

Employment Strategy

Overview

Key Objective

Increase employment opportunities for local people, by creating a minimum of 7,000 new jobs and improving access to training initiatives and apprenticeships.

6.1 This Employment Strategy focuses on two aspects. First, it addresses the provision of a suitable quantity and variety of business floorspace, as this is likely to make the greatest contribution to the minimum new jobs target of 7,000. Second, it sets out the authorities' strategy for securing employment and training across all employment sectors.

6.2 For the purposes of this SPD, business uses are defined as all those land uses within Class B1 of the Use Classes Order 2010, which covers offices (B1a), research and development (B1b) and light industrial (B1c). In addition to the business sector, jobs will also be created in culture and retail which will 'count' towards the 7,000 jobs total, but are not addressed in this chapter.

Context

6.3 The OA currently contains two significant office buildings. The Empress State Building is the largest and most prominent of these, providing over 40,000sqm (GEA) of floorspace and is currently occupied by the Metropolitan Police. It was originally developed as a hotel in 1961 but subsequently converted to office use and was refurbished and extended by three floors between 2001 and 2003. The second office building is Ashfield House on the northern boundary of the site, which provides 8,600sqm (GEA) of floorspace and is currently occupied by Transport for London. In addition to this, the OA currently accommodates a number of small and ancillary office spaces including Clear Channel advertising on West Cromwell Road, the TfL Lillie Bridge Road Depot, the Earl's Court Exhibition Centres, the Adel Rootstein Ltd light industrial premises on Beaumont Avenue and a number of small light industrial premises on Rickett Street and Roxby Place.

Policy Context

6.4 The Mayor's London Plan (2011):

'Offices' (Policy 4.2); and
'Improving Opportunities for All' (Policy 4.12).

6.5 LBHF's Core Strategy (2011):

'Planning for the Location of Employment Activities' (Strategic Policy B);
'Strategic Site and Housing Regeneration Area – FRA 1'; and
'Local Economy and Employment' (Policy LE1).

6.6 RBKC's Core Strategy (2010):

'Earl's Court' (Policy CP10 and associated Vision);
'Location of Business Uses' (Policy CF5);
'Earl's Court Exhibition Centre' (Policy CA7); and
'Infrastructure Delivery and Planning Obligations' (Policy C1).

Figure 6.1: Illustrative diagram showing the potential distribution of businesses the OA

Deleted: Indicative

Deleted: illustrating

Business Provision

Existing Businesses

Key Principle ES1:

Existing business floorspace in the OA should be renewed and modernised or replaced through development proposals to maintain and intensify existing employment provision. Applicants should establish the requirements of existing tenants through consultation and demonstrate how these have been taken into account in their proposals.

6.7 Office and light industrial based employment makes a significant contribution to employment provision in the OA. This existing employment base should be retained and expanded through modernisation or replacement of the existing stock. Applicants should consult existing office and light industrial tenants at an early stage to ensure that their requirements are taken into account in development proposals. This should include an assessment of the existing jobs provision and the quantum of business floorspace.

Future Business Floorspace Provision

Key Principle ES2:

Proposals in the OA should incorporate additional business floorspace totalling approximately 90,000sqm (GEA) across the OA, primarily to meet local demand in both boroughs.

6.8 The Opportunity Area Office Study (2011) was commissioned to determine the scope for business provision in the OA having regard to the policy context and the supply of and demand for office floorspace at the local and sub-regional level. It considered a range of business floorspace provision in conjunction with the initial development capacity scenarios developed for the OA (please see Development Capacity Scenarios supporting evidence paper).

6.9 The study identifies a shortfall in the supply of business floorspace at a local level and at the wider sub-regional level, particularly in the central London sub-region. Supply constraints, particularly within Westminster, could mean that demand will be displaced to elsewhere in the sub-region. It is expected that schemes coming forward in the OA will contribute towards meeting the identified shortfalls in supply of

business floorspace particularly at the local level and achieving the indicative new employment capacity of in excess of 7,000 new jobs.

6.10 The study establishes that additional business floorspace provision totalling approximately 90,000 sqm (GEA) across the OA will meet the local shortfall and some of the sub-regional shortfall without compromising other key principles in this document or LBHF's or RBKC's Core Strategies.

Deleted: comprising

Nature and Phasing

Key Principle ES3:

New business floorspace should be phased so that up to half of the overall quantum is delivered in the early phases of redevelopment in the OA, with the remainder being provided in the later phases. Business floorspace in the early phases will need to incorporate provision for small and medium-sized enterprises. Applicants should have regard to the spatial distribution described below.

6.11 It is anticipated that sites in the OA will be developed on a phased basis over at least a twenty year period. The provision of the total amount of additional business floorspace envisaged in Key Principle ES2 too early in this period would risk undermining LBHF's Core Strategy Strategic Policy B. The Opportunity Area Office Study (2011) identified the importance of establishing the OA as a new neighbourhood before it would be attractive for business occupiers in terms of accessibility, amenity and the nature of business accommodation provided. This will take time to establish and is particularly important in terms of attracting larger office occupiers, who may be making a choice between a number of areas in London.

6.12 Therefore, business floorspace provision in the early phases of development will typically need to be flexible and smaller in scale in order to meet local need, particularly that of small and medium-sized enterprises. This should include small office buildings and business floorspace in mixed-use buildings. This type of provision can be readily integrated with residential, retail, leisure, cultural and community uses, which are anticipated to be the predominant uses in the early phases.

6.13 Business floorspace in the early phases should largely be focussed within the vicinity of the Empress State Building. Smaller concentrations of business floorspace might also be found near to transport hubs and on routes through the OA, where this does not conflict with residential uses. Spatial testing has identified that up to half of

the business floorspace provision envisaged in Key Principle ES2 could be accommodated in these areas.

6.14 The remainder of the business floorspace will be delivered in the later phases and will typically comprise larger units and discrete office buildings. The authorities envisage that this type of accommodation will be focussed in the north of the OA fronting onto West Cromwell Road (A4). The Urban Form Strategy (Chapter 4) refers to this location as the 'Metropolitan Face' of the OA. It has the potential to offer an attractive and high profile location for larger office occupiers provided that it is integrated into the new neighbourhood created in the OA and benefits from the associated amenities.

Variety and Adaptability

Key Principle ES4:

Development proposals for business floorspace should incorporate variety in the type, size, cost and terms (lease arrangements) of accommodation and be designed to be readily adaptable for use by a range of tenants. Provision of business space suitable for very small, small and medium-sized enterprises and incubator units to meet borough level demand will be expected in the early phases. Later phases should accommodate a variety of sizes of units but could include larger office floorplates over 1,000 sqm.

Key Principle ES5:

The authorities will secure the provision of affordable business space for very small, small and medium sized enterprises and incubator units across all phases of development.

6.15 Business units will need to be designed to be readily adaptable for use by a range of tenants, including single occupier and multi-let space at a variety of scales. The Opportunity Area Office Study (2011) identified that typical floor sizes in the order of 1,000 – 2,000sqm are most likely to be appropriate to meet demand arising at a sub-regional level, given the potential range of occupiers, although this may change over time. Provision for local demand will need to be smaller and more flexible, including a range of unit sizes typically below 1,000 sqm.

6.16 The early phases of development in both boroughs should provide for very small, small and medium-sized enterprises, including dedicated incubator units with shared central services. The authorities will secure affordable business space within this offer and will secure affordable space within mixed use and larger office proposals, which are likely to be more acceptable in later phases.

Employment and Training

Protecting Existing Employment

Key Principle ES6:

Any applications proposing the redevelopment of the OA must, in consultation with the Economic Development Teams of both boroughs, include measures, during and post construction, to protect businesses outside of the OA affected by development.

6.17 The hinterland surrounding the OA represents a significant source of existing employment and economic activity. Many of these employers have grown to serve the needs of the Earl's Court Exhibition Centres. In the Earl's Court ward alone there are 117 businesses and a workforce of 1,725 employees providing accommodation and food service activities.

6.18 Both boroughs will require steps to be taken to mitigate against the impact development will have on existing local employers brought about by the loss of the Earl's Court Exhibition Centres and the period of construction. This should include sector specific support, improvements to neighbouring trading environments, training and retraining, contributions to commercial centres' management and business engagement and consultation. Proposals must include a strategy demonstrating how the requirements of LBHF and RBKC have been met.

Local Procurement Opportunities

Key Principle ES7:

Developers should put in place procedures to ensure small and medium sized local enterprises (local SMEs) have access to tender opportunities for the procurement of goods and services generated by the development both during and after construction, having regard to the councils' Local Procurement Code of Practice.

6.19 The authorities will require the developers to champion the benefits of using local businesses in the supply chain and ensuring that a greater proportion of expenditure is retained in the local economy. Local businesses are more likely to employ local labour and will therefore increase the sustainability of the development by reducing travel distances.

6.20 The Councils have produced a joint Local Procurement Code of Practice, which requires developers and their contractors to agree policies and procedures

with the boroughs' Economic Development teams to ensure that local businesses have access to tender opportunities for the procurement of goods and services.

6.21 The Councils will regularly monitor the proportion of local procurement opportunities and will require any developer to submit information about contract tendering activity with local businesses and its outcomes. Information should be submitted from the developer in respect of contract tendering activity and the outcomes with regard to local businesses.

6.22 A financial contribution will be sought toward the costs of facilitating local procurement, which could include the establishment of a local enterprise screening service, brokerage with contractors and owners, periodic 'Meet the Buyer' and business briefing events, the maintenance of a directory of suppliers, support for businesses to become tender ready and performance monitoring. The mechanism for determining the level of contribution is set out in the Local Procurement Code of Practice.

Variety and Adaptability

Key Principle ES8:

Applications for comprehensive redevelopment will be expected to deliver and any other applications will be expected to contribute towards:

- support and funding of Workplace Coordinators working within the developer's project team to ensure that local people benefit from employment opportunities throughout the development;
- the provision of a recruitment & employability Construction Training Centre before and during construction; and
- the provision of a post construction standalone Recruitment and Job Shop in a focal point of the development.

6.23 Financial contributions will be sought from developers to fund Workplace Coordinators, in line with the principles of the councils' joint Employment and Training Code. The postholders will work closely with and be located within the developer's project team. The Coordinators will work to meet the identified employment needs of key partners, contractors and suppliers and coordinate links with external agencies to provide suitable candidates. The Councils consider this role to be critical in steering job opportunities towards local people and demonstrable practical gains should result from this initiative (i.e. in numbers of residents getting employment in the development). In addition the Councils see increasing

employment opportunities for local people with disabilities, vulnerable groups, [young offenders](#) and those furthest from the labour market as equally important and the Workplace Coordinators will play a key role in delivering this.

6.24 Developers will be expected to provide a recruitment and employability Construction Training Centre in the OA before and during construction and a standalone Recruitment and Job Shop post construction, within a focal point of the development. The Recruitment and Job Shop should serve as a highly visible focal point for residents looking to undertake vocational skills training relevant to local job vacancies and obtain work experience and apprenticeship opportunities, as well as to assist employers in recruitment.

Local Employment Opportunities

Key Principle ES9:

Any applicant seeking permission for comprehensive redevelopment should agree to provide a Local Labour, Skills and Employment Strategy and a Local Labour, Skills and Employment Delivery Plan.

6.25 The authorities will seek the provision of a Local Labour, Skills and Employment Strategy and Delivery Plan as part of any planning agreement associated with any application for comprehensive redevelopment. Both documents would need to be produced by the applicant in close partnership with both RBKC and LBHF Economic Development teams in line with the principles of the Councils' joint Employment and Training Code, which is available from either of the councils' Economic Development teams.

6.26 The Strategy would need to incorporate predictions on labour demand, skills requirements, targeted recruitment drives, target-setting with contractors and sub-contractors, mechanisms for monitoring employee and contractor employee residency data, jobs fairs, community and careers events and initiatives to increase employment sustainability for local people. In addition, it will be expected to include details of activity [to support re-training of individuals affected by the closure of the exhibition centres, activity](#), to provide professional input to career days, teacher training and work experience for young people from both boroughs.

Deleted: to support re-training of individuals affected by the closure of the exhibition centres, activity

6.27 The Delivery Plan should focus partnership efforts and incorporate complementary activity. This could include links with Job Centre Plus, local schools

and colleges, adult education & learning services and Education Business Partnerships.