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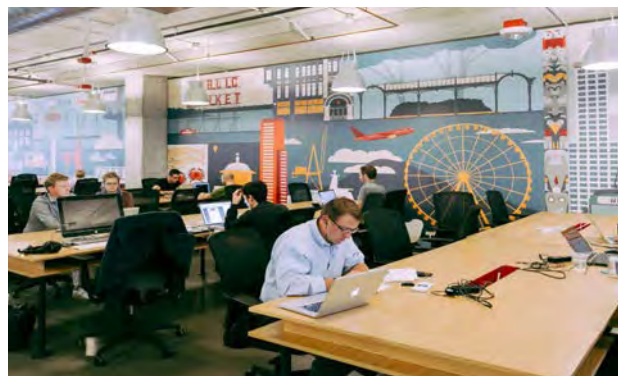
Supplementary Paper

(published 1 Sept 21)

Final Version of Affordable Workspace Strategy (for reference)

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LB Brent Affordable Workspace Strategy



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Foreword



Councillor Shama Tatler,
Lead Member for Regeneration,
Property and Planning

Whilst demand for affordable workspace has significantly increased in Brent, supply is failing to keep up. Brent’s business base of small and medum-sized enterprises (SMEs) has grown from around 10,000 SMEs in 2010 to over 15,000 SMEs today. The continued loss of industrial land and office space to residential development and conversion is, however, choking the supply of workspace affordable to small businesses and negatively impacting town centres. Private developers, investors and commercial property providers have limited appetite to deliver affordable workspace, due to relatively low values, and more modest financial returns. Constrained supply of commercial space has driven up rents, and along with the 2017 increase in business rates, we see workspaces becoming increasingly unaffordable and the small businesses that are the bedrock of our local economy displaced.

Affordable workspace provides opportunities to grow and retain local businesses and employment, attract new sectors, incubate start-ups, and is vital to a healthy local economy. Affordable workspace can also play an instrumental role in the renewal of town centres and high streets, generating new jobs and footfall where traditional uses may be lost.To date, the Council has facilitated delivery of managed affordable workspaces on former employment sites at a 50% discount to market rates, through draft Local Plan policy and partnerships with affordable workspace operators. Major artist studio projects have been delivered in new developments in Wembley and Alperton, plus a forward pipeline of new workspaces secured under S106 planning obligations. Brent’s draft Local Plan will strengthen planning policy for affordable workspace by proposing development of a new set of sites within growth areas to deliver 10% of floorspace as affordable workspace.

Development pressure on commercial land and buldings in the borough is, however, forecast to continue. To retain a competitive business base that supports local employment and

strengthens town centres, we must do more to protect and support existing workspaces, and ensure new development delivers the infrastructure and workspace that businesses need and can afford.

Business now feels the immediate shock of the coronavirus pandemic and lockdown. A fifth of small businesses are at high risk of closure, consumer spending is down and the state of the high street becomes increasingly precarious. Retail, accommodation, hospitality and construction sectors - all vital to Brent’s economy - are viewed as least resilient to recession and face an uncertain future. Further turbulence is expected as the UK moves through the EU departure transition period, with Brent home to the 3rd largest EU population in London, and new but undefined rules on trade, travel and business due to take effect in 2021. In such a tough trading environment, never has the provision of affordable workspace and business support for both established and start-up SMEs been more important. To grow and retain local businesses and employment, and attract new sectors, the Council’s Affordable Workspace Strategy and Action Plan proposes a suite of initiatives to:

- Improve policy and practice in the planning system to secure a range of affordable workspace in new development;
- Find ways to actively attract new affordable workspace providers and investment;
- Encourage and enable development of more commercial space with a focus on town centres and high streets;
- Keep rents and costs low for the businesses and industries that really need it; and
- Deliver business support, including financial incentives tailored to local priorities and which complement existing government schemes.
- Diversify town centre and high streets uses, filling vacancies and reversing urban decline in a post COVID-19 economy.



Executive Summary

The London Borough of Brent's (LBB) Affordable Workspace Strategy (AWS) and Action Plan builds on workspace research and policy development undertaken over the past 2 years. The AWS and Action Plan is structured around five key questions:

- 1. How do we deliver affordable workspace?**
Setting out an Action Plan on how more affordable workspace can be catalysed in Brent.
- 2. What is affordable workspace?**
Defining what affordable workspace means for Brent
- 3. Who needs affordable workspace?**
Identifying the priority sectors for affordable workspace and their requirements
- 4. Why do we need affordable workspace?**
Illustrating the economic and wider value of affordable workspace and the priority sectors
- 5. Where do we need affordable workspace?**
Identifying priority locations and opportunities for new affordable workspace

Hatch Regeneris, We Made That and PRD have been commissioned to provide the research, evidence and data required to answer questions 2-4 : 'What?', 'Who?' and 'Why?'. Content and intelligence from these sections along with 'Where?' inform the Action Plan in the 'How' section.

Eight actions are identified that could both facilitate and actively increase the amount of affordable workspace in Brent, which include:

- **Action 1:** Develop a Brent Affordable Workspace Supplementary Planning Document (SPD) to expand on draft Local Plan Policy BE1.
- **Action 2:** Expand the Affordable Workspace Operator list to give developers a better range of options when disposing of their affordable workspace and expand the local affordable workspace offer.
- **Action 3:** Create or facilitate affordable workspace projects in vacant and hard to let properties on the high street.
- **Action 4:** Inform and direct business cases for workspaces in Council assets and developments, specific to location and context, for how best to develop and manage the workspace.
- **Action 5:** Facilitate and optimise affordable workspace delivery in mixed-use development in site allocations that trigger draft Local Plan Policy BE1.
- **Action 6:** Agree a forward plan for using S106 commuted sums collected in lieu of onsite affordable workspace.
- **Action 7:** Work with economic development and finance colleagues to create a specific discretionary business rate relief for Affordable Workspace Operators.
- **Action 8:** Develop and launch a Brent finance and grant scheme for affordable workspace operators with a focus on either location or sector.

Methodology for Evidence Base

A clear methodology was designed to provide the intelligence required for the study (Figure 1.1). Several different methods were used for each part of the report to triangulate the findings and build a robust picture.

The study is grounded in the analysis of quantitative data from secondary sources. This includes data from publicly available portals (e.g. from BRES and UK Business Count) and privately held sources (e.g. from CoStar). This evidence was substantiated and interrogated through structured conversations with Local Authority Officers and workspace operators. 26 businesses were consulted to get a better understanding of what they consider 'affordable' in terms of commercial space and what their key workspace requirements are.

The study was also supported by a review of relevant literature, ranging from LBB's documents (e.g. Brent's Inclusive Growth Strategy and Draft Local Plan) to research and policy documents at the London scale (e.g. GLA's Affordable Workspace Strategy).



Figure 1.1: Study Methodology by Hatch Regeneris

How Do We Deliver Affordable Workspace?

This Action Plan builds on the research, policy and existing ways to facilitate affordable workspace, and explores new routes and initiatives to deliver affordable workspace.

Eight key actions are set out under the headline themes of :

- New Developments and Planning
- LB Brent-led Developments in Council Assets
- Finance
- Vacant Hard-to-Let Units and Meanwhile Space.

The eight actions are:

- **Action 1:** Develop a Brent Affordable Workspace Supplementary Planning Document (SPD) to expand on draft Local Plan Policy BE1.
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- **Action 8:** Develop and launch a Brent finance and grant scheme for affordable workspace operators with a focus on either location or sector.



New Developments and Planning

LBB has facilitated developer delivery of managed affordable workspaces on former employment sites at a 50% discount to market rates, through draft Local Plan policy, S106 planning obligations, and partnerships with affordable workspace providers (see p109 for full list). Artist studio projects have been delivered in major new developments, including in Wembley and Alperton growth areas, plus a forward pipeline of new workspaces secured under S106 planning obligations (see example s106 planning obligations p.169). The draft London Plan definition of affordable workspace strengthens planning policy to require affordable workspace planning obligations, and Brent's draft Local Plan proposes 10% of total floor-space as affordable workspace within major developments exceeding 3,000 sq.m in growth areas. Flagship projects secured through S106 planning obligations include Second Floor Studio and Arts (SFSA) and Artist Studio Company (ASC) in the boroughs largest growth areas, Wembley and Alperton. Almost 20,000 sq.ft (1,860 sq.m) affordable workspace was delivered in these schemes, enabling:

- Integration of creative and cultural spaces into major mixed use regeneration, helping foster sustainable communities and building a genuine sense of place
- 53 new affordable studios hosting around 70 creative entrepreneurs and businesses, supporting local employment
- 10 open plan bench-spaces at very low rents for start-ups
- Priority for Brent residents when allocating space
- Socio-economic benefits to the wider area, including collaboration between businesses, new cultural provision, local resident opportunities to participate in workshops and skills sharing
- Promotion of arts in school curriculums and awareness raising of career paths in the creative sector.
- Open Studios programme: where the public have the opportunity to talk with artist tenants and understand the process of starting a creative industry career.



1-8 Capitol Way, Stag Lane, Colindale



Central Parade, Walthamstow



ASC Studio, Alperton



ASC Studio, 243 Ealing Road

Second Floor Studio Arts, Wembley

Wembley is an Opportunity Area, jointly identified by Brent Council and the Mayor through the draft London Plan, home of Quintain's major mixed-use regeneration of 85 acres of land around Wembley Stadium. Up to 26,000 sq.ft (2,415 sq.m) affordable workspace is secured through the S106 planning obligations, to be rented to an affordable workspace provider at no more than 50% of market rate.

Quintain and Brent jointly selected Second Floor Studios & Arts (SFSA) to manage the space in 2017, with SFSA signing a 15-year lease for the first phase of 7,500 sq.ft (695 sq.m) workspace. Brent contributed GLA New Homes Bonus top-slice funding towards the fit-out of the studios, helping to provide a stable, long-term affordable home for creative entrepreneurs, with priority secured for Brent residents applying for space.

33 visual artists and practitioners work from the studios, almost half of whom are Brent residents. The studios support these small businesses, contribute to the local economy and have added to the vibrancy of the area.

-Open Studios programme: where the public have the opportunity to talk with artist tenants and understand the process of starting a creative industry career

Artist Studio Company, Alperton

243 Ealing Road was a former B&Q store and to ensure the provision of employment space in its redevelopment, Brent secured 11,000 sq.ft (1,020 sq.m) affordable workspace. The mixed-use scheme also includes 440 new homes and 32,290 sq.ft (3,000 sqm) of commercial space in the waterside redevelopment. The project was approved in 2009, and the S106 planning obligations as originally drafted simply secured the affordable workspace to be rented at no more than 50% of market rate. ASC acquired 125 year leasehold of the space at 50% market value and worked with Brent Council officers to develop an Affordable Workspace Plan which secured the following:

- 27 bespoke studios at affordable, inclusive rents, with priority for Brent residents
- 1 studio rent-free for a 2-year period to a young Brent resident, ongoing for the lifetime of the building
- 10 open-plan bench spaces at very low rent, designed for development and collaboration between small creative start-ups
- Free training and mentoring for tenants, with financial support via business growth loans
- Apprenticeship, work placement and training opportunities for local people
- Ongoing collaboration with Brent Regeneration and Employment Skills & Enterprise teams.

Affordable Workspace in new developments in other London Boroughs



Paddington Works in Paddington Exchange, LB Westminster

6,890 sq.ft (638 sq.m) of affordable B1(a) and associated community space was delivered to a finished standard and let for 80 years at 60% of market rent. Paddington Works provides business training and support with a focus on access to markets, finance and mentors.



Build Studios in 203 Westminster Bridge Road, LB Lambeth

4,110 sq.ft (382 sqm) GEA for a business incubator space leased to an incubator operator for no more than 50 years at a peppercorn rent. Build Studios provides business support services, industry events, networking, mentoring and opportunities to collaborate for businesses in the built-environment sector.



Artist studios in London Square, LB Southwark

Affordable artist studios (Area A - 16,500sq.ft / 1533 sqm GIA, Area B - 12,055 sq.ft / 1120 sq.m GIA) leased to an artist studio operator for a lease of 25 years for an average rent of c.£7.50 sq.ft. Named providers include Tannery Arts, The Drawing Rooms and Southwark Studios, who all provide affordable workspace for artists and small creative businesses.



Workspaces in Wembley and Alpertton illustrate the council's success in securing affordable creative workspace. Desk-based workspace and more niche sector-specific space, other than artist studios, is however yet to be delivered and tested under Brent's Affordable Workspace policies.

Action 1:

Develop additional guidance in a Brent Affordable Workspace Supplementary Planning Document (SPD) to expand on draft Local Plan Policy BE1 to include:

- Definition of Affordable Workspace based on the 'What' chapter (page 22-57), including:
 - Draft London Plan Policy E3
 - Support draft Local Plan Policy BE1 to take on best practice from other London Boroughs.
 - Average affordable price ranges for end-users.
 - Inclusion of additional services for different typologies (eg. business support).
 - Size recommendations for different typologies and sectors.
- Explain the role of Affordable Workspace Operators in leasing and managing affordable workspace in new development and arrangements for such -
- Detail Affordable Workspace Management Plan requirements (e.g. rents and service charges, typologies, fit out, business support, reporting) to be provided by planning applicants at planning submission
- Undertake sensitivity analysis on varying discounts to market rents in different locations for different sectors and sizes of workspace to determine if the 50% discount to open market rent/value is a reasonable overarching criteria. Conclusions of the sensitivity analysis can form recommendations to vary the discount depending on location, size or typology of workspace
- Apply analysis of minimum sizes of workspace for different typologies based on financial viability for workspace operators and recommend use classes based on size bands (p42 - 47).
- Develop recommendations for typologies and locations based on recommendation table in the 'Where' chapter (below p102-129).
- Outline specification requirements for different typologies, informed by detailed conversations with Affordable Workspace operators about their fit-out preferences.
- Establish a protocol and guidance for securing Council options to acquire new affordable workspace
- Guidance on the role of affordable workspace to diversify and strengthen town centres and high streets, including replacing traditional retail uses which may be lost.
- Guidance and criteria for the circumstances where offsite commuted sum for affordable workspace should be secured, and a valuation formula to calculate offsite commuted sums.
- Guidance on monitoring affordable workspace planning obligations and timing of any payments
- Outline the timescale and process for developing and establishing an SPD.

Vacant Hard-to-Let Units and Meanwhile Space

The draft London Plan and Brent’s draft Local Plan encourages meanwhile uses to strengthen town centres and high streets. Changing consumer habits, the rise in online shopping and out of town retail centres have all contributed to decline on the high street. Meanwhile uses can occupy harder to let and vacant units, with lower rents for small businesses, reduced costs for landlords, and day and night time activities to boost local footfall and spend.

Workspace is also viewed as an opportunity to revitalise town centres into the longer term, particularly where decline has taken root and been accelerated by the recent coronavirus pandemic, by diversifying uses, building resilience, and creating social and economic value from otherwise underutilised properties and sites.

The Plan explains that meanwhile uses can facilitate day and night time activities in Town Centres, and create social and economic value from previously vacant properties. In the Brent’s draft Local Plan, meanwhile use is encouraged to support stronger Town Centres, a diversity of uses and support activity on phased development sites.

Even though commercial vacancy rates in Brent are generally low, it is worth testing an employment meanwhile project in a Town Centre with higher vacancy rates or in a predevelopment site with a low-cost workspace for end-users.

Action 2:

Expand the preferred Affordable Workspace Operator list to give developers a better range of options when disposing of their affordable workspace and broaden the local affordable workspace offer:

- Compile a target list of new operators based on typology preference for workspaces in the delivery pipeline and encourage them to apply to the preferred list.
- Build relationships with existing and prospective operators based on upcoming opportunities through organised phone calls, meetings, site visits, developer introductions and joint working (e.g. on funding opportunities) and networking and events.
- Play an active role in the LEAP accreditation pilot to be able to apply new criteria (including equalities criteria) in the preferred list application process and integrate relevant learnings when selecting operators.
- Hold bi-annual check ins with preferred Affordable Workspace Operators to monitor demand trends, understand market challenges/opportunities, and work with Economic Development on ongoing liaison to signpost business support services to both operators and their tenants.
- Review Affordable Workspace Operator performance annually, including through scheme affordable workspace plans.
- Develop the affordable workspace offer to attract new operators to the borough.

Action 3:

Create or facilitate affordable workspace projects in vacant and hard to let properties on the high street:

- Engage with both affordable workspace and meanwhile operators and discuss location, minimum floorspace and space requirements to be able to select a shortlist of sites.
- Build a database of suitable sites that could accommodate workspace for the short, medium and long term based on survey of operators, including vacant high street units and pre-development sites.
- Engage with owners/developers to gauge interest in workspace projects either to fill vacant space or test out commercial uses prior to development.
- Consider how meanwhile uses can fill gaps on the high streets while other traditional uses may be in temporary decline.
- Work with owners/developers to select an affordable workspace/meanwhile operators for the selected properties/sites.
- Working with both the selected operators and the owners/developers, facilitate the projects and monitor impact over the duration.
- Consider partnership models where preferred operators, backed by the Council, are selected to cover geographic patches and engage directly with owners/developers within agreed parameters.
- Assess options for the Council to acquire vacant high street units for workspace use.

LB Brent-Led Developments in Council Assets

Brent Council is leading on mixed-use developments of council-owned sites across the borough, including land to the east of Cecil Avenue, Morland Gardens, Designworks, Bridge Park, the Carlton & Granville Centre and Peel Precinct – all of which will incorporate significant workspace elements.

The land to the east of Cecil Avenue in Wembley Housing Zone will deliver 250 new homes and 38,750 sq.ft (3,600 sq.m) of commercial and community floorspace. Morland Gardens in Stonebridge will re-provide the adult education centre; deliver new homes and an enterprise space for the local community. The Carlton and Granville Centre in South Kilburn accommodates community facilities and enterprise space, and will deliver new homes. Redevelopment of Peel Precinct at the heart of the South Kilburn regeneration proposes 560 sq.m of affordable workspace, a new health centre, retail uses and significant quantum of new housing. The Designworks project in Harlesden also proposes Council funding refine initial designs for redevelopment of the site, including for workspace, cultural, community and civic uses. A coordinated approach to the workspace in all of these new schemes, together with existing provision, is recommended to ensure that the workspace offer is affordable, diverse and meets the needs of the local community.

Workspace options for preferred typologies, ownership and management should form a key part of business cases in these development proposals. Workspace can play a significant placemaking role in new development, delivering sector-specific jobs, business support and training for local businesses, and positively connecting local communities. The Council should decide how to best leverage its assets to these ends and whether to self-run workspace delivered on its own assets or dispose or lease it to an operator that can meet these objectives.

Action 4:

Inform and direct business cases for workspaces in Council assets and developments, specific to location and context, for how best to develop and manage the workspace:

- Review vacant Council assets and assess suitability for workspace use (prioritising town centre and high street locations). Work with the Property team to take forward viable options.
- Compile a timeline of developments and work with key officers internally to ensure they prioritise the workspace in business cases, outline design, planning and detailed design.
- Build a strategy for workspaces in each development, taking into consideration how the spaces can complement each other and run successfully in each specific location including embedding measures to advance equality of opportunity and access for disadvantaged groups.
- Assess the ownership and management options and determined preferred options based on the benefits and challenges of a Council-managed workspace vs. a workspace disposed or leased to an affordable workspace operator.
- Soft market test each space with affordable workspace operators to determine what typology and organisation type could work best in each location.
- Assess options for the Council to acquire vacant high street units for workspace use.
- Working with Property, Finance and Economic Development colleagues, develop parameters and process to assess the viability of potential Council acquisition of new and existing land and premises for affordable workspace use, including industrial sites, workspace delivered in new developments and vacant town centre units.
- Consider premises owned or controlled by housing registered providers in housing estates.



Meanwhile Workspace examples:

Cottrell House, Coming Soon Club, Wembley (top left)
London Hackspace, Ujima House, Wembley (top right)
3Space, Keeton's and Collett (bottom left)
3Space, Oxford (bottom right)



Land to the east of Cecil Avenue, Wembley High Road (top left)
Morland Gardens, Harlesden (top right)
Designworks, Harlesden (bottom)

Action 5:

Facilitate and optimise affordable workspace delivery in mixed-use development in site allocations that trigger draft Local Plan Policy BE1

Estimate potential workspace capacity for each site allocation and rank the difficulty of bringing sites forward based on land use and ownership, local development activity, planning history, infrastructure requirements and other site specific considerations.

- Use the capacity study to inform Brent's Affordable Workspace SPD (Action 1) and provide affordable workspace advice for upcoming masterplans and planning submissions.
- Prioritise 10 sites based on approximate quantum of space and ease of delivery, including sites with potential for larger spaces able to provide move-on space for more established SMEs. Build a business case with timeframes and challenges for top-priority sites and propose high-level guidance for potential developments on each site.
- Engage with all interested parties in site allocations to gauge appetite for development.
- Promote priority site allocations to facilitate development of more affordable workspace.

Finance

Commuted sums in lieu of affordable workspace are secured via S106 planning obligations where it is not possible to deliver affordable workspace onsite. Examples in Brent include 6 Coombe Road and Minavil House, with other potential schemes in the delivery pipeline.

Contributions are ring-fenced specifically to deliver more affordable workspace within the borough, however there is currently no robust forward plan for allocating the funds.

Action 6:

Agree a forward plan for using S106 commuted sums collected in lieu of onsite affordable workspace:

- Review the development pipeline of affordable workspace opportunities to identify capacity and scale for commuted sums.
- Create a list of affordable workspace objectives for commuted sums around delivering more space and providing affordability, especially for local communities based on priority sectors, typology and location recommendations. (including new workspace in town centres).
- Use the objectives to identify potential funding projects based on existing affordable workspaces in Brent and new workspaces in the delivery pipeline
- Provide additional priority to potential projects which would advance equality of opportunity and access for disadvantaged groups, and in particular economically disadvantaged groups.
- Analyse potential projects and build up more detailed financial scopes, which could include capital expenditure for new spaces, loans or grants for providers, and scholarships/bursaries for selected business sectors/demographics.
- Outline a timeline and prioritise potential projects based on analysis including consideration of respective operator and sub business tenant legal liabilities for business rates and ensuring eligibility for reliefs extends across all occupiers of approved affordable workspace premises.

Research commissioned by GLA illustrates how the revaluation of business rates in 2017 has made managing affordable workspace financially unviable in many cases. With rents rising across London due to competing pressures on a diminishing supply of commercial land and premises, the increase in business rates is an additional cost burden that threatens the viability of end business users, particularly in the current challenging climate.

Under Section 47 of the Local Government Finance Act (1988), councils have the discretionary power to award relief on business rates where “it is satisfied that it would be reasonable for it to do so, having the regard to the interests of persons liable to pay council tax set by it.” LB Waltham Forest and Haringey have utilised the Act to establish rates relief specifically for ‘Open Workspaces’ and meanwhile uses in pre-development sites respectively.

Since 2018, LB Waltham Forest have offered ‘Targeted Relief’ for workspace providers who are not-for-profit, reinvest surpluses into affordable workspace within the borough, and can prove that they will achieve ‘local social, economic and cultural benefits’. On successful application, a workspace provider will receive rates relief until 2023, starting at full relief in year one and tapering down annually by 15%.

LB Haringey have applied the Act to sites that are vacant prior to redevelopment. The meanwhile use must provide opportunities for local residents and businesses and add vibrancy to the area. Both schemes exemplify how councils can use their powers to support affordable workspace operators through business rates relief.

Action 7:

Work with finance colleagues to create a specific discretionary business rates relief for Affordable Workspace Operators:

- Working closely with finance colleagues, build a business case for rates relief that supports start-ups and small businesses, focusing on affordable workspaces and meanwhile uses, using precedent policies on rates relief in other London Boroughs.
- Identify socio-economic benefits of rates relief policy (e.g. local employment outputs, re-occupation of vacant premises) and assess against potential lost income to the council.
- Based on mapping exercises and turnover analysis, plus current/forecast economic context, identify priority areas and sectors (including at risk sectors) that could be targeted for discretionary business relief to stimulate economic growth in that particular location/sector
- Assess options for pilot schemes for particular sectors or to deliver specific socio-economic outcomes in specific geographies versus whole borough rollout
- Agree criteria for the application process for a business or operator to receive discretionary rates relief.
- Agree termination policy should the organisation cease to meet the eligibility criteria or cease trading.
- Implement and promote discretionary business rates relief policy to small businesses and affordable workspace operators.
- Monitor successful relief applications against agreed relief criteria and creation of affordable workspace within the borough.

Affordable workspace operators more focused on maximising social, rather than commercial, returns, can struggle to get traditional finance from banks without a reputable guarantor, due to the relatively higher-risk nature of their business models. Fit-out costs, standard operational costs and extras such as business support, networking events and outreach to local communities, paired with low rates for end-users, result in higher upfront investment and lower returns over a long term.

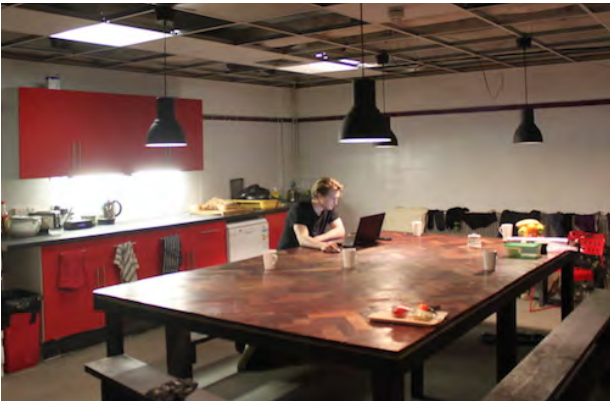
Options for finance and funding for operators include the ethical banking sector, investment from passionate private investors, specific funds which champion affordable workspace such as the GLA Good Growth Fund or Creative Land Trust, and Local Authorities.

In 2015, LB Haringey launched its Opportunity Investment Fund (OIF) for Tottenham with a £2.67m GLA grant and £1m funding from the council, specifically focused on increasing workspace and encouraging employment in the area. The GLA grant was conditional on funds being available on an unsecured loan basis and repayments being recycled into the scheme. 10% of the fund has been available for grant, but the remainder is available at a 6% interest rate.

Action 8:

Develop and launch a Brent finance and grant scheme for affordable workspace operators with a focus on either location or sector.

- Working closely with economic development and finance colleagues, assess options to set up a Brent affordable workspace fund including pooling planning commuted sums, CIL funds, GLA funding and Council borrowing.
- Prioritise locations or sectors based on ‘Where’ chapter recommendations and priority sector analysis (below p102-129), and with reference to current/forecast economic context, focus grants and loans on workspace in town centres and high streets.
- Work with finance to draft a business case for the fund including all of the criteria for applicants, parameters around the fund (interest rates, payment terms, equalities considerations etc.), grant percentage, and scenario testing for bad debt.
- Develop internal due diligence process, and external application collateral and prospectus.
- Launch the fund and promote to targeted workspace operators and run events to explain the application process.



Workspaces facilitated by the Tottenham OIF (from top left clockwise):

Gaunson House, Mill Co Project

Ten87 Studios

Exterior of Chicken Town, Create London

Workshop with community groups

What is Affordable Workspace?

This chapter provides an overview of how affordable workspace is defined across London and the characteristics of different types of affordable workspace. The key questions it answers are:

- What is Brent’s current position?
- What does ‘affordable’ mean in different parts of London?
- What is available outside of Brent?

Four key messages are:

Brent has an adopted policy for affordable workspace and the draft Local Plan Policy builds upon this. This approach has helped to catalyse more workspace in the borough, but there are areas for improvement and lessons from other boroughs that could be used to adapt policy and to inform the Action Plan.

The draft London Plan defines affordable workspace as ‘Workspace that is provided at rents maintained below the market rate for that space for a specific social, cultural, or economic development purpose’.

London Boroughs define ‘affordable’ in different ways – some are specific (i.e. setting a minimum market rate discount), whereas others are more general and reflexive depending on proposals coming forward.

A wide range of affordable workspace types exist across the capital. The benchmarking exercise undertaken as part of this study provides detailed intelligence about different typologies across the city. What does ‘affordable’ workspace mean in different parts of London?

What is Brent’s current position?

Brent’s Affordable Workspace Policy

Affordable Workspace policy in Brent has evolved as the supply of commercial premises has become constrained and rents have substantially increased across the borough, making many workspaces unaffordable for businesses in Brent.

Between 2001 and 2016, London lost approximately 1,200 ha¹ of industrial land, with over 100,000 sqm lost in Brent². Permitted Development Rights (PDR) introduced in 2013 accelerated the loss of commercial space, with Brent the 2nd most affected London Borough and 120,000 sqm of commercial space converted to residential use between 2013 and 2018³. These supply side factors are major drivers of the 5.3% year-on-year average commercial rent increase observed between 2010 to 2018⁴.

This continued trend of loss and pressure on commercial space has resulted in the GLA and

draft local planning authorities developing policies to protect employment land and uses, and secure affordable workspace in new development.

Brent’s draft Local Plan Site Specific Allocations require Affordable Workspace be provided in new development on former employment sites, and Brent’s Development Management Policies require Affordable Workspace be disposed/leased to a recognised workspace operator at no more than 50% market value/rent. Article 4 Directions have been introduced to remove PDR in Wembley, Alperton and on Strategic Industrial Land (SIL) and Locally Significant Industrial Sites (LSIS), and are proposed to be expanded.

Brent has successfully applied existing policies to secure new Affordable Workspace, including major artist studio schemes in Wembley Park and Alperton. In doing so, Brent has improved its understanding of workspace supply and demand in the borough, S106 planning obligations to capture and deliver Affordable Workspace for local businesses, and published and developed

relations with a preferred Affordable Workspace Operator list for developers of new mixed-use schemes that incorporate affordable workspace.

Brent’s draft Local Plan now advances our Affordable Workspace policy. Policy BE1 clearly defines that the quantum of floorspace to be sought as Affordable Workspace (B use class) should be 10% of total floorspace in major developments exceeding 3,000 sqm in Growth Areas. Policy BE1 thereby expands the forward pipeline of Affordable Workspace to take in new sites in well-connected areas identified as most suitable to accommodate an increasing population, new housing and employment. Policy BE2 also requires 10% Affordable Workspace in redevelopment of SIL and LSIS sites, and Policy BE3 provides for Affordable Workspace on Local Employment Sites (LES).

Brent’s draft Local Plan (Paragraph 6.4.27) also importantly reinforces the policy requirement that Affordable Workspace must be secured in perpetuity and disposed/leased to an approved

Affordable Workspace Operator at no more than 50% market value/rent.

Together Brent’s Affordable Workspace policies provide a framework for Brent to protect existing employment land and uses across the borough, and ensure regeneration and development incorporates new Affordable Workspace that contributes to the local economy.

Brent’s policy position is also strengthened by draft London Plan Policy E2 for providing suitable business space and E3 for Affordable Workspace, which confirms that planning obligations may be used to secure affordable workspace at rents below market rate for social, cultural or economic development.

Brent is a ‘provide’ borough in terms of industrial floorspace requirements in the draft London Plan. The policy highlights that the provision of affordable B1(c) (light industrial) floorspace should be encouraged. Draft Policy BE2 (Strategic Industrial Locations (SIL) and Locally Significant Industrial Sites (LSIS)) does not specify a particular percentage of affordable workspace in new development, but instead seeks to achieve 10% of affordable workspace in each of the industrial sites designated for both industrial intensification and co-location.

In both policies, the definition for ‘affordable’ workspace matches the draft London Plan:

‘Workspace that is provided at rents maintained below the market rate for that space for a specific social, cultural, or economic development purpose’.

The policy states that it should be secured for the lifetime of the development and be provided at no more than 50% of comparable local market rate.

Presently, Affordable Workspace S106 Planning obligations are commonplace in large mixed-use schemes in Brent and since 2008, Brent has secured over 9,000 sqm of affordable workspace through affordable workspace policy and S106 planning obligations.

Workspace Supply and Demand

As discussed previously, two studies (the Brent Workspace Study, 2017 and Update, 2018) looked at the demand and supply of workspace in the borough.

As part of these studies, existing and forthcoming workspace provision were mapped (see ‘Where’ chapter page 93 and Appendix B). The mapping of workspace focused on premises which offer flexible, short-term or membership-based leasing terms and therefore ranged from dedicated co-working spaces to managed workspace buildings, to specialist artist studio/makerspace provision to individual deskspaces offered in larger existing office or studio spaces. In 2018, 1,700 deskspaces, 145 studios, 30 maker-desks and 4 workshop spaces were recorded across the borough.

The studies also found that demand has been increasing rapidly: there has been a strong economic growth over the past five years with the number of jobs increasing by 17% and the number of businesses growing by 24%. Most businesses operating in Brent are SMEs, which suggests a growing demand for workspace for small enterprise.

However, demand varies across the borough and the continuing loss of industrial land and more recent loss of office space to Permitted Development has constrained the supply of workspace affordable to small businesses.

The studies also highlight a general increase of workspace rent and pricing across the borough in recent years due to lack of supply and a downward trend in commercial yields. Analysis suggests that higher pricing appears to be more correlated with the provision of new, modern high spec managed workspaces than a global rent increase of the pre-existing supply.

In terms of geography, the workspace provision is concentrated in the southern part of the borough with clustering around the south western edge of the borough towards Park Royal, the south eastern edge towards Kilburn and the Wembley Park area in the centre of the borough. These are also subject to important regeneration projects and have been affected by recent changes involving the loss of workspaces to redevelopment and the re-provision of some new workspaces. However, recently delivered and pipeline provision does show an emerging geography of more dispersed provision. There is a clear clustering of workspace around and beyond the southern edge of the borough which is reflective of its ties to West End and Central London locations, as well as its proximity to the industrial core of Park Royal.

On one hand, and looking at recent changes in the borough’s workspace provision, there is a clear correlation between upgraded workspace and higher pricing. On the other, the recent arrivals into the borough by established affordable workspace providers signals that Brent is doing well to attract new providers and increasing its reputation as a location for affordable creative workspace. While there are a number of newly and successfully delivered artist studio spaces across the borough, the provision of affordable makerspaces, and IACs and sector-specialist workspaces is limited and Brent should start to look to expand beyond artists’ workspace providers so that a wider range of affordable workspace and sectors are represented. Furthermore, a number of relatively affordable workspaces located in Brent’s secondary office stock are at risk and subject to redevelopment, which means that suitable space would need to be reprovided for the businesses currently occupying them (see ‘Where’ chapter for spatial distribution).

What does ‘affordable’ workspace mean in different parts of London?

Workspace affordability has become an area of strategic focus across London in recent years, reflecting constraints in the overall levels of supply, rising rents and evolution in the type and spatial distribution of demand across the city.

The concept and importance of workspace for Small and Medium Sized Enterprises (SMEs) (businesses with less than 50 employees) is now clearly recognised and a large amount of research has been undertaken to map its distribution and value.

While affordability is a key area of focus for this research, it is recognised that it is a highly place specific concept and attempts to define it have typically been left to local agencies with a specific planning remit.

London Wide Definitions of Affordable Workspace

In London, the Greater London Authority (GLA) has played a leading role in supporting the development and evolution of SME workspaces over the past decade. GLA research reports such as Incubators, Accelerators and Co-Working Spaces (2014) have helped to build the evidence base on the sector and supported the development of investment packages such as the London Regeneration Fund, Good Growth Fund and the LEP New Home Bonus Programme which are all partly targeted at enhancing the supply of creative and affordable workspace.

Research and investment has been matched by an evolution in Mayoral planning policy. While the current draft London Plan (adopted in 2016) highlights the importance of affordable workspace, it does not provide a clear definition

of what this means or how it should be applied locally.

The draft London Plan goes beyond this, defining affordable workspace as:

“Workspace that is provided at rents maintained below the market rate for that space for a specific social, cultural, or economic development purpose. It can be provided directly by a public, charitable or other supporting body; through grant and management arrangements (for example through land trusts); and/or and/or secured in perpetuity or for a period of at least 15 years by planning or other agreements”.

The latter part of this definition is important as it goes beyond pure financial considerations, to consider points of sustainability and longevity. The term ‘workspace’ is defined in the broadest sense, covering the spectrum of workspace typologies from conventional workspaces units to more niche shared spaces (e.g. artist studios, maker spaces, labs and co-working spaces).

The definition is not sector specific and, while most typically viewed from an ‘office’ perspective, is equally relevant in terms of industrial and retail uses. Within this, there are business types (e.g. start-ups, freelancers and artists) and sectors (e.g. creative and cultural activities) that are typically understood to be most in need from an affordable workspace perspective; these are typically those which are operating at the margins and are most ‘at risk’ from the dynamics of London commercial property markets.

Local Approaches to Affordable Workspace

Declining workspace supply and affordability is a growing concern in London. Over recent years, boroughs have developed their focus on workspace in their Local Plans and economic development strategies to support SMEs. Depth of analysis and policy detail however varies: only a small number of boroughs clearly define affordability or propose distinct policies to respond to this (typically where commercial property market pressures are most acute); and most approaches are far less well developed or defined.

12 of the 32 London Boroughs have clearly defined workspace policies (draft or adopted) within their Local Plans (details of which are included in Appendix A):

- Brent
- Camden
- Hackney
- Hammersmith & Fulham
- Havering
- Islington
- Lambeth
- Redbridge
- Richmond upon Thames
- Southwark
- Tower Hamlets
- Wandsworth

A clear definition of ‘affordable’ may be regarded as an important anchor aspect of a robust policy framework, however is not a common feature of all local authority adopted policy. Four boroughs with clearer definitions of affordable workspace are introduced below to illustrate explicit definitions.

London Borough of Havering

Affordable workspace is defined as workspace where rent and service charges, excluding business support services, are on average at least 20% less than comparable local market rates for the duration of a lease (although it is noted that, for some sectors and locations, rents may be need be even lower to render them affordable to target occupiers).

London Borough of Islington

Affordable workspace is defined as workspace that has a rental value below the market rate - generally 80% of the market rate or less. However, within Islington rents of up to 80% of market value may not always be affordable to micro and small businesses. The Council has therefore committed to assessing the genuine affordability of any new workspaces that it delivers on a case by case basis.

London Borough of Camden

Affordable workspace is determined based on the circumstances of each development. Past definitions include:

- 20% of large workspaces provided at 50% of comparable market values
- Workspace leased to affordable workspace providers (approved by the Council)
- 20% of the desks in an open workspace (hot-desking) area to offered at 50% of market value

London Borough of Tower Hamlets

Affordable workspace is defined as “flexible workspace” that is let to a workspace operator, and which allows for occupation by end users in one or more sectors on terms:

- substantially below market levels of rents and charges when compared with an equivalent letting of the space and facilities on the open market;
- at a rate comparable with similar facilities available in Tower Hamlets or (if sufficient comparator premises do not exist in the borough) across London as a whole; and,
- at rates which mean that occupation is feasible to a large number of small/ start-up businesses in the relevant sector(s).

Policy Approaches

While the draft London Plan aims to provide a ‘baseline’ affordable workspace policy that London Boroughs can use to develop locally specific proposals, it falls short of requiring all boroughs to have an affordable workspace policy.

Boroughs are left to interpret what affordable workspace means for their areas, what percentage of new workspace should be affordable, what affordability means in terms of discount to market rent, and to develop policy and guidance to that effect.

Borough policy approaches vary, demonstrating the different stages of maturity in terms of policy development, adoption and effective application. Headline policy observations are set out below, with more detailed borough policy profiles and summaries in Appendix A.

Policy observations

- 10% of new floorspace in commercial or mixed-use developments to be provided as affordable workspace is the most common requirement, although a number of boroughs seek 20%. Typically, there is a qualifying development threshold for affordable workspace requirements of at least 1,000sqm, but this varies.
- Discounts of at least 20% are common, although authorities note such does not always deliver affordable pricing. Higher discounts are often set for specified target geographies, which could be seen as a response to strong market demand and elevated prices in such areas, or to perceived lack of affordability for target local occupiers prioritised by the authority.
- Generally, there is a lack of detail on what comparator evidence base and valuation method should define ‘local market rents’, which could create ambiguity for the market and authorities alike in setting standards and negotiating planning obligations. LBB’s approach is arguably more informed than many other local authorities: S106 planning obligations require a joint Local Authority and developer valuation to be undertaken to determine the local market rent.
- Duration of affordability obligations varies considerably, ranging from 5 years up to delivery in perpetuity. Whilst longer-term obligations can reflect a buoyant development market that might otherwise leave affordable workspace provision behind, a negative overall impact on deliverability and viability of development may result from such an approach. The draft London Plan policy appears to

- favour securing affordable workspace on a permanent basis by planning or other agreements. LBB secures affordable workspace in perpetuity, however the current policy wording is not ideal as it allows an interpretation that affordable workspace only need be provided for 10 years, The approach proposed in the draft Local Plan seeks to remedy this.
- A number of boroughs allow on-site affordable workspace provision to be mitigated by off-site and cash in lieu payments, where this clearly demonstrates positive economic impacts for the area, however this tends to be on a ‘by exception’ basis. Such a policy could however be used more proactively to cultivate clusters of affordable workspaces by sectoral or geographic relevance.
 - Practical responses to challenges to define and deliver affordable workspace that local authorities have faced and should be considered by Brent for adoption include:
 - Noting where variations to a planning consent will trigger an affordable workspace requirement;
 - Seeking to mitigate displacement (e.g. through redevelopment) with re-provision obligations;
 - Insisting on fit out rather than shell and core hand over, as fit out represents a barrier to entry for operators; or,
 - Specifying a need for flexible spaces, or spaces that meet specific target sectors or occupiers of local importance.
 - Planning obligation cascades for affordable workspace to revert to lower value D1 community use or be delivered off-site through a commuted sum, if affordable

- workspace is built out but remains vacant for a significant period of time post completion, in order to incentivise timely occupation.
- Planning obligation classification of affordable workspace as B1(c) planning use class to secure lower value workspace for light industrial and creative uses, rather than simply office workspaces.
 - Planning obligation mortgagee exclusion clauses to allow workspace operators to more easily secure bank finance to acquire and fit out affordable workspaces.
 - A number of authorities publish approved workspace operator lists and actively match make relationships through policy obligations that affordable workspace must be disposed or leased to an approved operator. LB Islington takes this one step further and itself takes a head-lease. LB Islington then either run the affordable workspace themselves, or sub-let to an approved operator under an agreement which defines the affordable rents chargeable to end business users and seeks to secure social value and socioeconomic outputs.

Affordable Workspaces Considered in Benchmarking Exercise

What is available outside Brent?

Definitions and Overview

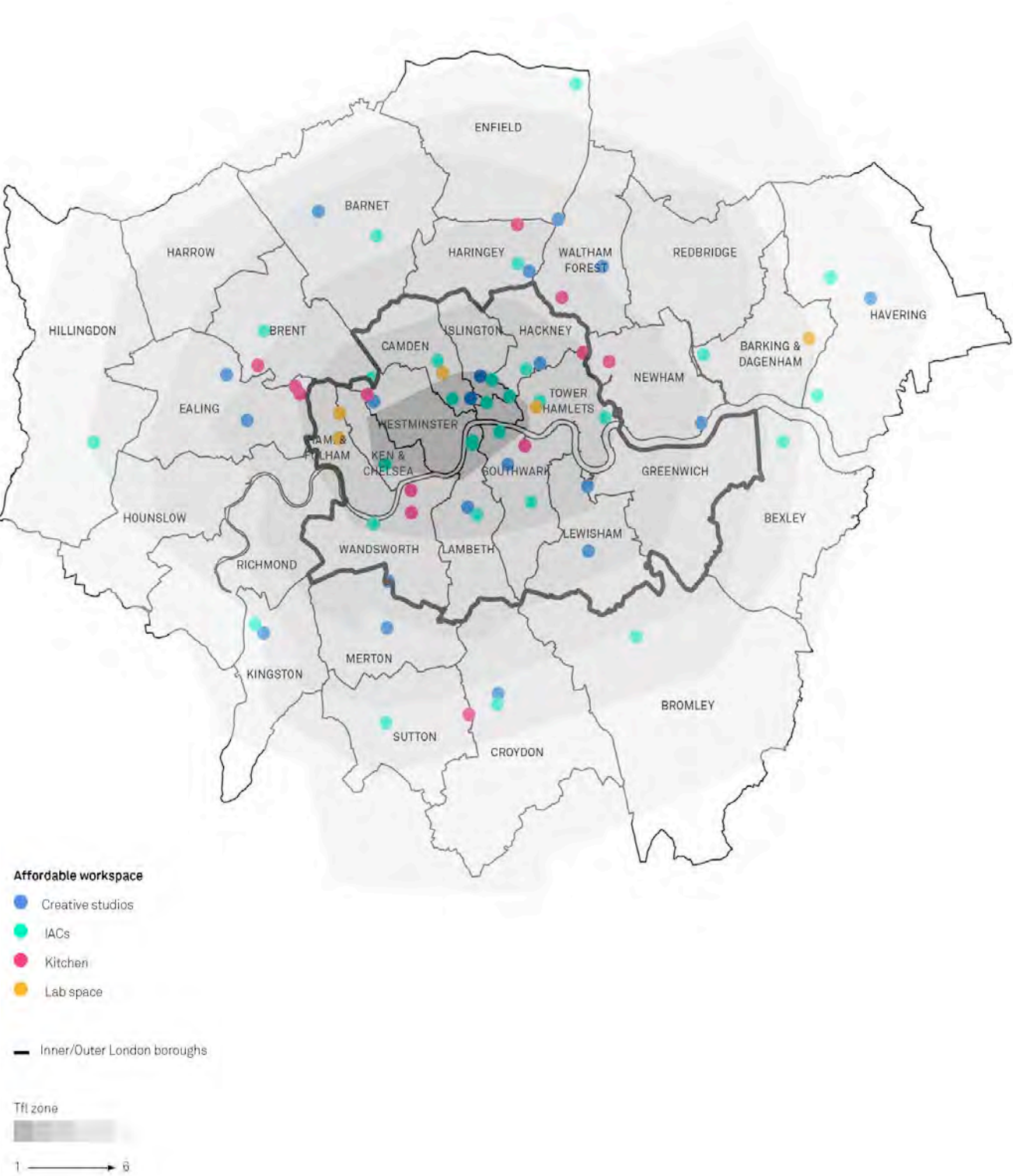
A benchmarking exercise has been undertaken to demonstrate what is available in other parts of London and illustrate the range of approaches to affordable workspace delivery and provision. This draws on existing evidence, including the Artists Workspace Study (GLA, 2018), the London Industrial Land study (2016) and other studies supporting the London Cultural Infrastructure Plan (2019). This is supported by examples of affordable workspace providers across different sectors and geographies.

This exercise draws on information compiled for **70 affordable workspaces across London across different typologies**, which have been chosen to reflect the range of managed affordable workspaces across the capital. These include:

- IAC spaces (31): Incubators, accelerators and co-working spaces provide flexible office space alongside various business support programmes.
- Creative workspace (20): This includes: (1) artist studio spaces, which are typically made of multiple small cellular units/studios and are often targeted to non-commercial artists; (2) makerspaces, which are shared spaces where tools, specialist equipment, facilities and space are shared by two or more individual or small business for the purpose of making and small-scale production; and, (3) workspaces for the creative industry which are flexible workspaces targeted to creative activities (typically working in less price sensitive sectors such as architecture, marketing and fashion design).

- Flexible kitchen space (14): This includes both community kitchens available for hire for both amateurs and professionals as well as affordable commercial kitchen spaces which are available for hire on a daily or monthly basis and are targeted to small food businesses.
- Flexible lab space (5): This includes workspaces that have wet or dry lab space facilities along with office spaces and shared meeting rooms. They are spaces configured to promote interaction for team-based research and provide flexibility to accommodate workflow changes and rapidly advancing technology.

The map opposite provides an overview of affordable workspace sites that have been used for this exercise. Data on each of these providers and spaces has been compiled relating to their offer, space type, pricing, lease terms and delivery model. Full information is set out in Appendix B. This mapping exercise is not comprehensive but attempts to represent and benchmark different types of affordable workspace providers, spaces and sectors present across London's geographies and serve as a useful database for future references.⁵



Affordable workspace price variation between different parts of London

Typology	Inner London	Outer London
IAC	£200 - £450 pp/pm (fixed desk)	£100 - £350pp/pm (fixed desk)
Not-for-profit	£200 - £300 pp/pm	£100 - £250 pp/pm
Commercial	£300 - £400 pp/pm	£150 - £350 pp/pm
Specialist	£350 - £450 pp/pm	£200 - £300 pp/pm
Creative workspace	£8 - £45 sqft /y	£12 – 40 sqft/y
Artists studios	£8 - £16 sqft/y	£12 - £24 sqft/y
Makerspace	£15 - £20 sqft/y	£15 - £20 sqft/y
Creative industry workspaces	£30 - £45 sqft/y	£30 - £40 sqft/y
Kitchen	£35 - £90 ph £2,500 - £3,500 pm	£900 - £2,000 pm
Community	£35 - £56 ph (incl. dining space)	-
Commercial	£60 - 90 ph or £2,500 - £3,500 pm	£900 - £2,000 pm
Lab Space		
Higher education space	£68 - £97 sqft/y	-
Specialist lab space	-	£40 sqft/y
Flexible/co-working lab	£29 sqft/y	-

See Appendix B for details

There are several key differences in the characteristics and features of affordable workspaces between inner and Outer London boroughs in terms of their focus and operators.

Inner London affordable workspaces tend to have a focus on the creative industries, as well as more specialised activities requiring relatively high upfront investment in facilities and equipment (e.g. tech, bioscience). These are typically supported by higher education or corporate institutions. In Outer London boroughs, affordable workspaces are more dependent on the public sector (i.e. local authorities), charities and other third sector bodies, and have a much wider occupier base and a stronger social focus.

The difference in scale of affordable workspace provision between Inner and Outer London boroughs is also significant, with the majority of existing provision being located within Zones 1 and 2. It does seem, however, that high rental and land values in Inner London, alongside boroughs’ efforts to include affordable workspace within planning obligations and policy documents, are driving affordable workspace growth in Outer London.

The table opposite summarises average pricing for the different affordable workspace typologies located in Inner and Outer London boroughs. These figures derive from the benchmarking exercise and therefore indicate a price range rather than an exhaustive price average. It is important to note that a single figure may be an over-simplification because affordability varies for different target beneficiaries by sector, location and age of establishment.

Incubators, Accelerators and Co-Working Spaces (IACs)

A wide range of affordable providers have been introduced in London over the last ten years. This is due to the growth in demand for flexible and affordable workspace, the broadening range of locations businesses are prepared to consider and the growth of traditionally more niche sectors.

At one end of the spectrum, not-for-profit organisations and charities are providing co-working and deskspaces well below market rents alongside business support and mentoring to encourage local businesses and young entrepreneurs to thrive. These are typically located outside of Central London. Some of them are supported by the public sector or have benefited from public funds. At other end, higher education and corporate institutions are providing highly specialised spaces and growth support, encouraging the commercialisation of their research capabilities through direct spin out activity or by encouraging greater levels of interaction with business.

Between these two lie a range of actors that provide a mix of spaces, with non-profit organisations and commercial providers typically delivering affordable deskspaces, studio spaces and shared facilities targeted to start-ups, freelancers and SMEs.

The benchmarking found there to be a wide range of sizes for IACs across London. The number of desk spaces ranges from 10 to over 150. Most tend to be at the lower end of the scale with around 20 and 40 desks. Incubators and accelerators are typically smaller than co-working spaces due to the greater specialisation, the more limited pool of tenants and industry specific equipment or space standards needed. Small spaces (less than 300 sqft) tend to be managed by charities or more grassroots organisations

which typically provide workspaces for local artists as well as outreach and community activities.

Affordable IACs spaces offer several key features in addition to the workspace, including access to kitchen facilities, breakout areas, meeting rooms and reception services.

In relation to membership types, flexibility is a key theme, with multiple options available at most IACs. These options typically include hot-desk membership, where the occupier is given access to the workspace and to a desk space that is not fixed, and a fixed desk membership where the occupier gains access to their own workstations. For the latter, notice periods and minimum terms are typically around one month.

The price of membership varies with the membership type and there is a wide range across the London, with daily rates per person/desk of £10 to £400 for a month. A clear difference of price can be identified between affordable IAC spaces located in Zones 1-2 (average of £300 pp/pm for a desk) and those in Zones 3 to 6 (average of £175pp/pm). IAC spaces located in Central London are typically more specialised in the services they offer and the sector(s) they target.



The Granville, South Kilburn Trust

Typical IAC Workspace Characteristics (London)

Provider Type	Commercial	Non-for-profit	Specialist Commercial
Offer	Private office space & deskspaces (fixed & hot desks)	Deskspaces (fixed & hot desks) & open studio spaces	Deskspaces
Types of space	Open plan subdivided in small units + co-working space Communal meeting rooms and facilities	Open plan subdivided in small units + co-working space Communal meeting rooms and facilities	Open plan co-working space
Level of service	Administrative, networking support	Administrative, networking support, business support	Administrative, networking support, business & investment support
Building types	Varied (from re-purposed industrial space to office space/high street buildings)	Varied (from re-purposed industrial space to office space/high street buildings)	Office building
Size	2,000 sqft to 50,000 sqft Workspace ratio between 70% and 90%	3,000 sqft to 40,000 sqft Workspace ratio between 50% and 90%	3,000 sq.ft to 10,000 sqft Workspace ratio closed to 100%
Business maturity	Start-ups and established	Start-ups and established	Pre-starts, start-ups and growth
Price	£200 pp/pm for hot-desk £280 pp/pm for fixed-desk	£175 pp/pm for hot-desk £220 pp/pm for fixed-desk (typically includes business support services)	£250 - £400 pp/pm (incl. Business support)
Lease	3 month rolling with 1 month break clause for studio space 1 month for co-working	3 month rolling with 1 month break clause for studio space 1 month for co-working	1 month rolling
Targeted tenants	SMEs, freelancers and start-ups Open-access	Mainly open access with a couple of spaces having basic eligibility criteria based on business size and age	High growth sector start-ups Open application process with requirements
Business support	General business advice, business networking events	Business support (finance and funding, training, start-up services)	Acceleration programmes, mentoring and investment opportunities
Outreach/link to local area	-	Gateway to skills programme, career guidance and advice (when provider is a charity)	-
Other considerations	Large difference in terms of price from workspace located in zone 1-2 (apx. £350 pp/pm) and 3-4-5 (apx. 200 pp/pm)	Large difference in terms of price from workspace located in zone 1-2 (apx. £250 pp/pm) and 3-4-5 (apx. 125 pp/pm)	Typically located in Central London (zone 1 & 2) Often delivered in partnership with corporate or institutional organisations
Examples	Universal Workspace, Bloom.space, Third Door, MidTown Hub, Worker Bee Space, Contingent Works, TMRW Hub, Market Peckham	Launch it, CEME Launchpad Centre, International House, WeHub, The Granville, Collective Auction Room, Bathtub2Boardroom	Health Foundry, Law tech Eagle Lab, Central Research Lab



Health Foundry

Health Foundry

Health Foundry is a collaborative, community driven co-working space set up by Guy's and St. Thomas' Charity to help start-ups who are working to improve health and wellbeing. It was set up to support and accelerate digital innovation in healthcare, with the building being designed and managed by Architecture 00. Health Foundry also work in close partnership with the DigitalHealth, London Accelerator, HS.Live, GIANT Health, WIRED Health & Health Beyond The Fog.

Guy and St Thomas' Charity own the building and internally account for the rental cost of the space, including service charges and business rates, and maintenance. The Health Foundry currently makes an annual loss of £30,000, but is seen as an investment by GSTC due to the social value outputs and programmes generated.

Health Foundry provide business support resources and connections to the healthcare system as well as workspace. They run a programme of supportive events in digital health including weekly learning and networking events, randomised coffee trials in which members are randomly paired with each other for a coffee break to improve connections and learning, and pitch practice. 1-to-1 support is also offered for free with well-connected digital health experts, and the in-house programmes manager and community manager also provide bespoke introductions to relevant collaborators across the local healthcare system and within the membership body.

Health Foundry offer three types of membership, Community, Flex and Anchor, depending on the hours of workspace use needed by the applicant. Pricing (per month) for the Community package is £24 including VAT and includes 8 hours of hot desking per month available Monday – Friday from 9am – 6pm. There is also free access to expert surgeries, free or discounted access to a programme of events, an internal collaboration platform and free yoga and coffee. The Flex package is either 1 day per week at £90, 2 days per week at £190 or three days £270. Each is a hot desking model and includes use of a meeting room as well as the benefits included in the Community package. The Anchor package is unlimited access 24/7 and costs £420 per month. This includes a permanent desk, a post box and a meeting room as well as the benefits above.

Currently 25% of the space-based members are on a Flex tariff and 75% are Anchor members. There is a key anchor member that has grown alongside the Health Foundry from an early stage startup of 4 people to a team of over 25.



Tottenham Green Enterprise Centre

Launch It: Tottenham Green Enterprise Centre

Launch It is a group of charities who help young people to start their own business by providing the necessary workspace, mentoring and training. The first enterprise hub was set up in Deptford in 2000, under the name of the London Youth Support Trust. They have since expanded across London establishing sister charities that were then brought together under the same banner, the Launch It Trust. Launch It was set up to tackle the opportunity disparity between richer and poorer groups. They help those that are found to be stuck in low-skill, low-wage, insecure jobs or entirely disconnected from employment, education or training. They therefore offer a route into self-employment where young people can earn an income doing something they find inspiring and interesting, whilst also gaining skills to enable them to succeed in life.

The head office is the Tottenham Green Enterprise Centre which celebrated its 10-year anniversary this year (2019). It is located just off the High Road that runs through Tottenham. It is the second largest centre and offers a range of 30 different sized office spaces for start-up businesses. It is long established as an entrepreneurial hub for Tottenham and has a combination of commercial and incubation business spaces available.

The 639 Centre was regenerated in 2012 with Greater London Authority funds following the riots and the feeling of despair in the area. Launch It London (known at that time as London Youth Support Trust) took on the 3-year tender of this building for this time and the subsequent tender to today. Partner organisation The Trampery was brought in October 2018 to manage the commercial elements of the building, but Launch It continued to operate the 2-year incubation programme.

Prices are subsidised by funders and are varied based on the needs of the individual. The standard is to pay 50% of the market rate rent for the first 6 months, 85% for the second 6 months and then the full market rate is charged. For a 120 sq.ft (11 sq.m) space the first 6-month average charge is £160 per month, the second 6-month average charge is £210 per month and afterwards the charge is at £260 per month.

Business support, skills development and community support are offered at each centre. Tailored mentoring programmes are available for free. They also offer easier guided access to funding as an Enterprise Champion for Start-Up Loans.

Creative Workspaces

Affordable workspace has traditionally focused on the creative sector. This is primarily because artists and creative businesses tend to have lower than average incomes and so are more price sensitive. This is reflected in the provision of workspace across London – there as 238 artist studios and an additional 215 sites targeted to more established creative professionals (the latter not being necessarily affordable)⁶.

There are a wide range of affordable creative and cultural workspaces in London. A differentiation can be made between workspace targeting artistic creation and those targeting the wider creative sector.

Affordable artist workspace provision is delivered by a ‘core’ group of large-scale providers in tandem with an array of small-scale providers and artist-run spaces. The provision of artist workspaces appears to be more dispersed than the provision of creative workspaces. Artist studios seem to be more prevalent in west and south London, but the provision of creative workspace for the wider industry is generally poor in these areas.

North and central London, in contrast, accommodate a greater number of affordable workspaces targeting general creative industry professionals. Accessibility and centrality appear to be key for affordable creative workspace providers, which provide specialist facilities or support alongside facilities such as event spaces, or cafes/bars which allow them to diversify their income stream.

Whilst the market is complex, it is possible to begin to organise and categorise the type of provision and wider requirements by workspace type and providers. No categorisation is perfect and there are overlaps and areas where providers may do more than one thing, however this approach helps to structure the understanding of the typology to identify future opportunities (see table overleaf).

In relation to the typical size of creative workspaces, the benchmarking exercise found there to be a wide range. Most artist and creative space provide studios and the number available varies from 6 to 215. Most creative workspace tends to be at the lower end of the scale with the average number of studios being 50. Makerspaces are typically smaller in size as these provide shared-workshops as well as specialist equipment.

Most artists’ workspace premises operate from B1 classed (business) units. This includes B1(c) uses (light industrial), which are commonly applied to studio or workshop-based workspaces and are traditionally considered to be appropriate within residential areas. B2 classed (general industrial) sites appear to be less common and mainly occupied by makerspaces.

In terms of pricing, established artist studio providers managing multiple sites tend to charge a flat rate per square foot. From the sample of spaces mapped, the average of price for an artist studio is £14 sq.ft which is in line with the findings from the 2017 London Artists Workspace Study. Studio prices within artist and community-led workspaces varies greatly from one to another, with long-established and well-rooted spaces being able to offer spaces at £8 sq.ft/y while recently opened spaces can go up to £24 sq.ft/y. Workspaces targeting creative industry

Cockpit Arts, Holborn
Eat Work Art, Hackney

professionals are the most expensive with an average price of £30 - £35 sq.ft/y. In the case where sites offer spaces for both artists and creative industry professionals, it seems that providers cross-subsidise between users. Commercial creative professionals, artists and those at different career stages are charged different rates. On sites where other creative support workers are present, workspaces are more expensive on average. There is a growing number of workspaces offering new affordable space typologies and a more expensive high-end offer. This is the case for the craft business incubator Cockpit Arts in Holborn and the provider Eat Work Art in Hackney.



Typical Creative Workspace Characteristics (London)

	Artist Studios		Makerspace	Workspaces for the creative industry
Provider Type	Established artist studio provider (multiple sites)	Artist-led (not-for-profit)	Open access workshop provider (for light industrial work usually requiring large, heavy, dangerous equipment, ie: carpentry, metalwork etc)	Commercial
Offer	Subsidised studio space	Subsidised studio space	Open access workshop space with membership system	Studio spaces
Types of space	Cellular units	Cellular units and/or open plan with individual workstations	Open plan workshop with individual workstations	Cellular units and open plan
Level of service	Administrative, networking support	Administrative, networking support, business support	Networking, Specialist facilities & equipment, technical support	Administrative, networking support
Building types	Individual cellular units in re-purposed industrial building Ground floor of new built mixed-use development (S106)	Re-purposed industrial or institutional buildings Retail space	Light industrial and industrial buildings	Institutional/light industrial buildings
Size	3,000 sq.ft - 20,000 sq.ft (studio space 100 sq.ft - 160 sq.ft)	1,000 sq.ft – 50,000 sq.ft (studio space 100 sq.ft -160 sq.ft)	3,500 sq.ft – 12,000 sq.ft	15,000 sq.ft - 30,000 sq.ft +
Price	£12 sq.ft/y - £16 sq.ft/y (usually fixed price set by provider/no location considerations)	£8 sqft/y (long-term established space) £24 sqft/y (newly established space)	£200 pp/pm - £600 pp/pm (depending on size of workstations and membership access)	£25 sq.ft/y - £40 sq.ft/y
Lease	1 - 36 months rolling with 1 month break clause	1 - 24 months rolling with 1 month break clause	1 month rolling	3-6 months rolling with 1 month break clause
Targeted tenants	Artists (non-commercial) Open application process with requirements	Artists (both commercial and non-commercial) Open application process with requirements	Makers, both professional and amateurs Open application process with requirements	Creative professionals Open market
Business support	Access to provider's network. Artist support programme not necessarily affiliated to provider but not necessarily to space	-	Subsidised 1-2-1 training (technical)	Providers have typically some incubator or accelerator programme targeted to young creative professionals
Outreach/link to local area	Open studios/events	Support and residency programmes for local residents / Open Studios	Open workshop/events	Spaces are typically open to public and hosting an event space/café as well as some specialist equipment for creative production (e.g. recording studio or photography studio)
Other considerations	Provision clustered in Central & inner-East London boroughs however recent increase in provision in zone 3-4-5.	-	Typically located within industrial estates in Zones 2-3	-
Examples	Artist Studio Company (ASC); Bow Arts; ACME; ACAVA	Cubitt (N19); Open Ealing; Wimbledon Arts Studios; Delta House Studios; Art in Perpetuity Trust	Building Bloqs Note: https://www.london.gov.uk/sites/default/files/makerspaces-jan2015.pdf	Great Western Studios; Ten 87; Netil House

Lakeside Centre

Bow Arts is one of London’s largest multi-site artists’ workspace provider – they currently manage 12 sites across the city. They became a registered arts and education charity in 1995. They worked in partnership with the residential developer at Thamesmead to bring an unused community building back into use. Funded by the Mayor’s London Regeneration Fund (LEAP) and Peabody, the iconic Lakeside Centre opened in 2018 and houses 40 new creative workspaces for some of London’s emerging artists, designers and makers, along with a café, ‘Enterprise Kitchen’, supporting production and training for a new catering businesses run by a social enterprise, and an early years nursery. The studios range in size from 100 - 130 sq.ft (9 - 12 sq.m) and are priced at £10 sq.ft/y. As well as regenerating and repurposing a building, Bow Arts have also established a schools education programme. This is in partnership with 100+ schools across London. It offers employment and training opportunities for artists, help for young people to access the arts, and for schools to deliver their arts curriculum.



Lakeside Centre, Bow Arts



Woodstreet Walls

Woodstreet Studios

Wood Street Walls is a community interest company (CIC) that has taken on a derelict building in Waltham Forest and developed it into artists workspace. Artists displaced from their workspace by regeneration in Hackney Wick worked together to raise £38,000 through crowdfunding alongside an £18,000 grant from the Mayor of London to develop the new space. The leasehold agreed on the building provides them space for free in the first year, before gradually rising to a full rent in 5 years’ time. This allows the organisation to build its business up and reflects the approximately £100,000 up-front cost that is being spent on renovating the building.

The workspace users pay between £200 - £240 pcm for their workspace. 40+ other users are on a waiting list. Wood Street Walls also operates to deliver murals in the community, and each workspace user that signs a tenancy agreement also agrees to engage with at least two free community workshops per year. This allows the community to engage with what was a derelict space and promotes arts/cultural activities and potential activities for residents.



Lakeside Centre, Bow Arts

Typical Flexible Kitchen Space Characteristics (London)

Space Type	Community/independent flexible kitchens	Flexible commercial kitchens
Offer	Fully equipped kitchen space & dining space	Mix of fully equipped and non-equipped kitchen space
Types of space	Open-plan kitchen sub-divided in individual workstations, cold rooms; separated areas for changing/hygiene	Open-plan kitchen, cold rooms and storage spaces; separated areas for changing/hygiene
Level of service	Business and networking support	Administrative and technical
Building types	Retail space or community space; mezzanine floors common	Varied (from arches to industrial buildings); mezzanine floors common
Size	1 Kitchen from 300 sq.ft to 1,500 sq.ft; Dining space 20 to 40 people	From 1 to 15 kitchens; Kitchen size from 250 - 710 sq.ft
Price	From £35 to £60 per hour (incl. dining space) Enterprise Kitchen offers co-working kitchen space for £13/ph for young people (up to 30 years old) living in London	From £900 to £3,500 per unit/pm
Lease	By hour, shift (AM/PM), day	Varied – Typically available to hire by the day or month (1 month lease rolling possible)
Targeted tenants	Start-ups food businesses & private users	Small food/take-aways businesses
Business support	Food menu development and high-level business support	Some commercial provides business support (not included in rental charge)
Outreach/link to local area	Cooking and community classes	-
Examples	The London Cooking Project; Maida Hill Place; Enterprise Kitchen; The Olive Grows	Acton Business Centre; Anawas; Run the box; Sabel food; EAT.CORP; Foodstars; Kitchspace

Kitchens

Flexible kitchen space provision in London is not well documented or researched. However, with the growth of the food and beverage sector in London, flexible and affordable kitchen space provision has increased. Two types of flexible kitchen spaces exist – community/independent kitchens and flexible commercial kitchens (see table opposite).

London is home to a few community/independent kitchen providers that operate flexible kitchen spaces and associated event/dining spaces targeted at start-up food businesses and community users. These spaces have opened relatively recently and demonstrate a growing demand for flexible kitchen spaces in the capital. Kitchen spaces are fully equipped and typically hired on an occasional basis and by the hours, with no long-term commitment necessary. Unique features include large ventilation capacity, goods delivery and loading access. Provision of separated areas for changing/hygiene as well as storage spaces is key for the successful operation of a flexible kitchen space. Rental price varies from £35 to £60 per hour and is usually inclusive of utilities, equipment, waste management as well as reception of deliveries and storage.

Commercial food industry providers have been operating for longer, although there is evidence of diversification and growth as new commercial providers have opened spaces across London targeting take-aways and food delivery businesses. Most operate multiple sites and provide standardised kitchens and cold storage spaces. Leases typically start at one month. Flexible commercial kitchen provision is typically located within Zones 2 and 3 and industrial settings. Clustering is identified in Park Royal, one of London’s largest industrial areas, as well as in Bermondsey, Battersea and Tower Hamlets.

Maida Hill Place
Maida Hill Place offers kitchen and restaurant space designed to support food entrepreneurs. Opened in late 2013, the facility has supported 59 businesses in their start-up phase. Maida Hill Place has two main assets for hire: the kitchen and the reception/restaurant space. These spaces can be hired out together or independently. The kitchen space is approximately 300 sq.ft (28 sq.m), with another 590 sq.ft (55 sq.m) for prep, storage and freezing. The reception space includes tables, a sound system and cinema projection. The kitchen or reception space is available to charities and start-ups for £30/ hour (£45/hour on weekends), with rates of £60/hour for the whole venue.

Maida Hill Place also provides business planning and strategy support, commercial finance and company formation advice. Food start-ups often require significant start-up capital and are seen as high-risk enterprises. The facilities reduce risk by providing test trading opportunities and through spatially rooting a network of people working the field.



Maida Hill Place

Lab Spaces

Flexible lab spaces provide workspace for advanced science and technology fields allowing start-ups and established companies to research, develop and experiment. Two main types of lab spaces can be identified. On one hand, wet labs offer facilities for activities where it is necessary to handle various types of chemicals and potential ‘wet’ hazards. In order to avoid spillage and contamination, these spaces have to be carefully designed, constructed and controlled and have high up-front investment costs as well as relatively high operating costs (e.g. due to the energy required for ventilation). Other unique features of lab space include high floor loading capacities, high levels of security and anti-terrorism measures. Typical occupiers include companies working in the fields of chemistry and biology, life science and tech sciences. On the other hand, dry labs are targeted to computer-based activities and are used for analytical purposes.

There are five flexible lab spaces in London offering both wet and dry labs. Three of them have opened in the last four years, indicating a recent increase in provision and increasing demand for these types of space in the capital. Defining lab spaces as ‘affordable’ or not is difficult. This is because the supply across the capital and beyond is limited and therefore identifying lab spaces below market rates is not possible.

Most of the lab spaces in London are attached to or funded by Higher Education institutions or the public sector. This is due to challenges around viability and the fact that creating flexible laboratory spaces involves high up-front and running costs when compared to a traditional workspace.

Overall, the leases vary across the spaces, reflecting the size of companies using spaces. Start-ups typically need fully fitted, ready to plug-in space or space that requires very little fit-out to make it viable. Providers need to ensure that leases are as affordable as possible in order to attract and retain start-ups.

Rent for wet lab spaces in London varies greatly across the different spaces but can go up to £100 sq ft/y. The newly opened flexible lab spaces provided by Opencell are the cheapest in London with an average price of £30 sq.ft/y for a re-purposed lab container. The price however does not include the equipment and other fitting costs.

Open Cell

Open Cell aims to provide affordable workspace to fill the gap between businesses having to equip empty labs, which costs tens of thousands of pounds, and having to use expensive university facilities. They aim to support the emerging biotech start-ups that come from outside university tech-transfer channels.

Open Cell have developed 45 shipping containers in Shepherd’s Bush, and created offices, workshops and biology labs for early stage start-ups and designers. The company believe shipping containers to be an ideal starting point as they are readily available, easily moved and have a long history of multifunctional use. They can also provide a flexible test-bed where innovative lab designs can be rapidly installed and tested.

Typical Flexible Lab Space Characteristics (London)

Space Type	Higher education space	Specialist lab space	Flexible lab space
Offer	Lab space and office space	Lab space and office space	Lab space and office/co-working space
Types of space	Individual lab and office space with shared facilities	Individual lab and office space with shared facilities	Individual lab unit and shared facilities
Level of service	Administrative, Specialist facilities and equipment, investment support, academic input	Administrative, Specialist facilities and equipment, investment support	Administrative, Specialist facilities and equipment, business support
Building types	Purpose-built building/ higher education	Purpose-built building	Re-purposed containers
Size	From 25,000 sq.ft - 62,000 sq.ft	40,000 - 50,000 sq.ft	10,000 - 20,000 sq.ft
Price	Lab space from £69 to £97 sq.ft	Lab space apx £40 sq.ft; Office space apx £30sq.ft	Lab space appx £30sq.ft; Shared lab access for apx £100pp/pm+£45pp/day
Lease	3 month rolling with one month break clause	3 month rolling with one month break clause	3 month rolling with one month break clause
Targeted tenants	Bio-tech/life-science start-ups and SMEs Open application process with requirements	Bio, tech, life science businesses Open market	Bio tech start-ups and SMEs Open application process with requirements
Business support	Business support network and academic support	Technical support	Business support and technical support
Examples	London Bioscience Innovation Centre; I-Hub; Queen Mary Innovation Lab	LondonEast-UK	Open Cell

This means that Open Cell are able to offer a low-cost environment for biotech prototyping. They have also built a community of innovators that they advertise as on hand to help start-ups prototype their innovations faster. The initiative is financially supported by u+i plc and SynbiCITE, the UK’s synthetic and engineered biology accelerator, and the London Borough of Hammersmith and Fulham Council. The initiative is also supported by Biotop, an Austrian science collective, the Royal College of Art, and the British Council. A fixed desk on the site costs £199 per month excluding VAT, and a hotdesk costs £149 per month. A private studio or private lab costs

£699 per month which includes access to lab facilities, wifi and electricity. A shared lab costs £99 per month, inclusive of use of lab facilities. There is the option to have a custom lab designed and built by Open Cell and the price is bespoke. Lab facilities and equipment include an incubator, fridge freezer, humidifier, microscopes, autoclaves and benches.

What does affordable mean for different sizes of workspace

Based on the findings from the benchmarking exercise, this section provides an overview of the different types of affordable workspaces that can be found at different size thresholds. It provides a sense of how workspace size may influence offer and pricing across London and an understanding of what could be operationally viable if setting general size thresholds for affordable workspace in Brent.

Small scale workspaces

Brent’s draft Local Plan affordable workspace policy BE1 stipulates that 10% of total floorspace within major developments exceeding 3,000 sq.m in growth areas be provided as affordable workspace. When working with developers and operators, it is important to understand which typologies are best suited to different sizes. Small-scale affordable workspace (3,000 sq.ft or less) may be offered in proposals for new developments to meet Policy BE1 and so below outlines various ways in which operators make this size of space financially viable:

- Existing small-scale affordable workspaces in London are often artist studios operated by well-established artist studio providers. This is partly because these organisations have accumulated significant property portfolios over time, which allows them to borrow money against existing properties for new workspace. The workspaces are usually composed of at least seven small studio units (shell and core) with limited shared facilities.
- Smaller charitable organisations do not have the same degree of flexibility and a lack of property assets often makes it more difficult to secure loans. Where they take on small spaces, they often rely

- on grant funding and focus on delivering social rather than financial returns. They commonly take on peppercorn leases of public or institutional buildings and provide extensive business or skills support in return.
- Other small-scale affordable workspaces are delivered by charities, social enterprises or are self-organised/ community-led. These workspaces are often self-initiated projects by operators who take on low value spaces (ie. Industrial buildings, retail units). Tenants often become members of a cooperative and contribute unpaid hours to the running of the space to maintain low overheads.
- Other than artist studios and small-scale affordable workspaces delivered through section 106 agreements, it seems that small workspaces are usually not managed by an operator and are directly leased to a tenant. Alternatively, spaces are delivered through partnership funding (e.g. Pollards Studios by Launch it in Merton - see blue box opposite).
- Business rates relief or other forms of subsidy (rent free period or financial help with fit-out costs) seem to be key for small-scale workspace viability.
- Smaller sites are less attractive to some affordable workspace operators. It is worth considering what other affordable workspaces are nearby when delivering smaller affordable workspaces, as they may only be viable as a satellite site.

In the box opposite are short descriptions of different types of small-scale affordable workspaces that can be found across London.

Artist Studios

The Old Laundry SW19, ACAVA

The charity ACAVA provides eight small studio spaces for eight individual artists as well as a small gallery space in a re-purposed old laundry building in Merton. The space occupies 2,160 sq.ft (200 sq.m) of floorspace in total, which includes 1,560 sqft (145 sq.m) of artist studio space. ACAVA provides more than 340 affordable artist studios spaces across 22 sites in London, including nine sites of less than 3,000 sq.ft (280 sq.m).

Aberfeldy Street Studios E14, Bow Arts

Taking over two large vacant retail spaces in Poplar, the charity Bow Arts has opened two self-contained studio sites providing affordable workspace for artists, designer makers or public facing arts group. The two studio sites specifically welcome artists, makers and designers who are open to public interaction and will actively use the studio space and make their work visible through the shop window. Bow Arts provides more than 500 affordable artist studios across 12 sites in London.

Makerspace

Ceramics Studios Co-op, SE14

Ceramic Studio Co-op is between Bermondsey and New Cross and was established in 2014 as an artist-run purpose designed ceramics and sculpture workshop, which operates as a worker cooperative. It provides individual workstations for 15 makers across 2,417 sq.ft (200 sq.m) in a re-purposed industrial building (B2 use class).

IAC Space

The Workary, Brompton SW15

The Workary is a Community Interest Company founded in 2014, which activates underused library space as affordable workspace for start-ups. Royal Borough of Kensington and Chelsea’s economic development and library teams offered the c.2,000 sq.ft (185 sq.m) space in Brompton’s library and seed funding in return for social outputs. Desk spaces start at £65 per person per month for Outer London libraries.

Pollards Studios, Launch it Merton SW17

Launch It (formerly known as London Youth Support Trust) manages Pollards Studios, a new support centre designated to help young entrepreneurs make a start in business at Pollards Hill in Merton. This is part of major £20m regeneration and redevelopment project. The space is c.600 sq.ft (55 sq.m), comprised of seven separate workspaces, and offers a wide variety of free services. These include support with business planning, help in navigating and accessing funding; one-to-one mentoring and digital skills training. Subsidised workspace is also available for young entrepreneurs, sole-traders and start-ups with rates beginning at £100 per month all-inclusive from hot-desking to office space.

Bloom.space, WC1E

Bloom.space is a c.2,000 sq ft (185 sq.m) co-working and incubator space located in central London. It provides desk spaces and business support to tech and growth sector businesses, including admin support, mentoring and free consultations with experts (e.g. IP lawyers, accountants etc). Unlike most of the small-scale artist studio and co-working spaces, Bloom.space is funded through the membership fees they charge residents (£350pp/pm – upper price range for affordable workspace).



Workspace type by size range and typology

**Less than 3,000 sq.ft
(280 sq.m)**

Artist Studios

- Well-established artists studio providers (charities)
- Up to 15 small cellular units (shell and core) - no shared facilities
- Ground floor of mixed-use development, retail space; space within larger industrial building/secondary office stock
- Average rent £15 sq.ft/y
- Example: Trinity Art Studios

Small co-working space with shared but limited facilities

- Community-run, institutional, social enterprise providers
- Up to 20 desks
- £175 - £300 pp/pm
- Re-purposed retail space, community centres, institutional buildings
- Example: The Workary Brompton

Open plan creative workspace/makerspace with individual workstations:

- Independent/community-run spaces
- Up to 15 workstations targeted to artists and small scale makers + shared facilities
- Re-purpose retail space, high street building, space within larger industrial building
- Average rent £250 - £350 pp/pm
- Example: Usurp Art

Social focus incubator

- Charities/institutional providers
- Up to 25 desks with shared and meeting/training room
- Business support and skills support programme (1 month to 1 year)
- £100 - £250 pp/pm or evolutive pricing
- Community centre, institutional building
- Example: Pollards Studio/Launch it

**3,000 - 5,000 sq.ft
(280 - 465 sq.m)**

Artist Studios

- Well-established artists studio providers (charities)
- Up to 25 small cellular units (shell and core) - limited shared facilities
- Industrial or small office building, ground floor of mixed-use development
- Average rent £15 sq.ft/y
- Example: ASC Brixton Village

Not-for-profit co-working and creative workspaces

- Community-run, social enterprise providers
- Flexible spaces for small-scale making/creative or co-working
- Up to 20 small studio spaces or 60 desks with shared facilities
- £175 - £300 pp/pm
- Light industrial buildings, community centres, office space
- Example: Wood Street Walls

Specialist provider - incubator/accelerator

- Not-for-profit, with corporate/institutional funds
- Up to 30 desks with shared facilities
- Average rent £350 - £400 pp/pm
- Specific target sector
- Business/finance support for start-ups
- Office space, ground floor of mixed-use development
- Example: Law tech Eagle Lab

Commercial co-working space

- Commercial providers
- Up to 60 desks or 25 small studio spaces
- Re-purposed community space, office building, business centre/secondary office space
- Average rent £200 - £300pp/pm
- Examples: Universal Workspace, Barking Enterprise Centre

**5,000 - 10,000 sq.ft
(465 - 930 sq.m)**

Artist Studios

- Well established artists studio providers (charities)
- Up to 50 small cellular units (shell and core) - limited shared facilities
- Industrial or office building
- Average rent £15 sq.ft/y
- Example: ACAVA Maxilla Walk

Not-for-profit co-working and creative workspaces

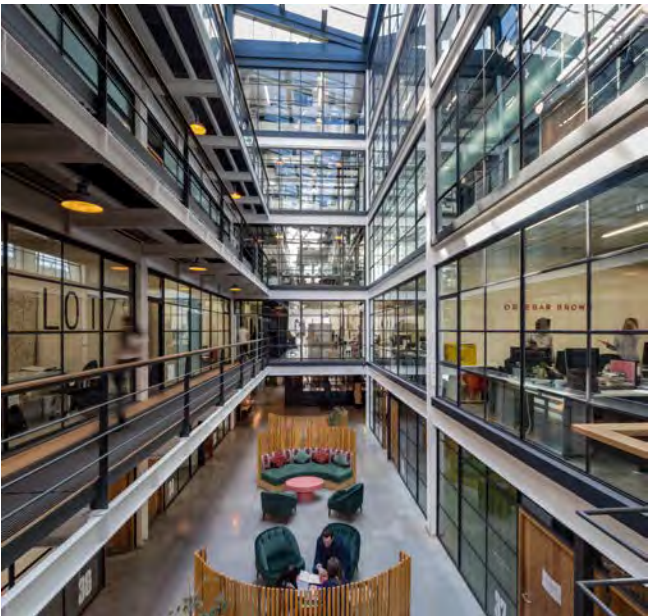
- Community-run, social enterprise providers
- Flexible spaces for small-scale making/creative or co-working
- Up to 20 small studio spaces or 90 desks with shared facilities
- £150 - £300 pp/pm
- Light industrial buildings, community centres, office space
- Example: Collective Auction Room

Not-for-profit co-working space with business support & additional facilities

- Charity social enterprise, institutional providers
- Up to 50 desks or 20 small studio spaces, shared meeting/training rooms
- Average rent £200 - £350 pp/pm
- Skills and business development support
- Re-purpose institutional/high street buildings, community spaces
- Example: The Granville

Commercial co-working space

- Commercial providers
- Up to 60 desks or 30 small studio spaces
- Office building, business centre/secondary office space
- Average rent £200 - £500 pp/pm
- Examples: Great Western Studios, Contingent Works Bromley



Workspace examples (images from top):

Less than 3,000 sq.ft - Trinity Art Studios
3,000 - 5,000 sq.ft - Barclays LawTech Eagle Lab
5,000 - 10,000 sq.ft - Great Western Studios

Workspace type by size range



10,000 - 25,000 sq.ft
(930 - 2,320 sq.m)

Artist Studios

- Independent or well established providers (social enterprises, charities)
- Up to 50 small studio spaces with shared facilities
- Re-purposed high street building, office/ industrial building, ground floor of mixed-use development (through S106)
- Average rent £9 - £16 sq.ft/y
- Examples: Cubitt; The Glassyard Studios; 243 Ealing Road (mixed use scheme); Deptford Foundry (mixed use scheme)

Makerspace

- Social enterprises
- 10,000 - 15,000 sq.ft of workshop
- Industrial building
- Different types of memberships and targeted both amateurs and professionals
- Example: Building BloQs

Commercial co-working

- Commercial provider
- Up to 200 desks - open co-working space and small private offices
- Re-purposed high street building, secondary office stock
- Average rent £250 - £300 pp/pm
- Examples: TMRW Hub Croydon; Second Home London Fields (mixed use scheme)



25,000 - 50,000 sq.ft
(2,320 - 4,640 sq.m)

Artist Studios

- Independent providers (social enterprise)
- Up to 50 small studio spaces with shared facilities and additional facilities such as gallery or event space
- Re-purposed high street building, office/ industrial building
- Average rent £9 - £20 sq.ft/y
- Example: Delta House Studios

Commercial co-working

- Commercial provider
- Up to 350 desks - open co-working space and small private offices
- Re-purposed high street building, secondary office stock
- Average rent £250 - £300pp/pm
- Examples: The Engine House

Not-for-profit co-working

- Charities, social enterprises
- Up to 350 desks or 40 small office spaces
- £150 to £300 pp/pm
- Re-purposed high street building, secondary office stock or purpose build new stock
- Example: WeHub, Work Avenue Finchley

Specialist lab space

- Institutional or commercial provider
- Up to 20 lab spaces with additional office spaces and shared facilities
- Purpose-built building
- Average rent £70 - £90 sq.ft/y
- Example: Queen Mary Bioscience Innovation Hub



50,000 sqft +

Artist Studios

- Commercial providers
- Up to 215 studios and shared and additional facilities (cafe, gallery or event space)
- Average rent £22 sqft/y
- Repurposed Industrial/office buildings, or purpose built studios
- Example: Wimbledon Arts Studios

Not-for-profit co-working spaces

- Social enterprise, charity, CIC
- Mix of deskspaces and small office spaces, large shared facilities and additional facilities (cafe, event space etc.)
- £10 - £40 sqft/y or £100 - £250 pp/pm
- Office buildings
- Examples: International House, Launchpad centre

Specialist lab space

- Institutional provider
- Up to 45 lab spaces with additional office spaces and shared facilities
- Purpose-built building
- Average rent £70 sqft/y
- Example: I-HUB, White City



Workspace examples (images from top):

10,000 - 25,000 sq.ft - Building BloQs
25,000 - 50,000 sq.ft - 3Space, Keeton's and Collett
50,000 sq.ft + - I-HUB, White City

Who Needs Affordable Workspace?

To ensure that limited resources and opportunities are directed to where they can have the most significant impact and align with wider strategic and policy goals, this chapter sets out the priority sectors for affordable workspace in Brent. This is based on analysis of publicly available data, relevant policy and literature. This is followed by an assessment of what is ‘affordable’ for these sectors and what their other workspace requirements are. The key questions answered in this chapter are:

- Who are Brent’s priority sectors?
- What does ‘affordable’ mean for priority sectors?
- Which parts of Brent are ‘unaffordable’ for priority sectors?
- What are the workspace requirements of priority sectors?

Five key messages are:

- Nine priority sectors have been identified for affordable workspace in Brent, which have been categorised under ‘Grow’, ‘Retain’, ‘Attract’ and ‘Start-Up’.
- Average turnover levels per business vary significantly by sector and geography. Brent’s average turnover per business is substantially below that of Inner London but marginally above that of Outer London thus emphasising the need to consider affordability at a localised scale.

- Analysis has been undertaken to build an understanding of the maximum ratio of rent to turnover that businesses pay before sustainability is threatened. The benchmark identified is between around 15-20% which is supported by the results of a business survey and academic research.
- When this benchmark is compared with average rents across Brent for different property market sectors and sized premises, clear messages can be drawn about particular locations and sectors with the overriding messaging being that regardless of sector, start-up and very small businesses are under most pressure from high rents.
- Several factors other than affordability drive and influence businesses’ decisions about where to locate. Many of these are common to most businesses (e.g. flexible lease terms, adaptable space, good public transport access etc) but some are sector specific.

Keetons and Collett, 3Space



Who are Brent’s priority sectors?

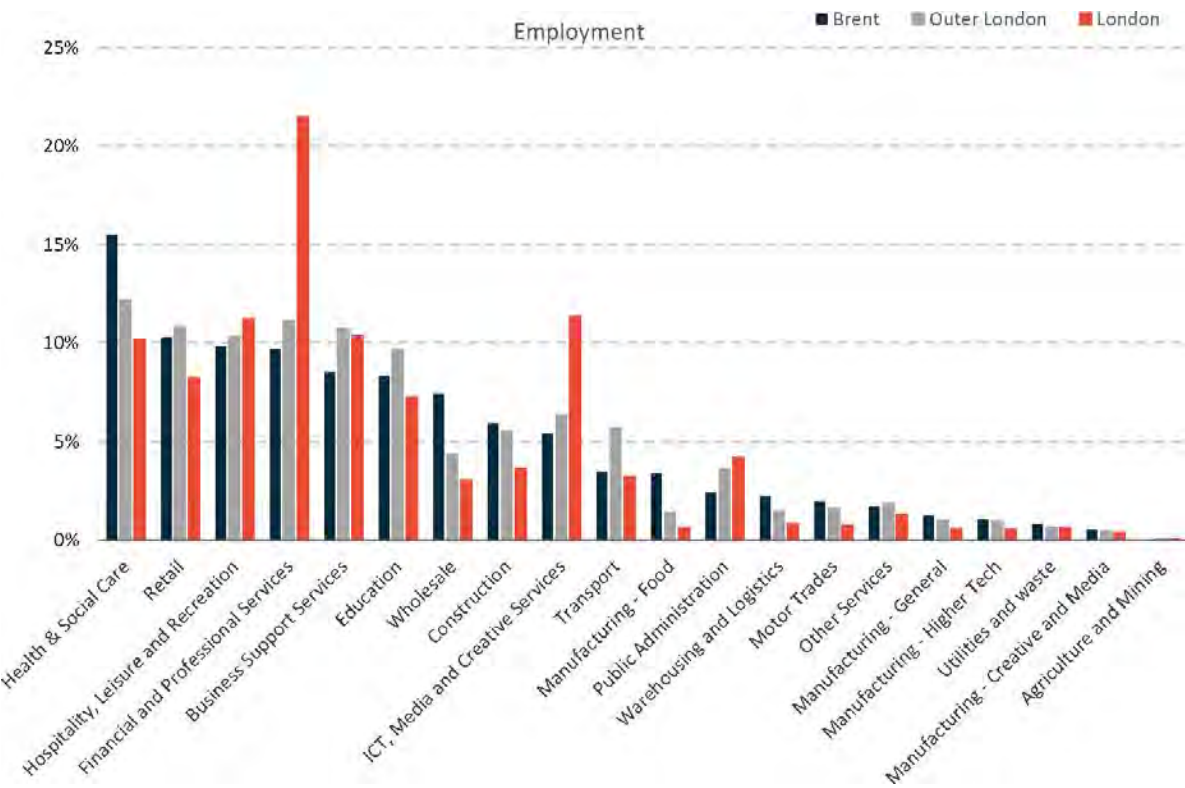
Economy Overview

Brent’s economy is highly diverse. It is characterised by significant industrial activity in the south west and east, major office and retail activity in the centre and low density residential in the north.

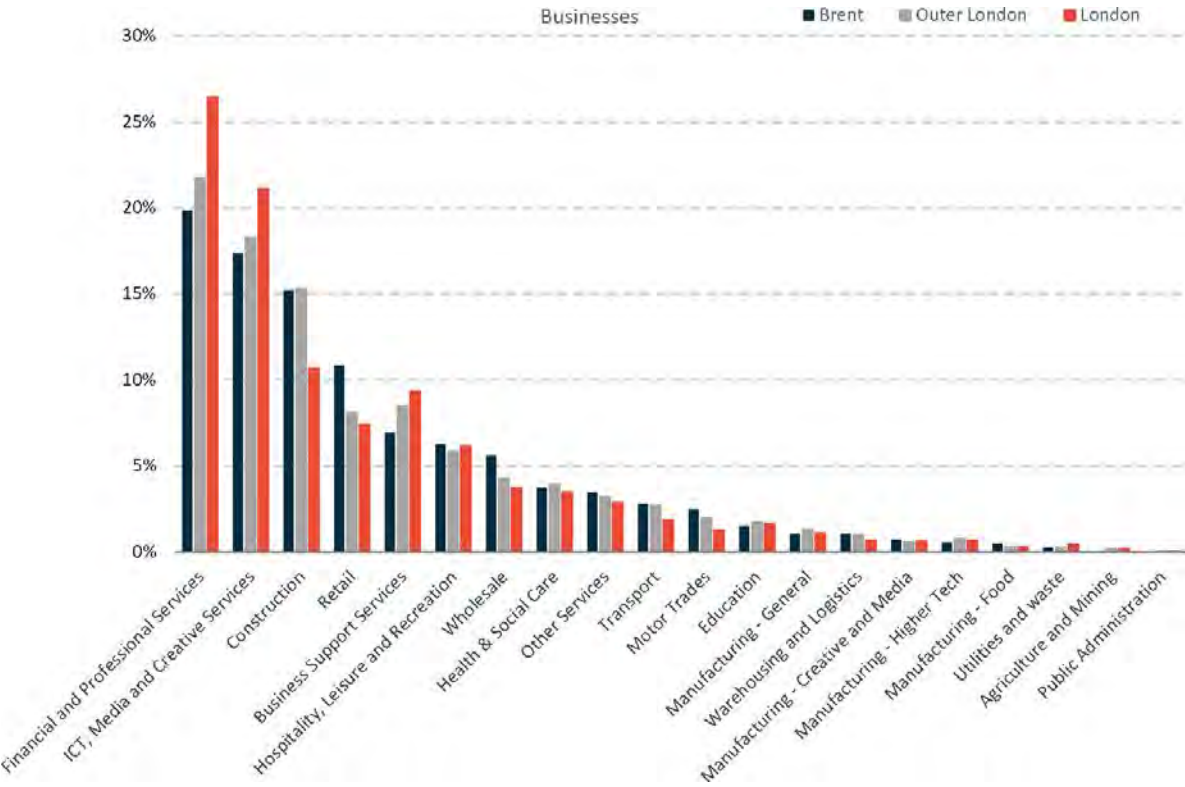
Priority Town Centres, Strategic Industrial Locations (SIL) and Locally Significant Industrial Sites (LSIS) are driving economic activity in the borough. The Brent economy currently comprises c.126,260 jobs and at least 15,395 businesses and the number has increased by 12% and 38% respectively since 2013. This makes it the 10th fastest growing London borough (out of 32) in terms of employment and the 19th fastest in terms of businesses. Total GVA is around £9.04 billion⁷.

Considered at the broadest level, the Brent economy is characterised by strengths in lower value activities and is relatively over-represented by sectors at higher risk of automation. The largest employment sectors are Health and Social Care; Retail; Hospitality, Leisure and Recreation; Financial and Professional Services; and, Business Support Services. Collectively these account for around 55% of total employment in Brent. The largest sectors by number of businesses are Financial and Professional Services; ICT, Media and Creative Activities; and, Construction. These sectors make up 52% of the business base (see graphs opposite).

Brent’s broad sector breakdown vs London and Outer London
Employment (above) and Businesses (below)



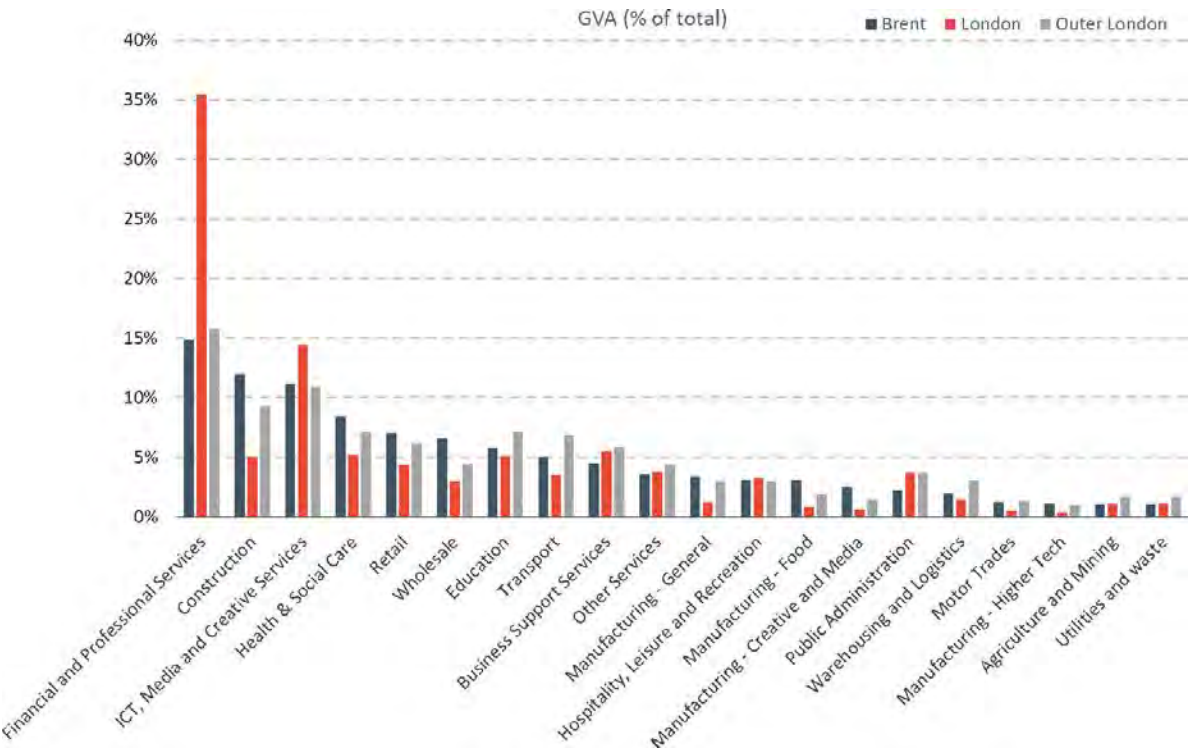
Source: ONS, Business Register and Employment Survey 2019



Source: ONS, UK Business Counts, 2019

GVA by Brent's Broad Sectors

The sectors contributing most to Brent's economy in terms of GVA are Financial and Professional Services (£1.2 bn), Construction (£0.98 bn) and ICT, Media and Creative (£0.92 bn) (see graph below).



Source: Regional gross value added (balanced) local authority by NUTS 1 region:
UKI London current prices (£ millions); ONS, BRES 2019

In addition to broad sector classifications, there are several other sectors that 'cut across' the economy and influence other activities. These sectors are made up of businesses and jobs that are classified under the other broad, overarching sectors. While some of these have similar names to the overarching sectors, they are more distinct, specific and look across the whole economy.

Using our understanding of Brent's priorities, the Mayor of London's ambitions and sectors that are typically under most pressure from rising commercial rents, we have also assessed the performance and position of six cross-cutting sectors in Brent: (1) Digital; (2) Creative; (3) Food Preparation and Consumption; (4) Life Sciences; (5) Artists; and, (6) Knowledge Economy. It is also worth noting that, as set out the in the Brent Inclusive Growth Strategy, the borough has the fourth largest Circular Economy sector in London. This is a key focus for the borough – the cross-cutting sector is made up of over 2,000 jobs, most of which are in waste and transport activities.

The key trends associated with both the broad and cross-cutting sectors are provided in the tables and charts on the following pages, which give an overview of the make-up of Brent's business and employment base in terms of size, degree of specialisation and growth trajectory. A detailed overview of their key trends is also provided in Appendix C, alongside more information about how the cross-cutting sectors are defined in Appendix D.

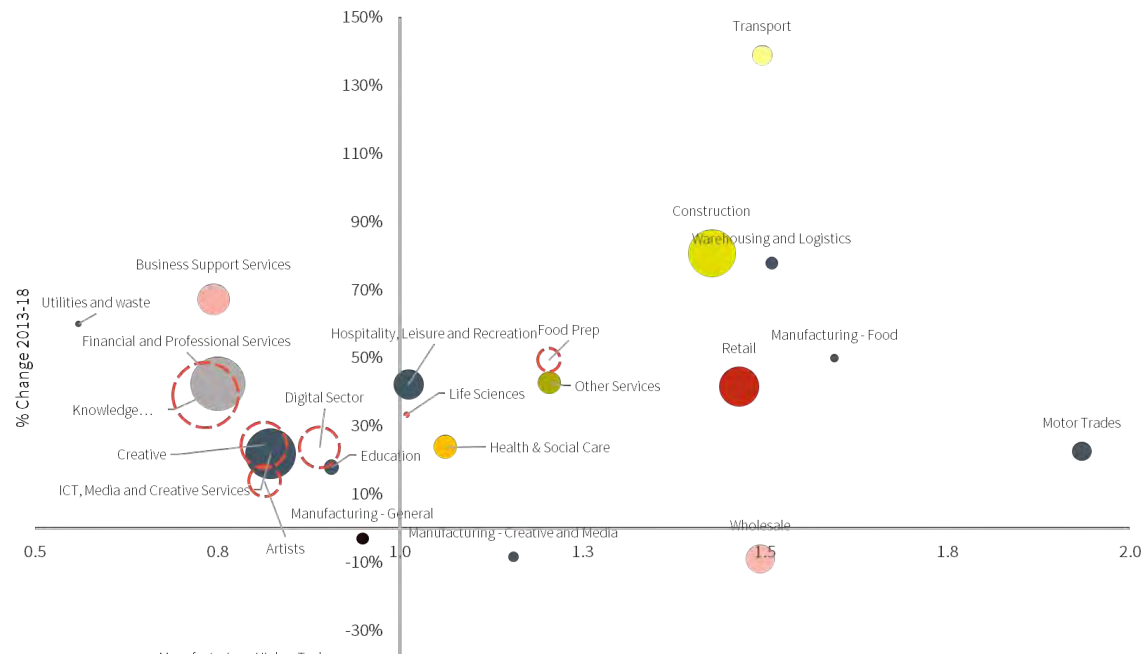
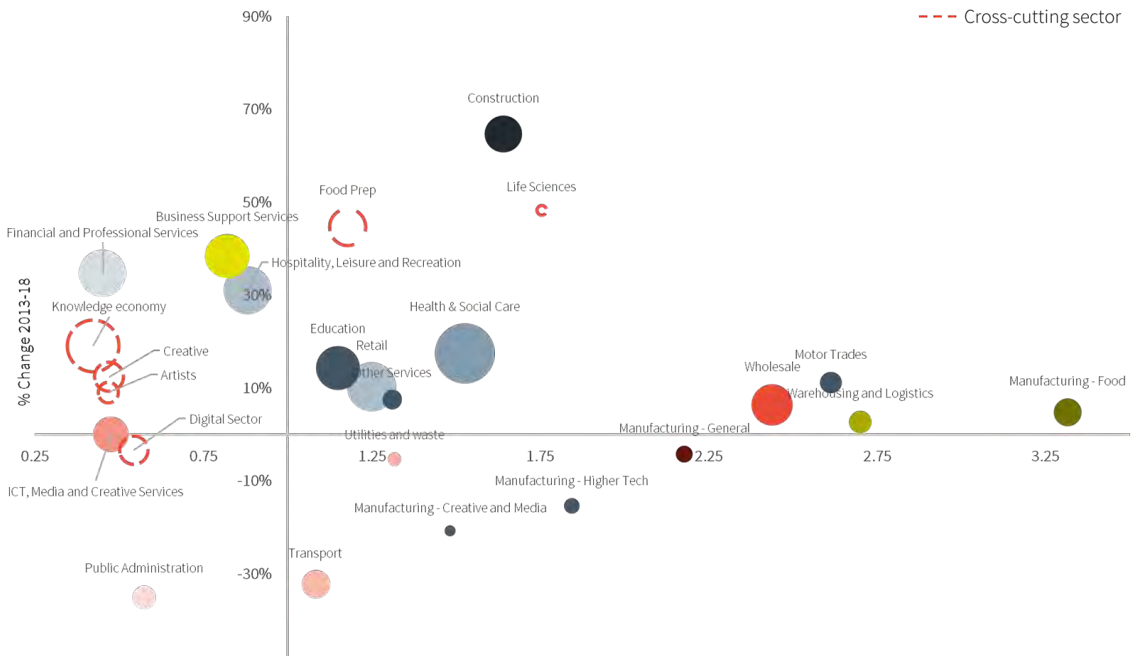
1. There are several employment sectors (e.g. Construction, Food Preparation and Consumption, Health and Social Care, Life Sciences etc) and business sectors (e.g. Transport, Construction, Warehousing and Logistics, Food Preparation and Consumption etc) that are both growing and specialised.
2. Some specialised sectors are declining in terms of both businesses and employment (e.g. Manufacturing – Creative and Media, Manufacturing – Higher Tech and Manufacturing – General).
3. A wide range of sectors across the employment and business base have grown rapidly since 2013 but are not yet specialised in the Brent economy versus London (e.g. Business Support Services, Financial and Professional Services, Knowledge Economy, Creative sector etc).
4. The largest and most specialised sectors in Brent are generally lower value in terms of economic output (e.g. Motor Trades, Wholesale, Manufacturing – Food and Retail) and are at higher risk of automation.

There are four key points to note:

Detailed Sector Overview

Overarching Sector	Detailed Sector	Businesses					Employment			
		2019					2019			
		Number	% of business base	% that are SMEs	LQ (vs London)	% change since 2013	Number	% of employment base	LQ	% change since 2013
Primary Activities	Utilities and waste	40	0%	88%	0.6	60%	1065	1%	1.3	-5%
Manufacturing	Manufacturing - Food	75	0%	87%	1.6	50%	4305	3%	5.3	5%
	Manufacturing - General	160	1%	88%	0.9	-3%	1600	1%	2.2	-4%
	Manufacturing - Creative and Media	110	1%	86%	1.2	-8%	670	1%	1.5	-21%
	Manufacturing - Higher Tech	80	1%	88%	0.8	-45%	1350	1%	1.8	15%
	Manufacturing Total	425	3%	80%	1.0	-11%	7925	6%	2.9	-4%
Local Service Sectors	Retail	1670	11%	98%	1.5	42%	13000	10%	1.2	10%
	Hospitality, Leisure and Recreation	960	6%	94%	1.0	42%	12465	10%	0.9	31%
	Construction	2340	15%	100%	1.4	81%	7520	6%	1.6	65%
	Motor Trades	380	2%	99%	1.9	23%	2525	2%	2.6	11%
	Local Service Sectors -Total	5350	35%	98%	1.4	41%	35510	28%	1.2	26%
Wholesale, Logistics, Transport	Wholesale	860	6%	96%	1.5	-9%	9365	7%	2.4	6%
	Transport	430	3%	98%	1.5	139%	4415	3%	1.1	-32%
	Warehousing and Logistics	160	1%	97%	1.5	78%	2845	2%	2.7	3%
	Wholesale, Logistics, Transport - Total	1450	9%	97%	1.5	19%	16625	13%	1.1	-8%
Business and Professional Services	ICT, Media and Creative Services	2670	17%	99%	0.8	22%	6810	5%	0.5	0%
	Financial and Professional Services	3055	20%	100%	0.8	42%	12230	10%	0.5	35%
	Other Services	535	3%	100%	1.2	43%	2140	2%	1.3	8%
	Business Support Services	1070	7%	98%	0.7	67%	10770	9%	0.8	38%
	Business and Professional Services - Total	7330	48%	99%	0.8	37%	31950	25%	0.6	25%
Public Administration, Education and Health	Public Administration	0	0%	0%	0.0	-	3050	2%	0.6	-35%
	Education	230	1%	85%	0.9	18%	10515	8%	1.1	14%
	Health & Social Care	570	4%	99%	1.1	24%	19600	16%	1.5	17%
	Public Admin, Education, Health - Total	800	5%	95%	1.0	22%	33165	26%	1.2	8%
GRAND TOTAL		15,395	100%	98%	1.0	38%	126,260	100%	1.0	12%
Cross-Cutting	Digital	1960	-	98%	0.9	24%	5650	4%	0.5	-3%
	Creative	2440	-	99%	0.8	24%	5665	4%	0.5	12%
	Food Preparation and Consumption	665	-	95%	1.2	49%	8750	7%	1.2	45%
	Life Sciences	40	-	75%	1.0	33%	875	1%	1.8	48%
	Artists	1230	-	98%	0.8	14%	3075	2%	0.5	9%
	Knowledge economy	4840	-	99%	0.7	39%	16650	13%	0.4	19%

Brent's employment and business base: Size, Concentration and Trajectory
Employment (above) and Businesses (below)



Charts illustrate the size, concentration and growth of employment and business sectors. The size of the bubble denotes the size of the sector in terms of employment (above) and number of businesses (below), the Y axis shows employment/business number growth since 2013 and the X axis shows the level of concentration via a Location Quotient (LQ). Location quotient figures indicate the degree of a sector's specialisation relative to London – anything over 1 indicates a specialism (e.g. retail has an LQ of around 1.25 which means it is 1.25x more concentrated in the Brent economy than the London economy).

Priority sectors

Priority sectors are ones that underpin Brent's existing business and employment base, as well as those that can support future economic growth and prosperity.

Several sources of data have been used to classify sectors, including the data set out above, additional data (e.g. from Companies House – see Appendix E), rent to turnover analysis (see later in this chapter), wider research (e.g. Incubators, Accelerators and Co-Working Spaces from the GLA), relevant strategy documents (e.g. Brent's Inclusive Growth Strategy) and policy documents (e.g. Draft London Plan). Knowledge about the affordable workspace market has also been used to exclude sectors that are not commonly associated with affordable workspace.

Importantly, the priority sectors selected align with current and future growth ambitions as set out in Brent's *Inclusive Growth Strategy* and the GLA's most recent *Economic Growth Strategy*. Focusing on these sectors will therefore contribute to wider strategic goals and help to build a resilient local economy in line with wider ambitions.

The infographic below illustrates the priority sectors identified by category, as well as the rationale for their classification.

Grow

Fast growing sectors that have some presence in the borough, but are not yet large and/or highly specialised, but could help to drive economic growth.

- ICT, Media and Creative
- Life Sciences
- Digital
- Knowledge Economy
- Circular Economy

Retain

Business activities that are already embedded in the borough, generally with larger employment bases, and/or have some degree of specialisation that should be retained due to their contribution to the local economy.

- Financial and Professional
- Food Preparation and Consumption
- Manufacturing

Attract

Sectors that can deliver significant economic and social value to Brent but do not currently have a strong presence in the borough.

- Creative and Artists

Start Up

Business activities that have not yet taken hold in Brent's economy but have signs of strong start up activity and have opportunities to cluster and grow.

- Knowledge Economy
- ICT, Media and Creative Activities

Brent’s priority sectors

Category	Priority Sector	Definition	Rationale	Policy Context
Grow	ICT, Media and Creative	This is a standard, overarching sector that includes a range of business activities including publishing, television and media production, telecommunications, web design, marketing, filming and photography.	Growing business (22%) base but is not yet specialised in Brent (LQ of 0.8 for businesses and 0.5 for employment) (see Table 3.1). Employment growth is positive but lagging (5% since 2013) which may link to the high number of freelancers and SMEs in the field (99% of the sectors businesses are SMEs in Brent). Average businesses are spending between 11% and 15% of turnover on rents in Central, North East, South East and South West Brent.	<p>As the ICT, Media and Creative sector is an overarching, general sector, it is not directly referenced in many major regional policy documents. Sub-sectors and relevant cross-cutting sectors (some of which are set out below) however feature prominently in policy documents at the national, London and Brent levels.</p> <p>The general field is, however, expected to drive growth and productivity for the nation moving forward and is explicitly referenced in the UK’s Industrial Strategy as a key focus area. This is partly because it is seen as a robust sector that is at less risk of automation than others. This is particularly relevant for Brent as evidence presented in the borough’s Inclusive Growth Strategy demonstrates that around 46% of jobs in the area are at risk of automation.</p>
	Life Sciences	This is a cross-cutting sector that includes a range of business activities including manufacture of pharmaceuticals and medical equipment, pharmaceuticals, biotechnological and medical research.	Fast growing business (33%) and employment base (48%) in Brent but is a relatively small sector that could contribute more to the economy (only 40 businesses with 875 employees).	Life Sciences is explicitly referenced in the new draft London Plan as a sector that has specific business growth opportunities, particularly as part of the London, Cambridge and Oxford ‘golden triangle’. Brent’s geographical position means it is well placed to support these ambitions. The plan identifies a need to provide affordable ‘grow on’ space for businesses in the sector to ensure London retains the innovations emerging from London-based universities.
	Digital	This is a cross-cutting sector that includes a range of business activities including manufacture of digital components and computers, publishing, media creation, telecommunications, web design, information technology activities (programming and coding), software development.	Almost specialised in terms of businesses (LQ of 0.9) but not employment (LQ of 0.5). While growing rapidly in terms of businesses (24%) employment growth is lagging (8%), which is again likely to link to the high number of freelancers and SMEs in the field (98% of digital businesses in Brent are SMEs). Businesses are, on average, spending between 11% and 15% of turnover on office rent in Central, North East, South East and South West Brent.	The draft new London Plan identifies the Tech and Digital sector as a priority for growth, particularly because it supports the evolution of all other sectors of the economy. The GLA’s Employment Projections (2016) also set out that Information and Communication are likely to drive London’s future growth (assuming London grows at 2.5% in terms of economic output per year, they expect employment in the sector to increase by 1.3% per year). Brent’s Inclusive Growth Strategy also identifies it as a potential future growth sector that can help to drive and increase productivity in the borough. It sets out that the sector is growing but will need support for this to continue – particularly in relation to skills and workspace.
	Knowledge Economy	This is a cross-cutting sector that includes a range of business activities including journalism, media, publishing, telecommunications, software development, web design, banking and finance, management, law, architecture and urban planning, market research, technical consulting and scientific research.	Not yet specialised in Brent (LQ of 0.7 for businesses and 0.4 for employment) but business (39%) and employment growth has been rapid since 2013 (19%) (see Table 3.1). Average businesses are spending a significant proportion of turnover on rent in Central, North East, South East and South West Brent.	The Knowledge Economy has been identified in both the GLA’s Economic Growth Strategy (2018) and Brent’s Inclusive Growth Strategy as a sector that needs to grow as it supports innovation and evolution across a range of sectors in the London economy. The latter document also sets out that it makes sense to focus on the sector because it is due to grow at the London level which will present a wide range of opportunities for Brent. It also states that harnessing these opportunities will help mitigate the negative economic impact of future economic shifts driven by its growth, the rise in automation and changing work-ing patterns.
	Circular Economy	The circular economy relates to economic activities that reduce pressure on the environment. It includes a range of business activities related to sustainability and low carbon. In Brent the sector is primarily made up of activities such as waste collection, waste processing and transport.	While this has not been assessed as part of this study, analysis undertaken as part of the Inclusive Growth Strategy shows that in 2017, Brent had the 4th highest employment counts in the circular economy in London with 2,415 jobs. More than 70% of circular economy jobs in Brent are found in two distinct sectors: waste collection and processing, and transport. With the potential to include more industries in this model, and with projected growth across London, this sector could generate a further 2,000 jobs in Brent and is therefore a priority for growth.	<p>The Waste and Resources Action Programme (WRAP), together with GLA Economics, shows that a movement towards a more circular economy has the potential to generate over 40,000 new jobs in London by 2036. This is partly because of existing positive trends observed, but also because the New London plan indicates that low carbon principles should be taken into account on new developments at every stage, starting with the design process.</p> <p>Building on this, Brent have set out in their Inclusive Growth Strategy that they will: “Develop the circular economic within Brent to maximise local opportunities and facilitate the development of new technology”. In the short term they plan to identify and support the development of opportunities in Park Royal and in the medium term they will focus on Wembley. Their ultimate ambition is to host the highest proportion of circular economy jobs of any borough in London.</p>

Source: ONS, BRES; Companies House; Various policy documents

Brent’s priority sectors

Category	Priority Sector	Definition	Rationale	Policy Context
Retain	Financial and Professional	This is a standard, overarching sector that includes a range of business activities including banking, investment, insurance, trading, property management, technical consultancy (including engineering), scientific testing and analysis, language and accountancy.	Largest business base in Brent (accounting for 20% of businesses) and an important employer (5% of employment). It is has also grown rapidly since 2013 (42% for businesses and 35% for employment) and contributes around £1.15 bn in a typical year (14.5%) to the Brent economy (see Table 4.1 and Appendix E). 100% of businesses in the sector are SMEs, so they are likely to be vulnerable to commercial property value changes and tend to operate out of the small office units ‘at risk’ of being developed. Evidence indicates that smaller businesses in Brent have high rent to turnover ratios and are under most pressure from rising market rents.	The draft new London Plan (2019) identifies Financial and Professional Services as a priority sector for business growth. The ambition is to sustain and enhance London’s position as a global financial services hub along with a diverse range of professional and business services. The GLA’s Employment Projections (2016) also set out that Finance and Insurance Activities as well as Professional services should drive London’s growth moving forward (assuming London grows at 2.5% in terms of economic output per year, they expect employment in these sectors to increase by 0.5% and 1.5% respectively each year).
	Food Preparation and Consumption	This is a cross-cutting sector that includes a range of business activities including restaurants, cafes, take away, catering etc	Specialised sector in terms of employment and businesses (LQs of 1.2 and 1.2 respectively) and accounts for a large portion of the employment base (7%) with 8,750 jobs. It is also currently growing in terms of businesses (4%) and employment (7%) (Table on p 48/49).	<p>The changing nature of high streets and consumerism is driving an increase in service-related activities in town centres and reducing the number of comparator and convenience goods stores. Consumers are increasingly demanding ‘experiences’ from their town centres, ranging from restaurants to theatres and brewery tours. The service sector, especially related to food, is expected to grow moving forward and this is recognised in many policy and documents related to high streets (e.g. GLA’s High Streets for All). Brent’s Inclusive Growth Strategy aligns with this and makes a clear commitment to encouraging a different offer and alternative uses for existing town centre infrastructure. It states:</p> <p>“Alternative uses for existing infrastructure should be promoted, including: exhibition space in cafes/bars/restaurants, markets in under-used squares and parks, open-air cinemas, bars/restaurants/small music venues in basements in key night-time economy areas”.</p>
	Manufacturing	This incorporates a range of the manufacturing-focused considered in the data analysis. This includes food, high tech, general and creative and media manufacturing.	Employment within the sector accounts for c.7,900 employees which is around 6% of total employment in the borough but the sector has seen a 4% decline since 2013. Employment within the sector is highly concentrated compared to London, with an LQ of 2.9. The business base is also declining and is dominated by SMEs (80%). Average manufacturing businesses are also spending a significant proportion of their turnover on industrial rent (c.8%) in Central and South West Brent.	<p>While manufacturing is not referenced as a priority sector for growth in the new draft London Plan, it is recognised that it makes an important contribution to the economy of Outer London and should be retained and encouraged where possible. This, among other factors, has driven the development of policies related to Strategic Industrial Locations (SILs) which are in place to protect and enhance industrial areas. Boroughs are expected to develop policies to intensify, co-locate and increase the attractiveness of these areas. Brent has actively engaged in this process and has identified a series of other locally significant sites as well.</p> <p>Manufacturing and the importance of retaining such activity is also clearly referenced in the borough’s Inclusive Growth Strategy. One of the long-term economic goals set out is to “retain industrial land that best supports economic growth in key areas, particularly Park Royal”.</p>

Source: ONS, BRES; Companies House; Various policy documents

Brent’s priority sectors

Category	Priority Sector	Definition	Rationale	Policy Context
Attract	Creative	This is a cross-cutting sector that includes a range of business activities including manufacture of jewellery, literary and journalistic activity, media broadcasting, advertising, museums.	Fast growing business (24%) and employment base (12%), but not yet specialised versus London (LQ of 0.8 for businesses and 0.5 for employment). Nearly all businesses are small or medium enterprises which illustrates an opportunity for the sector to mature and diversify (99%) (Table on p 48/49). Employment base is significant, but comparatively small (5,665 employees) demonstrating headroom for growth. Average businesses are spending a significant proportion of turnover on rent in Central, North East, South East and South West Brent.	The creative sector has been identified by various bodies (including the GLA, NESTA and Creative Industries Federation) as a sector that delivers significant social and economic value but is at risk from rising commercial rents in London (see GLA's Cultural Infrastructure Plan). As such, it is referenced as a priority sector to support in the new draft London Plan. It is also identified as a priority sector in the borough's new Inclusive Growth Strategy vision: “Brent will support the growth of the creative and cultural industries and the creative economy.”
	Artists	This is a cross-cutting sector that includes a range of business activities including art studios, photographers, radio, media and film producers, arts and crafts making, graphic design. While it is a subset of the creative activities, it has been considered on its own due to the unique pressures artists face, the fact that they are less commercial than other creative businesses and because they are commonly referenced as being most at risk from changing commercial rents.	Not yet specialised (LQ of 0.8 for businesses and 0.5 for employment) but is fast growing (8% for businesses and 9% for employment). Nearly all enterprises are small or medium enterprises (98%) which again illustrates an opportunity for the sector to mature and diversify (Table 3.1). Evidence also demonstrates that artists can deliver significant social value to an area as highlighted in the cell to the right. Average businesses are spending a significant proportion of turnover on rent in Central, North East, South East and South West Brent.	As a sub-set of the creative sector, it has also been identified by various bodies as a sector that delivers significant social value but is also at risk from rising commercial rents in London (see GLA's Artist Workspace Study). As part of their Cultural Strategy (2012) the GLA argue that while strategic and popular attention has been focused on the creative industries, artists are often overlooked as their economic contribution is relatively modest. They argue, however, that artists' workspaces not only provide valuable places of work, but also contribute to the character of an area, with many studios becoming heavily engaged in community outreach, skills training and organising events.
Start Up	Knowledge Economy	See definition above.	Around 1200 businesses started up in 2018, which is higher than all other sectors. This is also around 125% higher than the rate observed five years ago. Clusters of start-up activity in Willesden Green, Kilburn, Queen’s Park, Wembley Central, Kensal Green and Willesden Junction can provide the basis for growth and expansion (see Appendix E).	See context above.
	ICT, Media and Creative Activities	See definition above.	Similarly to at the London level, the ICT, Media and Creative sector has high levels of start-up activity in Brent (c. 600 in 2018). This is over 100% higher than in 2013 and has created new creative start up clusters in Wembley Park, Kilburn and Queens Park (see Appendix E).	See context above.

Several priority sectors have been identified using the GRAS framework and these will form the basis of intervention. This will keep the AWS and Action Plan focused and ensure it contributes to wider strategic goals. The density and distribution of

business activity among these sectors does, however, vary significantly. It is therefore important to identify where in the borough these sectors should be prioritised. This is considered later in the report.

Source: ONS, BRES; Companies House; Various policy documents

Annual turnover per business by broad sector

between Brent and Inner and Outer London in terms of turnover are as follows:

- The Finance and Insurance sector in both Inner and Outer London has the highest average turnover by some considerable margin compared to other sectors, whilst in Brent it has the lowest (£0.2m).
- The Transport and Storage sector in both Inner and Outer London has a substantially higher average turnover per business compared to Brent.
- The Inner London average turnover per business is above the Brent average across all sectors, with the exception of Motor Trades where Brent's average turnover per business is 2.8 times higher than Inner London's.

	Brent (£'000)	Outer London (£'000)	Inner London (£'000)
Production	6,957	3,493	11,968
Wholesale	5,684	4,287	27,734
Retail	2,340	1,039	4,466
Health	1,821	1,062	3,013
Education	1,308	1,461	2,316
Business administration & support	965	1,152	2,017
Construction	838	586	2,511
Accommodation & food services	821	828	1,622
Transport & storage	719	3,467	8,406
Information & communication	614	897	2,820
Property	594	500	1,776
Motor trades	383	1,719	1,346
Arts entertainment and recreation	365	424	2,398
Professional, scientific & technical	254	354	1,875
Finance & insurance	197	14,053	84,853
All sectors average	1,429	1,282	7,120

Source: IDBR, March 2019

What does 'affordable' mean for priority sectors?

This is undoubtedly one of the more complex questions to tackle, particularly in terms of quantifying affordability. What is 'affordable' in terms of the cost of occupying commercial premises for any business can vary depending on the size and sector of the business and the additional overheads they need to account for as part of their operation. Some businesses may be prepared to accept a higher occupancy cost as a trade-off for the benefits a particular location or type of space might bring to their operation, whilst other businesses will be operating at a more marginal scale where paying only a very low proportion of their turnover will allow them to remain viable.

Generally, a lower turnover to rent ratio will offer a greater degree of stability for those businesses that may experience other fluctuating costs and fluctuating demand, factors that are particularly relevant for start-up businesses.

The starting point in understanding what 'affordable' means for priority sectors in Brent has therefore been to consider **the ratio of annual rent to annual turnover in Brent**. This excludes other occupancy costs such as insurance and business rates which may be applicable. This ratio is a critical decision-making tool for any business in choosing to locate in a particular area or in securing a particular premises. For all businesses, there will be a point at which the ratio becomes too high and threatens their ability to remain operational in the area.

Evidence within the retail sector, where 'turnover rent' agreements are more common practice, suggest that typical ratios range between 2% and 12% with anchor tenants tending to drive a lower

ratio whilst taking up a larger amount of space. Across other sectors of the economy, particularly those that are more specialised, there are no standard benchmarks and businesses simply negotiate the lowest rent achievable based on consideration of their other overheads and the necessity to be based in a particular location, such as businesses which require high footfall or client facing premises.

Whilst there are no readily available industry standards in terms of a 'benchmark' ratio, it has been possible to build an understanding and reach a view on an appropriate benchmark for Brent based on:

- bottom-up analysis of business turnover and rents across Brent for different types of premises (of both currently occupied and vacant premises);
- secondary research where available; and
- feedback from a business survey.

Business Turnovers

Business turnover data (2019) is available at a very broad sector level from the Inter-Departmental Business Register (IDBR), which many of the identified priority sectors for Brent cut across. It provides a useful understanding of the relative scale and performance of Brent's businesses and indicates the average annual turnover of businesses in Brent was £1.4 million, some 11% above the average for Outer London but considerably below the Inner London average of £7.1 million (see table opposite).

There is a high degree of variation in average turnover per business by sector within Brent, ranging from £7.0m for the Production sector to £0.2m for the Finance and Insurance sector. The Wholesale, Motor Trades and Retail sectors all have relatively high average turnovers in Brent, which is also broadly true of Inner and Outer London. Some notable points of difference

The variations in business turnover between Brent and Inner and Outer London are largely explained by the difference in scale of businesses – the average size of the businesses in the Finance and Insurance sector in Inner London (32.5 FTE's) is far higher than for Brent (2.1 FTE's) for example. It is therefore also useful to consider average turnover per FTE. The graph opposite illustrates the relative performance of Brent on this measure compared to Inner and Outer London and suggests that on this measure Brent performs below the Outer London average when considering average turnover per FTE, largely as a result of the Wholesale and Finance and Insurance sector. Across all sectors, the average turnover per FTE in Brent is £153,000 compared to £164,000 in Outer London and £496,000 in Inner London.

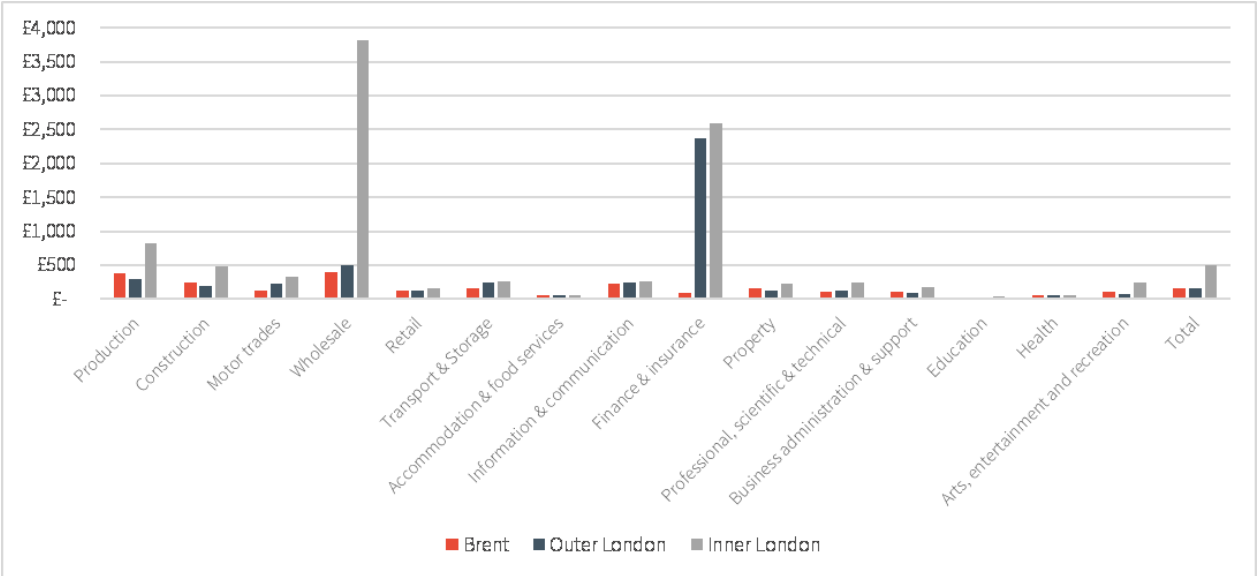
— This also allows us to compare the turnovers with property market rents explained in further detail later in this section.

The table opposite sets out the annual turnover per business and FTE for the priority sectors. Turnover per business ranges from £0.5 million across many of the office-based sectors to £1.75 million for industrial based sectors. Clearly there will be variation on turnovers within each sector, depending on the size and scale of individual businesses. We know from the broad sectoral analysis that those businesses within the finance and insurance sector, for example, tend to be smaller in size (c.2 employees on average) and have a turnover less than £0.25m.

As noted earlier, in some instances the priority sectors cut across two or more of the broad sectors for which turnover data is available. An estimate of average turnovers for priority sectors has therefore been made by undertaking the following steps:

- Priority sectors have been allocated to a broad sector where there is an obvious alignment. Where priority sectors cut across more than one broad sector, a blended average has been used.
- The blended average has been derived by aggregating the broad sectors into office, industrial and light industrial based broad sectors, allowing for the fact that some broad sectors will occupy more than one type of space. This provides an average turnover per business for office, industrial and light industrial based businesses.
- The priority sectors have then each been allocated to the office, industrial and/ or light industrial sectors. Where priority sectors can occupy more than one type of space a range has been provided.

Annual turnover per FTE (graph)
Priority Sectors – Estimated Average Annual Turnover in Brent (table)

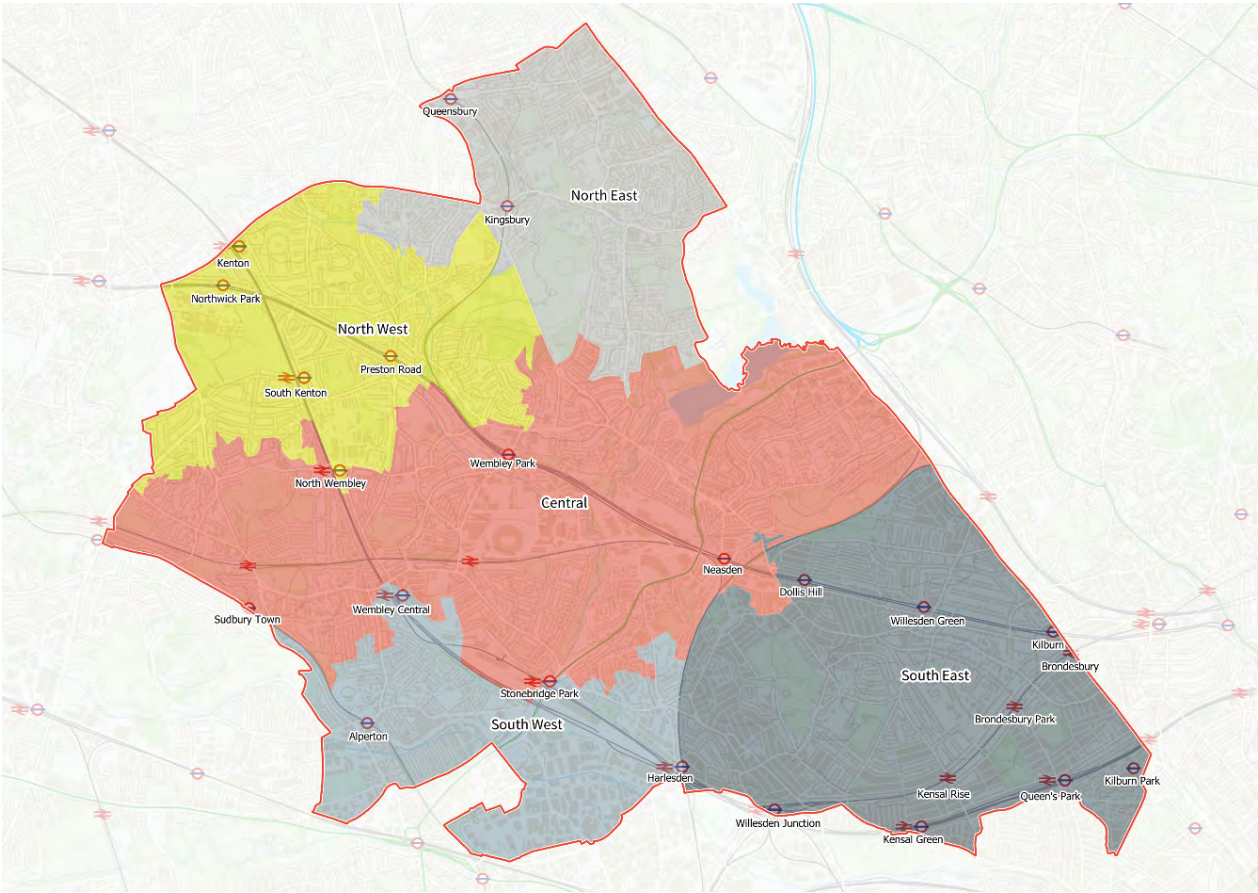


Source: IDBR March 2019

	Average annual turnover per business (£m)	Average turnover per FTE (£m)
Food Preparation and Consumption	1.6 - 1.75	0.25 - 0.30
Manufacturing	1.6 - 1.75	0.25 - 0.30
Life Sciences	1.6	0.25
Creative	0.5 - 1.6	0.14 - 0.25
Artists	0.5 - 1.6	0.14 - 0.25
ICT, Media and Creative	0.5 - 1.6	0.14 - 0.25
Digital	0.5	0.14
Knowledge Economy	0.5	0.14
Financial and Professional	0.5	0.14

Source: IDBR March 2019; Hatch Regeneris

Brent sub-areas



Source: Hatch Regeneris

Priority sectors - estimated average annual turnover (Brent)

Estimating rent to turnover ratios

To understand the current rent to turnover ratios that businesses are paying in Brent, we have compared the average turnover per business for the priority sectors with the average market rents across all business premises in Brent for which it has been possible to obtain records from CoStar (over 3,000). These premises have been categorised by property market sector (office, industrial and light industrial) and by sub-area (see the map opposite) to allow analysis across sectors and geographies. The analysis includes premises that are currently occupied as well as premises that are available and on the market.

It should be noted this is a bottom-up analysis of CoStar data based on individual premises. The rents outlined later in this section may therefore differ from current average rents reported by CoStar.

The outcome of the analysis is set out in tables on the following page (all premises and premises that would accommodate SME premises only). Cells have been left blank where the property market sector is not relevant for the priority sector.

The key messages are:

- **The average turnover to rent ratios across all premises are considerably higher than for SME premises only**, ranging from 1% to 31%. The higher ratios are indicative of the stock of large sized premises in the Borough (eg. East Lane Business Park), which will not necessarily be suitable to smaller businesses with lower turnovers who require less space.
- With the exception of the North West sub-area, **the ratios for office space are higher than for industrial and light industrial**, suggesting those sectors that typically occupy office premises are more at risk.
- **The Central and South West sub-areas generate the highest ratios for office-based activities** (17% to 30%) and these are well above the benchmarks discussed earlier. When considering SME premises only, the ratios in these sub-areas are lower at 11% and 15% respectively, but still above the benchmarks noted earlier. Again, this is reflective of the scale of premises on the market compared to the relatively small sized businesses of some sectors and therefore small turnovers.
- The maps in Appendix F suggest that where price points are even higher within particular sub-areas, the ratios will be above the percentages shown in the tables on the following page. **These areas include Wembley and Park Royal for office space and Park Royal and Neasden for industrial space.**
- The ratios for industrial and light industrial premises are generally lower, however **the central and South West Sub-areas have the highest ratios and are above the benchmarks noted earlier**. The North West also has relatively high occupancy costs, however the data is based on only a small sample and should be treated with caution.

Annual rent as a proportion of annual turnover - all premises (above) and SME premises (below)

	Central			North East			North West			South East			South West		
	Office	Industrial	Light Industrial	Office	Industrial	Light Industrial	Office	Industrial	Light Industrial	Office	Industrial	Light Industrial	Office	Industrial	Light Industrial
ICT, Media and Creative	17%	13%	7%	11%	8%	4%	14%	10%	31%	11%	3%	2%	30%	16%	6%
Life Sciences			7%			4%			31%			2%			6%
Digital	17%			11%			14%			11%			30%		
Knowledge Economy	17%			11%			14%			11%			30%		
Financial and Professional	17%			11%			14%			11%			30%		
Food Preparation and Consumption		13%	7%		8%	4%		4%	31%		3%	2%		16%	6%
Manufacturing - General		13%	7%		8%	4%		4%	31%		3%	2%		16%	6%
Manufacturing – Food		13%	7%		8%	4%		4%	31%		3%	2%		16%	6%
Manufacturing - High Tech		13%	7%		8%	4%		4%	31%		3%	2%		16%	6%
Manufacturing - Creative and Media		13%	7%		8%	4%		4%	31%		3%	2%		16%	6%
Wholesale		4%	7%		3%	4%		1%	31%		1%	2%		5%	6%
Creative	17%	13%	7%	11%	8%	4%	14%	4%	31%	11%	3%	2%	30%	16%	6%
Artists	17%	13%	7%	11%	8%	4%	14%	4%	31%	11%	3%	2%	30%	16%	6%

	Central			North East			North West			South East			South West		
	Office	Industrial	Light Industrial	Office	Industrial	Light Industrial	Office	Industrial	Light Industrial	Office	Industrial	Light Industrial	Office	Industrial	Light Industrial
ICT, Media and Creative	11%		5%	11%		4%	7%		5%	8%		2%	15%		5%
Life Sciences			5%			4%			5%			2%			5%
Digital	11%			11%			7%			8%			15%		
Knowledge Economy	11%			11%			7%			8%			15%		
Financial and Professional	11%			11%			7%			8%			15%		
Food Preparation and Consumption		8%	5%		7%	4%		3%	5%		3%	2%		8%	5%
Manufacturing - General		8%	5%		7%	4%		3%	5%		3%	2%		8%	5%
Manufacturing – Food		8%	5%		7%	4%		3%	5%		3%	2%		8%	5%
Manufacturing - High Tech		8%	5%		7%	4%		3%	5%		3%	2%		8%	5%
Manufacturing - Creative and Media		8%	5%		7%	4%		3%	5%		3%	2%		8%	5%
Wholesale		2%	5%		2%	4%		1%	5%		1%	2%		3%	5%
Creative	11%		5%	11%		4%	7%		5%	8%		2%	15%		5%
Artists	11%		5%	11%		4%	7%		5%	8%		2%	15%		5%

Source: IDBR; CoStar; Hatch Regeneris

- Above the affordability benchmark (16%+)
- At the affordability benchmark (11 - 15%)
- Below the affordability benchmark (10% or less)

The tables on the previous pages provide indicative analysis of the proportion of turnover that businesses in Brent pay on rent assuming they have an ‘average’ turnover. Focusing on SME sized premises, which are more relevant for the purposes of the AWS, suggests the upper end of the range is around 15%. As noted earlier, there are no readily available or industry standard benchmarks to compare this with. Within the retail sector, where turnover leases are more common, the ratio can range between 2% and 12%, with the majority not paying more than 10%. Business insight commentators in the US⁸ suggest similar ratios, with up to 15% for those seeking more prestigious locations.

Key Messages From the Business Survey

The results from the business survey have provided some useful insights with regards to turnovers and rents and lend support to the above analysis. Importantly the business survey captured businesses at the smaller end of the scale in terms of both turnover and employees. Key messages of relevance are summarised in the orange box.

Bringing together the strands of analysis that have been considered in order to understand the rent to turnover ratio indicates **a general benchmark of 15-20% as a maximum ratio** before their ability to remain operational in the area is threatened by rents.

Business Survey Results

- There were 26 responses from across the borough, across a range of sectors and range of sized businesses.
- 24 responses were from businesses with 30 or less employees.
- 20 responses were from businesses with turnover of less than £1m, and 13 with less than £0.1m.
- The survey results broadly support the rent to turnover analysis with only 1 business paying <5% (turnover of £1m). The majority of businesses pay between 6% and 15% though a small number are paying higher (>20%).
- 10 businesses stated their rents were not sustainable, 4 of whom are paying >30% and 9 of which are located in the South East of the borough.
- 20 out of 26 businesses stated that the cost of premises was very important or important to the sustainability of their business and 15 out of 26 said that flexible lease terms were very important or important.

Which parts of Brent are unaffordable for priority sectors?

The current average rents in Brent across the property market sectors and sub-areas according to the latest available CoStar Data is set out in the table below. It should be noted that these rents include both new and second-hand stock of all grades.

Appendix F provides associated maps that illustrate the variation in price points within each subarea based on individual data points.

Key points to note are:

- In terms of office rents, the highest price points are specifically around Queens Park, Wembley and Park Royal.
- For industrial rents, the highest price points are around Park Royal, Alperton and Neasden.
- In terms of light industrial rents, the highest price points are in the South West around Park Royal. A note of caution should be applied to the average market rent for the North East subarea shown in the rent table on the opposite page as it has been based on only a small number of records.

The implications of the benchmark of 15 - 20% of turnover on rent have been tested against a range of turnovers and different sized units (sqft) (tables on the following page). The number of employees (left hand column) is indicative of the potential size of businesses occupying the space and is based on standard employment densities for a range of managed workspace⁹. It should be noted however that industrial and light industrial occupiers will typically require larger sized units at lower densities. Cells are left blank and shaded grey where the permutation of turnover to size of premises is potentially unrealistic (e.g. very small turnover and large number of employees).

The data indicates the level of rent that can be paid based on the benchmarks of 15% and 20%. For example, The 15% table on the following page indicates that for a business with a turnover of around £100,000 and seeking premises of 500 sq.ft, based on a benchmark of 15% they would be able to afford a maximum of £30 per sq.ft. This increases to £40 per sq.ft when tested against a ratio of 20%. It should be noted that this analysis excludes other occupancy costs such as insurance, business rates (where paid by the end user) and utilities that may be required in addition to rent.

Although an obvious observation, it is nonetheless highly relevant for the AWS, the size of the business and the size of the space being sought is crucial in terms of affordability; ***the amount of rent that can be paid according to the 15% benchmark very quickly reduces for those businesses with small turnovers seeking premises of 1,000 sq.ft or more.***

This is potentially significant for sectors and start-up businesses occupying light industrial and industrial space where size requirements are often larger than office-based sectors with the same number of employees. For those businesses operating at the margins it also highlights the importance of other factors in terms of affordability such as flexible lease terms.

	Office	Industrial	Light Industrial
Central	£35.25	£13.20	£10.98
North East	£22.83	£14.19	£24.09
North West	£15.90	£14.63	£12.18
South West	£35.79	£14.17	£21.29
South East	£33.53	£10.25	£20.00
Brent	£34.06	£14.00	£15.00

Average Market Rents (£ per sq.ft per annum)
Source: Hatch Regeneris

Implications of benchmarks for different sized turnovers (£) and premises

Rent/sq.ft at 15% of annual turnovers							
Employees	Size (sq.ft)	£100,000	£150,000	£250,000	£500,000	£1,000,000	£1,500,000
2-3	500	£30.00	£45.00	£75.00	£150.00	£300.00	£450.00
3-7	1,000	£15.00	£22.50	£37.50	£75.00	£150.00	£225.00
7-13	2,000	£7.50	£11.25	£18.75	£37.50	£75.00	£112.50
10-20	3,000		£7.50	£12.50	£25.00	£50.00	£75.00
17-30	5,000			£7.50	£15.00	£30.00	£45.00
35-65	10,000				£7.50	£15.00	£22.50

Rent/sq.ft at 20% of annual turnovers							
Employees	Size (sq.ft)	£100,000	£150,000	£250,000	£500,000	£1,000,000	£1,500,000
2-3	500	£40.00	£60.00	£100.00	£200.00	£400.00	£600.00
3-7	1,000	£20.00	£30.00	£50.00	£100.00	£200.00	£300.00
7-13	2,000	£10.00	£15.00	£25.00	£50.00	£100.00	£150.00
10-20	3,000		£10.00	£16.67	£33.33	£66.67	£100.00
17-30	5,000			£10.00	£20.00	£40.00	£60.00
35-65	10,000				£10.00	£20.00	£30.00

Source: Hatch Regeneris

Cells in the tables above have been highlighted in green, amber and red to reflect the variations in potential affordability when compared to rents presented in the table on p75:

Red: businesses with these turnovers and seeking space of this size would be unable to afford rents for office, light industrial and some industrial space in most sub-areas based on the benchmarks of 15 - 20% of annual turnover.

Amber: businesses with these turnovers and seeking space of this size would be unable to afford rents for office, light industrial and some industrial space in the highest priced sub-areas based on the benchmarks of 15 - 20% of annual turnover.

Green: businesses with these turnovers and seeking space of this size would be able to afford rents for office, light industrial and industrial space in the all sub-areas based on the benchmarks of 15 - 20% of annual turnover.

Key implications are as follows:

- It is clear that businesses operating at the smaller end of the market (<£100,000) would have to pay a higher ratio than the benchmark of 15-20% across all sub-areas for office space with the exception of the North East and North West. In these areas business space under 500 sq.ft would be within the affordability range, but space above this size threshold goes above the 20% benchmark. For office units of around 1,000 sq.ft, rents would need to be some 40% lower in the highest priced sub-areas (South West and Central) to be within range for businesses with a turnover of <£100,000.
- Industrial and light industrial rents are obviously lower than office rents, however space requirements will be higher. For units of 1,000 sq.ft and over, business operating with turnovers of less than £100,000 would have to pay a higher ratio than the benchmarks for light industrial units, with the exception of North West and Central Brent sub-areas.
- For businesses with turnovers of around £0.5m, which was the lower range of many of the office-based priority sectors, the majority of the sub-areas are within range for office premises with the exception of units of 5,000 sq.ft or more. The same is true of industrial and light industrial units.
- For business with turnovers of £1 million or more, the analysis indicates that the majority of sub-areas and different sized premises are within range when the benchmark rent to turnover ratios are applied with the exception of units of 5,000 sq.ft or more.

It is important to bear in mind that the analysis above is based on market rents including second hand stock. New and grade A stock coming on to the market will likely have higher rents and thus the issues outlined above will be even more pertinent.

Event at Keetons and Collett, 3Space

What are the requirements of priority sectors?

Finding workspace that is affordable is a major challenge for many businesses in London, particularly SMEs and those in lower value sectors. It is often a key determinant in choosing where to locate. The affordability of workspace is, however, not always the most important factor influencing business owners' location decisions. There are a wide range of other relevant factors, some of which are specific to the type of business activity undertaken. Examples include proximity to similar businesses, access to physical or digital infrastructure, flexible lease terms and the type of location.

We must therefore consider other factors that are important to businesses across the priority sectors. An overview of their general requirements and premises needs is provided in the table on the following page.

It is also important to note that the relative contribution of sectors to regional economies does change and fluctuate over time. As previously discussed, since 2013 employment in some sectors in Brent has grown and in others has shrunk (see the table of pages 48/49). The fastest growing sector over this period was Construction, which grew by 65% to 7,520 jobs.

Other notable shifts include:

- Life Sciences – grew by 48% to 875 jobs.
- Food Preparation and Consumption – grew by 45% to 8,750 jobs.
- Public Administration – shrunk by 35% to 3,050 jobs.
- Manufacturing (Creative and Higher Tech) – shrunk by 21% to 670 jobs.

As technology develops and we enter the fourth industrial revolution, these changes may occur more rapidly as new solutions and products are developed more quickly. The Brent economy is also overrepresented in sectors at higher risk of automation which will see further shifts in the future (e.g. wholesale, retail, transport, manufacturing etc).

Several commercial property requirements cut across all sectors. Research shows that the availability of high quality, flexible commercial space that is adaptable to changing circumstances is most important. This needs to be supported by good infrastructure, particularly high-speed internet connectivity, with access to fast and reliable transport options.

Businesses are also increasingly demanding flexible lease terms to manage risk and allow them to adapt to changing market needs. While there are clear distinctions between businesses that require office and industrial space, there are a range of similar requirements within these groups.

Several factors other than affordability drive and influence businesses' decisions about where to locate. Many of these are common to most businesses (e.g. flexible lease terms, adaptable space, good public transport access etc) but some are sector specific. The AWS and Action Plan recognises and take account of these requirements when defining what affordable means and constitutes for different parts of the borough.



Priority sector requirements

Priority Sector	General Requirements	Premises Needs	Opportunity Areas
ICT, Digital and Creative Digital Creative	<ul style="list-style-type: none">Proximity to skilled workforceProximity to similar and supply chain businessesAccessibility to labour, partners, customers and marketsStrong public transport connectionsUltrafast broadband connectivityFlexible and adaptable premises	<ul style="list-style-type: none">Small, flexible workspaceStudios and makerspaceIndustrial units– B1(c) and B8 (data centres)Office and co-working spaceTown centre locationsBusiness/industrial parksCreative and dynamic feelFlexible lease terms	<ul style="list-style-type: none">Central (Wembley, Staples Corner, Neasden)South East (Dollis Hill, Willesden Green, Kensal Green, Kilburn, Harlesden)South West (Alperton, Park Royal)
Life Sciences	<ul style="list-style-type: none">Proximity to similar businessesProximity to highly skilled workforceStrong public transport connections, with access to major international airportsAccess to leading technologies and innovative environmentsProximity to major universities, hospitals and researchersStrong digital and physical infrastructure and access to labour, customers and markets	<ul style="list-style-type: none">High quality private officesFlexible workspacesLab space facilitiesTown centre locations off main roadsBusiness parks	<ul style="list-style-type: none">Central (Wembley, Staples Corner)South West (Alperton, Park Royal)
Financial and Professional Services Knowledge Economy	<ul style="list-style-type: none">High quality facilities in prestigious locationsQuick access into central London via public transportAccessibility to labour, customers and marketsAccess to research institutions and collaboratorsGood public transport links	<ul style="list-style-type: none">High quality private officesFlexible workspacesHome working reducing need for space and increasing demand for co-working spaceTown centre locationsBusiness parks	<ul style="list-style-type: none">Central (Wembley, Staples Corner, Sudbury, Neasden)South East (Dollis Hill, Willesden Green, Kensal Green, Kilburn, Harlesden)South West (Alperton, Park Royal)
Artists	<ul style="list-style-type: none">Interesting locations with a range of similar businessesAccess to cultural infrastructure and facilitiesAdaptable space that can be used for a range of different projects and commissionsProximity to suppliers and supply chain companiesStrong local leisure offer	<ul style="list-style-type: none">Studio spaceYard spaceIndustrial spaceCollaboration spaceFlexible lease termsTown centre locationsIndustrial locationsCreative and dynamic feelFlexible lease terms	<ul style="list-style-type: none">Central (Wembley, Staples Corner, Sudbury, Neasden)South East (Dollis Hill, Willesden Green, Kensal Green, Kilburn, Harlesden)
Food Preparation and Consumption	<ul style="list-style-type: none">Access to customer baseProximity to local suppliersAccess to public transportGood road accessProximity to labour	<ul style="list-style-type: none">Kitchen facilitiesDining facilitiesShort-term leasesHigh street and town centre locationsRelevant tools and equipmentAdaptable space	<ul style="list-style-type: none">Priority Town Centres (Wembley, Neasden, Willesden Green, Harlesden, Colindale, Burnt Oak, Kilburn, Church End and Ealing Road)
Manufacturing (High Tech, Creative, Food) Construction Wholesale	<ul style="list-style-type: none">Flexible industrial space that is adaptableQuick access to road network, with connections to other cities and portsHigh speed broadband and internetClose proximity to workforceClose proximity to supply chain companies	<ul style="list-style-type: none">Light industrial spaceWorkshopsYard spaceStorage spaceAccess to tools, technology, meeting rooms etcEdge of town centre locationsBusiness/industrial park locationsAbility to receive/take deliveries from large vehiclesFlexible lease terms or ability to purchase property	<ul style="list-style-type: none">North East (Burnt Oak, Colindale, Kingsbury)North West (Preston Road, Northwick Park, South Kenton)South West (Park Royal, Alperton)Central (Staples Corner, Neasden)

Why Do We Need Affordable Workspace?

This chapter sets out the economic value of providing workspace focused on the priority sectors identified. It also reflects on the wider economic and social benefits that different types of affordable workspaces can bring to an area. The evidence presented ultimately demonstrates the need, rationale and importance of developing an AWS and Action Plan for Brent. The chapter answers two key questions:

- Why deliver more affordable workspace?
- Why focus on the priority sectors?

Three key points:

- Affordable workspaces can deliver a range of wider economic and social benefits to communities and places. These range from diversifying and strengthening a town centre offering to building community wealth, maximising local expenditure and catalysing further development and regeneration.
- The priority sectors currently employ 84,525 people who spend a significant amount in local shops and businesses every year.
- Significant positive economic impacts can be delivered if the priority sectors can be encouraged to grow and prosper.

Why deliver more affordable workspace?

Alongside the economic benefits provided by the priority sectors, it is important to note that affordable workspaces themselves can deliver a range of wider economic and social benefits to communities and places. The case studies on the following pages have been carefully selected to illustrate this and the different types of added value that can be delivered.



Pop Brixton: Diversifying and Supporting Town Centre Vitality

Context

Pop Brixton is a community project, event venue and workspace home to a range of independent retailers, restaurants, street food start-ups, businesses and social enterprises. Located in the heart of Brixton, the project was conceived as a meanwhile use for a vacant site owned by the London Borough of Lambeth. The aim was to deliver a temporary project focused on local enterprise and employment. The site, which opened in May 2015, is currently run and managed by Makeshift. It has over 50 shipping containers configured to provide a mix of business and community space.

It is home to a range of business activities related to the food, drink, retail, creative, professional and third sectors. Example businesses include Massolit, Bharat & Jean, Convey, Restoration Brixton and Blackstar London. It also provides space for events and community activities. It hosts a number of community focused projects such as the People's Fridge, Pop Farm and Repräsent Radio.

Wider Value

A recent evaluation of Pop Brixton¹⁰ illustrates that it has delivered a wide range of positive impacts for businesses, people and the local area. Most significantly, evidence

demonstrates that it has helped to improve and support the vitality of Brixton town centre. A visitor survey undertaken by Hatch Regeneris indicates that:

- 88% of visitors believe that Pop Brixton has strengthened the town centre overall
- For every £10 spent by visitors at Pop Brixton around £5 is spent in other places in the town centre
- Around 50% of visitors to Pop Brixton visit other parts of the town centre
- Most visitors use the town centre more frequently because of Pop Brixton

Pop Brixton has also brought a range of new and interesting businesses to the town centre, particularly in the food and beverage sectors (e.g. Cricket, Halo Burger, Alpes and Roe). This has helped to diversify the town centre offer and has encouraged a range of similar and new businesses to the area. Brixton is now regarded as one of the most vibrant areas of London for independent retail, food and drink.

The evaluation also demonstrates that the project has delivered a range of positive economic benefits to the area. For example, it hosts around 47 businesses which support 197 jobs and delivers around £9m to the economy per annum. 50% of the businesses hosted are start up businesses who reported that they were attracted by flexible leases and affordability.

Affordable Workspace case studies: Keeton's and Collett

**3Space @ Keeton's and Collett:
Boosting Local Spend and Local
Benefits**

Context

3Space @ Keeton's and Collett is a 25,830 sq.ft (2,400 sq.m) meanwhile workspace in the former Lewisham and Southwark College building in Bermondsey. The site was purchased by Grosvenor in 2013 as part of wider regeneration plans and was temporarily leased to 3Space in 2016.

The aim of the workspace is to support local enterprise, entrepreneurialism and experimentation while putting social value and placemaking at its heart. The project provides a wide range of options for tenants, ranging from private offices, fixed desks, hot desks, lab space, meeting space and events space. The building is currently home to around 44 businesses across several different sectors (including tech, professional services, architecture, creative, charity and the third sector). Example tenants include Resi, Advizzo, Idea Drop, RefuAid and GreenLab. These organisations employ around 128 people, generating around £8m in GVA every year.

Formal events are also run each month, focusing on topics like business support, education, art and community. Some support tenants to grow and prosper, but others are outreach programmes to community groups and schools.

Wider Value

A recent evaluation of 3Space @ Keeton's and Collett¹¹ demonstrates that the workspace

has had positive economic, social and environmental impacts. High-level economic impacts include:

- £14m gross annual turnover;
- £8m gross annual economic output (GVA);
- £4.5m gross annual salary; and,
- £6m gross annual supply chain spend (purchase of goods, materials and services).

Significantly, however, a large proportion of these benefits are retained locally in Southwark and South East London. Evidence indicates that around 20% of those working in Keeton's and Collett live in Southwark (where it is located) and 45% live in South East London (including Southwark). Similarly, 20% of supply chain spend is within the borough and 45% in South East London (including Southwark). Based on this, it is estimated that:

- Up to £1m gross annual salary is paid to residents living in Southwark and £2m to those in South East London; and,
- £1.1m gross annual supply chain spend is in Southwark and £2.5m is in South East London.

It is also worth noting that the workspace has supported local enterprise in the local area – 35% of business owners are from Southwark and 64% from South East London. A significant proportion of these businesses are new entities that have been supported to start up, flourish and grow due to the affordable rates and flexible leases available.



Affordable Workspace case studies: International House

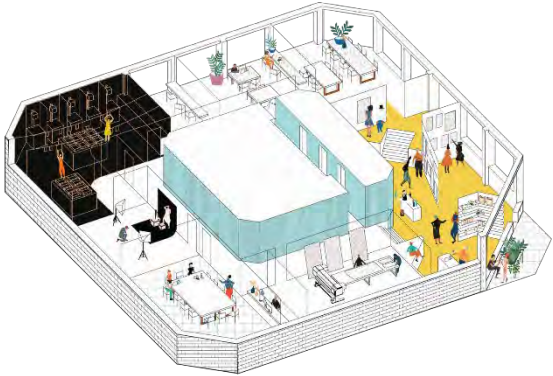
3Space @ International House:
Delivering Social Value and
Building Community Wealth

Context

International House is an eleven-storey, 50,000 sq.ft.(4,645 sq.m) office block in Brixton. The building belongs to the London Borough of Lambeth who previously used it as an office. With the restoration and renovation of Brixton Town Hall and the consolidation of Council staff into it, International House was deemed surplus to requirements and was handed over to the Council’s Investment and

Growth team for the Brixton Central Masterplan regeneration scheme. As this is unlikely to come forward for a while, the Council decided to transform the building into a temporary meanwhile workspace to introduce a range of new businesses to Brixton.

Rather than focusing on maximising financial returns, the Council wanted to support town centre regeneration, placemaking and social value. As such, a competitive tender process was developed to select an operator who could deliver an interesting, innovative and affordable workspace which maximised social value while also providing a small financial return. 3Space were selected to run and manage the building and signed a lease in September 2018.



Wider Value

As the Council agreed to lease the building below market rates, 3Space are able to operate their Buy, Give, Work model which was successfully piloted at their previous meanwhile workspace in Bermondsey. The model involves commercial businesses paying market rent for space (Buy) and using this to cross-subsidise low or no rent space for not-for-profits that benefit the local area, early stage start-ups with a local founder and experimental projects (Give). This activity is supported by events and networks (Work).

While the workspace has delivered significant economic value through the establishment of a new design-focused quarter in Brixton, the provision of space for a range of local and third sector organisations is a major added benefit. As the table below demonstrates, International House provides five ‘Give’ floors for a range of interesting and valuable organisations. Paying tenants are also expected to put aside time and resources to support organisations benefitting from ‘Give’ space, particularly through mentoring, work experience and volunteering.

While the impact of this activity has not yet been quantified, it is undoubtedly delivering significant social value to Lambeth and Brixton. Research from a range of organisations (e.g. The Centre for Local Economic Strategies) demonstrates that the provision of space for small and local businesses is key to building economic and social wealth in communities. Evidence shows that local or socially minded enterprises are more likely to employ, buy and invest locally. This means that rather than extracting wealth they make significant contributions to local economic development.

Ground Floor	Youth Innovation Hub	Photography Services Floor	Community Initiatives Floor	Fabric Floor
Free of charge event space for building members with a comprehensive events program. Also includes space for an accelerator programme.	Space given to Youth Entrepreneurship Hub Business Launchpad which is a youth entrepreneurship charity that supports young people aged 16-30 at every stage of their business. Co-working, desk and music studio space is available.	Floor has been given to Photofusion who are a photographic services charity who have been based in Brixton since 1991. The floor includes photography space, dark rooms, a classroom and a digital print studio.	Space is available free of charge for local charities, non profits and social enterprises. Organisations must be based in Lambeth or deliver programs which directly benefit Lambeth Residents. 37 organisations currently have access to desk space.	Space is managed by Assemble who provide space to fashion and textiles studio businesses. It is designed to support a range of practitioners from different backgrounds, and at different stages in their development. All tenants have 24/7 shared access to a 19m ² classroom, kitchenette and maintained workshop with communal machinery and 1.5 x 3m work table.

Affordable Workspace case studies: The Granville

The Granville: Linking Workspace and Communities

Context

The Granville is a mixed-use community centre and workspace in South Kilburn, London. It is run by the South Kilburn Trust who lease the building from Brent Council for a peppercorn rent. There are 15 studios available and a small co-working and hotdesking area. Studios typically rent for £500-600 per month and desks are available for £175 per month making them accessible to small enterprises. Plans are in place to extend and expand the building, which will involve providing traditional offices, a community kitchen and additional community uses.

Wider Value

While LBB are not making a financial return on their asset, they are catalysing significant economic and social returns. The South Kilburn Trust are committed to supporting local, small enterprises to grow. This is achieved by leasing space to local businesses that subscribe to the Trust’s values of community inclusion and involvement. Tenants also have free access to two specialist

business advisors that support enterprises to scale, grow and prosper. In 2019 the workspace safeguarded or created 35 jobs and supported 12 businesses to grow.

The South Kilburn Trust has also recently developed a new scheme called Community Give Back, which links businesses in the Granville to the South Kilburn community. The aim is to support and inspire local people to work or set up businesses in new industries. Businesses provide a range of support services to local people, including mentoring, advice, school events, provision of work placements and support with job interviews. Local people who are interested in setting up a business are also able to access the specialist business advisors for free, which is a service not typically offered by workspaces. A recent audit shows that since formation the Granville has delivered 48 trainee placements, 600 skills workshops/seminars and has engaged almost 2000 people.

The rental income from the workspace is also used to cross-subsidise other free community focused activities in the building. These include a youth programme, creche and wellbeing services.



Affordable Workspace case studies: Platf9rm



Platf9rm: Demonstrating the Viability and Opportunity for new Commercial Development

Context

Platf9rm is a co-working, office, meeting and event space for the creative sector in East Sussex. It is located in Hove Town Hall and has recently expanded to a second site. The workspace has a membership of over 80 small businesses who also receive business and collaboration support. Businesses range from film-makers to PR agencies, illustrators, charities, accountants, writers, cleaners, graphic designers and others. A carefully curated series of regular creative and artistic events are held across the two sites.

Wider Value

Brighton & Hove Council identified the need for more managed workspace in the city during the development of the Brighton & Hove Economic Strategy. It was clear however that this type of space was not coming forward to due a lack of market confidence from the private and third sector. To demonstrate the viability and opportunity for this type of space in the area, they decided to rent part of Hove Town Hall to a workspace provider. The workspace quickly became a success and space was filled relatively quickly. This was an important step change as it changed perceptions which, in turn, helped to catalyse a wide range of flexible workspaces to start up in the area (e.g. Project, Spaces, The Werks and The Skiff). Agents report that the city is now well-served by managed workspaces, investors are confident in the viability of the market and that the digital and creative sector has become a key strength of the economy.

The operating model, typology and operator of a workspace determines the amount of economic and social value delivered. Traditional co-working spaces or managed workspaces tend to offer fewer benefits than the examples presented here. Through the development of AWS and Action Plan, the Council will seek to catalyse a range of different types of affordable workspace that serve different functions and deliver different types of added value. This will involve engaging with and creating opportunities to work with a variety of operators.

Economic impact of priority sectors

Provision of workspace affordable to the identified priority sectors (see pages 52 - 57) is fundamental to accommodate local businesses and employment and underpin a strong local economy.

The economic contribution of the priority sectors, and the potential impacts of their future growth and decline, has been considered in three ways:

- 1. The number of jobs supported in Brent¹²
- 2. Gross Value Added (economic output) delivered to the Brent and London economies¹³
- 3. The likely local spend of employees in shops and businesses¹⁴

As the table below demonstrates, these priority sectors currently make a significant economic contribution on these measures:

- They employ a significant number of people. The three top employing sectors are the Knowledge Economy (16,650), Financial and Professional Services (12,230) and Food Preparation and Consumption (8,750).
- They deliver significant Gross Value Added to the Brent economy – based on the latest available data, the current top contributors are the Knowledge Economy (£1.7bn), Financial and Professional Services (£1.1bn) and Digital (£7.59bn).
- Employees from these sectors spend a lot of money locally on a daily and annual basis. The top three contributors are the Knowledge Economy (£46.4m per year), Financial and Professional Services (£34.2m per year) and Food Preparation and Consumption (£24.4m per year). While some of this will be outside of Brent, a significant proportion will be retained locally.

Priority sectors should be supported to ensure the benefits are retained and maximised. As previously discussed, affordable workspace is particularly important for SMEs because of the increasingly unaffordable commercial rents in London and parts of Brent.

There is significant potential for priority sectors to deliver a greater economic contribution to Brent and its residents. This sits alongside a risk that further decline in some sectors (driven by factors such as increasing unaffordability, automation, permitted development rights etc.) could create adverse impacts for the area. As shown in the table on the following page, high-level sensitivity analysis has been undertaken to demonstrate the potential economic impacts of different growth or decline scenarios over the next ten years. The six scenarios considered for each sector are:

- 2.5%, 1% and 0.5% decline in GVA and employment each year over the next ten years.
- 0.5%, 1% and 2.5% growth in GVA and employment each year over the next ten years.

The priority sectors identified deliver significant economic value to Brent and the wider economy. There is potential to increase their contribution, but also a series of risks that could undermine this (particularly the affordability of commercial space for SMEs). By focusing on these sectors, the Council should be able to support them to prosper and reduce the potential decline of others.

Current Economic Contribution of Priority Sectors

Priority Sectors		GRAS Categories	Employment (2018)	GVA (2018)	Likely Employee spend	
					per working day	per year (232 work days)
Manufacturing	Food	Retain	4,305	£231m	£51,660	£12m
	General	Retain	1,600	£132m	£19,200	£4.5m
	Creative and Media	Retain	670	£41.9m	£8,040	£1.9m
	Tech	Retain	1,350	£112m	£16,200	£3.8m
Wholesale		Retain	9,365	£563m	£112,380	£26.2m
ICT, Media and Creative Services		Grow/Start Up	6,810	£918m	£81,720	£19m
Financial and Professional Services		Retain	12,230	£1,150m	£146,760	£34.2m
Food Preparation and Consumption		Scale Up	8,750	£469m	£105,000	£24.4m
Life Sciences		Grow/Scale Up	875	£67.5m	£10,500	£2.4m
Artists		Attract	3,075	£360 m	£36,900	£8.6m
Knowledge Economy		Grow/Start Up	16,650	£1,710m	£199,800	£46.5m
Creative		Attract/Start Up	5,660	£427m	£67,980	£15.8m
Digital Sector		Grow	5,665	£759m	£67,800	£15.8m

Potential Economic Contribution of Priority Sectors GVA Under Different Scenarios (2018 - 2028)

Sector		2018 base (£m / employment)		-2.5% (£m / employment)		-1% (£m / employment)		-0.5% (£m / employment)		+0.5% (£m / employment)		+1% (£m / employment)		+2.5% (£m / employment)	
Manufacturing	Food	£231	4,305	£179	3,342	£208	3,893	£219	4,095	£242	4,525	£255	4,755	£295	5,511
	General	£132	1,600	£103	1,242	£120	1,447	£126	1,522	£139	1,682	£146	1,767	£169	2,048
	Creative and Media	£42.0	670	£32.6	520	£38.0	606	£39.9	637	£44.1	704	£46.4	740	£53.7	858
	Tech	£112	1,350	£87	1,048	£101	1,221	£106	1,284	£117	1,419	£123	1,491	£143	1,728
Wholesale		£563	9,365	£437	7,270	£509	8,470	£535	8,907	£592	9,844	£622	10,345	£721	11,988
Transport		£545	4,415	£423	3,427	£493	3,993	£518	4,199	£573	4,641	£602	4,877	£698	5,652
ICT, Media and Creative Services		£918	6,810	£713	5,287	£831	6,159	£873	6,477	£965	7,158	£1,014	7,522	£1,176	8,717
Financial and Professional Services		£1,146	12,230	£889	9,495	£1,036	11,061	£1,090	11,632	£1,204	12,855	£1,266	13,510	£1,467	15,655
Digital		£759	5,650	£589	4,386	£686	5,110	£722	5,374	£797	5,939	£838	6,241	£971	7,232
Creative		£427	5,665	£332	4,398	£386	5,123	£406	5,388	£449	5,955	£472	6,258	£547	7,252
Knowledge Economy		£1,713	16,650	£1,330	12,926	£1,549	15,058	£1,629	15,836	£1,800	17,501	£1,892	18,392	£2,193	21,313
Artists		£360	3,075	£279	2,387	£325	2,781	£342	2,925	£378	3,232	£397	3,397	£460	3,936
Food Preparation and Consumption		£469	8,750	£364	6,793	£424	7,913	£446	8,322	£492	9,197	£518	9,665	£600	11,201
Life Sciences		£68	875	£52	679	£61	791	£64	832	£71	920	£75	967	£86	1,120

Data Sources: BRES, ONS 2018 and Experian local spend statistics (£12 on average per day).

Notes: Totals have not been calculated as the cross-cutting sectors lead to double counting. Cross-cutting sectors italicised.

Where Do We Need Affordable Workspace?

Brent has a diverse economic geography and the typology of commercial property is highly dependent on the characteristics of different areas within the borough. The Council has already facilitated the delivery of affordable workspaces via the planning system in Wembley and Alperton Growth Areas. However, to expand and diversify the amount and typology of affordable workspace in Brent, a spatial study of the borough using typology parameters, the draft Local Plan and previous research studies is required. The high-level study in this section assumes that new workspace will either be delivered as a part of new developments or maximise under-utilised existing buildings.

Six key messages:

- “The draft London Plan and draft Local Plan seek to promote, manage and protect SIL, LSIS and industrial floorspace to sustain the London and local economy. Regeneration and development of industrial sites would therefore likely seek to include any affordable workspace as light industrial use (B1(c)). Typologies would include artist studios, makerspace, kitchens and lab space.

- IACs need to be located within 10-15 minutes walk of a tube station to have easy access to Central London.
- Kitchen spaces are either public-facing and would be required to locate in areas with good footfall, such as a popular high street, or in an industrial location with lower rents to service food manufacturing and catering businesses.
- Lab spaces require a large quantum of space to be financially viable as outlined on p46 (minimum 20,000 sq.ft / 1,860 sq.m) and need close connections to an ‘anchor’ (university with research in science, established pharmaceutical companies or hospitals with research facilities), therefore limiting the potential locations within the borough.
- Where rents are highest for office and industrial use (p73), the Council should propose to deliver affordable spaces in those locations to the ‘at risk’ priority sectors.
- Town Centres with high vacancy rates in retail units could be re-purposed as workspace, creating activity in the high street and providing affordable workspace for SMEs.

Ministry of Sound coworking space
Photography: James Jones



Economic Geography of Brent

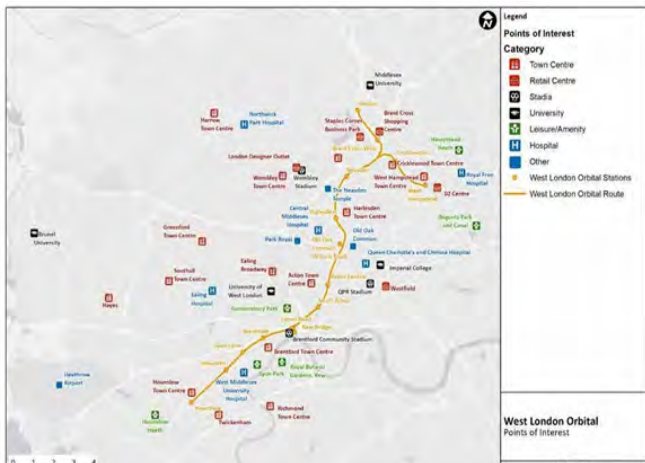
Located in the heart of north-west London, Brent is committed to playing an instrumental role in the growth of the London economy over the next 20 years.

Brent covers an area of almost 17 square miles and borders 7 other London boroughs: Barnet to the east, Harrow to the north, Ealing to the west, and Hammersmith and Fulham, Kensington and Chelsea, Westminster and Camden, all to the south. The Old Oak and Park Royal Opportunity Areas overlap and extend south of Brent into Ealing and Hammersmith and Fulham, and are the largest regeneration projects in the UK with the potential for 65,000 jobs, and at least 25,500 new homes.¹

There are strong connections by public transport from Brent to Central London, via the Bakerloo, Metropolitan, Overground and now 24-hour Jubilee line. Transport connections are set to improve with the arrival of the new station at Old Oak, which will connect into HS2, Crossrail and Heathrow. Brent therefore benefits from higher public transport accessibility, with the largest percentage of daily trips by public transport, and one of the lowest for motorised vehicles, amongst Outer London boroughs. The proposed West London Orbital line (as seen in the map below) would link up radial lines across West London, making longer journeys across West London easier and reducing wasted travel in and out of central London.

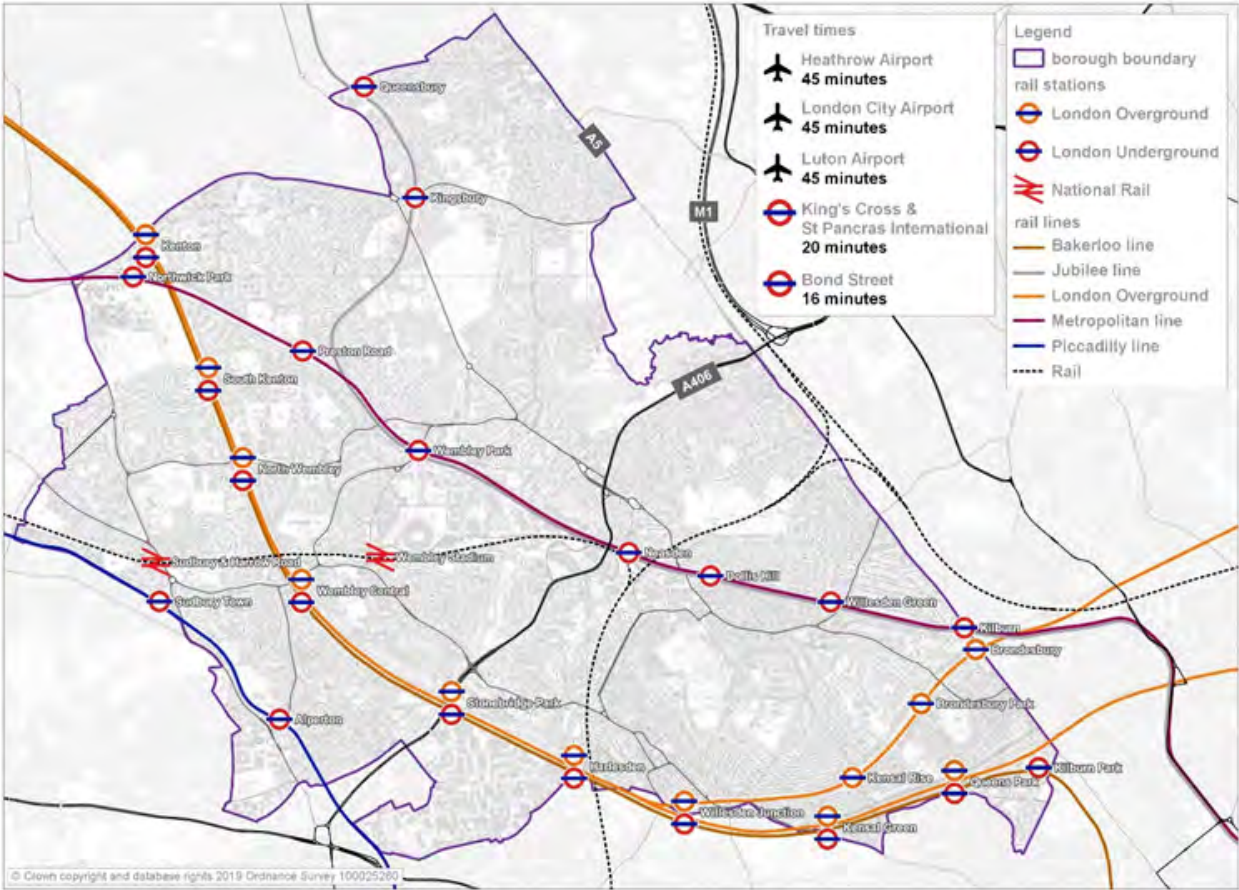
Brent is also part of the West London Alliance, a partnership with six other West London local authorities of Barnet, Ealing, Hammersmith & Fulham, Harrow, Hillingdon and Hounslow. West London is the capital's, and the UK's, gateway to the world. It is an economic powerhouse with a GVA of over £80 billion². The sub-region collectively makes a unique contribution to the London and wider UK economy through its assets, including Heathrow Airport and Park Royal, as well as major growth and opportunity areas such as the Golden Mile and

Brent Cross (as seen in the map below). West London is home to 100,000 businesses and 2,065,000 residents and has excellent radial infrastructure in and out of the City, and out to the wider country. As seen in the map below, the borough of Brent sits close to other important opportunity areas and areas for intensification (such as White City, Cricklewood Brent Cross and Heathrow).

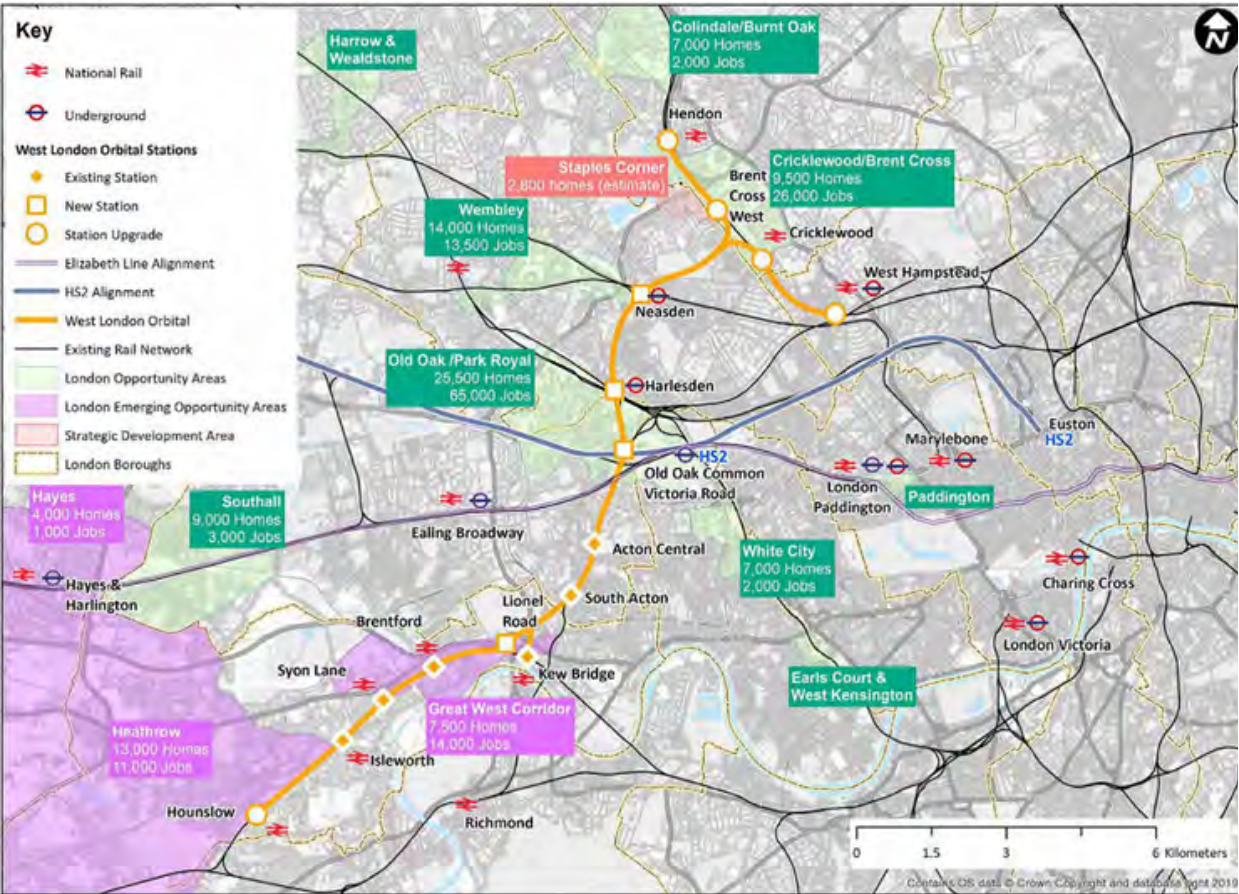


Source: West London Alliance (2020)

- 1 West London Economic Assessment, WLA (2015)
- 2 Winning in the New Economy, WLA (2019)
- 3 West London Vision for Growth, WLA (2016)



Source: Brent Council Inclusive Growth Strategy 2019-2040 (2019)



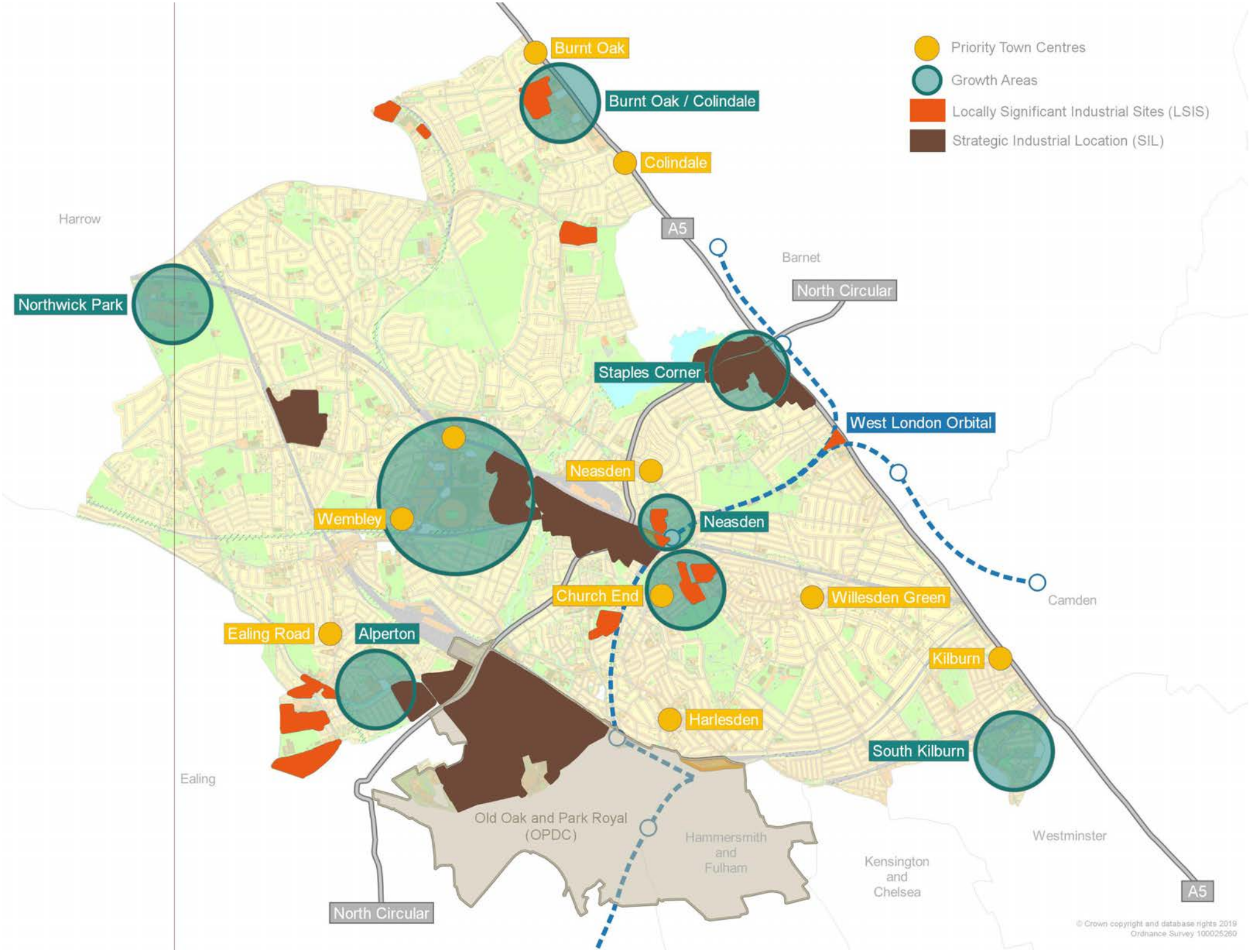
Source: West London Alliance (2020)

Brent economic hubs

Economic Geography of Brent

There are four key types of economic hub in Brent:

- **Priority Town Centres:** Nine town centres have been identified for focused investment and development - Wembley, Neasden, Willesden Green, Harlesden, Colindale, Burnt Oak, Kilburn, Church End and Ealing Road.
- **Strategic Industrial Locations (SIL):** There are five SILs in Brent, namely Park Royal, Wembley, Staples Corner, East Lane and Alperton, all of which cater for a range of industrial uses. SILs are London's main reservoirs of industrial land which should be promoted, managed and, where appropriate, protected.
- **Locally Significant Industrial Sites (LSIS):** These are industrial sites within Brent that are not designated SILs but are still important industrial locations within the borough. The Council will protect LSISs for the same range of uses as SILs, however also promotes residential co-location on LSISs. Again, these sites cater for a wide range of industrial uses.
- **Growth Areas:** These incorporate some Priority Town Centres, SIL and LSIS, which are areas focused for development to support the delivery of new homes and jobs required to support population growth. There are eight Growth Areas including Northwick Park, Burnt Oak & Colindale, Wembley, Alperton, Church End, Neasden, Staples Corner and South Kilburn.



Existing affordable workspace

Existing workspace

The 2018 Brent Workspace Update by Hatch Regeneris, PRD and We Made That identifies around 59 flexible workspace premises within the borough. Managed workspace accounts for 68% of all workspace premises, followed by creative studio provision and individual desks let in existing office or studio arrangements. Makerspaces and IAC provision is still limited in the borough, although both these typologies are bespoke and would be expected to be a less common form of provision in any location.

Brent currently has three affordable IAC spaces, six creative studios and three makerspaces¹⁵. There is currently no lab space or affordable kitchen space provision. Key observations are set out below:

- The provision of Incubator, Accelerator and Co-working space (IAC) is relatively limited and fairly recent, with two of the three IACs having opened in the last two years. These are the first secured and permanent affordable IAC-type spaces within the borough, providing workstations and private studio spaces to support emerging businesses. Although the three IACs have different models and offers, all have a strong social or community focus. The independently run Grange Business Hub (Neasden) is the oldest co-working space in the borough and provides specialist support targeted to its tenants. SEIDs Hub (Wembley) and the Granville (Kilburn) have both received public funding from LB Brent. The former is managed by the charity Caritas Westminster and provides a co-working space, meeting and training rooms as well as business support programmes targeting start-ups social enterprises. The latter is accommodated within a council-owned building, with a multi-purposed community space offering around 80 low-

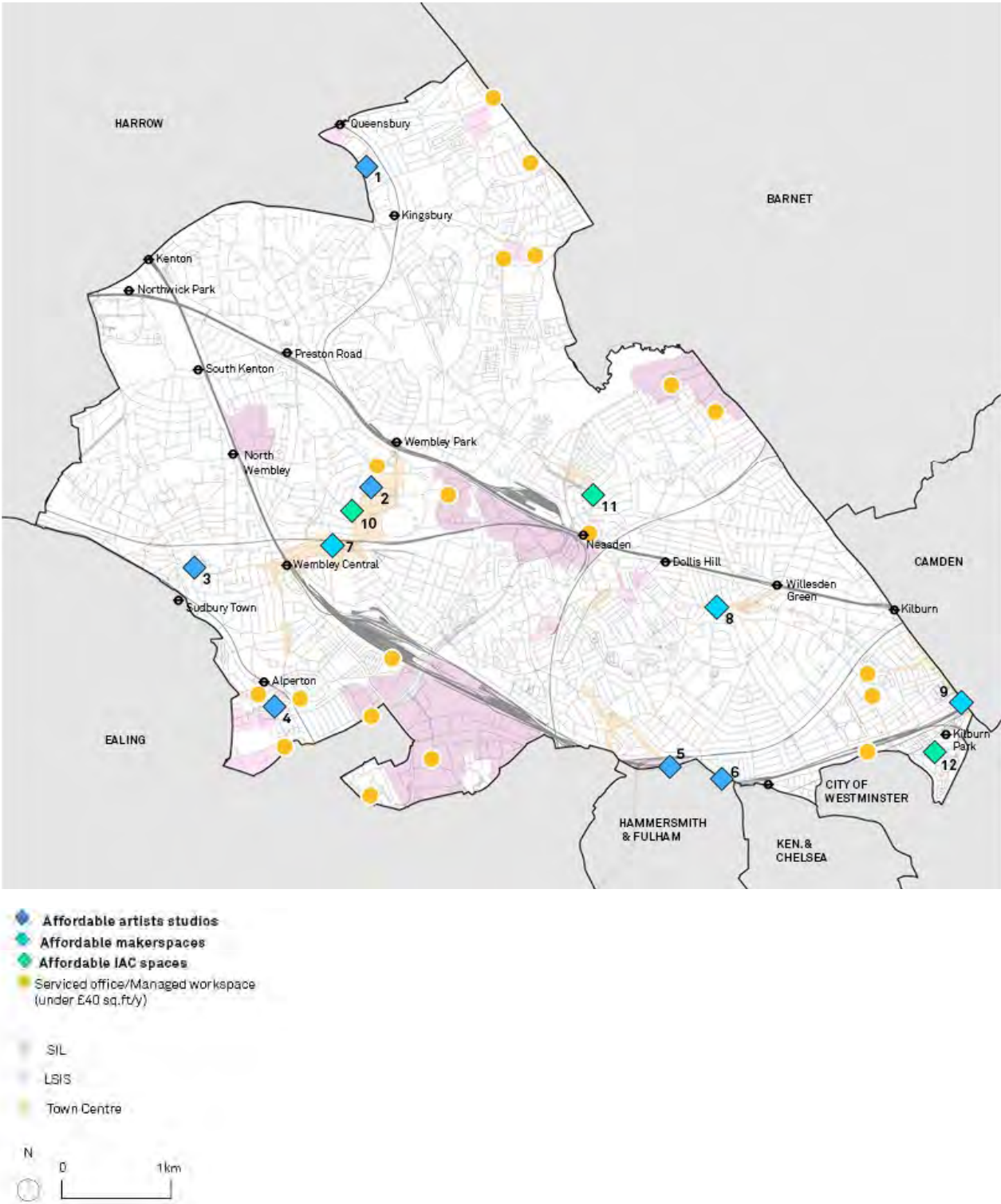
cost workstations for start-ups and small businesses together with specialist support services.

- There are six creative studios in the borough, including four which opened in the last three years. The number of artists studio spaces has increased significantly over the past few years with LB Brent having successfully secured new spaces through S106 planning obligations. Artists studios spaces are typically managed by established studio providers such as ACAVA, ACME, ASC or Second Floor Studios and Arts. The current provision suggests more longer-term availability and secure studio provision for the borough. The spaces are typically provided as part of mixed-used developments and are targeted to non-commercial artists.
- Makerspaces provide different forms of open access equipment and workshop space for light manufacturing, bespoke making and prototyping activity. Models vary from catering to a specific field of production, to providing a wide-range of equipment on site, to self-contained studio provision with own equipment. Brent currently has three makerspaces for designers, small-scale makers and casual hobbyists looking to design, test, prototype and build products. The current offering is made up of the well-established London Fashion Workspace (Kilburn) which provides specialist equipment for professional designers. Two other small-scale spaces have opened in late 2018, however these are operating on a meanwhile basis as both sites are subject to redevelopment.
- Brent is also home to many serviced offices and managed workspaces – a significant number are within the borough’s secondary

office stock. In early 2020, it is estimated that there are around 19 serviced office spaces in Brent which provides workspace, meeting facilities and basic administrative support for less £40 sq.ft (with an average rent of £32 sq.ft per year). These workspaces are typically within small to medium scale office buildings that are relatively old and low quality. Most of these spaces remain below London’s office market rates and are an affordable option for a number of local businesses. It also important to note that a large number of these spaces are ‘at risk’ as they are typically located within site allocations and subject to redevelopment plans. Within the supply identified, nine sites are to be affected by a potential change of use after approval of prior approval or planning permission in the last three years.

Note: Please refer Hatch Regeneris (2018 Brent Workspace Update p10-11

Existing affordable workspace



Development pipeline

The table adjacent outlines the workspace secured via S106 planning obligations. LBB has facilitated delivery of managed affordable workspaces on former employment sites at a 50% discount to market rates, through draft Local Plan policy and partnerships with affordable workspace providers. Artist studio projects have

been delivered in major new developments so far, including in Wembley and Alperton growth areas. Workspaces in the development pipeline include a mix of B1(a) and B1(c) space. Additionally, LBB will be delivering workspace in new Council-led developments.

WORKSPACE	AREA (sq.m – rounded)	Use class	Planning reference
Completed schemes			
ACME Studios, Harrow Road	300	B1(c)	07/2366
ASC Studios, Ealing Road	1,070	B1(c)	09/2116
Second Floor Studio and Arts, Wembley	700	B1(c)	10/3032
ACAVA Studios, Kingsbury	300	B1(c) – C3	12/2612
The Granville, South Kilburn	1,280	B1(a)	n/a
Completed schemes total	3,650		
Pipeline developments			
QED Employment Space Phase 2, Wembley	1,060	tbc	10/3032
60 Neasden Lane, Neasden	900	B1(a)	17/2477
Parkwood House, Wembley	115	B1(a-c)	17/2782
Grand Union Affordable Workspace, Alperton	325	B1(a-c)	18/0321
10 – 11 Watkin Road, Wembley	800	B1(c)	18/3381
Alperton House, Alperton	1,450	B1(b/c)	18/4199
Abbey Manufacturing Estate, Alperton	560	B1(a-c)	18/4919
The Generator, Alperton	18,120	B1(c)/B2/B8	19/0925
Land to East of Cecil Avenue, Wembley	3,600	B1(a-c)/D1	19/2891
Ujima House	550	B1(a-c)	19/3092
Peel Precinct, South Kilburn	560	B1(a-c)	19/3259
Designworks, Harlesden	300	B1(a-c)	n/a
Bridge Park, Stonebridge Park	tbc	B1(a-c)	n/a
Morland Gardens, Harlesden	700	B1(a-c)	n/a
Pipeline developments total	28,480		
Overall Total	32,130		

Sub-area implications

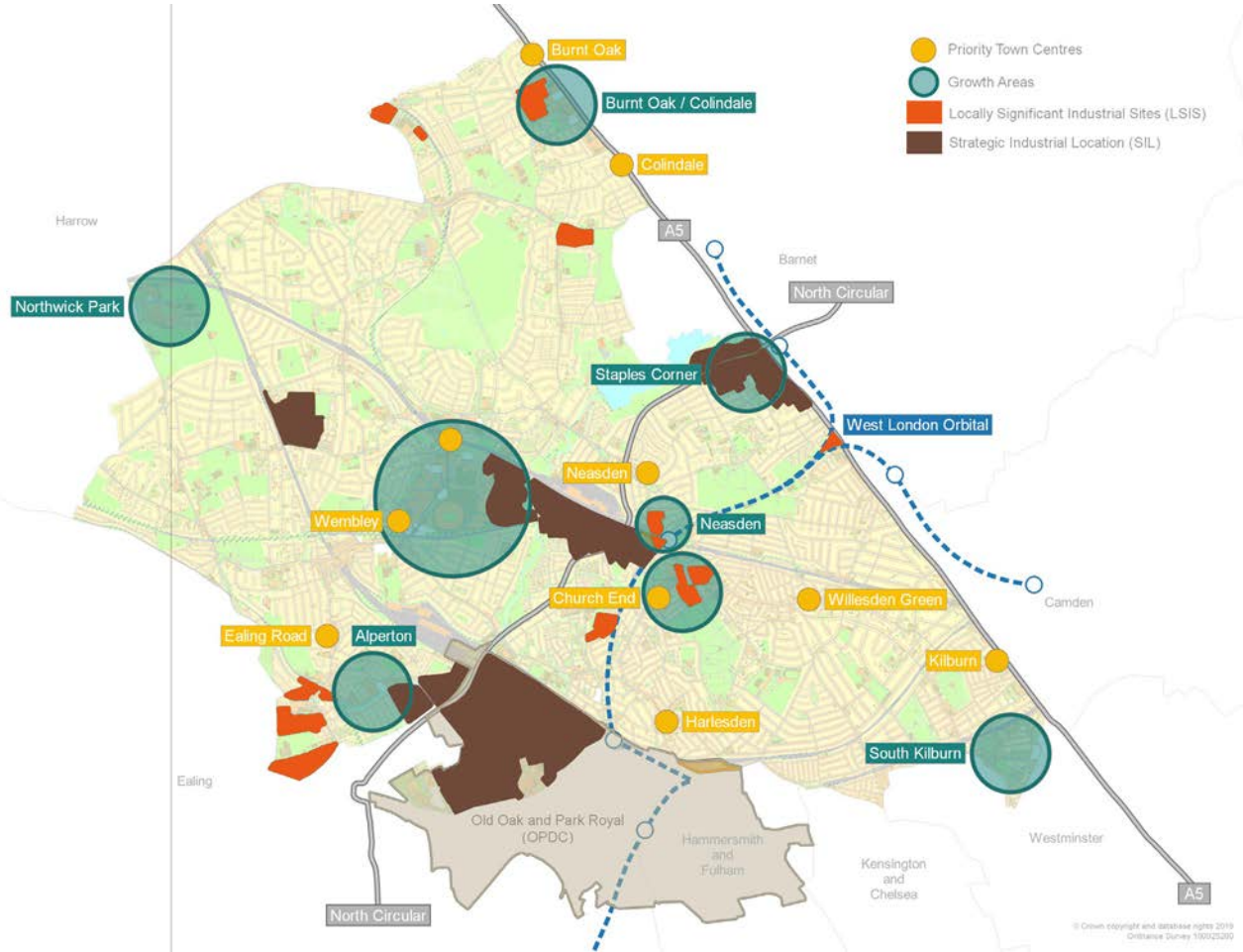
Sub-areas and key centres have been categorised into low, medium and high priority for the priority sectors based on the rent to turnover analysis in the ‘Who’ chapter (see pages 72 - 75). Priority sectors and associated workspace requirements are identified for each sub-area based on the mapping of sectors (Appendix E).

The categories have been defined as follows:

- **High priority:** sub-areas or key centres where rents are beyond the range of affordable benchmarks for the large majority of different sized businesses including those with higher turnovers and where large space is required.
- **Medium priority:** sub-areas or key centres where rents are beyond affordable benchmark ranges for office or industrial/ light industrial sectors for low turnover businesses (<£250,000) seeking premises of 2,000 sq.ft (185 sq.m) and above.
- **Low priority:** sub-areas or key centres where rents are likely within the range of affordable benchmarks for the majority of different sized businesses and property market sectors with the exception of very low turnover businesses seeking premises over 500 sq.ft (45 sq.m).

The adjacent table illustrates how the sub-areas have been categorised.

Prioritising Brent sub-areas by affordability



	High priority	Medium priority	Low priority
North			Northwick Park, Burnt Oak & Colindale
Central	Wembley (office)	Stapes Corner, Neasden and Wembley (industrial)	Church End and Willesden
South	Kilburn and Alperton	Harlesden	

North

Burnt Oak and Colindale

The Burnt Oak and Colindale areas are mainly residential in character and commercial uses are limited to the Edgware Road (A5), routes linking the A5 and the Northern line tube stations, and LSIS. Burnt Oak and Colindale have together been classified as an Opportunity Area for London by the GLA. The 262 ha area, which also extends into the London Borough of Barnet, has been identified as having capacity for 2,000 new jobs and 12,500 new homes.

There is a high concentration of motor trades, manufacturing and wholesale, with clusters of specialist and supermarket retailers. With three large site allocations located along the Edgware Road (Capitol Way, Colindale Retail Park and the former Mecca Bingo site), there is potential for affordable workspace in new developments as well as in existing buildings. The proximity to Burnt Oak and Colindale tube stations could make the Edgware road suitable for IAC space, potentially focused on ICT, Media and Creative priority sectors.

Evidence suggests that Burnt Oak and Colindale are not currently facing significant commercial market pressures. The low office rents identified in the turnover analysis along with the protection of industrial use in the LSIS sites make Burnt Oak and Colindale suitable areas to accommodate studios and maker space for creative professionals and artists.



Former Mecca Bingo site



1-8 Capitol Way

Map of Burnt Oak and Colindale



- Existing workspace**
 - 1 Watling Gate
 - 2 333 Edgware Road
 - 3 Symal House
- Proposed developments**
 - 4 1 - 8 Capitol Way
- Site Allocations**
 - 5 Former Mecca Bingo
 - 6 Colindale Retail Park

Northwick Park

LB Brent, along with Network Homes, the University of Westminster and London North West University Healthcare Trust have partnered to deliver a mixed-use masterplan adjacent to Northwick Park Hospital. In addition to 1,600 new homes, the partners have also proposed a ‘new commercial and community hub’ to provide facilities and employment opportunities for local residents.

With the close connection to both the university and hospital, there is an opportunity to provide workspace that could benefit both organisations. Examples include an incubator for Westminster alumni with life science backgrounds to turn their thesis into a business or a lab space for private med-tech companies to work with researchers in the hospital.



Existing Northwick Park Hospital



One Public Estate, Northwick Park

Map of Northwick Park



- Proposed developments
- 1 One Public Estate Regeneration

Central

Neasden and Church End

Dominated by road network and vehicular access, Neasden and Church End are both Growth Areas in Brent's draft Local Plan. Both areas are allocated for mixed-use regeneration, set around the economic revitalisation of local centres and redevelopment of underutilised sites. Given the presence of low density Locally Significant Industrial Sites and pressures to make more efficient use of land to accommodate growth, the draft Local Plan extends the existing boundaries of the Church End and Neasden Growth Areas to include employment sites. The proposed West London Orbital (WLO) interchange at Neasden would open up the area, connecting Neasden with Brent Cross to the east and Old Oak and the Great West Corridor to the west, and maximise the opportunity for new homes and jobs.

In addition to the Grange office space, 60 Neasden Lane will provide more affordable desk-based workspace following the completion of the new development. There is the opportunity to develop Neasden as a local commercial centre with IAC space for small businesses, as well as reproviding industrial and light-industrial uses in LSIS and SIL proximate to Church End and Neasden to meet Brent and GLA policy requirements and retain the manufacturing priority sectors.



Neasden industrial estate



The Grange Workspace



60 Neasden Lane, affordable workspace floorplan

Map of Neasden, Church End, Staples Corner and Willesden



Existing workspace

- 1 Queens Parade
- 2 Willesden Library
- 3 Create Space
- 4 The Grange
- 5 AJP Business Centre
- 6 Millenium Business Centre

Proposed development

- 7 Church End Regeneration
- 8 60 Neasden Lane

Site allocation

- 9 Staples Corner Growth Area
- 10 Willesden Bus Depot
- 11 296-300 High Road, Willesden
- 12 Barry's Garage
- 13 McGovern's Yard
- 14 Chapmans and Sapcote Industrial Estate
- 15 Cobbold Industrial Estate
- 16 Asiatic Carpets
- 17 Neasden Station Growth Area

Staples Corner

As outlined in the draft Local Plan, Staples Corner is a designated Strategic Industrial Location, and therefore has significance for London as a whole. Its location near to the A5, A406 and M1 provides potential for good HGV access. It has a range of employment spaces of different sizes but also a high number of trade businesses.

Allocated in Brent’s draft Local Plan as a growth area subject to co-location and intensification, Staples Corner has the potential to deliver affordable workspace around light industrial uses, as well as reproviding any of the ‘at risk’ managed office spaces. Brent Cross West overground station has commenced on site and is due to complete in 2022, which will address some of the accessibility issues around Staples Corner.

Artist studios and maker space have the potential to knit in with any mixed-used development proposed for the site allocation and satisfy industrial reprovision requirement in London and Local policy. Additionally, IACs would benefit from the new station and could suit a satellite location for Central London businesses.

Willesden

The High Road in Willesden is divided in two; the eastern section in the conservation area is commercially successful due to its close proximity to Willesden Green Station, the new Library and a variety of both national-chain and independent shops and restaurants. However, the western end towards Dollis Hill Station experiences high levels of vacancies and a low quality environment.

Vacant spaces have the potential to facilitate low-cost workspace in a meanwhile capacity, such as existing Queens Parade in the east end of the High Road. Alternatively, the less successful end of the Town Centre could move away from traditional uses and could focus on repurposing restaurants for kitchen workspace or convert retail to artist studios with gallery space.



Staples Corner retail park



Queens Parade, Willesden High Road



Create Space, Willesden



Willesden Library

Wembley
Wembley Park, the flagship 85-acre development adjacent to the iconic Stadium and Arena, has over 4,000 homes and c.645,000 sq.ft (60,000 sq.m) of commercial floorspace under construction so far. By the time of its completion in 2024, there will be a vibrant community of residents, workers and visitors with c.7,000 homes for 20,000 people and 8,640 new jobs created. Existing workspaces include Second Floor Studio & Arts, SEIDs Hub adjacent to the regeneration boundary and group of managed workspaces in secondary stock. Upcoming affordable workspaces are proposed for new developments in close proximity to the Wembley Park regeneration, as well as workspace in the Council-led development on Wembley High Road (land to the east of Cecil Avenue).

As the main commercial centre for Brent, Wembley could accommodate all typologies and priority sectors, and support larger affordable workspaces as move-on space for more established start-up businesses. However, due to high demand in Wembley, commercial rents are some of the highest in the borough and many small businesses are beginning to be priced out of the area. Affordable workspace secured through S106 planning obligations in new developments will be key to ensuring that the most ‘at risk’ priority sectors, such as artists, ICT, media and creative businesses, remain within Wembley.



SEIDs hub



Second Floor Studio and Arts



10 - 11 Watkin Road

Map of Wembley



Existing

- 1 Wembley Stadium Industrial Estate
- 2 Rubicon House
- 3 BE Office
- 4 Empire House
- 5 Second Floor Studio & Arts (SFSA)
- 6 SEIDs Hub
- 7 London Hackspace

Proposed Development

- 8 Land to east of Cecil Avenue (Wembley Housing Zone)
- 9 QED Employment Space (Phase 2)
- 10 Parkwood House
- 11 10 - 11 Watkin Road

Site Allocations

- 12 Asda/Torch/Kwikfit
- 13 College of North West London
- 14 Former Malcolm House Site
- 15 Olympic Office Centre
- 16 Fifth Way/Euro Car Parts
- 17 First Way
- 18 Southway Motors/Fourway Supplies/
Midnight Motors South Way
- 19 Land to south of South Way
- 20 Wembley High Road
- 21 Elm Road

South

Alperton

Alperton's commercial constituents include major SIL and LSIS sites around the Grand Union Canal and priority Town Centre Ealing Road which connects Alperton to Wembley. As a designated Housing Zone by the GLA, Alperton has already benefitted from major regeneration schemes including 243 Ealing Road and a pipeline of new developments. Former Northfields industrial estate has been masterplanned to deliver over 3,000 new homes, 3,500 sq.ft (325 sq.m) of affordable workspace and the Generator building, a c. 193,750 sq.ft (18,000 sq.m) multi-storey industrial building, the first of its kind in the UK.

Alperton industrial sites are protected, and any new development will either need to either retain, reprove or increase the amount of B1(c), B2 or B8 employment space. London and Local policy encourage colocation of industrial with residential uses to intensify these protected locations. Industrial market rents around Alperton are higher than the borough average. Evidence from the turnover analysis suggests that businesses with low turnovers seeking space of 1,000 sq.ft (930 sq.m) and upwards would be paying rent above the affordability benchmark. With ASC already in 243 Ealing Road, Alperton has the potential to become a workspace cluster for artists in former industrial sites. Affordable workspace policy will be essential to ensure that the price-sensitive sector can remain in the area.

In contrast to the industrial character of the SIL and LSIS, Ealing Road's strong culture attracts people beyond a local catchment area due to its specialist offering of Indian jewellery, fashion and food. Vacancy rates on the high street are low so meanwhile use is unlikely. However, any development with commercial space could suit workspace in keeping with the local offer, such as jewellery and fabric workshops, or kitchen workspace for local food businesses.



Artist Studio Company (ASC)



Industrial Estate opposite 243 Ealing Road



The Generator building, Grand Union Masterplan

Map of Alperton



Existing workspace

- 1 Viglen House Business Centre
- 2 ASC, 243 Ealing Road
- 3 Ajay Business Centre
- 4 Mount Pleasant
- 5 Crown House

Proposed developments

- 6 Grand Union affordable workspace
- 7 The Generator building
- 8 Bridge Park
- 9 Abbey Industrial Estate
- 10 Alperton bus depot
- 11 Alperton House

Site Allocations

- 12 Sainsbury's Alperton
- 13 Carphone Warehouse
- 14 Sunleigh Road
- 15 Wembley Point

Harlesden

Harlesden is home to a resilient, entrepreneurial, and diverse population, with the highest level of business start-ups in the borough alongside Wembley. The Harlesden Neighbourhood Plan seeks to protect the existing business and employment, expand the town centre southward towards Willesden Junction, and make the most of the Old Oak and Park Royal regeneration. The Council future vision is for Inclusive Growth in the Town Centre, which aims to support the unique local economy to flourish and develop commercial, cultural and leisure facilities that reflect the area's rich history and current day vibrancy. The proposed West London Orbital (WLO) station at Harlesden would connect Harlesden with Brent Cross to the east and Old Oak and the Great West Corridor to the west.

Two Council-led sites advancing to planning stages are Morland Gardens and Designworks. Both will include an element of workspace and the opportunity is to work with local communities to deliver workspace tailored to local needs, whilst also attracting new businesses to the area to grow the local economy. There is a strong music culture and demand for more desk-based workspace, so proposals could include IAC space with recording studios. Council acquisition of the former Picture Palace cinema provides an excellent opportunity to test out potential operators and uses in advance of any redevelopment of these sites.



The existing Designworks

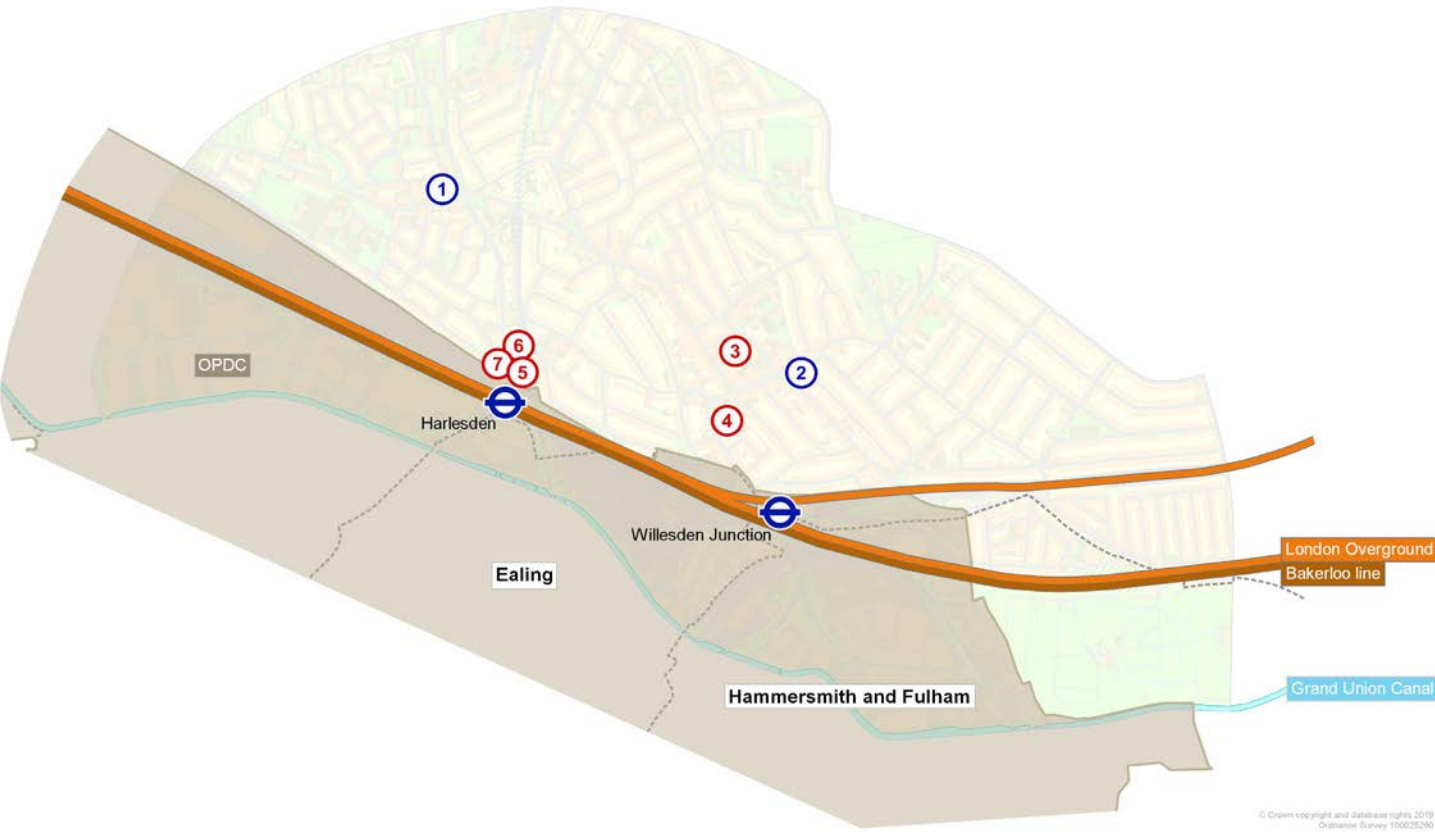


The proposed scheme for Designworks



Morland Gardens

Map of Harlesden



Proposed Development

- 1 Morland Gardens
- 2 Design Works

Site Allocations

- 3 Harlesden Plaza
- 4 Harlesden Telephone Exchange
- 5 Harlesden Railway Generation Station
- 6 Harlesden Station Junction
- 7 Mordaunt Road

Kilburn

Although there are no designated employment sites in Kilburn other than the arches under Kilburn Station, there is a strong entrepreneurial culture with the highest proportion of micro businesses, home working and self-employment in the borough. Creative businesses are clustered in Queen's Park Creative Quarter on Lonsdale Avenue and Kilburn High Road (A5). Employment is concentrated in ICT, media, creative services, professional and financial service sectors.

The South Kilburn Estate Regeneration has primarily focused on delivering homes, however The Granville and the proposed affordable workspace in the Peel Precinct redevelopment service local businesses and support the South Kilburn economy.



The Granville



Fashion Workspace



Peel Precinct, market square and workspace



Map of Kilburn



- Existing**
 - 1 Quadrant Business Centre
 - 2 Queens Studio
 - 3 The Linen House
 - 4 Beethoven Centre
 - 5 The Granville
 - 6 Fashion Workspace
- Proposed Developments**
 - 7 Peel Precinct
- Site allocations**
 - 8 Kilburn Station Arches

Recommendations

The table opposite summarises the recommendations for different typologies by area based on the analysis and mapping in this chapter.

Proposed workspace examples (from top left clockwise):
3 Space, Keeton's and Colett
QMB Innovation Centre, Whitechapel
Caxton Works, Canning Town
Impact Hub, Kings Cross
Appear [here], Columbia Road
The Silver Building, Projekt, Silvertown



Examples of workspace by area and typology

Area	Typology Recommendations	Examples
North		
Burnt Oak and Colindale	<ul style="list-style-type: none">IAC for small businessesCreative workspace in LSIS	<ul style="list-style-type: none">Innovation Warehouse, FarringdonInvention Rooms, White City
Northwick Park	<ul style="list-style-type: none">Specialist IACLab space connected to the hospital and/or university	<ul style="list-style-type: none">Health Foundry, WaterlooQMB Innovation Centre, Whitechapel
Central		
Neasden and Church End	<ul style="list-style-type: none">IAC for small businessesCreative spaces in re-purposed industrial buildings	<ul style="list-style-type: none">The Trampery, Hackney WickThe Silver Building, Projekt, SilvertownNeasden Studios
Staples Corner	<ul style="list-style-type: none">Commercial industrial uses, logistics and warehousingMakerspace and larger creative workspacesCo-located industrial / light industrial and residential (LSIS/periphery only)IAC space for small businesses (LSIS/periphery)	<ul style="list-style-type: none">Building BloQs, Enfield,Caxton Works, Canning TownImpact Hub, Kings Cross
Willesden	<ul style="list-style-type: none">Re-purposed retail unit for artist studios and gallery or repurposed restaurant for kitchen workspace	<ul style="list-style-type: none">Appear [here], Columbia RoadMaida Hill Place, Maida Vale
Wembley	<ul style="list-style-type: none">IAC/move-on office space for more established businessesSector-specific IACCreative workspace and artist studios	<ul style="list-style-type: none">International House, BrixtonFounders and Coders, Finsbury ParkTen 87, TottenhamNetil House, HackneyHack Space, WembleySFSA, Wembely
South		
Alperton	<ul style="list-style-type: none">Light industrial units for artist studios/makerspaceMicro workspace for start-upsKitchen workspace	<ul style="list-style-type: none">Made By Ore, WalthamstowBuilding BloQs, Tottenham243 Ealing Road, AlpertonKitchspace, Croydon
Harlesden	<ul style="list-style-type: none">IAC for small businessesRecording studio space	<ul style="list-style-type: none">Main Yard Studios, Hackney Wick
Kilburn	<ul style="list-style-type: none">IAC for self-employed and small businessesKitchen workspace	<ul style="list-style-type: none">The Granville, South KilburnIndycube, Finsbury ParkMission Kitchen

Notes and References

1. CAG Consultants (2017) London Industrial Land Demand, p13

2. GL Hearn (2019) Draft West London Employment Land Evidence, p50

3. London Development Database (04/06/2019)

4. Costar (2019)

5. Mapping tools displaying information on London’s workspaces, can be found following these links: <https://maps.london.gov.uk/workspaces/> and <https://maps.london.gov.uk/cim/index.html>.

6. Footnote 2 and Page 42: Artists Workspace Study, (GLA) 2018

7. ONS, BRES 2019

8. BizStats; AZCenral; Womply

9. HCA Employment Density Guidance Note, 3rd Edition, November 2015

10. Pop Brixton Evaluation (2017): Hatch Regeneris, Lambeth Council and Makeshift

11. Pop Brixton Evaluation (2017): Hatch Regeneris, Lambeth Council and Makeshift

12. Data obtained from the Business Register and Employment Survey (5-digit SIC) (ONS, 2018).

13. Obtained from GVA:Employment ratios derived from Regional GVA by Industry and Local Authority (2-digit SIC) – 2017, and BRES 2018 (the latest years available).

14. Based on Experian local spend statistics of approximately £12 per working day per worker and an average of 232 work days in a year, inclusive of weekends, bank holidays, and annual leave.

15. Hatch Regeneris (2018) Brent Workspace Update, p10-11

16. <https://www.thecfn.org.uk/18-of-all-smes-are-set-to-collapse-within-the-next-4-weeks-unless-the-government-steps-in-a-team-of-leading-industry-professionals-are-ready-to-launch-such-a-rescue-plan/> (from the foreward, p.3 “A fifth of small businesses are at high risk of closure.

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19. <https://www.parliament.uk/documents/commons-committees/Exiting-the-European-Union/17-19/Sectoral%20Analyses/21-Life-Sciences-Report.pdf> > references • Life Sciences: Report for the House of Commons Committee on Exiting the European Union.

20. Source: Hatch Regeneris; Companies House; Contains OS data – Crown Copyright > references tables and maps from 159-165

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Appendix A- Affordable Workspace Policies

A review of Local Plans across London has highlighted ten other boroughs that have very clearly defined affordable workspace policies. These are summarised below.

LB Camden
Camden Planning Guidance, Planning Obligations, CPG, July 2015 and CPG Employment sites and business premises, March 2018

Affordable workspace definition
Affordable Workspace in Camden are defined on a case by case basis. previous definitions based on past schemes include;

- 20% of the workspace to be provided at 50% of comparable market values.
- an element of the floorspace to be offered to an affordable workspace provider (to be approved by the Council) at a peppercorn rent (i.e. a very small or token rent).
- 20% of the desks in the open workspace (hot-desking) area to be offered at 50% of market value.
- an average of market rents paid by tenants in the area occupying an equivalent type and quality of space. This should relate to average market rates in the relevant sector in particular to light industrial and maker space.

Affordable workspace policy
Camden Council uses section 106 planning agreements to secure local employment and training initiatives, and an element of affordable workspace from large scale employment developments. Where provision of workspace for small and medium sized enterprises (SME) has been agreed as part of a development, the Council will seek to secure this through the use of planning obligations to secure an element of affordable SME workspace from large scale employment development with a floorspace of 1,000 sqm (GIA).

The Council will also consider alternative suggestions for providing affordable workspaces. Where affordable workspace is to be delivered through a scheme, the Council will resist provision of shell and core space and instead seek to ensure that the space has been fitted out to category A. There is no standard definition but a Category A fit-out typically includes raised floors and suspended ceilings; installation of mechanical and electrical services; basic fire detection systems; internal surface finishes; toilets; and blinds. Alternatively, an appropriate rent-free period could be offered to occupiers to cover fit-out costs. This is to ensure that fit out costs are not a barrier to the occupation of affordable workspace.

LB Hackney
Proposed Submission Local Plan, November 2018

New major employment or mixed used development in the borough’s designated employment areas and town centres should provide affordable or low-cost workspace. Development in the Shoreditch POA: at least 10% of the new floorspace (gross) should be affordable at no more than 40% of the locality’s market rent in perpetuity, subject to viability. in remaining POAs: at least 10% of the new floorspace (gross) should be affordable at no more than 60% of the locality’s market rent in perpetuity, subject to viability.

In PIAs and POAs: Proposals involving the redevelopment of existing low-cost employment floorspace should re-provide such floorspace in perpetuity, in terms of rents and service charges, for these existing uses, subject to scheme viability, current lease arrangements, and the desire of existing businesses to remain on-site.

Affordable Workspace should normally be provided on-site. Only in exceptional circumstances where it can be demonstrated

robustly that this is not appropriate in terms of the policies in this Plan, it may be provided off-site. A cash in lieu contribution should only be accepted where this would have demonstrable benefits in furthering affordable workspace in the Borough and other policies in this Plan.

Where additional floorspace is proposed through amended planning applications (i.e. through re-submissions or variations of existing planning applications or submission of a new planning application for an extension resulting in an increase in existing employment floorspace) within four years of the commencement of the original planning permission and the total amount of new employment floorspace exceeds 1,000 sq.m, affordable workspace will be sought in line with A and B above.

There is a need for the provision of affordable and low cost floorspace within the Borough. Policy 26 sets out that the Council will seek the inclusion of a proportion of affordable workspace, or the re-provision of low cost floorspace, within major commercial development schemes, and within major mixed-use schemes in the borough’s designated employment areas and town centres. The Council’s first preference is for any affordable workspace to be secured through legal agreement with a Council registered workspace provider. The Council has commissioned Local Plan viability evidence to build on initial viability work and to test the policies within the draft Plan to ensure the new Local Plan is deliverable.

LB Havering

Affordable workspace definition
A workspace provided where rent and service charges, excluding business support services, are on average at least 20% less than comparable local market rates for the duration of a lease (although it is noted that, for some sectors and

locations, much reduced rents may be needed to render them affordable to target occupiers).

Affordable workspace policy
The Council will promote opportunities for start-up and small and medium enterprises by expecting major commercial and mixed-use schemes to provide 20% of its floorspace as affordable workspace.

An affordable workspace is a workspace provided where rent and service charges, excluding business support services, are on average at least 20% less than comparable local market rates for the duration of a lease (although it is noted that, for some sectors and locations, much reduced rents may be needed to render them affordable to target occupiers).

While a level of 80% of market rents may be acceptable in some cases, the Council’s preference is for a sliding scale of 60% of markets rents from years 1 to 2; 80% from years 3 to 5; and 90% thereafter, subject to negotiation. A sliding scale is preferred as it will allow a larger rent relief during the initial stages of a company’s development which will reduce as a company matures and is likely to be able to pay higher rents. This will also enable a more seamless transition to market level rent at the end of the period.

Major developments should provide 20% of total gross commercial floorspace as affordable workspace for a minimum of 5 years, subject to viability. In a redevelopment scheme, the Council will require the re-provision of low value employment floorspace reliant on less than market-level rent to ensure existing businesses are not displaced.

LB Islington

Affordable workspace definition
Affordable workspace is defined as workspace that has a rental value below the market rate - generally 80% of the market rate or less. However, within Islington rents of up to 80% of market value may not always be affordable to micro and small businesses. The council is therefore committed to assessing the genuine affordability of any new workspaces that it delivers on a case by case basis.

Affordable Workspace Policy
Within the Central Activities Zone (CAZ), Priority Employment Locations and Town Centres, major development proposals for employment floorspace (those involving 1,000 sq.m or more gross B-use floorspace) must incorporate at least 10% affordable workspace (as a proportion of overall gross B-use floorspace) to be leased to the council at a peppercorn rate for a period of at least 20 years. The council will subsequently lease the space to a council approved operator.

For proposals involving 10,000 sq.m or more gross B-Use floorspace, or significant office extensions/intensification proposals in high value areas, 10% affordable workspace (as a proportion of overall gross B-use floorspace) for a peppercorn period longer than 20 years will be sought, including space in perpetuity.

All proposals which provide affordable workspace must prepare an Affordable Workspace Statement to be submitted alongside the relevant planning application.

Affordable workspace should be built to at least Category A fit out and should provide a high standard of amenity for occupiers with access to relevant servicing and facilities.

Proposals for major commercial development – such as hotels and retail - may be required to provide affordable workspace and/or affordable retail space, subject to viability. Priority will be given to on-site provision.

LB Lambeth

In accordance with the draft London Plan policy E3, the council will require major developments that include B1 floorspace to provide a proportion of affordable workspace in the following locations:

In Waterloo and Vauxhall major developments should provide 10% of B1 floorspace at 50% of market rents for a period of 15 years; In Oval, Kennington and Clapham major developments should provide 10% of B1 floorspace at 80% of market rents for a period of 15 years; In the Brixton Creative Enterprise Zone (CEZ) all developments that include B1 floorspace should provide 10% of this as affordable workspace for a period of 25 years with the following discounts on market rents:

	Brixton Major Centre	Wider CEZ
Small Office (up to 5,000 sq.m GIA)	No discount	50% discount
Medium Office (5,001 - 10,000 sq.m GIA)	35% discount	35% discount
Large Office (more than 10,000 sq.m GIA)	50% discount	20% discount

Affordable workspace should be provided on-site and be designed to meet a local need. Applicants should submit evidence demonstrating the space will be managed by a council-approved workspace provider. A payment in lieu may be accepted in limited circumstances where it can be demonstrated to the satisfaction of the council that a greater economic impact could be secured through off-site provision.

Affordable workspace will be let and managed by a council-approved provider. Where a mixed-use development is proposed, the workspace should be let or sold to a council-approved specialist provider prior to the occupation of the other elements of the development.

LB Richmond upon Thames

Richmond upon Thames requires a provision of affordable office space within major developments, where over 1,000 sq m of office floorspace is proposed. Affordable floorspace should constitute at least 10% of the proposed office floor space and the workspace must remain affordable for a minimum of 10 years. Affordable workspace is considered to have a rent and service charge of less than 80% of comparable local market rates. It is acknowledged that market rates will vary according to a range of factors such as location within the borough, the quality and type of office stock. Affordable office provision will be agreed and secured through Planning Obligations in line with the Council's Planning Obligations SPD. A revised Planning Obligations SPD will contain guidance to assist in the implementation of policy requirements on affordable employment space, including guidance on design and financial arrangements.

LB Southwark

Southwark requires a proportion of at least 10% of commercial floorspace provided as affordable workspace at discounted market rent. The council has also expressed an interest in understanding the best approach to seeking payments in lieu of on-site Affordable Workspace contribution in the borough including considering a starting point similar to the approach sought for on-site and off-sire affordable housing.

Major development proposing 500 sq.m GIA or more employment floorspace (B class use) must:

Deliver at least 10% of the proposed gross new employment floorspace as affordable workspace on site at discounted market rents; and secure the affordable workspace for at least 30 years at discounted market rents appropriate to the viability of the business the space will be targeted for; and Provide affordable workspace of a type and specification that meets current local demand; and Prioritise affordable workspace for existing small and independent businesses on the site at risk of displacement. Where this is not feasible, affordable workspace must be targeted for small and independent businesses from the local area with an identified need; and Collaborate with the council to identify the businesses that will be nominated for occupying affordable workspace.

If it is not feasible to provide affordable workspace on site, an in-lieu payment will be required for off-site affordable workspace.

LB Tower Hamlets

Affordable workspace definition

“Affordable workspace” means “flexible workspace” which is let to a workspace manager, and which will allow for occupation by the end users in one or more sectors on terms:

- substantially below market levels of rents and charges when compared with an equivalent letting of the space and facilities on the open market; and
- at a rate comparable with similar facilities available in Tower Hamlets or (if sufficient comparator premises do not exist in the borough) across London as a whole; and
- at rates which mean that occupation is feasible to a large number of small/ start-up businesses in the relevant sector(s).

Policy D. EMP2 sets out the policy approach towards new employment space. It includes a number of criteria including a requirement that at least 10% of new floorspace should be provided as affordable workspace within major commercial and mixed-use scheme. The supporting text to the policy goes on to explain that:

“Part 4 seeks to ensure that major development (i.e. which comprises of at least 1,000 sq.m of commercial floorspace) provides sufficient affordable workspace to meet the needs of more local businesses as well as start-ups. In such cases, applicants should provide evidence of agreement to let the workspace at an affordable tenancy rate, at least 10% below the indicative market rate for the relevant location, for a period of not less than ten years. Applicants will be encouraged to work with recognised affordable workspace providers for which we hold an approved list, providing details of management arrangements.”

LB Wandsworth

The Wandsworth Local Plan Employment and Industry Document draws attention to the pressure impacting on the affordability of workspaces catering for small businesses and the creative sector, including artist studios and maker space. Policy EI4 of the plan also seeks to encourage provision of managed and affordable workspace and applicants are encouraged to work with the Council to meet priorities of the LPEID and strategies of the Council.

Policy EI4 sets out the Councils policy to provide affordable and lower cost business space. The policy seeks to ensure that businesses are able to afford to operate from the borough and that the premises they use provide the flexibility that businesses need in order to grow. EI4.3 specifically details the Councils support for providing workspace for specialist sectors that meets the specific needs of the creative, digital and food and drink industries, where the Employment Land and Premises Study (AECOM 2016) has identified these sectors are growing strongly within Wandsworth. Planning Obligations through the use of Section 106 agreements would be used to secure affordable workspace in accordance with Policy EI4. Monitoring of S106 planning obligations reported on via the Authorities Monitoring Report would monitor how much space and the type of space which is being secured.

London Affordable Workspace Policies

London Borough	% of Affordable in New Workspace / Floorspace	% Discount	Discount Priced Against	Duration	Off-Site Allowed?	Other	Approved Providers
Brent	10% of total floorspace in mixed-used developments totalling 3,000 sqm or more in Growth Areas	No more than 50% of open market rents	Open market rents	For the lifetime of the development, disposed at a minimum lease term for 15 years to an affordable workspace operator	Off-site only in exceptional circumstances. Cash in lieu also possible by exception / with case made	Be disposed of for a minimum of 15 years to an affordable workspace provider approved by the Council	Yes, affordable workspace will be let and managed by a council-approved provider
Camden	20% of large workspaces (to include 20% of desks in hot desking areas)	50% (to include 20% of desks in hot desking areas)	An average of market rents paid by tenants in the area occupying an equivalent type and quality of space. This should relate to average market rates in the relevant sector in particular with regard to light industrial and maker space	N/A	N/A	LBC will resist shell and core only, seeking fit out to Cat. A so that fit out is not a barrier to entry	Yes, but a case-by case approach is taken. In some cases an element must be leased to an approved provider, at a peppercorn rent or otherwise.
Hackney	All Priority Office Areas (POAS): At least 10% of floorspace (gross)	Shoreditch POA: 40% of locality's market rent; Remaining POAs: no more than 60% of locality's market rent	POA locality market rent	In perpetuity	Off-site only in exceptional circumstances. Cash in lieu also possible by exception / with case made	Where amended planning submissions within 4 years of commencement bring total employment workspace over 1,000 sqm. affordable workspace requirement applies	First preference for legal agreement with a Council registered workspace provider
Hammersmith & Fulham	At least 5%	Considered within overall viability envelope for a scheme	N/A	N/A	N/A	Flexible leasing, cross-subsidy etc, reduced rents and start up spaces noted amongst acceptable approaches. Policy E3 of Draft London Plan 2017 referenced as formative	N/A
Havering	20% of total gross commercial floorspace for major commercial and mixed-use developments	Average of at least 20% less than comparable market rents. Noted that for some sectors and locations greater reductions are needed to be affordable. Preference for a sliding scale of 60% of markets rents from years 1 to 2; 80% from years 3 to 5; and 90% thereafter	N/A	Min. 5 years	N/A	In redevelopment schemes, re-provision of low-value employment space reliant upon sub-market rents is required to tackle displacement	N/A

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London Affordable Workspace Policies

London Borough	% of Affordable in New Workspace / Floorspace	% Discount	Discount Priced Against	Duration	Off-Site Allowed?	Other	Approved Providers
Islington	Within CAZ, Priority Employment Locations and town centres at least 10% affordable workspace as a proportion of overall gross B- use floorspace. For proposals involving 10,000 sqm or more gross B-Use floorspace, or significant office extensions/intensification proposals in high value areas, 10% affordable workspace (as a proportion of overall gross B-use floorspace)	80% or less of market rent, although concede that this may not be affordable so case by case review	N/A	At least 20 years, with some spaces in perpetuity	Priority given to on-site provision	N/A	Leased to the Council at a peppercorn rate. Council will sub-let to a Council approved operator
Lambeth	In accordance with the draft London Plan policy E3, major developments with B1 floorspace to provide workspace in the following locations: Waterloo & Vauxhall major developments 10% B1 floorspace; Oval, Kennington & Clapham major developments 10% B1 floorspace; Brixton Creative Enterprise Zone (CEZ) all developments with B1 to have 10% affordable workspace	Waterloo & Vauxhall: 50% of market rents; Oval Kennington and Clapham 80% of market rents; Brixton Major Centre and Wider CEZ discounts of 20%, 25% and 50% of market rents (more detail in Appendix A)	N/A	Waterloo and Vauxhall 15 years; Oval Kennington and Clapham 15 years; Brixton CEZ 25 years	On-site preferred but payment in-lieu by exception where off-site would have greater economic impact	N/A	Affordable workspace will be let and managed by a council-approved provider. Where a mixed-use development is proposed, the workspace should be let or sold to a council-approved specialist provider prior to the occupation of the other elements of the development.
Redbridge	No % target but focus on new commercial or mixed-use developments, or Growth Areas, mixed use schemes in Local Business Areas, and in non-designated employment land, as per LP15 of the draft Local Plan	N/A	N/A	N/A	N/A	Flexibility of units and preferences around unit sizes expressed by the Council	Developers encouraged to engage with workspace providers at the design stage
Richmond upon Thames	At least 10% of proposed office floor space (where over 1,000 sqm. office space is proposed)	Rent and service charge less than 80%	Local market rates	Minimum of 10 years	N/A	A revised Planning Obligations SPD will contain guidance to assist in the implementation of policy requirements on affordable employment space, including guidance on design and financial arrangements	N/A

London Affordable Workspace Policies

London Borough	% of Affordable in New Workspace / Floorspace	% Discount	Discount Priced Against	Duration	Off-Site Allowed?	Other	Approved Providers
Southwark	Major development proposing 500 sqm. GIA or more employment floorspace (B class use) must deliver at least 10% of the proposed gross new employment floorspace as affordable workspace on site at discounted market rents	N/A	N/A	At least 30 years	Payment in lieu for off-site	Prioritise affordable workspace for existing small and independent businesses on the site at risk of displacement. Where this is not feasible, affordable workspace must be targeted for small and independent businesses from the local area with an identified need	No, but must collaborate with the council to identify the businesses that will be nominated for occupying affordable workspace
Tower Hamlets	10% of new floorspace in commercial (at least 1,000 sqm.) and mixed-use developments	At least 10% below market rate	Rate comparable with similar facilities available in Tower Hamlets or across London as a whole	At least 10 years	N/A	N/A	Encouraged to work with recognised providers on the Council's list
Wandsworth	No clear target			N/A	N/A	Developments that provide workspace for specialist sectors will be supported. In particular, workspace that meets the specific needs of the creative, digital, and food and drink industries will be encouraged. Cultural workspace will be required on sites within Nine Elms, the Wandle delta area, the Lombard Road York Road Focal Point, and in the Industrial Business Park areas of the SIL. Cultural workspace will be encouraged elsewhere on town centre, local centre and focal point sites as appropriate. Opportunities for clustering of specialist sectors will be encouraged	N/A

Appendix B-
Workspace
Mapping

Area	Zone	Workspace name	Typology	Provider	Provider type	Address	Number of desks/studios	Size	Avg cost per unit	Avg cost sqft/y
Creative Workspace										
CENTRAL	1	Cockpit Arts Holborn	business incubator for craftspeople.	Cockpit Arts	Charity	Cockpit Yard, Northington St, Holborn WC1N 2NP	100 studios	25000 sqft incl. 17000 sqft of studio space		£21 per sq.ft per annum
CENTRAL	1	Cubitt	Artists studios	WO	Charity	8 Angel Mews, N19HH	30 studios	13215 sqft		£10 per sq. ft per annum
CENTRAL	1	Erlang House	Artists studios	ASC	Charity	Taplow House, The Chaplin Centre, Thurlow St, London SE17 2DG	100 studios	6000sqft including 4500sqft of studio space		£14 per sq. ft per annum all included a part from electricity
NW	2	Great Western Studios	Artists/Creative studios	Great Western Studios	Commercial workspace provider / developer	65 Alfred Road W2 5EU	120 workspaces (310 people)	80000 sq.ft incl 72000sq.ft of studio space		£35 per sq/ft per annum without service charge (£400pp/py)
NW	3	Open Ealing	Artists studios/ makerspace	Open Ealing	Company limited by guarantee, Not-for-profit	Singapore Road, W13 0EP Ealing	3 workspaces (12 artists)	1000 sq.ft		£15 per sq. ft per annum
NW	4	Stewkley House	Artists Studios	ACAVA	CIC	2 Wadsworth Rd, UB6 7JD	26 studios	7210 sqft incl. 5709 sq.ft of studio space		£13 per sq. ft per annum
NW	5	Mill Hill	Artists Studios	Create Space London	Charity	4SL, 80 Daws Ln NW7 4SE	14 studios	3800 sqft	150 sqft for £350 / 205 sqft for £450 per month	£24 per sq.ft per annum
SW	2	The Glassyard Studios	Artists Studios	ACME	Charity	276 Oak Square, off Landor Road SW9 9AW	24 studios + 6 live-work spaces (45 artists)	11621sqft		£15.98 per sq.ft per annumm incl. service charge
SW	3	Wimbledon Arts Studios	Artists Studios	Wimbledon Arts Studios	CIC	10 Riverside Yard SW17 0BB	215 studios	59231sqft over two buildings		£16 per sqft
SW	4	Delta House Studios 2	Artists Studios	Delta House studios	CIC	Studio Way Lombard Industrial Estate,SW19 3EU	15 studios	4844sqft incl. 3153sqft of studio space		£23 per sq/ft
SW	5	Hawks Road Studios	Artists studios	ASC	Charity	47-51 Hawks Road KT13 DF	53 studios (65 artists)	15000 sq.ft including 9431sq.ft of studio space		£14.5 per sq/ft
NE	2	Netil House	Artists/Creative studios	Eat Work Art	Company limited by guarantee	1 Westgate Street, E8 3RI	125 studios	50000 sq.ft incl. 40000 sq.ft of studio space	£200pm (for a workstation)	£30 per sq.ft
NE	3	Ten 87	Creative studios	Milco	Company limited by guarantee	39a Markfield Road, N15 4QA	26 studios (recording/music) & 6 office spaces		£400pm music studio	40 per sq/ft for office space

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Area	Zone	Workspace name	Typology	Provider	Provider type	Address	Number of desks/studios	Size	Avg cost per unit	Avg cost sqft/y
NE	4	Wood Street Walls	Artists studios / Makerspace	Wood Street Walls CIC	Community Interest Company	Barrett RoadE17 3FU	2 open plan workspaces	4000 sq.ft incl 1000sqft of studio space	£200pp/pm for workstation	
NE	5	Building Bloqs	Makerspace	Building BloQs at Meridian Works Ltd	Ltd (Social enterprise)	4 Anthony Way, N18 3QT		11000 sq.ft workshop		
SE	2	Art in Perpetuity Trust (APT)	Artists studios	Art in Perpetuity Trust (APT)	Registered charity, Company limited by guarantee	Harold Wharf, 6 Creekside, SE8 4SA	42 studios	16895sq.ft including 14584sq.ft of studio space		£8.65 per sq.ft
SE	3	Catford Dek	Artists/creative studios	Bow Arts	Registered charity	Old Town Hall, Catford Road, SE6 4ru	32 studios + 10-15 desks	19000sq.ft including 16000sq.ft of studio space	£250pcm	£16 per sq.ft
SE	4	Royal Albert Wharf Studios	Artists studios	Bow Arts	Registered charity	Norton Quays, Royal Albert Wharf, E16 2QJ	40 studios	12000sq.ft of studio space	£210pm	£16 per sq.ft
SE	5	Croydon Art store	Artists/creative studios	Turf project	Registered charity	46/47 Trinity Court (Ground Floor),Whitgift Shopping Centre, CR0 1UQ	6 studios	6420 sq.ft including 1500sq.ft of studio space	£110pm	£12 per sq.ft
SE	6	Fairkytes Arts Centre	Artists/creative studios	LB Havering	Institutional	Fairkytes Arts Centre, Billet Lane, RM11 1AX	9 studios	2000sq.ft of studio space	£201pm	£15 per sq.ft
IAC										
CENTRAL	1	Health Foundry	Co working and incubator	Guy's & St Thomas Charity	Registered charity	Canterbury House, 1 Royal Street, SE1 7LL	40 desks	3616sq.ft	Fixed desk is £420pp/pm (incl. VAT), hot desks is £75 for one day/week	
CENTRAL	1	Universal Workspace	Co-working & serviced office	Universal workspace ltd	Commercial workspace	25-33 Southwark Street SE1 1RQ	7 studios, 20 desks	3875sq.ft	£500pm	£40 per.sq.ft
CENTRAL	1	Bathtub2Boardroom	Co working	Bathtub2Boardroom	Ltd (social enterprise)	Tech City College, 263-269 City Rd, London EC1V 1JX	70 desks + 8 studios		£250pp/pm + VAT for fixed desk, mentoring and support included	
CENTRAL	1	Build Studios	Co working	WeAreWaterloo (Bid)	Not for profit	203 Westminster Bridge Rd, SE1 7FR	32 desks	4000sq.ft (apx)	hot desk £267+VAT pp/pm, fixed desk £325+VAT pp/pm	
CENTRAL	1	Bloom.space	co-working/incubator	Bloom.space Ltd	Commercial	52 Gower Street, WC1E 6EB	30 desks + 10 hot desks	2000sq.ft	Hot desk £170 excl. VAT pp/pm / Fixed desk £350 excl. VAT pp/pm	
CENTRAL	1	London Small Business Centre & Whitechapel Enterprise Hub	coworking space + serviced office	collaborative venture between Tower Hamlets, Greater London Authority, Whitechapel Vision, and London Small Business Centre	CIC	206 Whitechapel Road, E1 1AA	50 desks	8529sq.ft	Hot desks £155 pp/pm all included	

Area	Zone	Workspace name	Typology	Provider	Provider type	Address	Number of desks/studios	Size	Avg cost per unit	Avg cost sqft/y
CENTRAL	1	Innovation warehouse	co working space/ accelerator	Innovation warehouse ltd	Commercial	East Poultry Avenue 1 EC1A 9PT		10000sq.ft	Hot desk up to 10days/m £150pm+VAT / Hotdesk fulltime £250pm+VAT / Fixed desk £350+VAT	
CENTRAL	1	V22 The City	Co working space	V22	Charity	50 Worship St, EC2A 2EA	20 desks	2,950 sq ft across 2 floors	£200pp/pm	
CENTRAL	2	Law tech Eagle Lab	post-accelerator, flexible workplace, with private office and co-working space	Eagle Lab Barclays		81 Palace Gardens Terrace W8 4AT	75	3,500sq.ft	£350 pm/pp	
NW	2	Collective Auction Room	Hot desking and office space	Camden Town Unlimited (BID)	Registered charity	Collective Auction Rooms, 5-7 Buck Street, NW1 8NJ	50 studios/ 80 desks	10,000 sq ft across 4 floors	300/month fixed desk / studio from £500	
NW	2	The Granville	Co working space	South Kilburn Trust	Social enterprise	Granville Centre, 140 Carlton Vale, London NW6 5HE	19 studios/20 desks	8500 sqft including 5812sq.ft of workspace & 1420sq.ft of community space		
NW	3	The Workary Brompton	co working fixed desks	Wimbletech	CIC	Brompton Library Old Brompton Road	25 desks	2,000 sq,ft	£75+VAT for flexi desks & £125+VAT for fixed desk	
NW	4	Seids	Co working/incubator	Caritas Westminster	Social enterprise	Empire Way, HA9 0RJ	apx. 40 desks, 1 workshop	6,900 sq.ft	£350/month for fixed desk or £15/day	
NW	4	We Hub	Co-working and serviced office	Work Avenue	Registered charity	Wohl building, 2B Redbourne Ave, Finchley, London N3 2BS	12 office spaces (2-5people) + 25 deskspaces	42,000 sq.ft	£250ppm for 2/3 people office space	
NW	5	Central Research Lab	Co-working & hardware accelerator	Brunel University London	Institutions	The Old Vinyl Factory, 252-254 Blyth Road UB3 4BX	80 desks	3770sq.ft	Full time is £200pp/pcm + VAT incl. access to support from design expert and storage	
NW	6	The Wenta Business Centre - Enfield	Serviced office & co-working	Wenta	Not-for profit social enterprise	The Wenta Business Centre, Innova Park, Electric Avenue, Enfield, EN3 7XU	30 office spaces, 7 workshop spaces, 8 deskspaces	40,000sqft	£300 to £800	£18sqft
SW	2	International House	Co-working/incubator	3Space	CIC	Canterbury Crescent Brixton	See case studies	70,000 sq.ft	From free to £250 pp/pm	
SW	3	Third door	Co-working + nursery	Third door	Commercial	16 Point Pleasant Putney SW18 1GG	20 desks	3229 sq.ft	£400pp/pm (incl 10hours nursery)	
SW	5	MidTown Hub	Co-working	MidTown Hub	Commercial	Midtown Hub, 1 Times Square, Sutton, SM1 1LF	14	2150sqft	£125 + VAT PCM for fixed desk / £15 per desk per day for hot desking	
SW	6	Canbury Works	Co-working & makerspace	Cambury Works	Commercial	Unit 5-7, Canbury Business Park KT2 6HJ	25 desks/5 offices	5000 sqft		

Area	Zone	Workspace name	Typology	Provider	Provider type	Address	Number of desks/studios	Size	Avg cost per unit	Avg cost sqft/y
NE	2	Industry	Co-working incubator	Shoreditch Trust	Charity & Ltd	21 Whiston Road E2 8EX	17 office spaces	3500 sqft	£1000 + VAT per month	
NE	3	Tottenahm Green Enterprise Centre	Co-working incubator/2y incubation programme for young entrepreneurs	Launch it	Charity	Tottenham Green Enterprise Centre Town Hall Approach Road N15 4RX	30 office spaces	apx. 40,000sqft	£20pp/pm for a desk space, £75-£150pm/small office space at start of programme	
NE	4	Barking Enteprise Centre	Co-working & serviced office	BEC	CIC	50 Cambridge Road, Barking Town Centre, London, IG11 8FG	26 office space + 10 desks	apx. 5000 sqft	Apx. £500/pm VAT included for 2-3 people office	
NE	5	CEME launchpad centre	Co-working space and business support services	CEME	Charity	Marsh Way RM13 8EU		18 acres	161sqft office space for £495 + VAT pm	40sqft/y + VAT
NE	6	Worker Bee space	Co-working and serviced office	Worker bee	Ltd	Enterprise House, 18 Eastern Road, Romford RM1 3PJ	25 desks, 7 offices	3230sqft	£750 (100sqft - 3/4 people office) all included	
SE	2	Market Peckham	Co-working	Market Peckham Ltd	Commercial	Bussey Building 133a Rye Ln, Peckham SE15 4BQ	20 fixed desks, 20 hot desks, 9 studios	4000sq.ft	£180pp/pm for hot-desk/£300pp/pm for fixed-desk/900pm/studio for 2	
NE	3	The Trampery Republic	Co-working/incubator	The Trampery Foundation	Ltd (Social enterprise)	Import Building, 2 Clove Cres, Poplar, E14 2BE	150+ desks	500000 sqft including 30000sqft of workdspace		£180 +VAT per desk, per month
NE	4	Pollards Studios	Co-working, start up support, business space	Launch it	Charity	50 Montgomery Close CR4 1XT	15 desks	600sqft		
NE	4	Contingent Works	Co-working	Contingent Works Ltd	Commercial	Unit C, Broadway Buildings, 1-3 Elmfield Rd, BR1 1LW	40 fixed desks, 5 studios, 20 hot-desks	5,000sqft	Hot desk £250pp/pm, fixed desk £450 pp/pm,	
NE	5	TMRW Hub	Co-working and serviced office / tech business incubator	TMRW	Ltd	75-77 High Street, Croydon, CR0 1QE	350 desks and 10 private offices	21,000sqft including 5,000 of flexible event space		
NE	6	The Engine House	Co-working and serviced office	Thames innovation centre	Ltd	2 Veridion Way, Erith DA18 4AL		50,000 sq ft	£543 exl. VAT for 20sqm	
Kitchen										
CENTRAL	2	The London Cooking Project	Kitchen	London Cooking Project	Social enterprise	1 Ethelburga Street, SW11 4AG	1 kitchen	1400sq.ft	£240 per shift	
NW	2	Maida Hill Place	Kitchen	Maida Hill place	Ltd (Social enterprise)	2 Fernhead Rd, Maida Hill, London W9 3ET	1 kitchen	301 sq/ft	£350 for 5pm-00pm / £1000/day	
NW	3	Acton Business Centre	Kitchen	Acton Business Centre	Commercial	Acton Business Center, School Road, London, NW10 6TD	1 kitchen	600sq.ft	£100 per shift or £15 per hour	
NW	3	Elena Dinut	Kitchen	Private	Commercial	7-11 Minerva Road, London, NW10 6HJ	1 kitchen	150sq.ft	£10per hour	

Area	Zone	Workspace name	Typology	Provider	Provider type	Address	Number of desks/studios	Size	Avg cost per unit	Avg cost sqft/y
NW	3	Anawas	Kitchen	Alnawas Ltd	Commercial	26a Abbey Industrial Estate, Mount Pleasant, , HAO 1NR	15 kitchens		from £1000pm to £1500pm	
SW	2	Alternatives Venues	Kitchen	ALTERNATIVE VENUES (CLAPHAM JUNCTION)	Commercial					KITCHEN HIRE: £40 - £100
SW	2	Enteprise Kitchen	Kitchen	Business launchpad	Social enterprise	Caius House, 2 Holman Rd, Battersea, London SW11 3RL	1 kitchen		Co-working £13 per hour/or £26/h for 16-30 and live in London / private hire is £45/h	
NE	2	Run the box commercial kitchen	Kitchen	Runthebox	Commercial	Unit 3, Hamlet Indutrial Estate, 96, White Post Lane, Hackney Wick, London, E9 5EN	4 kitchens	4x260sqft	£3500 per unit	
NE	3	The Olive Grows	Kitchen	The Olive Grows Ltd	Commercial	Alpha Centre, 7-11 Minerva Road, London, NW10 6HJ	4 kitchens		£25ph	
NE	3	Sabel food	Kitchen	Sabel food	Commercial	Unit 43, Cromwell Industrial Estate, Staffa Road, London, E10 7QZ	1 kitchen	500sqft	£140 per 24 hours (£650 per week) £2000 per month	
NE	3	Haringey six form centre	Kitchen	Haringey	Insitutions/ commercial	White Hart Lane, Tottenham, London	1 kitchen	710 sq.ft	£50.00ph	
NE	3	EAT.CORP	Kitchen	Eat.corp ltd	Commercial	Unit 228 Stratford Workshop, Burford Road, London, E15 2SP	1 kitchen	323 sq.ft	£17 ph	
SE	2	Foodstars Bermondsey	Kitchen	Foodstar UK	Commercial	Arches 21- Bermodsey Road SE1	1 kitchen	350sq.ft	£2900pm	
SE	5	Kitchspace Croydon	Kitchen	Kitchspace	Commercial	Unit 25, 57a Croydon Road, Beddington, CR0 4QE	1 kitchen	350sq.ft	£900 per month/£220 per week	
Lab Space										
NW	2	Open cell	Lab space	Opencell	Ltd (Social enterprise)	Old Laundry Yard, Shepherds Bush Market, W12 8EZ London	45 shipping containers	13778 sq.ft	private studio or lab for studio or lab for £699/month	£29 per sqft for lab space
CENTRAL	2	London Bioscience innovation centre	Lab space	Royal Veterinary College (RVC)	Institutional	2 Royal College Street, NW1 0NH	18 lab spaces + 18 office spaces	26910 sq.ft		£92.50 for office £97 for lab
NW	3	Ihub	Lab space	Imperial college	Institutional/ commercial	80 Wood Lane		62000sqft (lab space are 250 to 11000 sq.ft)		£68.50
NE	2	Queen Mary Innovation Lab	Lab spaces	Queen Mary University	Institutional	The QMB Innovation Centre	12 lab spaces	39,000 sqft		£72.50 sqft
NE	5	London East - UK (The Cube)	Lab space + serviced office	London East	Commercial	Londoneast-uk Business and Technical Park,	6 large wet labs (1440sqft) and 9 smaller labs for start-ups (280sqft)	45000sqft		£30sqft for office £40/sqft for lab

Appendix C- Detailed Sector Trends

Broad sectors:

- **Utilities and Waste:** small but growing presence of businesses within the utilities and waste sector, at a lower concentration than London, and with just under 90% of SME size . The sector accounts for over 1,000 employees (around 1% of total employment) -5% down on 2013 despite an increase in the overall number of businesses, with some specialisation in employment terms relative to London
- **Manufacturing (includes general, food, creative and media and higher tech manufacturing):** relatively small and declining business base at the same concentration as London, and with around 80% of businesses at SME size. Employment within the sector accounts for c.7,900 which is around 6% of total employment in the borough but has seen a -4% decline since 2013. Employment within the sector is highly concentrated compared to London, with an LQ of 2.9.
- **Local service sectors (includes retail, construction, motor trades and hospitality, leisure and recreation):** large and growing in both business base and employment terms with a greater concentration of both businesses and employment than London as a whole. The vast majority of businesses are SMEs (98%) and employment comprises 28% of total employment within the borough having grown by 28% since 2013 and making it the largest sector on this measure.
- **Wholesale, logistics and transport (includes wholesale, transport and warehousing and logistics):** Moderate business base with a greater concentration than London and with the majority of businesses of SME size (97%). The sector employs over 16,500 people, comprising

- 13% of total employment in the borough, with a small degree of concentration relative to London. Since 2013, employment in the sector has decllned -8%.
- **Business and professional services (includes financial and professional services, ICT, media and creative services, business support services and other services):** A large and growing business base with slightly lower concentrations than London and with the vast majority of businesses of SME size (99%). Employment within the sector accounts for just under 32,000 people having grown by 25% since 2013 but with a substantially lower concentration relative to London.
 - **Public administration, education and health (includes education, health and social care and public administration):** A small but growing business base with a similar concentration to London, and with around 95% of businesses employing less than 50 employees. Despite being a relatively small business base, it is the second largest sector in employment terms, accounting for 26% (c.33,000 employees) and having increased by 8% since 2013.

Cross-cutting sectors:

- **Digital Sector:** A moderate and growing business base, with a slightly lower concentration than London and with the vast majority of businesses of SME size (98%). The sector accounts for 4% of total employment (5,650) with a lower concentration than London and has seen a small decline (-3%) in employment levels since 2013.
- **Creative Sector:** A moderate business base that has grown by 24% since 2013

- and with a slightly lower concentration than London. The vast majority of businesses within the sector are SMEs (99%) with employment at around 5,665 accounting for 4% of total employment. Employment within the sector has increased since 2013 but remains less concentrated compared to London as a whole.
- **Food Preparation and Consumption: A relatively small but growing business** base, albeit with a higher concentration relative to London. The sector accounts for around 8,750 of total employment in the borough and has increased by 45% since 2013 making it one of the fastest growing cross-cutting sectors.
 - **Life Sciences:** A small sector in both employment and business terms accounting for just 1% of total employment in the borough and has a significantly lower proportion of SME size businesses (75%). The sector has seen reasonable growth in the proportion of businesses and employees since 2013 and has concentration levels on a par or slightly above London as a whole.
 - **Artists:** A moderate and growing business base, with slightly lower concentration than London and with the vast majority of businesses of SME size (98%). The sector employs 3,075 accounting for 2% of total employment. Employment has grown since 2013 by 9% but it is still relatively less concentrated in the borough when compared to London
 - **Knowledge Economy:** A large and growing business base but with a lower concentration than London and with the vast majority of businesses of SME size (99%). The sector employs around 16,650, having grown by 19% since 2013 and accounting for 13% of total employment within the borough but with a substantially lower concentration than London.

Appendix D- Cross-Cutting Sector Definitions

The table below has been collated to provide an overview of the economic activities associated with the cross-cutting sectors used in this research (Knowledge Economy, Digital, Creative, Artists, Food Preparation and Life Sciences). The following sources were used to define the sectors:

- Knowledge Economy: OECD
- Digital: Department for Culture, Media and Sport – Economic Estimates of DCMS Sectors
- Creative: Department for Culture, Media and Sport – Economic Estimates of DCMS Sectors
- Artists: Department for Culture, Media and Sport – Economic Estimates of DCMS Sectors
- Food Preparation: Hatch Regeneris desk-based research – identified from within the Hospitality sector
- Life Sciences: Report for the House of Commons Committee on Exiting the European Union

Knowledge Economy sector activities

18110 : Printing of newspapers
18121 : Manufacture of printed labels
18129 : Printing (other than printing of newspapers and printing on labels and tags) nec
18130 : Pre-press and pre-media services
18140 : Binding and related services
18201 : Reproduction of sound recording
18202 : Reproduction of video recording
18203 : Reproduction of computer media
26200 : Manufacture of computers and peripheral equipment
26301 : Manufacture of telegraph and telephone apparatus and equipment
26309 : Manufacture of communication equipment (other than telegraph and telephone apparatus and equipment)
58110 : Book publishing
58120 : Publishing of directories and mailing lists
58130 : Publishing of newspapers

58141 : Publishing of learned journals
58142 : Publishing of consumer, business and professional journals and periodicals
58190 : Other publishing activities
58210 : Publishing of computer games
58290 : Other software publishing
61100 : Wired telecommunications activities
61200 : Wireless telecommunications activities
61300 : Satellite telecommunications activities
61900 : Other telecommunications activities
62011 : Ready-made interactive leisure and entertainment software development
62012 : Business and domestic software development
62020 : Computer consultancy activities
62030 : Computer facilities management activities
62090 : Other information technology and computer service activities
63110 : Data processing, hosting and related activities
63120 : Web portals
64110 : Central banking
64191 : Banks
64192 : Building societies
64201 : Activities of agricultural holding companies
64202 : Activities of production holding companies
64203 : Activities of construction holding companies
64204 : Activities of distribution holding companies
64205 : Activities of financial services holding companies
64209 : Activities of other holding companies (not including agricultural, production, construction, distribution and financial services holding companies) n.e.c
64301 : Activities of investment trusts
64302 : Activities of unit trusts
64303 : Activities of venture and development capital companies
64304 : Activities of open-ended investment

companies
64305 : Activities of property unit trusts
64306 : Activities of real estate investment trusts
64910 : Financial leasing
64921 : Credit granting by non-deposit taking finance houses and other specialist consumer credit grantors
64922 : Activities of mortgage finance companies
64929 : Other credit granting (not including credit granting by non-deposit taking finance houses and other specialist consumer credit grantors and activities of mortgage finance companies) n.e.c.
64991 : Security dealing on own account
64992 : Factoring
64999 : Other financial service activities, except insurance and pension funding, (not including security dealing on own account and factoring) n.e.c.
65110 : Life insurance
65120 : Non-life insurance
65201 : Life reinsurance
65202 : Non-life reinsurance
65300 : Pension funding
66110 : Administration of financial markets
66120 : Security and commodity contracts brokerage
66190 : Other activities auxiliary to financial services, except insurance and pension funding
66210 : Risk and damage evaluation
66220 : Activities of insurance agents and brokers
66290 : Other activities auxiliary to insurance and pension funding
66300 : Fund management activities
69101 : Barristers at law
69102 : Solicitors
69109 : Activities of patent and copyright agents; other legal activities (other than those of barristers and solicitors) nec
69201 : Accounting, and auditing activities
69202 : Bookkeeping activities
69203 : Tax consultancy
70100 : Activities of head offices
70210 : Public relations and communication activities

70221 : Financial management
70229 : Management consultancy activities (other than financial management)
71111 : Architectural activities
71112 : Urban planning and landscape architectural activities
71121 : Engineering design activities for industrial process and production
71122 : Engineering related scientific and technical consulting activities
71129 : Other engineering activities (not including engineering design for industrial process and production or engineering related scientific and technical consulting activities)
71200 : Technical testing and analysis
72110 : Research and experimental development on biotechnology
72190 : Other research and experimental development on natural sciences and engineering
72200 : Research and experimental development on social sciences and humanities
73110 : Advertising agencies
73120 : Media representation
73200 : Market research and public opinion polling
74100 : Specialised design activities
74201 : Portrait photographic activities
74202 : Other specialist photography (not including portrait photography)
74203 : Film processing
74209 : Other photographic activities (not including portrait and other specialist photography and film processing) nec
74300 : Translation and interpretation activities
74901 : Environmental consulting activities
74902 : Quantity surveying activities
74909 : Other professional, scientific and technical activities (not including environmental consultancy or quantity surveying)
82110 : Combined office administrative service activities
82190 : Photocopying, document preparation and other specialised office support activities
82200 : Activities of call centres

82301 : Activities of exhibition and fair organizers
82302 : Activities of conference organizers
82911 : Activities of collection agencies
82912 : Activities of credit bureaus
82920 : Packaging activities
82990 : Other business support service activities nec
85410 : Post-secondary non-tertiary education
85421 : First-degree level higher education
85422 : Post-graduate level higher education
91011 : Library activities
91012 : Archive activities
91020 : Museum activities
91030 : Operation of historical sites and buildings and similar visitor attractions
91040 : Botanical and zoological gardens and nature reserve activities

Digital sector activites

26110 : Manufacture of electronic components
26120 : Manufacture of loaded electronic boards
26200 : Manufacture of computers and peripheral equipment
26301 : Manufacture of telegraph and telephone apparatus and equipment
26309 : Manufacture of communication equipment (other than telegraph and telephone apparatus and equipment)
26400 : Manufacture of consumer electronics
26800 : Manufacture of magnetic and optical media
46510 : Wholesale of computers, computer peripheral equipment and software
46520 : Wholesale of electronic and telecommunications equipment and parts
58110 : Book publishing
58120 : Publishing of directories and mailing lists
58130 : Publishing of newspapers
58141 : Publishing of learned journals
58142 : Publishing of consumer, business and professional journals and periodicals
58190 : Other publishing activities
58210 : Publishing of computer games
58290 : Other software publishing

59111 : Motion picture production activities
59112 : Video production activities
59113 : Television programme production activities
59120 : Motion picture, video and television programme post-production activities
59131 : Motion picture distribution activities
59132 : Video distribution activities
59133 : Television programme distribution activities
59140 : Motion picture projection activities
59200 : Sound recording and music publishing activities
60100 : Radio broadcasting
60200 : Television programming and broadcasting activities
61100 : Wired telecommunications activities
61200 : Wireless telecommunications activities
61300 : Satellite telecommunications activities
61900 : Other telecommunications activities
62011 : Ready-made interactive leisure and entertainment software development
62012 : Business and domestic software development
62020 : Computer consultancy activities
62030 : Computer facilities management activities
62090 : Other information technology and computer service activities
63110 : Data processing, hosting and related activities
63120 : Web portals
63910 : News agency activities
63990 : Other information service activities nec
95110 : Repair of computers and peripheral equipment
95120 : Repair of communication equipment
26110 : Manufacture of electronic components
26120 : Manufacture of loaded electronic boards
26200 : Manufacture of computers and peripheral equipment
26301 : Manufacture of telegraph and telephone apparatus and equipment
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equipment (other than telegraph and telephone apparatus and equipment)
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62030 : Computer facilities management

activities
62090 : Other information technology and computer service activities
63110 : Data processing, hosting and related activities
63120 : Web portals
63910 : News agency activities
63990 : Other information service activities nec
95110 : Repair of computers and peripheral equipment
95120 : Repair of communication equipment

Creative sector activities

32120 : Manufacture of jewellery and related articles
58110 : Book publishing
58120 : Publishing of directories and mailing lists
58130 : Publishing of newspapers
58141 : Publishing of learned journals
58142 : Publishing of consumer, business and professional journals and periodicals
58190 : Other publishing activities
58210 : Publishing of computer games
58290 : Other software publishing
59111 : Motion picture production activities
59112 : Video production activities
59113 : Television programme production activities
59120 : Motion picture, video and television programme post-production activities
59131 : Motion picture distribution activities
59132 : Video distribution activities
59133 : Television programme distribution activities
59140 : Motion picture projection activities
59200 : Sound recording and music publishing activities
60100 : Radio broadcasting
60200 : Television programming and broadcasting activities
62011 : Ready-made interactive leisure and entertainment software development
62012 : Business and domestic software development

62020 : Computer consultancy activities
70210 : Public relations and communication activities
71111 : Architectural activities
71112 : Urban planning and landscape architectural activities
73110 : Advertising agencies
73120 : Media representation
74100 : Specialised design activities
74201 : Portrait photographic activities
74202 : Other specialist photography (not including portrait photography)
74203 : Film processing
74209 : Other photographic activities (not including portrait and other specialist photography and film processing) nec
74300 : Translation and interpretation activities
85520 : Cultural education
90010 : Performing arts
90020 : Support activities to performing arts
90030 : Artistic creation
90040 : Operation of arts facilities
91011 : Library activities
91012 : Archive activities
91020 : Museum activities

Artist sector activities

32120 : Manufacture of jewellery and related articles
58110 : Book publishing
58120 : Publishing of directories and mailing lists
58130 : Publishing of newspapers
58141 : Publishing of learned journals
58190 : Other publishing activities
58210 : Publishing of computer games
58290 : Other software publishing
59111 : Motion picture production activities
59112 : Video production activities
59113 : Television programme production activities
59120 : Motion picture, video and television programme post-production activities
59133 : Television programme distribution activities

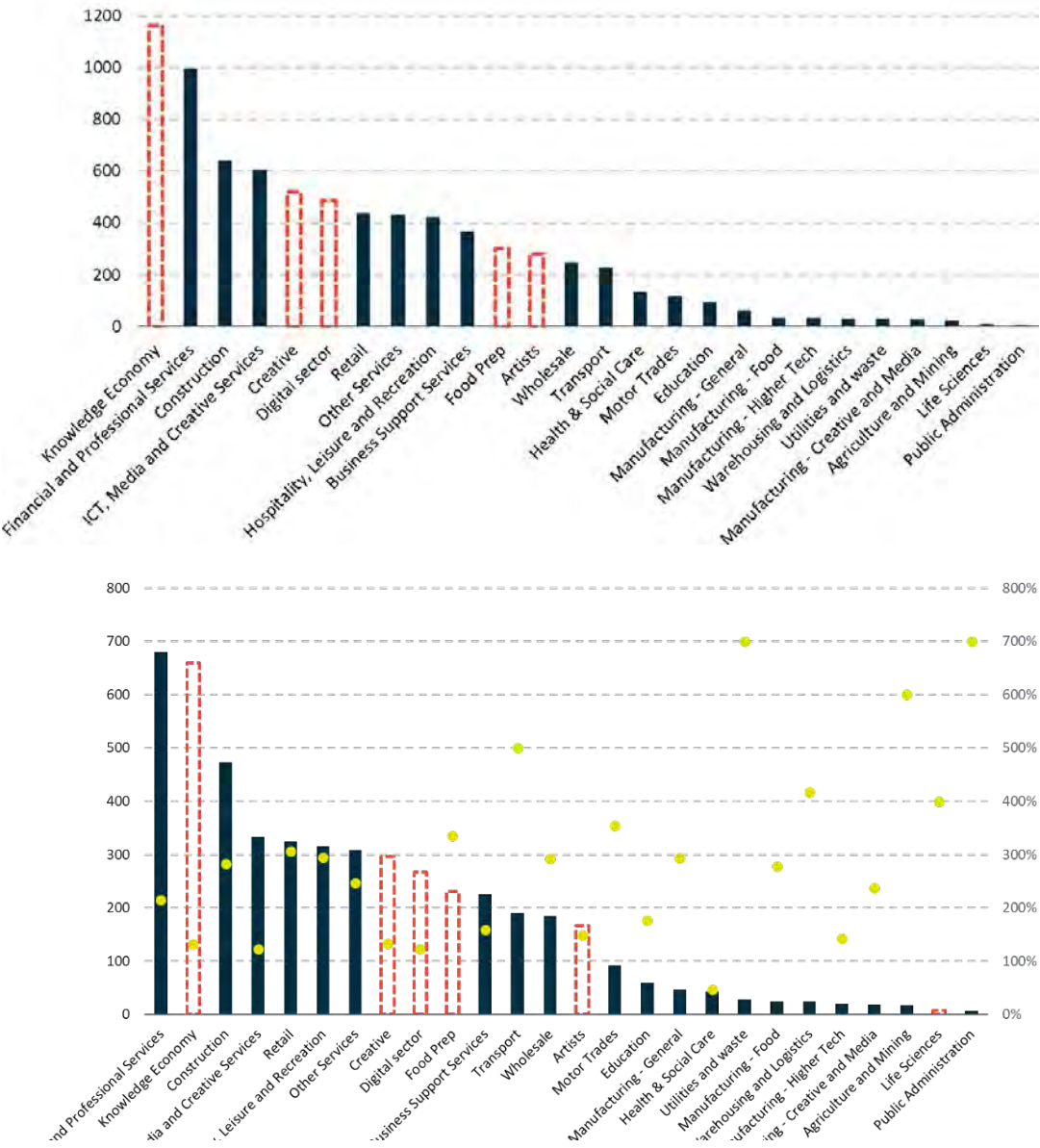
59140 : Motion picture projection activities
59200 : Sound recording and music publishing activities
60100 : Radio broadcasting
60200 : Television programming and broadcasting activities
70210 : Public relations and communication activities
73110 : Advertising agencies
73120 : Media representation
74100 : Specialised design activities
74201 : Portrait photographic activities
74202 : Other specialist photography (not including portrait photography)
74203 : Film processing
74209 : Other photographic activities (not including portrait and other specialist photography and film processing) nec
85520 : Cultural education
90010 : Performing arts
90020 : Support activities to performing arts
90030 : Artistic creation
90040 : Operation of arts facilities
91020 : Museum activities

Food preparation and consumption activities

56101 : Licensed restaurants
56102 : Unlicensed restaurants and cafes
56103 : Take away food shops and mobile food stands
56210 : Event catering activities
56290 : Other food service activities

Appendix E- Prioritisation Supporting Evidence

Several pieces of supporting evidence were used to prioritise sectors (as referenced in the table on pages 58 - 61).
Some of this evidence is presented below.
Top Sectors by Business Starts in Brent, 2018 (graph above)
Change in Business Starts in Brent, 2013-18 (graph below)

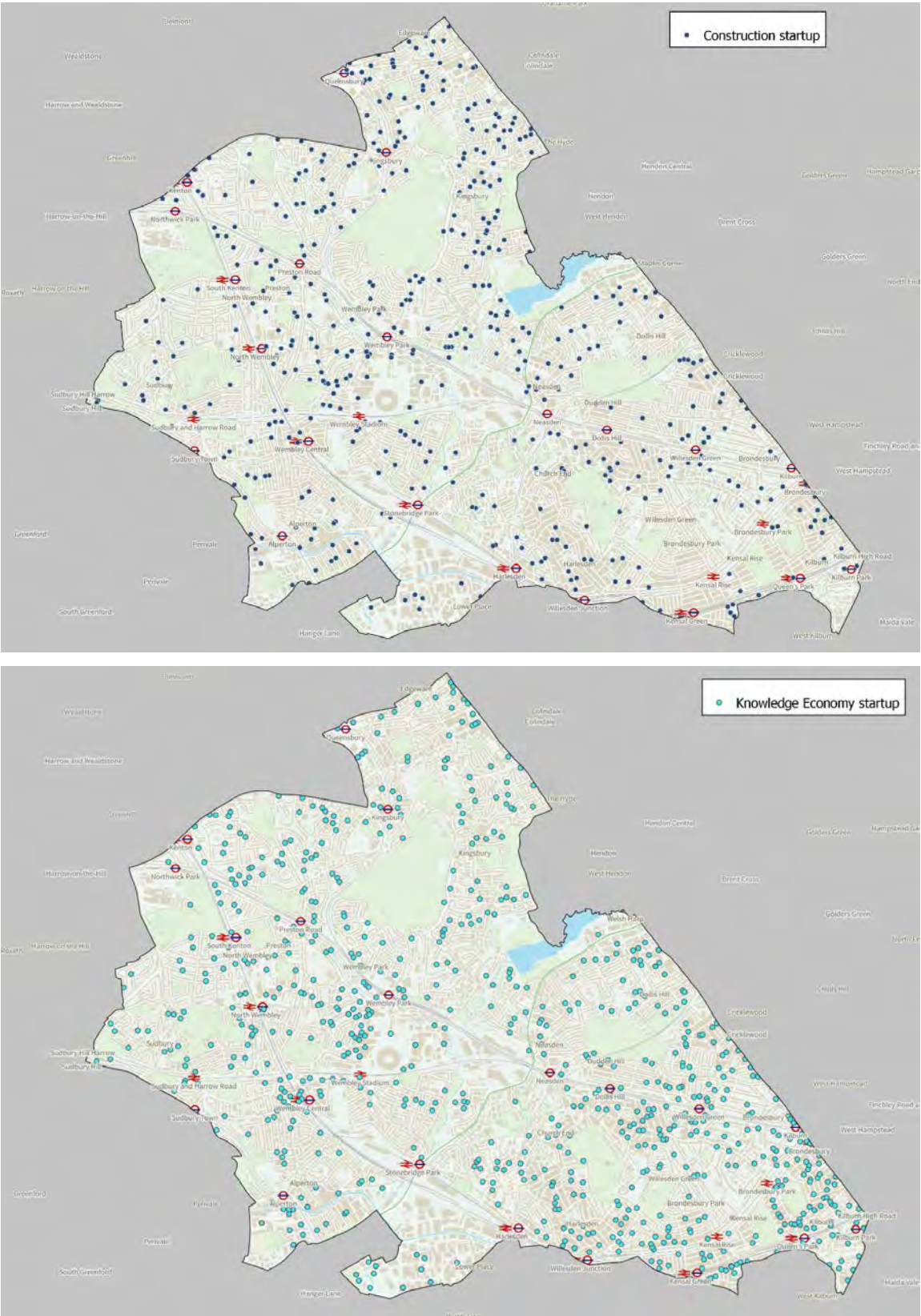


Source: Companies House

*Hatched bars show the number of new business starts since 2013 of cross-cutting sectors (left x-axis); Block bars show the number of new business starts for overarching sectors (left x-axis); Dots show the percentage increase in business starts (right x-axis).

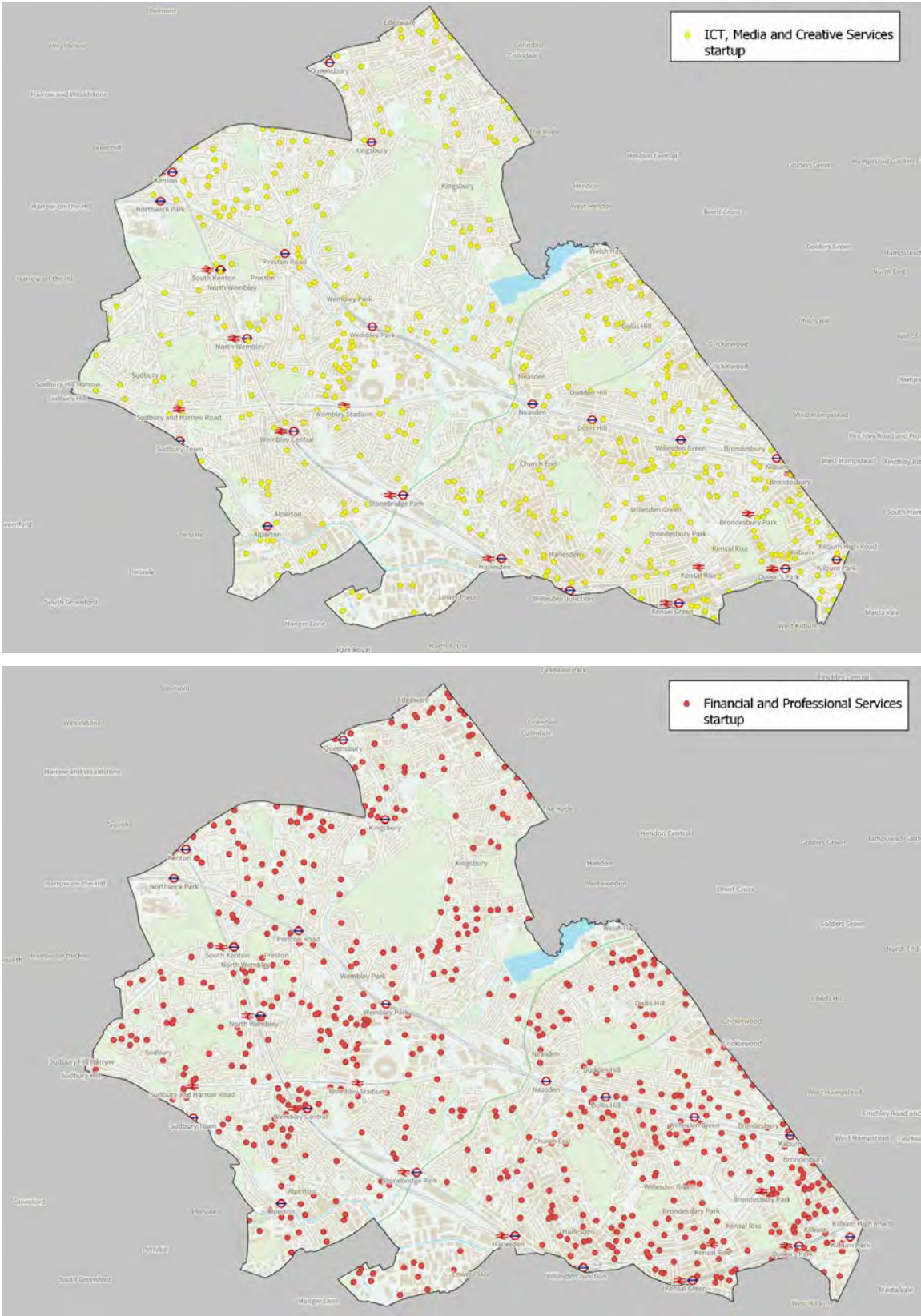
**NB, Utilities and Waste scaled down

Distribution of Start-up Construction Businesses (above) and Knowledge Economy Businesses (below)



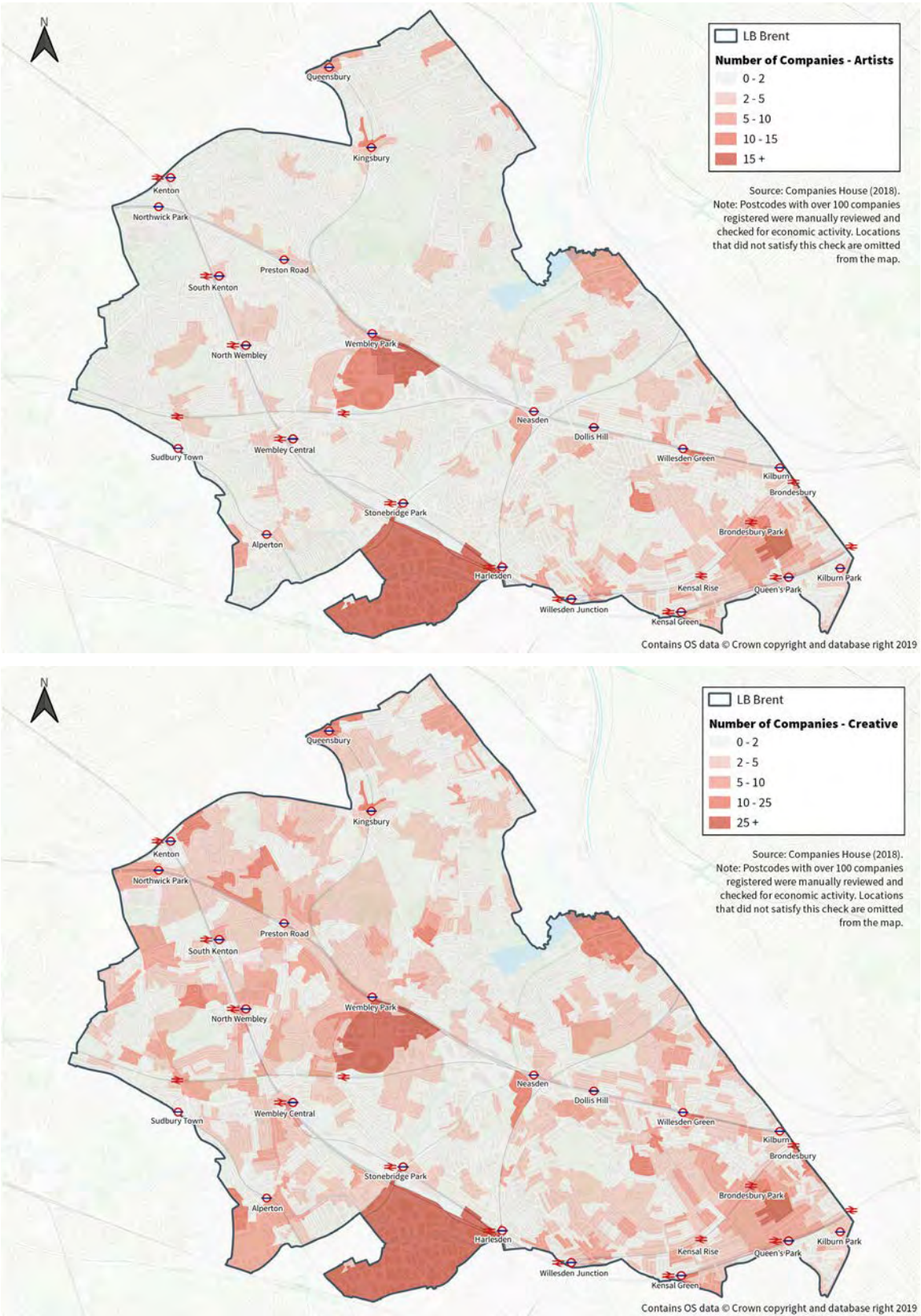
Source: Hatch Regeneris; Companies House; Contains OS data – Crown Copyright

Distribution of Start-up ICT, Media and Creative Service Businesses (above) and Financial and Professional Businesses (below)



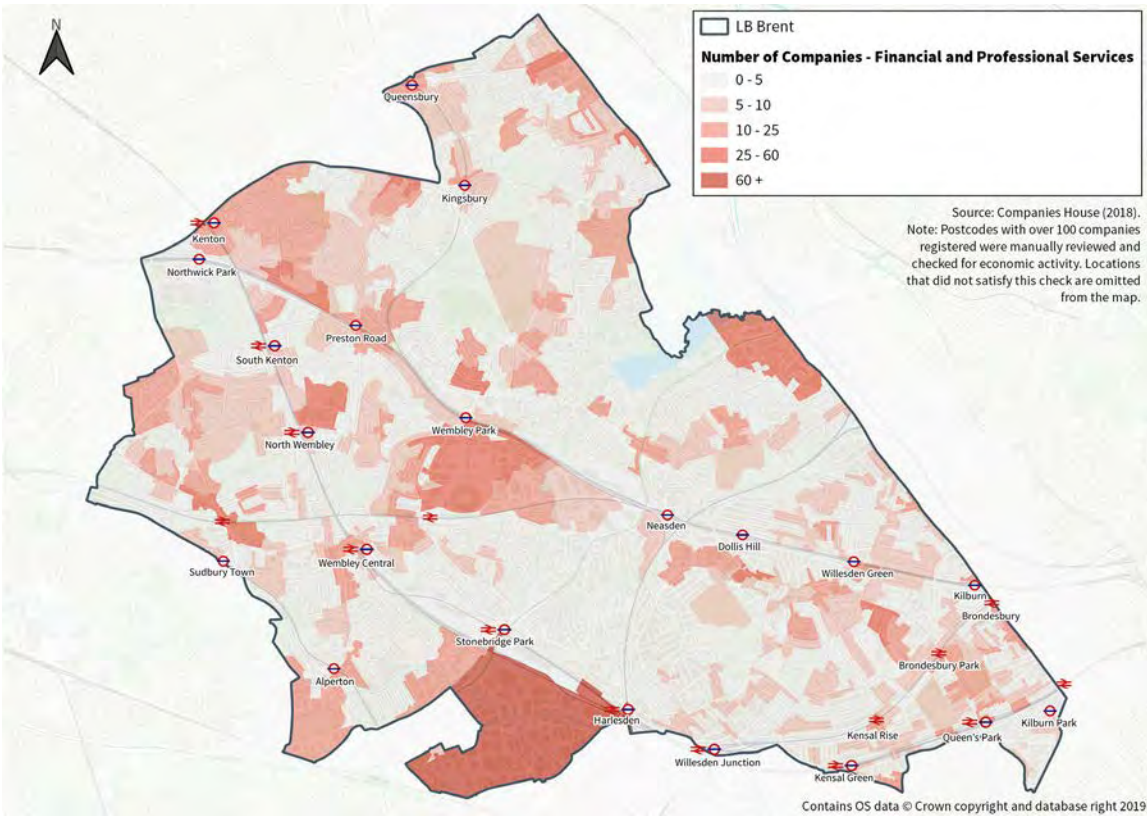
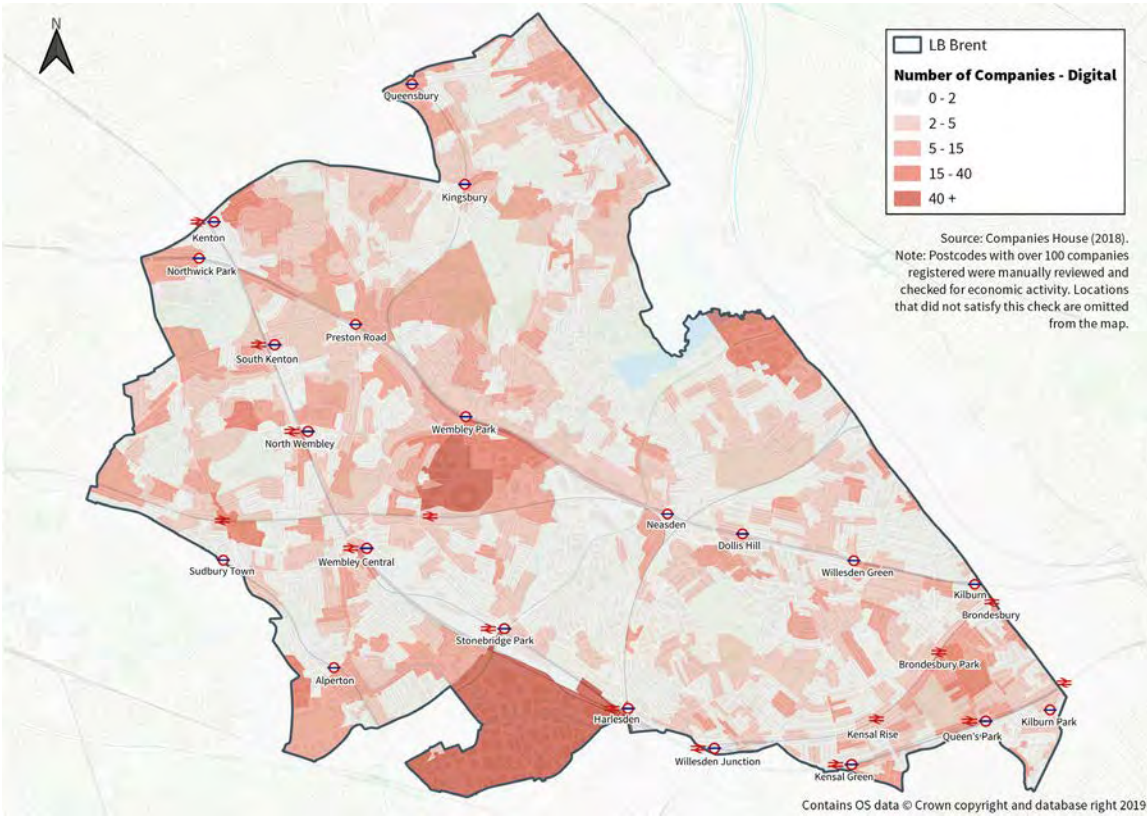
Source: Hatch Regeneris; Companies House; Contains OS data – Crown Copyright

Priority Sector Maps below: for Artists OAs, Creative OAs



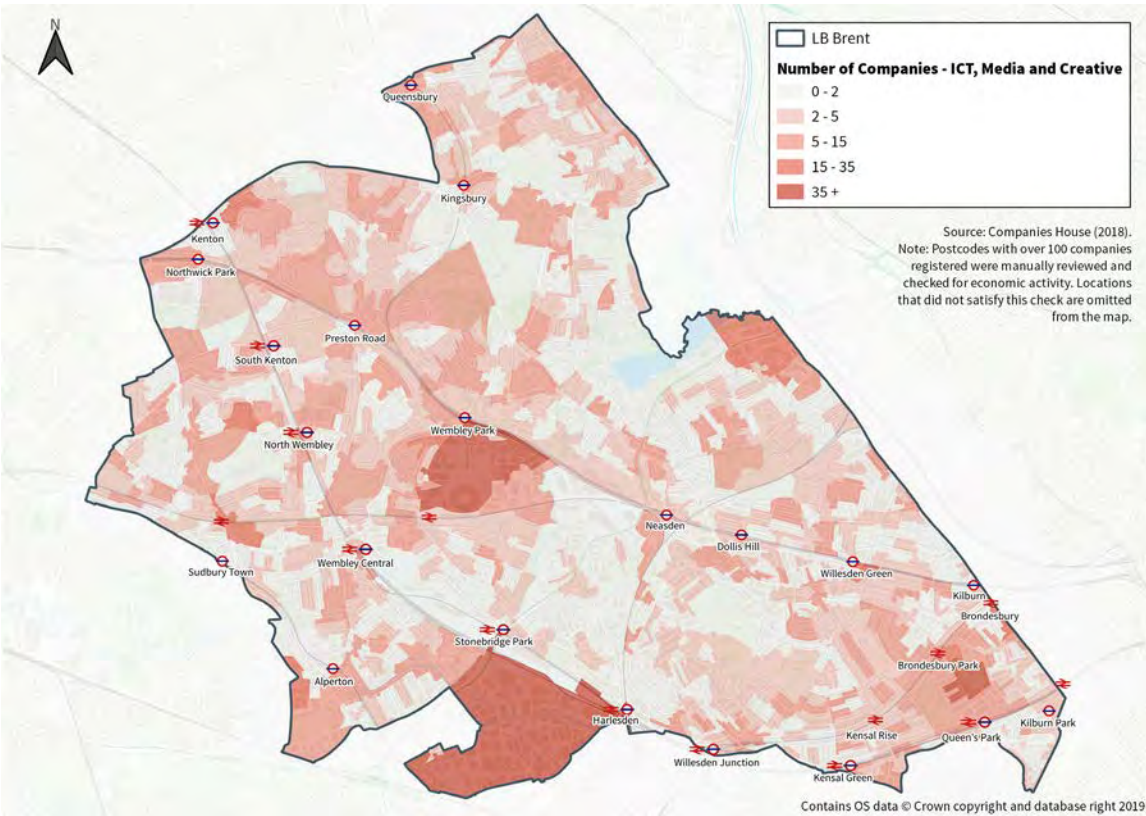
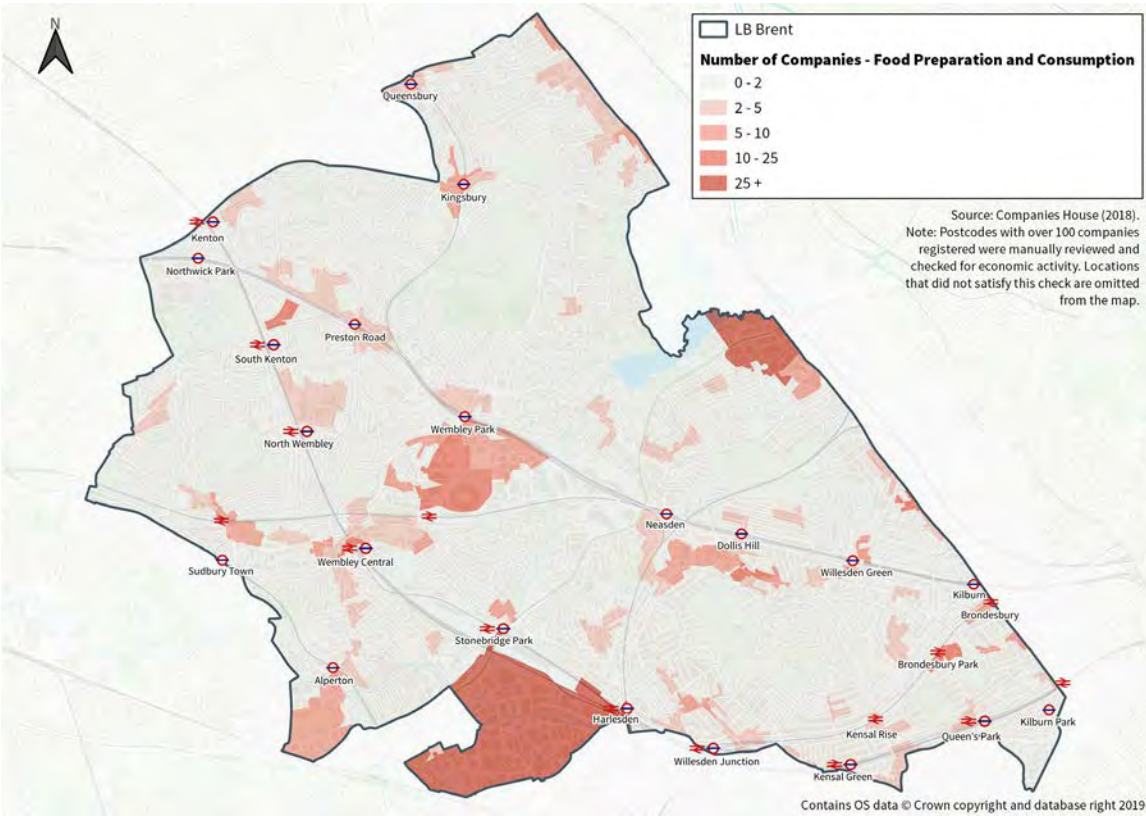
Source: Hatch Regeneris; Companies House; Contains OS data – Crown Copyright

Priority Sector Maps below: for Digital OAs, Financial and Professional Services OAs



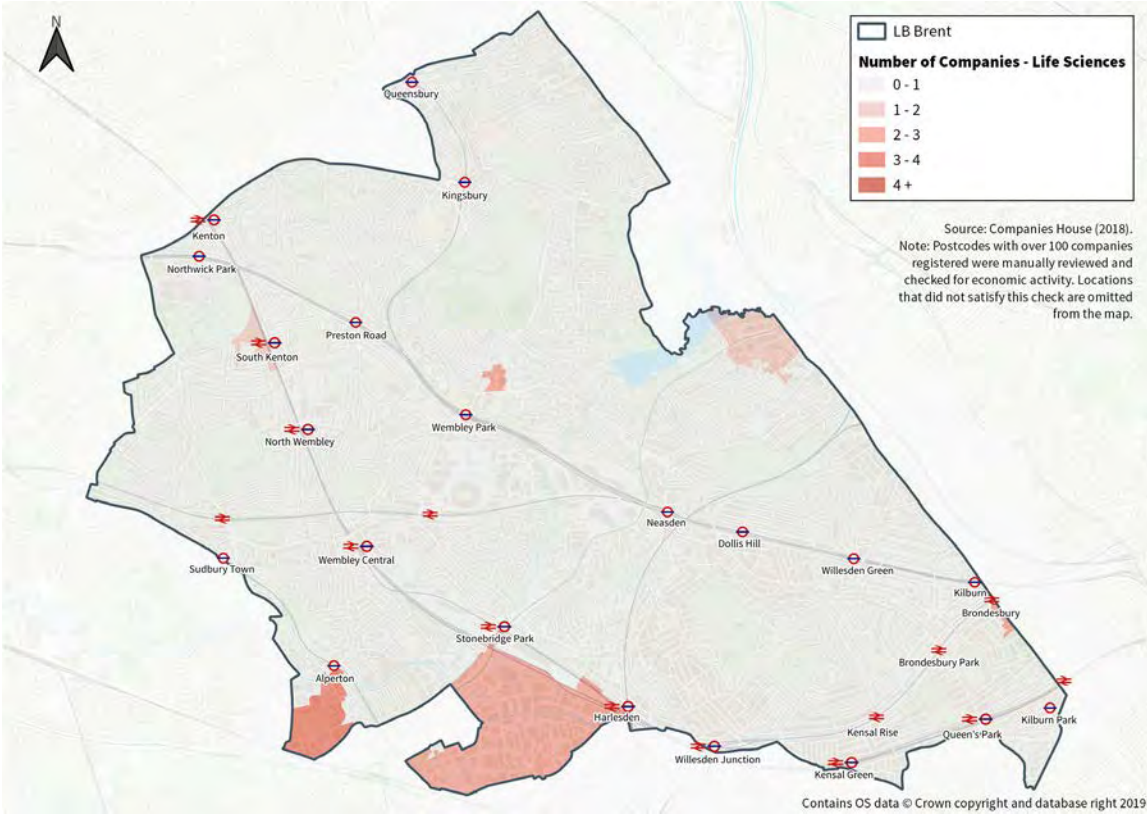
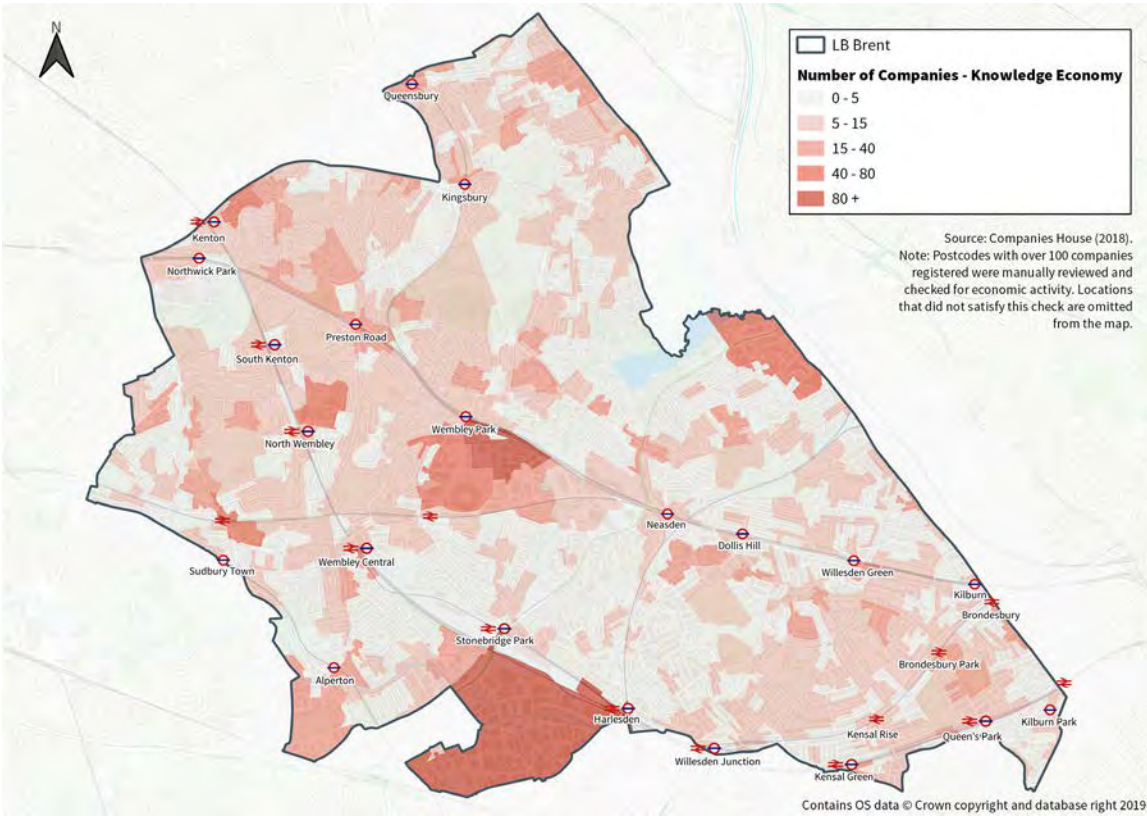
Source: Hatch Regeneris; Companies House; Contains OS data – Crown Copyright

Priority Sector Maps below: for Food Preparation OAs, ICT Media Creative Services OAs



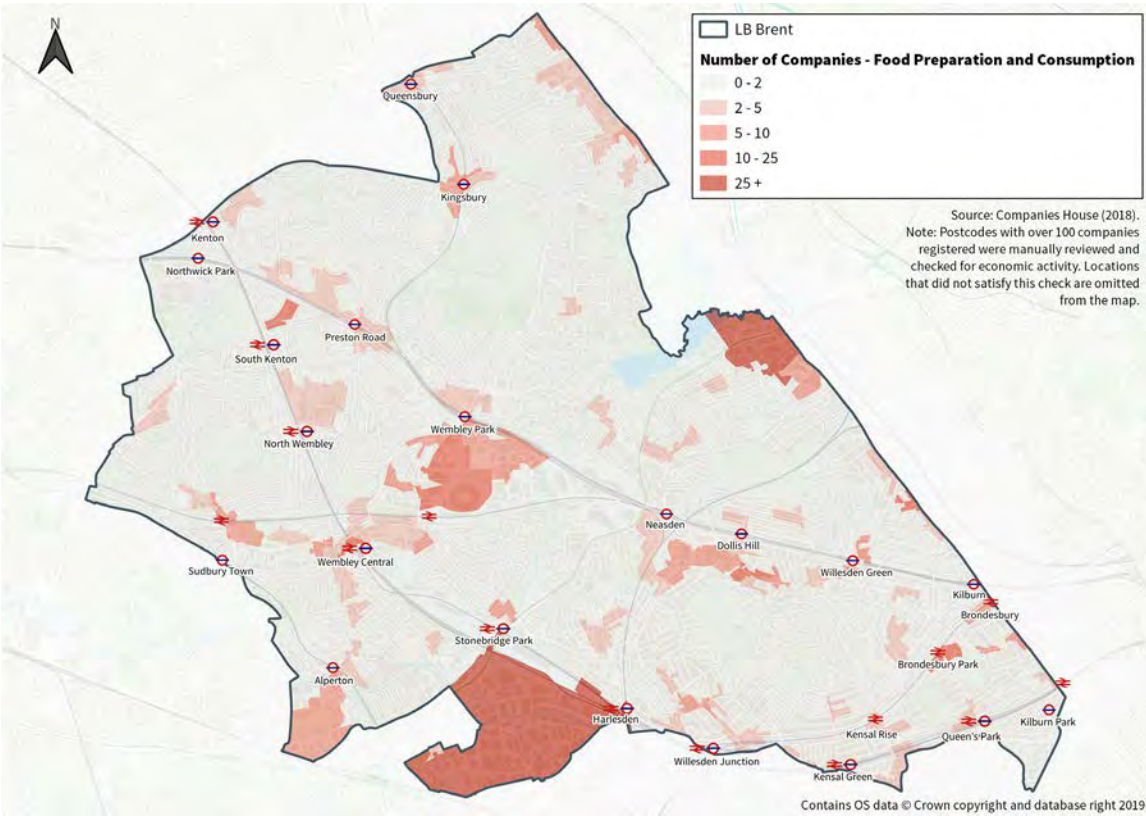
Source: Hatch Regeneris; Companies House; Contains OS data – Crown Copyright

Priority Sector Maps below: for Knowledge Economy OAs, Life Sciences OAs

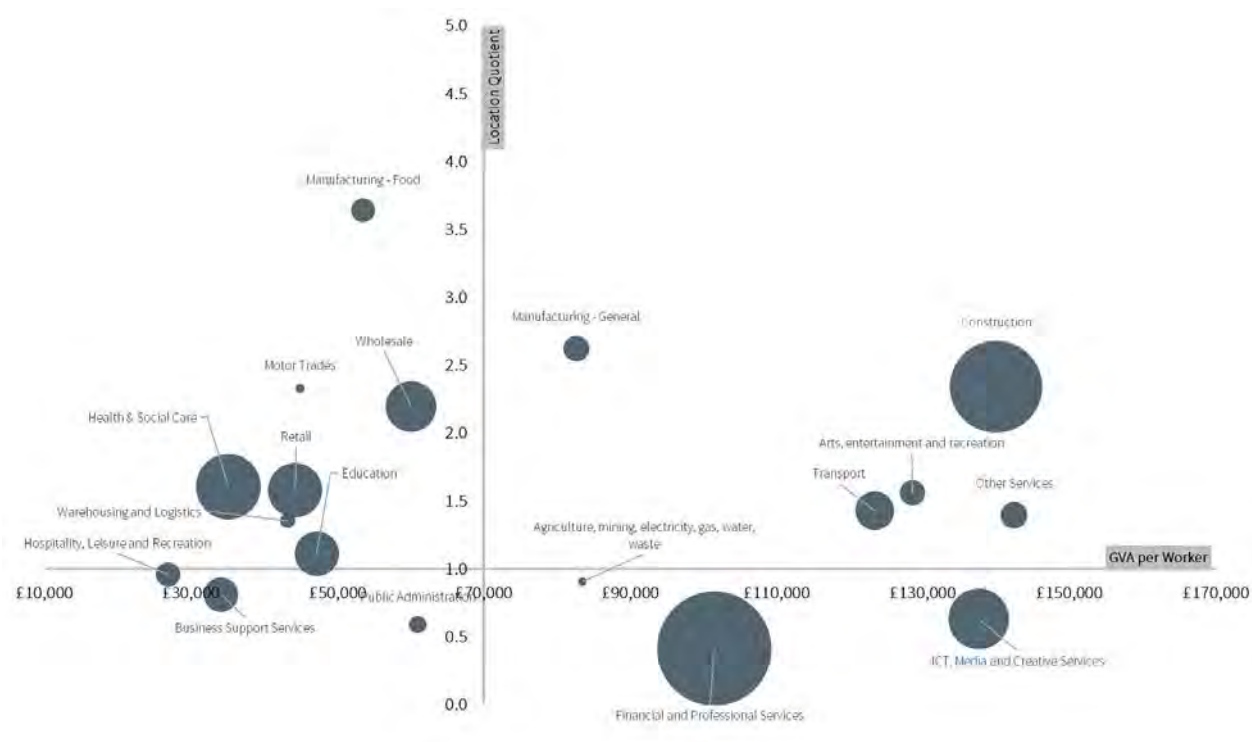


Source: Hatch Regeneris; Companies House; Contains OS data – Crown Copyright

Priority Sector Maps below: for Manufacturing OAs

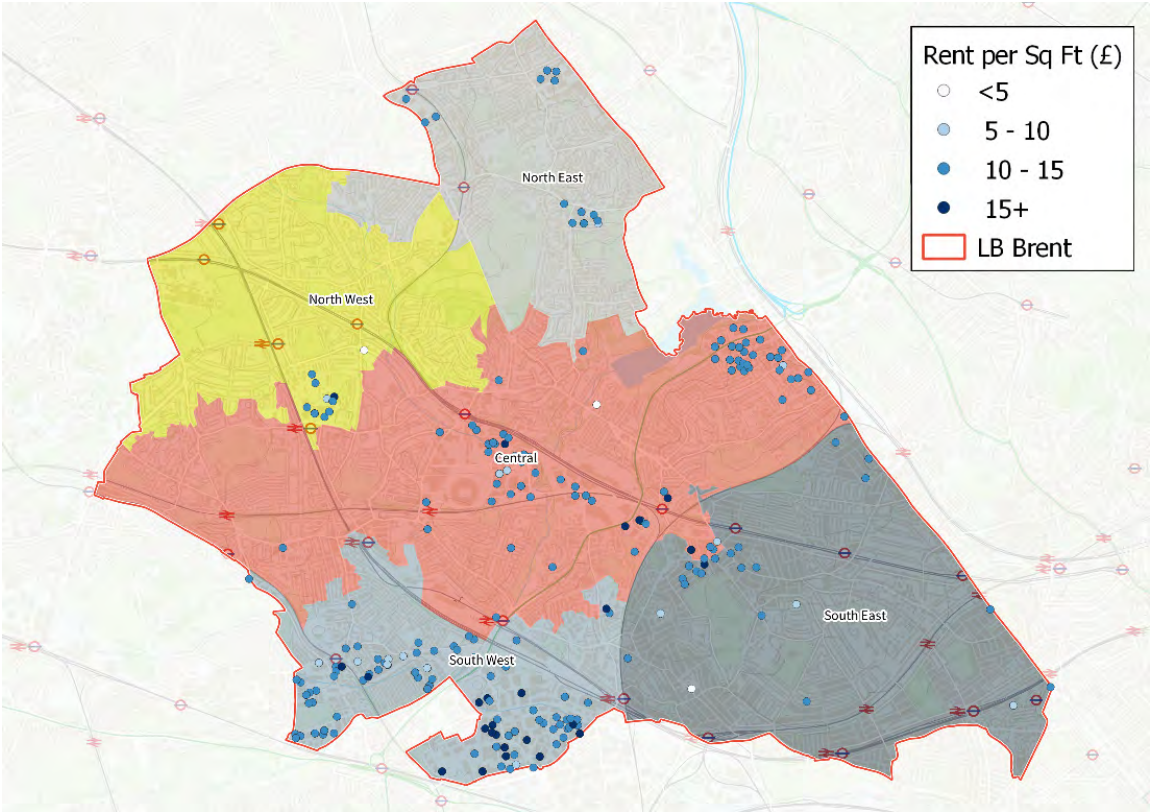


Brent’s Employment Base: Size, Concentration and GVA

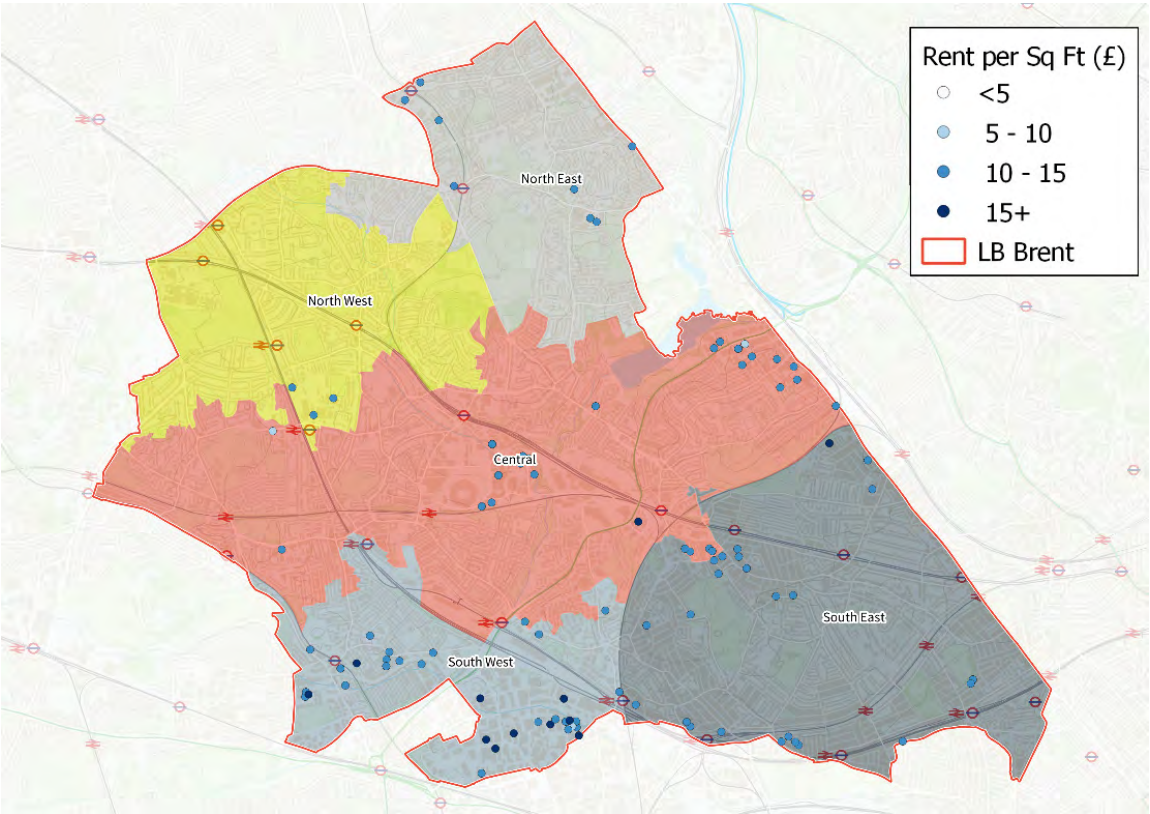


Charts illustrates the size, concentration and economic output of business sectors. The size of the bubble denotes the size of the sector in terms of employment (above) and number of businesses (below), the Y axis shows economic output and the X axis shows the level of concentration via a Location Quotient (LQ). Location quotient figures indicate the degree of a sector’s specialisation relative to London – anything over 1 indicates a specialism (e.g. retail has an LQ of around 1.25 which means it is 1.25x more concentrated in the Brent economy than the London economy).

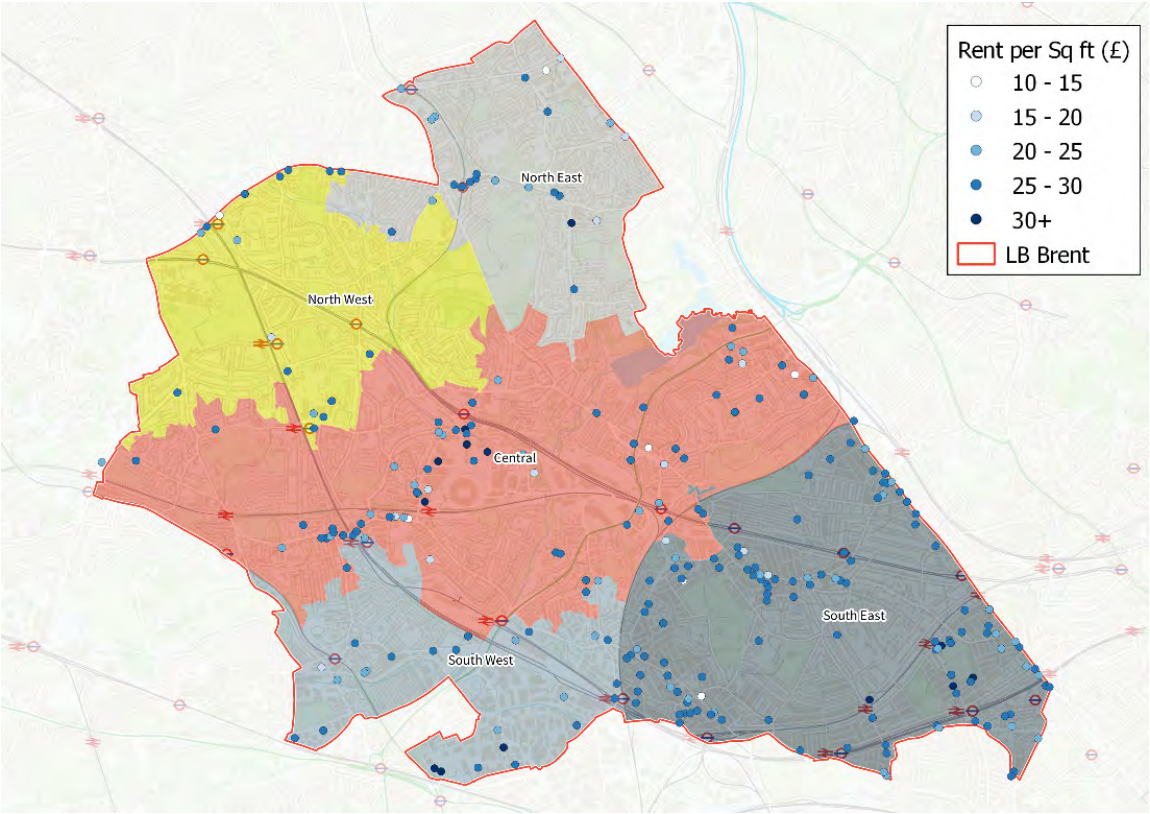
Appendix F- Bottom Up Rent Analysis



Industrial Rent/Sqft



Light Industrial Rent/Sqft



Office Rent/Sqft

Source: CoStar; Hatch Regeneris

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