



Stag Brewery, Mortlake

Employment Assessment

For Reselton Properties

February 2018

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1. Introduction

- 1.1 This Employment Assessment has been prepared by Regeneris Consulting on behalf of Reselton Properties Limited ('the Applicant') in support of three linked planning applications for the comprehensive redevelopment of the former Stag Brewery Site in Mortlake ('the Site') within the London Borough of Richmond Upon Thames ('LBRuT').
- 1.2 The former Stag Brewery Site is bounded by Lower Richmond Road to the south, the river Thames and the Thames Bank to the north, Williams Lane to the east and Bulls Alley (off Mortlake High Street) to the west. The Site is bisected by Ship Lane. The Site currently comprises a mixture of large scale industrial brewing structures, large areas of hardstanding and playing fields.
- 1.3 The redevelopment will provide homes (including affordable homes), accommodation for an older population, complementary commercial uses, community facilities, a new secondary school alongside new open and green spaces throughout. Associated highway improvements are also proposed, which include works at Chalkers Corner junction.
- 1.4 The three planning applications are as follows:
 - Application A – hybrid planning application for comprehensive mixed use redevelopment of the former Stag Brewery site consisting of:
 - i. Land to the east of Ship Lane applied for in detail (referred to as 'Development Area 1' throughout); and
 - ii. Land to the west of Ship Lane (excluding the school) applied for in outline detail (referred to as 'Development Area 2' throughout).
 - Application B – detailed planning application for the school (on land to the west of Ship Lane).
 - Application C – detailed planning application for highways and landscape works at Chalkers Corner.
- 1.5 Full details and scope of all three planning applications are described in the submitted Planning Statement, prepared by Gerald Eve LLP.
- 1.6 During pre-application discussions with LBRuT, it has been highlighted that as a former employment site and in the context of a shortage of industrial land throughout the borough, the Council will expect small scale, flexible re-provision of employment floorspace of benefit to the local economy and job opportunities for local people.

1.7 The purpose of this assessment is to demonstrate that the proposed employment generating floorspace as part of the mixed-use redevelopment of the site will be:

- of benefit to the local economy, and;
- appropriate in the context of local policy aspirations.

1.8 The remainder of this report is set out as follows:

- Section 2 - Local Policy Background
- Section 3 - Demand and Supply Context of Employment Land and Floorspace
- Section 4 - Impacts of Proposed Employment Generating Uses
- Section 5 - Wider Benefits of Proposed Employment Generating Uses
- Section 6 - Conclusions

2. Local Policy Background

Summary

- The Adopted Planning Brief for the Site promotes the opportunity to create alternative employment generating uses including space for small, modern offices, creative industries, start-up units, scientific industries and environmental industries.
- The Planning Brief also supports other employment generating uses such as small-scale retail and restaurants (A1, A3 and A4), leisure uses (D2) and community uses (D1).
- The Site is identified as Site Allocation 24 within the emerging Local Plan publication version where the council will support an appropriate range of uses including ...'employment (B uses), commercial such as retail and other employment generating uses, health facilities, community and social infrastructure facilities...,river related uses as well as sport and leisure uses'.
- According to emerging Local Plan Policies LP 40 and LP 41, the provision of small units, affordable units and flexible workspace is encouraged and that B1 floorspace which is compatible with residential areas should be flexible enough to be used for research, studio and light industrial and office purposes.

Stag Brewery Planning Brief, SPD, Adopted July 2011

- 2.1 The Stag Brewery Planning Brief was adopted as an SPD in July 2011 and sets out the guidelines for future development on the site and will be a material consideration in determining any applications for planning permission.
- 2.2 As part of the overall vision set out in the brief, *'the Council will require a mix of uses throughout the area and particularly to the east of Ship Lane to create a new Mortlake Village, to generate vibrancy, local employment community and leisure opportunities. These should include restaurants, cafes and small retail spaces, community leisure uses, a museum, boat houses and other river-related uses/activities. It should also include lower cost units suitable for small businesses, creative industries and scientific and technical businesses including green technology, together with mixed tenure high quality housing...'*
- 2.3 At the time of publication of the Planning Brief, the Site was designated as an employment site with all buildings on the site formerly associated with the Brewery. The Planning Brief

indicates that '*proposals will need to assess the demand for all potential replacement employment generating uses...*' and that '*in accordance with Policy CP 19 and DM EM2*', the Council will expect the existing level of employment to be reprovided as part of any development scheme as a minimum'.

- 2.4 The Stag Brewery ceased brewing operations in late 2015 and decommissioning of brewery infrastructure and removal of fixtures and fittings was completed in autumn 2017. With the exception of security personnel, there is no existing economic activity present on the Site. The planning Brief goes on to note that that despite a significant amount of floorspace on the site being for employment purposes, the employment density on the site was relatively low with an average of 185 staff employed between 1998 and 2011 and up to 118 people employed in 2010.
- 2.5 As part of the re-provision of employment levels, the Planning Brief indicates that the opportunity to create alternative employment generating uses on the site will be welcomed by the Council and it is recognised these will likely:
- Office development as part of a mix of employment uses including smaller units to suit modern business needs
 - Creative industries
 - Start-up units
 - Scientific Industries
 - Environmental Industries
- 2.6 In addition, the Planning Brief recognises a wide variety of other employment generating uses that may be suitable on the site, including:
- Small scale retail and restaurants (Use classes A1, A3 and A4)
 - Leisure uses (Use Class D2)
 - Community Uses (Use Class D1)

Local Plan, Publication Version for Consultation, Feb 2017

- 2.7 The Local Plan (Publication version) was submitted in May 2017 to the Secretary of State for Communities and Local Government for independent Examination. The Plan sets out a 15-year strategic vision up to 2033, together with objectives, spatial strategy and planning

policies and site allocations for the duration of the Plan period. Once adopted, policies and allocations within the Plan, including those described below, will supersede those within the Core Strategy.

- 2.8 The Site is identified in Chapter 12 of the emerging Local Plan as Site Allocation 24. Site Allocations are key sites identified by the Council that are considered to '*assist with the delivery of the Spatial Strategy*' and to ensure there is sufficient land for employment, retail, housing and social infrastructure. With specific reference to SA 24, the Plan states '*the Council will support the comprehensive redevelopment of this site*' and that appropriate uses include '*residential...employment (B Uses), commercial such as retail and other employment generating uses, health facilities, community and social infrastructure facilities..., river related uses as well as sport and leisure uses...*' There is therefore in principle support for the loss of the industrial uses that are currently on Site.
- 2.9 SA 24 also refers to the 2011 Planning Brief (see above) in setting out the vision for redevelopment and guidance on land use and development opportunities. The Planning Brief states '*it is considered that large scale Class B2/B8 uses would not be appropriate on the site as demand is low locally and these would not maximise the opportunity for integration with the surrounding area and create a vibrant mix of uses reflecting the site's location*' (para 5.10).
- 2.10 The Plan notes that brewery operations on the site ceased at the end of 2015 and the site was marketed and sold. Further detail in the supporting text of the Plan following SA 24 sets out expectations by the Council for the type of employment uses that are considered appropriate on the site, these include:
- lower cost units suitable for small businesses;
 - creative industries;
 - scientific and technical businesses including green technology; and
 - Other employment generating uses, including retail and commercial uses
- 2.11 The Plan does not specify the quantity of provision that is expected for any of the above uses.
- 2.12 **Policy LP40 Employment and Local Economy** of the Plan states that 'the provision of small units, affordable units and flexible workspace such as co-working space is encouraged' in order to support a diverse and strong local economy.
- 2.13 In relation to the provision of new B1 office space, the Plan highlights the borough's economy which is characterised by many small businesses working out of relatively small-

scale premises (250 sq m or less) with an increasing proportion of business start-ups and home-based entrepreneurs. The Council aspires to support this and '*seeks provision of small units to accommodate a variety of local businesses and small firms*' as well as providing the opportunity for residents to work closer to home.

2.14 **Policy LP41 Offices** states that for developments with over 1,000 sq m of office floorspace proposed, affordable floorspace should constitute at least 10% of the proposed floorspace and must remain affordable for a minimum of 10 years. The Supporting text for Policy LP41 suggests that affordable workspace is considered to have a rent and service charge of less than 80% of comparable market rates and that affordable office provisions will be agreed and secured through Planning Obligations.

2.15 The Plan goes on to note that Class B1 office space which is compatible with residential areas should be flexible enough to be used for research studio, light industrial and office purposes and adaptable to meet future needs including for the expansion of local firms. Key features of flexible office space, according to the Plan, are:

- Clear and flexible floor plate space with few supporting columns;
- Large amounts of natural light
- Availability of a range of unit sizes ranging from 50 sq m up to 1,000 sq m
- Realistic rents
- Flexible leasing arrangements

2.16 **Policy LP29** of the Local Plan publication version states that 'where the employment opportunities generated by construction as well as the end use of the development create more than 20 FTE jobs, a Local Employment Agreement, secured through a Section 106 agreement will be required'.

3. Supply and Demand Context

Summary of Demand

- Recently published research suggests net additional demand for office space in LBRuT of up to 78,100 sq m (GIA) over the period 2016-2041.
- Currently the office market is characterised by high occupancy rates, low vacancy rates and on-going losses of office floorspace as a result of PDR.
- Demand for office space arises from high rates of self-employment and small businesses requiring small to medium sized affordable office space.
- In relation to industrial demand, the boroughs existing stock is dominated by small sites with no provision or need for larger buildings serving sub-regional purposes.
- The Site is situated in an area designated by the GLA to retain industrial capacity.
- The Site is identified in recently published research as presenting an opportunity to provide additional floorspace for both office and creative industries space. However, it is noted that it is not a 'main centre' site and is less accessible than other opportunities.

- 3.1 The Council has identified in its Planning Brief for Stag Brewery and the emerging Local Plan that the Site is suitable for a range of employment generating uses including office, start-up space and space for creative industries.
- 3.2 The Council's evidence base in relation to the demand and supply of employment land and floorspace for these uses is up to date (2016/2017) and consists of:
- Employment Sites and Premises Study, LB RuT Update 2016, Peter Brett Associates (referred to as 'Phase 1 report') – assessed demand for employment uses
 - Employment Sites and Premises Study, LB RuT, Update 2017, Peter Brett Associates – assessed supply of employment uses
- 3.3 In addition, the GLA has also recently released both office and industrial land reviews:
- GLA London Office Policy Review, June 2017, Ramidus Consulting Ltd & CAG Consultants
 - GLA London Industrial Land Demand, June 2017, CAG Consultants in associate with Peter Brett, Colliers International and Ramidus Consulting

3.4 These documents have been reviewed to provide a summary of the key issues in relation to supply and demand of office and industrial floorspace in the borough and of relevance for the Site.

Office

3.5 In terms of the quantity of demand for office floorspace, the Phase 1 report (December 2016) indicates demand for an additional 120,000 sq m of office floorspace within the borough up to 2033. However, it notes that the GLA Office Policy Review was imminently to be published and will contain forecasts of office floorspace demand as part of the evidence base for the next version of the London Plan.

3.6 The GLA's London Office Policy Review¹ has subsequently been published and indicates forecast demand for net additional office space, based on office employment projections with allowance for vacancy, of 166,160 sq m (GIA) between 2016-2041. A trend based scenario indicates demand for -10,000 sq m (GIA) of office floorspace and is illustrative of the recent losses in office floorspace as a result of Permitted Development Rights (PDR). The GLA includes a composite scenario which reflects both recent trends and employment projections and suggests net additional demand for 78,100 sq m (GIA) of office floorspace in LBRuT.

3.7 The Council's own Sites and Premises study (2017) suggests that occupancy of existing office stock is high, and vacancy is limited. It asserts that PDR has contributed to a 'short supply' and there is a further pipeline of office space with prior approval for conversion to residential.

3.8 The Sites and Premises study reviews the Key Office Areas (KOA) within the borough. The Site falls outside of a KOA but is within the wider Mortlake Area of Mixed Use (AMU), which also includes the Mortlake High Street KOA. The Mortlake High Street KOA comprises the Mortlake Boat Race House, which is currently vacant and pending conversion to residential, and the Mortlake Business Centre which is a mixed use residential, office and commercial building with 1,680 sq m of high quality office floorspace.

3.9 In general terms, the Sites and Premises study concludes:

- that losses of office floorspace to PDR have been substantial and widespread and consequently there is limited vacancy;

¹ GLA London Office Policy Review, June 2017, Ramidus Consulting Ltd & CAG Consulting

- the borough's employment base includes high rates of self-employment and smaller businesses that require small to medium sized affordable office space;
- high occupancy rates and the borough's business base merits retention of KOA boundaries and as supply tightens there may be the case for widening KOA boundaries;
- Redevelopment within existing KOAs is unlikely to be sufficient to meet additional office floorspace demand and consideration should be given to accommodating additional office floorspace within the borough or elsewhere in the Functional Economic Market Area (FEMA).

3.10 With specific reference to the Site, the Sites and Premises study suggests it is one of only two sites in the Borough with potential to provide a substantial amount of net additional employment floorspace. However, it also notes that whilst it is *'likely to be attractive to developers/occupiers it is not main centre and does not have the high accessibility enjoyed by the Richmond Site'* (the other of the two sites with potential).

Industrial

- 3.11 The Phase 1 report (December 2016) identified demand for *'just under 80,000 sq m of industrial floorspace with future pipeline losses accounting for half this total'*. The demand forecasts are underpinned by jobs forecasts from Experian Economics. With an average plot ratio of 40% the floorspace need figure equates to a land requirement of 20 ha. It should be noted, this includes both industrial and warehousing uses.
- 3.12 The LBRuT Sites and Premises study notes the existing industrial stock comprises mostly small sites (under 1 ha) reflecting the business profile and local population needs of the Borough with *'no provision or need for much larger buildings occupied by businesses serving sub-regional activity'*. This is also supported by the Site Planning Brief which indicates large scale Class B2/B8 would be inappropriate on the Site given the low demand locally (see Section 2).
- 3.13 The current stock of industrial land is 24 ha, with an estimated additional 20 ha being required by 2033 (based on Phase 1 report). It is noted in the Sites and Premises study that the National Physical Laboratory (NPL) site has potential for substantial additional flexible B class uses but cannot necessarily be relied upon to come forward within the Plan period. However, overall it is concluded that it is not possible to balance demand with supply in the borough and as such the Council needs to identify further land allocations or seek to meet demand elsewhere in the FEMA.

- 3.14 With specific reference to the former Stag Brewery, the Site is identified in the Sites and Premises study as being the only site allocation with potential to accommodate employment uses other than office and is assessed as being suitable for 'creative industries space' (light industrial) in addition to office space. Notwithstanding this, in preparing both the SBPB and progressing the site allocation in the emerging Local Plan (see Section 2), the Council has accepted the in-principle loss of industrial land on the Site.
- 3.15 The more recently released GLA London Industrial Land Demand study (June 2017) sets out borough-wide analysis of the industrial market and includes LBRuT within the Park Royal/Heathrow Industrial market area. It is one of eight London boroughs in this market area and based on the GLA's assessment the borough is designated in the 'retain' category suggesting it should seek to retain its industrial capacity. Only Brent and Ealing are designated as 'provide capacity' within the market area. For the Park Royal/Heathrow industrial market areas as a whole, the GLA concludes there is some scope for reallocation between boroughs with potential releases in Hillingdon and Hounslow offset by positive net demand for Ealing and Brent.

4. Proposed Employment Uses and Impacts

Summary

- Current floorspace on the site is not fit for modern business needs and aside from security personnel, there is no existing economic activity at present. When the brewery was operational, average employment levels on site were around 185 Full Time Equivalents (FTEs).
- The proposed Class B floorspace has been designed to be flexible, adaptable and to suit a range of uses in order to meet demand from a variety of sectors.
- The proposed Class B floorspace of the Development would generate up to 126 gross direct Class B FTEs and up to 104 net additional FTEs.
- In addition to the B use class employment generated by the Development, the provision of other employment generating floorspace such as retail, community and leisure facilities as well as social infrastructure would generate up a combined total of 386 gross direct on-site FTEs and up to 361 net local FTEs.
- Taking in to account the reference case described in Table 4.1, the net additional employment of the Development would be up to 208 FTEs.
- These FTE estimates provide a worst-case scenario. If permission is granted for the inclusion of up to 150 Use Class C2 Assisted living units, the employment associated with this aspect of the development would increase the total net additional employment of the Development to 352 FTEs.

4.1 This section considers the proposed employment generation uses together with the likely employment impacts in the context of the existing site and employment levels.

4.2 We have estimated both the gross direct and net additional employment effects of the Development on the borough (LBRuT) based on guidance set out in the HCA Additionality Guide 2014². This takes account of leakage, displacement and multiplier effects.

² Homes and Communities Agency (HCA) Additionality Guide Fourth Edition, 2014

Existing Employment Floorspace

- 4.3 The Site comprise 9.24 ha and consists of buildings and spaces associated with the use of the Site as a brewery totalling 36,541 sq m (GIA). The Site comprises a mixture of large scale industrial brewing structures dating from the late twentieth century, a number of early twentieth century and nineteenth century structures and large areas of concrete hardstanding. Following purchase of the Site in December 2015, brewery operations have wound down and since this time industrial and engineering processes have been carried out in association with the removal of the existing brewing apparatus. In its current form, the Site is not suitable to meet the requirements of modern businesses and aside from security personnel, is not currently generating employment.
- 4.4 As noted in the Council’s Planning Brief for the site, despite the substantial quantity of employment floorspace, the number of employees at any one time during operations of the Brewery has been relatively low, with up to 118 in 2010 and an average of 185 between 1998 and 2011.
- 4.5 For the purposes of this assessment, we take the average number of employees (185) as the reference case.
- 4.6 Table 4.1 below sets out the net additional employment of the reference case. This takes account of the following:
- Leakage: the number or proportion of outputs that occur outside of the interventions target area or group
 - Displacement: the number or proportion of intervention outputs that are accounted for by reduced outputs elsewhere; and
 - Multiplier effects: further economic activity (job, expenditure or income) associated with additional local income (induced) and local supplier purchases (indirect)
- 4.7 Once leakage, displacement and multiplier effects have been considered, the net local employment effects of the reference case are estimated at 153 FTEs.

| Table 4.1 Existing Employment Levels | | |
|--------------------------------------|------------|-------------------------|
| | Assumption | Employment ³ |
| Gross direct employment | | 185 |
| Leakage | 0% | 0 |

³ Employment estimates have been rounded up to the nearest whole number

| | | |
|-------------------------------|-------------------|-----|
| Gross local direct employment | Less leakage | 185 |
| Displacement | 25% | 46 |
| Net local direct employment | Less displacement | 139 |
| Multiplier effects | 1.1 | 14 |
| Total net local employment | Plus multipliers | 153 |

Source: Regeneris

Proposed B Use Classes

4.8 Overall, the scheme has been designed to respond to the adopted Planning Brief in providing a new village heart for Mortlake. As part of this, the Development will include the following B use class floorspace:

- Up to 2,424 sq m (GIA) Class B1 small business workspace intended to provide flexible B1 business accommodation which could include co-working space together with up to 10% affordable office space in line with Policy LP 41 of the Local Plan and subject to viability.
- Up to a maximum of 2,000 sq m (GIA) Class B1 floorspace as part of the flexible use mix which could include small scale, flexible accommodation.

4.9 The design of the Class B space is being driven by the need to ensure space is flexible and adaptable and that a range of uses can be accommodated including for both office users as well as light industrial users. As such, key design elements include:

- Minimised column intrusion
- Maximised glazed frontages
- Optimal internal and external servicing of space
- Size of units ranging from 100 sq m upwards, designed to offer variety and flexibility
- In addition, it is anticipated that as part of the building management strategy, the B use class floorspace will in the first instance be marketed to local firms and businesses.

Employment Impacts of Proposed B Uses

4.10 Table 4.2 below sets out the employment impacts of the Class B proposed floorspace and uses an employment density of 1 FTE per 30 sq m NIA. This represents a cautious approach and is derived from an average of the small business workspace employment densities set

out in the Homes & Communities Agency (HCA) Employment Densities Guide⁴. In reality, the density of employment achieved within the space provided could be higher depending on the end users and management structures of the space.

- 4.11 Based on the above, the employment impacts of the proposed Class B floorspace equate to 126 Full Time Equivalent (FTE) jobs. Once leakage, displacement and multiplier effects have been considered, the total net local employment derived from the proposed B use classes is 104 FTEs.
- 4.12 This assumes the maximum level of Class B1 floorspace (2,000 sq m GIA) is included within the flexible floorspace provision. Under a 'worst case' scenario, no B1 floorspace would be provided as part of the flexible floorspace element and as such the total gross onsite FTEs would be 69 and the total net FTEs would be 57.

| Use | NIA (sq m) @85% of GIA | Employment Density | Gross FTEs (On-site) | Leakage | Displacement | Multipliers | Total Net FTEs |
|--|------------------------------|-----------------------|-------------------------|---------|--------------|-------------|-------------------|
| B1 small business workspace | 2,060 | 30 | 69 | 0% | 25% | 1.1 | 57 |
| B1 floorspace (flexible uses) | 1,700 | 30 | 57 | 0% | 25% | 1.1 | 47 |
| Total | 3,760 | | 126 | | | | 104 |

Source: Regeneris

Other Employment Generating Floorspace

- 4.13 In addition to the proposed Class B floorspace, and in line with policy aspirations for the site to create a new commercial heart for Mortlake, the Development includes a range of other (non-B Use Class) employment generating floorspace as follows:
- Use Class C1 Hotel (16 bedrooms)
 - Use Class D2 Cinema

⁴ HCA Employment Densities Guide, 3rd Edition, November 2015

- Use Class D2 Gym
- Use Class D1 Secondary School (6 Form Entry)
- Use Class C2 Care Home, and potential to include up to 150 Use Class C2 Assisted Living units
- Use Classes A1,2,3 and 4 Retail Space
- Use Class D1 Community Facilities
- Use Class Suis Generis/Boat House

4.14 Each of the above uses will generate gross direct on-site employment effects as well as net additional employment. The Socio-Economics Chapter of the Environmental Statement (ES) submitted with this Application provides further detail on the methodology used to estimate the employment impacts of each of the different uses. Table 4.3 below provides a summary of the information set out in the Socio-Economic Chapter and indicates that around 260 to 390 gross direct jobs would be generated from the non-B Use Class elements of the scheme and around 257 to 401 net local jobs.

| Use | GIA | Gross FTEs | Leakage | Displacement | Net Local Direct FTEs | Multipliers | Total Net FTEs |
|--|-------|------------|---------|--------------|-----------------------|-------------|----------------|
| C1 Hotel (16 bedrooms) | 1,668 | 8 | 0% | 25% | 6 | 1.1 | 7 |
| D2 Cinema | 2,120 | 11 | 0% | 25% | 8 | 1.1 | 9 |
| D2 Gym | 740 | 11 | 0% | 25% | 9 | 1.1 | 9 |
| D1 secondary school (6FE, 1,200 pupils) | n/a | 80 | 0% | 0% | 80 | 1.1 | 88 |
| C2 Care Home | n/a | 70 | 0% | 0% | 70 | 1.1 | 77 |
| C2 Assisted Living | n/a | 130 | 0% | 0% | 130 | 1.1 | 143 |
| <i>Flexible Uses (Assumed Worst Case Scenario)</i> | | | | | | | |
| A1 | 1,255 | 75 | 0% | 25% | 56 | 1.1 | 62 |
| A2 | 0 | 0 | 0% | 25% | 0 | 1.1 | 0 |
| A3 | 0 | 0 | 0% | 25% | 0 | 1.1 | 0 |
| A4 | 0 | 0 | 0% | 25% | 0 | 1.1 | 0 |
| B1 (see above) | | | | | | | |
| D1 | 1,148 | 4 | 0% | 0% | 4 | 1.1 | 4 |
| Boathouse/Suis Generis | 351 | 1 | 0% | 0% | 1 | 1.1 | 1 |

| | | | |
|--|-----|-----|-----|
| Overall Total | 390 | 364 | 401 |
| Overall Total Exc Assisted Living | 260 | 234 | 257 |

Source: Regeneris

- 4.15 Combined with the employment effects of the Use Class B floorspace, and considering a worst-case scenario (excluding employment generated from the extra care units) the Development has the potential to generate up to 386 FTE gross direct jobs on-site and around 361 FTE net local jobs in LBRuT. Considering the reference case (Table 4.1) it is estimated that up to 208 FTE net local jobs would be additional.

5. Wider Employment Related Benefits of the Development

- 5.1 In addition to the quantifiable employment impacts associated with the provision of B use class employment floorspace as part of the Development, this section sets out the wider employment related benefits of the Development.

Bringing an Underutilised Employment Site Back into Employment Generating Use

- 5.2 The Site is vacant and currently comprises a mixture of large scale industrial brewing structures dating from the late twentieth century, a number of early twentieth century and nineteenth century structures and large areas of concrete hardstanding. In its current form, the Site is not suitable to meet the requirements of modern businesses and is not currently generating any employment.
- 5.3 The Development will significantly increase the amount of useable, modern business space by providing up to 4,424 sq m GIA of flexible B use class floorspace, generating up to 104 net FTEs within the borough thus helping to meet the demand for B use class business space outlined in Section 2 of this report.
- 5.4 In addition, the Development will generate a further 257 net FTEs within the borough through provision of a range of other employment generating uses including retail, leisure, community and education uses.
- 5.5 Overall, the density of employment and commercial activity accommodated on the Site will be far higher than was the case when the former Stag Brewery was operational and far more than is currently the case.

Delivering Against Local Policy Aspirations

- 5.6 Section 2 of this report highlighted the local policy context for the Development with aspirations for provision of floorspace on the Site to include small office space to suit modern business needs, space for creative industries, start-ups, scientific and environmental industries and lower cost units suitable for small businesses together with other employment generating uses such as retail, leisure, commercial and community uses.

5.7 The scheme has been designed to respond to these aspirations in providing a new commercial heart for Mortlake and the business space has been designed in order to maximise flexibility and to attract a wider range of occupiers. Table 5.1 below provides a summary of policy aspirations together with how the Development responds to these.

Table 5.1 Policy Aspirations and Masterplan Response

| Policy Aspirations | Development Response |
|---|---|
| The Adopted Planning Brief for the Site promotes the opportunity to create alternative employment generating uses including space for small, modern offices, creative industries, start-up units, scientific industries and environmental industries. | The Development includes up to 2,424 GIA of dedicated modern, flexible office floorspace which has been designed to be flexible and adaptable to suit a wide range of occupiers. In addition, up to a maximum of 2,000 sq m GIA office floorspace could be provided within the overall total of 4,664 sq m flexible floorspace. |
| The Planning Brief also supports other employment generating uses such as small-scale retail and restaurants (A1, A3 and A4), leisure uses (D2) and community uses (D1). | The Development includes a wide range of other employment generating uses including retail, leisure, community and social infrastructure. In total the Development will generate net additional employment levels that are substantially higher than has previously been demonstrated on the Site. |
| The Site is identified as Site Allocation 24 within the Local Plan publication version where the council will support an appropriate range of uses including ...'employment (B uses), commercial such as retail and other employment generating uses, health facilities, community and social infrastructure facilities...,river related uses as well as sport and leisure uses'. | The Development includes a wide range of employment generating uses including up to modern, flexible B use class floorspace together with retail, leisure, community and social infrastructure uses. |
| According to Policy LP 40 and LP 41, the provision of small units, affordable units and flexible workspace is encouraged and that B1 floorspace which is compatible with residential areas should be flexible enough to be used for research, studio and light industrial and office purposes. | The B use class floorspace has been designed with minimised column intrusion, maximised glazed frontages and optimal internal and external servicing of space in order that it is flexible and adaptable for a range of uses. Unit sizes would range upwards from 100 sq m and subject to viability an element of the floorspace would be affordable. |

Source: Regeneris

Supporting Local Employment Opportunities

- 5.8 Policy LP29 of the Local Plan publication version states that *'where the employment opportunities generated by construction as well as the end use of the development create more than 20 FTE jobs, a Local Employment Agreement, secured through a Section 106 agreement will be required.*
- 5.9 The number of temporary construction related jobs has been estimated within the Socio Economics Chapter of the ES (submitted with these Applications). It was estimated than an average of up to 1,110 construction related FTEs would be generated per annum over the eight-year build period. Consequently, during the construction phase of the Development there will be significant opportunities to provide training, work placements and employment for local residents of LBRuT. This kind of engagement has the potential to support people in up-skilling and moving into better paid employment, therefore having an impact beyond the temporary construction phase. The Applicant intends to engage an experienced primary contractor with experience of securing local employment during construction phases. The Applicant will be seeking a contractor with a commitment to identify locally based candidates to satisfy the Councils requirement for a Local Employment Agreement and in line with the Planning Obligations SPD via a Section 106 agreement.
- 5.10 Once operational, the increased diversity of activity supported by the Development both on site and off site (via induced and indirect effects) will broaden the range of opportunities available for people looking to access employment across a variety of sectors including in office, creative, retail, F&B, education, community and leisure sectors as well as across a range of occupations including administrative and professional and managerial occupations.

Supporting Local Businesses

- 5.11 The construction phase of the Development presents the opportunity to maximise the impact of investment within the local economy and ensure that companies based locally have the opportunity to compete for and win contracts arising from the Development, which will in turn bring jobs and growth to the local area.
- 5.12 As noted above, the Applicant intends to engage an experienced primary contractor with a strong track record of engaging with local suppliers and providers and working with local councils to maximise engagement with local businesses during the construction phase.

Initiatives could include working with the Council and local partners to identify pre-qualified 'local' businesses to put forward for tender. Engaging with the local supply chain can have a long-lasting impact, beyond the construction phase, helping to build the capacity and productivity of local businesses.

- 5.13 Once operational, the gross additional employment generated by the Development will help support a range of local businesses in the borough through spending from these employees (usually referred to as the induced effect) as well as through supply chain linkages (the indirect effect). The induced and indirect effects of the Development were estimated in Section 4. The most likely recipients will be local retail businesses including food and beverage outlets, grocery retailers and service retailers.

6. Conclusions

6.1 The scheme has been designed to respond to the adopted Planning Brief and emerging Local Plan allocation and will provide a new village heart for Mortlake. Within this, up to 2,424 sq m GIA of dedicated office floorspace will be provided together with the potential for a further maximum of 2,000 sq m of B1 floorspace to be provided as part of the flexible floorspace provision. This will substantially increase the provision of modern, useable employment floorspace in the borough and bring about a wide range of employment related benefits. These can be summarised as follows:

- The space has been designed to be flexible and adaptable in order to suit a wide range of occupiers and modern business needs. This will help to create a stronger and more diverse business base with the provision of modern, flexible floorplates as well as dedicated small business space.
- Around 104 net FTEs are likely to be generated as a result of the Class B1 floorspace.
- A further 257 net FTEs are likely to be generated as a result of the other employment generating uses on site including retail, education, community and leisure uses and a Care Home.
- Taking into account the reference case, the combined employment effect of the B use class and non-B use class employment generating floorspace would equate to around 208 net additional FTEs to LBRuT.
- The estimates of net additional FTEs represent a worst-case scenario. If permission is granted for up to 150 Use Class C2 Assisted Living units, the employment generated from this could increase the total net additional FTEs of the Development to 352.
- The Development will substantially broaden the range of long term local employment opportunities for those seeking work or looking for employment better suited to their skills and experience.
- The Development will bring about the redevelopment of a redundant employment site and respond to the challenges set out in local policy in relation to provision of employment floorspace.

- During the construction phase, there will be the opportunity to support local residents into employment and providing training and work placement opportunities with a long-lasting legacy.
- There will also be the opportunity to engage with local businesses and suppliers during the construction phase to encourage growth and jobs
- The increased expenditure generated from the gross additional employees will help to support local retail and service businesses.



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