



Stag Brewery, Mortlake

Employment Assessment

For Reselton Properties

March 2022



The former Stag Brewery: Employment Assessment

A Report by Hatch
February 2022

Reselton Properties Limited

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1. Introduction

- 1.1 This Employment Assessment has been prepared by Hatch on behalf of Reselton Properties Limited (“the Applicant”) in support of two linked planning applications (“the Applications”) for the comprehensive redevelopment of the former Stag Brewery Site in Mortlake (“the Site”) within the London Borough of Richmond upon Thames (LBRuT).

Proposals

- 1.2 The Applications seek planning permission for:

Application A:

“Hybrid application to include the demolition of existing buildings to allow for comprehensive phased redevelopment of the site:

Planning permission is sought in detail for works to the east side of Ship Lane which comprise:

- Demolition of existing buildings (except the Maltings and the façade of the Bottling Plant and former Hotel), walls, associated structures, site clearance and groundworks
 - Alterations and extensions to existing buildings and erection of buildings varying in height from 3 to 8 storeys plus a basement of one to two storeys below ground
 - Residential apartments
 - Flexible use floorspace for:
 - Retail, financial and professional services, café/restaurant and drinking establishment uses
 - Offices
 - Non-residential institutions and community use
 - Boathouse
 - Hotel / public house with accommodation
 - Cinema
 - Offices
 - New pedestrian, vehicle and cycle accesses and internal routes, and associated highway works
 - Provision of on-site cycle, vehicle and servicing parking at surface and basement level
 - Provision of public open space, amenity and play space and landscaping
 - Flood defence and towpath works
 - Installation of plant and energy equipment
- 1.3 Planning permission is also sought in outline with all matters reserved for works to the west of Ship Lane which comprise:

- The erection of a single storey basement and buildings varying in height from 3 to 9 storeys
- Residential development
- Provision of on-site cycle, vehicle and servicing parking
- Provision of public open space, amenity and play space and landscaping
- New pedestrian, vehicle and cycle accesses and internal routes, and associated highways works”

Application B:

“Detailed planning permission for the erection of a three-storey building to provide a new secondary school with sixth form; sports pitch with floodlighting, external MUGA and play space; and associated external works including landscaping, car and cycle parking, new access routes and other associated works”

1.4 Together, Applications A and B described above comprise the ‘Proposed Development’.

Background to Submission

1.5 The current applications follow the refusal of earlier planning applications which were refused by the Greater London Authority and the GLA. The refused applications were for:

- Application A – hybrid planning application for comprehensive mixed-use redevelopment of the former Stag Brewery site consisting of:
 - 1) Land to the east of Ship Lane applied for in detail (referred to as ‘Development Area 1’ throughout); and
 - 2) Land to the west of Ship Lane (excluding the school) applied for in outline (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.

1.6 The London Borough of Richmond (the Council) originally resolved to grant planning permission for Applications A and B but refuse Application C.

1.7 Following the LBRuT’s resolution to approve the Applications A and B, the Mayor called-in the Applications and became the determining authority. The Mayor’s reasons for calling in the Applications were set out in his Stage II letter (dated 4 May 2020) but specifically related to concerns regarding what he considered was a low percentage of affordable housing being proposed for the Site and the need to secure a highways solution for the scheme following the LBRuT’s refusal of Application C.

1.8 Working with the Mayor’s team, the Applicant sought to meaningfully respond to the Mayor’s concerns on the Applications. A summary of the revisions to the scheme made and submitted to the GLA in July 2020 is as follows:

- Increase in residential unit provision from up to 813 units to up to 1,250 units;

- Increase in affordable housing provision from (up to) 17%, to 30%;
- Increase in height for some buildings of up to three storeys;
- Change to the layout of Blocks 18 and 19, conversion of Block 20 from a terrace row of housing to two four storey buildings;
- Reduction in the size of the western basement, resulting in an overall car parking spaces reduction of 186 spaces and introduction of an additional basement storey under Block 1;
- Internal layout changes and removal of the nursing home and assisted living in Development Area 2;
- Landscaping amendments, including canopy removal of four trees on the north west corner of the Site; and
- Alternative options to Chalkers Corner in order to mitigate traffic impacts through works to highway land only and allow the withdrawal of Application C.

1.9 The application was amended to reflect these changes.

1.10 Notwithstanding this, and despite GLA officers recommending approval, the Mayor refused the applications in August 2021.

1.11 The Mayor's reasons for refusal in respect of Application A were:

- height, bulk and mass, which would result in an unduly obtrusive and discordant form of development in this 'arcadian' setting which would be harmful to the townscape, character and appearance of the surrounding area;
- heritage impact. The proposals, by reason of its height, scale, bulk and massing would result in less than substantial harm to the significance of several listed buildings and conservation areas in the vicinity. The Mayor considered that the less than substantial harm was not clearly and convincingly outweighed by the public benefits, including Affordable Housing, that the proposals would deliver;
- neighbouring amenity issues. The proposal, by reason of the excessive bulk, scale and siting of Building 20 and 21 in close proximity to the rear of neighbouring residential properties in Parliament Mews and the rear gardens of properties on Thames Bank, would result in an unacceptable overbearing and unneighbourly impact, including direct overlooking of private amenity spaces. The measures in the Design Code would not sufficiently mitigate these impacts; and
- no section 106 agreement in place.

1.12 Application B was also refused because it is intrinsically linked with Application A and therefore could not be bought forward in isolation.

The Proposed New Scheme

1.13 This 3rd iteration of the scheme seeks to respond directly to the Mayors reasons for refusal and in doing so also addresses number of the concerns raised by the LBRuT.

1.14 The amendments can be summarised as follows:

- A revised energy strategy is proposed in order to address the London Plan (2021) requirements;

- Several residential blocks have been reduced in height to better respond to the listed buildings along the Thames riverfront and to respect the setting of the Maltings building, identified as a Building of Townscape Merit (BTM) by the LBRuT;
 - Reconfiguration of layout of Buildings 20 and 21 has been undertaken to provide lower rise buildings to better respond to the listed buildings along the Thames riverfront; and
 - Chalkers Corner light highways mitigation works.
- 1.15 The school proposals (submitted under ‘Application B’) are unchanged. The Applicant acknowledges LBRuT’s identified need for a secondary school at the Site and the applications continue to support the delivery of a school. It is expected that the principles to be agreed under the draft Community Use Agreement (CUA) will be the same as those associated with the refused school application (LBRuT ref: 18/0548/FUL, GLA ref: GLA/4172a/07).
- 1.16 Overall, it is considered that together, the Applications respond successfully to the concerns raised by stakeholders in respect of the previous schemes and during pre-application discussions on the revised Proposed Development. As a result, it is considered that the scheme now represents a balanced development that delivers the principle LBRuT objectives from the Site.
- 1.17
- 1.18 The remainder of this Employment Assessment 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)¹.
- The Site is identified as Site Allocation 24 within the LBRuT's Local Plan 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 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.
- Development Proposals for the Site comply with London Plan Policy E7 '*Industrial Intensification, co-location and substitution*'.

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'. These policies have now been superseded by the Local Plan (see below).
- 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. There is currently no permanent economic activity present on the Site. Most recently, the Site has been used for film production operations (B1 use) and ancillary activities under a temporary planning

¹ These Use Classes are as per the now superseded land use class order

consent for a period of two years from June 2020. The planning Brief for the Site 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 LBRuT and it is recognised these will likely include:
- 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 and drinking establishments (Use classes A1, A3 and A4) (now Class E and sui generis use class)
 - Leisure uses (Use Class D2) (now Use Class F2)
 - Community Uses (Use Class D1) (now Use Class F1)

LB Richmond Local Plan, July 2018 and March 2020

- 2.7 The LBRuT Local Plan was adopted in July 2018 and March 2020 (“the Plan”) and 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. The Site is identified as Site Allocation 24 (SA24). Site Allocations are key sites identified by the Council that are considered to ‘assist with delivery of the spatial strategy’ and to ensure there is sufficient land for employment, retail, housing and social infrastructure. With specific reference to SA24, 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...’ (pg. 173). There is therefore support for an appropriate range of uses to deliver a new village heart and centre for Mortlake. SA24 also states that ‘any proposed development should have due regard to the adopted brief’ in reference to the July 2011 adopted planning brief for the Site².
- 2.8 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;

² Supplementary Planning Document (SPD) Stag Brewery Mortlake, SW14, Planning Brief, Adopted July 2011, London Borough of Richmond Upon Thames.

- creative industries;
 - scientific and technical businesses including green technology; and
 - Other employment generating uses, including retail and commercial uses
- 2.9 The Plan does not specify the quantity of provision that is expected for any of the above uses.
- 2.10 The adopted **Local Plan Policy LP40 Local Employment and Economy** states that ‘*in exceptional circumstances, mixed use development proposals which come forward for specific employment sites should retain, and where possible enhance, the level of existing employment floorspace*’. The Site has an allocation for mixed use development and as such this element of LP40 is not relevant. None the less, previous pre-application discussions with LBRuT planning officers have 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. **Policy LP40** also 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.
- 2.11 In relation to the provision of new B1 office space (now known as Use Class E), 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.
- 2.12 **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.
- 2.13 The Plan goes on to note that Class B1 office space (now known as Class E) 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
- 2.14 **Policy LP29** of the Local Plan 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’.

London Plan, 2021

- 2.15 The London Plan was published in 2021 and sets out the spatial development strategy for Greater London together with a framework for growth over the next 25 years. Policy E7

‘Industrial Intensification, co-location and substitution’ states at part D that ‘mixed-use or residential development proposals on Non-Designated Industrial Sites should only be supported where:

- There is no reasonable prospect of the site being use for the industrial and related purposes set out in Part A of Policy E4 Land; or
- It has been allocated in an adopted local Development Plan Document for residential or mixed-use development’

2.16 The LBRuT adopted Local Plan allocates the site for mixed use development within Site Allocation 24 and in so doing notes that the site was marketed and sold. Development proposals for the site therefore comply with the London Plan Policy E7.

3. Supply and Demand Context

Summary of Supply and Demand Context

- The GLA's London Plan evidence base suggests net additional demand for office space in LBRuT of up to 78,100 sq m (GIA) over the period 2016-2041.
- The office market is characterised by high occupancy rates, low vacancy rates and on-going losses of office floorspace as a result of Permitted Development Rights.
- 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 borough's 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 identified by the GLA's evidence base to retain industrial capacity, however, it is no longer an allocated employment site and the development proposals are compliant with London Plan Policy E7.
- The Site is identified in the Council's evidence base 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 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 consists of:
- Employment Sites and Premises Study, LBRuT Update 2016, Peter Brett Associates – assessed demand for employment uses
 - Employment Sites and Premises Study, LBRuT, Update 2017, Peter Brett Associates – assessed supply of employment uses
- 3.3 In addition, the London Plan evidence base in relation to demand and supply of employment land and floorspace which has informed London Plan Policy E7 is also relevant and comprises:
- 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, LBRuT's evidence base set out in the 2016 Employment Sites and Premises Study indicated demand for an additional 120,000 sq m of office floorspace within the LBRuT up to 2033. Subsequent to this, the GLA published their London Office Policy Review (2017) which projected demand for net additional office space

based on two scenarios of employment projections and past trends in take-up, the latter of which reflects losses in office floorspace as a result of Permitted Development Rights (“PDR”). A composite scenario indicated a net additional demand for 78,100 sq m (GIA) of office floorspace in LBRuT for the period 2016-2041, which was substantially below the borough’s own projections.

- 3.6 LBRuT’s Sites and Premises study (2017) suggested 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.
- 3.7 The Sites and Premises study also reviewed 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.
- 3.8 The Sites and Premises study concluded:
- that losses of office floorspace to PDR have been substantial and widespread and consequently there is limited vacancy;
 - 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).
- 3.9 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

- 3.10 LBRuT’s 2016 Employment Sites and Premises Study 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.
- 3.11 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).
- 3.12 The stock of industrial land was identified as 24 ha, with an estimated additional 20 ha being required by 2033 according to the 2016 Sites and Premises Study. 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. 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.

- 3.13 The London Plan evidence base comprising the GLA's London Industrial Land Demand study (June 2017) set out borough-wide analysis of the industrial market and included LBRuT within the Park Royal/Heathrow Industrial market area. It was one of eight London boroughs in this market area and based on the GLA's assessment the borough was 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 concluded there was some scope for reallocation between boroughs with potential releases in Hillingdon and Hounslow offset by positive net demand for Ealing and Brent.
- 3.14 With specific reference to the former Stag Brewery, the Site is identified in LBRuT's 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. With the adoption of the Local Plan the site is no longer a designated employment site and the Council has accepted the loss of industrial land on the Site.

4. Proposed Employment Uses and Impacts

- 4.1 This section considers the proposed employment generation uses together with the likely employment impacts in the context of the existing site and former employment levels.
- 4.2 Both the gross direct and net additional employment effects of the Development on the borough (LBRuT) have been estimated based on guidance set out in the HCA Additionality Guide 2014³. This takes account of leakage, displacement and multiplier effects.

Summary

- Existing buildings and floorspace on the site are not fit for modern business needs and there is no permanent economic activity at present. When the brewery was operational, average employment levels on site were around 185 Full Time Equivalents (FTEs).
- The proposed Class E 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 office/workspace floorspace of the Development would support up to 186 gross direct Class E FTEs and up to 153 net FTEs.
- In addition to the office/workspace E 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 383 gross direct on-site FTEs and up to 341 net local FTEs.
- The net additional employment of the Development would be up to 188 FTEs over and above the reference case (Table 4.1).

Existing Employment Floorspace

- 4.3 The Site comprises 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 ceased 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 temporary uses for film production activities (use E), it is not currently supporting long-term 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.

³ Homes and Communities Agency (HCA) Additionality Guide Fourth Edition, 2014

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 Full Time Equivalents (FTEs).

Table 4.1 Existing Employment Levels		
	Assumption	Employment⁴
Gross direct employment	/	185
Leakage	0%	0
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: Hatch

Proposed Office/Workspace Uses

4.8 Overall, the proposed Development has been designed to respond to the Planning Brief in providing a new village heart for Mortlake. As part of this, the proposed Development will include the following floorspace formerly known as Use Class B:

- Up to 4,457 sq m (GIA) business workspace (Use Class E(g)) intended to provide flexible business accommodation which would include small business space, 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 2,200 sq m (GIA) workspace (Use Class E(g)) as part of the flexible use mix which could include small scale, flexible accommodation.

4.9 The design of the office and workspace 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

⁴ Employment estimates have been rounded up to the nearest whole number

- In addition, it is anticipated that as part of the building management strategy, the E use class floorspace will in the first instance be marketed to local firms and businesses.

Employment Impacts of Proposed Office/Workspace Uses

- 4.10 Table 4.2 below sets out the employment impacts of the proposed floorspace associated with office and workspaces 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 Guide⁵. 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 floorspace equate to 185 FTE jobs. Once leakage, displacement and multiplier effects have been considered, the total net local employment derived from the proposed E use classes is 153 FTEs. This is equal to the reference case.
- 4.12 This assumes, as a ‘worst case’ scenario, the minimum level of Class E floorspace (2,000 sq m GIA) would be built out within the flexible floorspace provision.

Use	NIA ⁶ (sq m)	Density	Gross FTEs (On-site)	Leakage	Displacement	Multipliers	Total Net FTEs ⁷
B1 small business workspace	3,865	30	129	0%	25%	1.1	106
B1 floorspace (flexible uses)	1,700	30	57	0%	25%	1.1	47
Total	5,576		185				153

Source: Hatch

Other Employment Generating Floorspace

- 4.13 In addition to the proposed office and workspace on Site, in line with policy aspirations for the site to create a new commercial heart for Mortlake, the proposed Development includes a range of other employment generating floorspace as follows:
- Cinema
 - Hotel
 - Secondary School (Six Form Entry)
 - Retail Space
 - Community Facilities

⁵ HCA Employment Densities Guide, 3rd Edition, November 2015

⁶ Assumed to be 85% of GIA

⁷ Figures may not sum due to rounding

- Suis Generis/Boat House

- 4.14 Each of the above uses will generate 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, including how a ‘worst case scenario’ has been used to assess the employment impacts derived from the flexible floorspace uses.
- 4.15 Table 4.3 below provides a summary of the information set out in the Socio-Economic Chapter and indicates that around 179 further gross direct jobs would be supported from the uses described above, and around 173 net local jobs once the effects of leakage, displacement and multipliers have been considered.

Table 4.3 Employment effects of other uses, LBRuT							
Use	GIA	Gross FTEs	Leakage	Displacement	Net Local Direct FTEs	Multipliers	Total Net FTEs
Cinema	1,606	8	0%	25%	6.0	1.1	7
Hotel	15 keys	4.5	0%	25%	5.6	1.1	6
School	6 fe ⁸	87	0%	0%	87	1.1	96
<i>Flexible Floorspace Uses (worst case scenario)</i>							
Shops E(a)	1,177	71	0%	25%	53	1.1	58
Financial and Prof Services E(c)	0	0	0%	25%	0	1.1	0
Café/Restaurant E(b)	0	0	0%	25%	0	1.1	0
Drinking Establishments E(b)	0	0	0%	25%	0	1.1	0
Community Boathouse/Suis Generis	1,282	4	0%	0%	4	1.1	5
	380	1	0%	0%	1	1.1	1
Total	179				157		173

Source: Hatch

- 4.16 Combined with the employment effects of the office/workspace floorspace (Table 4.2), and considering a worst-case scenario, the proposed Development has the potential to generate up to 364 FTE gross direct jobs on-site and around 326 FTE net local jobs in LBRuT. It is **estimated that up to 173 of these FTE jobs would be net additional to LBRuT when taking into account the reference case (Table 4.1).**
- 4.17 As stated in the updated Socio-Economics Chapter, this represents a worst-case scenario. In reality, the employment generated by the floorspace proposed within the flexible uses could be higher depending on the quanta of each use that are actually delivered and depending on the nature of occupiers.

⁸ Six forms of entry per year group

5. Wider Employment Related Benefits of the Development

- 5.1 In addition to the quantifiable employment impacts associated with the proposed Development, this section sets out the wider employment related benefits of the proposed Development.

Bringing an Underutilised Employment Site Back into Employment Generating Use

- 5.2 The Site 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 supporting any long-term employment.
- 5.3 The proposed Development will significantly increase the amount of useable, modern business space by providing up to 6,760 sq m GIA of flexible office and workspace, supporting up to 153 net FTEs within LBRuT thus helping to meet the demand for flexible office and workspace floorspace.
- 5.4 In addition, the Development will support a further 173 net FTEs within LBRuT, 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 achievable on a long-term basis.

Delivering Against Local Policy Aspirations

- 5.6 Section 2 of this report highlighted the local policy context for the proposed 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 proposed Development responds to these.

Table 5.1 Policy Aspirations and Masterplan Response

Policy Aspirations	Proposed Development Response
The Planning Brief for the Site promotes the opportunity to create alternative employment generating uses including space for small, modern offices, creative industries,	The Development includes up to 4,547 sq m 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

start-up units, scientific industries and environmental industries.	2,200 sq m GIA office/workspace floorspace could be brought forward within the overall total of 4,839 sq m GIA 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)(use class as per now superseded UCO).	The proposed Development includes a wide range of other employment generating uses including retail, leisure, community and social infrastructure. In total the proposed 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 adopted Local Plan 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 proposed Development includes a wide range of employment generating uses including modern, flexible office and workspace 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 office and workspace 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 an element of the floorspace would be affordable.

Source: Hatch

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 demand for an average of up to 1,140 construction jobs would be generated per annum over the eight-year build period.
- 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.
- 5.11 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 Council's requirement for a Local Employment Agreement and in line with the Planning Obligations SPD via a Section 106 agreement.

- 5.12 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

- 5.13 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.
- 5.14 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.
- 5.15 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 adopted Local Plan allocation and will provide a new village heart for Mortlake. Within this, up to 4,547 sq m GIA of dedicated office floorspace will be provided together with the potential for a further minimum of 2,000 sq m and maximum of 2,200sq m of Class E commercial office 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 153 net FTEs are likely to be generated as a result of the Class E commercial office floorspace.
- A further 173 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.
- The combined employment effect of the employment generating floorspace would equate to around 173 net additional FTEs to LBRuT when taking into account the reference case.
- 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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