



Quod

Economic Statement

Alpha House, 24-27
Regis Road, Kentish
Town

JULY 2022

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Economic Headlines



Big Yellow, Kentish Town



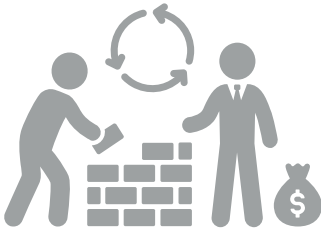
9,563m² of storage
and flexible office



Headline Economic Benefits of a new self-storage facility with flexible office space at Regis Road

01

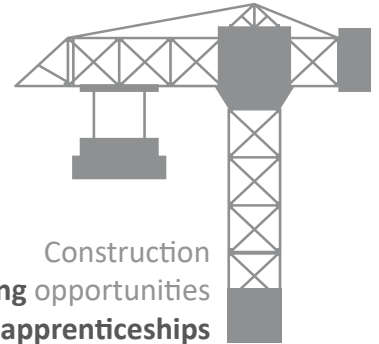
REDEVELOPMENT & CONSTRUCTION BENEFITS



Investment into a low density site to provide new, expanded & intensified space



Average of c. **35 jobs** per over the duration of the 24 month construction period



Construction **training** opportunities and **apprenticeships**

02

END-USE EMPLOYMENT BENEFITS



340 - 480 jobs providing a wide range of local opportunities



c. **£0.9 - £1.3 million** spending by employees supporting Kentish Town centre



Up to **£31m - £43m GVA per year** from end use employment

03

WIDER REGENERATION & COMMUNITY BENEFITS



Flexible units & lease agreements able to respond to changing local business needs



An **incubator** for the self-employed, small businesses and start ups



Space attractive to **charities** and **communitiy organisations** - a base from which to serve the local community

1 Introduction

This Economic Statement has been prepared by Quod on behalf of .Big Yellow Self Storage Company Limited. It has been prepared in support of a detailed planning application for a new self-storage facility and flexible office space ('the Development') at Alpha House, Regis Road, Kentish Town (the 'Site').

- 1.1 The Site is in the Kentish Town ward in the London Borough of Camden (LBC) and is occupied by a two-storey warehouse. This building is presently vacant, but it was previously let as a combination of warehouse/office space.
- 1.2 The proposals for the Site comprise demolition of the existing building and construction of a 5-storey self-storage facility (Use Class B8) and flexible office space (Use Class (E(g)(i))). The description of development is as follows:

'Redevelopment of the site and the construction of a self-storage facility (Use Class B8) and flexible office space (Use Class E(g)(i)), together with vehicle and cycle parking and landscaping.'
- 1.3 The Development would transform the existing site, replacing the low-density and aging industrial building with new, expanded and intensified floorspace.
- 1.4 The scheme will be developed, owned and operated by Big Yellow – one of the UK's leading self-storage operators and SME landlords, and will provide flexible units that can respond to the needs of the self-employment, small businesses and start-ups. This new space would generate significant economic and employment benefits for the local area, helping to meet the needs of the local business community and generate new jobs in line with LBC's aspirations for the Regis Road area.
- 1.5 This Statement considers the economic context and objectives for new development in this location, and the economic benefits that would be generated by the scheme including:
 - Construction employment;
 - Permanent job opportunities;
 - Additional spending generated by new employees;
 - Gross Value Added (GVA) from end use employment; and
 - Wider regenerative and community benefits.

2 Economic Context and Objectives

Sustaining Economic Growth in Camden

- 2.1 National planning policy places significant weight on the need to ‘support economic growth and productivity, taking into account both local business needs and wider opportunities for development’¹.
- 2.2 Camden already has a highly successful economy, home to 34,000 businesses² and 370,000 jobs³. As noted in the Camden Local Plan⁴, the success of the economy is a function of the broad mix of employment sectors based in the borough. A key objective of the Local Plan is to build on this success by encouraging investment that supports business growth creating further job opportunities for Camden residents.
- 2.3 Camden’s population has grown rapidly over the past 10 years, having increased from 220,000 residents in 2011⁵ to almost 280,000 in 2020⁶ – growth of 27%⁷, significantly higher than the average for London (10%). By 2031, Camden’s population is projected to reach 298,000⁸ – an increase of a further 7% (compared to 5% across London as a whole).
- 2.4 The ONS Annual Population Survey (APS) 2021 indicates that 140,000 of Camden’s residents aged 16-64 are economically active (75%), which is slightly lower than the London average (79%). The employment rate of the economically active in Camden is relatively high however at 97% compared to 94% across London as a whole. And of those economically inactive, 32% want a job, which is higher than the rate for London (21%).
- 2.5 The APS also indicates that Camden has a high proportion of employed residents who are self-employed at 27%, almost double the rate for London as a whole (15%). Table 1.1 below provides a summary of APS data.

Table 2.1: Annual Population Survey 2021

Variable	Camden	London
Number of working age residents (16-64 years)	184,400	6,120,000
Economic Activity Rate	74.9% (138,100)	79.4% (4,850,000)
Economically Inactive	25.1% (46,300)	20.6% (1,260,000)

¹ MHCLG, 2021. National Planning Policy Framework (NPPF) – Section 6 ‘Building a strong, competitive economy’. Para. 81.

² Office for National Statistics (ONS), 2021. UK Business Counts

³ ONS, 2020. Business Register and Employment Survey (BRES).

⁴ Camden Council, 2017. Camden Local Plan.

⁵ ONS, 2011. Census.

⁶ ONS, 2021. Population Estimates - Mid 2020.

⁷ The first results of the 2021 Census were published on the 28 June 2022. These results indicate the population of Camden was 210,000 on 21 March 2021 (a reduction of 5% since the 2011 Census). However, this Census was undertaken during a Covid-19 lockdown period and as such captures its impact - there is some evidence that London experienced a temporary drop in population during this period.

⁸ ONS, 2020. Population Projections.

Economically inactive but who want a job	31.9% (14,800)	20.6% (260,000)
Employment Rate	96.7% (133,500)	94.3% (4,575,000)
Self-Employed	27.2% (36,300)	14.9% (680,000)
Employees	72.8% (97,200)	84.7% (3,880,000)

Source: APS, 2021. Note: Figures may not sum due to rounding

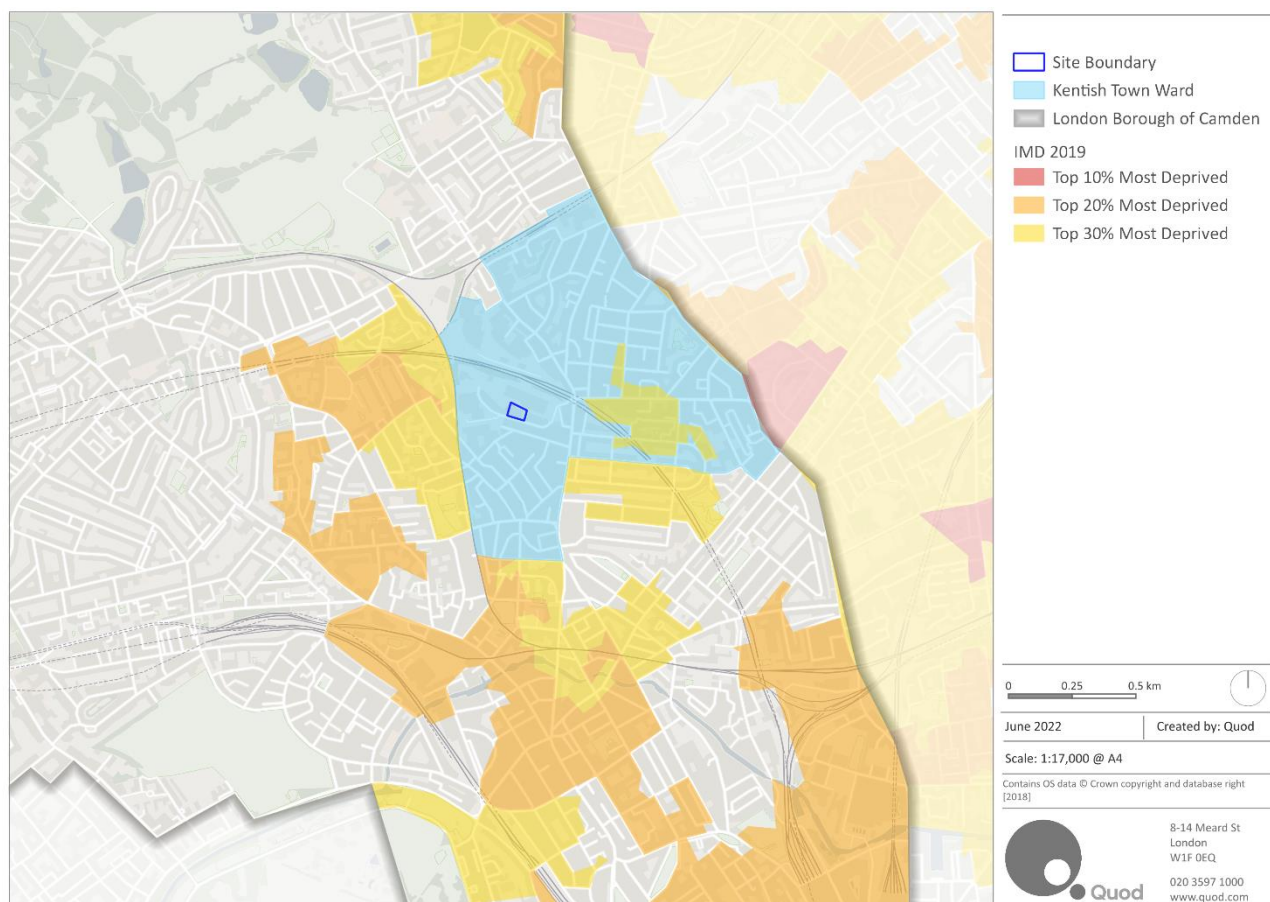
- 2.6 Creating new jobs for Camden's expanding population as well as meeting the needs of existing residents and businesses is therefore key to securing the continued economic success of the borough. The Local Plan identifies a need for 659,000sqm of office floorspace and c. 30,000sqm of retail floorspace, alongside 16,800 new homes by 2031 (Policy G1).

Addressing Deprivation

- 2.7 Economic development can also help to address inequalities. The Camden Local Plan notes that the success of Camden's economy is not shared by all, pockets of deprivation exist across the borough, including in areas surrounding the Site.
- 2.8 The Government's Indices of Multiple Deprivation (IMD) (2019)⁹ measures deprivation by combining indicators including a range of social, economic and housing factors to give a single deprivation score for each small area across England. These factors are divided among seven domains of deprivation as outlined below:
- Income deprivation;
 - Employment deprivation;
 - Education, skills and training deprivation;
 - Health deprivation and disability;
 - Crime;
 - Barriers to housing and services; and,
 - Living environment deprivation.
- 2.9 As shown in Figure 2.1, an area to the east of the Site in Kentish Town ward falls within the 30% most deprived areas in England. And more extensive deprivation, including areas within the 20% most deprived in England, are to the west and south of the Site.
- 2.10 One of the core objectives of the Local Plan is to reduce inequalities in the borough through increased access to jobs along with skills, training and education opportunities. Providing new business floorspace suited to local needs is central to achieving this objective, generating new opportunities for local communities.

⁹ DCLG, 2019. Indices of Multiple Deprivation.

Figure 2.1: Indices of Multiple Deprivation (2019)



Supporting Small and Medium Sized Enterprises (SMEs)

- 2.11 SMEs are a vital part of the local economy with 89% of businesses in the borough employing less than nine people and a further 8% employing between 10 and 49 employees¹⁰.
- 2.12 However, existing small and start-up businesses are facing increasing challenges - premises suitable for SMEs are currently under pressure from rising land values, limited land availability and permitted development rights¹¹. Supporting SMEs is therefore a focus area of the Local Plan (Policy E1 part a). Supporting small businesses, start-ups, scale ups and the self-employed is also one of the four pledges of the Camden Business Charter (2018-2022)¹².
- 2.13 At the early stages of a business there is often uncertainty over factors such as how fast or slow a business may grow - as such start-ups and small businesses often seek premises that have flexible lease terms and layouts that can adapt as the business grows or changes, as well as networking space to interact with other small business or meet with clients. Therefore, as well as safeguarding existing employment space, the Local Plan seeks the provision of innovative new employment space that meet these needs.

¹⁰ ONS, 2021. UK Business Counts

¹¹ Camden Council, 2017. Local Plan. Para. 5.6.

¹² Camden Business Board, 2018. A new Camden Business Charter 2018-2022.

Regis Road Growth Area

- 2.14 The Camden Local Plan identifies growth areas which are the focus of new development in the borough (Policy G1).
- 2.15 The Site is the Kentish Town Regis Road Growth Area which has been identified as an opportunity to deliver significant intensification to provide for a mix of uses including industry, logistics, and other commercial uses, alongside housing. Key priorities for the redevelopment of this area include a significant increase in the number of jobs and provision of appropriate employment space for SMEs and start-ups.
- 2.16 The Site is also designated in the Kentish Town Neighbourhood Plan¹³ under Policy SP2 'Kentish Town Potential Development Area' – the aspirations for which align those identified for the Kentish Town Regis Road Growth Area in the Camden Local Plan.
- 2.17 The Kentish Town Planning Framework 2020¹⁴ (KTPF) has been developed to guide development across both the Regis Road Growth Area and adjacent Murphy's Yard development area to the north. In total, the two areas are expected to deliver 3,000 new jobs alongside 2,000 new homes.
- 2.18 Development is expected to provide efficient and sustainable industrial floorspace that achieves higher densities in a format that allows for co-location of business uses. Whilst industrial (B2/B8) floorspace is the focus, an appropriate amount of supporting office uses are also encouraged in suitable locations.
- 2.19 The designation of Regis Road as a growth area was supported by an Employment Study of the area undertaken by AECOM in 2015¹⁵. The study highlighted high demand for industrial and office floorspace, with no vacant units within the Regis Road industrial estate when the study was undertaken. Low industrial vacancy rates were also identified across the borough pointing towards a continued demand for industrial and warehousing premises.
- 2.20 Whilst transactions for both industrial and office floorspace had been limited in the five years prior to the study, those that had taken place had been for small units on the whole, suggesting a high demand from SMEs and start-ups.
- 2.21 The study concluded that the lack of an adequate range and scale of vacant units was limiting the commercial property market from operating effectively, with a lack of opportunities for businesses to grow or contract in response to economic conditions.
- 2.22 Up to date data¹⁶ indicates vacancy rates have continued to remain extremely low. Over the past five years industrial unit vacancies have fluctuated between just two and four units across the borough. Office vacancies have increased slightly over the past five years, in part due to

¹³ Kentish Town Neighbourhood Forum, 2016. Kentish Town Neighbourhood Plan.

¹⁴ LBC, 2020. Kentish Town Planning Framework (KTPF), July 2020.

¹⁵ AECOM on behalf of LBC, 2015. Kentish Town Regis Road Growth Area Employment Study.

¹⁶ Based on ratepayer and vacancy data published by LBC, available online: <https://openlocal.uk/data/report/E09000007> (accessed 17 June 2022).

the Covid-19 pandemic and shift in working patterns, although they too remain low at 36 vacant units as of 31 March 2022.

- 2.23 As identified in the AECOM Employment Study, such limited vacancies hinder the commercial market and stunt economic growth. There is therefore an urgent need for new business floorspace to be delivered, especially small scale and flexible units that can meet the needs of Camden's local businesses.
- 2.24 The Development presents an excellent opportunity to respond to these needs, supporting Camden's economic and regeneration objectives. Details of the proposals and the economic benefits they will generate are discussed in the following section.

3 Big Yellow Economic Benefits

- 3.1 The Development will deliver 8,997 sqm (GIA) of new self-storage space (Use Class B8) and 566 sqm (GIA) of flexible office space (Use Class E(g)(i)). The space will be developed, owned and operated by Big Yellow.

Self-Storage Space

- 3.2 Big Yellow is one of the leading self-storage operators in the UK. It is a publicly listed company which develops, owns and operates modern self-storage centres for personal, business and leisure storage. It now has 102 trading stores open across the UK, including 25 branded Armadillo Self Storage, and has 43 Big Yellow stores in London. Big Yellow has been a pioneer in the self-storage industry, being the first operator to build purpose-built warehouses, as well as providing high quality, sensitive conversions of existing premises. Big Yellow employs over 450 full and part-time staff.
- 3.3 Big Yellow's stores provide a secure, do-it yourself facility for business customers and private individuals let on a flexible basis. There are no long-term contracts or leases to sign and rentals prices are all inclusive including utilities, maintenance, security and business rates.
- 3.4 A variety of room sizes are provided, typically from 1 to 40 sqm dependent on the requirements of the customer and the space is configured to expand or downsize in response to changing needs.
- 3.5 Every existing Big Yellow store in the country has a significant number of business customers. In London 40% of Big Yellow's space is occupied by businesses, compared to 35% outside London (37% nationally). And seven of the ten stores with the most business space are in London.
- 3.6 In 2018 Quod surveyed Big Yellow's business customers¹⁷ which revealed the storage space attracts a wide range of business occupiers, using the space in different ways to support their commercial activities. For many the space acts as an essential base where stock and equipment can be stored from which to serve customers.
- 3.7 Tenants identified in the survey include: retailers, wholesalers and importers; construction, design, maintenance and IT firms, caterers, architects, solicitors, event organisers, financial services, as well as not-for-profits and organisations working in health,

Businesses at Big Yellow typically undertake the following activities from storage units:

- Packaging stock for distribution, e.g. online retailers
- Businesses with no fixed place of work that visit customers everyday, using the space to store equipment and materials
- Businesses that maximise their customer-facing floorspace by using Big Yellow as their stock room

¹⁷ Quod, February 2018. Big Yellow Employment Survey. Findings based on responses from over 500 businesses operating from Big Yellow sites nationally. A summary of this survey is provided in **Appendix B**.

education, training or the arts. Four **case studies** of existing Big Yellow Self-Storage customers illustrating how businesses use the space are included at **Appendix A**.

- 3.8 Big Yellow's flexible terms are particularly attractive to SMEs and start-ups who benefit from both the flexibility and assurance in cost. The Quod survey found that for 60% of Big Yellow business tenants, Big Yellow was the first space their business rented – highlighting the key role Big Yellow plays as a business incubator for new start-up enterprises.

Flexible Office Space

- 3.9 In addition to self-storage, 566sqm of flexible office space will be aimed specifically at SMEs. Serviced office units from 10 – 50 sqm will be subject to the same flexible rental terms as the storage units. Breakout space will be provided for communal working and shared meeting room facilities will be available to book.

Figure 3.1: Big Yellow Flexible Office Space



Flexi office - Typical layout



Flexi office - meeting room facilities

- 3.10 The new SME hub that Big Yellow will create in Kentish Town is therefore a significant opportunity to benefit Camden's business community. It responds to the demands for small scale flexible space - an incubator for the self-employed, small businesses and start-ups in line with Camden's policy objectives.

Construction Jobs

- 3.11 The construction of the Development would also generate employment. It is estimated that construction of the Development would take 24 months and would support an average of 35 full-time equivalent (FTE) jobs within the construction sector over this duration, based on the Construction Industry Training Board (CITB) Labour Forecasting Tool¹⁸. Construction employment provides opportunities from entry-level positions to highly skilled and specialised roles.

End-Use Jobs

¹⁸ Construction Industry Training Board (CITB), (2020). Labour Forecasting Tool (Accessed online by subscription: www.labourforecastingtool.com)

- 3.12 The Development is expected to accommodate 340 to 480 FTE end-use jobs as set out in Table 3.1.
- 3.13 As part of the 2018 Quod Survey, Big Yellow business customers were asked how many jobs were created or retained specifically “because of your space at Big Yellow”. This identified jobs that were directly reliant on the occupied Big Yellow space and were not attributable to other premises.
- 3.14 The results averaged one job per 28 sqm GIA of self-storage floorspace, which is significantly higher than standard employment densities applied for B8 floorspace (70-95sqm per job)¹⁹. Based on this, the Development is expected to support 340 FTE jobs.
- 3.15 At the time the 2018 Quod Survey was undertaken, 28% of Big Yellow floorspace across the country was occupied by businesses; this has now increased to 37% nationally and 40% in London, as set out above. If the level of business demand matches that of the current average in London (40%) there would be one job per 20 sqm GIA of Big Yellow floorspace. Based on this, employment supported by the Development could be as high as 480 FTE jobs.

Table 3.1: Development Employment Generation

Use	GIA (sqm)	NIA (sqm)	Density	FTE Jobs
Self-Storage (exc demountable mezzanines)	3,521		1 job per 20-28 sqm (GIA)	
Self-Storage (inc demountable mezzanines)	8,997	5,998		
Flexible Office	566	308		
Total (exc demountable mezzanines)	4,087			145 - 205
Total (inc demountable mezzanines)	9,563	6,306		340 – 480

Note: Jobs figure have been rounded

- 3.16 These jobs will make a positive contribution towards LBC’s employment aspirations for the Regis Road Growth Area. Considering the type and range of tenants Big Yellow typically supports, these jobs are likely to provide a wide range of opportunities for local residents across a range of skill-sets.

Wider Economic Benefits

Employee Spending

¹⁹ Homes and Communities Agency, 2015. Employment Density Guide, 3rd Edition.

3.17 Workers in the UK spend an estimated £12.28 per day in the local area around their place of employment²⁰. On this basis the 340 to 480 jobs could generate up to £0.9 million to £1.3 million per year in spending.

3.18 The Site is approximately 150m west of Kentish Town District Centre, therefore a significant proportion of this spending is likely to be captured locally helping to support shops and services in the town centre.

Gross Value Added

3.19 Gross Value Added (GVA) is a measure of the increase in value to the economy from the production of goods and services.

3.20 Using data on regional level GVA for all industries²¹, the jobs are estimated to generate £31 million to £43 million per annum in GVA.

Regeneration and Community Benefits

3.21 The Proposed Development would also generate wider regenerative and community benefits. It would transform the existing site, replacing the aging, low density building with intensified commercial space suitable for SMEs and start-ups in line with aspirations for the Regis Road Growth Area.

3.22 Prioritising small and medium sized businesses was identified as a key community priority in the consultation undertaken for the KTPF. As discussed in the previous sections, the type of space and flexibility Big Yellow offers meets the needs of SMEs. Given the high level of demand for such space in this area, the Proposed Development presents a significant opportunity to support the local business community.

3.23 The flexibility and affordability of Big Yellow space has also proved to be very attractive and beneficial to charities and community organisations. The 2018 Quod Survey revealed that the average store provides space for around a dozen not-for-profit companies, as well as more than half a dozen organisations working in health, education, training or the arts.

²⁰ Visa Europe, 2014. UK Working Day Spending Report. (Daily spending rate has been adjusted to account for inflation based on Bank of England inflation rate change since 2014).

²¹ ONS, 2020. Regional gross value added by industry: NUTS1 / ONS, 2020. Business Register and Employment Survey.

4 Conclusions

- 4.1 The Development will deliver 9,563sqm GIA of new, expanded and intensified floorspace well suited to the needs of local businesses including the self-employed, small businesses and start-ups. It will comprise 8,997 sqm of Big Yellow self-storage space (4,087 sqm excluding demountable mezzanines) supported by 566 sqm of flexible office.
- 4.2 Camden has a successful economy, with a broad range of industries and a high proportion of self-employment. SMEs form a vital part of this mix, however there is currently a lack of suitable premises to support their growth.
- 4.3 Vacancy among industrial and office floorspace of all scales is currently extremely low in the borough. With such a lack of options for businesses to move/grow/contact into, the ability for the commercial market to operate effectively is severely hampered, which presents a significant threat to economic growth.
- 4.4 There is therefore an urgent need for new business space to be delivered, especially for small scale and flexible units that can meet the needs of Camden's self-employed and SME businesses. Providing such floorspace is a key objective of the Local Plan and specifically the Regis Road Growth Area which the Site is in.
- 4.5 This need is compounded further by the high level of population growth the borough is experiencing, alongside pockets of deprivation across the borough including to the east of the Site within Kentish Town ward. Generating new jobs can help support Camden's growing population and address inequalities in access to employment.
- 4.6 The Development presents an excellent opportunity to respond to these needs. Big Yellow has a track record of attracting and supporting a wide range of small and start-up businesses, charities and community organisations, attracted to the space by the flexibility it offers. The Development will generate a wide range of economic benefits for LBC and the local community including:
 - An average of 35 construction jobs over the duration of the 24 months construction period;
 - A total of 340 - 480 jobs supported by the Development;
 - Up to £0.9 million to £1.3 million per year in employee spending helping to support shops and services in Kentish Town centre;
 - GVA associated with the additional employment created equating to approximately £31 million to £43 million annually;
 - Flexibility that supports business growth and survival including:
 - no long term contracts or leases to sign,
 - ability to upsize and downsize in response to business cycles,
 - an all-inclusive price including utilities, maintenance, security and business rates.

Appendix A – Big Yellow Customer Case Studies



Big Yellow Customer Case Studies

This section provides three case studies of existing Big Yellow Self Storage customers to illustrate how businesses use the space to support their businesses. Further case studies are available on Big Yellow's website: www.bigyellow.co.uk/business-storage/case-studies/

Eco Printers

Now in its 15th year, Eco Printers' evolution and success has been driven by its ability to deliver its customers significant savings through the provision of a fixed-price, full-colour printing solution.

The company's cleverly configured printers – which have been manufactured and stored at Big Yellow Twickenham since 2012 – to be fitted with a hidden bulk ink system that automatically refills cartridges as you print, removing the need to constantly replace costly consumables.

It is a service that has been warmly received by the education sector, with Parmi's machines found in more than 120 primary schools across the UK – a number which increases with each passing academic term.

Reflecting on his company's humble beginnings, the 50-year-old said: "The idea for the business came about when I worked at PC World, looked at the profit and loss account and saw that most of the money was made from the sale of printers and cartridges.

"Initially, I considered a franchise but they wanted in the region of £65,000 so I thought I'd just do it myself," he added. "During those early days, customers would give me their empty cartridges and I'd re-fill them for £12.



In addition to ensuring classrooms across the country have a ready-supply of teaching materials, the ever-expanding business provides a major pub chain with the means to print its daily menus at a fraction of the previous cost.

The budgetary savings Eco Printers delivers to its customers is certainly no small beer and is a characteristic the company shares with Big Yellow.

"I could take a warehouse facility of my own but it wouldn't make sense financially," Parmi, who plans on expanding his service to small- and medium-sized businesses in and around London over the next five years, explained. "The business rates alone would equate to half of the rent I pay for my storage and, once the printers are with customers, I'd be paying for space I don't need.

"Big Yellow gives me the flexibility to scale up and down as I need to."

"We help schools save money but it is warm and comforting to know those schools we supply are also doing their bit for the environment."

Similarities may be at the core of Eco Printers enduring relationship with Big Yellow but Parmi acknowledges that he is not colour blind. "As a brand, Big Yellow is immediately recognisable," he concluded. "You see their stores everywhere and that gives you confidence that they have got their own processes right.

"It is my company's stock in storage, so peace of mind means a lot."



Big Yellow Customer Case Studies

CameraCrate

When his cache of classic cine cameras found itself competing for space with a new-born child's cot and clothing, Ben Grace knew it was time for a business storage solution to enter the frame. However, while the arrival of a baby daughter proved the prompt for the experienced filmmaker's Big Yellow premiere, it was the additional services he found on offer at the company's Portsmouth store that ensured his stay was more than a fleeting cameo.

Explaining his decision to find a new set for the operations behind CameraCrate.com – an online enterprise specialising in the sale of reconditioned Super 8, 8mm and 16mm cine cameras – in April 2021, Ben said: "Thanks to the pandemic I had spent almost an entire year fixing and selling our stock from home. Fortunately, the lockdowns didn't affect us massively because it was my wife and I running the business and it was easy for us to continue to do that because we had everything with us.



"Then we had a baby at the end of the year, and it got to the point where there was actually not any space left in the house," added the 34-year-old, whose own passion for film first turned to profit while capturing footage of live extreme sport events.

"Cameras need to be stored in a temperature-controlled environment to stop mould getting into lenses and damaging the electronics, so Big Yellow's office space was a perfect environment, providing me with the space, in one room, where I could both keep stock and work on repairs".

With a new 200 ft² hub for the business identified and sales soaring, the budding feature film director has since discovered his choice of location for CameraCrate comes with a raft of unexpected extras. Top of the bill, according to Ben, is finding himself with a superb supporting cast.

"I receive a huge amount of parcels each week and before the move that meant having around 10 couriers a day knocking on our door," he said, commending the role played by Big Yellow staff in receiving and dispatching goods. "It was non-stop and there is a mental stress associated with knowing you have to be in to take a delivery and keep track of who is coming to collect what and when.

"It is amazing to know that I can actually pop over to see my grandparents or spend some time with my child at the park and then come into the office and find my parcels are there waiting for me, and orders have been picked up without any stress." Having ready access to his lovingly restored Super 8s, which have become sought after collectors' items for cinephiles and those looking to add a vintage aesthetic to their filming, has also allowed the proud father to focus on another great passion.

"Big Yellow has given me the opportunity and flexibility to strike a good work-life balance," concluded Ben, whose past credits behind the camera include being selected for a Creative England scheme funded by the British Film Institute, producing marketing materials for a number of charities and filming for a television advert starring Only Fools and Horses' Boycie (John Challis).

"Rather than feel that my business is always just upstairs, now when I am at home I can switch off and be a husband and dad. "The fact that the store offers extended hours access means I can begin work early and be back playing with my daughter by 2pm. Similarly, if she's had a bad night because she's teething, I can stay at home to help out and then head to the office later."



Big Yellow Customer Case Studies

Planted

As the world's top scientists were tearing their hair out trying to curb the coronavirus pandemic last year, Big Yellow customer Ama Amo-Agyei was instead focused on the challenge of putting hair back on people's heads.

With time on her hands as a consequence of Covid cutting short a career in recruitment, the alopecia sufferer began experimenting with home-made remedies and discovered a follicle-friendly formula that delivered dramatic results. Fast forward just ten months and Ama's wellness brand Planted is growing at a phenomenal rate and now boasts a range of natural products that are tackling problems such as balding and patchy beard growth head on.

Such is the demand for the 24-year-old's hair-restoring treatments that sales are doubling month on month and Ama has had to take additional space at Big Yellow to facilitate the necessary ramp up in production required to satisfy the thousands of orders being placed.

"We do everything at Big Yellow now; from making the products and putting them into jars and bottles to labelling and packing," said Ama explaining how her company quickly progressed from being a kitchen table venture to full-time operation. "It has been the perfect place to start and the flexibility it gives us is awesome.

"When we need more space it is there – everything is so quick and easy and that is amazing for a business that is unpredictable in scale"

"Coming to Big Yellow is one of the best things I've done," she added. "I considered getting a warehouse but in terms of cost and flexibility of lease, you can't beat Big Yellow. The staff are brilliant and really care about helping out wherever they can" Caring for customers is also a priority for Planted, with a desire to enrich lives – as well as locks – a key driver for Ama.

"Having had alopecia, I know exactly how it feels to not feel great about yourself," she said. "I had bald patches at the front of my head and I used to hide behind things like wigs or by wearing certain hairstyles.

"I just wanted to be me and to not have to wear makeup or extensions to feel fine with that. I spent hundreds of pounds on products that didn't work and I don't want anyone else to go through what I did; to give up and feel that there is no hope.

"The fact that I created a solution that works for me and is now working for so many others around the world makes me feel so fulfilled."

While sharing striking before-and-after photos on social media has been pivotal to Planted capturing the attention of customers across the UK and further afield, Ama attributes her own geographical roots with seeding the company's success. "I looked at the labels of products I had used before and decided to try to find natural alternatives for the ingredients," continued the eco-conscious entrepreneur. "As well as using an Indian herb I went back to my African roots and experimented with ingredients that have been used by people for hundreds of years.

"We rely on a lot of artificial things today but I wanted to see if we could go back and use some of the methods that have helped in the past and I guess I made it work."

And having proven herself adept at identifying invigorating blends, Ama insists that Big Yellow possesses all the necessary ingredients to help other start-ups shine.

"Pretty much anything you need to do, you can do in the stores," she concluded. "I would definitely recommend Big Yellow to other small businesses."





Big Yellow Customer Case Studies

Wufwuf

“Working out of Big Yellow has truly helped our business thrive and the staff at Big Yellow are like an extension of the Wufwuf family. They are able to accept packages on our behalf when none of our team are on-site, as well as providing us with a handy forklifting service when our stock is delivered.”

Wufwuf is an online subscription box service providing monthly dog treats and toys to pet owners across the UK. Since it was founded in November 2018, Wufwuf, a monthly subscription box for dogs, has been based out of Big Yellow Self Storage in Sheen. The business operates out of a 400 ft² unit, large enough to house the wide variety of different dog treats and toys that it sends a to its 1,500 subscribers every month.

Although Wufwuf is only just over a year old, it has seen significant growth, which Big Yellow has been able to support. The business has already upgraded the size of its storage space twice, thanks to the flexibility of Big Yellow. With one of the Wufwuf goals being to achieve 10,000 subscribers this year, it's already looking towards acquiring a second unit at Big Yellow in Sheen.

Wufwuf isn't CEO and Founder Umut Ilhan's first venture into dog subscription boxes, as he also founded Turkish service Havhav in 2017. Having seen huge success and become Turkey's largest subscription box business, he chose to move to London and tackle the UK market. Umut said: “Working out of Big Yellow has truly helped our business thrive and the staff at Big Yellow are like an extension of the Wufwuf family. They are able to accept packages on my behalf when none of our team are on-site, as well as providing us with a forklifting service when our stock is delivered.”

The Wufwuf team did consider renting it's own warehouse when they started the business, but they quickly realised that Big Yellow provided them with an affordable alternative. It has all the facilities they need to store, package and ship the boxes each month, as well as WIFI and printing capabilities meaning that the team can be semi-operational inside the space.

Umut commented: “The space at Big Yellow is at the core of our company and we're able to operate lots of areas of the business here, from packing our boxes to having meetings and signing on new investors. We're really proud of the growth that the business has made over the last year, and Big Yellow has definitely played a large role in that.”



Appendix B – Summary of Big Yellow Employment Survey, 2018



Big Yellow

Summary of Employment Survey, 2018

MAY 2018

Quod
Ingeni Building | 17 Broadwick Street | London W1F 0DE

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1 Introduction

- 1.1 Big Yellow Self Storage Company Ltd (“Big Yellow”) has 74 stores nationwide and is one of the country’s biggest providers of self storage floorspace, much of which is utilised by small businesses.
- 1.2 Big Yellow carried out a survey of the business tenants in its stores in February 2018. The survey was conducted online, by invitation. The aim was to find out what sort of businesses they were, how and why they used Big Yellow, and how many jobs they created.
- 1.3 A total of 6,761 businesses were surveyed, and 545 responses were received, an 8% response rate.
- 1.4 This report summarises the survey’s findings. The survey provides evidence that the average Big Yellow store is home to 105 businesses, who between them employ more than 300 people as a direct result of their space at Big Yellow.
- 1.5 Thousands of firms across the country use Big Yellow because of the high-quality space in convenient locations on completely flexible terms.
- 1.6 Self storage frees small businesses from the risks and long-term commitment of leases with traditional business landlords.
- 1.7 This important business role is not always visible to the public, who know Big Yellow mainly for domestic self-storage. However well over a quarter of the space in a typical store is rented to businesses, making a vital contribution to the local economy.
- 1.8 Across the country, that adds up to over 7,700 firms working out of Big Yellow, and 23,000 jobs created, making Big Yellow one of Britain’s most important small business landlords.
- 1.9 Companies of all sorts use Big Yellow – from accountants to engineers, from IT to retail. The majority of these businesses (60%) are start-ups who have never rented anywhere else before. The flexibility of self storage is ideal for new firms, allowing a low-risk, low-cost start, and then rapid scaling up. Big Yellow stores act as “business incubators” for their local area.
- 1.10 For half the firms occupying space at Big Yellow, it is the only business space they rent anywhere. For others it complements other space. And it works well for them – at least half have been renting at Big Yellow for three years or more.
- 1.11 The rest of this report looks at the survey and its results in more detail.

2 Who are Big Yellow?

- 2.1 Big Yellow is one of the leading self storage operators in the UK. It is a publicly-listed company which develops, owns and operates modern self storage centres for personal, business and leisure storage. It now has 74 trading stores open across the UK, totalling over 5.4 million sq. ft of storage space, and has 39 stores in London.
- 2.2 Big Yellow has been a pioneer in the self storage industry, being the first operator to build purpose-built warehouses, as well as providing high quality, sensitive conversions of existing premises. Big Yellow directly employs over 300 full and part time staff.
- 2.3 Big Yellow’s stores provide a secure, do-it-yourself facility for business customers and private individuals. Each store provides a variety of different room sizes from 10 sq. ft to 400 sq. ft, dependent on the requirements of the customer. The storage space provided is high quality, comprising modern, secure rooms each accessed from wide, well-lit corridors designed for easy manoeuvrability. The individual rooms can be rented for as short a period as 7 days or for as long a period as the customer requires. Each individual room has its own door, is alarmed and is locked by each customer’s own padlock.
- 2.4 Customers of Big Yellow use self storage for either domestic or business purposes. The majority of customers of a store will be domestic, with the remaining 16% being business customers. This proportion relates to the numbers of customers, but business customers usually take a greater area of floorspace and thus the floor area they occupy is actually much greater, at 28% of the average store.
- 2.5 In addition to self-storage, Big Yellow also has 12 stores which incorporate areas of flexible office space (Use Class B1 (a)), aimed specifically at Small and Medium Enterprises (SMEs).

3 Big Yellow's business customers

- 3.1 Quod analysed the results of the survey and used them to draw out those elements which are particularly important in relation to how businesses use Big Yellow. The survey results are summarised at Appendix A and further details can be provided on request.

How many businesses use Big Yellow?

- 3.2 Big Yellow has 74 stores across Britain, which together have nearly 50,000 customers, of whom more than 7,700 are businesses or other organisations.
- 3.3 These business customers generally take more space than private customers; so in the typical Big Yellow store there will be 105 businesses, occupying 28% of the space. This is a consistent pattern across the country, with every Big Yellow store having at least 15% of its space in use by businesses, and in some the majority of space is taken by businesses.

Who uses Big Yellow?

- 3.4 The businesses occupying Big Yellow vary hugely, including independent retailers who use Big Yellow as their warehouse. There are also wholesalers and importers who hold and distribute stock from Big Yellow and on-line specialist retailers who operate entirely out of Big Yellow.
- 3.5 There are a huge range of construction, design, maintenance, engineering and IT firms with staff who travel to customers' sites. They use Big Yellow as their main base and store for equipment and supplies.
- 3.6 An enormous variety of other firms can be found in Big Yellow – caterers, architects, manufacturers, solicitors, events organisers, financial services. Big Yellow provides somewhere for them to work from, or space to support what they do elsewhere.

- 3.7 Big Yellow also plays host to lots of charities – the average store provides space for around a dozen not-for-profit organisations, as well as more than half a dozen organisations working in health, education, training or the arts.

Why do businesses choose Big Yellow?

- 3.8 The reasons businesses give for choosing Big Yellow are varied, but the top one was location, a factor for 90% of respondents to the survey. Big Yellow provides small business space in locations where there was often very little before. By providing an alternative to renting a whole office or warehouse, it opens up an area to different types of firm.
- 3.9 The survey found that the next most important factor for business customers was the flexibility. Big Yellow requires no commitment to a long-term lease, and also allows firms to quickly increase or decrease the space they use, as required. This greatly reduces risk for a small firm, and also saves costs as they only need take what space they need at any particular time.
- 3.10 The majority of businesses also said the quality of space was a factor in choosing Big Yellow. In the past, affordable space for small firms has too often been of very variable quality, whereas in Big Yellow businesses get a consistent offer of modern, clean, secure space, constantly monitored by on-site staff or CCTV.
- 3.11 These factors not only attract businesses, but also keeps them. The majority of business customers in Big Yellow have been there for three years or more, with almost one in five having been there for six years or more. For half the business customers of Big Yellow, it is the only space they need.

Big Yellow – the local business incubator

- 3.12 Big Yellow has business customers of all sizes, including national chains, but the space offered is particularly popular with SMEs and start-ups.

- 3.13 Independent firms have said that they value the affordable, flexible terms without commitment. They also benefit from the services Big Yellow's own staff offer to support customers – including accepting deliveries, couriers, and forklifting.
- 3.14 As a result, 60% of businesses in Big Yellow are start-ups, who have never rented elsewhere before. Big Yellow meets an important business need, often filling a gap in provision locally, and this supports local small businesses to start up and to grow, creating jobs and providing new services.

4 Big Yellow's employment

- 4.1 Every Big Yellow store has on-site staff, managing and maintaining the building and offering a range of services to the businesses based there.
- 4.2 However, this direct employment – around three people per store – is not the main employment impact of Big Yellow. That comes from the large number of jobs created by the business occupiers themselves, which we have been able to quantify as a result of the survey data collected.
- 4.3 Some Big Yellow stores have flexi-offices, as described in section 2 of this report, which is essentially office space with regular employees sat at desks.
- 4.4 Many businesses that are supported by Big Yellow are operating from storage units where people work regularly – packaging stock for distribution. In addition to these regular on-site workers, there are many jobs outside Big Yellow which are nonetheless dependent on the space rented there.
- 4.5 An example might be an electrical contractor with no fixed place of work, visiting customers every day, but returning to Big Yellow at the start and end of each day to access their stock of equipment and materials.
- 4.6 Another might be a retailer, who has used Big Yellow to store stock so they can maximise the sales floorspace in their shop and take on extra staff.
- 4.7 With such a complex mix of customers using Big Yellow in so many different ways, it has been difficult to quantify how many jobs Big Yellow really supports. Big Yellow therefore carried out this business survey to help understand better how businesses use Big Yellow and how many people they employ.
- 4.8 The results show a huge employment impact from Big Yellow. The average business customer employs around three people directly because of their space in Big Yellow. This means that the average Big Yellow store directly accounts for over 300 jobs.
- 4.9 The local economic benefit of this is significant – the jobs in the average Big Yellow generate a local Gross Value Added (GVA) of around £17m a year.
- 4.10 This level of employment compares very favourably with many alternative employment uses. Allowing for non-business occupiers, and all the non-lettable space (like corridors, lifts, toilets and reception), it works out on average as one job for every 28 square metres gross internal area (GIA) across the whole store. This is a significantly higher job density than, for example, Class B2 Manufacturing at 36sqm GIA per job, or B8 storage/distribution at 70-95sqm per job.
- 4.11 This means that a three-storey Big Yellow store would typically create four times as many jobs as a single-storey industrial unit of the same footprint.
- 4.12 Across Britain, Big Yellow is home to over 7,700 businesses, and 23,000 jobs (assuming an average of 315 jobs per store). The businesses in Big Yellow together generate a GVA contribution to the national economy of over £1bn a year. Big Yellow is therefore a small-business landlord and start-up incubator on a huge scale.

5 Summary

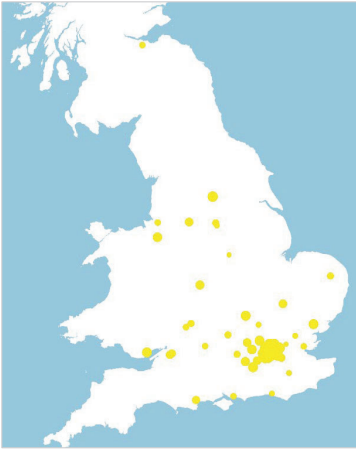
- 5.1 The survey carried out in February 2018 has evidenced the huge employment impact of Big Yellow. The number of SMEs occupying Big Yellow means that they are becoming one of the top small-business landlords in the country, and an incubator to thousands of start-up firms.
- 5.2 The average Big Yellow store:
 - Is home to 105 businesses and other organisations
 - These businesses generate a local GVA of £17m a year
 - Employ over 300 people directly because of their space in Big Yellow
 - For half of these businesses it's the only space they have
 - 60% are start ups
- 5.3 Across the whole country, Big Yellow's 74 stores:
 - Are home to over 7,700 businesses
 - These businesses generate a national GVA of over £1bn
 - And create around 23,000 jobs
- 5.4 New Big Yellow stores, therefore, provide a place for local businesses to start and grow, and can create hundreds of jobs.

Appendix 1 – Questionnaire

The survey was conducted online, by invitation. A total of 6,761 businesses were surveyed, and 545 responses were received.

Geographically, around half the responses were from London and half from elsewhere in the Great Britain – broadly in-line with the overall distribution of Big Yellow stores.

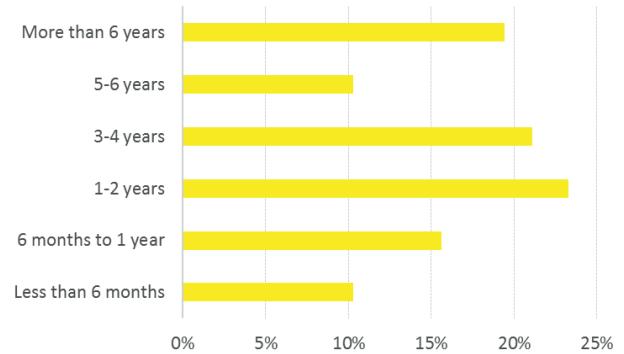
Distribution of survey responses from Big Yellow stores



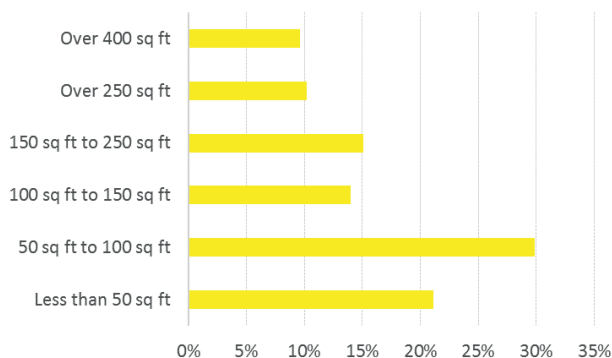
For the analysis of employment, the sample was cross referenced with data from Big Yellow on the rental size mix of all their business customers.

The questions asked in the survey were as follows:

- Q1. Name of business
- Q2. Sector of business (drop down menu or free text “other”)
- Q3. What Big Yellow store do you mainly use?
- Q4. How long have you been using Big Yellow?



Q5. How much space do you use at Big Yellow?

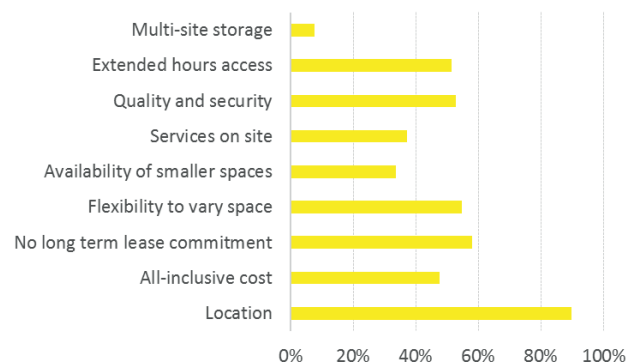


Q6. Is Big Yellow your only business premises?

Q7. When you came to Big Yellow, was it the first business space rented by your business?

Q8. We want to understand our business customers' contribution to the local economy. Many of you work in, or from Big Yellow, or have employees working elsewhere who still depend on your space here. Thinking about the people in your business, how many jobs (including your own) have you been able to create or keep because of your space at Big Yellow?

Q9. Which of these factors were important to you when choosing Big Yellow Self Storage rather than traditional business space? Tick all that apply to you. (drop down menu or free text “other”)



Q10. Are there any additional business services which you would like Big Yellow to offer or is there anything else you would like to comment on regarding Big Yellow? (free text box)