

## LONDON BOROUGH OF HAMMERSMITH & FULHAM

<b>Report to:</b>	Cabinet
<b>Date:</b>	09/03/2025
<b>Subject:</b>	Hammersmith & Fulham (H&F) Affordable Workspace Strategy: 2026-2031
<b>Report of:</b>	Cllr Zarar Qayyum, Cabinet Member for Enterprise & Skills
<b>Report author:</b>	James Collister, Strategic Lead – Sectors & Clusters
<b>Responsible Director:</b>	Bram Kainth, Executive Director of Place
<b>Key Decision:</b>	Yes

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### SUMMARY

This report seeks Cabinet approval for H&F's Affordable Workspace Strategy: 2026-2031, a priority project within the Upstream London delivery programme. The Strategy exemplifies entrepreneurial municipal government by moving beyond traditional planning policy to actively curate an affordable workspace ecosystem through exploring the full range of levers available to the Council. This approach proposes facilitating, implementing and brokering delivery through four priority interventions, deploying £8.2 million of Section 106 funding ringfenced specifically for affordable workspace in the borough.

This proactive approach serves STEM<sup>3</sup>-related sectors and demonstrates the Council's role as an exemplar of entrepreneurial municipal government - a key element of the triple helix model at the heart of Upstream London. By ensuring innovative businesses can access suitable, affordable space to start and scale, the Strategy directly supports H&F's vision to become a global hub for STEM<sup>3</sup> innovation. Cabinet is asked to approve the Strategy as a strategic framework while noting that any future funding allocations to specific activities will be subject to future reports as required by the Council's usual governance processes.

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### RECOMMENDATIONS

That Cabinet:

1. **Approve** the adoption of H&F's Affordable Workspace Strategy, 2026-2031, as set out in Appendix 1.
2. **Note** that the indicative budget allocations set out in the Strategy are subject to change depending on delivery opportunities and more detailed work on the interventions.

3. **Note** that any spending decisions will be the subject of future reports as required by the Council's usual governance processes.

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**Wards Affected:** All

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Our Values	Summary of how this report aligns to the <a href="#">H&amp;F Corporate Plan</a> and the H&F Values
Building shared prosperity	The Strategy directly supports inclusive economic growth by addressing market failures that prevent early-stage entrepreneurs from accessing affordable workspace. As one of the priority projects in the Upstream London delivery programme, it prioritises STEM <sup>3</sup> related sectors that drive innovation and create high-quality employment opportunities for residents. By focusing on micro and small businesses (95 per cent of local enterprises), the Strategy takes an inclusive approach to economic development that ensures benefits are widely shared across the community.
Creating a compassionate and inclusive council	The Strategy ensures pathways for residents to start businesses and access employment in growth sectors. By prioritising support for early-stage entrepreneurs and small businesses, including those from underrepresented groups, the Strategy reduces barriers to economic participation. The proposed affordable workspace ecosystem will provide facilities across four priority locations, ensuring opportunities are distributed throughout the borough.
Doing things with local residents, not to them	The Strategy has been developed through engagement with workspace operators and the business community to understand real market challenges and co-design solutions. An Affordable Workspace Forum will continue this collaborative approach throughout delivery, ensuring the programme remains responsive to evolving needs.
Being ruthlessly financially efficient	The Strategy leverages ringfenced Section 106 funding specifically for affordable workspace to address market failures. It prioritises facilitating third-party delivery over direct Council provision where appropriate, maximising impact per pound spent. The Facilitator role (priority role) focuses on enabling others to deliver workspace through grants and partnerships, providing the highest leverage of Council investment. All major spending decisions will be the subject of future reports as required by the Council's governance processes, ensuring robust scrutiny of value for money. The Strategy also establishes mechanisms to prioritise securing financial contributions from developers where on-site affordable workspace proves undeliverable, protecting and potentially expanding the available investment pot.
Taking pride in H&F	The Strategy positions H&F as an exemplar of entrepreneurial municipal government - a key component

	<p>of the triple helix model in Upstream London - going beyond planning policy to actively curate an affordable workspace ecosystem. This comprehensive approach plans to make the borough one of the most attractive place in London for STEM<sup>3</sup>-related start-ups, strengthening H&amp;F's reputation as a hub of innovation and enterprise. By addressing workspace affordability proactively, the Council demonstrates its commitment to nurturing the diverse business ecosystem that underpins the borough's economic success and vibrancy.</p>
<p>Rising to the challenge of the climate and ecological emergency</p>	<p>The green economy is a priority sector for affordable workspace provision, providing facilities for enterprises developing climate solutions. The Strategy prioritises repurposing vacant buildings over new construction through the Retrofit Fund and Public Asset Development interventions, significantly reducing embodied carbon compared to new development. The focus on local businesses and clusters supports the 15-minute city concept by providing employment opportunities close to where people live, reducing commuting distances and associated emissions. Converting vacant buildings into productive uses improves building efficiency and reduces carbon emissions whilst achieving economic growth.</p>

## Financial Impact

The Strategy proposes deploying approximately £8.2 million of Section 106 funding which has been secured specifically for affordable workspace provision across the borough. This funding cannot be allocated to other purposes under the terms of the Section 106 agreements.

The initial indicative budget allocation across the four interventions is:

- **Retrofit Fund:** approximately £2 million for an initial pilot phase to test market demand, refine delivery processes, and establish proof of concept. Following evaluation of the pilot's outcomes and learnings, a second phase could be developed.
- **Regeneration Scheme Integration:** allocation to be determined based on identified opportunities and feasibility assessments
- **Public Asset Development:** allocation to be determined following completion of feasibility studies identifying suitable sites and development models
- **Business Development:** delivered through existing officer capacity within the Economic Development team

These allocations are indicative only and subject to change based on delivery opportunities, detailed feasibility studies and value for money assessments. Any future funding allocations to specific activities outlined in the Strategy will be the subject of future reports as required by the Council's usual governance process.

The Strategy will be delivered primarily through existing officer capacity within the Economic Development team, supplemented by cross-team support from Regeneration, Planning Policy, Development Management and Property services. Technical expertise will be commissioned where required for specific projects with costs met from the overall programme budget. Any proposals requiring additional resources will be subject to approval processes through the appropriate governance arrangements.

Where obligations secured through Section 106 agreements for onsite provision of affordable workspace prove unviable or undeliverable, officers will seek commuted sums to add to the overall investment pot, potentially increasing the funding available beyond £8.2 million over the Strategy period.

The £8.2m referenced is confirmed, receipted, and has been specifically secured for affordable workspace provision via S106 agreement, with no timing restrictions and no prior commitments. This provides flexibility for strategic deployment across the strategy period.

The Strategy establishes a governance framework to ensure robust financial management, with the Affordable Workspace Steering Group (a sub-group of the Officer-level Upstream London Delivery Board) providing regular oversight of spend against budget, monitoring delivery progress, and escalating any financial risks or issues to senior leadership.

*Will Stevens, Finance manager Place, 13/1/26*

*Kellie Gooch, Head of Finance (Place), 20 January 2026*  
*Verified by James Newman, Director of Finance (Deputy S.151 Officer), 23 January 2026*

## **Legal Implications**

The Council's Local Plan adopted in 2018 and the London Plan 2021 (which sets the spatial development strategy for London and forms part of the Council's Development Plan) include policies which promote the provision of affordable workspace at rents lower than the market rate. The Council adopted an Affordable Workspace Supplementary Planning Document on 5<sup>th</sup> October 2022. This sets out the Council's approach to securing affordable workspace in the Borough as part of the planning process, by way of a planning agreement pursuant to section 106 of the Town and Country Planning Act 1990. The obligations secured from developers include the provision of onsite facilities and financial contributions. The financial contributions secured towards the provision of affordable workspace must be used for that purpose and no other.

The Affordable Workspace Strategy includes other avenues, in addition to the planning process, to ensure affordable workspace is available for its residents. The Council has a general power of competence to do anything which an individual may do unless it is expressly prohibited pursuant to Section 1 of the Localism Act 2011.

The Affordable Workspace Strategy is a Key Decision as it would apply to the whole borough. It will need to be included in the Key Decision List and published a month before the decision is taken.

The Council has sufficient powers to approve the Affordable Workspace Strategy.

*Mrinalini Rajaratnam Head of Law for Place – 16 January 2026*

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## **Background Papers Used in Preparing This Report**

None.

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## **DETAILED ANALYSIS**

### **Background**

1. Since the Council's Industrial Strategy was launched in 2017, more than £6bn in growth investment has been secured by businesses in key growth sectors, and over 17,000 jobs have been created, providing a wide range of opportunities for residents. This success has helped drive the borough's economy to contribute £13.7bn annually in Gross Value Added through 12,000 businesses employing 145,000 people. Critically, micro and small enterprises account for more than 95 per cent of all businesses in the borough, forming the foundation of this economic resilience and diversity.
2. However, over the past decade a range of factors including inflation, regulatory changes, tax rises and changing market conditions have made it increasingly

challenging for early-stage businesses to establish and grow in the borough. Market research has identified a clear market failure: whilst over 18.5 per cent of general office space is vacant (over 2.2 million square feet), only approximately 3.5% per cent of small-format space suitable for start-ups is available (Costar, 2025). The market is not providing sufficient diversity or affordability, with co-working spaces dominating and few laboratories, creative studios or maker spaces available.

3. Without intervention, rising costs and limited workspace diversity risk pricing out early-stage entrepreneurs and small businesses that form the backbone of the local economy. This threatens the borough's economic diversity, resilience and ability to deliver on its Upstream London vision of making H&F a global hub for STEM<sup>3</sup> innovation.
4. The Council's Local Plan seeks affordable space suitable for small and medium enterprises in large new business developments. While the expectation is for this to be delivered within the new development, where exceptional circumstances are demonstrated, a commuted payment can be negotiated. Currently, the Council has approximately £8.2 million of Section 106 funding secured specifically for offsite affordable workspace provision. This Strategy - provided in full at Appendix One and summarised below - sets out a framework for deploying this funding strategically, discharging the planning obligation and effectively to address market failures and support the Council's inclusive economic growth objectives.

### **The case for a proactive approach**

5. The Council's approach to affordable workspace to date has been primarily through planning policy, securing on-site provision or financial contributions in-lieu through Section 106 agreements. Whilst this remains important, planning policy alone has limitations: it is reactive (depending on development coming forward) and provides limited control over location, typology or long-term viability of workspace.
6. The Strategy exemplifies entrepreneurial municipal government by building on our planning policy approach to proactively deploy the full range of levers available to the Council. This includes direct investment through grants and/or loans, development of Council-owned assets, integration into regeneration schemes, and actively brokering relationships between landlords and operators.
7. This approach aligns with the principles of entrepreneurial municipal government set out in Upstream London, positioning the Council as a leader in curating the conditions for economic success. It recognises that addressing market failure requires coordinated action across multiple Council functions, from Economic Development to Property Services to Regeneration.

### **Vision & Objectives**

8. The Strategy's vision statement is: *“Over the next five years, we will curate a diverse Affordable Workspace ecosystem that makes Hammersmith & Fulham*

*one of the most attractive and accessible places in London for small STEM<sup>3</sup>-related businesses. This thriving network will strengthen existing clusters, fuel economic growth and open up new opportunities for local residents to start businesses and access high-quality jobs.”*

9. Five strategic objectives support this vision and between 2026-2031:
  - **Increase workspace provision** – Add 15 new affordable workspace facilities
  - **Diversify the offer** - Deliver 3 new flexible laboratories; 6 innovation/accelerator spaces; and 6 creative studios/maker spaces
  - **Convert vacant assets** - Repurpose 10 vacant commercial spaces into affordable workspace
  - **Boost startups rates** - Support 400 new business start-ups, including 50 started by local residents
  - **Retain existing businesses** - Prevent net loss of small businesses

### **Priority sectors, typologies and locations**

10. In line with the Council’s Upstream London vision, the Strategy proposes prioritising STEM<sup>3</sup>-related sectors undertaking advanced health, science, digital, technology, professional, financial, green, media and creative activities among others.
11. The proposed priority workspace typologies that meet the needs of these sectors include flexible laboratories; incubator spaces; accelerator spaces; advanced maker spaces; and creative studios.
12. Four priority locations are proposed based on existing sectoral clusters, public transport connectivity and alignment with regeneration priorities:
  - **Shepherd’s Bush & White City** - Health, science, technology, digital and green activities, Creative and cultural activities.
  - **Hammersmith Centre** - professional services, finance, creative industries
  - **East Acton & Old Oak** - health, science, creative industries
  - **Olympia & Earls Court** - professional services, finance, creative industries, clean technology

### **Council’s Roles and Interventions**

13. The Strategy proposes a strategic framework, with the Council adopting three complementary roles - **Facilitator** (priority role), **Implementor** and **Broker** - delivered through four priority interventions designed to curate a diverse Affordable Workspace ecosystem.
14. Any future funding allocations to specific activities outlined in the Strategy will be the subject of future reports as required by the Council’s usual governance processes.

*Intervention 1: Retrofit Fund (Facilitator role)*

15. It is proposed that the Council establish a Retrofit Fund providing capital funding to support workspace operators to convert vacant or underused buildings into affordable workspace. The fund could support acquisition, fit-out, development or extension costs for projects that meet the Strategy's priorities and affordability criteria.
16. An indicative allocation of approximately £2 million is proposed for an initial pilot phase to test market demand, refine delivery processes, and establish proof of concept. Following evaluation of the pilot's outcomes and learnings, a second phase could be pursued.
17. Funding criteria would prioritise projects in priority locations serving priority sectors, with strong affordability commitments, financially viable business models and experienced operators. Projects would be expected to demonstrate community benefit, alignment with Council priorities and value for money.
18. Officers will design the application process, conduct due diligence on applicants, negotiate grant agreements with robust clawback provisions, and monitor delivery to ensure obligations are met. The fund is expected to leverage additional private and institutional investment, maximising the total amount of affordable workspace created from the Council's investment.

*Intervention 2: Regeneration Scheme Integration (Implementor role)*

19. It is proposed that the Council proactively integrate affordable workspace into regeneration schemes that it is delivering or facilitating in the borough. This ensures affordable workspace is designed into major placemaking and regeneration activities from the outset. Each opportunity will be subject to detailed feasibility assessment, market testing and value for money analysis.
20. The timing, scale and nature of these interventions will depend on the development pipeline and will vary across the Strategy period. For this reason, no specific budget allocation is proposed at this stage.

*Intervention 3: Public Asset Development (Implementor role)*

21. It is proposed that the Council should undertake a systematic review of public assets to identify opportunities for repurposing into affordable workspace, including on a temporary or meanwhile basis while determining long-term asset use, maximising asset utilisation to support the Council's economic growth objectives. This could include vacant or underused buildings, sites with development potential and buildings where partial change of use could create workspace.
22. A sifting process would assess opportunities based on location alignment with priority areas, physical suitability for conversion, planning feasibility, market demand and financial viability. Priority assets would be taken forward for detailed feasibility studies, exploring commercially viable options such as leasing, co-investing or direct Council operation where appropriate.

23. The scale of investment required will depend on the specific assets identified and the delivery model chosen. As with regeneration schemes, no specific budget allocation is proposed at this stage.

#### *Intervention 4: Business Development (Broker role)*

24. It is proposed that the Council establish an Affordable Workspace Forum comprising workspace operators, occupiers and key partners. The forum would support delivery of the Affordable Workspace Strategy by fostering insight-sharing, collaboration and collective learning across the borough. Meeting quarterly, it would provide a structured platform to shape ongoing implementation and identify emerging needs, challenges and opportunities.
25. The Economic Development team would provide business development support, connecting landlords with operators, signposting tenants to business support services and facilitating partnerships. This brokerage function builds on the Council's existing relationships with the business community and leverages officer expertise to unlock opportunities that might not otherwise come forward.
26. This work could be delivered through existing officer capacity and requires no additional budget allocation, making it a cost-effective way to amplify the impact of the Strategy's other interventions.

#### **Governance and Delivery**

27. The Strategy proposes a governance framework grounded in the entrepreneurial municipal government approach set out in Upstream London, emphasising partnership, innovation and evidence-led decision-making.
28. It is proposed that an officer-level Affordable Workspace Steering Group be established as a sub-group of the existing Upstream London Delivery Board. This group would be responsible for implementation planning, monitoring delivery and troubleshooting challenges.
29. This group would comprise officers from Economic Development (lead), Regeneration, Planning Policy, Development Management, Property Services, Climate and Finance. It would meet monthly or bi-monthly to coordinate implementation and report quarterly to the Upstream London Delivery Board on progress, performance against key indicators, risks and issues.
30. It is proposed that the programme should be delivered through existing Economic Development team capacity supplemented by cross-team support. As one of the priority projects within the Upstream London delivery plan, the Strategy will benefit from regular oversight and strategic direction through these established governance structures.
31. The establishment of an Affordable Workspace Forum is proposed to engage workspace operators, occupiers, and relevant partners. This forum could help ensure delivery remains responsive to market needs, benefits from sector

expertise and maintains strong relationships with the workspace operator community.

### **Monitoring, evaluation, accountability and learning**

32. A Monitoring, Evaluation, Accountability and Learning (MEAL) framework has been developed, proposing key performance indicators, data collection methods, reporting frequencies and learning mechanisms. This framework ensures the Strategy delivers measurable outcomes and provides a basis for continuous improvement.
33. Key performance indicators include: number and type of affordable workspace facilities created; square meterage of workspace delivered; number of businesses supported; number of residents supported into employment; investment leveraged; workspace occupancy rates; and business survival rates.
34. The Strategy would be subject to a formal review annually to assess progress, evaluate impact and refine interventions based on lessons learned. Ongoing reporting will be provided to the Upstream London Delivery Board.

### **Staged decision-making and financial governance**

35. This Cabinet decision would approve the Strategy as a strategic framework document setting the vision, objectives and approach for coordinating Council resources to curate a diverse affordable workspace ecosystem. It does not commit the Council to specific expenditure on individual projects beyond the establishment of the governance framework and initial development work.
36. Individual spending decisions would be taken through appropriate governance processes. Any major individual financial commitment would be the subject of future reports, with full financial implications, risk assessment and value for money analysis, in accordance with the Council's usual governance arrangements.
37. The indicative budget allocations in the Strategy provide planning assumptions only and are subject to change based on delivery opportunities, detailed feasibility work and value for money assessments. This flexibility ensures the Council can respond to emerging opportunities and adjust its approach based on delivery experience and market conditions.

### **Alternative Interventions & Contingency**

38. The Strategy provides contingency and flexibility through a pipeline of alternative interventions that could be pursued if additional funding becomes available through planning contributions, external grants or co-investment, or if initial interventions underperform.
39. The Council's Affordable Workspace Supplementary Planning Document (SPD) (2022) states that payments in lieu of on-site provision of affordable workspace are permitted only in "exceptional circumstances" at the Council's discretion.

The Strategy proposes expanding this approach by establishing additional operability criteria based on consultation with affordable workspace operators. Officers will consider off-site contributions where on-site provision cannot support a commercially sustainable facility, where a proposal fails to meet operability criteria relating to size, fit-out standards, location, rental levels and unit configuration.

40. Where proposals fail to meet these operability criteria, officers will seek off-site contributions calculated using the established Payment in Lieu methodology set out in the Affordable Workspace SPD. This evidence-based approach will strengthen the Council's negotiating position with developers while ensuring that planning obligations deliver genuinely usable affordable workspace, either on-site or through financial contributions. The Strategy also commits to pursuing complementary funding streams (e.g. from central government and the Greater London Authority) to supplement Section 106 resources and scale delivery beyond the current £8.2 million ringfenced allocation.

### **Reasons for Decision**

41. The Council faces a clear market failure in affordable workspace provision that threatens the borough's economic diversity, resilience and inclusive growth objectives. Without intervention, rising costs and limited workspace diversity could price out early-stage entrepreneurs and small businesses that form 95% of the local business base.
42. The Council has approximately £8.2 million of Section 106 funding ringfenced specifically for affordable workspace provision. This Strategy provides a framework for deploying this funding strategically and effectively to address market failures and support the Council's Upstream London vision.
43. The Strategy positions the Council as an exemplar of entrepreneurial municipal government, moving beyond traditional planning policy to actively deploy the full range of levers available - from direct investment to asset development to brokering partnerships. This comprehensive, coordinated approach to curating an affordable workspace ecosystem supports the borough's reputation as a place where start-ups and innovation thrive, while ensuring the Council maximises the impact of available resources.
44. The Strategy aligns with and directly supports delivery of Upstream London. As one of the priority projects in the Upstream London delivery programme, the Affordable Workspace Strategy addresses a key barrier (workspace availability and affordability) to achieving the vision of making the borough a global hub of STEM<sup>3</sup> innovation.
45. The staged decision-making approach balances strategic ambition with financial prudence. By approving the strategic framework and noting that individual spending decisions will be the subject of future reports as required by the Council's usual governance processes, Members maintain democratic oversight of this significant investment whilst enabling officers to progress initial delivery activities and detailed feasibility work for subsequent interventions.

## **Supporting documentation**

46. The Strategy is supported by a Delivery Manual and Affordable Workspace Design Guide
47. The Delivery Manual sets out an action plan for implementation, translating the Strategy's four interventions into detailed delivery activities, timelines, responsibilities and governance arrangements. It provides officers with a clear operational framework for progressing the Strategy following Cabinet approval.
48. The Affordable Workspace Design Guide provides best practice guidance for delivering high-quality affordable workspace in the borough. The Design Guide serves two key purposes: first, to inform developers with affordable workspace planning obligations of the Council's expectations for design quality and operational standards; and second, to guide how any interventions undertaken through the Strategy are delivered, ensuring consistency and quality across Council-supported workspace provision. The Design Guide is positioned as guidance rather than policy, providing a flexible framework that can adapt to different contexts and opportunities while maintaining core principles around accessibility, sustainability, and user experience.

## **Equality Implications**

49. There are neutral to positive equality implications for groups with protected characteristics, under the Equality Act 2010, in the Affordable Workspace Strategy. An Equality Impact Assessment (EIA) has been completed – see Appendix Two - and will be kept under review during the implementation of this vision.
50. The Equality Impact Assessment highlights strong benefits for young entrepreneurs and early career professionals; for disabled people, through ensuring that all new or grant funded workspaces meet or exceed accessibility standards; and for people from underrepresented racial and ethnic backgrounds, supported through encouraging targeted outreach and operator led initiatives that help remove barriers to business startup. The Strategy also aims for positive impacts for women, particularly those underrepresented in STEM<sup>3</sup> sectors, by encouraging operators to deliver tailored programmes that help women establish and grow their businesses.

*Yvonne Okiyo, Strategic Lead for EDI, 12<sup>th</sup> January 2026*

## **Risk Management Implications**

51. There are no significant risks that impede delivery of this strategy. However it is recommended that adherence to the approach, management and delivery of the strategy is monitored for compliancy and to ensure improvements. It is advised that an assurance review is conducted to evaluate the application of the strategy.

*Jules Binney, Risk and Assurance Manager, 12<sup>th</sup> January 2026*

## **Climate and Ecological Emergency Implications**

52. The Strategy has positive implications for addressing the climate and ecological emergency through multiple pathways. These align with the Council's commitment to achieving net zero carbon emissions and supporting the green economy.
53. The Retrofit Fund and Public Asset Development interventions prioritise bringing vacant buildings back into use rather than new construction, significantly reducing embodied carbon compared to new development. Converting existing buildings avoids the substantial carbon emissions associated with demolition and new build, whilst improving building efficiency through modern retrofit standards.
54. Green economy businesses are identified as a priority sector, providing workspace for enterprises developing climate solutions including renewable energy, sustainable transport, circular economy and environmental technology businesses. By supporting these businesses to establish and grow in the borough, the Strategy contributes to wider climate goals beyond the direct carbon impact of workspace facilities.
55. The Strategy's focus on local businesses and clusters also supports the 15-minute city concept by providing employment opportunities close to where people live, reducing commuting distances and associated emissions.
56. Converting vacant buildings into productive use improves building efficiency and reduces carbon emissions whilst achieving economic growth. Furthermore, Grant funding criteria will include environmental performance requirements, ensuring Council investment supports high environmental standards.
57. Continuous engagement with the Climate team will be maintained through their membership of the Affordable Workspace Steering Group. Strategic interventions, including the Retrofit Fund, provide opportunities for collaborative planning and delivery with the Climate team, ensuring environmental considerations are integrated throughout all project phases.

**Verified by:** *Charlotte Slaven, Head of Climate Strategy and Engagement, 8<sup>th</sup> January 2026.*

## **Procurement implications**

58. If the Affordable Workspace Strategy is approved to proceed, any associated procurement activity will require associated procurement strategies to be agreed. The procuring officer must work with the Procurement and Commercial team to ensure any procurement activities are undertaken compliantly and in accordance with the relevant legislation and the Council's own Contract Standing Orders (CSOs).

*Chris Everett, Category Lead – Procurement and Commercial, 7<sup>th</sup> January 2026*

## **Property**

59. The Council has a number of affordable workplaces within its portfolio which are in high demand, this Strategy shall proactively build on these successes to further increase provision within the borough.
60. Within the Council's standing property portfolio there are a number of vacant or underused assets potentially suitable for upgrade / conversion into affordable workspace. This will drive better value from existing property assets for the benefit of the borough's communities. These vacant / underused assets are varied in nature which will, as a consequence, deliver a diverse range of space.
61. The Council has already undertaken a preliminary review of portfolio assets for repurposing into affordable workspace, this process shall continue as the strategy matures.

*Ian Church, Assistant Director – Corporate Property and H&S, 7<sup>th</sup> January 2026*

## **Section 106**

62. The Council has secured S106 financial contributions in lieu of the onsite provision of affordable workspace. Such funding is secured for the delivery of affordable workspace off-site within the borough. This Strategy seeks to discharge the Council's obligation within these S106 Agreements by providing the delivery mechanisms through which the Council will make provision for new affordable workspace.
63. As stated elsewhere in the report, the balance of in lieu contributions currently held is c.£8.2 million, primarily secured from the redevelopment of Olympia. This funding has already been allocated towards implementation of the Affordable Workspace Strategy. This funding will need to be managed by Economic Development, who will be responsible for seeking the appropriate approvals for use of the funding, and monitoring of the spend as well as key deliverables.

*Matthew Paterson, Assistant Director of Spatial Planning, 15<sup>th</sup> January 2026*

## **ICT**

64. The Affordable Workspace Strategy: 2026-2031 is a priority project within the Upstream London delivery programme. At this stage the extent to which IT will play a role supporting the delivery of the interventions described in the strategy is not known. Therefore it is important Digital Service (DS) is consulted when any form of IT is employed, and where necessary, service requests will need to be raised to ensure that IT requirements are met, and that all necessary safeguards, permissions, and budgets are in place for the features that are accessible as a result of this contract variation.
65. The service should engage with DS prior to enabling any generative AI functionality, to ensure compliance with corporate AI strategy, governance,

security, and privacy requirements. The AI Governance Framework form must be completed for any enhancements to existing solutions, as well as all new projects and contracts deploying AI capabilities. If colleagues are unsure as to whether a new function falls within the AI framework, they should discuss it with DS.

66. The Data Privacy Impact Assessment (DPIA) should be kept up to date to ensure that all potential data protection risks are properly assessed with mitigating actions agreed and implemented.
67. H&Fs approved cyber security clauses must be incorporated into all new and renewed contracts regardless of value, or framework. Legal advice should be sought on how to incorporate the cyber security clauses into agreements which do not use our H&F contract templates.

*Umit Jani, Strategic Relationship Manager (People), 12<sup>th</sup> January 2026*

## **Consultation**

68. The Strategy has been developed through consultation and engagement with external stakeholders over a seven-month period from April to November 2025.
69. Consultation activities included: four workshops attended by 32 workspace operators and businesses, exploring needs, barriers and opportunities; several one-to-one discussions with individual operators to understand specific business models and challenges; presentations to and discussion with the Enterprise Board (comprising business leaders from across the borough); engagement with the Business Network (comprising of local business stakeholders and professionals) on priorities and approach; and discussions with neighbouring boroughs and the Greater London Authority on alignment with wider strategies and learning from best practice.
70. Key themes from consultation included: strong demand for affordable workspace, particularly flexible laboratories and studios; importance of operator viability and long-term sustainability, not just initial capital support; need for diversity of workspace types to serve different business stages and sectors; and support for proactive Council role in facilitating workspace provision.
71. Complementing extensive research and evidence-based analysis, this consultation has directly informed the Strategy's priorities: the focus on laboratories and studios reflecting operator and business feedback; the emphasis on operator viability in grant criteria responds to concerns about sustainability; and the diversity of interventions and typologies addresses requests for a varied ecosystem rather than single-solution approach.

## **LIST OF APPENDICES**

Appendix One – H&F Affordable Workspace Strategy: 2026-2031

Appendix Two – Equalities Impact Assessment