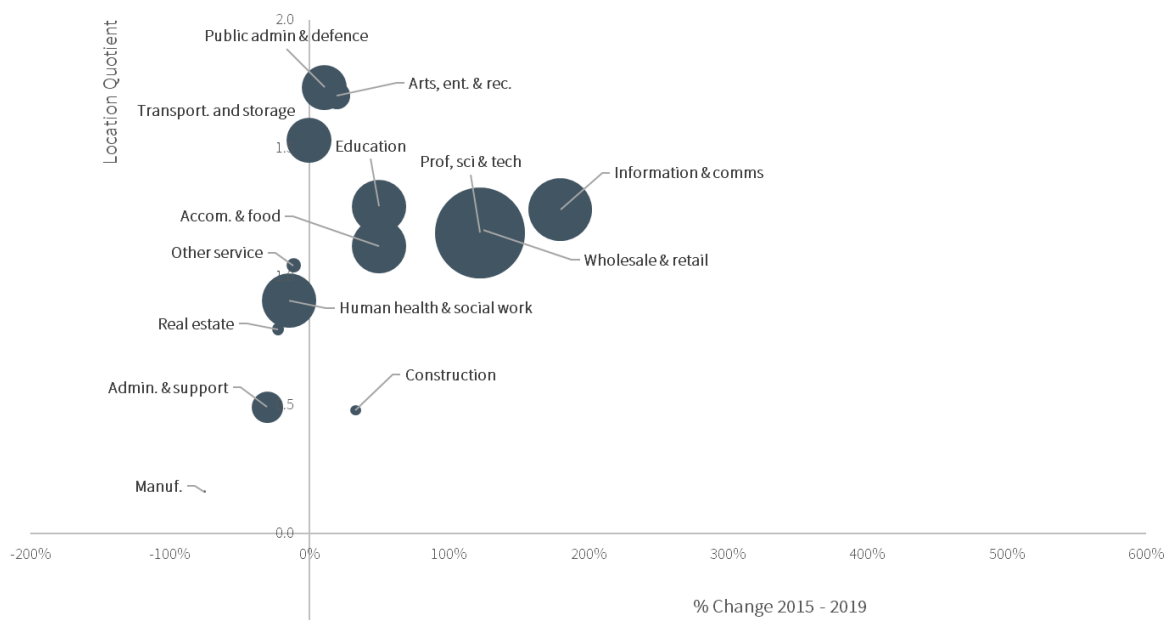
⁸ ONS, 2020, House Price Statistics for Small Areas (HPSSAs) Dataset 9; Median price paid for administrative geographies

⁹ LB Camden (2017), 'Local Plan 2016-2031', Camden

¹⁰ Office for National Statistics, 2015; Business Register and Employment Register

- the largest employment sectors in the LIA include professional and technical services (5,000, 15%), wholesale (4,500, 14%), ICT (3,500, 11%), human health and social work activities and accommodation and food and education (all 3,000, 9%). Camden is broadly similar although the professional and technical service sector, ICT, education and human health and social services sectors are slightly larger; and the wholesale sector is much smaller.
- The proximity of St. Pancras International and King's Cross train stations, and King's Cross underground station, explains both the size of the transportation and storage sector (8%) and high location quotient of 1.5 in the LIA. The LIA also has an employment specialism in the professional science and tech sector and the ICT sector both with LQ's of above 1 (1.2 and 1.3 respectively). Other sector specialisms for the LIA include public admin (LQ 1.7) and arts, entertainment and recreation (LQ 1.7).
- Between 2015 and 2019 the LIA has seen strong growth in percentage terms within several sectors. The professional, scientific and tech and ICT sectors both experienced rapid growth over the period, with professional, science and tech jobs increasing by 122% and ICT increasing by 180% which reflects the changing nature of businesses in the LIA with companies such as Facebook and YouTube moving into large headquarters in the area. The fastest growing sector in terms of employment in the LIA was the financial and insurance sector which grew by 967%, however the sector only accounts for 2% of the overall employment. Conversely, the manufacturing sector reduced in size from 500 employees in 2015 to 125 in 2019. Other decreasing sectors include the admin and support sector (-30%), real estate sector (-22%) and the human health and social services sector (-14%).

Figure 1.3 Employment Change & Location Quotient (2015 – 2019)



Source: BRES Data 2009 – 2016. Hatch. Note – Size of circles reflects the number of people employed within the sector

Workforce Skills

- 2.19 Camden has a higher than average level of skills when compared to London and national level. The proportion of those employed in “Managerial and Professional” occupations in Camden,

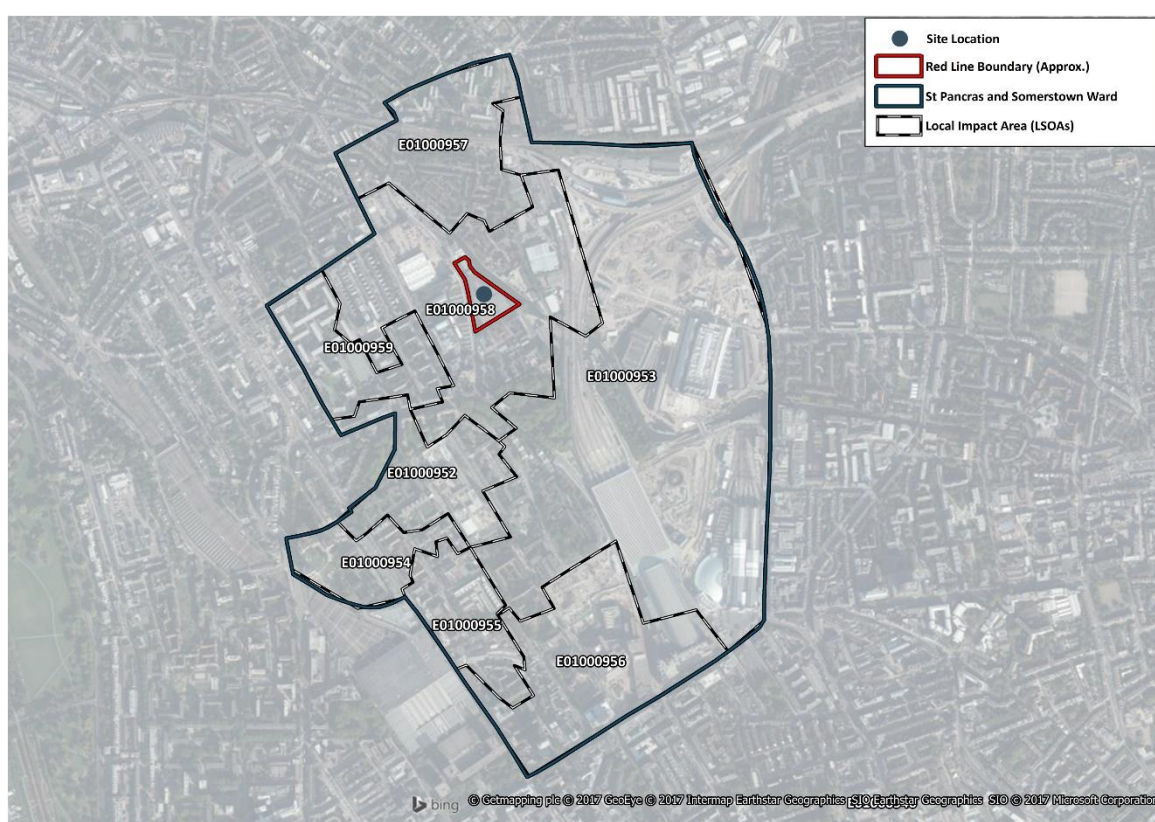
72%, is 14pp (percentage points) and 24pp higher than London and England, respectively. Those working in “Care, Leisure, or Sales” and “Process or Elementary” occupations, 8% and 10% respectively, are less than the respective London and national rates.

- 2.20 APS data shows 61% of Camden’s population possess NVQ Level 4+ qualifications. This is a better representation when compared to the London (54%) and national (40%) level.

Deprivation Levels

- 2.21 The Index of Multiple Deprivation¹¹ (IMD) measures relative deprivation levels across small areas referred to as Lower Super Output Areas (LSOAs) for a range of deprivation domains. The lowest 10% represents the most deprived in the county whilst 100% represents the least deprived areas nationally. The ward the Site sits in extends across multiple LSOAs¹² (as shown in Figure 1.5) which rank in the 2nd, 3rd and 4th decile on the overall IMD rank.

Figure 1.4 St. Pancras and Somerstown - LSOAs

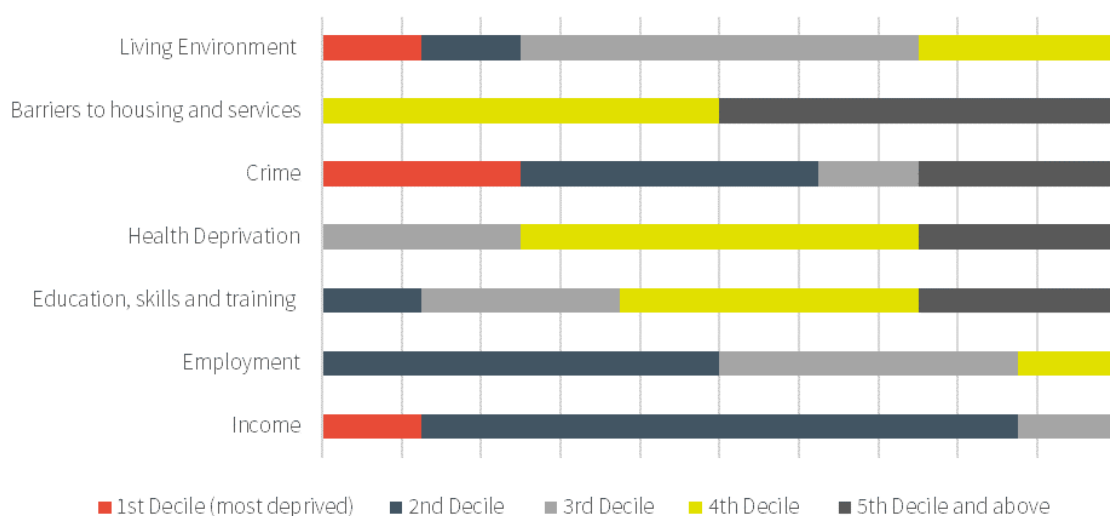


Source: Hatch

- 2.22 The domains with the least severe levels of deprivation were in health deprivation and barriers to living which ranged from the 3rd to 6th decile, and 4th to 5th decile, respectively. The more severe deprived domains were in crime, and income with several of the LSOAs in the 1st and 2nd deciles.

¹¹ Ministry for Housing, Communities and Local Government, 2019; English Indices of Deprivation

¹² Containing the Lower Super Output Areas: Camden 019C, Camden 019D, Camden 019E, Camden 022A, Camden 022B, Camden 022C, Camden 022D, Camden 022E

Figure 1.5 Domains of Deprivation – St Pancras & Somers Town LSOAs

Source: English Indices of Deprivation 2019, Hatch analysis

3. Estimation of Economic Benefits

- 3.1 This section sets out the estimated economic benefits that could be realised from the Proposed Development, incorporating the revised Plot B proposal and the amendments to Plots A and C. These have been calculated using industry accepted methods, aligned to the HMT Green Book and HCA guidance on valuing benefits.
- 3.2 Further detail on the methods applied can be found in Appendix A.

Existing Uses on Application Site

- 3.3 To establish the gross additional economic benefits associated with the development, it is first important to establish the existing activity on the site.
- 3.4 The existing uses on site consist of a largely vacant unit of over 2,300 sqm, the HQ offices of Ted Baker and the Verizon Data Centre. Using floorspace areas provided by Bennetts Architects and standard employment densities, Hatch estimates there to be around 630 existing FTEs on site generating around £43 million in Gross Value Added (GVA).

Table 3.1 Existing Employment

	GIA (sqm)	Estimated FTEs	Estimated GVA
Vacant	2,355	-	-
Ted Baker (Offices E Class)	7,332	600	£40.2m
Verizon Data Centre (Offices E Class)	16,503	30	£3m
Total	26,190	630	£43.2m

Source: Bennetts Architects; Hatch

Future Construction Impacts

- 3.5 The Proposed Development will have direct economic impacts in relation to the number of jobs it will support during construction. The cost of the Proposed Development is estimated at approximately £160m over a six-year period. This excludes the price of the land and any Section 106 contributions but includes preliminaries and external infrastructure works.
- 3.6 Based on HCA Labour Coefficients¹³ and output per £1m investment, it is estimated that the construction of the Proposed Development will require around 2,450 person years of employment, equating to around 400 construction workers per year for the six-year duration.
- 3.7 There is potential to draw upon the local labour pool and reduce unemployment in the local construction sector.
- 3.8 Based on data from the Annual Survey of Hours and Earnings¹⁴ (ASHE), average gross weekly earnings in Camden is £767, above the average for London (£716) and the national average (£590). Over the last five years, the borough has experienced an increase in earnings of around 6% which is below the increase in rates seen in London (15%) and at the national (11%) level.
- 3.9 Operational impacts are those which will persist long term as a result of the development.

Housing

- 3.10 The Proposed Development will deliver a total of 73 new homes ranging from 1 to 3-bedroom flats. These would all be additional homes due to there being no existing dwellings on the Application Site. This level of new dwelling provision will contribute to meeting housing need in the Borough and wider area.
- 3.11 The Proposed Development includes the provision affordable dwelling space (50% of all residential space), including social rented and intermediate two- and three-bedroom apartments which will help contribute to the Borough's affordable housing targets.

Operational Employment Impacts

- 3.12 The Proposed Development includes a substantial range of mixed uses (including Class E), as set out in Table 3.2 below. For the purposes of the employment estimates and related benefits, the floorspace quantum detailed in Table 3.2 have been assumed¹⁵.
- 3.13 These facilities would contribute to local employment opportunities enabling both residents of the Development and in the surrounding area to access new employment opportunities.
- 3.14 Based on the proposed floorspace figures and applying HCA floorspace densities as stated in the methodology, **it is estimated that there would be up to 4,350 FTE gross jobs supported onsite (Table 3.2). This is an increase of almost 300 gross FTE jobs, when compared with the original submission.**

¹³ HCA (now Homes England) Calculating Cost Per Job – Best Practice Note 2015 (3rd Edition)

¹⁴ Office for National Statistics, 2019, Annual Survey of Hours and Earnings

¹⁵ This total consists of the original floorspace proposed for Plots A and C alongside the updated floorspace for Plot B.

Table 3.2 Proposed Employment (Gross)				
Use	GIA	Conversion	Job Density (Sq. m per FTE)	FTEs
Flexible Retail / Drinking Establishment (E Class / Sui Generis)	5,949	NIA (80%)	15	320
Class E (B1)	57,692	NIA (80%)	12	3,890
Class E (A1 – A4 / Sui Generis)	3,619	NIA (37%)	15	90
Storage Space (B8)	1,864	NIA (79%)	70	20
Class E (D2)	1,601	GIA (100%)	65	30
Total	70,725			4,350

Source: HCA Floorspace Densities. FTEs are rounded to the nearest 10.

- 3.15 It is estimated the existing development currently supports 630 FTEs jobs, which would suggest a **gross additional increase of around 3,720 FTE jobs** following completion of the Proposed Development.
- 3.16 The Proposed Development could also support a number of indirect and induced jobs via the supply chain, to estimate this a multiplier of 1.1¹⁶ is used. Once this is taken into consideration, the estimated number of indirect and induced jobs is around 370 FTEs. **Therefore, the total number of net FTEs that could be supported by the Proposed Development is 4,000 compared with 3,700 net FTEs that would have been supported by the original proposal**
- 3.17 Hatch has also estimated the Gross Value Added that could be generated by the employment uses of the Proposed Development. Based on data from the latest available Annual Business Survey (ABS) Hatch estimates the Proposed Development could **support in the region of £280m in additional GVA.**

Household Expenditure

- 3.18 It is estimated that the new residential development would yield approximately 120 residents. This increase in the local resident population would generate further **household expenditure**, estimated to be in the region of **£2m per annum**. Whilst it is not possible to calculate how much of this would be spent locally, it is assumed a significant proportion would be spent on local goods and services, helping to support local employment.

¹⁶ Homes and Communities Agency, Employment Densities; 4th Edition (2015) – Multiplier Ready Reckoner for Average Supply Linkages

4. Contribution to Regeneration and Competitiveness

- 4.1 The impact and benefit of the Proposed Development will clearly go way beyond its pure estimated economic benefits. It has been designed to enhance and add value to the wider area and should be seen as a fundamental component of the wider area. This section considers these wider economic and regeneration benefits.

Delivering Against Local Regeneration Policy

- 4.2 The development and the economic benefits which result from this align with the aspirations set out within local and regional policy, as set out below.
- 4.3 Whilst the site is not located within the King's Cross-St. Pancras Opportunity Area, it is on the immediate periphery and aims to support regeneration policy for this area.
- 4.4 The Proposed Development will address a number of priorities listed in the **Kings Cross – St. Pancras Opportunity Area Planning and Development Brief (London Borough of Camden, 2004)**. The mixed-use design of the development will provide a good blend of housing, retail, leisure, office and open space of high-quality design, encouraging lively, safe and attractive street scenes and open space.
- 4.5 Helping achieve objectives such as improved physical connections; through enhanced permeability between King's Cross and Camden Town and unlocking of currently inaccessible canal side.
- 4.6 LBC's aspiration for King's Cross is also echoed in the **Camden Local Plan (London Borough of Camden 2017)** with ambitions of securing high quality and vibrant safe places with a mix of uses; offices, homes, retail, leisure and community facilities. The Proposed development will help address these ambitions whilst supporting the following regeneration priorities, which;
- **integrate with surrounding areas and communities, economically, socially and physically;**
 - **create significant job and training opportunities for local people and contributes significantly to the regeneration of neighbouring communities;**
 - help to meet the range of housing, education, social and healthcare needs in Camden and beyond;
 - **maximise opportunities for walking, cycling and the use of public transport, to and through the area;**
 - **improve community safety** and reduce opportunities for crime and antisocial behaviour
 - **protect and enhance features of historic and conservation importance;** and meet the highest feasible environmental standards.
- 4.7 St Pancras is also identified as a Growth Area within the **LBC Site Allocations (2013)** with a focus on community life and activity as well as providing retail, leisure and employment services.
- 4.8 The **LBC Draft Site Allocations (2019)** which is currently out for consultation, also identifies the site being located within the Camley Street & St Pancras Way Area. Policy CSP1 within the Draft

Site Allocations (2019) states that the Camley Street and St Pancras Way Area has the potential to strengthen its role as an employment location and deliver a significant increase in the number, mix and affordability of homes in the area, with an aspiration for the area to fully realise its potential and become a more distinctive, vibrant and mixed urban neighbourhood.

Policy CSP1

Camley Street and St Pancras Way Area has the potential to strengthen its role as an employment location and deliver a significant increase in the number, mix and affordability of homes in the area. To enable the area to fully realise its potential and become a more distinctive, vibrant and mixed urban neighbourhood, development within the area must:

- a. Demonstrate how they have been prepared in an integrated way to optimise the use of land and coordinate development proposals through engagement with adjacent landowners and key stakeholders including local residents and businesses.
- b. Take account of and respond to the underlying historic railway industry and canal side character of the area.
- c. Contribute towards the development of new and improved pedestrian and cycle links within the growth area and across to Camden Town, Somers Town, King's Cross and Euston, including the creation of a new canal crossing and supporting the development of the Camden High Line.
- d. Maximise on-site opportunities for urban greening and coordinate the delivery of an area-wide network of public green routes and spaces e. Ensure that at least 50 percent of additional floorspace on each individual site is provided as permanent self-contained housing. In circumstances where on-site delivery is not appropriate and/or practical, the Council will seek provision of housing on an alternative site nearby, or exceptionally a payment-in-lieu.
- f. Minimise the impacts of operational vehicles, parking and servicing on existing streets by coordinating and incorporating shared access points and off-street servicing arrangements with compatible neighbouring uses.

Identified development sites within the Camley Street and St Pancras Area must, in addition to fulfilling the criteria in this policy, also meet the criteria set out in any relevant site-specific policies. Development proposals on non-allocated sites within the area should contribute to the principles set out above where these are relevant to the development and commensurate with its nature and scale.

- 4.9 A **Somers Town Neighbourhood Plan (Somers Town Neighbourhood Forum, 2016)** was adopted in 2016 and sets out the local communities' vision for Somers Town and the surrounding area. By safeguarding employment space and retaining established jobs in the area, the Proposed Development is ensuring that the neighbourhood plan policy of **protecting existing employment sites** is supported.
- 4.10 The flexible commercial space provided on site will help support the Neighbourhood Forum's vision to provide accommodation such as; **small spaces** and **makerspace** for start-ups.

Supporting Jobs and Participation

- 4.11 The improved diversity of activity supported by the Proposed Development will increase the range of opportunities available for people looking to access employment and training in the area.
- 4.12 A more diverse retail and amenity offer in the area as a whole will provide more choice around employment opportunities. The provision of flexible working space which is better suited to modern business needs should help to provide an impetus for inward investment.
- 4.13 Flexible workspace and maker space will provide an opportunity for increased enterprise, leading to greater diversity and resilience in the local economy.

Safeguarding Employment in the area

- 4.14 The existing development supports a large number of jobs in the area. The Proposed Development will not only safeguard existing jobs, but it will also help generate additional jobs by creating new employment floorspace, that could accommodate a range of uses and employment activity.

Providing Flexible Workspace

- 4.15 The Proposed Development will not only support some existing tenants, who have an established history in Camden, it will also encourage a more diverse range of businesses.
- 4.16 The flexible design of the commercial and retail floorspace, will ensure the development can accommodate an array of businesses. The design of the commercial floorspace means that it could be tenanted for conventional uses such as office and retail or more contemporary uses such as start-up space.
- 4.17 This will support LBCs ambition set in the **Camden Local Plan (2017)** to provide conditions to encourage existing businesses in Camden to grow whilst attracting new business to the area.
- 4.18 Furthermore, supporting LBC's outcome of increasing the number of Camden residents employed in new business developments in Camden.

Ongoing Supporting local organisations

- 4.19 The Applicant has been active in the local area for a number of years and has a proven track record of community engagement projects.
- 4.20 To support the local community, the Applicant has been in discussion with local organisations such as Scene and Heard who are located in Somers Town, to understand how the proposed development can benefit the local community. As a result, an agreement has been reached for Scene and Heard to occupy an element of floorspace within the Proposed Development.

Figure 1.6 Case Study: Scene and Heard



SCENE & HEARD

Scene & Heard is committed to the children of Somers Town, to improving their prospects and providing an environment where they can have fun, learn and grow.

The organisation aim to:

- boost children's self-esteem and raise their aspirations through personal experiences of success
- give each child high quality one-to-one mentoring
- offer the children positive adult role models from beyond their normal experience
- run courses that use playwriting and other drama skills to benefit the children of Somers Town
- provide an environment where each child feels they can offer something of value
- remain a significant presence in the lives of the children and their families
- maintain and develop a large volunteer base of talented arts professionals who are committed to creating high quality theatre with children.

Scene & Heard is proud to be a part of Somers Town, London with its rich history and sense of community. Each of the organisations Member Playwrights comes from one of the three primary schools in Somers Town: Edith Neville, St. Aloysius and St. Mary & St. Pancras.

Source: Scene & Heard

- 4.21 The Proposed Development also aims to provide an even greater amount of affordable workspace to help support local businesses. The previous proposal aimed to provide in the region of 1,900m² of affordable workspace however, this has now been increased to 2,800m² under the latest proposals.
- 4.22 The Applicant and partners will continue to support a number of projects within the local area. The Application will also work with LBC to ensure that jobs and training opportunities for local people are maximised through Section 106 contributions for apprenticeships and training.

Delivering an Appropriate Housing Offer

- 4.23 The residential mix for the Proposed Development is detailed below in Table 4.1
- 4.24 The Proposed Development will deliver a total of 73 new homes ranging in size from one-bedroom flats to three-bedroom flats, all of which are additional homes for the area. The provision of 73 additional dwellings will make a contribution to the London Plan annual housing target for the OA of 1,000 dwellings and the housing targets (1,038 per annum) for LBC and to the wider issue of meeting London's future housing need.
- 4.25 The proposed development has the potential to deliver a mix of home types and tenures – including a number of affordable units. The revised proposal has a strengthened affordable housing offer, with the total number of affordable units equating to 33, which is an increase of 12 units compared to the original submission.

Table 4.1 Proposed Residential Mix

Studio/1 Bed	2 Bed	3 Bed	Total
39	27	7	73

Track Record of Delivery

- 4.26 The Applicant has delivered a range of large-scale developments, including; commercial, residential, retail and leisure, across London and the South of England.

- 4.27 The Applicant has delivered mixed-use development projects in Clapham, Bow and Aldgate and is currently in the process of regenerating Oaks Shopping Centre, Acton to provide a mixed-use development anchored by a 30,000 sq. ft food retail offer, additional retail and leisure units, a new multi-storey car park and 170 residential apartments.

Supporting Retail, Leisure and Amenity

- 4.28 Alongside new commercial and residential space the Proposed Development will offer an element of flexible commercial floorspace. The retail floorspace will be flexibly designed to enable a range of retail and leisure uses within the development.
- 4.29 The mix of retail and leisure will complement both a daytime and evening economy and ensure the site is always animated.
- 4.30 With strong retail and leisure destinations at both King's Cross and Camden Town, the Proposed Development would intend to complement rather than compete with these locations.
- 4.31 The Proposed Development aims to attract a mix of convenience and comparison based retailers that work well in London, together with a significant proportion of cafes and restaurants that are likely to be from the smaller London operators some of who will be local to the area.
- 4.32 The retail and leisure provision within the Proposed Development would be different to the offer in both King's Cross and Camden Town and would aim to serve the residents and workforce based in the area. The Proposed Development does not intend to become a destination in its own right but help join-up King's Cross and Camden Town, to enhance Camden's holistic offer as destination.

Effects on Granary Square and Camden Town

- 4.33 Granary Square and Camden Town are strong performing destinations within Camden, however the impacts the Proposed Development may have on the area need to be acknowledged.
- 4.34 The Proposed Development is intended to complement and link both destinations, rather than compete. The Proposed Development will mainly serve the local resident and workplace population and help join up the two destinations.
- 4.35 The design of the development, will open-up a new route between Granary Square and Camden, improving permeability between the sites. Figure 1.7 shows how the development intends to unlock additional routes.

Figure 1.7 East / West Connections



Source: Bennetts Associates

Creating a Stronger and Diverse Business Base

- 4.36 Ensuring significant employment remains onsite, whilst supporting further employment growth will only strengthen the local economy and is a major economic benefit. However, the mixed-use nature of the Proposed Development supporting; office, retail and leisure uses will help diversify the economy and the business base within the area, which is a priority within the **Camden Local Plan (2017)**.

Supporting a Mix of Businesses

- 4.37 A key design feature that will be integrated into the Proposed Development is the flexibility of the employment floorspace. Dependent on the potential tenants and their needs floorspace dimensions can be altered to accommodate a range of uses. By providing this flexibility the Proposed Development will;
- support businesses of all sizes in particular start-ups, small and medium sized enterprises;
 - maintain a stock of premises that is suitable for a variety of business activities, for firms of differing sizes, and available on a range of terms and conditions for firms with differing resources;
 - support local enterprise development, employment and training schemes for Camden residents;

- encourage the concentrations of professional and technical services, creative and cultural businesses and science growth sectors in the borough;

4.38 The aforementioned objectives are detailed in the **Camden Local Plan 2017 (Policy E1)**.

Labour Market Benefits of New Housing

- 4.39 New housing supply can play a key role in the flexibility of the local labour market which itself can support local business and local economic competitiveness. This is because a shortage of housing or a lack of affordability can act as a barrier to people accessing employment opportunities or result in long-distance commuting with adverse transport and environmental impacts.
- 4.40 It is estimated that up to 70% of residents from the Proposed Development would be of working age (aged 16-64), of which 75-80%¹⁷ would be expected to be in employment. This would represent a potential increase of 0.85% of the current working age population.
- 4.41 Residents of the Proposed Development would be expected to bring skills and qualifications ranging from basic to advanced levels. Similarly, they would be expected to work in an extensive range of occupations, from elementary and semi-skilled to higher managerial and professionals. It is estimated that up to 30 (over 45%) of residents in employment would potentially be employed in higher value skilled occupations (higher managerial and professional occupations), contributing to the local policy objectives of improving the area's skills profile and the workforce available for existing and new local companies.

Creating a Better Place

- 4.42 The Government has previously recognised the contribution of quality of place upon economic vitality (World Class Places: Government Strategy for Improving Quality of Place, 2009). In London, where many town centres compete with each other to secure investment, high quality public realm and a strong amenity offer have been seen as critical to underpinning local economic success.
- 4.43 The existing development is referred to as the Ugly Brown Building. The building occupies a large, single space with little permeability. The current design of the site means that the canal side is inaccessible with limited public space and no active frontages.
- 4.44 The Proposed Development not only intends to help regenerate the immediate local area, it proposes to support and complement the regeneration of the nearby King's Cross-St. Pancras Opportunity Area.

The importance of Public Realm and Legibility

- 4.45 The contemporary design of the Proposed Development will incorporate a number of active frontages which will animate the area and encourage footfall, in an area where this is lacking. The mixed-use nature of the site, which includes; office, retail, residential and leisure will mean that the development will be lively and vibrant during the day and the evening.
- 4.46 This increased activity and improved design will help reduce crime and improve safety in the area, which is a key priority for LBC.

¹⁷ Labour market assumptions based on labour market profile for Camden and London from ONS Annual Population Survey data, 2020.

- 4.47 The Proposed Development also aims to provide greater public space; through the integration of a public square at the centre of the development and unlocking the canal side, which is currently inaccessible.
- 4.48 Ultimately, this will ensure that the new development is connected and 'joined-up', preventing isolation and enhancing the overall offer of Camden as a destination.

Appendix A - Method for Calculating Future Impacts

A.1 Our approach to assessing the socio-economic impacts of the Transformation of the Ugly Brown Building Scheme has included consideration of the following:

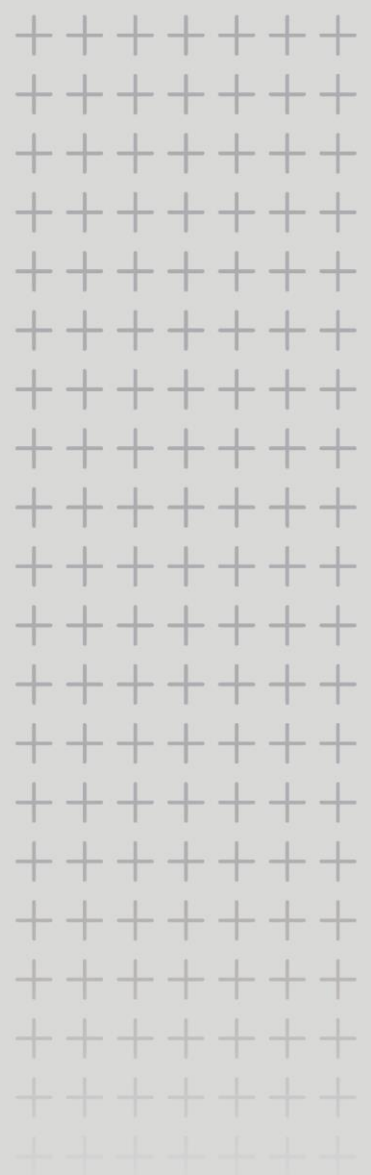
- **Consideration of economic and social baseline conditions:** a comprehensive overview from a data and policy perspective, of existing socio-economic conditions and challenges for both the local area and London Borough of Camden
- **Assessment of construction impacts:** HCA Labour Coefficients (person years of employment per £1m spend) are applied to the forecast construction employment.
- **Employment generation from completed development:** the HCA Employment Densities Guide (2015) has been used to calculate the likely number of full time equivalent (FTE) jobs that would be supported by each type of space as set out in the schedule of non-commercial floorspace uses. Net impacts have been arrived at taking account of existing employment levels.
- **Additional effects:** existing on-site employment levels have been assessed using HCA Employment Densities; these have then been deducted from the gross future employment levels. To assess multiplier effects, HCA additionality guidance¹⁸ has been used.
- **Operational Population and Labour Market Impact:** DCLG Survey of Housing in England data has been used to estimate the total number of people living in different size dwellings and UK Census data to estimate the likely proportion that are working age and in employment (depending on whether they reside in affordable or market housing). To estimate the skill level of residents, Census data has been used to identify other locations in the area which have a similar mix of dwelling sizes to the Proposed Development. This profile has then been applied to the new population of the Proposed Developments.
- **Household Expenditure Impacts:** Estimated household expenditure is based on ONS Household Expenditure (Table A35 - Detailed household expenditure by countries and regions) data. Average household expenditure for London was used to estimate the total potential expenditure. Due to limited spend information and the continued growth of online commerce, it is difficult to estimate specifically, how much of the expenditure would be spent in Camden.
- **Demand for Community infrastructure:** community infrastructure impacts have been assessed with reference to information on the development population (see above) together with information on existing community infrastructure provision and capacity (assessed as part of the baseline).

A.2 Our assessment has considered a range of socio-economic impacts at two geographical levels:

- Local Impact Area (LIA) – primarily defined as the St. Pancras and Somers Town ward
- Local authority level – covering the London Borough of Camden as the local administrative area.

¹⁸ Homes and Communities Agency; Additionality Guide, 3rd Edition, 2015

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