

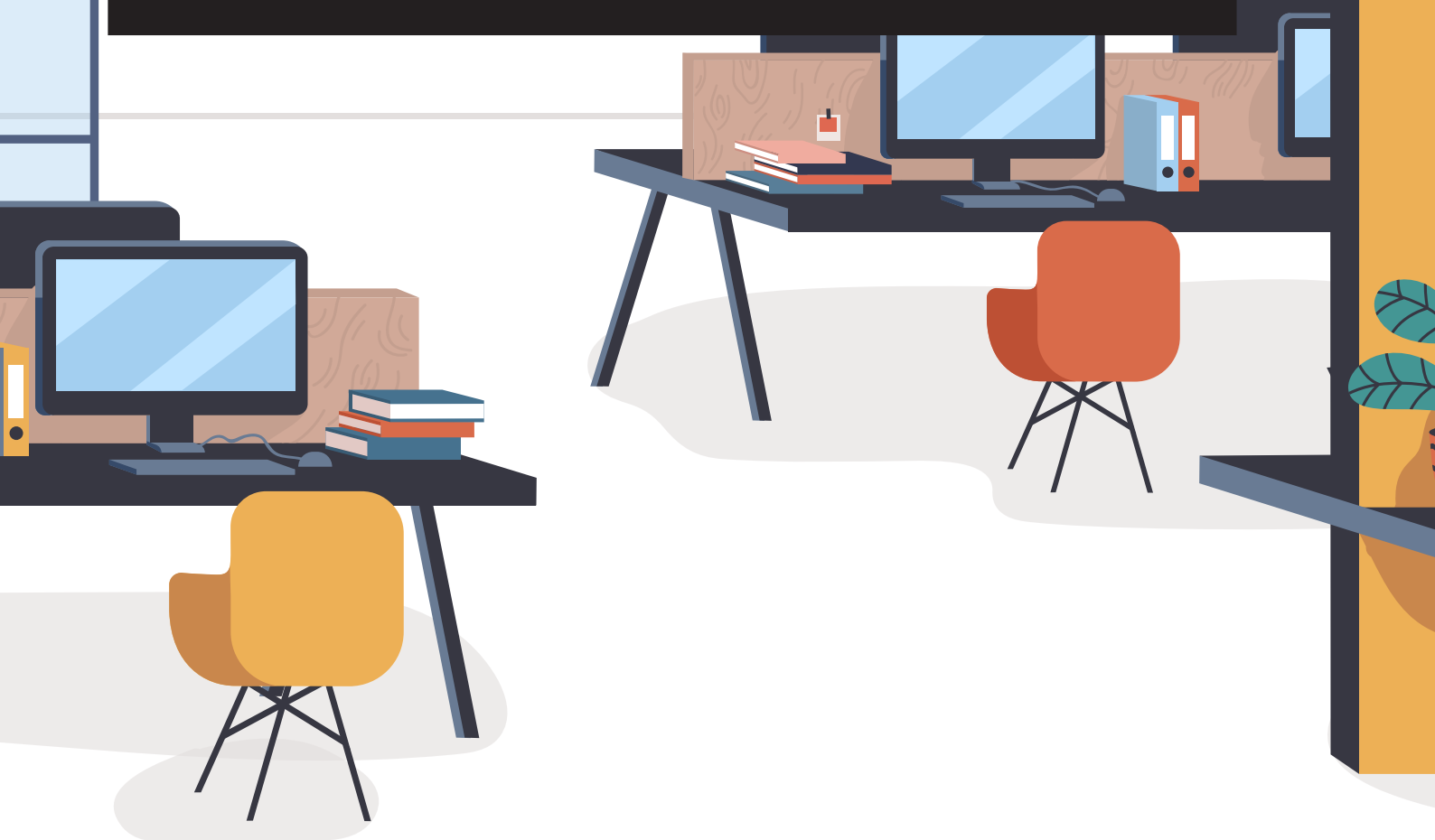
Affordable Workspace Strategy

October 2023



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1. FOREWORD

Camden's economy is vibrant, strong and diverse. It has, in recent years, demonstrated an excellent track record in generating thousands of new start-up companies and is home to both new and global leading industrial sectors and a several hundred year old history of traditional jewellery workshops.

This Affordable Workspace Strategy presents a clear set of actions and commitments from Camden Council to ensure that we are using all our levers and assets to support and grow opportunities for the small businesses and start-ups that make Camden's economy so vibrant.

Working in collaboration with our communities, with business leaders and with investors in the borough, we will continue to ensure high quality new affordable space is secured in new developments and through our own investments and asset management.

Through this strategy we will ensure that new affordable workspace meets the ambitions of Camden 2025 by creating accessible and inclusive spaces to support opportunities for all, helping local community enterprises to grow and retain wealth in the borough as well as supporting high quality job creation.



Councillor Danny Beales

Cabinet Member for New Homes,
Jobs and Community Investment



2. INTRODUCTION AND PURPOSE OF CAMDEN'S AFFORDABLE WORKSPACE STRATEGY

- 2.1. We Make Camden sets out a vision where everyone in Camden is able to benefit from all the opportunities provided by our thriving local economy. Whilst Camden's economy is strong, too many local residents are not benefitting from the growth that they see around them. In working to create the conditions for an inclusive economy, we must involve our communities in creating growth, using appropriate levers to secure opportunities and social value for residents.
- 2.2. Crucial to this vision is that growth in Camden should be strong and inclusive – everyone should be able to access work that is right for them. Affordable workspace is an important part of our toolkit for delivering We Make Camden which includes a specific commitment to “provide affordable workspace and market space in Camden and use this to support new and diverse entrepreneurship”.
- 2.3. Ensuring that Camden's residents, nascent businesses, and not-for-profits can access the right workspaces on affordable and fair terms is essential if we are to fulfil our ambitions for Camden's community and local economy.
- 2.4. The purpose of Camden's Affordable Workspace Strategy (AWS) is:
- To set out our Mission for increasing the supply of affordable workspace in Camden within the context of the current social and economic landscape and the changes we want to see; and
 - To set out both how we will deliver this mission and how we will judge our success in this endeavour.
- 2.5. Camden's AWS is an active and embedded strategy which builds upon and will also inform a range of policy platforms, strategies and workstreams that are already in place or are in development across the council. It will play an important role in how council assets are managed.
- 2.6. As such, the AWS will be delivered via twenty key actions, which will guide a programme of activity that sits across council teams. These actions are organised across four principles;
- Evidence-led approach to affordable workspace
 - Camden's Planning Policy Framework and new developments
 - New and better uses of existing assets
 - Co-ordination and collaboration



Camden Black Creatives, 2C Maygrove Road, Kilburn

These are the actions

The Opportunity for A More Holistic, Evidence-Led Approach to Affordable Workspace	Action 1: catalogue and review Camden's current trailblazer affordable workspace projects Action 2: more active consideration of our neighbourhoods to drive locally tailored affordable workspace responses within policy development, monitoring, and evaluation Action 3: develop A clear and consistent approach to measures of success across all of Camden's diverse affordable workspace projects Action 4: further develop and implement 'outcomes-based leasing' (OBL) models which instil and put a value social and economic outcomes in workspace delivery
Opportunities Within Camden's Planning Policy Framework and Our New Developments	Action 5: review the employment sites & business premises Supplementary Planning Guidance (SPG) Action 6: review of affordable workspace policy as part of our local plan refresh Action 7: knowledge quarter affordable workspace delivery policy Action 8: explore off-site affordable workspace contributions Action 9: develop easy to use and clear templates & toolkits for developers Action 10: establish an approved affordable workspace provider list Action 11: establish an affordable workspace 'waiting list for prospective tenants Action 12: supporting affordable workspace via meanwhile uses within Camden's own developments
Opportunities For New and Better Uses of Existing Assets	Action 13: promote and co-ordinate our Street Markets and street trading as part of our Affordable Workspace offer Action 14: explore opportunities to bring vacant high street properties back into affordable workspace uses via rental auctions Action 15: explore meanwhile use and affordable workspace strategies to bring long-term vacant council properties into new use Action 16: Better promote the council's existing commercial portfolio as an example of how we are already managing affordable and accessible workspace
Opportunities To Unlock the Benefits Of Coordination And Collaboration Through The Delivery Of Our AWS	Action 17: establish an ongoing affordable workspace stewardship group within the council, at the heart of our cross-departmental approach Action 18: identify an Affordable Workspace co-ordinator within the council Action 19: engage anchor institutions and private landlords in planning and delivering against our affordable workspace mission Action 20: engaging and empower Camden's communities within the development and delivery of our affordable workspace strategy

3. CAMDEN'S MISSION FOR AFFORDABLE WORKSPACE

3.1. Our Mission for Affordable Workspace in Camden is:



To make best use of our own resources, assets and policy levers to help create a more inclusive, enterprising local economy, whilst also continuing to actively encourage and welcome inward investment into Camden.

We will aim to ensure that residents, small businesses and social enterprises have access to the affordable workspaces they need locally; in order to realise their enterprise potential and to grow business ventures that benefit Camden's communities.

We will support early-stage start-ups in our internationally significant research areas, which may one day lead to significant international impact or growth and encourage closer collaboration and cocreation with our anchor institutions, including the academic and student community.

We will be proactive and innovative to achieve this aim. As well as supporting enterprise growth within Camden's growth areas, we will encourage and deliver more workspace across Camden's neighbourhoods. This will be offered on affordable and flexible terms; embracing '15-minute neighbourhood' principles' in our approach to supporting Camden's enterprise potential.



3.2. To achieve our Mission, Camden will:

- Activate the breadth of our opportunities to act as a Council, which includes our own assets and developments as well as our influence over third party spaces and development.
- Work proactively and collaboratively, both within the Council and with external parties to deliver our mission. This will include working with local partners and residents, developers, operators, and entrepreneurs from beyond Camden.
- Support early-stage start-ups in our internationally significant research areas, which may lead to significant international impact or growth.
- Develop our evidence-base where required to inform our understanding of the case to act and our opportunities to act, across Camden's growth areas, neighbourhoods, high streets and housing estates.
- Embrace new approaches and measures of success that address the social value outcomes for residents at the heart of our aims for a fair and inclusive economy, with a focus on employment and enterprise outcomes.

3.3 These principles underpin how we will organise ourselves to deliver our Mission.

4. WHAT WE MEAN BY AFFORDABLE WORKSPACE IN CAMDEN AND HOW THIS INFORMS OUR APPROACH

- 4.1. Like many other local authorities, our principal mechanism for defining affordable workspace has traditionally been through our planning policy framework.
- 4.2. For example, Camden's current Local Plan sets out our requirements for the delivery of affordable workspace when triggered by qualifying new development brought forward in the borough. During 2022, we plan to refresh our Local Plan and it will continue to be a point of authority in this way.
- 4.3. Looking beyond planning and workspaces brought forward as part of new development, our Mission and ambitions for affordable workspace also respond to a broader range of local priorities, ambitions and opportunities to act; for example, using our own assets differently or by working with landlords, operators and communities to bring forward enterprise spaces across Camden's neighbourhoods. This is particularly important as many of the communities that we want to support with affordable workspace are not in neighbourhoods where new provision triggered by development at scale is likely to occur.
- 4.4. Camden's Affordable Workspace Strategy will perform a critical function for the Council by drawing together our various aims and ambitions for affordable workspace and by coordinating an effective delivery response across council departments, setting out our abilities to influence, together with our communities and external partners.



Camden Collective, Auction Rooms, Camden Town



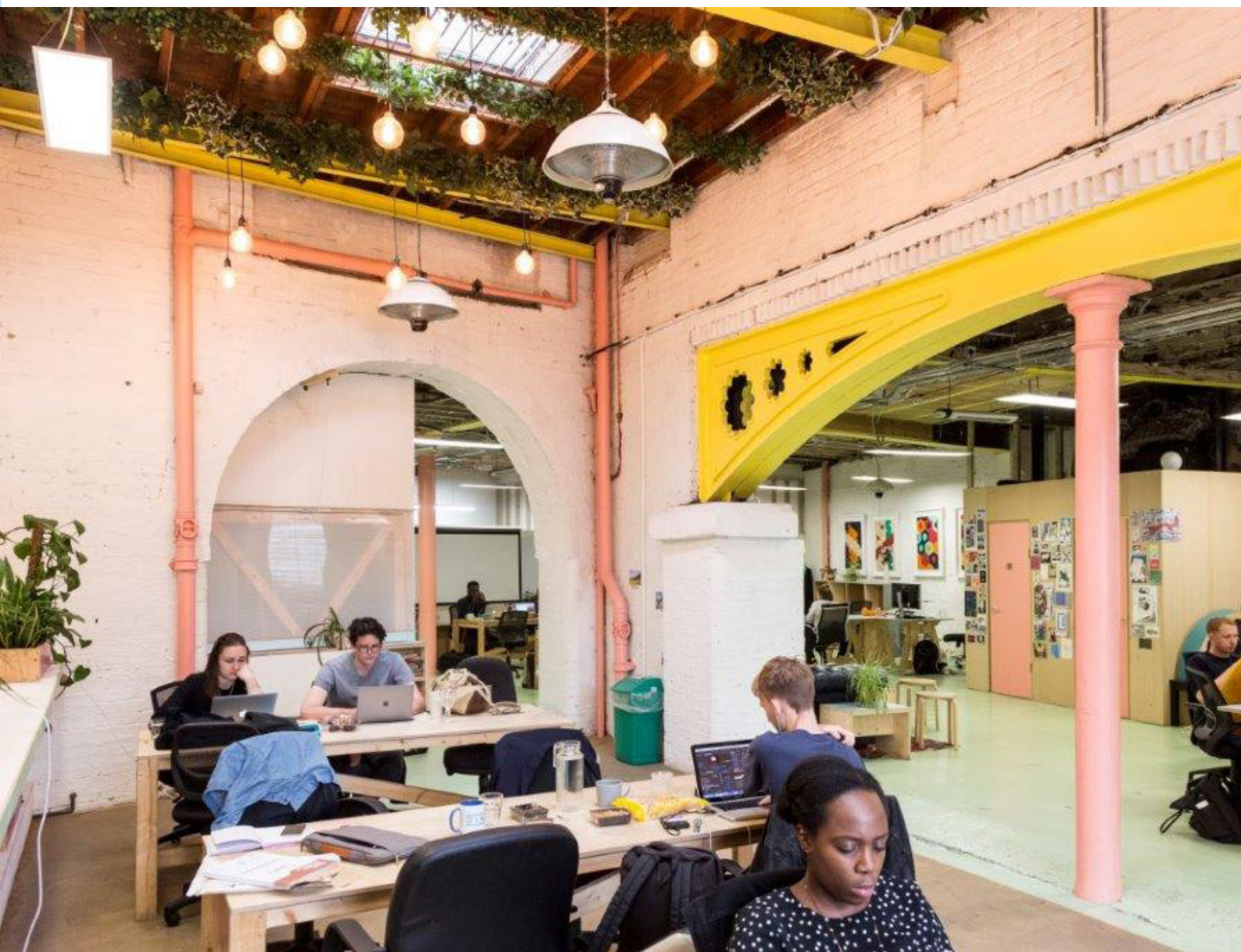
Our definition of Affordable Workspace

“Affordable Workspace is commercial space for small businesses and entrepreneurs that creates access to locations and markets that otherwise would be inaccessible. Affordable Workspace is typically provided at rent maintained below the market rate for that space for a specific social, cultural and or employment development purpose. This space can be flexible, shared or dedicated lettable space and configured to the needs of a wide range of sectors.”

What Does ‘Affordable’ Mean?

- 4.5. Affordable generally refers to rents that are ‘maintained well below the market rate for that space for a specific social, cultural, or economic development purpose’. Camden’s Local Plan policy allows for some flexibility about how affordability is delivered, around some core principles, through case-by-case negotiation which considers local circumstances and any specific site constraints. For example:
- Space could be provided at an agreed discounted percentage less than comparable market values for an agreed period; or
 - Delivery of a sponsorship programme through which an agreed number of local businesses are able to access space at reduced rents for an agreed period.
- 4.6. Within the current Local Plan, the Council has adopted a working benchmark for significant commercial development schemes of 20% of the floorspace offered at 50% of the market value but will negotiate with developers on a case-by-case basis. For example, we might accept less than 20% of the space as affordable if it is offered at a peppercorn or significantly less than 50% of market rents.
- 4.7. The Council recognises that affordable is a relative term and because of the strong local property market conditions some of the different end-users and uses we want to support (for example, ranging from knowledge sector businesses to community-led enterprises) may not be able to afford rent offered at a 50% discount, especially when other costs are taken into consideration such as business rates, service charge and utilities. As such, the outcomes we want to achieve may not be best supported through a standard fixed discounting approach. In these circumstances it is important to consider approaches that promote accessibility to key locations for SMEs and sectors.

- 4.8. There are many other means of delivering affordability that we will explore and we will remain open to other suggestions that deliver affordability for our priority end users. For example, through the Local Plan refresh process we will actively explore the efficacy and appropriateness of receiving financial contributions from developers in lieu of on-site affordable workspace provision, whereby re-directing funding to off-site provision presents a clear case of tangible and improved benefits over the on-site approach.
- 4.9. In cases where affordable workspace is being brought forward outside of the planning route, such as via Camden's Vacant Spaces on Estates programme, we will continue to adopt a flexible, case-by-case approach, which identifies the levels of affordability required for the end-uses and users that we wish to support, but which also recognises our obligations to deliver and operate assets in a viable and financially sustainable way.
- 4.10. Camden also recognises that affordability is not determined purely by rents alone. The implications of the level of fit-out required, any service charges, business rates and additional charges will also be considered in the round, when assessing affordability; and where possible flexible terms of occupancy and aligned supporting services will be encouraged and supported, to remove barriers to access for end-users (for example flexible childcare or business support services).



- 4.11. We recognise that the current acute challenges residents and business face around inflation and the cost of living also impact on affordability, from the points of view of both developers and landlords, operators and end-users. As such, these matters will be a key point of reference within our broader considerations of affordability.

Who Should Benefit from Affordable Workspace?

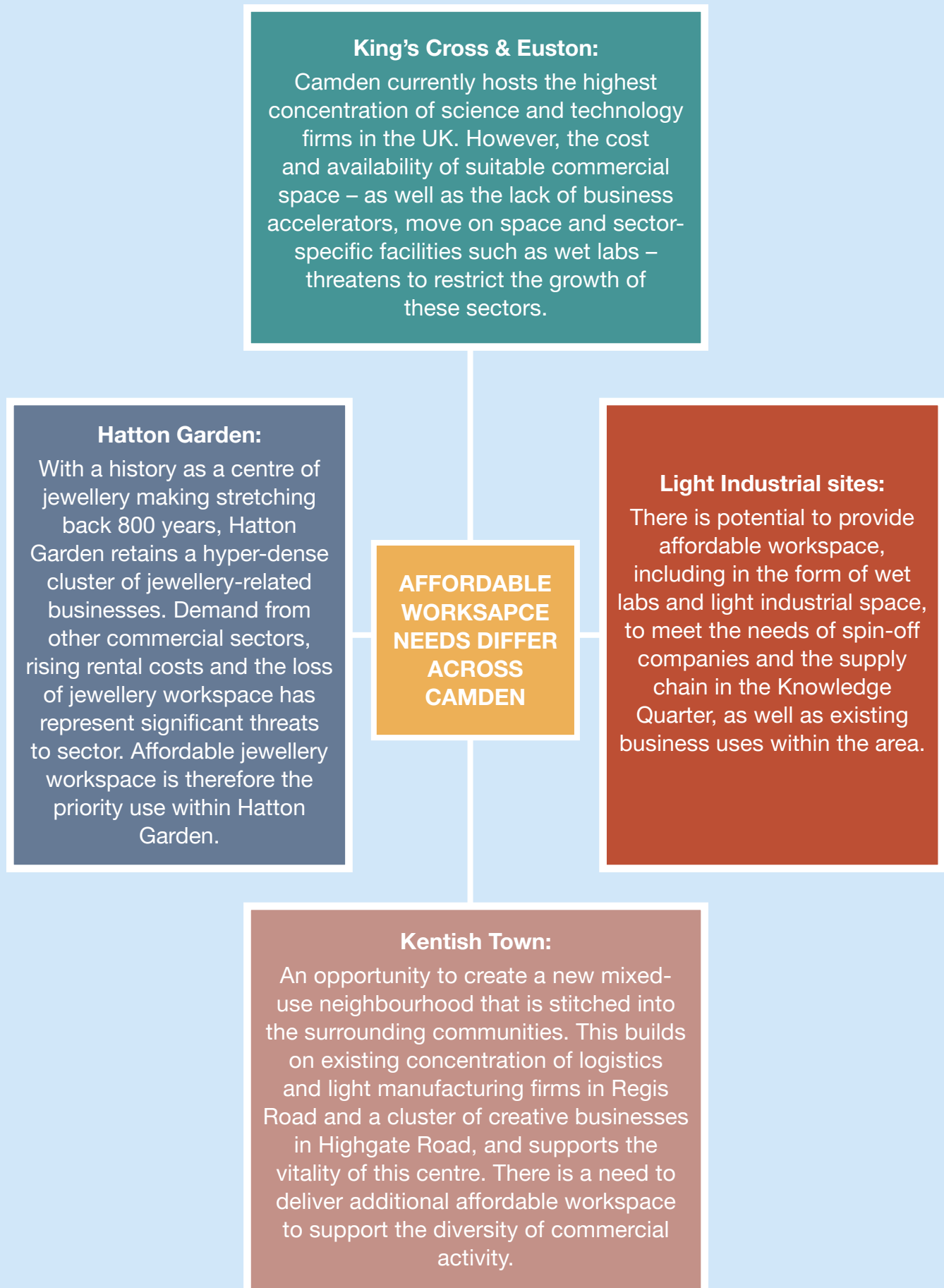
- 4.12. Affordable workspace which is delivered through the planning process or other means should provide opportunities to residents and businesses that would otherwise struggle to secure premises on full market terms. This includes early-stage start-ups, local social enterprises and VCS and third sector organisations that contribute to the well-being of our communities as well as growth within our key knowledge and research sectors.
- 4.13. Camden's ambitions for targeting the local benefits presented by affordable workspace are three-fold:
- I. We aim to directly support Camden's residents, start-ups, small businesses and social enterprises to access to the affordable workspaces they need locally; in order to realise their enterprise potential and to grow business ventures that benefit Camden's communities.
 - II. We aim to encourage and support entrepreneurs to start and grow their businesses in Camden and to provide the conditions to attract and retain SME's and VCS organisations that contribute directly and positively to the local economy and;
 - III. We aim to support our key growth sectors and clusters such as the Knowledge Quarter area to retain growth industries where this creates opportunities for Camden residents.

What Types of Affordable Workspaces Are Needed and Where?

- 4.14. Camden needs diverse types and sizes of affordable workspace including hot-desking and co-working, cellular move-on spaces, specialist spaces to support the growth of life sciences and the Knowledge Economy more broadly, and artists workshops, maker spaces and even gallery space for the creative industries. For certain schemes and in certain parts of the borough, affordable retail space may be appropriate, either standalone units or market stalls.
- 4.15. Camden is one borough but many different neighbourhoods with varying characteristics, strengths and weaknesses. To be successful in delivering our Mission, our approach to affordable workspace will recognise and address these differences.



Examples of different opportunities and approaches across Camden



- 4.16. Demand for affordable workspace in the borough is a product of several factors, including the following:
- 4.16.1. **Emerging Growth Sectors Have Specific Property Demands**
Medcity UK's (now part of London & Partners) Demand Report 2021 states that over 46,400 square metres (m²) of demand exists for life sciences real estate in London; 25,000m² of that demand is for space within two years, especially for start-ups and small companies seeking cost-effective but location specific provision within an innovation cluster¹.
- 4.16.2. Medcity UK's report also highlights that there is an intense cluster of R&D-intensive life sciences businesses located in the Kings Cross area and a real appetite for building life sciences 'community' space around the Kings Cross/Euston Road area, as well as at hotspots where leading academics and clinicians are working. This provision constitutes an important interface, where thought leaders and relevant community participants can turbocharge productivity and competitiveness.
- 4.16.3. **The Majority of New Developments Focus on Large Occupiers and Are Not Affordable for SMEs or Residents Starting New Businesses**
Camden has an identified need for 695,000m² of office floor space and 30,000m² of retail floorspace by 2031. Whilst a significant amount of commercial floorspace growth is in the development pipeline in Camden, the majority comprises large floorplate, corporate office space at King's Cross and Euston, designed and priced for large occupiers.
- 4.16.4. Premises suitable and affordable for SMEs are under pressure from rising land values and housing demand/targets, limited land availability, and permitted development rights.
- 4.16.5. There has also been a reduction in workshop, studio and maker-type spaces that often support creative businesses employing local people, although the demand for this kind of space is growing in urban areas. This type of space is particularly limited in Camden.
- 4.16.6. **Loss Of Commercial Space in The Borough**
Historically, high land values for residential development in the northern parts of Camden have seen the loss of SME workspace (especially studio and workshop space) through conversion to residential, particularly through permitted development rights. This loss may yet accelerate as businesses adjust their property requirements in response to new ways of working adopted through the pandemic.
- 4.16.7. Evidence gathered to support planning policy estimated that permitted development rights put over 4,000 firms, over 90,000 jobs and several billion pounds of economic activity In Camden's part of the Central Activities Zone at risk (SMD article 4 declaration 2022) and an estimated total of 162,000m² office floorspace, over 5,000 businesses, over £1 billion output and tens of thousands of jobs were at risk in the area outside of the CAZ. The article 4 declaration, put in place by the council, has helped to reduce further loss of commercial space in the areas it covers.

¹London Life Sciences Real Estate Demand report, Medcity October 2021



4.16.8. Hatton Garden retains a hyper-dense cluster of jewellery-related businesses but demand from other commercial sectors, rising rental costs and the loss of jewellery workspace has represent significant threats to sector. Affordable jewellery workspace is therefore the priority use within Hatton Garden.

4.16.9. **Uneven Distribution of Space Delivered Through Planning and Development**

Up to the end of 2021, over 11,600m² of Affordable Workspace has been secured through s106 agreements. However, 65% of those schemes are within the Knowledge Quarter area amounting to 86% of the floorspace secured.

4.16.10. The challenges of recent years have reinforced the importance of Camden's neighbourhoods and local high streets as hubs of social, economic, and cultural exchange. Our Affordable Workspace Strategy is designed to build on the renewed importance of neighbourhood centres both on our high streets and within our estates; creating the conditions for enterprise to be a key ingredient of thriving and prosperous places.

4.16.11. Camden's plans for delivering an inclusive and fair economic recovery recognise the importance of neighbourhood-level amenity and opportunity, as expressed through the "15-minute neighbourhood" concept. This means that residents should have access to a range of amenities and opportunities accessible from their homes by walking or cycling in 15 minutes or less, which should include affordable workspace and amenities that support residents to unlock their entrepreneurial potential.

4.16.12. **Challenging Market Conditions During and Since the Pandemic**

The LIFT (Leading Inclusive Futures Through Technology) COVID-19 Workspace Impact Study report produced for Camden, Islington, Tower Hamlets and Hackney Councils identified that Camden experienced a 7.3% loss in GVA during 2020, with around 9,390 businesses experiencing disruption in their trading. Micro and small businesses account for an overwhelming majority of disrupted businesses when considered alongside Camden's business size profile, where 97% of businesses are micro or small businesses.

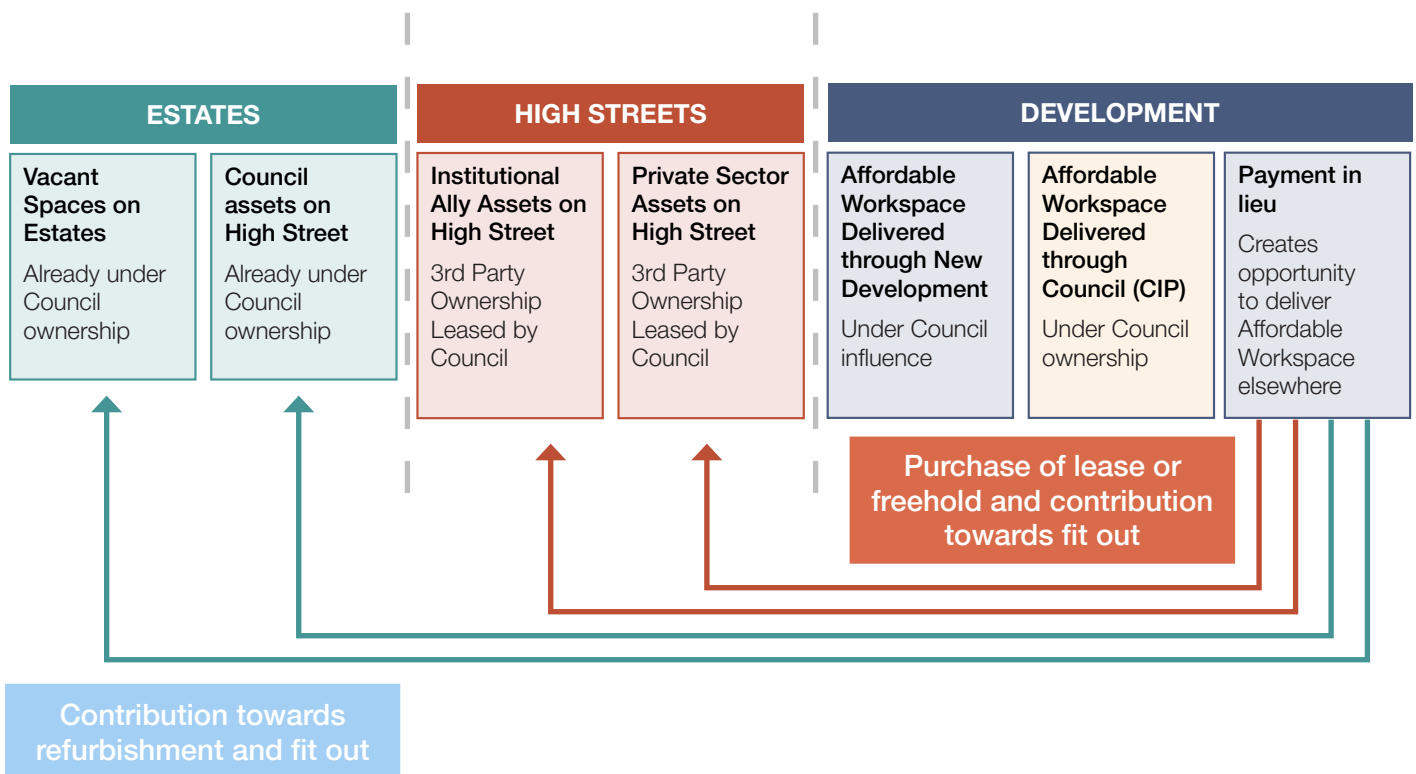
- 4.16.13. A significant drop was seen in office leasing activity across the Central London boroughs, where the average number of deals for office space more than halved in 2020 with data for 2021 suggesting further drop offs. This fall in demand “May impact the amount of affordable workspace that can be secured through the planning system over the short-term”, signalling a need for new mechanisms for securing and delivering such spaces.
- 4.16.14. Demand for office space is expected to recover in the long term, with a shift towards flexible spaces. However, demand for workspace where workers need to be in situ (e.g., maker spaces, studios, and lab space) is expected to remain strong, and affordable workspace delivery must cater to sectors that occupy such space. A shift in the geography of this demand is anticipated, with increasing need for ‘flexible touch down space’ near where people live and workspace in the CAZ where employees can come together on a semi-regular basis.
- 4.16.15. A flight to quality was noted and secondary office locations are likely to experience less demand, if retrofit policy doesn’t allow these to be redeveloped. This may present opportunities for SMEs but may also accelerate the pace of conversion of space to more lucrative residential uses.
- 4.16.16. Affordable workspace operators suffered a loss of revenue during the pandemic; however, occupancy and rental rates have returned to pre-pandemic. Demand for specialist spaces such as labs and creative spaces remained positive, but since reopening there has been an increased demand for collaborative spaces, driven mostly by people seeking “local, good quality space with potential for networking and community”.



²This AWS is accompanied by a technical annex, a document that provides the council and those who want to deliver affordable workspace in Camden with effective resources and guidance for delivery.

5. IDENTIFYING AND ACTING ON OPPORTUNITIES TO DELIVER OUR AWS MISSION: TWENTY KEY ACTIONS

- 5.1. Our Mission for affordable workspace dictates that our Affordable Workspace Strategy must and will recognise and activate the breadth of opportunities presented to us to act as a Council. This section identifies the breadth of opportunities presented to us and the actions we will take to realise these².
- 5.2. Our Affordable Workspace Strategy will affect how we approach our own assets and developments as well as how we use our influence over third party spaces and development; how we partner and collaborate; and how we define and measure success.
- 5.3. Delivery of the strategy will include new ways of working within the Council and with external parties, but will also draw together and build upon policies, programmes and strategies that are already in development or delivery.



Hillgrove Estate



2 Prince of Wales Drive



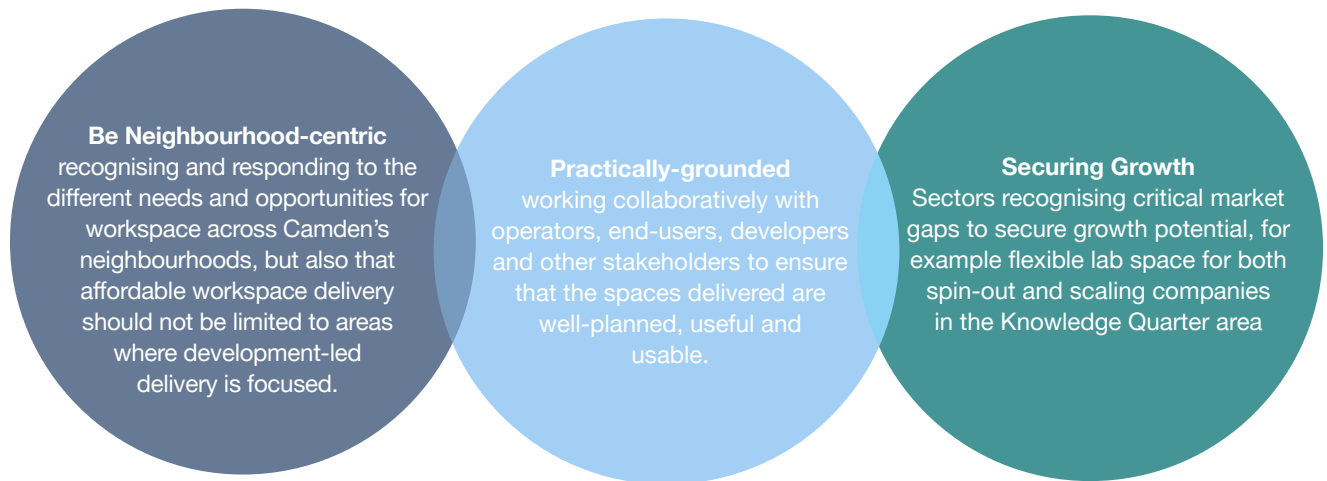
2 Maygrove Road



Belgrove House

- 5.4. We will encourage and enable a variety of affordable workspaces typologies to be brought forward in different settings and configurations that are tailored to better support neighbourhood-level enterprise opportunities across the borough, as well as enabling us to fulfil our ambitions for Camden's Key Growth Areas. Whilst the case for low threshold affordable spaces in Camden's key growth areas is clear and well established, the case to act in our neighbourhoods requires market-making interventions such as our Vacant Spaces on Estates programme rather than demand-led initiatives.

Our approach will..



- 5.5. Our opportunities to act and the twenty key actions we will take to deliver our AWS Mission are presented in detail below..

The Opportunity for A More Holistic, Evidence-Led Approach to Affordable Workspace

- 5.6. Camden already has an established evidence base which underpins our understanding of the need and demand for affordable workspace and commercial property at the borough-level. We also have a strong understanding of the case for public sector intervention, and the key priorities that our Affordable Workspace Strategy needs to deliver against.
- 5.7. We will champion a more holistic approach to evidence, which delivers both a clearer overview across and a deeper insight into the activities, opportunities, local needs and issues that are implicit to the success of our AWS Mission.

Our Proposed Actions for A More Holistic, Evidence-Led Approach to Affordable Workspace

5.8. **Action 1: Catalogue and Review Camden's Current Trailblazer affordable workspace Projects**

We recognise that Camden has a bias for action and that a range of Council-led activities and assets which align with our wider ambitions for Affordable Workspace are already being delivered or developed across the borough.

5.9. Close cross-departmental collaboration has informed the development of this strategy and will be an ongoing-feature of our approach. This initial cataloguing action will support the Council to understand and build upon the breadth of our activities, whilst also supporting us to understand issues, strengths and challenges and also to plan cross-cutting approaches to areas such as target setting and impact monitoring.

5.10. **Action 2: More Active Consideration of Our Neighbourhoods to Drive Locally Tailored affordable workspace Responses Within Policy Development, Monitoring, And Evaluation**

Neighbourhood-level aims and initiatives are at the forefront of many of Camden's priorities but these geographies are not defined in a consistent way across relevant council activities. Camden is a complex network of neighbourhoods, each with their own specific identities, needs, and opportunities. The borough's urban form means that our places are often contiguous, making neighbourhood definitions difficult.

5.11. However, supporting the right affordable workspace in the right places is contingent on robust and granular neighbourhood-level insight. We will develop a series of profiles of supply and demand for our main neighbourhoods. These neighbourhoods will relate to how council services and assets are managed as well as our main economic centres. This approach will also work to the 2022 ward boundary changes.

5.12. We will actively and regularly map our active and potential pipeline of affordable workspace to better plan and deliver a neighbourhood-centric approach. This will build upon and will extend beyond our initial cataloguing action and will include:

- Camden's existing affordable workspace provision including that delivered by third parties and the Council's own projects (as catalogued in Action 1); and
- Opportunity assets within Camden's wider asset portfolio and the portfolios of anchor institutions in the borough and partners who share Camden's commitment to delivering our AWS Mission.

5.13. This activity will enable the identification of any local affordable workspace cold spots and will help us to understand where key market failures may be, as well as assets that might present new opportunities to act. This will be cross-referenced with evidence on affordable workspace demand and opportunity. Our 'live' knowledge base will also present scope to catalogue and showcase opportunities to partners and operators.



Belgrove House, King's Cross, unlocking s106 opportunities



- 5.14. Developing Camden's evidence base needs to go beyond workspace supply and the pipeline of space. Granular evidence collection will engender a better understanding of the impact affordable workspace can have in supporting more prosperous communities. By understanding the 'need' and 'opportunity' at a neighbourhood level, we will collect the evidence that informs the case and opportunity to act.
- 5.15. To achieve this, we will develop and regularly update an evidence framework to understand the role, potential, and need for affordable workspace at a neighbourhood level. The Council is already actively investing in timely granular local data as a member of the GLA's High Street Data Service. This provides unprecedented insight into high street vitality across the borough's town centres and retail parades. We will harness this and the range of other publicly available datasets to build a comprehensive understanding of the different workspace across all neighbourhoods in Camden.

	Theme	Metrics	
Need	Creating opportunity through enterprise	Number of claimants per 1,000 residents	
		% of neighbourhoods in top 20% most deprived nationally	
		Number of children living in poverty where parents are working	
		% of jobs in low paying sectors	
	Availability and affordability	Average rents, £ per sqft (Rightmove/LIFT study)	
		Average turnover per sector	
		Supply of floorspace (VOA) – indexed change	
		Existing affordable workspace provision (Qualitative)	
	Place vitality	High street recovery: footfall (HSDS)	
		High street recovery: spend (HSDS)	
Opportunity	Trajectory	Business change (2015-2021)	
		Employment change (2015-2020)	
		Pipeline of space consented; Spaces already brought forward in Camden (market / not for profit / key strategic partner institutions (e.g. knowledge)	
		% of micro enterprises	
	Sectors	Specialisation (Location Quotient > 1.2) in higher value sectors/knowledge economy	
		Presence of Camden priority sectors? Key Local plan growth area?	
	Influence	Assets in LBC control that could support AWS / pathways to enterprise (corporate / commercial portfolios);	
		Developments being delivered directly by Camden that could support some form of AWS (e.g. CIP, Camden Living)	

- 5.16. An example evidence framework has been included below and this will be refined and developed through this process.



Rationale

Role of affordable workspace in addressing inequalities and creating a more inclusive economy

Understand how market is currently functioning

Affordability will vary in different parts of the borough and between sectors

Supply of space by use class and typology to measure change over time

Qualitative review of existing provision to identify gaps

Role workspace in supporting high street/place vitality post-COVID

Potential to accommodate local demand

Existing market presence; Private sector interest and existing momentum

Capacity for growth and role for LB Camden to support growth

Demand for different types of spaces + responding to existing business base

Strategic considerations for LB Camden

Ability of council to influence type and scale of provision

5.17. **Action 3: Develop A Clear And Consistent Approach To Measures Of Success Across All Of Camden's Diverse affordable workspace Projects**

Whilst a number of the trailblazer projects that are already being developed and delivered include the types of measures of success we want to move towards, there is a need to develop a more cogent and consistent approach across affordable workspace and enterprise space projects overall, both in terms of how we set targets and how we set obligations around impact measurement.

5.18. For example, '2 Prince of Wales Road' aims to provide jobs, apprenticeships, training opportunities and work experience placements for local people as well as business support, networking and opportunities for collaboration to workspace tenants and local residents.

5.19. Whilst no two projects are identical and there will be a level of variability around expected outcomes having a consistent approach to the process of setting targets, monitoring performance and evaluation will be of benefit to Camden.

5.20. **Action 4: Further Develop and Implement 'Outcomes-Based Leasing' (OBL) Models Which Instil And put a Value social and economic outcomes in workspace delivery**

Given that many of our opportunities to act are related to our landlord function, over time we will further develop and implement 'Outcomes-Based Leasing' (OBL) models which will be employed across a focused selection of assets within our full portfolio.

Proposed workspace design by AAB Architects
for Camden Council's 2 Prince of Wales Road Site



Outcomes Based Leases (OBL)

The core concept at the heart of OBL is off setting a potential market return against the delivery of an agreed suite of measurable and locally relevant social and economic outcomes. Essentially transforming a discount to market rent into an investment in these outcomes.

In pursuing an OBL approach Camden will need to identify the key principles for its use and the outcomes it can deliver. This will help make the case internally to colleagues that sit across different departments and ensure successful implementation.

- Any discount provided should be regarded as an investment which delivers an equitable or greater amount of social value. This is a key message to communicate to Members and key stakeholders.
- Market soundings and the procurement of an operator should clearly set the parameters for the different types of commercial, social and economic value that Camden is seeking to deliver. Further crystallising these parameters into the targets and measures set out in the OBL should be a collaborative process that is developed by the parties together.
- Outcomes sought should be measurable and tangible to ensure that the commercial, social and economic value proposed and delivered can be assessed.
- Camden should ensure it includes the normal protections it would seek in a lease (e.g., index-linked rent reviews) and should also be minded to protecting its ability to realise its longer-term plans for many of its assets (e.g., lease termination events such as would release the asset back to Camden).
- It is important to recognise that clarity around Camden's potential future use of an OBL should be communicated to potential operators as early and clearly as possible as part of the market- sounding and procurement phases.

Whilst councils offering leases on peppercorn or sub-market terms is not a new practice (e.g., to support charitable tenants of value to the community), traditional approaches have often been peripatetic, limited in scope to specific uses and un-measured in terms of the social and economic outcomes generated by the tenant organisation. Moving forwards, the development of our new measures of success for our AWS will also inform the social and economic outcomes that we will value and prioritise within new OBL arrangements

This approach is being pioneered by a number of local authorities across the country who wish to approach 'value' in a more holistic way and Camden is already exploring OBL principles on several projects.

Opportunities Within Camden's Planning Policy Framework and Our New Developments

- 5.21. We recognise that through our evolving planning policy framework and supporting practices, we are presented with a significant opportunity to work in different and better ways in partnership with developers to deliver the AWS, and through our own development management activities we can directly deliver our AWS Mission.
- 5.22. As a Central London borough with highly active residential and commercial development markets and in our statutory role as a Local Planning Authority, Camden is able to negotiate and secure commitments to funding or delivering affordable workspace from developers via the policy framework established with our Local Plan as introduced earlier in this strategy.
- 5.23. Like many other London boroughs, Camden will be refreshing its Local Plan to ensure that it serves as both a responsive, relevant, and practical framework to encourage and guide development in the borough in ways that best meet local needs and priorities.
- 5.24. Camden's expertise and track record of directly delivering investment and development sets it apart from many other London boroughs and this presents a further area of opportunity for delivering more and better affordable workspace and enterprise space.
- 5.25. Camden's Community Investment Programme (CIP) is the Council's ambitious 15-year plan. To invest over £1 billion in schools, homes and community facilities in Camden. Whilst many of the schemes within the CIP are predominantly residential in nature, others such as Camley Street (located in the Knowledge Quarter and neighbour to new developments in King's Cross) will see the Council to deliver ground-breaking mixed-use regeneration.
- 5.26. Our Camley Street development sits within the wider Canalside to Camley Street area planning framework, which proposes around 18,500m² of commercial space including light industrial and creative makers space, lab-enabled office alongside around 350 homes. Ahead of redevelopment, Camden Council is partnering with a meanwhile operator, Co-Laboratories, to support the growth of life-sciences in the area within vacant units.
- 5.27. Our spatial strategy for the knowledge quarter area – KQ2050 – has been developed with key stakeholders and anchor institutions in the area to ensure the areas continued growth as one of the best places in the world for collaboration, innovation and research, where delivering affordable workspace secures growth in key sectors by helping to retain spin-out companies allowing them to grow in Camden. This will then create more economic opportunities for local residents.
- 5.28. We want to work more effectively with developers, operators and communities to bring forward viable, successful and impactful affordable workspace through planning; and ensure the broader social value and economic impacts of our policy and the workspaces brought forward can become better planned, more embedded and consistently measured. To achieve this, we will explore the following actions both as part of refreshing the Local Plan and ensuring our planning policy and our own development management approach is consistent with our mission for affordable workspace.

Our Proposed Actions for Camden's Planning Policy Framework and Our New Developments

5.29. Action 5: Review the Employment Sites & Business Premises Supplementary Planning Guidance (SPG)

We will review the existing Employment Sites & Business Premises SPG to ensure it clearly sets out Camden's hierarchy of priorities for how affordable workspace should be delivered as part of eligible schemes. This hierarchy will build from a benchmark position that 20% of space is provided at 50% of market rate, articulate what we think the minimum space requirements are for viable workspace provision and set out minimum specifications for CAT-A fit out of space so it can be occupied quickly and the duration of the provided discount. Negotiations can start from this point, to tailor the right affordable workspace offer for each site and scheme.

5.30. Action 6: Review Of affordable workspace Policy as part of Our Local Plan Refresh

As part of our Local Plan refresh, we will review existing affordable workspace policy to broaden and ensure clarity and consistency over what schemes will be subject to an affordable workspace requirement.

5.31. Action 7: Knowledge Quarter affordable workspace Delivery Policy

We will introduce, through the KQ Site Allocations Policy, specific policy for affordable workspace delivery in the Knowledge Quarter area (the one-mile radius from Kings Cross) that will support high growth sectors and ensure local residents and businesses can benefit from, and contribute to, the growth of the knowledge quarter economy.

5.32. Action 8: Explore Off-Site affordable workspace Contributions

As part of our Local Plan refresh, we will explore the introduction of off-site contributions in-lieu of onsite provision of affordable workspace where there is mutual benefit and it can be constructively applied to supporting enterprise activity in other parts of Camden

5.33. Action 9: Develop easy to use and clear Templates & Toolkits for Developers

We will develop a set of templates and toolkits to guide developers in preparing proposals for meeting affordable workspace requirements on eligible developments, such as how the opportunity is marketed, managed and monitored

5.34. Action 10: Establish an Approved affordable workspace Provider List

We will put in place an approved provider list to build a market of interest in operating affordable workspace in Camden and to guide developers in meeting affordable workspace requirements on eligible developments.

5.35. Action 11: Establish An affordable workspace 'waiting list' for Prospective Tenants

We will explore putting in place a prospective tenant list to build a market of interest in users of affordable workspace in Camden and to guide developers in meeting affordable workspace requirements on eligible development.

5.36. **Action 12: Supporting affordable workspace Via Meanwhile Uses Within Camden's Own Developments**

Meanwhile use strategies will also be explored for their ability to deliver temporary affordable workspace and offer 'proof of concept' around the benefits of incorporating affordable workspace and enterprise space in development schemes. We recognise that development can be a long-term process, but which also presents near-term opportunities to accommodate uses and activities that matter to our communities and economy.



Camden Collective

Camden Collective is a registered charity offering free hot-desking space and subsidised offices for creative start-ups in the heart of Camden Town. They take on temporary leases of empty buildings and bring them back to life, filling them with an ever-growing community of creative young people. They give start-ups the chance to take risks, experiment and grow in a low-cost way.

Camden Collective initially relied on grants and raising revenue to keep up activities, but are now fully self-sufficient, with income from lockable offices cross-subsidising free hot-desking, running costs and any renovations required for existing and new spaces.

Opportunities For New and Better Uses of Existing Assets

5.37. Since the mid 1970's, Camden has maintained a firm commitment to retaining and amassing public assets within the borough for the benefit of local communities. This long-term strategy went against the prevailing trend for divestment pursued by many London boroughs in the latter part of the 20th century and means that the Council controls a significant portfolio of non-residential assets, which include:

- A **commercial portfolio**, comprising 800 units that has a turnover of around £17m per annum across a range of asset types. Although income from the commercial portfolio has been adversely affected by Covid, it continues to play an important role in funding front-line services and addressing the shortfalls brought about by over a decade of austerity in financing public services that has been directed by Central Government.
- A **corporate asset portfolio**, comprising 140 assets; including 8 core buildings including Camden's headquarters at 5 Pancras Square. This portfolio spreads a breadth of asset types including community centres; play, sports and leisure facilities; libraries, depots; car parks and outdoor spaces; civic spaces and more. In the wake of Covid, the Council is exploring longer-term strategies for flexible and hybrid working which will mean that capacity for other types of uses may be created within this portfolio. Being civic in nature, much of this portfolio is close to residential communities.

- A residential portfolio, consisting of **under-used undercrofts, garages and storage spaces** which can be transformed into community connection and social value use. An audit of these spaces is being conducted with a view to creating a publicly shareable prospectus.
- The Council recognises the importance of our street markets in providing low threshold and low risk enterprise space for local residents. At Queens Crescent, the council has worked with specialist market providers and students from Central St Martins college to test low cost, accessible and storable market furniture options as assets to support residents into early-stage entrepreneurship.



5.38. Camden is already developing and mobilising a range of trailblazer projects which seek to re-purpose assets we control to deliver greater enterprise and community amenity, as a dedicated use or as part of a mixture of uses. For example:

5.38.1. **Camden's Estate Mission**

Camden's Estate Mission aims to "Transform Camden's unloved and under-used spaces into community connection and social value use. Improving lives and climate, rather than inhibiting them." Taking a

portfolio-based approach to activating vacant space on estates (for example, under croft parking and garages), the programme is designed to be cost neutral at a minimum with the cross-funding of sites that would deliver maximum impact for residents coming from more commercial assets such as car parking in central locations.



5.38.2. **2 Prince of Wales Road**

The Council-owned 2 Prince of Wales Road in Kentish Town is set to be converted into a neighbourhood hub that includes shared workspace, meeting rooms and a kitchen. This project is part of the Neighbourhood Spaces initiative and should provide space for collaboration, participation and innovation with collective decision-making guiding how the space is run. It is expected that the space should be commercially sustainable but deliver a level of subsidised or free of charge space for community benefit.

- 5.39. The Council recognises that there is an important opportunity to scale up and mainstream this approach for a greater proportion of its portfolio, as part of a balanced approach that delivers a mix of commercial income and social value benefits for Camden's communities. Re-use of existing assets is also an important part of Camden's response to the climate crisis, given the significant savings in embodied carbon that are presented by choosing to re-use rather than demolish and re-build.
- 5.40. For each project of this type, a viable delivery model will need to be established which responds to the needs and characteristics of each community and local area and which also delivers measurable positive impacts that are aligned to our strategic priorities. For example, on the Hillgrove Estate, The Swiss Cottage Green Infrastructure Audit in 2021 identified a deficiency in spaces for the TRA and community to meet and interact, particularly between the two sides of the estate. A local community hub was thus recommended. The Hillgrove Estate currently has 566m² of vacant space which has historically been used as internal garages but more recently is being used as a centralised storage area for Camden's maintenance team. The Council is currently determining the refurbishment options for the space, assessing different types of uses and finalising its engagement approach.
- 5.41. Working effectively with the affordable workspace operator market to plan and deliver assets will be extremely important. The Council will also need to better understand and define its abilities to directly intervene in the management or upkeep of assets which are important for enterprise within the community, but which are not attractive to a third-party operator; this type of intervention may be important to ensure that there isn't an undue transfer of risk to the intended beneficiaries of the asset.
- 5.42. The Council will positively explore opportunities to work with landlords to re-purpose third party assets, where these are well-located and well suited for affordable workspace and enterprise amenity, which will positively contribute to the needs of the local community or the vibrancy and success of a neighbourhood.
- 5.43. For example, Camden and TfL are bringing new uses to 2C Maygrove Road in Kilburn Town Centre in partnership with the Mayor of London's High Street's for All Challenge. This space is offered initially as a meanwhile use that will provide opportunities for local people to test enterprise and community ideas in a low-cost environment, with Camden Black Collective operating the space.



2C Maygrove Road

Camden Council and Transport for London (TfL), in partnership with the Mayor of London's High Streets for All Challenge, have activated vacant premises in Maygrove Road, Kilburn. The objective is to bring new uses into Kilburn and create positive opportunities within the neighbourhood.

Camden Black Creatives, a network of creatives and cultural producers of African heritage, were successful in an open call to find a meanwhile occupier for the space at 2C Maygrove Road. They will use the space to show work, provide space for practicing artists and develop programmes to support local residents into the creative industries including support for young Black residents in and around Kilburn.

- 5.44. Projects such as 2C Maygrove Road are often dependent on third party funding and partnership. In addition to helping with rent and holding costs such as business rates and utilities, there are also often prohibitive upfront costs to set up a project including the fit-out and then ongoing repairs and maintenance. A partnered approach and external funding can help offset these pressures and ensure that opportunities remain accessible and inclusive.
- 5.45. Camden will also explore opportunities presented through the compulsory 'high street rental auctions' of certain vacant commercial properties which have been proposed in the Levelling Up White Paper. This could involve us bidding for strategically important sites to further our portfolio aims.

Our Proposed Actions for New and Better Uses for Existing Assets

- 5.46. **Action 13: promote and co-ordinate our Street Markets and street trading as part of our Affordable Workspace offer**

The Council manages eight public street markets and the number of private markets in Camden, including the internationally known Camden Market sites, easily doubles that figure. Markets can provide low threshold and low risk enterprise space for local residents, not just in providing 'everyday economy' items such as groceries and haberdashery. We will better co-ordinate market opportunities in Camden as part of an affordable workspace offer.

- 5.47. **Action 14: Explore Opportunities to Bring Vacant High Street Properties Back into Affordable Workspace Uses Via Rental Auctions**

Use the adopted affordable workspace operator list as a way to market high street properties that could become subject to rental auctions under the Levelling Up and Regeneration Bill. Develop an additional list of potential occupiers seeking affordable space, such as retail, start-ups, social enterprises and community organisations.



Work.Life, Camden Town

5.48. **Action 15: Explore Meanwhile Use and Affordable Workspace Strategies to Bring Long-Term Vacant Council Properties into New Use**

Where council assets have been vacant for more than 1 year, they should be made available for marketing as a meanwhile opportunity or subject to a rental auction as affordable workspace, with the council adopted affordable workspace operator list one route to market space.

5.49. **Action 16: Better promote the council's existing commercial portfolio as an example of how we are already managing affordable and accessible workspace**

Camden's commercial portfolio contains a range of small office space, light industrial units and workshops, which are let at fair market rates. (examples such as Wren Street, Burmarsh Studios, Deane House Studios). Over the long-term, we the council could explore the potential merits of establishing a Socially Oriented Property Management Company (Soc. PMC) for Camden, which could better communicate how our portfolio-management approach delivers affordable workspace that meets local priorities and local needs where income is reinvested into properties.

Opportunities To Unlock the Benefits of Coordination And Collaboration Through The Delivery Of Our AWS

5.50. We will build on our strong foundations of partnership and dialogue, and of working proactively and collaboratively both within the Council and with external parties. We will do this by working with local partners and residents; developers, operators, and entrepreneurs from beyond Camden to deliver our mission.

5.51. Greater collaboration is required and will be supported across Camden's initiatives and between officers to learn from each project in order to develop a cogent strategic approach across the Council that can be scaled-up and tailored to a larger portfolio of assets beyond the initial trailblazers.

Our Proposed Actions to Unlock the Benefits Of Coordination And Collaboration Through The Delivery Of Our AWS

5.52. **Action 17: Establish an Ongoing affordable workspace Stewardship Group Within the Council, At The Heart Of Our Cross-Departmental Approach**

We will build upon and formalise our AWS coordination arrangements across departments and at both strategic and operational levels in order to oversee the mobilisation of the AWS and its Action Plan. A cross-departmental AWS Stewardship Group will sit at the heart of this approach.

5.53. **Action 18: identify an Affordable Workspace Co-ordinator Within the Council**

We will identify or appoint an affordable workspace co-ordinator - to liaise on s106 negotiations, liaise and support delivery of council affordable workspace projects and support Corporate Property Services in agreeing affordable leases and Outcome Based Leases.

5.54. **Action 19: Engage anchor institutions and private landlords in planning and delivering against our affordable workspace Mission**

We will work more closely with key institutions in Camden to encourage and enable

them to participate confidently in planning and delivering our AWS. Whilst we will consider the breadth of opportunities across the borough with our partners, we will also seek to deepen our partnerships and build new relationships to realise the potential of our role in internationally significant research. This will involve closer collaboration and cocreation with anchors (universities, research institutes), with the aim of focusing more clearly and singularly on specific specialisms and of exploring the opportunity for Council maintained sites to be used by these anchors in a collaborative fashion. Ideally, we would seek to create spaces for very early-stage start-ups from the academic but also student community.

5.55. **Action 20: Engaging and Empower Camden's Communities Within the Development and Delivery of Our affordable workspace Strategy**

We will build upon the foundations being set by We Make Camden in order to foster a clear dialogue with communities and key partners around our AWS ambitions and to integrate these stakeholders in both planning and delivering affordable workspace.

6. MEASURING SUCCESS

- 6.1. Targets for new floorspace that is affordable, across different typologies, will be considered as we refresh the local plan and will account for projected new office stock an assessment of how many schemes will trigger affordable workspace delivery in planning and what actual need is across stock types. In the last decade, major schemes at Camden have secured 11,649m² of affordable space. Additionally, a target can be ascribed to delivery through council assets and vacant spaces, likely as a measure of total developed and occupied space against total space available. Acknowledging that not all will yield viable projects.
- 6.2. Our headline indicators over the next 3 years will include the following indicators, that will be tracked;
- New affordable workspace secured through planning and development (m²)
 - Average discount secured in new affordable workspace
 - Vacant spaces occupied
 - New businesses started
 - Start-up businesses retained in Camden

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PRD

Daniel Partridge
Will Temple
Anaihita Singh

REDO

Harry Owen-Jones
Andrew Cribb



Affordable Workspace Strategy

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