

Volterra

North Crescent

Employment & Skills and Regeneration Statement

Schroders UK Real Estate Fund

A report by Volterra Partners, July 2021

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1 EXECUTIVE SUMMARY

North Crescent

Economic impacts



The construction phase would support **330 jobs years on-site**.



These workers would support a total of **£541k of spending** in the local area.



Once operational, the Proposed Development would support **495 jobs (460 FTEs)** - a 33% uplift relative to the existing Site.



A **net additional total of 145 FTEs (155 jobs)** would be supported when accounting for displacement & multiplier effects.



Workers at the end-use development would spend **£995k per annum**, a 33% uplift compared to the existing Site.



£17m in additional annual GVA (up to £69m), as well as an **additional c. £695k in business rate payments**.

The need for commercial space

Employment in office professions in Camden (LBC) has **decreased by 1% in the last 4 years**, whilst it grew in other sectors.



There is a need for **604,000sqm of additional office floorspace over the next 21 years**, due to a decrease in supply since 2016.

The Proposed Development would contribute **c. 2.7k sqm (GIA) of additional office space**, equivalent to **12% of one years' provision** of the LOPR floorspace target.

The additional office space would help to **reinforce LBC's prominent position** in London's economy.



Employment & skills commitments



Reasonable endeavours to ensure that **20% of construction jobs** go to LBC residents, working in partnership with KXCSC and LBC job centres.



Opportunities for residents to increase their **earnings**.



Employment opportunities for **local residents**, targeting hard-to-reach priority groups.



One apprenticeship per **£3m of construction build cost** in construction phase, addressing **low apprenticeship rates**.

2 INTRODUCTION

2.1 This combined Employment and Skills Strategy and Regeneration Statement supports the application for an office-led development (the ‘Proposed Development’) on North Crescent (the ‘Site’), situated within the London Borough of Camden (‘LBC’). This report has been prepared by Volterra Partners LLP (‘Volterra’) on behalf of Schroders UK Real Estate Fund (‘the Applicant’), and accompanies the application for planning permission and listed building consent at the Site. Schroders and Stanhope PLC are part of a joint development venture putting forward the proposals. More specifically, the application is for the following development:

“Refurbishment and reconfiguration of the existing buildings; including a one storey extension, plus plant, minor demolition works associated with internal and external alterations to provide additional office accommodation and associated works.”

Site context

2.2 The Site is situated in the southern part of LBC, located in close proximity to Goudge Street, Tottenham Court Road, and Holborn. The Proposed Development in the context of London and the wider borough is shown in **Figure 1**.

Figure 1 Site context



Contains OS Data @ Crown Copyright and database right (2020)

2.3 The Site is highly accessible by public transport, judged to have a Public Transport Accessibility Rating (PTAL) rating of 6b – the highest rating that can be achieved. This is due to the Site being adjacent to Goudge Street, as well as being located near to other major underground stations: Warren Street, Euston Square, and Tottenham Court Road.

The PTAL scale is a measure defined by Transport for London (TfL) that determines an area's access level to public transport. The stations within a reasonable walking distance of the Site are deemed to provide excellent access to the rest of London.

- 2.4 The Site falls within Bloomsbury Conservation Area. The Bloomsbury Conservation Area covers an area of approximately 160 hectares (ha) and is widely considered to be an internationally significant example of town planning.¹ The existing Site is comprised of Minerva House (Grade II listed building) and Telephone Exchange, both built in 1912. Due to modifications throughout the 21st century, the original internal features of Minerva House have been lost.
- 2.5 The proposals would unify Minerva House and Telephone Exchange internally, which would allow arguably 'destructive' elements of the buildings original form to be removed. The proposals would uplift the current state of the buildings, whilst retaining historically important elements, creating a revamped location that places sustainability and placemaking, design and community, and employment and growth at its forefront.

Relevant policy

The need for this report

- 2.6 Camden Council set out their planning requirements in the 2018 document titled 'Camden's Local Area Requirements for Planning Applications'.² In section 5 – Major Applications – the document states that for developments with 10 or more net dwellings or over 1,000sqm of additional non-residential floorspace, the following documents should be submitted as part of the planning application:
- **Employment and Training Strategy:** demonstrating how employment and training requirements will be addressed and supported during and/or after construction.
 - **Regeneration Statement:** a statement of any regeneration benefits from the Proposed Development, including estimates of jobs, floorspaces, and community benefits.
- 2.7 This report – an integration of the two requirements given the crossovers between the two topics – seeks to address these planning requirements outlined by Camden Council.

The need for commercial floorspace

- 2.8 Additional high-quality office space is required in the borough, as outlined in the **LBC Local Plan, Policy E1**. The objectively assessed need for office space in LBC is 695,000sqm (GIA) of additional space to be provided over the period 2014 to 2031, in order to meet forecast demand. Furthermore, the importance of office floorspace is recognised within the LBC Local Plan:³

“The high concentration of property, banking and service activities and large number of publishing and media businesses in the borough mean that a significant number of Camden's jobs are in offices. The Camden Employment Land Review 2014 forecasts that the demand for offices will increase by 695,000sqm between 2014 and 2031. To meet this demand, the Council will direct new office development primarily to the growth areas and Central London.”

- 2.9 The London Office Policy Review (LOPR) offers a slightly more updated projection for additional office space needed in LBC, at 574,000sqm (GIA) required over the period 2016-2041.⁴

1 LBC, 2011. Bloomsbury Conservation Area Appraisal and Management Strategy

2 LBC, 2018. Camden's Local Area Requirements for Planning Applications

3 LBC, 2017. Camden Local Plan

4 Ramidus Consulting (on behalf of the GLA), 2017. London Office Policy Review

Report structure

- 2.10 Through examining local context in the area (from baseline indicators and employment and skills objectives), Volterra has identified the most pressing socio-economic issues. Doing this allows identification of where the Proposed Development can directly address the needs of LBC residents. Regenerative impacts of the Proposed Development are also assessed, providing estimates of the socio-economic impacts that will occur as a result of the scheme. The report is split into the following sections:
- **Economic impacts** – this section estimates the economic impacts that will occur as a result of the Proposed Development in the construction and operational phases, comparing these against a baseline of economic activity that is currently occurring on-site. Through the use of standard accepted methodology and guidance, this section analyses the impact of the Proposed Development with respect to jobs, expenditure, Gross Value Added (GVA), tax revenues, and business rates.
 - **The need for office space** – the second section discusses the need for office space in LBC and the local area, allowing businesses to expand and relocate as per their needs. After detailing the economic importance of LBC and analysing historic supply trends, the contribution of the Proposed Development is placed in this context.
 - **Employment and skills strategy** – the penultimate section summarises socio-economic issues and priorities in the borough, both now and in the future. Collating this with a summary of relevant policy, employment and skills issues and objectives are derived which the Proposed Development would look to directly address. This section also looks at examples of best practice (including how the Applicant has previously contributed positively to employment and skills outcomes) and specific commitments to be made as part of the Proposed Development.
 - **Wider regeneration impacts** – the final section looks at other beneficial impacts that may result from the Proposed Development. This includes possible catalytic impacts and social value impacts such as an increased public realm offering.

The 2020 Coronavirus Pandemic

- 2.11 It should be noted that the statistical analysis underpinning this report was carried out during the global COVID-19 ('Coronavirus') pandemic that continues to persist across the world, with the UK being particularly hard hit at its peak. Some data sources used within this report to provide context reflect the economic impact of the pandemic (2020 or 2021 data), and hence may be inflated. The findings of this report should therefore be considered in this context.
- 2.12 There are a number of respected official forecasts which conclude that the impact of the pandemic is not expected to be persistent, with GDP expected to recover strongly throughout 2021.⁵ Therefore in the longer-term, such as when the Proposed Development is due to become operational, it is expected that the adverse economic impact of the pandemic will likely have passed. However, the effects of the pandemic on unemployment levels and the skills of residents may cause structural changes to the labour market and those who access it which must be considered.

3 ECONOMIC IMPACTS

Construction phase

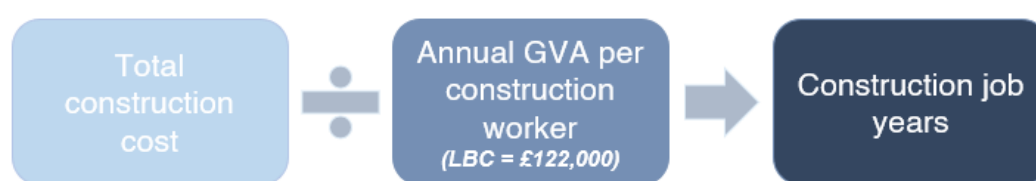
⁵ Bank of England, 2021. Monetary Policy Report May 2021

- 3.1 The construction phase of the Proposed Development would be expected to result in increased economic activity through the construction employment generated, as well as the additional spending in the local area as a result of this employment.

Construction employment

- 3.2 Volterra's standard method of estimating the number of construction workers on-site during the construction phase is outlined in **Figure 2**. This involves dividing the expected construction cost of the development by the GVA of the average construction worker in the area, i.e. their annual economic output/contribution to the economy. The GVA per construction worker in LBC is estimated to be £122,000 as of 2018, the latest date for which data is available.⁶

Figure 2 Methodology for estimating construction jobs



- 3.3 It is estimated that the construction phase of the Proposed Development **would create 330 jobs years** across a 29-month demolition and construction period. This is equal to an average of approximately **135 workers on-site over the period**.

Construction worker expenditure

- 3.4 Construction workers are part of one of the most mobile sectors of the workforce, travelling to wherever the work is. As a result, construction benefits are not generally viewed as having large local impacts. However, their expenditure does have a local impact.
- 3.5 It is expected that **construction workers on-site would spend a total of £541,000 in the local area** over the duration of the entire construction and demolition period.⁷ Typical expenditure in the local area before, during, and after work can be on things such as food and beverages (e.g. lunch), after work activities, and retail shopping at nearby stores.

Operational phase

- 3.6 This section sets out the direct employment estimated to be supported by the Proposed Development once operational, comparing it to the level of employment currently supported on-site, in order to provide information about the uplift in economic activity.

Existing employment

- 3.7 Estimates of existing employment are obtained by applying employment densities provided in the Homes & Communities Agency (HCA) Employment Density Guide⁸ to existing floorspaces (by use class). It is assumed that commercial floorspace at the existing site is fully occupied, in order to be conservative about the scale of the uplift the new proposals will deliver. The existing site comprises solely of office space, amounting to 4,145sqm NIA. **Estimates of employment, using a density of 12sqm NIA to one office full time equivalent (FTE), show that the existing site has the potential to**

⁶ ONS, 2019. Regional gross value added (balanced) by industry: all NUTS level regions

⁷ Assuming 60% of workers spend £12.50 a day for 220 days a year. This is based on a YouGov survey which found that UK workers spent £6 in the local area on average in 2005 – this has been uplifted to reflect earnings growth in the period to 2020 and the discrepancies between earnings in different industries & in London.

⁸ Homes and Communities Agency (HCA), 2015. Employment density guide, 3rd edition

support up to a total of 345 FTEs (or 370 jobs when accounting for part-time working patterns).

Proposed floorspace

- 3.8 A breakdown by use-class of the proposed floorspace at the Site is provided in **Table 1**. As the table shows, **5,517sqm NIA of Class E office floorspace would be provided**. This is an increase of 33% (NIA) relative to the existing Site.

Table 1 Breakdown of proposed floorspace

Building	Use class	NIA (sqm)	GIA (sqm)
Minerva House	Office (Class E)	2,251	3,004
Telephone Exchange	Office (Class E)	3,266	5,213
Total	-	5,517	8,217

Source: Provided by the Applicant

- 3.9 For context, the LOPR forecasts that – based on forecast demand – LBC requires 574,000sqm of additional Gross Internal Area (GIA) office floorspace over the period 2016-2041.⁹ This means that the 2,703sqm GIA of additional office floorspace at the Proposed Development **equates to 12% of one years' provision** (or 0.5% of the total target to 2041).

Direct employment

- 3.10 An estimate for gross direct employment supported at the Site is presented in **Table 2**. Estimates are calculated by applying employment densities given by the HCA Employment Density Guide¹⁰ to the proposed commercial floorspace. Using this methodology, it is estimated that **a total of 460 gross FTEs would be supported, corresponding to 495 jobs** when accounting for part-time working patterns. Compared to the existing Site, **the Proposed Development would provide an uplift of approximately 115 FTEs (125 jobs) – a 33% uplift**.

Table 2 Gross direct employment at the Proposed Development

Use class	Employment floorspace (sqm NIA)	Employment density	FTEs	Jobs
Office	5,517	12	460	495

Source: Volterra calculations, 2021; NB: Figures have been rounded to the nearest five.

- 3.11 Employment in London is forecast to rise at an annual rate of 0.78% over the period 2016-2041, equivalent to 49,000 additional jobs per year, as estimated by GLA Economics.¹¹ Of this 49,000, 2,800 are anticipated to be in LBC per annum, amounting to additional employment growth of 68,000 over the entire period. **The Proposed Development would uplift jobs in LBC by 125, equivalent to 4% of forecast annual employment growth.**

⁹ Ramidus Consulting (on behalf of the GLA), 2017. London Office Policy Review

¹⁰ Homes & Communities Agency, 2015. Employment density guide, 3rd edition


¹¹ GLA Economics, August 2017. London labour market projections 2017

Worker expenditure

- 3.12 The additional workers at the Proposed Development would bring greater spending to the local area. A 2005 YouGov survey found that workers in the UK spent, on average, £6 a day in the local area around their place of work. This figure has been uplifted for earnings growth between 2005 and 2020, as well as for the higher average earnings of workers in different industries in London. Once these differentials have been accounted for, it is estimated that the average office worker on-site would spend approximately £16.40 per working day.¹²
- 3.13 In total, existing workers are estimated to spend £745,000 at the Site, whilst the uplift in employment by the Proposed Development would increase this by £247,000 to a **total worker spend of £995,000 per annum**. This increase in worker expenditure equates to a 33% uplift when compared to the existing Site.


Net additional employment

- 3.14 The analysis so far has focussed on estimating the gross direct jobs that would be created by the Proposed Development. In order to consider the total net impact on employment, the displacement and multiplier – indirect and induced jobs that will occur as a result of the scheme’s supply chain and worker expenditure – impacts must also be considered.
- 3.15 The HCA Additionality Guide provides a framework that allows for the estimation of the net additional impacts of a development.¹³ Through this method, both a displacement and a multiplier are applied to direct employment, both of which are defined below.



Displacement

- The proportion of jobs that would otherwise have occurred elsewhere.
- The guidance provides a standard displacement rate of **25%** for low levels of displacement.



The Multiplier Impact

- The indirect benefits to other sectors of indirectly boosting jobs in these other industries.
- Given that the study area is located in central London, we expect the multiplier effects to be significant.
- The guidance provides a standard composite multiplier of **1.7** for high multiplier effects at a regional level.

- 3.16 A ‘low’ displacement is applied in the context of central London’s competitive office marketplace which contains excess demand and continuing high rents, together with its strong employment growth forecast. Despite the Covid-19 pandemic dampening demand for office working in the short-term, it is becoming increasingly clear that a return to the office, at least in some form, will occur.¹⁴ A high multiplier has also been applied to account for the effects of supply chain purchases by businesses at the Proposed Development, as well as the expenditure of workers directly employed on-site. Office workers tend to be

¹² This analysis, similar to construction worker spending, assumes that 60% of workers will spend this amount for 220 days of the year, in order to be conservative.

¹³ Homes and Communities Agency, 2014. Additionality Guide: Fourth Edition

¹⁴ <https://www.bbc.co.uk/news/business-57339105>

some of the highest spending workers within the local areas surrounding their workplaces. By applying these two effects to gross additional employment estimates, total net additional employment supported by the Proposed Development is estimated.

- 3.17 **It is estimated that the Proposed Development would support a net additional total of 145 FTEs, equivalent to 155 jobs** when accounting for part-time working patterns. By applying a London leakage rate of 21%,¹⁵ as well as regional displacement and multiplier impacts, it is estimated that **115 net additional FTEs (125 jobs) would be taken by London residents.**

GVA

- 3.18 GVA is the additional value generated by economic activity, and the GVA impact at a development can be calculated by multiplying the number of jobs in each sector by the annual GVA per job in that respective sector.
- 3.19 Any additional direct employment resulting from the Proposed Development would result in the generation of GVA. The estimated total GVA produced by workers at the existing Site is compared to the Proposed Development in **Table 3** below,¹⁶ showing that the **Proposed Development would create additional output in GVA terms of an estimated £17m per year – a 33% uplift.**

Table 3 Total annual additional GVA

Industry	2018 LBC GVA per worker	Existing site	Proposed Development	Additional
Office	£140,000	£52m	£69m	£17m

Source: ONS, 2019. Regional gross value added (balanced) by industry; ONS, 2019. Business Register and Employment Survey; NB: Figures may not sum due to rounding.

Tax revenues and business rates

Tax revenues

- 3.20 It is commonly assumed that 30%-40% of total GDP accrues to HM Treasury in taxation, through business rates, VAT, corporate, and income tax for example. Applying this to the GVA calculation, **it is estimated that the Proposed Development would result in tax revenues of between £21m - £28m, representing an uplift of between £5m - £7m.**

Business rates

- 3.21 Applying the rateable values per sqm for office space in the surrounding four-digit postcode area, it is estimated that **the Proposed Development would pay a total of at least £1.5m in annual business rate payments**, equivalent to an uplift of at least £695,000 per annum.¹⁷ Note that the actual rateable values for both Minerva House and Telephone Exchange are used to calculate business rate payments at the existing Site.
- 3.22 There is also an additional Crossrail business rate supplement, which is set at £0.02 per £1.00 of rateable value and must be paid by businesses with rateable values over £70,000. Based on this, it is anticipated that the Proposed Development will result in approximately £61,000 of annual Crossrail contributions.

¹⁵ ONS, 2011. The Census – 21% of London's workforce commuted from outside London.

¹⁶ ONS, 2019. Regional gross value added (balanced) by industry; ONS, 2019. Business Register and Employment Survey

¹⁷ Note that for estimating proposed business rates, we calculate the median RV per sqm of the top 33% of stock on the VOA database. This assumption accounts for the fact that the Proposed Development will provide Grade A office space, and only a proportion of the total in the local area that data is available for will also be Grade A office space.

Employment and skills

Construction phase

Local jobs

- 3.23 Commuting patterns from 2011 suggest that 5.6% of the total construction workforce in LBC are also resident in the borough.¹⁸ This low proportion is expected given the mobile nature of central London's workforce, with high transport connectivity to central London. Therefore, based on these commuting patterns alone (applying to gross job years), it would be expected that an average of **18 job years during the construction period would be filled by LBC residents**. It is intended, however, that the proportion of jobs going to LBC residents would be maximised in line with local policy. See **Section 5** for more details.

Operational phase

Local jobs

- 3.24 Commuting patterns from 2011 suggest that, on average, 7% of workers in office-related professions are also resident in the borough.¹⁹ Office workers tend to commute from further distances to the workplace compared to other sectors such as retail or accommodation & food, and hence the proportion of jobs taken up by local residents tends to be lower. Therefore, based on commuting patterns alone, it would be expected that, when operational, **approximately 35 jobs at the Proposed Development would go to LBC residents** (in addition to the 18 local jobs for construction workers).

Increased earnings

- 3.25 The creation of employment during the operation of the Proposed Development presents opportunities for residents to increase their earning potential. In line with current median earnings by sector in London, **the average earnings of an LBC office employee on-site would be £50,000,²⁰ 18% higher than the median pay of LBC residents who were in full-time employment in 2020 (£42,500).²¹**

Occupational distributions

- 3.26 **Table 4** presents data on the anticipated occupational distribution for the office sector employment at the Proposed Development. As shown, occupations within office sectors are much higher skilled than the all-sector average.²² The most sought-after occupations within LBC are sales and customer service occupations, elementary occupations, and senior management roles, which are highlighted in red in the table.

Table 4 Occupational distributions at the Proposed Development

Occupation	Office ²³		All sectors (2017)
	2017	2022	
Managers, Directors & Senior Officials	17%	17%	13%
Professional Occupations	38%	39%	27%

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

19 Ibid

20 Average earnings for an office employee were derived by taking the average London salary across office sectors and uplifting this by the earnings difference between LBC residents and London residents.

21 ONS, 2020. Annual Survey of Hours and Earnings: By Region and Industry

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

23 For employment within the office sector, a combination of information technology, finance and insurance, and professional services has been used.

Occupation	Office ²³		All sectors (2017)
	2017	2022	
Associate Professional / Technical Occupations	26%	27%	20%
Administrative & Secretarial Occupations	11%	9%	8%
Skilled Trades	2%	2%	7%
Caring, Leisure and Other Service Occupations	1%	1%	6%
Sales and Customer Service Occupations	3%	3%	7%
Process, Plant and Machine Operatives	1%	1%	4%
Elementary Occupations	1%	1%	8%

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

- 3.27 The employment supported at the Proposed Development would provide opportunities for the upskilling of LBC residents, helping them move from lower skilled occupations to higher skilled ones, increasing their skill levels and hence earnings. This will also attract higher-skilled residents to the area.

Addressing skills inequalities

- 3.28 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 skills of the local workforce,²⁴ addressing skills inequalities present in the borough. Given that the Proposed Development would support additional job opportunities for local LBC residents in the employment occupations that they are seeking, it is likely to contribute positively towards reducing wealth and employment inequalities that are present across the borough.

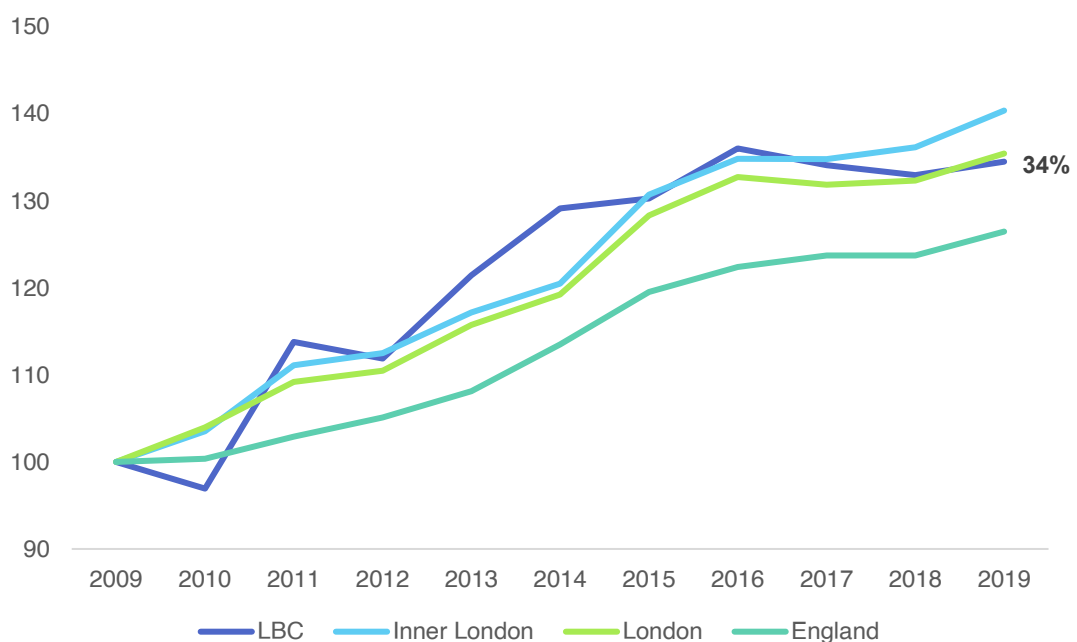
²⁴ LBC, 2018. Camden Planning Guidance: Employment sites and business premises

4 THE NEED FOR OFFICE SPACE

The economic importance of LBC

- 4.1 LBC supported approximately 383,000 jobs in 2019, the third largest borough in terms of employment within London after Westminster and the City of London (CoL).²⁵ LBC and CoL²⁶ contributed £104bn in Gross Value Added (GVA) in 2018 (the latest year for which data is available), the highest (combined) contributor to GVA of all local authorities in England.²⁷ The contribution to GVA of these two local authorities exceeds that of Birmingham, Manchester, Leeds, and Edinburgh combined (£103bn), illustrating its importance in a national context.²⁸
- 4.2 LBC and CoL support 17% of London’s employment whilst contributing 23% of its GVA, indicating that on the whole, the productivity of a worker based in either LBC or the CoL is significantly above that of the London average.
- 4.3 Over the last decade, employment grew by 31% in LBC (**Figure 3**), which was slightly behind that of the Inner London average, suggesting growth has slowed down in recent years.²⁹ When looking specifically at office-based employment, LBC lags behind both London comparators with 34% growth over the last decade (vs 40% Inner London and 35% London). Making up nearly half of employment within the borough, office-based professions are crucial to the success of LBC’s economy, signalling a need for additional office space and employment growth.

Figure 3 Index of office-based employment growth (2009 = 100)



Source: ONS, 2019. Business Register and Employment Survey

²⁵ ONS, 2019. Business Register and Employment Survey

²⁶ In the latest GVA data split by NUTS3 region, the London Borough of Camden and the City of London are pooled together, and so GVA data is presented for both boroughs.

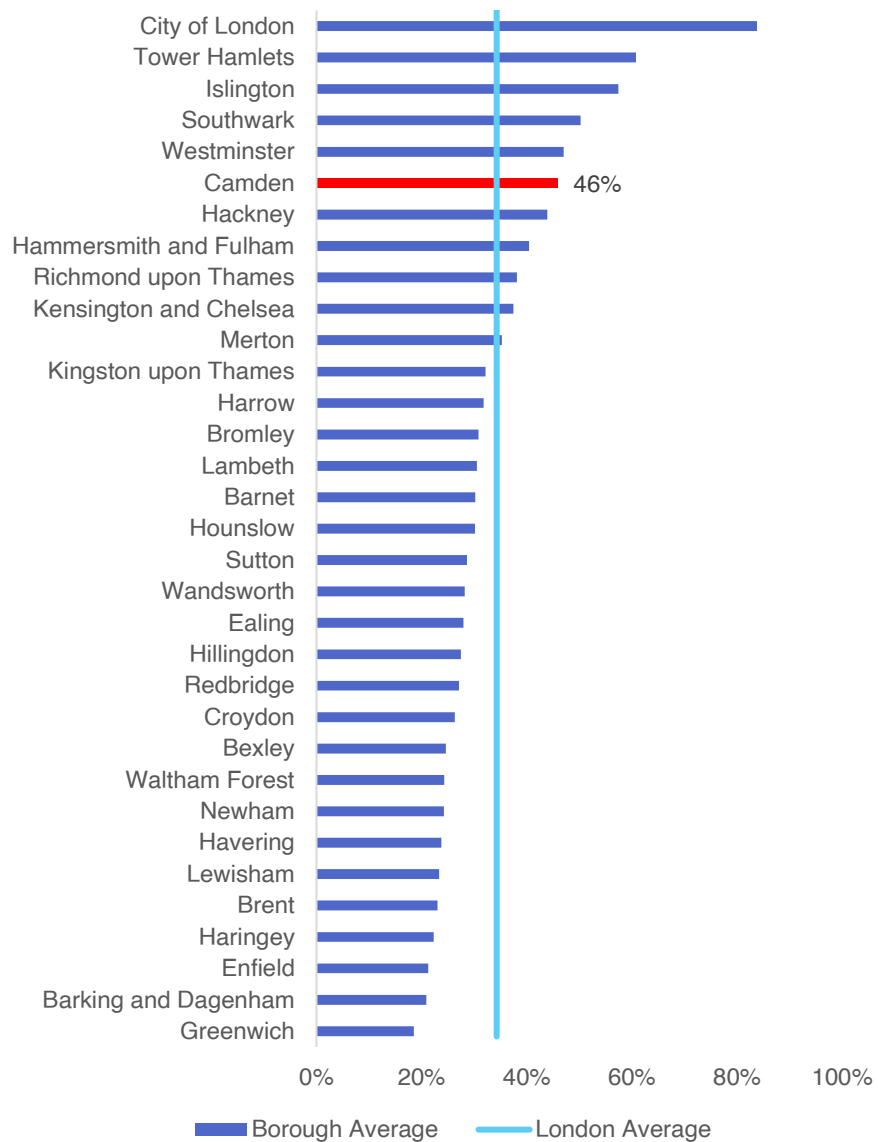
²⁷ ONS, 2019. Regional gross value added (balanced) by industry

²⁸ It is noted that, whilst the data doesn't allow for a breakdown during this year, it is likely the majority of this GVA is created within CoL.

²⁹ ONS, 2019. Business Register and Employment Survey

- 4.4 The sluggish office growth can be specifically attributed to the last four years, as employment in office-based professions has decreased by 1% since 2016.³⁰ Over the same period, it grew 4% in Inner London, 2% in London, and 3% across the country. This is an issue that needs to be addressed, as sustaining an appropriate level of employment growth in LBC is important in ensuring that London maintains its position as a world-leading city.
- 4.5 In proportional terms, LBC has the sixth highest sectoral proportion of office-based jobs of all London boroughs, illustrated by **Figure 4**.³¹ This is above the average across all London boroughs (34%), showing the importance of office-based professions.

Figure 4 Proportion of employment in office-based professions



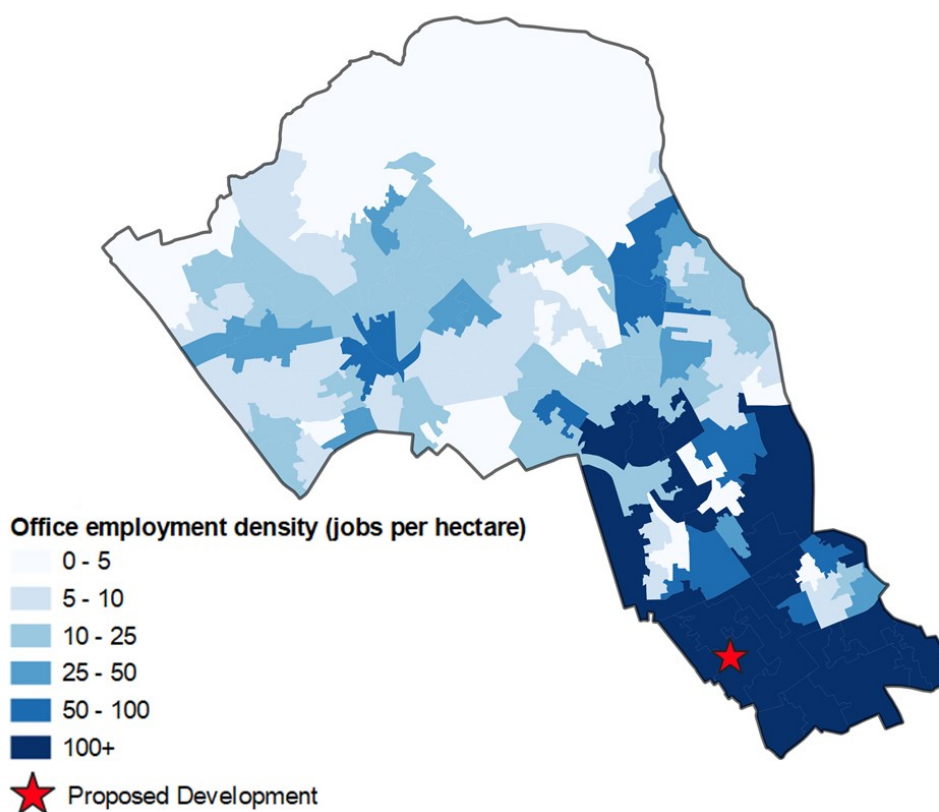
Source: ONS, 2019. Business Register and Employment Survey

³⁰ Ibid

³¹ ONS, 2019. Business Register and Employment Survey

- 4.6 The southern half of LBC contains a significantly larger number of office employees due to its proximity to Central London and potential to benefit from agglomeration economies. This is illustrated in **Figure 5**. The Proposed Development is located in this densely occupied area, highlighting its local importance in the London context.

Figure 5 Office employment density in LBC



Source: ONS, 2020. Business Register and Employment Survey

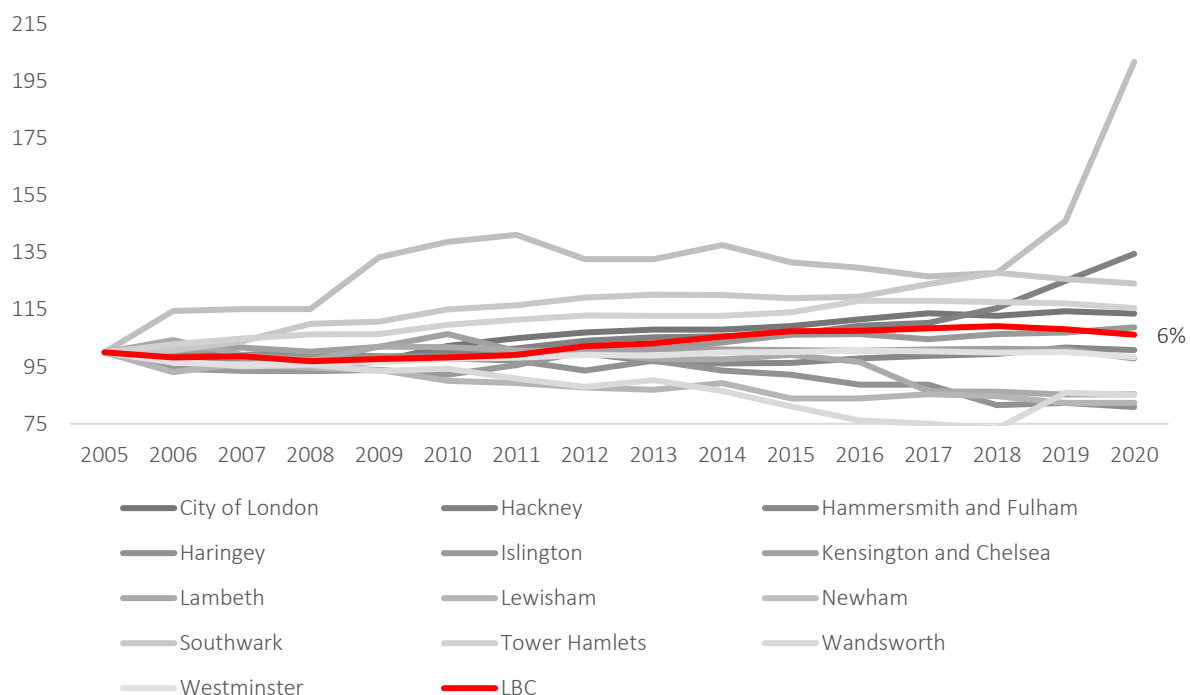
Historic trends in supply

- 4.7 Over the last 15 years, office floorspace in LBC grew from 2.11 million sqm to 2.24 million, growth of 6%.³² Growth over the period exceeded that of London and England, but was lower than the Inner London average (8%). Of the 33 London boroughs, LBC ranked seventh in terms of growth of office floorspace in London behind: City of London, Tower Hamlets, Southwark, Hackney, Newham, and Islington.³³ In order for LBC to remain competitive and maintain its position as one of the leading boroughs for professional services, it must continue to build additional office space above and beyond that of the Inner London level.

³² VOA, 2020. Non-domestic rating: stock of properties including business floorspace

³³ Ibid

Figure 6 Office stock change index, Inner London boroughs (2005 = 100)



Source: VOA, 2020. Non-domestic rating: stock of properties including business floorspace

- 4.8 The LOPR offers a composite projection of the net additional floorspace that will be required to meet demand in the borough from 2016-2041. This is 574,000sqm of additional GIA office floorspace, equivalent to a need for 22,960sqm per year.³⁴ Due to the loss of office floorspace since 2016, this becomes a need for 604,000sqm over the next 21 years, equal to approximately 28,800sqm needed per annum. This figure considers both trend-based projections of what has happened to floorspace stock in the past with an employment-based projection that factors both structural employment projections and takes account of future development plans.

Contribution of the Proposed Development

- 4.9 As mentioned within the Local Plan, there is a need for direct new office developments in key growth areas in the borough.³⁵ This is summarised in the next section. **Our Camden Plan** also details the need for additional affordable workspaces in the borough, in addition to delivering high-quality flexible workspaces that can respond to changing patterns of employment and growth sectors.³⁶
- 4.10 It is the intention of the Applicant to provide 8,217sqm of GIA office workspace, contributing to borough targets and providing an uplift in available commercial space in the local area. The additional floorspace (2,703sqm GIA) is **equivalent to 12% of one years' provision, or 0.5% of the total target to 2041**. When considering the revised target accounting for delivery over the last four years, the additional floorspace is equivalent to 9% of one years' provision, or 0.4% of the total target to 2041.

³⁴ Ramidus Consulting (on behalf of the GLA), 2017. London Office Policy Review

³⁵ LBC, 2017. Camden Local Plan

³⁶ LBC, 2018. Our Camden Plan

5 EMPLOYMENT AND SKILLS STRATEGY

- 5.1 This section identifies the most pressing socio-economic indicators within LBC, as well as any relevant issues and objectives that have been identified in policy, to determine priorities for the borough. As well as looking at current and future context, examples of best practice are also analysed and used in ensuring employment and skills commitments are in line with what is most beneficial for everyone.

LBC issues and priorities

Current landscape

- 5.2 It is important to first present a current picture of the socio-economic performance of the borough through its performance in particular indicators. This helps determine which areas are most in need of addressing when designing employment and skills-related commitments. Indicators within **Table 5** with the greatest need for improvement are highlighted in red, amber represents just below average and/or improving performance, and green reflects good (above average) performance.

Table 5 Summary of socio-economic indicators

Indicator	LBC
Employment	<p>The proportion of economically active residents in LBC (73%) was below that of Inner London (81%), London (80%) and England (80%) in 2020.³⁷ This is due to high proportions of students in the borough, as well as people looking after their home and/or family.³⁸ Furthermore, the employment rate (70%) was also below that of all levels (76% in Inner London & England and 75% in London).</p> <p>There has also been a decline in the economic activity rate over the last decade from 74% to 73%, whilst there has also been a decline in those unemployed who are economically active (10% to 5%). LBC has performed well in responding to the unemployment challenges posed by the pandemic, as evidenced by a decrease in the unemployment rate between 2019 and 2020, but economic activity and the employment rate remain unfavourable against comparators.</p>
Unemployment	<p>Over the last decade, LBC has seen a consistently lower proportion of economically active residents relying on the Claimant Count than comparators. Despite a recent sharp rise as a result of COVID-19, LBC continues to be below comparators at 6.1% in April 2021 (vs 8.4% in London and 8.6% in Inner London).³⁹</p> <p>In 2020, the unemployment rate of the borough was 5.2%, below that of Inner London (6.4%) and London (6.0%) levels.⁴⁰ However, as of April 2021, London's unemployment rate has risen to 6.5%.⁴¹ Unemployment issues within the borough may partly be down to the large mismatch in the types of jobs sought by unemployed LBC residents and the vacancies that are available in the borough. For example, 66% of residents are seeking jobs in sales and customer services roles, whereas only 7% of vacancies correspond to these roles.⁴²</p>

37 ONS, 2020. Annual Population Survey

38 The Camden Commission, 2017. Focus on... working age adults

39 ONS, 2021. Claimant Count by Sex and Age

40 ONS, 2020. Annual Population Survey

41 ONS, 2021. Labour Force Survey

42 ONS, 2019. Jobseeker's Allowance by occupation; GLA, 2019. London Job Postings Data

Indicator	LBC
Unemployment – vulnerable groups	<p>There are significant differences in the employment levels of different groups within the borough. For example, the unemployment rate for ethnic minorities (10%) is substantially higher than that of white residents (3%) in LBC.⁴³ Similarly, the proportion of economically inactive white residents in the borough is much lower at 20%, compared to 37% for ethnic minorities.</p> <p>Additionally, employment inequalities exist with regards to age. The unemployment rate and economic inactivity rates are higher in LBC (compared to comparators) for 16-24-year olds and 50-64-year olds, signalling a need to move the youngest and oldest residents into the workforce. Economic activity rates for males and females alike in the borough significantly exceed comparators, whilst most sectors are dominated by males.</p>
Earnings	<p>The rate at which earnings have grown for residents in LBC was the third lowest across the Inner London boroughs over the past decade, growing 17% from 2010 to 2020.⁴⁴ The growth in resident earnings in LBC is also below that of the Inner London and London levels. Despite this, the median pay of residents in the borough (£42,500) continues to exceed Inner London and London levels, and is the fourth highest of the Inner London boroughs (for which data is available).</p> <p>Earnings growth has been very positive for the lowest 25% of earners in the borough, where LBC had the second highest rate of growth across the Inner London boroughs over the last decade. This shows a lessening pay gap between the highest and lowest earners.</p>
Qualifications and skills	<p>Residents in LBC are as qualified as the London averages (NVQ1+).⁴⁵ Over the last decade, the proportion of residents with NVQ1+ qualifications has risen sharply, from 82% to 92%.</p>
Apprenticeships	<p>Apprenticeship starts per 1,000 workers in LBC are significantly below the London and England averages, at 1.9 compared to 7.7 and 14.5, respectively.⁴⁶ Of the 33 London boroughs, Camden ranks third lowest in terms of apprenticeship starts per 1,000 workers, showing the substantial problem with the provision of apprenticeships in the borough.</p>
Deprivation	<p>Across the two sub-domains of primary interest, deprivation levels are broadly in line with national averages.⁴⁷ For employment, the average decile across the borough is 5.7 (where 1 is most deprived and 10 is least deprived), representing average levels of employment deprivation. For education, skills and training, the average is 7.5 and slightly better, indicating that training prospects are better than average.</p>

Future context

- 5.3 Over the period 2016-2041, The Greater London Authority (GLA) forecasts that total employment within LBC will increase by 0.91% per annum.⁴⁸ This is slightly higher than the projection for London as a whole at 0.78%. By using this annual employment growth rate and applying it to current employment levels (according to the Business Register and Employment Survey⁴⁹), it is estimated that LBC employment will grow by approximately 84,000 jobs, to a total of 466,000 in 2041.

43 ONS, 2020. Annual Population Survey

44 ONS, 2020. Annual Survey of Hours and Earnings

45 ONS, 2020. Annual Population Survey

46 Department for Education, 2019. Apprenticeships and traineeships data

47 MHCLG, 2019. Index of Multiple Deprivation: Employment subdomain, and education, skills and training subdomain.

48 GLA, 2017. London Labour Market Projections

49 ONS, 2020. Business Register and Employment Survey 2019

Policy summary

- 5.4 LBC Policy recognises employment and skills-related issues present within the borough and the need to address them, in order to bring those furthest from employment into the labour market. **Table 6** summarises key policy relevant to the assessment of employment and skills needs in the borough.

Table 6 Summary of relevant policy

Topic	Policy
Need for office space	LBC Local Plan Policy E1⁵⁰ – Identifies a need for direct new office development in key growth areas in the borough, to meet the forecast demand of 695,000sqm of office floorspace between 2014 and 2031.
Need for office space	London Plan Policy E1⁵¹ – Specifies a need to improve the quality of office stock in the capital, with adaptable office space to suit micro, small, medium-sized and larger enterprises.
Unemployment - inequalities	Camden 2025 & Our Camden Plan⁵² – Looks at the desire to deliver economic growth across the borough that benefits all members, including those furthest from the labour market.
Skills inequalities	LBC Local Plan Policy E1 – Identifies the mismatch in skills needed by employers within the borough and the skills held by current residents. Focuses on improving access to training and education to upskill residents and equip them with the skills necessary to gain employment in LBC.
Skills inequalities	London Plan Policy E11 – The skills and opportunities for all policy looks at addressing low pay and gender and ethnicity gaps, as well as proposals that support employment, skills development and apprenticeships for those in need.
Skills inequalities	GLA Skills for Londoners Strategy⁵³ – Looks at the key challenges facing London, notably that BAME groups are under-represented in the labour market, especially in higher-skilled and better paid jobs.

- 5.5 The key employment and skills issues that are faced within LBC, bringing the data analysis on socio-economic indicators and policy review together, are outlined in **Figure 7**, along with identified objectives in order to address these issues.

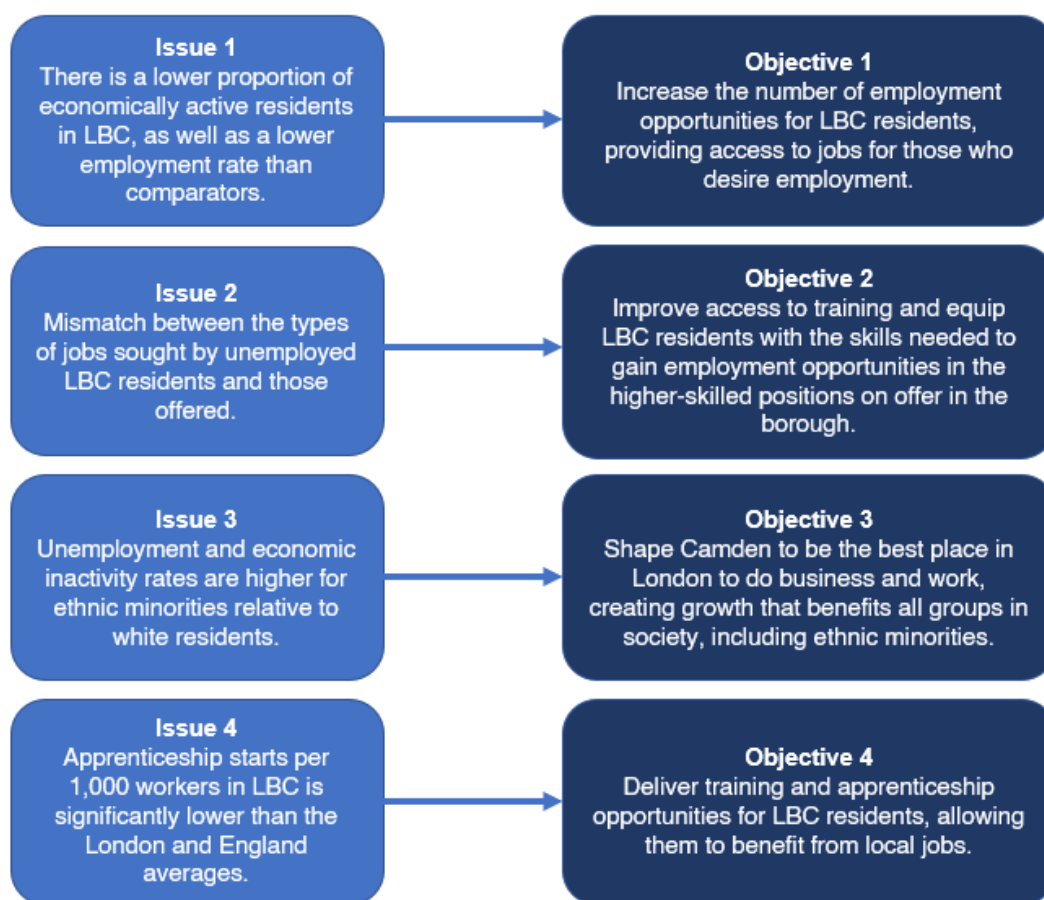
50 LBC, 2017. Camden Local Plan

51 Mayor of London, 2021. The London Plan

52 LBC, 2018. Our Camden Plan; LBC, 2018. Camden 2025

53 Mayor of London, 2018. Skills for Londoners

Figure 7 Employment and skills issues and objectives



Best practice

- 5.6 To provide a degree of guidance towards targets suitable for the Proposed Development, benchmark projects have been used to ensure that the targets are realistic, achievable and in line with best practice. Whilst each project is varied in terms of size, cost and overall employment provision, all schemes were designed with improving the local employment and skill levels in mind. These benchmark projects are outlined in **Table 7**.

Table 7 Summary of benchmark projects

Name of project	Description	Employment and skills commitments
Belgrove House, Camden (2020/21)	A mixed-use office and laboratory-led development in Camden, providing 13,000+ sqm (NIA) of office and lab space.	<ul style="list-style-type: none"> Proposed support of up to 840 jobs, representing a significant uplift compared to the current site. Providing apprenticeships and work experience placements in line with LBC policy. Providing high-skilled opportunities in line with identified priorities and key issues of the borough.

Name of project	Description	Employment and skills commitments
Ugly Brown Building (2017)	A 12-storey mixed-use scheme, delivering over 50k sqm of new business space, residential apartments, a hotel, and retail and storage space.	<ul style="list-style-type: none"> Working with KXCSC to ensure CITB benchmarks for local employment are met or exceed when recruiting construction-related jobs. Provision of at least 88 apprenticeships and 108 work placements. Provide opportunities for local businesses to bid/tender for provision of goods and services within construction phase
125 Shaftesbury Avenue (2016)	A co-working space (let to WeWork) comprised of office and retail space.	<ul style="list-style-type: none"> Work in partnership with KXCSC and Camden Job centres, achieving a target of 20% of workforce in construction phase to be LBC residents. Provision of 28 construction apprentices. Large financial contribution (c. £260,000) for employment training needs in LBC.
Elizabeth House, Lambeth (2019)	A large office-led scheme located next to Waterloo station, providing over 100,000sqm (NIA) of office floorspace.	<ul style="list-style-type: none"> Proposed support of up to 12,000 jobs (uplift of nearly 400%). Bespoke employment and training support packages to ensure that local people and businesses benefit from the opportunities created, including c. 150 apprenticeships. 25% of all construction jobs to go to local residents, and 25% of all new operational jobs to go to local residents.
Pope's Road, Lambeth (2020)	An office-led development located in Brixton Market, comprising of nearly 26,000sqm (GIA) of office floorspace, along with supporting retail and restaurant provision.	<ul style="list-style-type: none"> Support for up to 1,850 direct jobs on-site. Commitment to creating apprenticeships, recruitment for the long-term unemployed, and engagement with educational institutions. Impact Brixton: a community workspace for mission-led organisations, providing affordable workspace and support.

5.7 In addition to the benchmark projects outlined, the '**Stanhope Foundation**' provides an example of the Applicant's actions to improve employment and skills outcomes.

What is the Stanhope Foundation?

The Stanhope Foundation was established in 2021 with the goal of creating employment opportunities for those furthest from the labour market and encouraging Londoners into work. The aim of the foundation is to improve human potential and raise capital through various initiatives in order to help Londoners reach their own personal potential through meaningful employment.

The foundation would work locally in LBC if the Proposed Development were permitted, discussing and agreeing objectives with LBC economic development officers.

5.8 The Applicant recognises that the worsening unemployment as a result of the COVID-19 pandemic has created stress and financial hardship for many people. Encouraging more individuals into meaningful employment helps to reduce this problem, focussing

specifically on those furthest from the workforce, including young people, those from ethnic minority backgrounds, and those on low incomes. The Stanhope Foundation uses fundraising, donations, and volunteering in order to meet these objectives and improve employment outcomes.

- 5.9 The Stanhope Foundation would contribute to directly addressing the issues identified in LBC. As previously described, one issue present within the borough is the discrepancies in economic activity rates and unemployment rates when comparing white and ethnic minority residents. There are also issues to address regarding age, both of which the Stanhope Foundation was primarily established for.

Employment and skills commitments

- 5.10 The proposed employment and skills commitments outlined in this section have been designed to align with the policy and obligations contained within the borough Local Plan and LBC Employment Sites and Business Premises Supplementary Planning Document (SPD), wherever it has been possible to do so.

Local jobs

Construction phase

- 5.11 The Applicant wishes to achieve a proportion of total employment positions going to LBC residents during the construction phase, and is aware of best practice examples through targets that have been set in previous LBC planning applications and targets that have been outlined in employment and skills policies for other Central London Forward (CLF) boroughs.⁵⁴
- 5.12 **The Applicant will therefore use reasonable endeavours to ensure that 20% of construction jobs go to LBC residents, equating to 65 job years.** This would be a higher number of local construction jobs than would be expected to occur if no intervention was made (refer to **para 3.23**). Additionally, the Applicant will work in partnership with King's Cross Construction Skills Centre (KXCSC) to ensure Construction Industry Training Board (CITB) benchmarks are met or exceeded when recruiting construction-related jobs. All jobs will first be advertised through KXCSC and Camden Job Centres, in line with LBC policy.
- 5.13 Alternatively, in line with LBC's SPD, if the number of local jobs going to Camden residents alone are not considered sufficient, **the Applicant will undertake reasonable endeavours to meet local labour targets through the employment of residents from the other CLF boroughs.**

Operational phase

- 5.14 The Applicant will also seek to maximise employment opportunities for LBC's resident population at the end-use stage of development. The **Applicant will use reasonable endeavours to broker a meeting between the end-use occupier and the Council's Economic Development Service.** The Applicant will encourage the end-use occupier, in liaison with Camden's Economic Development Service, to promote opportunities for local LBC residents and advertise through Camden Job Centres and other local employment vehicles.
- 5.15 **Additionally, the Applicant will also encourage end-use occupiers to target hard-to-reach priority groups,** agreed with the council, suffering disproportionately from

⁵⁴ Central London Forward Boroughs for Employment & Skills: Camden, City of London, Hackney, Islington, Kensington & Chelsea, Lambeth, Southwark, Tower Hamlets, Wandsworth and Westminster with two associated boroughs – Haringey and Lewisham.

unemployment or low skills when seeking to fill vacancies arising at the Proposed Development, where it is legally possible to do so. This follows on from the fact that earlier in this document, it was identified that certain subsets of the population – namely ethnic minorities and younger people – were found to be disproportionately unemployed in the borough.

- 5.16 The Applicant is also contributing towards this through the aforementioned **Stanhope Foundation**, which was established recently to support those furthest from the labour market back into work. It is envisaged that the work of the Stanhope foundation would help to achieve these targets of providing opportunities to hard-to-reach groups.

Raising the skills of local people

Apprenticeships

- 5.17 As detailed previously, the apprenticeship rates for LBC are significantly lower than other London boroughs, with 1.9 apprenticeship starts per 1,000 workers compared to 7.7 and 14.5 for London and England, respectively. Of the 33 London boroughs, Camden ranks third lowest in this metric. Thus, in order to further develop the skills of local residents, the Applicant will commit to providing a number of apprenticeship positions through the demolition and construction phase.
- 5.18 In line with LBC policy, **the Applicant will commit to the recruitment of one construction apprenticeship for every £3m in construction build cost. This is likely to result in 13 apprenticeships**, including the £22,667 required for apprentice-related contribution to the council (£1,700 per apprenticeship, as per guidance).
- 5.19 According to LBC policy,⁵⁵ these apprenticeships must meet the following criteria:⁵⁶
- Be recruited through Camden Council, or their nominated partner;
 - Be aged 18 and above; and
 - Be paid the rate specified as the National Minimum Wage for apprentices between 21 and 24 years.

Work experience placements

- 5.20 In line with LBC policy, the Applicant will use reasonable endeavours, during the construction phase of the Proposed Development, to provide one work experience placement per 500sqm of net additional employment floorspace. Based on the current proposed employment floorspace, **this would amount to a total of five work experience placements.**

Other

- 5.21 Furthermore, providing skills training for younger people helps those just starting out in their careers move further towards the labour force. **The Applicant will seek to benefit young people by establishing a partnership with local organisations where possible**, such as Young Camden Foundation (YCF) and Camden STEAM for example, as well as other local organisations, youth clubs, and educational centres, in order to create upskilling opportunities for young people and children.

Other aims

- 5.22 **The Applicant will commit to paying at least the London Living Wage (LLW)** to all directly employed full and part-time employees. They will use reasonable endeavours to promote not less than the LLW for construction employment occurring through sub-

⁵⁵ LBC, 2021. Camden Planning Guidance – Employment sites and business premises

⁵⁶ Note that LBC policy does not mention the expected duration of an apprenticeship. The duration of these three apprenticeships will be decided following discussions between the Applicant and LBC at a later date.

contractors at the Proposed Development, and also encourage the end use occupier to maintain this LLW commitment through the operational phase.

- 5.23 Additionally, the Applicant will set up a meeting with Camden Council to discuss the potential for local businesses becoming part of the supply chain and to draw up a Local Procurement plan. **The Applicant will use reasonable endeavours to work towards a local procurement target of 10% of total procurement value.** Additionally, the Applicant will use reasonable endeavours to ensure that £1 in every £3 is to be spent with SMEs, in line with national government policy.
- 5.24 Finally, the Applicant would provide opportunities for local businesses to bid/tender for construction contracts in relation to the Proposed Development.

Monetary contribution

- 5.25 Seeking financial contributions that allow LBC to fund initiatives that maximise the potential for LBC residents to compete for jobs being created at the Proposed Development, through improving their employability and skills levels, is a crucial part of ensuring that the Proposed Development is both economically and socially sustainable in the local context. Subject to the S106 agreement, **the Applicant will therefore make a financial contribution towards employment and training initiatives aimed at reducing worklessness in LBC where applicable.** The sum of this financial contribution will be agreed with Camden Council during s106 negotiations if the Proposed Development is permitted.

How does the Proposed Development address the identified issues and objectives?

- 5.26 The approaches that have been proposed by Volterra on behalf of the Applicant have been designed with the previously highlighted key issues and objectives in mind. Whilst the Proposed Development will not be capable of solving the outstanding employment and skills issues in the local area alone, it can make a positive contribution towards achieving certain objectives. These are outlined in **Table 8** below.

Table 8 Addressing identified issues and objectives

Indicator	Context	Contribution of the Proposed Development
Employment & Unemployment	<p>Whilst LBC has responded well to unemployment challenges posed by the pandemic, the proportion of economically active residents and the employment rate is relatively low against comparators. There has also been a decline in the economic activity rate over the last decade.</p> <p>Furthermore, despite low proportions of residents on the Claimant Count and a low unemployment rate, there are significant differences in the employment levels of different groups within the borough.</p>	<ul style="list-style-type: none"> • Reasonable endeavours will be used to maximise construction jobs going to LBC residents. Where not possible, reasonable endeavours will be used to meet the target through employment of residents of other CLF boroughs; • Encouraging end-use occupiers to target hard-to-reach groups, where possible to do so, in addition to seeking to recruit from Camden’s resident population at the end-use development; • Stanhope Foundation – creating employment opportunities for those furthest from the labour market; • Working towards achieving a targeted 10% of procurement value during construction phase going to local businesses; • Compliance with Construction Industry Training Board guidelines for advertising of construction roles with local employment vehicles; and • The encouragement of a relationship between LBC’s Economic Development Service and end use occupier of the Proposed Development.
Earnings	<p>The rate at which earnings have grown for residents in LBC was the third lowest across Inner London boroughs over past decade, as well as below comparators London and Inner London.</p>	<ul style="list-style-type: none"> • Office-related employment at the Proposed Development will ensure that those left behind in LBC will have suitable access to opportunities which would help to increase earnings; • LLW commitment highlights that reasonable endeavours will be undertaken to see that all employees at the Proposed Development will be fairly and correctly compensated for their employment.
Qualifications and skills	<p>Whilst the borough performs well in qualification levels, levels of apprenticeship starts per 1,000 workers in LBC are significantly below comparators, with Camden ranking third lowest in London in terms of this metric.</p>	<ul style="list-style-type: none"> • Commitment to the recruitment of one construction apprenticeship for every £3m in construction build cost; and • Providing one work experience placement per 500sqm of net additional employment floorspace, in line with LBC policy.
Deprivation	<p>Deprivation levels are relatively average in the borough.</p>	<ul style="list-style-type: none"> • Catalytic impacts created by the Proposed Development would entail significant socio-economic benefits for the surrounding area through attracting higher levels of investment. • Regenerative impacts created would be expected to be higher given the levels of deprivation in the local area. • Public realm benefits would contribute to an increased attractiveness of the area.

6 WIDER REGENERATION IMPACTS

Public realm benefits

- 6.1 People like to live, work, and spend time in nice environments, and as a result there is increasing evidence that there are socio-economic benefits to new developments providing enhancements to the public realm. Research undertaken through stated preference surveys has provided a way of showing the equivalent monetary value that people place on nicer, more attractive public realm during their day-to-day activities, with characteristics such as ‘safe crossing places, ‘personal security’, and ‘good connectivity’ particularly valued.⁵⁷
- 6.2 The importance of public realm is established in the Local Plan:
“Open space is critical to sustainability and wellbeing. It performs a social role by providing a variety of areas in which to relax, socialize, enjoy sport and take part in physical exercise. This is especially important at a time when the Council is seeking to address the prevalence of obesity and weight issues and their link with conditions leading to premature death. Quiet areas of green space can enhance personal wellbeing and play space is an important tool in supporting the development of children and young people. Businesses are more likely to invest in areas which offer attractive green spaces.”⁵⁸
- 6.3 Although the crescent creates a defined threshold, the Eisenhower centre interrupts the original town planning intent for a public space directly in front of the Site. The Site and its surrounds lack a distinctly green element. Considerations for the Site provide an exciting opportunity to enhance the buildings and elevate their existing office provision to contemporary and future standards.
- 6.4 The proposals include various public realm improvements, helping to turn the frontage of the building and the surrounds of the Eisenhower Centre into a green and vivacious environment. Further public realm improvements would occur outside of the Proposed Development’s red line boundary, with the intention of the Applicant to facilitate further works in the local area, subject to discussions with the council.
- 6.5 The Proposed Development intends to provide an improved pedestrian environment via improved cycle access, wider footways, dedicated pedestrian space and street furniture. There is also an opportunity to create physical spaces for nature in the city, such as beehives and bird boxes. A sketch view of the public realm at the Proposed Development is given in **Figure 8**.

⁵⁷ Living Streets, 2018. The Pedestrian Pound
⁵⁸ LBC, 2017. Camden Local Plan

Figure 8 Illustrative sketch view of the public realm at the Proposed Development



Source: Provided by the Client

Delivering social value

Through affordable workspace

- 6.6 Affordable workspace is defined as workspace that is provided at rents maintained below the market rate for that space for a specific social, cultural or economic development purpose. These types of workspaces are an integral part of London’s ecosystem for creative and technology innovation, and include business incubators, accelerator spaces, and creative production spaces. Affordable workspace helps to meet key objectives of small and medium enterprises (SMEs) and local businesses, including introducing flexibility in internal arrangements, creating a range of shared spaces and business facilities, enabling high speed broadband connection, and permitting on-site business support provision.
- 6.7 The provision of affordable workspace is especially beneficial for the creative and digital industries, local SMEs, local start-ups, and local entrepreneurs. SMEs make up 99.6% of all businesses in London⁵⁹ and sustain approximately 50% of all employment.⁶⁰ Similarly, 99.4% of business in LBC are SMEs, sustaining a large proportion of employment in the borough. It is also true that 80% of start-ups fail within 18 months, and within London a key factor that can be attributed to these businesses failing is affordability.⁶¹
- 6.8 **Policy E2** within the LBC **Local Plan** alludes to including affordable workspace in developments where possible and viable, with “the provision of affordable workspace being particularly welcomed”.⁶² LBC policy states that the provision of affordable workspace will be agreed on a case-by-case basis with the developer.⁶³
- 6.9 **The Proposed Development will contribute to securing a greater provision of affordable workspace suitable for SMEs in LBC**, helping to meeting the borough’s

59 ONS, 2021. UK Business Counts

60 Future of London, 2018. Workspace for all: fostering affordability, support and inclusion.

61 Ibid

62 LBC, 2017. Camden Local Plan

63 LBC, 2018. Employment sites and business premises.

requirement for this type of space. Affordable workspace at a discount of market rent will be provided at the Proposed Development, with the quantum and level of discount subject to s106 negotiations.

Through employment and skills commitments

- 6.10 The HACT Social Value Index⁶⁴ can be used to highlight the social value of some of these employment and skills commitments. HACT provides a variety of definitions on social value, one of which is:

“Social value is the quantification of the relative importance that people place on the changes they experience in their lives. Some but not all this value is captured in market prices. It is important to consider and measure this social value from the perspective of those affected by an organisation’s work.”

- 6.11 The benefit of using the HACT index is to place a value on important social aspects, allowing them to receive sufficient weight in the process relative to other economic benefits. However, it is an emerging research area and is therefore naturally subject to some uncertainty.
- 6.12 The HACT index gives London-specific monetary values (in 2018 prices) for social impacts. Some of these are outlined in **Table 9**, along with estimated social values for the employment and skills commitments mentioned above.

Table 9 Social value of employment and skills commitments

Social impact	Social value for an individual
The provision of one apprenticeship	£3,200
The feeling of financial comfort from workers being paid the London Living Wage	£7,100
Employment training funded by monetary contributions	£1,100
Full-time employment	£12,200
Part-time employment	£1,700

Source: HACT & Daniel Fujiwara, *Community investment values from the Social Value Bank*;
NB: Figures have been rounded.

64 HACT and Daniel Fujiwara, (no date). *Community investment values from the Social Value Bank*

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